

**ST. MARY'S COUNTY
METROPOLITAN COMMISSION
CAPITAL IMPROVEMENT BUDGET & PLAN**



FY 2022-FY 2027

FY 2022 – FY 2027 CIB BUDGET MESSAGE

MetCom continues to identify economies within the Capital Improvement Budget (CIB) in an effort to further reduce MetCom's outstanding / proposed future debt, maintain reasonable charges to its customers and reflect the current priorities in water and sewer infrastructure needs. We will continue to construct, operate and maintain public water supply and public wastewater conveyance and treatment systems in a manner that is sustainable, reliable, economical and safe for the Commission's employees, the environment, and the citizens of St. Mary's County.

During the FY 2022 budget process, several changes were made to the capital Improvement Budget (CIB) with respect to project timing. More realistic scheduling, updated estimates, progress on the backlog of existing projects, and the leveling off and further lowering of MetCom's outstanding debt and proposed future debt has resulted in a sustainable and workable plan. The CIB incorporates updated funding estimates for the St. Clements Shores Waste Water Treatment Plant Expansion Phase B project, which includes a significant Bay Restoration Grant. A new project was added in both Sewer and Water in anticipation of the MD 5 State Highway Bridge Project from MD 246 to MD 471. Shangri-La Drive & South Essex Drive Water Main Replacement will receive the final influx of construction funding for completion of that project. The CIB will continue to fund various water and sewer rehabilitation projects in FY 2022 and through planned FY 2027. The CIB will continue to maintain the new customer connection incentive program with an optional 50% deferral of sewer capital contribution charges. Reasonable Equivalent Dwelling Unit (EDU) projections have been maintained which reflect customer growth rates, with no proposed change to the Capital Contribution and Water System Improvement Charges. Sewer System Improvement Charges incorporate a revised and more sustainable subsidy by the Commission to allow for a much reduced rate of increase to our customers.

The proposed FY 2022 CIB funding request is less than the prior FY 2021 projection by \$6,599,254 for Water Projects and reflects an increase of \$5,877,470 for Sewer Projects as approved by both the Commissioners of St. Mary's County and the Metropolitan Commission Board in accordance with Section 113-30 of the *Code of St. Mary's County*. The maintenance of existing infrastructure remains the primary focus of the Commission thru FY 2027, with **93%** of the funding dedicated to rehabilitation / replacement projects and **7%** to expansions /upgrades.

The Metropolitan Commission adopted a Debt Policy with several Key Performance Measures (*Service Affordability, Sufficient Operational Reserves, Debt Service Coverage Ratio, and Outstanding Debt vs Operating / Debt Service Revenues*). The Commission achieved all of our measures which demonstrates that MetCom is in strong overall financial condition, as evidenced by comparative, national medians and industry best practices. In addition, MetCom is able to carry out the planned five (5) year Capital Improvement Budget/Plan within the legislated (HB 1055 / SB 737) combined County and MetCom's debt limit of 2.15% of assessed value.

We are striving to become stronger leaders in the protection of the environment and to ensure that safety is built into our daily operations, and executed in the development of new programs. We will strive to become a more responsive, efficient organization by exploring, identifying and implementing best practices and processes and be "open" to next century technologies as they are developed.

In accordance with Chapter 113-27D and 30A of the Public Laws of St. Mary's County, Maryland being part of Article 19 of the Code of Public Laws of the State of Maryland, a Public Hearing was held on April 5, 2021 to discuss the recommended FY 22 Capital Improvement Budget, the FY 2023-2027 Plan and proposed charges. The hearing was advertised in The Enterprise on March 19, March 26, and April 2, 2021.


Patricia M. Stiegman, Chief Financial Officer

Approved by the St. Mary's County Metropolitan Commission


Joseph I. Russell, Chairperson

5-25-2021
Date Approved

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2022 - 2027 Water

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY2022 - 2027 TOTAL
Water Lines										
Shangri-La Drive & S. Essex Drive Water Main Replacement	2	8171WR 8202WL	\$1,344,442	\$1,188,509						\$1,188,509
W-MD 5 From MD 246 to MD 471 (SHA Bridge Project)	1	8203WL		\$500,000 ^A						\$500,000
Various Water and Service Line Rehabilitation	1	WO2202	\$162,560		\$67,860		\$71,321		\$74,932	\$214,113
MD 235 Water Main-Southampton to Hermanville Rd	1	8210WL	\$92,973		\$1,220,998					\$1,220,998
Southampton Water System Rehabilitation	2	8201WL	\$280,617	\$0 ^B	\$1,877,421 ^B	\$0 ^B	\$1,679,001 ^B			\$3,556,422
Hollywood Water Systems Connector & Phase 2 Replacement	2	8141WM		\$156,624		\$1,947,325				\$2,103,949
MD247 Loveville Road Water Main Replacement	1				\$113,141	\$1,043,724				\$1,156,865
Breton Bay Water System Replacement	2	2201WL	\$410,858	\$0 ^B	\$4,703,417 ^B	\$0 ^B	\$208,431 ^B	\$0 ^B	\$2,737,289 ^B	\$7,649,137
Town Creek Water System Phase 1 - 4	4	8081WR 8161WL	\$6,187,242		\$0 ^B	\$475,561 ^B	\$0 ^B	\$3,155,572 ^B		\$3,631,133
FY2022 CIB (FY22-FY27) Water Lines Subtotal =			\$8,478,692	\$1,845,132	\$7,982,837	\$3,466,610	\$1,958,753	\$3,155,572	\$2,812,221	\$21,221,125
Approved FY2021 CIB (FY21 - FY26)				\$7,762,636	\$1,865,794	\$4,832,440	\$5,756,133	\$0		\$20,217,003
Change to Program from FY2021 CIB				-\$5,917,504	\$6,117,043	-\$1,365,830	-\$3,797,380	\$3,155,572		-\$1,808,099

Status:

- 1 Planning Phase
- 2 Design Phase
- 3 Contract Phase
- 4 Construction Phase
- 5 Close-out Phase

- A - New Project.
- B - Moved out from previous FY

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2022 - 2027 Water

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY2022 - 2027 TOTAL
Wells										
Charlotte Hall Well #1	1			\$0 ^B	\$851,006 ^B					\$851,006
Grand View Haven Well	1	2221WL		\$553,500 ^C	\$0 ^C					\$553,500
Well Rehabilitation, Replacement, Installation and Inspections	1	WO2201	\$172,060	\$55,000 ^D	\$283,669	\$59,229 ^D	\$298,029	\$62,227 ^D	\$313,117	\$1,071,271
FY2022 CIB (FY22-FY27) Well Subtotal =			\$172,060	\$608,500	\$1,134,675	\$59,229	\$298,029	\$62,227	\$313,117	\$2,475,777

Approved FY2021 CIB (FY21 - FY26)	\$830,250	\$851,007	\$0	\$298,029	\$0		\$1,979,286
Change to Program from FY2021 CIB	-\$221,750	\$283,668	\$59,229	\$0	\$62,227	\$183,374	

Water Storage Tanks (WST)										
St. Clements Shores Water Storage Tank	1	2191WT	\$249,075					\$2,526,968		\$2,526,968
Water Tank Inspections, Painting and Replacement/Upgrades	4	WO2217	\$189,112	\$689,315	\$101,766	\$724,212	\$106,918	\$760,875	\$112,331	\$2,495,417
FY2022 CIB (FY22-FY27) Water Storage Tanks (WST) Subtotal =			\$438,187	\$689,315	\$101,766	\$724,212	\$106,918	\$3,287,843	\$112,331	\$5,022,385

Approved FY2021 CIB (FY21 - FY26)	\$689,315	\$101,766	\$724,212	\$106,918	\$3,287,843	\$4,910,054
Change to Program from FY2021 CIB	\$0	\$0	\$0	\$0	\$0	\$0

- Status:**
- 1 Planning Phase
 - 2 Design Phase
 - 3 Contract Phase
 - 4 Construction Phase
 - 5 Close-out Phase
- Property Acquisition (to be initiated after Planning)*
- A - New Project.
 - B - Moved out from previous FY
 - C - Moved in from later FY
 - D - Added \$55K Soft Start Controls

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2022 - 2027 Water

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY2022 - 2027 TOTAL
Miscellaneous										
FY2022 CIB (FY22-FY27) Miscellaneous Subtotal =			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Approved FY2021 CIB (FY21 - FY26)				\$0	\$0	\$0	\$0	\$0	\$0	\$0
Change to Program from FY2021 CIB				\$0	\$0	\$0	\$0	\$0	\$0	\$0

Totals										
Water Lines			\$8,478,692	\$1,845,132	\$7,982,837	\$3,466,610	\$1,958,753	\$3,155,572	\$2,812,221	\$21,221,125
Wells			\$172,060	\$608,500	\$1,134,675	\$59,229	\$298,029	\$62,227	\$313,117	\$2,475,777
Water Storage Tanks (WST)			\$438,187	\$689,315	\$101,766	\$724,212	\$106,918	\$3,287,843	\$112,331	\$5,022,385
Miscellaneous			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Subtotal			\$9,088,939	\$3,142,947	\$9,219,278	\$4,250,051	\$2,363,700	\$6,505,642	\$3,237,669	\$28,719,287
Capital Reserves		7.5%	\$682,000	\$236,000	\$691,000	\$319,000	\$177,000	\$488,000	\$243,000	\$2,154,000
FY2022 CIB (FY22-FY27) Total =			\$9,770,939	\$3,378,947	\$9,910,278	\$4,569,051	\$2,540,700	\$6,993,642	\$3,480,669	\$30,873,287

Approved FY2021 CIB (FY21 - FY26)				\$9,978,201	\$3,029,567	\$5,973,652	\$6,623,080	\$3,534,843		\$29,139,343
Change to Program from FY2021 CIB				-\$6,599,254	\$6,880,711	-\$1,404,601	-\$4,082,380	\$3,458,799		-\$1,746,725

- Status:**
 1 Planning Phase
 2 Design Phase
 3 Contract Phase
 4 Construction Phase
 5 Close-out Phase
Property Acquisition (to be initiated after Planning)

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2022 - 2027 Sewer

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY2022 - 2027 TOTAL
Rehabilitation / Replacement										
Various Rehabilitation at MTWRF	1	SM2212	\$918,000	\$345,937	\$120,822			\$29,699		\$496,458
Piney Point Road Sewer Line Analysis and Force Main Replacement	2	5171MS	\$505,664		\$0 ^B	\$1,159,693 ^B	\$4,446,041 ^C			\$5,605,734
S-MD 5 From MD 246 to MD 471 (SHA Bridge Project)	1	8203SR		\$500,000 ^A						\$500,000
Southampton Sewer System Rehabilitation	2	8201SR	\$77,699	\$0 ^B	\$909,192 ^B	\$0 ^B	\$2,017,112 ^B			\$2,926,304
Inflow & Infiltration Sewer Replacement, Rehabilitation and Upgrade	4	SM2206	\$236,940	\$242,880	\$248,820	\$255,200	\$261,580	\$267,960	\$274,750	\$1,551,190
Manhole Rehabilitation	4	SM2205	\$102,315	\$104,880	\$107,445	\$110,200	\$112,955	\$115,748	\$118,642	\$669,870
Various Wastewater System Rehabilitation	4	SM2210	\$87,125	\$89,335	\$191,545 ^D	\$93,840	\$196,135 ^D	\$98,574	\$219,907 ^D	\$889,336
Glenn Forest to NAS Interceptor	1							\$0 ^B	\$829,282 ^{B/E}	\$829,282
FY2022 CIB (FY22-FY27) Replacement Subtotal =			\$1,927,743	\$1,283,032	\$1,577,824	\$1,618,933	\$7,033,823	\$511,981	\$1,442,581	\$13,468,173
Approved FY21 CIB (FY21 - FY26)				\$1,670,198	\$1,700,040	\$2,427,675	\$470,670	\$1,436,907		\$7,705,490
Change to Program from FY2021 CIB				-\$387,166	-\$122,217	-\$808,742	\$6,563,153	-\$924,926		\$4,320,103

Status:

- 1 Planning Phase
- 2 Design Phase
- 3 Contract Phase
- 4 Construction Phase
- 5 Close-out Phase

Property Acquisition (to be initiated after Planning)

- A - New Project.
- B - Moved out from previous FY
- C - Replacement cost based on force main analysis.
- D - Added \$100K for electrical/pump upgrades.
- E - Reduced design estimate.

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2022 - 2027 Sewer

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY2022 - 2027 TOTAL
Pump Stations										
Bradley Boulevard WWPS	2	8211SS	\$38,439	\$0 ^B			\$339,397 ^B			\$339,397
Esperanza Shopping Center WWPS	2	8212SS	\$39,449	\$323,503						\$323,503
Forest Run WWPS	2	8131SS		\$326,291 ^A	\$1,631,455 ^A	\$1,672,241 ^A				\$3,629,987
Charlotte Hall WWPS Replacement	2	0221SS		\$141,834						\$141,834
Greenbrier WWPS	1			\$0 ^B	\$0 ^B		\$45,521 ^B	\$373,270 ^B		\$418,791
Wicomico Shores #2 WWPS Replacement	1				\$30,750 ^A	\$360,000 ^A				\$390,750
Wicomico Shores #1 WWPS Replacement	1	1221SS		\$46,498	\$0 ^B	\$390,812 ^B				\$437,310
Hunting Quarters WWPS	1				\$0 ^B	\$41,758 ^B	\$342,414 ^B			\$384,172
Broad Creek WWPS	1								\$113,141 ^A	\$113,141
FY2022 CIB (FY22-FY27) Pump Stations Subtotal =			\$77,888	\$838,126	\$1,662,205	\$2,464,811	\$727,332	\$373,270	\$113,141	\$6,178,885
Approved FY2021 CIB (FY21 - FY26)				\$869,338	\$768,360	\$334,151	\$0	\$0		\$1,971,849
Change to Program from FY2021 CIB				-\$31,212	\$893,845	\$2,130,659	\$727,332	\$373,270		\$4,093,895

Status:

- 1 Planning Phase
- 2 Design Phase
- 3 Contract Phase
- 4 Construction Phase
- 5 Close-out Phase

Property Acquisition (to be initiated after Planning)

A - New Projects.

B - Moved out from previous FY

St. Mary's County Metropolitan Commission
 Capital Improvements Budget
 FY 2022 - 2027 Sewer

With Escalation i=2.5%

Project Name	Status	Project ID	Prior Approved	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027	FY2022 - 2027 TOTAL
System Upgrades / Expansion										
St. Clements Shores WWTP Expansion Phase B	2	2151SF	\$3,902,743	\$6,042,257 ^C						\$6,042,257
Methane Co-Generator Upgrade at Marlay-Taylor WWTP	2	8171SF	\$446,379	\$0 ^B	\$91,644 ^B			\$0 ^B	\$101,158 ^B	\$192,802
Sewer Vacuum Truck	1					\$581,521				\$581,521
Grinder Pump Replacements	4	SM2209	\$850,000		\$850,000		\$850,000		\$850,000	\$2,550,000
Marlay-Taylor Expansion	1								\$565,704 ^A	\$565,704
FY2022 CIB (FY22-FY27) Systems Upgrades/Expansion Subtotal =			\$5,199,122	\$6,042,257	\$941,644	\$581,521	\$850,000	\$0	\$1,516,862	\$9,366,580

Approved FY2021 CIB (FY21 - FY26)				\$89,409	\$850,000	\$581,521	\$850,000	\$98,691		\$7,011,702
Change to Program from FY2021 CIB				\$5,952,848	\$91,644	\$0	\$0	-\$98,691		\$5,945,801

Totals										
Rehabilitation / Replacement			\$1,927,743	\$1,283,032	\$1,577,824	\$1,618,933	\$7,033,823	\$511,981	\$1,442,581	\$13,468,173
Pump Stations			\$77,888	\$838,126	\$1,662,205	\$2,464,811	\$727,332	\$373,270	\$113,141	\$6,178,885
System Upgrades / Expansion			\$5,199,122	\$6,042,257	\$941,644	\$581,521	\$850,000	\$0	\$1,516,862	\$9,932,284
Subtotal			\$7,204,753	\$8,163,415	\$4,181,673	\$4,665,265	\$8,611,155	\$885,251	\$3,072,584	\$29,579,342
Capital Reserves		6.20%	\$447,000	\$506,000	\$259,000	\$289,000	\$534,000	\$55,000	\$191,000	\$1,834,000
FY2022 CIB (FY22-FY27) Total =			\$7,651,753	\$8,669,415	\$4,440,673	\$4,954,265	\$9,145,155	\$940,251	\$3,263,584	\$31,413,342

Approved FY2021 CIB (FY21 - FY26)				\$2,791,944	\$3,524,400	\$3,550,347	\$1,402,670	\$1,630,598		\$12,899,960
Change to Program from FY2021 CIB				\$5,877,470	\$916,272	\$1,403,917	\$7,742,485	-\$690,347		\$15,249,798

Status:

- 1 Planning Phase
- 2 Design Phase
- 3 Contract Phase
- 4 Construction Phase
- 5 Close-out Phase

A - New Project.

B - Moved out from previous FY

C - Balance of cost to go to ENR. Assumes a minimum \$3.5 million in grant funding.

St. Mary's County Metropolitan Commission
Capital Improvement Budget/Plan Approved 5-25-2021
Capital Improvement Rates Per EDU - Actual & Projected
FY 2022-2027 Water & Sewer

	FY 2021	FY 2022	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
	Actual	Approved	Projected	Projected	Projected	Projected	Projected
System Improvement Charges - per EDU/month							
Draft CIB FY 22-27	Calculated	\$11.13	\$13.20	\$13.93	\$14.24	\$15.39	\$15.26
Water - Residential	Recommended	\$12.48	\$13.20	\$13.93	\$14.24	\$15.39	\$15.39
Water - Commercial	Recommended	\$14.98	\$15.84	\$16.72	\$17.09	\$18.47	\$18.47
<i>CIB FY 21-26 - Prior Approved</i>							
Water - Residential	\$12.48	\$13.44	\$14.29	\$15.28	\$16.31	\$16.86	
Water - Commercial	\$14.98	\$16.13	\$17.15	\$18.34	\$19.57	\$20.23	
System Improvement Charges - per EDU/month							
Draft CIB FY 22-27	Calculated	\$15.50	\$16.11	\$16.84	\$18.10	\$17.17	\$17.06
Sewer - Residential	Recommended	\$15.39	\$15.70	\$16.01	\$16.33	\$16.66	\$16.99
Sewer - Commercial	Recommended	\$18.47	\$18.84	\$19.21	\$19.60	\$19.99	\$20.39
<i>CIB FY 21-26 - Prior Approved</i>							
Sewer - Residential	\$15.09	\$15.09	\$15.09	\$15.09	\$15.09	\$15.09	
Sewer - Commercial	\$18.11	\$18.11	\$18.11	\$18.11	\$18.11	\$18.11	
Capital Contribution Charge - per EDU							
Draft CIB FY 22-27	Calculated	\$7,679.52	\$7,510.06	\$7,341.81	\$7,198.64	\$7,035.70	\$6,898.09
Water - Residential	Recommended	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87
Water - Commercial	Recommended	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04
<i>CIB FY 21-26 - Prior Approved</i>							
Water - Residential	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87	\$10,955.87	
Water - Commercial	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04	\$13,147.04	
Capital Contribution Charge - per EDU							
Draft CIB FY 22-27	Calculated	\$5,941.91	\$5,824.29	\$5,706.71	\$5,558.34	\$5,070.68	\$4,977.90
Sewer - Residential	Recommended	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21
Sewer - Commercial	Recommended	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44
<i>CIB FY 21-26 - Prior Approved</i>							
Sewer - Residential	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21	\$6,941.21	
Sewer - Commercial	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44	\$8,329.44	

Assumptions:

New debt based on 30 year term (actual debt may be shorter term depending on the projected life of the asset.)

System Improvement Charges are designed to cover debt service for loans for the upgrade and replacement of existing systems and direct pay of smaller projects. Paid by all customers with an EDU allocation on the system.

Capital Contribution Charges are designed to cover the debt service for loans to build new water supply and storage and sewer collection and treatment systems and to expand capacity to provide service to new customers. All Revenues associated with new EDU's are calculated at the Residential rate. Commercial rates are established at 1.2 x the Residential rate.

St. Mary's County Metropolitan Commission
Capital Improvement Budget/Plan Approved 5-25-2021
WATER - System Improvement Costs Recovered Through Uniform EDU-Based
Assessment on all Customers

	FY21	FY22	FY23	FY24	FY25	FY26	FY27
WATER							
Amortized Cost of:							
Existing System Improvements (C1)	\$ 2,914,357	\$ 2,943,238	\$ 2,942,421	\$ 2,940,840	\$ 2,943,675	\$ 2,942,779	\$ 2,919,380
New System Improvements (C2)	421,530	570,565	1,075,380	1,316,721	1,425,415	1,796,478	1,796,478
System Improvement Costs	\$ 3,335,887	\$ 3,513,803	\$ 4,017,801	\$ 4,257,561	\$ 4,369,090	\$ 4,739,257	\$ 4,715,858
Water Debt Service Reserves Applied		\$ (137,803)					
Net System Improvement Costs	\$ 3,335,887	\$ 3,376,000	\$ 4,017,801	\$ 4,257,561	\$ 4,369,090	\$ 4,739,257	\$ 4,715,858
Projected EDUs (incl. unserved)	25,175	25,271	25,367	25,463	25,560	25,657	25,754
Calculated Residential Assessment (\$/mo/EDU)	\$ 11.04	\$ 11.13	\$ 13.20	\$ 13.93	\$ 14.24	\$ 15.39	\$ 15.26
Residential Actual/Proposed Rate	\$ 12.48	\$ 12.48	\$ 13.20	\$ 13.93	\$ 14.24	\$ 15.39	\$ 15.39
Commercial Actual/Proposed Rate	\$ 14.98	\$ 14.98	\$ 15.84	\$ 16.72	\$ 17.09	\$ 18.47	\$ 18.47
Residential Increase	\$ 0.77	\$ -	\$ 0.72	\$ 0.73	\$ 0.31	\$ 1.15	\$ -
Increase %	7%	0%	6%	6%	2%	8%	0%
Commercial Increase	\$ 0.93	\$ -	\$ 0.86	\$ 0.88	\$ 0.37	\$ 1.38	\$ -
Water Capital Project Upgrade Reserves							
Beginning Balance	4,290,184	2,359,217	2,213,607	1,760,312	1,701,083	1,224,815	1,162,588
Committed FY20 & Prior							
Estimated Gain/Loss	435,024	409,390	-	-	-	-	40,176
Proposed Projects *	(2,365,991)	(555,000)	(453,295)	(59,229)	(476,268)	(62,227)	(425,448)
Projected Ending Balance	<u>2,359,217</u>	<u>2,213,607</u>	<u>1,760,312</u>	<u>1,701,083</u>	<u>1,224,815</u>	<u>1,162,588</u>	<u>777,316</u>
Recommended Reserve - MetCom Policy	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
CIB 21-26	1,915,065	1,915,065	1,461,770	1,461,770	1,056,823	1,056,823	
CIB 20-25	1,964,378	1,275,813	1,123,128	1,007,128	917,953		
CIB 19-24	1,114,069	1,114,069	1,029,244	1,029,244			

St. Mary's County Metropolitan Commission
Capital Improvement Budget/Plan Approved 5-25-2021
SEWER - System Improvement Costs Recovered Through Uniform EDU-Based
Assessment on all Customers

	FY21	FY22	FY23	FY24	FY25	FY26	FY27	
SEWER								
Amortized Cost of:								
Existing System Improvements (C1)	\$ 4,789,243	\$ 4,782,582	\$ 4,770,891	\$ 4,768,865	\$ 4,711,357	\$ 4,460,659	\$ 4,463,366	
New System Improvements (C2)	339,462	420,643	647,648	901,454	1,377,608	1,379,298	1,379,298	
Direct Pay								
System Improvement Costs	\$ 5,128,705	\$ 5,203,225	\$ 5,418,539	\$ 5,670,319	\$ 6,088,965	\$ 5,839,957	\$ 5,842,663	
Other Metcom Funds								
Sewer Debt Services Reserves - Projected	\$ 2,899,294	\$ 2,718,790	\$ 2,610,384	\$ 2,314,436	\$ 1,796,008	\$ 886,988	\$ 251,423	
Interest income	14,496	13,594	13,052	11,572	8,980	4,435	1,257	
Applied to System Improvement Cost	195,000	122,000	309,000	530,000	918,000	640,000	608,000	
Impact to Unrestricted Reserves to stabilize Rate at \$15.09 / mo / EDU	195,000	122,000	309,000	530,000	918,000	640,000	608,000	
Navy Payment thru 5/30/28	80,049	80,049	80,049	80,049	80,049	80,049	80,049	
Navy Payment - ENR loan thru 6/1/34	497,615	497,615	497,615	497,615	497,615	497,615	497,615	
Net System Improvement Cost	\$ 4,356,041	\$ 4,503,561	\$ 4,531,875	\$ 4,562,655	\$ 4,593,301	\$ 4,622,293	\$ 4,656,999	
Projected EDUs (incl. unserved)	24,696	24,864	25,033	25,203	25,374	25,547	25,721	
Calculated Residential Assessment (\$/mo/EDU)	\$ 15.74	\$ 15.50	\$ 16.11	\$ 16.84	\$ 18.10	\$ 17.17	\$ 17.06	
Option #1 increase @ 2% per year		Board concurs to revisit	\$ 15.39	\$ 15.70	\$ 16.01	\$ 16.33	\$ 16.66	\$ 16.99
2% per year will require subsidy of:			\$ 35,000	\$ 125,000	\$ 250,000	\$ 540,000	\$ 159,000	\$ 22,000
Residential Actual/Proposed Rate	\$ 15.09	\$ 15.39	\$ 15.70	\$ 16.01	\$ 16.33	\$ 16.66	\$ 16.99	
Commercial Actual/Proposed Rate	\$ 18.11	\$ 18.47	\$ 18.84	\$ 19.21	\$ 19.60	\$ 19.99	\$ 20.39	
Residential Increase	\$ -	\$ 0.30	\$ 0.31	\$ 0.31	\$ 0.32	\$ 0.33	\$ 0.33	
Increase %	0%	1.99%	2.01%	1.97%	2.00%	2.02%	1.98%	
Commercial Increase	\$ -	\$ 0.36	\$ 0.37	\$ 0.37	\$ 0.39	\$ 0.39	\$ 0.40	
Sewer Capital Project Upgrade Reserves								
Beginning Balance	5,276,080	2,642,809	1,194,137	1,185,834	1,260,035	1,395,944	1,021,697	
Committed FY21 & Prior								
Estimated Gain/Loss	-	89,510	183,242	278,241	377,565	481,305	586,439	
Proposed Projects *	(2,633,271)	(1,538,182)	(191,545)	(204,040)	(241,656)	(855,552)	(338,549)	
Projected Ending Balance	2,642,809	1,194,137	1,185,834	1,260,035	1,395,944	1,021,697	1,269,587	
Recommended Reserve - MetCom Policy	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	2,500,000	
CIB 21-26	3,363,911	3,169,696	3,078,151	2,874,111	2,777,976	2,510,016		
CIB 20-25	2,661,315	2,556,435	2,556,435	2,446,235	2,446,235			
CIB 19-24	2,486,410	2,486,410	2,486,410	2,486,410				

Note: FY22 Calculated Sewer System Improvement Charges would be \$15.50 if not subsidized with Sewer Debt Service Reserves.
Note: System Improvement Reserves are being used for a portion of St. Clements Shores WWTP Expansion project

**St. Mary's County Metropolitan Commission
Capital Improvement Budget/Plan Approved 5-25-2021**

**WATER - Capital Contribution to Recover Cost of Capacity Expansion and Service Area Expansion
Paid By New Customers**

	FY21	FY22	FY23	FY24	FY25	FY26	FY27
WATER							
Debt Service for:							
Service Area Expansion (A1) Debt Outstanding	\$ 125,111	\$ 127,860	\$ 127,745	\$ 127,697	\$ 127,796	\$ 127,725	\$ 127,711
New Service Area Expansion (A2)	-	-	-	-	-	-	-
Existing non-allocated Capacity (B1)	519,122	540,258	540,651	540,408	541,677	540,667	541,403
New Capacity Expansion (B2)	-	-	-	-	-	-	-
Total Amortized Cost	\$ 644,232	\$ 668,118	\$ 668,396	\$ 668,105	\$ 669,474	\$ 668,392	\$ 669,115
Other MetCom Funds							
Water Supply & Storage Fees	\$ 99,115	\$ 99,611	\$ 100,109	\$ 100,610	\$ 101,113	\$ 101,619	\$ 102,127
Interest Income	496	498	501	503	506	508	511
Applied to Capital Contribution Charge							
Net Capital Contribution Costs	\$ 644,232	\$ 668,118	\$ 668,396	\$ 668,105	\$ 669,474	\$ 668,392	\$ 669,115
Projected New EDUs (2% Growth)	85	87	89	91	93	95	97
Actual EDU's (Thru 6/30/19)							
Calculated Residential Assessment (\$/EDU)	\$ 7,579.20	\$ 7,679.52	\$ 7,510.06	\$ 7,341.81	\$ 7,198.64	\$ 7,035.70	\$ 6,898.09
Residential Actual/Proposed Rate	\$ 10,955.87	\$ 10,955.87	\$ 10,955.87	\$ 10,955.87	\$ 10,955.87	\$ 10,955.87	\$ 10,955.87
Commercial Actual/Proposed Rate	\$ 13,147.04	\$ 13,147.04	\$ 13,147.04	\$ 13,147.04	\$ 13,147.04	\$ 13,147.04	\$ 13,147.04
Residential Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase %	0%	0%	0%	0%	0%	0%	0%
Commercial Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Water Capital Project Expansion Reserves							
Beginning Balance	2,554,841	2,841,858	3,126,900	3,433,577	3,762,456	4,111,878	4,484,294
Projected Gain/Loss	287,017	285,042	306,677	328,879	349,422	372,416	393,605
Committed FY20 & Prior							
Proposed Projects	-	-	-	-	-	-	-
Projected Ending Balance **	2,841,858	3,126,900	3,433,577	3,762,456	4,111,878	4,484,294	4,877,899
Recommended Reserve - MetCom Policy	750,000	750,000	750,000	750,000	750,000	750,000	750,000
<i>CIB 21-26</i>	1,251,127	1,489,249	1,748,583	2,030,355	2,332,311	2,657,226	
<i>CIB 20-25</i>	428,334	649,659	892,220	1,157,230	1,442,405		
<i>CIB 19-24</i>	463,484	684,560	926,871	1,178,350			

**St. Mary's County Metropolitan Commission
Capital Improvement Budget/Plan Approved 5-25-2021**

**SEWER - Capital Contribution to Recover Cost of Capacity Expansion and Service Area Expansion
Paid By New Customers**

	FY21	FY22	FY23	FY24	FY25	FY26	FY27
SEWER							
Debt Service for:							
Service Area Expansion (A1) After Issue 21	\$ 175,090	\$ 175,049	\$ 175,089	\$ 175,074	\$ 169,686	\$ 138,325	\$ 138,515
New Service Area Expansion (A2)	73,271	73,271	73,271	73,271	73,271	73,271	73,271
Existing non-allocated Capacity (B1)	531,879	534,044	534,540	534,391	534,198	506,160	506,430
New Capacity Expansion (B2)	73,271	73,271	73,271	73,271	73,271	73,271	73,271
Total Amortized Cost	\$ 853,511	\$ 855,635	\$ 856,170	\$ 856,007	\$ 850,426	\$ 791,027	\$ 791,487
Marlay-Taylor Sinking Fund	\$ 707,104	\$ 707,104	\$ 707,104	\$ 707,104	\$ 707,104	\$ 707,104	\$ 707,104
Marlay-Taylor Sinking Fund Applied	\$ -	\$ -	\$ -				
Net Debt Service	\$ 853,511	\$ 855,635	\$ 856,170	\$ 856,007	\$ 850,426	\$ 791,027	\$ 791,487
Projected New EDUs (2% Growth)	141	144	147	150	153	156	159
Actual EDU's (Thru 6/30/19)							
Calculated Residential Assessment (\$/EDU)	\$ 6,053.27	\$ 5,941.91	\$ 5,824.29	\$ 5,706.71	\$ 5,558.34	\$ 5,070.68	\$ 4,977.90
Residential Actual/Proposed Rate	\$ 6,941.21	\$ 6,941.21	\$ 6,941.21	\$ 6,941.21	\$ 6,941.21	\$ 6,941.21	\$ 6,941.21
Commercial Actual/Proposed Rate	\$ 8,329.44	\$ 8,329.44	\$ 8,329.44	\$ 8,329.44	\$ 8,329.44	\$ 8,329.44	\$ 8,329.44
Residential Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase %	0%	0%	0%	0%	0%	0%	0%
Commercial Increase	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sewer Capital Project Expansion Reserves							
Beginning Balance	4,274,773	2,999,973	1,505,582	1,669,769	1,854,943	2,066,522	2,358,324
Projected Gain	125,200	143,899	164,187	185,174	211,579	291,802	312,165
Committed Prior							
Proposed Projects	(1,400,000)	(1,638,290)	-	-	-	-	-
Projected Ending Blance **	2,999,973	1,505,582	1,669,769	1,854,943	2,066,522	2,358,324	2,670,489
Recommended Reserve - MetCom Policy	750,000	750,000	750,000	750,000	750,000	750,000	750,000
CIB 21-26	1,685,712	1,788,657	1,911,799	2,056,010	2,226,552	2,477,331	
CIB 20-25	2,042,648	2,172,056	2,321,645	2,492,300	2,689,293		
CIB 19-24	1,469,234	1,536,763	1,624,472	1,733,248			

Note: Capital Contribution Reserves are being used for a portion of St. Clements Shores WWTP Expansion project