WASHINGTON SUBURBAN SANITARY COMMISSION

AGENDA
REGULAR MEETING
WEDNESDAY, OCTOBER 21, 2026

ITEM	TIME

OPEN SESSION - Commission Auditorium

Call to Order - 10:00 AM

Pledge of Allegiance

Mission/Vision Statements

1. **Approval of Agenda**
   Vote

2. **Approval of Minutes**
   Vote

3. **Retirees**

4. **Commissioner's Comments**

5. **Public Comments**

6. **Corporate Secretary**
   - **A. Monthly Report** — 10:05 AM
     Information
     CS Report October

7. **Ethics Office**
   - **A. Ethics Program Monthly Report** — 1:10 p.m.
     Ethics Monthly Update - Oct 2026 cm

8. **Office of the Inspector General (OIG)**
   - **A. OIG Monthly Activity Report** — 10:15 AM
     Information
     10.13.26_OIG SEPT Summary of Activities for OCT 2026 Mtg-Final1.pdf

9. **General Manager's Office**

A. **Monthly Report** 10:30 AM
Information
GM Report October
October 2026 Commission Performance Report.pptx

10. **Performance & Accountability**
    A. **Strategic Plan Refresh** 11:30 AM
    Information
    Strategic Plan October Commission
    B. **Professional Licensure and Certification Compliance Audit Update**
    Information
    Professional Licensure _ Certification Compliance Audit Status October

11. **Finance (presentation)**
    A. **Fiscal Year 2028 Budget and Cost of Service Update** 12:00 PM
    Information
    FY 2028 Preliminary Proposed Budget and Cost of Service Briefing October

12. **Customer Service**
    A. **Customer Service Performance Indicators** 12:30 PM
    Information
    Customer Service Performance October
    Customer Service Metrics Report for Oct 2026

13. **Intergovernmental Relations**
    A. **Bay Restoration Fund Reauthorization** 12:45 PM
    Information
    Commission Summary
    Informational Memo - Bay Restoration Fund Reauthorization.pdf

14. **Supplier Diversity**
    A. **Title 6 Procurement Regulations Updates for Maryland House Bill 1230 (HB 1230) Washington Suburban Sanitary Commission – Procurement – Alterations** 1:00 PM
    Information
    HB1230 Regulations October
    Draft Procurement Regulations 6.35 and 6.50
    Legal Sufficiency form for Procurement Regulations 6.35 and 6.50
    HB 1230 for Reference

15. **Contracts**
    A. **120582, Hydro Power Generation (Gen Serv)** 1:15 PM
    Vote
    120582 Hydro Power Generation
    B. **45459, Option Term No. 1, Biosolids Hauling Management and Utilization, (Prod.)**
    Vote

45459 OT1 Biosolids Hauling Management Utilization

C. **47727, Option Term No. 3, Polyaluminum Chloride, (Prod.)**
Vote
47727 OT3 Polyaluminum Chloride

D. **163246, Change Order No. 3, Sherwood-Logan Parts and Services, (Gen. Serv.)**
Vote
163246 CO3 Sherwood-Logan Parts and Services

E. **107594, Western Branch Water Resource Recovery Facility Potable Water System Upgrade, (E&C)**
Vote
107594 Western Branch WRRF Potable Water System Upgrade

F. **107592, Anacostia II WWPS Electrical Upgrades, (E&C)**
Vote
107592 Anacostia II Wastewater Pumping Station Electrical Upgrades

G. **48551-135, Regency Estates Sewer Main Rehabilitation, (E&C)**
Vote
48551-135 Regency Estates Sewer Rehab

16. **Police & Homeland Security**
    A. **Resolution 2026-2468: Chapter 15.140 Critical Customers** 1:45 PM
    Vote
    Resolution 2026-2468 Chapter 15.140 Critical Customers
    Chapter 15.140
    Critical Customers Legal Sufficiency

17. **Finance (votes)**
    A. **Resolution 2026-2469 - Alexandria Drive Water Main Replacement (MDE Loan)** 1:55 PM
    Vote
    2026-2469 Alexandria Drive WMR Project

    B. **Resolution 2026-2470 - Annapolis Road Transmission Water Main Replacement (MDE Loan)**
    Vote
    2026-2470 Annapolis Road WMR Project

    C. **Resolution 2026-2471 - Carderock Springs Water Main Replacement (MDE Loan)**
    Vote
    2026-2471 Carderock Springs WMR Project

    D. **Resolution 2026-2472 - Dolphin Road Water Main Replacement (MDE Loan)**
    Vote
    2026-2472 Dolphin Road WMR Project

    E. **Resolution 2026-2473 - Furman Parkway Water Main Replacement (MDE Loan)**
    Vote
    2026-2473 Furman Parkway WMR Project

    F. **Resolution 2026-2474 - Kent Village Water Main Replacement (MDE Loan)**
    Vote

2026-2474 Kent Village WMR Project

18. Commission Office

A. Other Post Employment (OPEB) Update 2:15 PM
Information

B. Employees' Retirement Board of Trustees Update
Information

19. Adjournment of Open Session
Vote (2:25 PM estimate)

20. CLOSED SESSION
Closed pursuant to Maryland Code Annotated, General Provisions Article, Title 3, Open Meetings Act, Subtitle 3, Open Meetings Requirements - Closed Sessions: Section 3-305(b)(13) to approve the September 16, 2026 Closed Session Minutes; and Section 3-305(b)(8) to to receive an update from counsel and staff regarding two matters of pending litigation.

21. Supplemental Reports

A. Quarterly Operations Performance Report
Information
Operations Performance Report October

Future Meetings / Events of Note

October 28, 2026 - Employees' Retirement Board of Trustees Meeting (in-person)
November 3, 2026 - Election Day (WSSC Offices Closed)
November 5, 2026 - Quarterly Audit Committee Meeting
November 11, 2026 - Veteran's Day (WSSC Offices Closed)
November 12, 2026 - WSSC Board of Ethics Meeting
November 18, 2026 - WSSC Regular Monthly Commission Meeting
see wsscwater.com/events for more information

COMMISSION ACTIVITY REPORT

Office of the Corporate Secretary | September 2026

Prepared for Commission Board Review

AT-A-GLANCE: KEY INDICATORS

0	2	$0	0
Pending Refund Requests *As of October 1, 2026*	**Hearing Conducted**	**Total Refund Amount** *Currently Pending*	**Customer Inquiries**

OFFICE ACTIVITY SUMMARY

During the current reporting period, overall activity levels remained steady. The Office of the Corporate Secretary continues to support Commission governance by managing administrative processes for customer refund hearings, coordinating communications addressed to the Commission, and providing logistical support for Commission meetings, and related governance responsibilities.

CUSTOMER REFUND HEARINGS

The decisions for the three hearings in September have been issued along with the decision of one of the October hearings. The second October decision is being drafted. This marks the first time in my tenure that there have been zero pending unheard Corporate Secretary Level Refund Hearings.

Refund Request Status — As of October 1, 2026

Pending Unheard Requests	0	3 (Sept)
Requests Older Than Six Months	0	
Requests Awaiting Scheduling	0	1 (Sept)
Requests Closed by Customer Service	0	
New Requests Opened	0	
Total Refund Amount Requested	$0	$6,768 (Sept)

CUSTOMER COMMUNICATIONS TO THE COMMISSION

The Office tracks all customer inquiries directed to the Commission, which may include phone calls, emails, or written correspondence requesting assistance or review by the Commission. Most contacts are forwarded to the excellent Customer Service Team for follow-up, while the remainder are forwarded to the GM's Chief of Staff.

It was again a quiet month. The emails noted below were regarding the Potomac Plant and have either been addressed or are being addressed by the GM and her team.

Inquiry Summary

Inquiry Type	Total
Phone Calls	
Emails	2
Letters	
Total	2

Note: These totals do not include routine calls from customers seeking general departmental contact information.

UPCOMING COMMISSION ACTIVITIES

Upcoming Committee Meetings

Date	Meeting	Time
October 28, 2026	Employees' Retirement Board of Trustees **(in-person)**	1:00 PM
November 5, 2026	Audit Committee	1:00 PM

End of Report | Office of the Corporate Secretary | October 2026

Ethics Program Update – September 2026

Board of Ethics Meeting held on 9/9/2026:

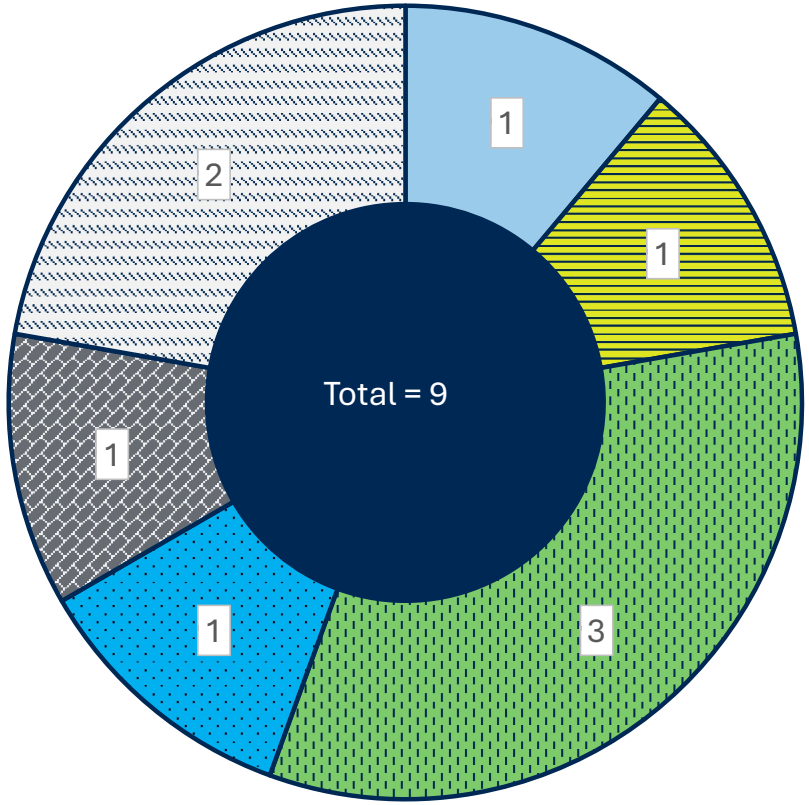
- 3 Open Session Items
- 8 Closed Session Items

Onboarding Ethics Training – 9/11 & 9/25/2026

26 new employees trained in-person

Guidance

The Ethics Office provided guidance on a total of 9 inquiries in 6 categories



Office of the Inspector General

Summary of Report Activities

October 21, 2026

Suspected instance of fraud, waste or abuse can be reported to:

1-877-WSSCFWA
(1-877-977-2392)

reportlineweb.com/wssc

Agenda

- OIG Audit Activities Dashboard
- Audit Finding Risk Categories
- Management Corrective Actions
- SDC Charges Audits Status
- Fraud, Waste and Abuse Training
- Q&A

Affordability & Financial Viability Optimizing Operations

OIG Audit Phases

Planning Phase

- Gain an understanding
- Develop the steps to achieve the audit objective

Fieldwork Phase

- Testing/Verification
- Identify exceptions/findings

Reporting Phase

- Compose draft report
- OIG management review
- Management review and discussion

OIG Audit Activities Dashboard

Planning Phase

- FOG Program Audit
- Change Order Management

Fieldwork

- The FY 2021 Multi-Jurisdictional Use Facility (MJUF)
- The FY 2023 DC Water – Blue Plains O&M Billing Audit
- WSSC Benchmark Study
- Roadwork Coordination Audit
- Stress Test Review
- Payroll Audit

Reporting

- I.T. Physical and Environmental Security Audit

Completed

- Disaster Recovery Exercise

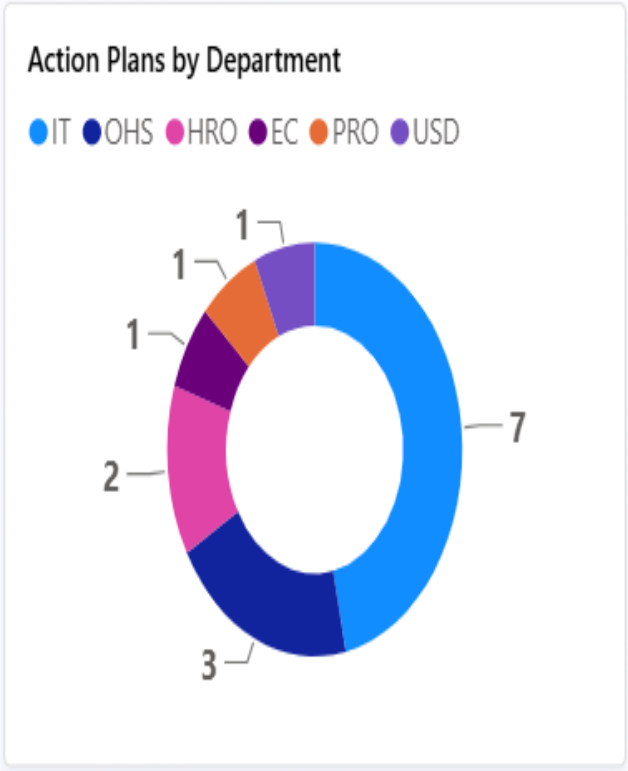
Audit Findings Risk Categories

Description	Risk Categories
Less significant efficiency and effectiveness control enhancement matters.	Low
Control deficiencies which impair the Commission's ability to initiate, authorize, record, process, or report data.	Medium
Critical control weaknesses (i.e., exceptions to regulations, policies, procedures and/or rules).	High

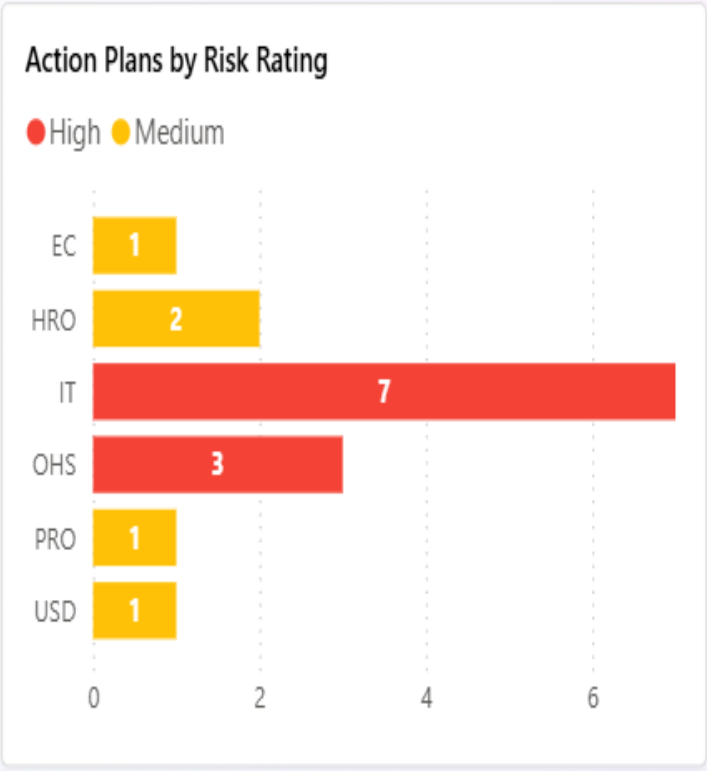
Note: Categorization is subject to auditor judgement and other contributing factors.

Management's Corrective Actions

Total Open
15

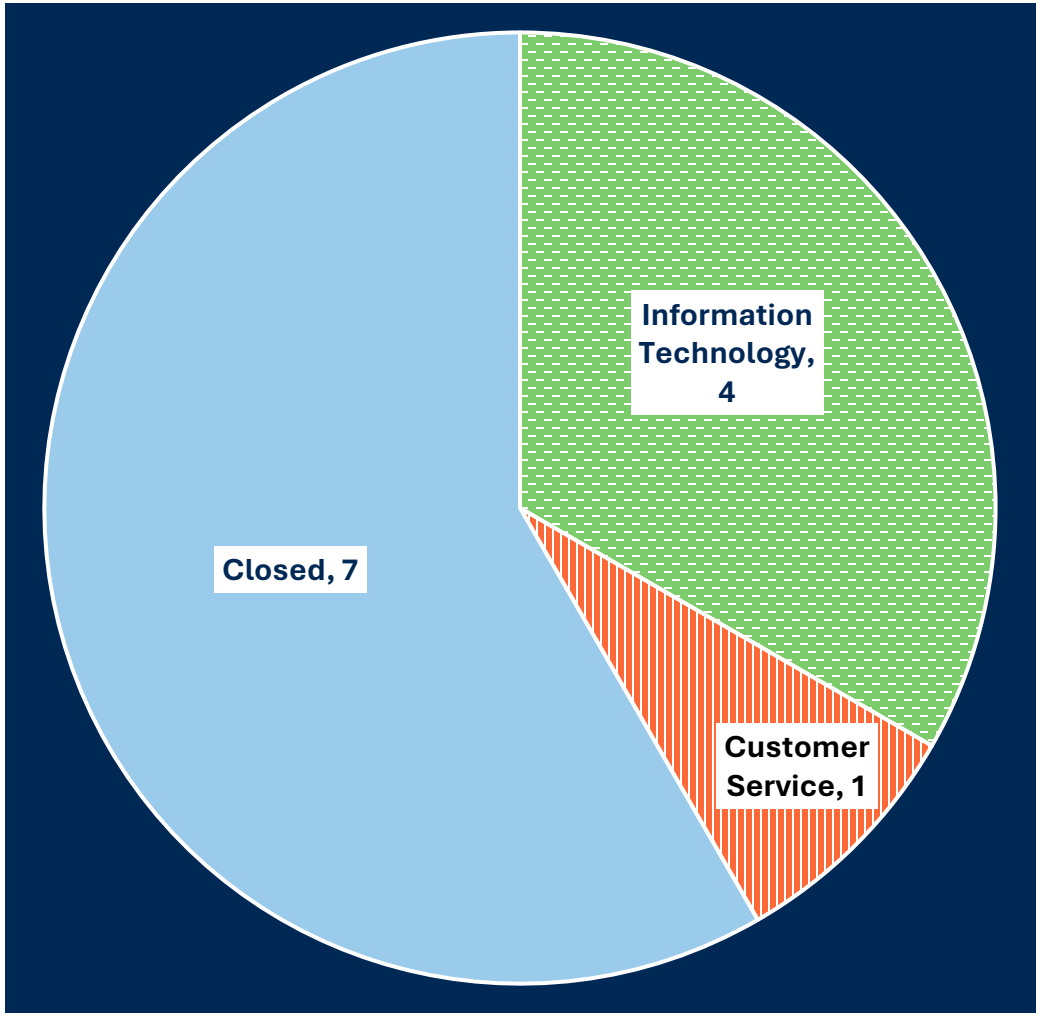






Management's Corrective Actions Continued...

Closed & Implemented Pending OIG Verification



System Development Charges Audits Status

Active Status:
- **Parkside, Pt. 4D**
- **Smith Home Farm, Pt. 1F**

Status:
Inactive-Outreach
Parkside, Pt. 7A
(Letter sent 9/25/2026)

Status:
Inactive-Outreach
Westphalia Town Center, Pt. 1A
(Letter sent 9/02/2026)

- Inactive status: A lack of Developer response.
- Regulatory Note: Per WSSC Code 5.95.030(w), project ledgers remain open for a 20-year period.

Workforce Development

Fraud, Waste and Abuse Training

The OIG conducted Fraud, Waste, and Abuse (FWA) training for 26 employees in September 2026, to familiarize them with FWA protocols as part of the new employee orientation process.

Questions?

WSSCWATER
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General Manager's Report

Kishia L. Powell
General Manager & CEO

October 21, 2026



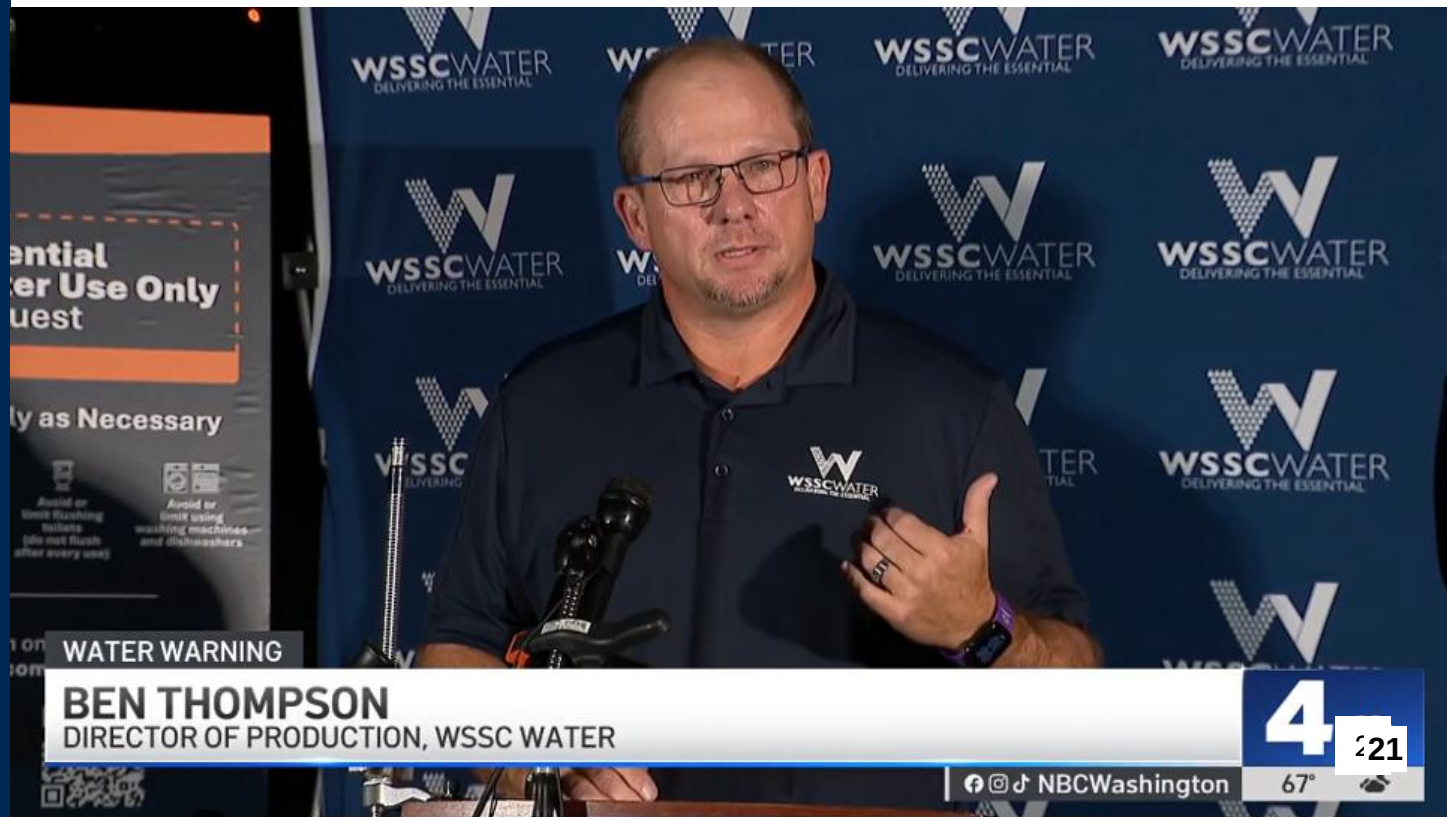
Potomac Water Filtration Plant Power Loss

September 29









Potomac Water Filtration Plant Stabilizes **September 30**







Essential Water Use Only Request

Lifted September 30





Team H_2O Live Talk Back



Potomac WFP

Ongoing Investments in Electrical Upgrades

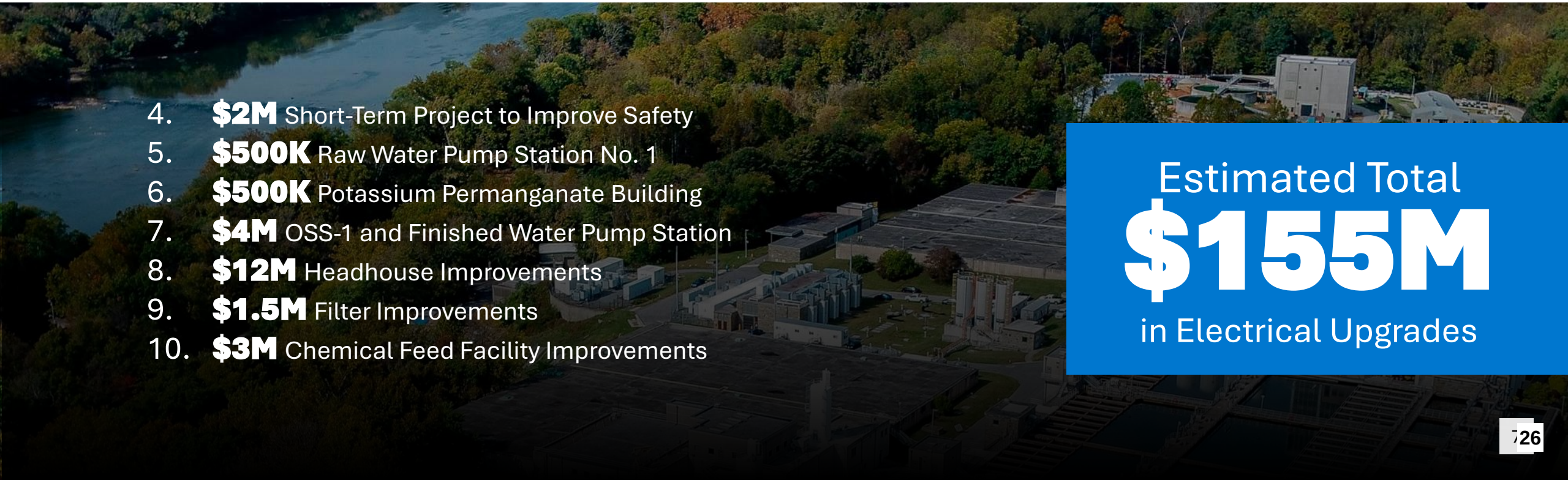
FY27
$4.5M

FY28
$6M

Potomac WFP
Priority Electrical Upgrades

1. **$48M**
   High Voltage Switchyard Improvements
2. **$49M**
   Outdoor Substation 3 High Zone and Solids Improvements
3. **$33M**
   Outdoor Substation 2 and Raw Water Pumping Station Improvements

Request of an Estimated Total of $130M



4. **$2M** Short-Term Project to Improve Safety
5. **$500K** Raw Water Pump Station No. 1
6. **$500K** Potassium Permanganate Building
7. **$4M** OSS-1 and Finished Water Pump Station
8. **$12M** Headhouse Improvements
9. **$1.5M** Filter Improvements
10. **$3M** Chemical Feed Facility Improvements

Estimated Total
$155M
in Electrical Upgrades

Potomac Microgrid

Project in Planning Phase



9 Megawatts Natural Gas-Fired Engine Generators

These continuous power generation units will provide 65% of the Potomac WFP's load.

850kW of Solar

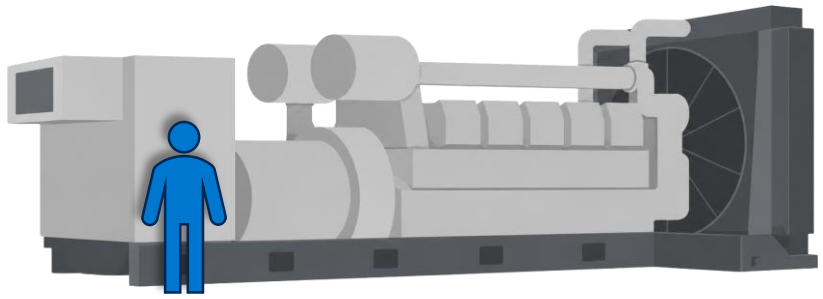
Information from April 2023 Resilient Maryland Microgrid Feasibility Study for WSSC Water Potomac Water Filtration Plant

CO_2 from the engine exhaust will be captured, liquefied, and hauled off-site every year resulting in a net **22,000 tons** reduction in GHG emissions.

More resilient and reliable critical infrastructure from power outages and severe weather.

Putting Generator Power in Perspective

It would take 5 diesel generators to produce 50 million gallons of water per day, **equivalent to one-third of typical production.**



Relative scale and proportions are approximate.

6
Diesel Generator Sets
5 Operating + 1 Backup
2,000 kW Each

6
Fuel Tanks*
500 Gallons Each

2
Underground Fuel Tanks*
10,000 Gallons Each

Building Size
250’ x 130’

Generator Delivery Lead Time
75 - 77 Weeks

**The only viable site for the fuel tanks is upstream of the water intake and adjacent to the river; storing a large volume of diesel in this area poses a significant risk to the source water.*



Imagine a Day Without Water

Media Event



Affordability & Financial Viability

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Bottom Line Up Front

Two Kinds of Cost:
Running the System and Building It

Operating Expenses – Running the System

Costs to run the system and support the workforce every day; repayment of debt.

- Very little External Funds; paid in the year they occur
- Reductions impact service levels and heighten risks

Like groceries and utility bills: you pay as you go.

Capital Expenses – Building the System

Costs to repair and replace and replace aged assets; build new infrastructure.

- Limited/declining federal funding
- More loans than grants; bond funding increases debt
- Reductions impact reliability and resilience of our systems

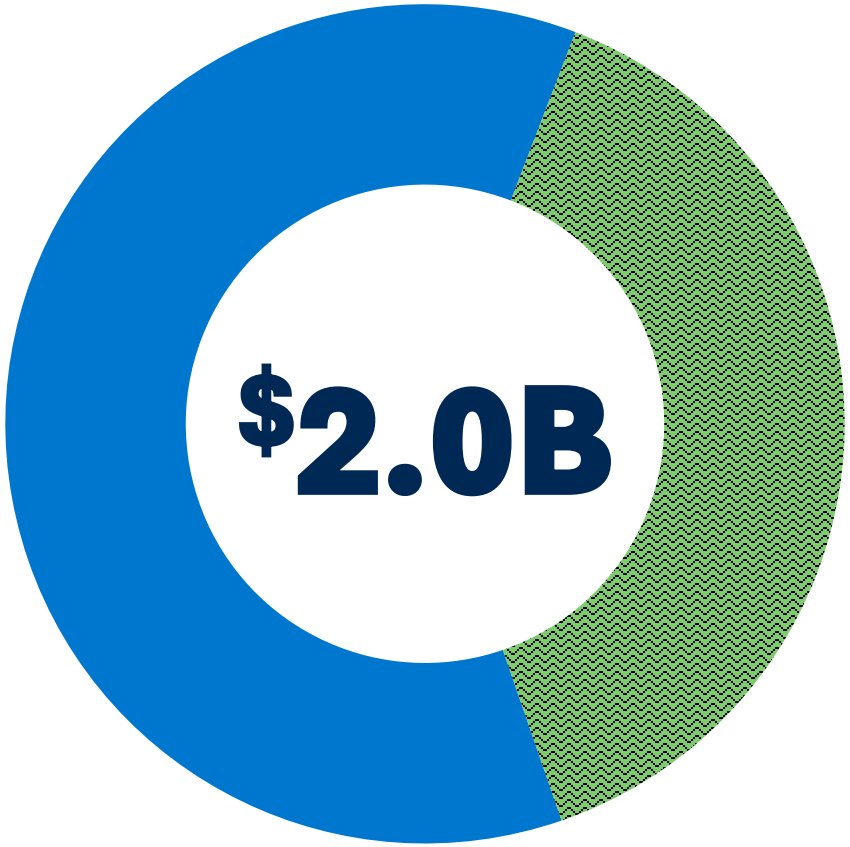
Like buying a house: costs spread across multiple years; try to borrow at the lowest rate possible.

Operating costs are the largest share of our budget, paid in one year, with the least amount of help.

FY28 Preliminary Budget

Operating Sources	$1.27B
Customer Rate Revenue	$1.179B
Other Sources of Revenue	$86.6M
External Funding	$3.4M
Front Foot & House Connection	$4.0M

Operating Uses	$1.27B
Operating Expenses	$651.4M
Debt Service	$419.6M
PAYGO	$102.6M
Regional Sewage Disposal	$96.6M

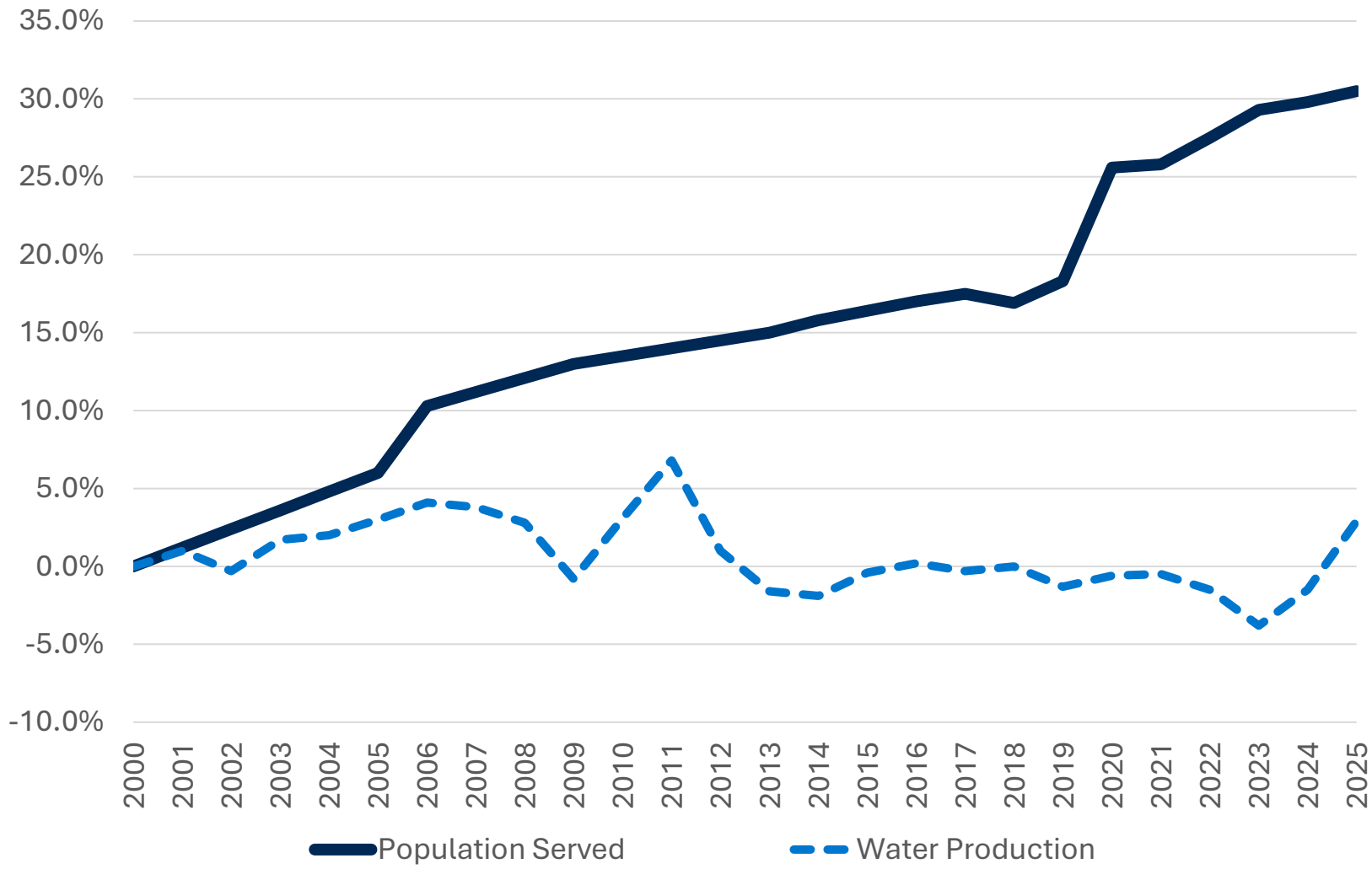


Capital Sources	$742.8M
Debt	$538.7M
PAYGO	$114.3M
State Revolving Funds	$66.3M
Other	$23.5M

Capital Uses	$742.8M
WSSC Water Infrastructure	$585.5M
Inter-jurisdictional Investments	$157.3M

Total of $15.5M in Developer-funded Projects

WSSC Water **Production** and **Population Served** over 25 Years



Population served

+30.6%

Water production

+2.6%

Five Strategies, One Goal: **Relieving the Burden on Customers**

Non-Rate Revenue & Cost Control Portfolio

Cost Savings & Efficiency

- Process improvements cutting chemical & electrical costs
- Predictive maintenance reducing emergency repairs, extending asset life
- Develop technology reducing capital and operating expenses

Active Revenue Streams

- RIN sales from renewable natural gas (Piscataway)
- Wholesale natural gas sales
- Sewer Model royalties
- Tower leasing

Commercializing WSSC Water Products & Services

- Monetizing WSSC Water-developed technology, expertise & Intellectual Property (IP)
- Fair-market-value licensing of utility know-how
- Sale of surplus property

Cultivating an Innovation Ecosystem

- Engaging startups & research partners on utility challenges
- Exploring procurement alternatives that let the market compete for solutions
- Seeking opportunities for customers to enjoy the benefits of our investments in innovation

Leveraging Existing Licensing & Royalty Authority

- Md. Pub. Util. Code § 17-205: authority to sell, lease, or license WSSC Water products, technology & IP
- Net revenue must stabilize or reduce rates & retire debt (§ 17-205(e))



Optimizing Operations

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Continuous Improvement Through Understanding Our Challenges

Internal Self-Assessment

Continuous improvement begins with an honest look at ourselves.

Effective Utility Management Assessment

- How do we see our own performance?
- What do we think matters?
- Are we aligned in prioritizing the priorities?

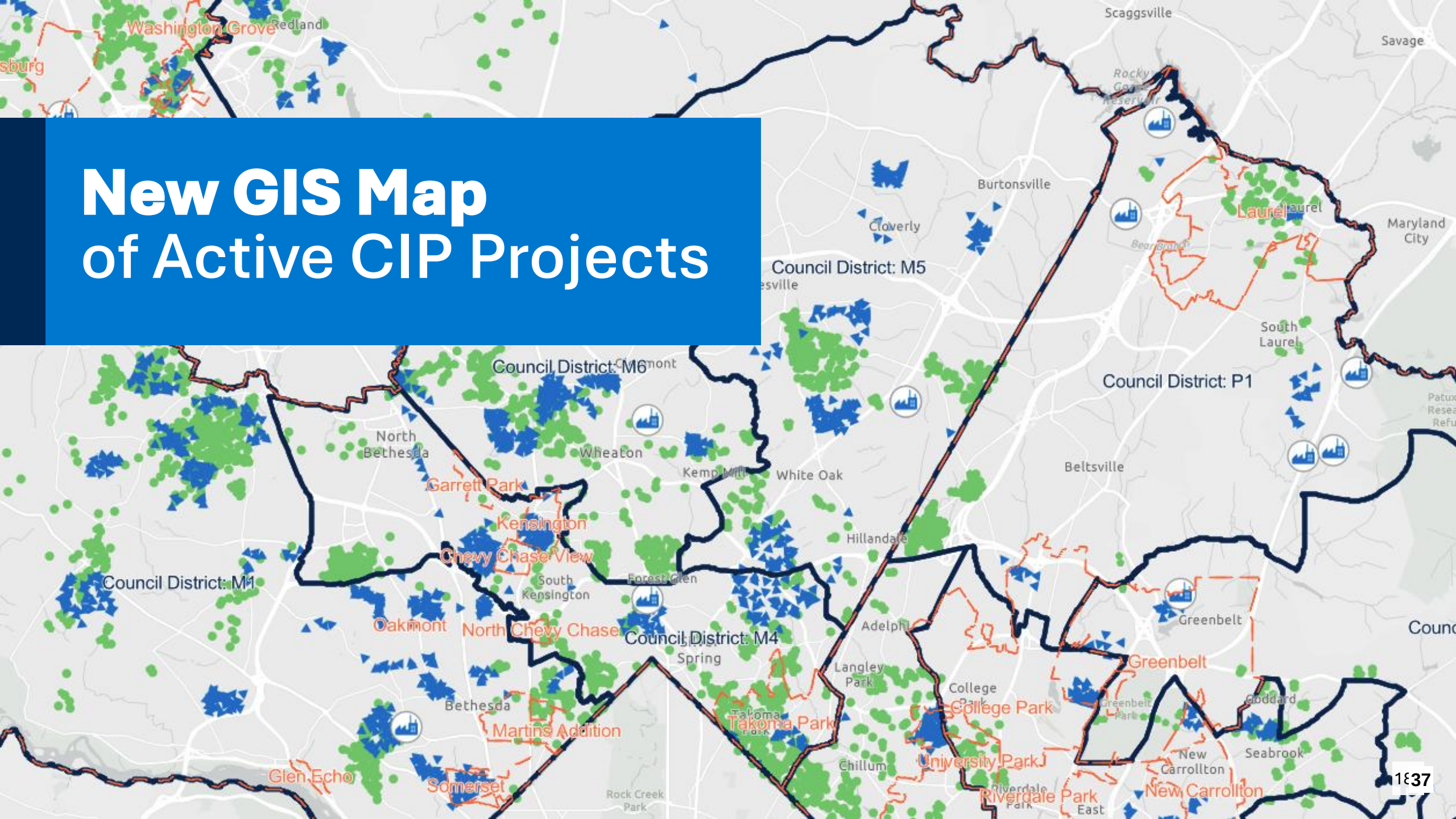
What we assessed

- Operation True North Customer Service Department
- Estimated & High Bill Analysis
- Staffing Level Assessments
- Project STAT
- Customer Complaint & Escalations Process Review

What we are doing

- **Enhanced Employee Experience**
- **Renewed Focus on Service Delivery**
- **Streamlined Processes & Enabled Technology**

New GIS Map
of Active CIP Projects





Workforce Development

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WEFTEC 2026



2026 WEF Project Excellence Award

Piscataway Bioenergy Facility



Best Inline Booth



Operations Challenge

3rd Place | The Diffusers







All-Hand Managers Meeting

Align around our vision
To be a beacon of excellence, delivering sustained and transformative change.

Strengthen leadership alignment
Communicate. Collaborate. Cascade.

Connect strategy to action
Strategic Plan, FY2027 Workplan and outcome targets.

Build high-performing teams
Clear goals. Accountability. Results.

Move forward together
From planning to execution for our employees, customers and communities.



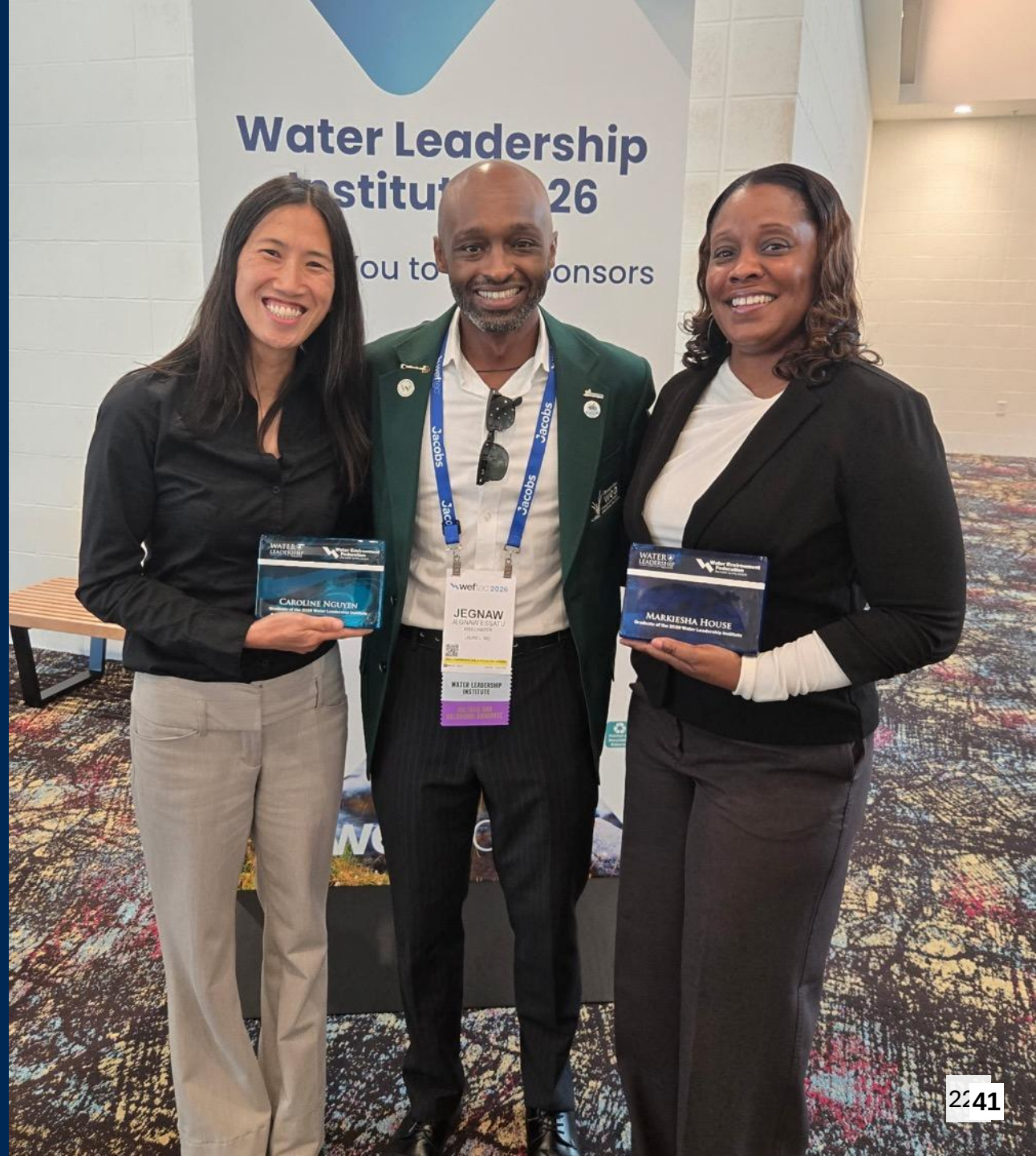


Team H_2O Duo Graduates

Water Leadership Institute

Class of 2026

- Caroline Nguyen
- Markiesha House



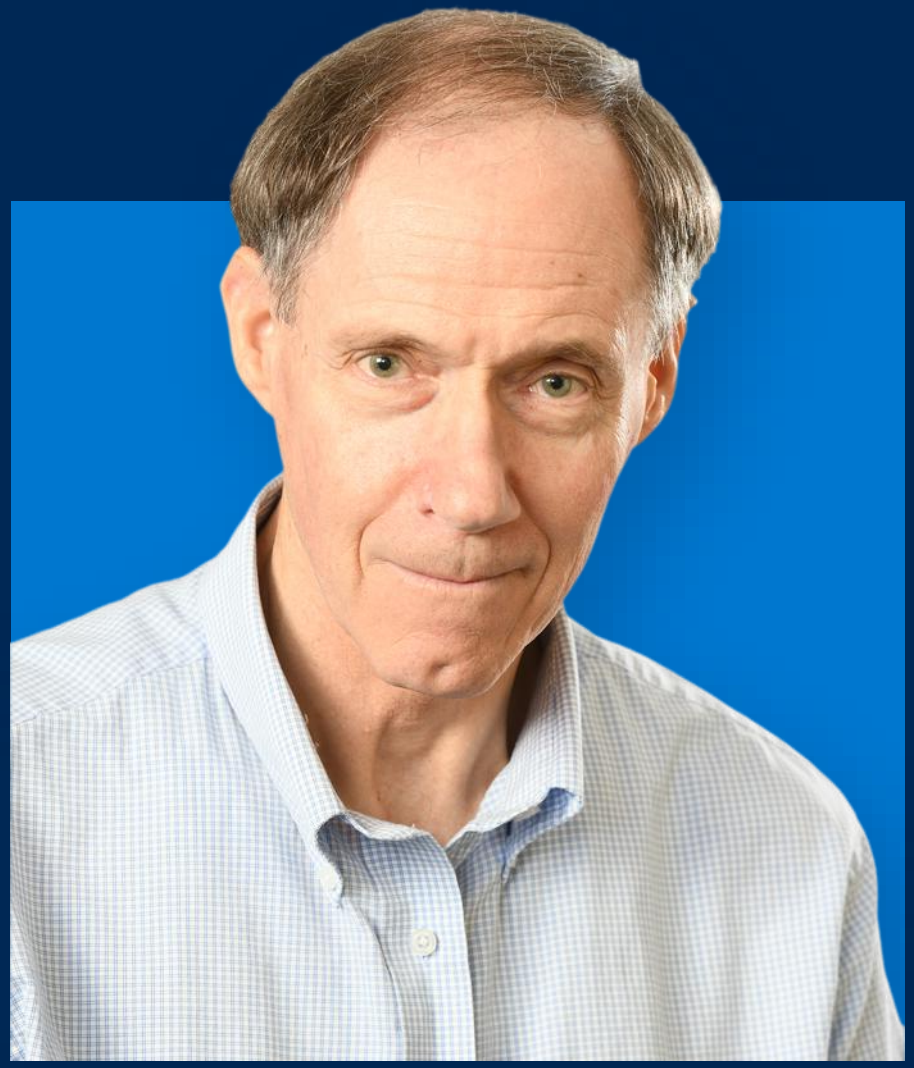
Recognition



Nina R. Hickson
International Municipal Lawyers Association
Board of Directors



Joe Edwards
International Data Corporation
Advisory Board



Richard Savage

Engineering & Environmental
Services Division

55
Years
of Service




WSSCWATER


ACE26
Welcome to
TAPPING
Big Blue
Tappers
Big Blue
Tappers
TEAM H2O






WSSCWATER



Business of the Day

Management Agenda Items Presented	**7**
Total Value of All Contract Actions	**$103,362,869.60**
Information-Only Presentations (Management)	**6**

New Awards	**4**
Engineering & Construction (3) General Services (1)	$44,268,866.00 $28,050,000.00
Total	**$72,319,866.00**

Change Orders	**1**
General Services (1)	$5,000,000.00
Total	**$5,000,000.00**

Option Terms	**2**
Production (2)	$26,043,003.60
Total	**$26,043,003.60**

Questions?

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Commission Performance Report

General Manager's Office of
Performance & Accountability (GMOPA)

WSSC Water Commission Meeting - October 2026

Contents

The report is produced on a monthly basis. Each Key Performance Indicator (KPI) reflects the most recently available data unless noted otherwise.

Affordability & Financial Viability
- Accounts Billed On-Time
- Customer Payments
- Days of Cash On-Hand by Fiscal Year (FY)
- Past Due Accounts
- Past Due Amounts

Asset Management & Infrastructure Reliability
- Monthly Fire Hydrant Inspections
- Proactive (Preventative) Maintenance
- Surface Water Withdrawals

Culture & Community
- Occupational Injuries
- Training Classes Offered in Health & Safety

Customer Experience & Service Delivery
- Average Answer Speed
- Calls Answered
- Call Volume
- Estimated Bills

Optimizing Operations
- Basement Backups
- Sanitary Sewer Overflows (SSOs)
- Water Main Breaks
- Water Main Restoration Time
- Water Production
- Wastewater Treatment

Sustainability & Resiliency
- Emergency & Coordinated Responses

Workforce Development
- Employee Turnover Rate
- Monthly Positions Filled
- Retirement Eligibility, Full Now
- Retirement Eligibility, Early Within 5 Years

Affordability & Financial Viability

KPIs

1. Accounts Billed On-Time:
   99.98%
2. Customer Payments:
   $102 Million
3. Days of Cash On-Hand for FY26:
   159 Days
4. Past Due Accounts:
   88,665 Accounts
5. Past Due Amounts:
   $81 Million

Key Insights

- WSSC Water maintains a strong billing performance, with **99.98%** of accounts billed on-time.

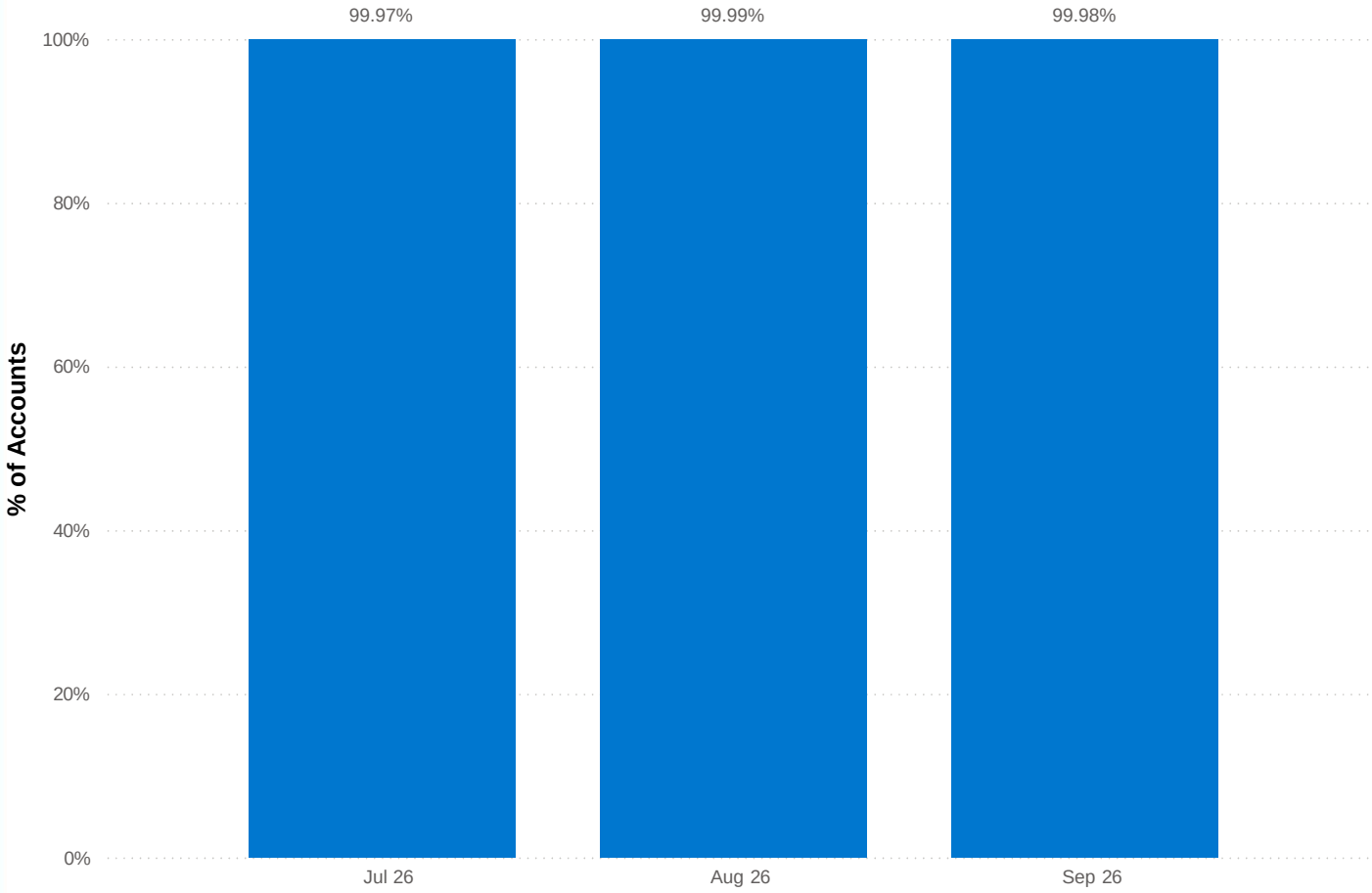
- Monthly customer payments reached **$102 million** in September 2026, reflecting a **36% increase** when compared to previous month's value of $75 million.

Fiscal Year:

2027

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Accounts Billed On-Time (%)



Asset Management & Infrastructure Reliability

KPIs

1. Monthly Fire Hydrant Inspections:
   7,566 Inspections
2. Proactive (Preventative) Maintenance:
   1,577 hours
3. Surface Water Withdrawals:
   5,848 MGD

Key Insights

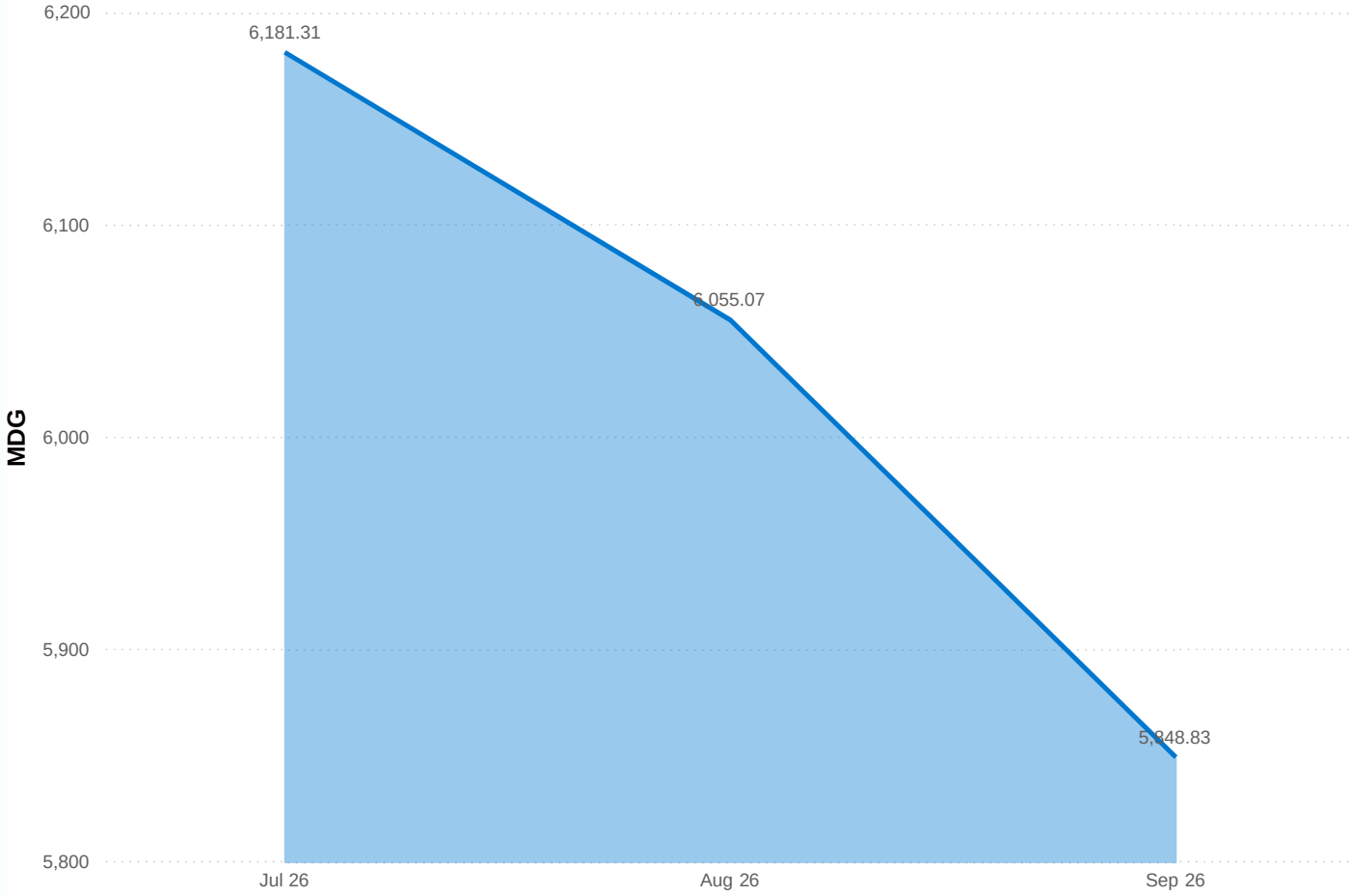
- Across all four depots, a total of **7,566** fire hydrants were inspected during September 2026, equating to an average inspection rate of **16%**.

Fiscal Year:

2027

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Surface Water Withdrawals (MGD)



Culture Shift

KPIs

1. Occupational Injuries:
   3 Injuries
2. Training Classes Offered in Health & Safety:
   1 Class

Key Insights

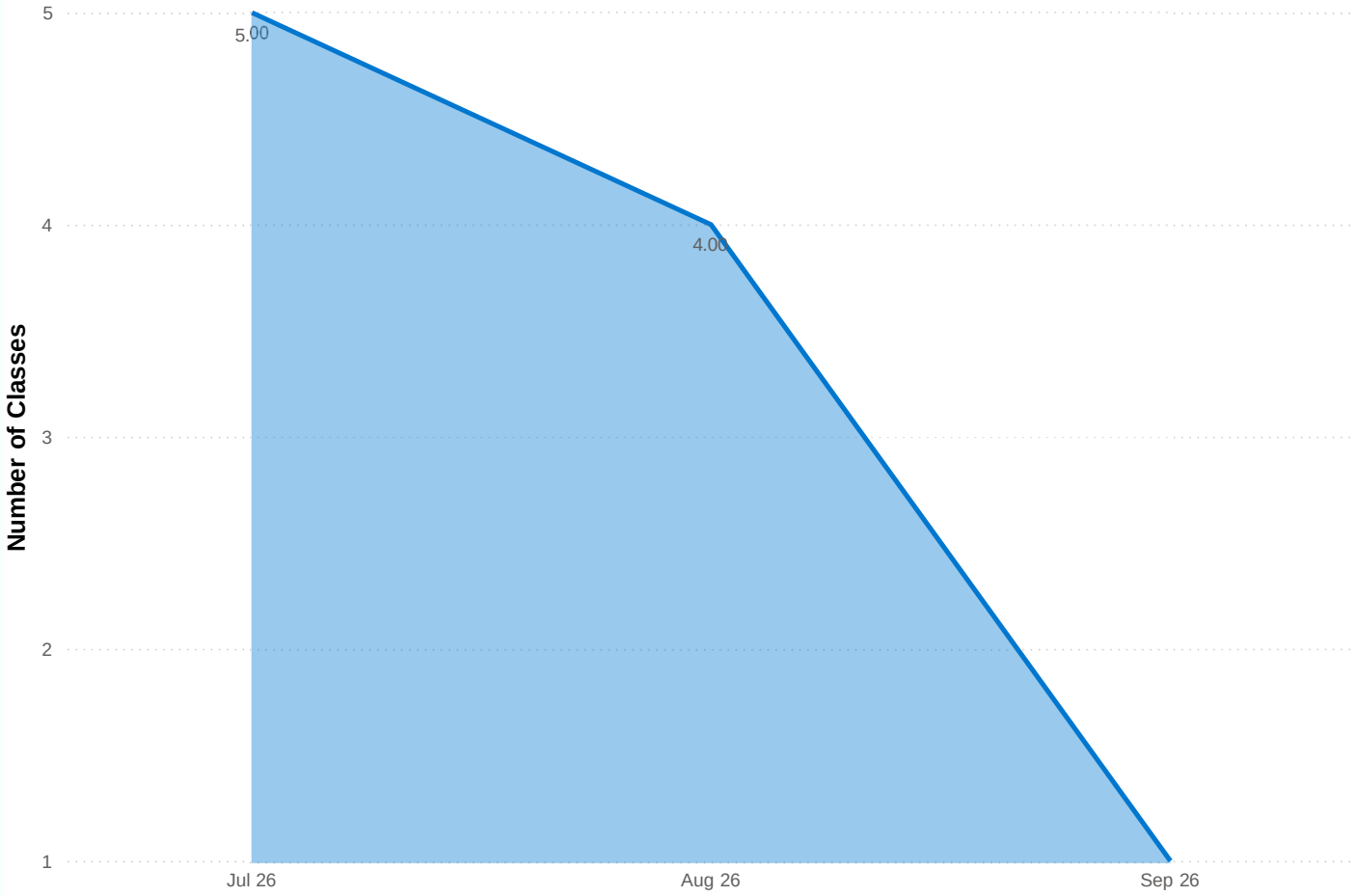
- **1 class** was offered in Health & Safety for September 2026.
- **3 occupational injuries** were recorded in September 2026, a 57% decrease from the previous month's 7 injuries. This reduction demonstrates continued strengthening of WSSC Water's safety procedures and reflects commitment to maintaining safe work practices commission wide.

Fiscal Year:

2027

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Training Classes Offered in Health and Safety



Customer Experience & Service Delivery

KPIs

1. Average Answer Speed:
   11 minutes
2. Call Volume:
   34,320 Calls Received
3. Calls Answered:
   30,019 (87%) Calls Answered
4. Consecutive Estimated Bills:
   2,166 Bills

Key Insights

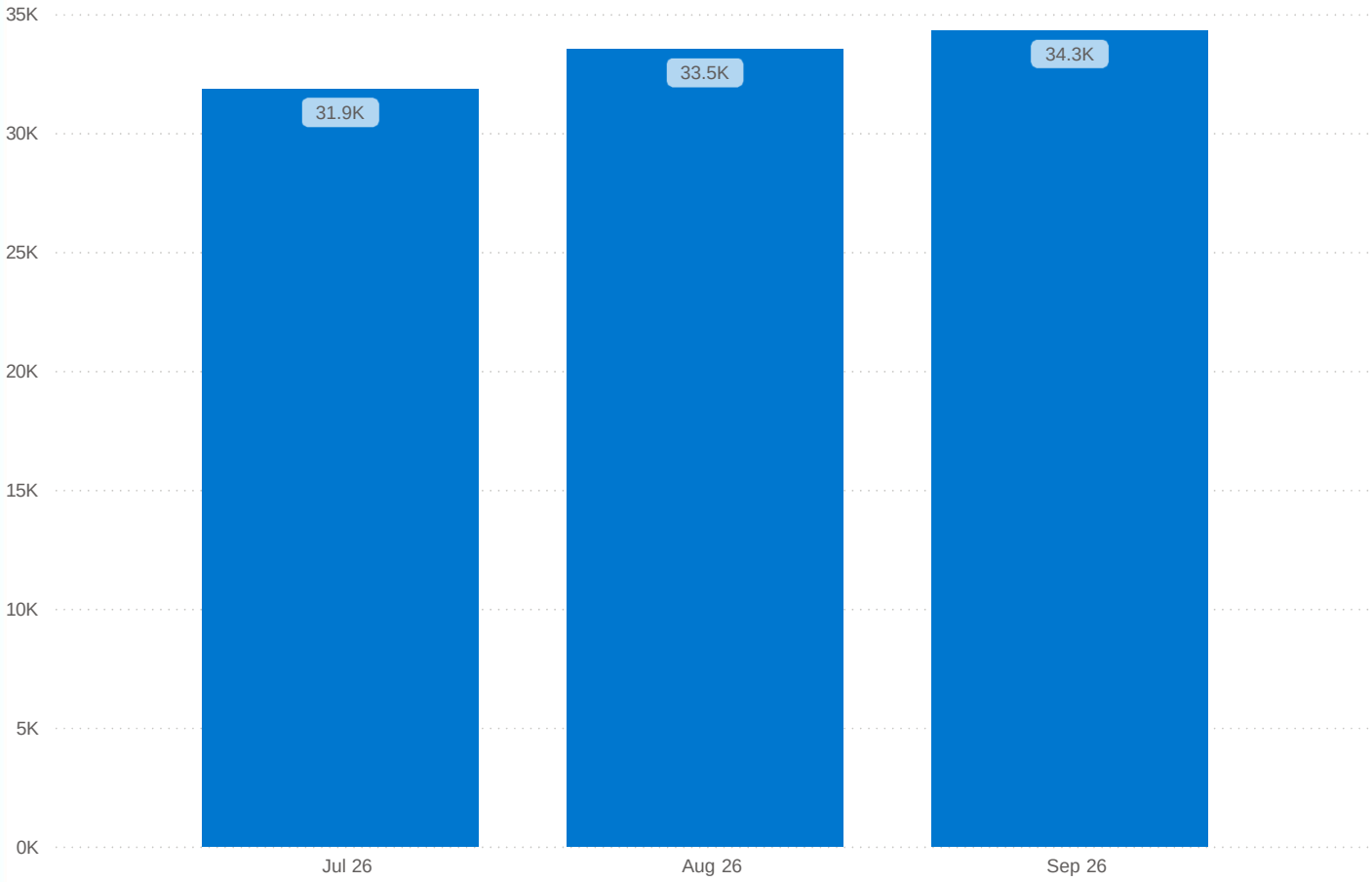
- **87%** of the **34,320** calls received were answered, with an average wait time of **11 minutes**, resulting with nearly **9 out of 10** customer calls answered.
- A total of **2,166 consecutive estimated bills** were generated, making September 2026 the highest-producing month for fiscal year 2027.

Fiscal Year:

2027

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Call Volume



Optimizing Operations

KPIs

1. Basement Backups (BBKs):
   17 BBKs - August 2026
2. Sanitary Sewer Overflows (SSOs):
   5 SSOs - August 2026
3. Water Main Breaks:
   26 Breaks - August 2026
4. Water Main Restoration Time:
   10 hours - August 2026
5. Water Production:
   173 MGD
6. Wastewater Treatment:
   161 MGD - August 2026

Key Insights

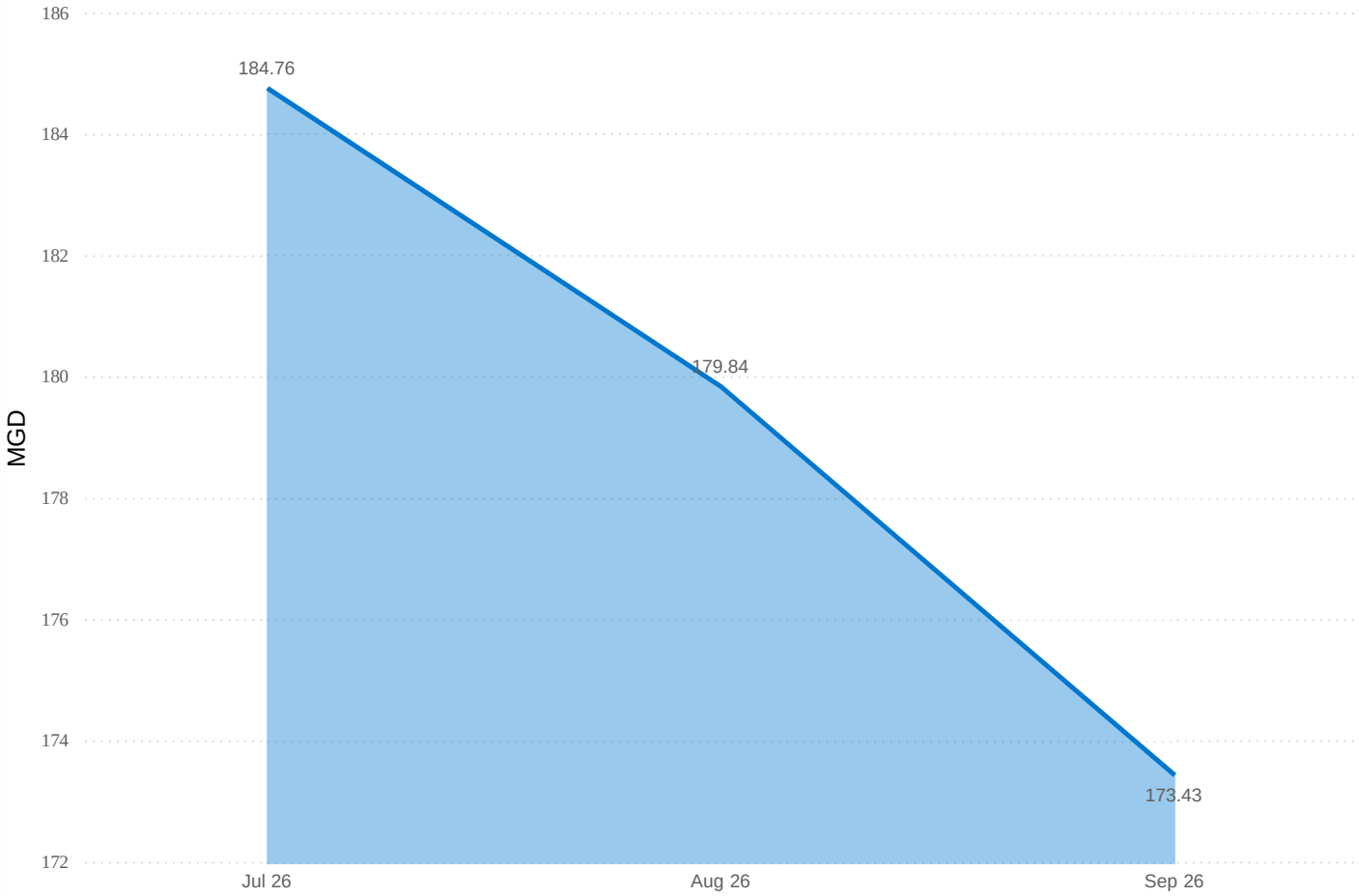
• Water production in September 2026 **decreased by 4%**, dropping from 180 MGD to **173 MGD**. WSSC Water continually adjusts operations to align with customer demands while staying in storage parameters and upholding water quality.

Fiscal Year:

2027

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Average Daily Water Production (MGD)



Sustainability & Resiliency

KPIs

1. Emergency, Preparedness, Coordination, and Responses:
   9 Events

Key Insights

- Emergency readiness was strengthened in September through activities such as response planning & tabletop exercises.

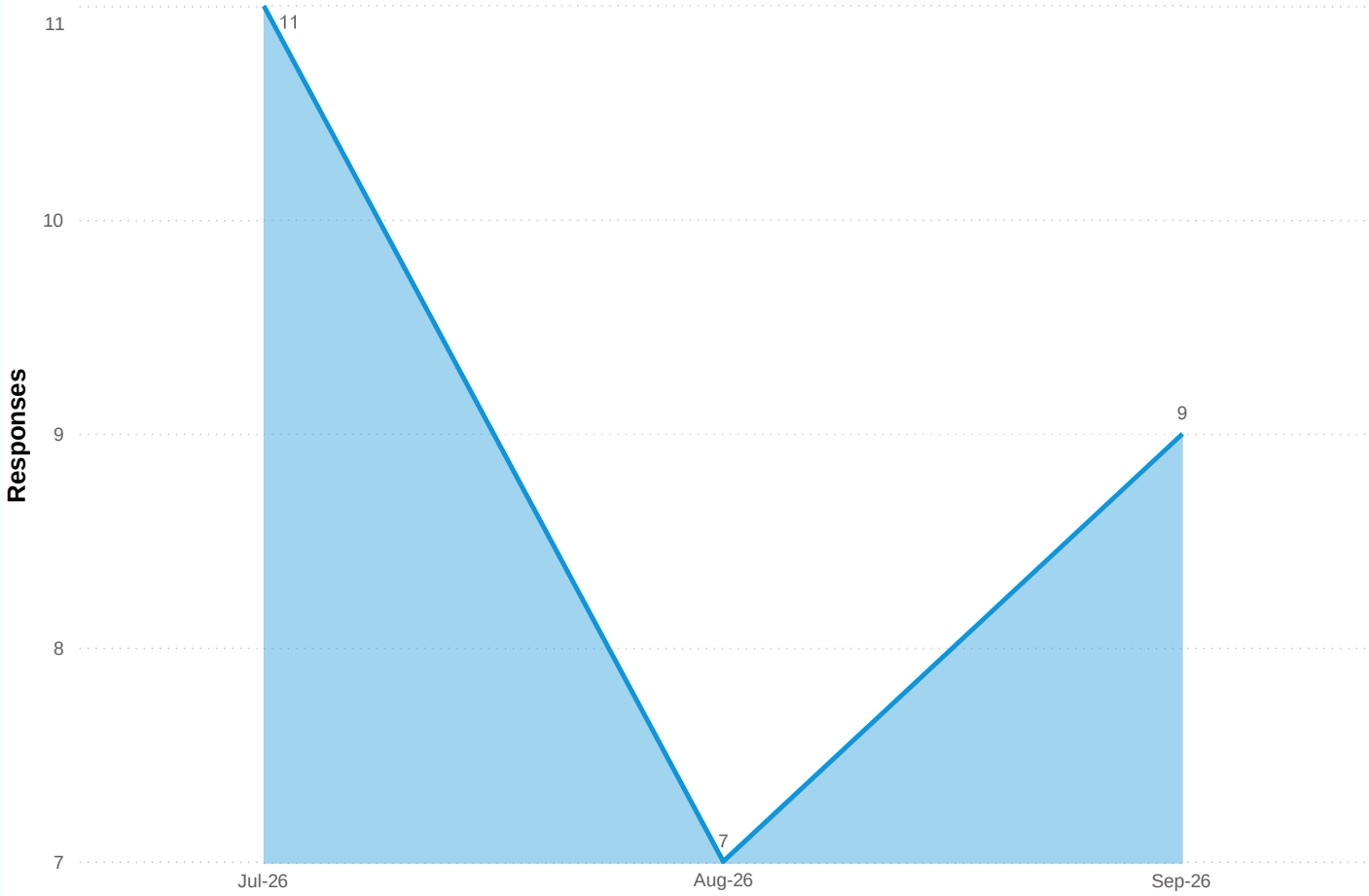
- An emergency occurred at WSSC Water's Potomac Water Filtration Plant on September 29th, 2026. The plant operates with two power feeds, either of which can fully support operations alone. One feed was offline for routine maintenance when, around 4:30am, the remaining feed failed, causing service disruptions. WSSC Water & Pepco acted quickly to restore the offline feed by noon and began refilling the system.

Fiscal Year:

2027

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Emergency, Preparedness, Coordination, and Responses



Workforce Development

KPIs

1. Employee Turnover Rate:
   0.15% - August 2026
2. Monthly Positions Filled:
   30%
3. Retirement Eligibility, Full Now:
   10.49% Qualify
4. Retirement Eligibility, Early within 5 Years:
   16.12% Qualify

Key Insights

- Retirement eligibility remains stable, with approximately 10% of employees qulifying for immediate full retirement and about 15-16% of employees qualifying early within the next 5 years.

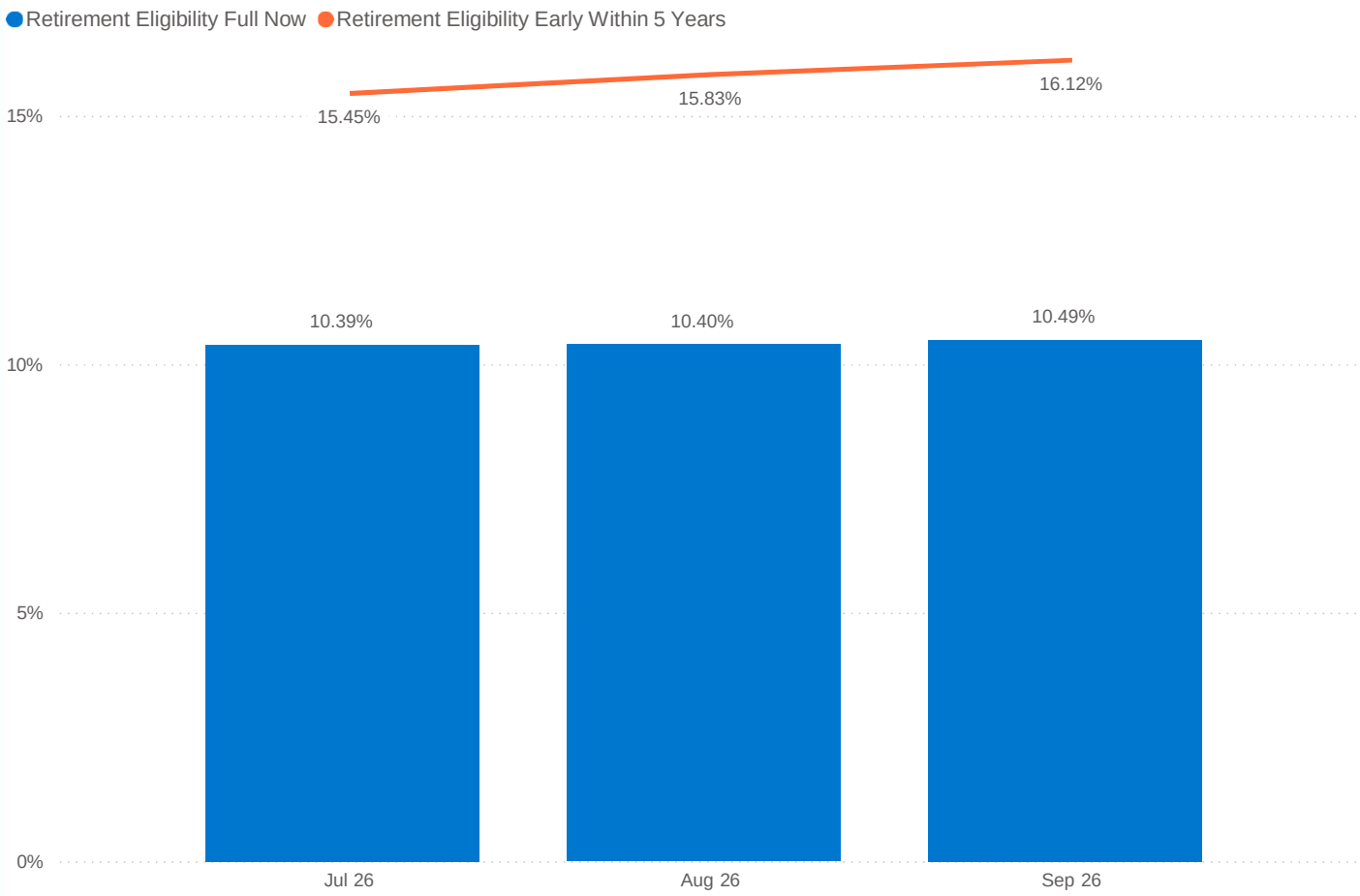
- **30%** of the actively recruited vacancies were filled in September 2026, reflecting WSSC Water's continued efforts to strengthen the workforce by selecting top candidates.

Fiscal Year:

2027

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Retirement Eligibility (%)



Turnoffs & Turnons - September 2026

Montgomery County
Summary of Turnoffs and Turnons
from 09/01/2026 to 09/30/2026

337	268
Total Turnoffs Attempted	Completed Turnons

292	45
Completed Turn Offs	Attempted and Not Completed

Prince George's County
Summary of Turnoffs and Turnons
from 09/01/2026 to 09/30/2026

989	729
Total Turnoffs Attempted	Completed Turnons

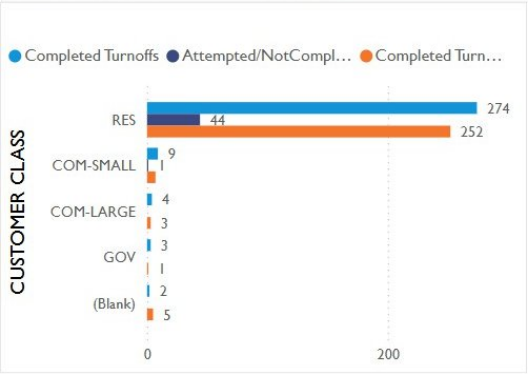
943	46
Completed Turn Offs	Attempted and Not Completed

All WSSC Water Service Area
Summary of Turnoffs and Turnons
from 09/01/2026 to 09/30/2026

1326	997
Total Turnoffs Attempted	Completed Turnons

1235	91
Completed Turn Offs	Attempted and Not Completed

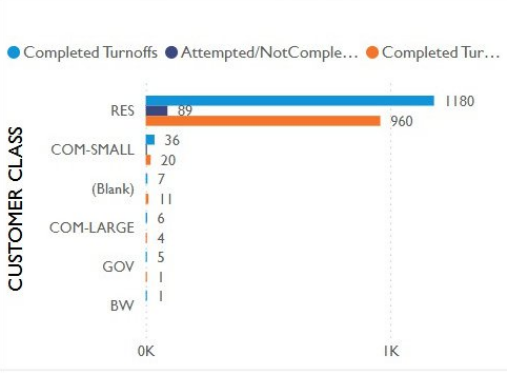
Montgomery County
Turnoffs & Turnons by Collections Class
from 09/01/2026 to 09/30/2026



Prince George's County
Turnoffs & Turnons by Collections Class
from 09/01/2026 to 09/30/2026



All WSSC Water Service Area
Turnoffs & Turnons by Collections Class
from 09/01/2026 to 09/30/2026



Turnoffs & Turnons - Fiscal Year-to-Date

Montgomery County
Summary of Turnoffs and Turnons
from 07/01/2026 to 09/30/2026

Total Turnoffs Attempted	Completed Turnons	Completed Turn Offs	Attempted and Not Completed
1649	1273	1505	144

Prince George's County
Summary of Turnoffs and Turnons
from 07/01/2026 to 09/30/2026

Total Turnoffs Attempted	Completed Turnons	Completed Turn Offs	Attempted and Not Completed
3476	2476	3322	154

All WSSC Water Service Area
Summary of Turnoffs and Turnons
from 07/01/2026 to 09/30/2026

Total Turnoffs Attempted	Completed Turnons	Completed Turn Offs	Attempted and Not Completed
5125	3749	4827	298

Montgomery County
Turnoffs & Turnons by Collections Class
from 07/01/2026 to 09/30/2026



Prince George's County
Turnoffs & Turnons by Collections Class
from 07/01/2026 to 09/30/2026



All WSSC Water Service Area
Turnoffs & Turnons by Collections Class
from 07/01/2026 to 09/30/2026




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Strategic Plan Refresh: Commission Briefing

General Manager's Office of Performance & Accountability

Wayne Morris, Division Manager
Taryn Lowery, Project Manager

October 21, 2026

Presentation for Informational Purposes

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Be a Beacon

Our Vision

To be a beacon of excellence, delivering sustained and transformative change.

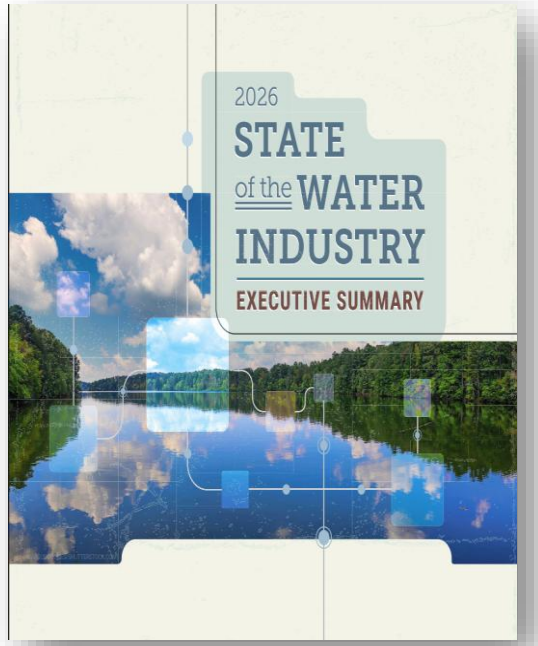


Inputs & Drivers

The pressures we face and the principles of an effective utility.

Ranking Top Ten Issues Facing Water Sector and Changes from 2025			
Rank	**2026 Issue**	**Change**	**2025 Issue**
1	Infrastructure renewal and replacement	↑	Financing for capital improvements
2	Financing for capital improvements	↓	Infrastructure renewal and replacement
3	Long-term drinking water supply availability	↔	Long-term drinking water supply availability
4	Financial sustainability	↑	Public understanding of the value of water sector systems and services
5	Public understanding of the value of water sector systems and services	↓	Watershed/source water protection
6	Watershed/source water protection	↓	Financial sustainability
7	Groundwater management and overuse	↑	Workforce issues
8	Cybersecurity issues	↔	Cybersecurity issues
9	Workforce issues	↓	Groundwater management and overuse
10	Drought or periodic water shortages	↔	Drought or periodic water shortages

2026 State of the Water Industry





Ten Attributes of Effectively Managed Utilities

Reference AWWA State of the Water Industry https://www.awwa.org/wp-content/uploads/SOTWI-2026-Executive-Summary.pdf

How do we achieve sustained and transformative change with the refreshed Strategic Plan?

What do we want each priority to accomplish?

Who is impacted by each priority?

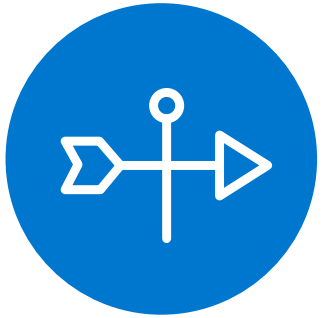
What does success look like?

The Strategic Plan is a roadmap to achieve Sustained and Transformative Change



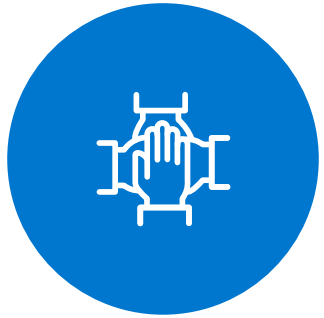
It sets ambitious goals

Success measures extend beyond FY 2030



It provides long-term direction

Helps us effectively plan for success



It builds shared ownership

We are all **collectively** responsible for the plan's success

Strategic Priority Goals

Workforce Development

Build a skilled, diverse, future-ready workforce that delivers on WSSC Water's mission now and for generations to come.



Affordability & Financial Viability

Provide affordable, predictable rates for our customers by strengthening fiscal stability and resilience.



Customer Experience & Service Delivery

Deliver exceptional service and support to earn the trust and confidence of every customer and the communities we serve.



Asset Management & Infrastructure Reliability

Manage and invest in our assets and infrastructure to reduce risk and deliver reliable, resilient service.



Sustainability & Resiliency

Enhance WSSC Water's organizational endurance, environmental stewardship and its ability to respond, adapt to and withstand shocks and long-term stresses.



Optimizing Operations

Reduce cost, accelerate efficiency, reduce risk and ensure reliable and resilient delivery of services and Capital Improvement.



Digital Transformation

Use human centered digital technologies to improve, accelerate and streamline service delivery.



Culture & Community

Act on our shared beliefs, values, and behaviors to sustain transformative change for our communities and workforce.





Commission Workplan

Departmental Workplans

Employee Day-to-Day Activities

Outcomes*

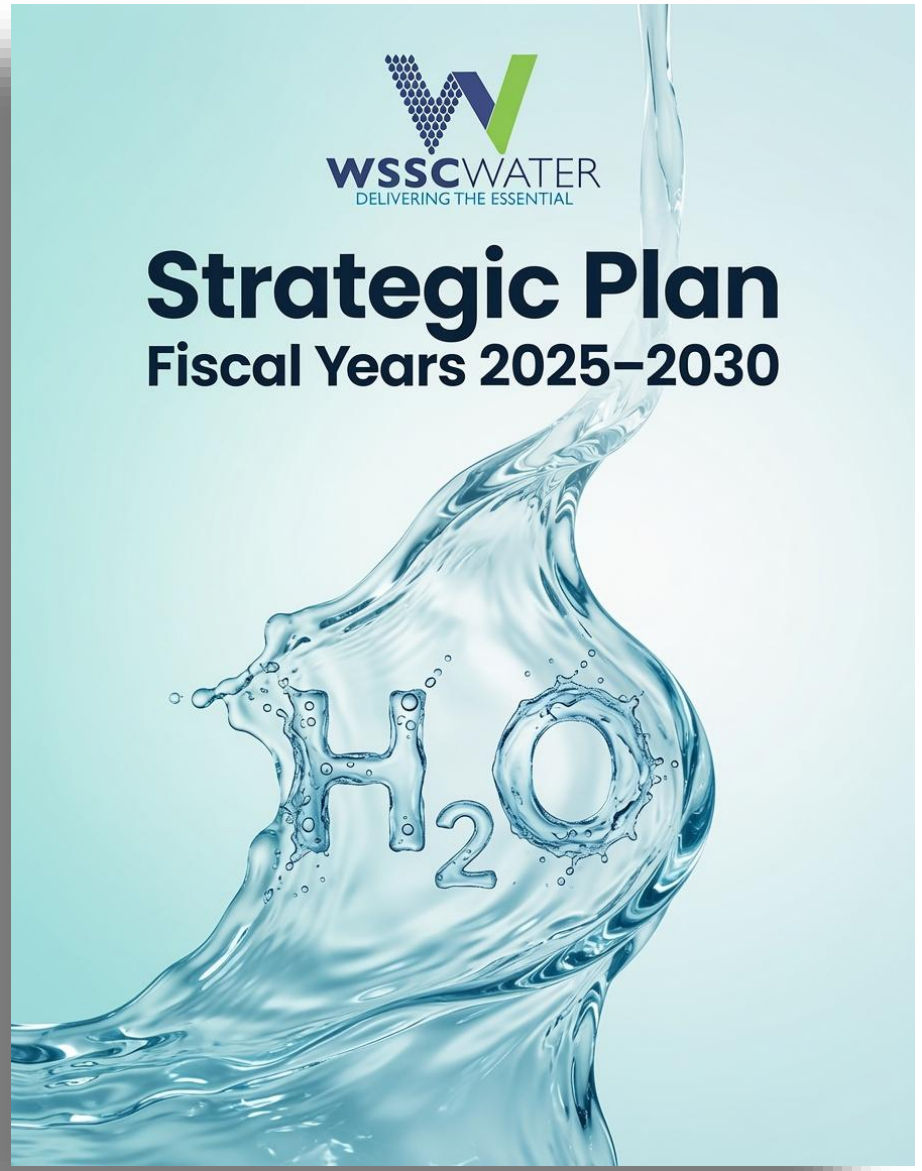
Future Ready Workforce	100% of Identified Safety Risks Under Active Control	Net Zero Emissions	Zero Estimated Bills
<5% Water Loss	15% of Revenue from Non-Rate Sources	100% of CIP Project Delivered on time and within budget	System-Wide Digital Twin

*Outcomes are being finalized

Cover Design Competition

- 24 submissions across 10 departments
- 30 total participants
- One winner!

Congratulations Ghion Endalew!





Newly Designed **Strategic Plan**

Next Steps

- **Transition Strategic Plan Development Team to Implementation Team**
  - Build process to effectively track progress of Strategic Plan initiatives
  - Winter 2026

- **Strategic Plan Publication and Awareness Campaign**
  - November 2026

Questions?

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Professional Licensure & Certification Compliance Audit Status Report

Helen Hagos, Performance & Accountability Director

October 21, 2026

Presentation for Informational Purposes

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Operational Health and Safety: Audit Findings

Risk Rating: High

OIG Recommendation

Strengthen Clearinghouse Compliance Controls

- **Aug–Nov 2025**
  In-person training for all CDL drivers
- **After training**
  Nearly all ~300 drivers registered
- **Jan 7, 2026**
  Licensing Application live, replacing legacy APMIS system
- **Apr 23, 2026**
  Annual queries done; 14 licenses downgraded

Upcoming: Dec 31, 2026
Written procedures and monitoring process formalized

OIG Recommendation

Strengthen Driver Qualification (DQ) File Controls

- **Current state assessed**
  Basis for a practical, sustainable plan
- **Approach defined**
  New drivers first, with ongoing compliance for current drivers
- **Jan 7, 2026**
  Licensing Application live to house DQ records

Upcoming: Dec 31, 2026
DQ file process, annual Motor Vehicle Records reviews, supervisory review formalized

OIG Recommendation

Establish and Enforce CDL MEC Monitoring Controls

- **Centralized tracking**
  MEC status for all drivers in one system
- **Direct MEC upload**
  MECs uploaded directly into the application
- **Expiration alerts**
  Automatic emails before MEC expiration
- **Downgrade notifications**
  Downgrade notices create an audit trail

Upcoming: Dec 31, 2026
MEC verification, roles, and status-change reporting formalized

Production and Utility Services: Audit Finding

Risk Rating: Medium

OIG Recommendation

Strengthen Certification Tracking and Verification Controls

Establish and implement a centralized, standardized process for tracking and verifying operator certifications, monitoring certification status and renewal deadlines, processing renewal documentation, and maintaining a complete and accurate supporting records within a reliable system of record..

Progress to date

✓ **In place**
Certifications for career ladder and flexible worker programs are already tracked

✓ **Aug 2026**
Enhanced the process to ensure all licenses are being entered in the current Learning Management System (LMS)

✓ **Sep 2026**
OneDrive repository created to house certification records

Upcoming

Nov 2026
Internal Operating Procedure: standardized tracking, verification, and supervisory controls

End of 2026
Working to have all licenses in the system

Jun 30, 2027
New Learning Management System (LMS) implemented as certification system of record

Dec 31, 2027
Full LMS tracking, reporting, and automated monitoring

Human Resources: Audit Findings

Risk Rating: Medium

OIG Recommendation

Strengthen Controls Over Use of Current Job Description

Formalize Standard Procedures

Create and implement internal operating procedures (IOPs) to establish the process for verifying the latest approved job descriptions that are used when preparing job postings and offer letters.

- The IOPs will define roles and responsibilities, inclusive of final verification step.

Upcoming:
October 31, 2026, | Internal Operating Procedures.

OIG Recommendation

Establish Standardized HR Controls for Licensure & Certification

Develop Standard Procedures

Develop and implement formal policies and procedures governing the verification and documentation of required licenses and certifications for employees at the time of hire, promotion, transfer, and throughout employment.

Oracle EBS

Implement alerts features for when licensures and certification requirement are expiring.

Upcoming:
October 31, 2026, | Internal operating procedures
November 30, 2026 | Centralize EBS tool

Engineering and Construction: Audit Finding

Risk Rating: Medium

OIG Recommendation

Establish formal monitoring controls for license and certification status and renewal deadlines: a centralized tracking system, assigned oversight roles, automated reminders, and periodic reviews to keep credentials current.

Progress to date

- ✓ **July 2026**
  Internal Operating Procedure (IOP) formalizing license and certification monitoring completed
- ✓ **Centralized tracking sheet**
  Updated to include all employees who hold licenses
- ✓ **License records on file**
  Folder maintained with copies of each license
- ✓ **Expiration reminders**
  First license expiration notice sent to employees and their supervisors

Upcoming

Nov. 30, 2026

Commission-wide centralized tracking system, developed in collaboration with Human Resources

Questions?

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FY 2028 Preliminary Proposed Budget & Cost of Service Study Briefing

Munetsi Musara, Chief Financial Officer
& Raftelis

October 21, 2026



Presentation for Informational Purposes

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Agenda

- Budget Outcomes, Overview, and Rising Costs
- Finance Information
- Preliminary Proposed FY 2028 Budget –Base Case Major Changes
- Next Steps
- Questions
- Cost of Service Study Briefing

Budget Outcomes, Overview, and Rising Costs

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FY28 Budget-Based Outcomes

Sustainability & Resiliency

- Clean Water Act and Safe Drinking Water Act Compliance
- Required workforce health and safety investments

Asset Management & Infrastructure Reliability

- Maintain $9B in infrastructure assets
- Contributions to DC Water
- Meeting operational performance measures
- Modernize depots and metering infrastructure

Optimizing Operations

- Zero Drinking Water Violations
- Zero WRRF Violations
- Minimizing SSOs and Basement backups
- Reducing water main breaks
- Reducing water loss
- Meeting operational performance measures

Workforce Development

- Investments to maintain a strong workforce
- Career path development
- Succession planning

Affordability & Financial Viability

- Cost Reduction
- Increasing Non-Rate Revenue
- Investments required to reduce operating costs
- Investments required to generate non-rate revenue
- Maintain AAA bond rating
- Use of cash (PAYGO) to lower future debt service expenses
- Maintaining healthy financial metrics

Customer Experience & Service Delivery + Culture & Community

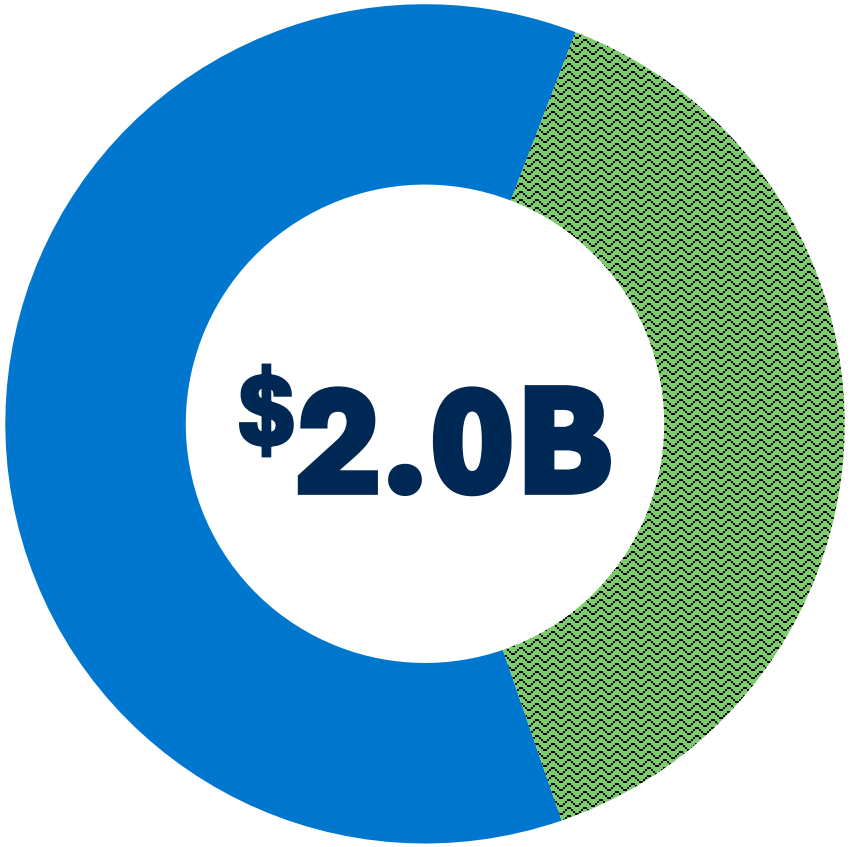
- Ensuring accurate bills based on actual readings
- Maintain customer assistance funding
- Increase utilization of small and local businesses

Digital Transformation

- Investments required for cyber security and resilience
- Electrical Power reliability and resilience

FY28 Preliminary Budget

Operating Sources	$1.27B
Customer Rate Revenue	$1.179B
Other Sources of Revenue	$86.6M
External Funding	$3.4M
Front Foot & House Connection	$4.0M
Operating Uses	**$1.27B**
Operating Expenses	$651.4M
Debt Service	$419.6M
PAYGO	$102.6M
Regional Sewage Disposal	$96.6M



Capital Sources	$742.8M
Debt	$538.7M
PAYGO	$114.3M
State Revolving Funds	$66.3M
Other	$23.5M
Capital Uses	**$742.8M**
WSSC Water Infrastructure	$585.5M
Inter-jurisdictional Investments	$157.3M

Total of $15.5M in Developer-funded Projects

FY28 Proposed **Budget Drivers**

Debt Service & PAYGO (Pay-As-You-Go)

- Make steady payments on past borrowing
- Directly fund new projects to keep our water and sewer system strong

Declared Emergencies/ Infrastructure Failures

- Increased overtime for weather-related and other emergencies; pipe break incidents
- Increase in paving restoration and materials cost due of pipe breaks and pipe bursts

Federal Funding Constraints

- Federal support is limited compared to overall needs
- Infrastructure Investment and Jobs Act (IIJA) ends after Fiscal Year 2026
- No dedicated SRF funds specifically for Lead Replacement or PFAS

Rising Costs

- Increases in core operating costs like regional sewage disposal fees, employee health care, fuel, and utilities (heat & light)
- Budget pressures arising from inflation and tariffs
- Increased operation and maintenance costs for NEW facilities

Bottom Line Up Front

Two Kinds of Cost:
Running the System and Building It

Operating Expenses – Running the System

Costs to run the system and support the workforce every day; repayment of debt.

- Very little External Funds; paid in the year they occur
- Reductions impact service levels and heighten risks

Like groceries and utility bills: you pay as you go.

Capital Expenses – Building the System

Costs to repair and replace and replace aged assets; build new infrastructure.

- Limited/declining federal funding
- More loans than grants; bond funding increases debt
- Reductions impact reliability and resilience of our systems

Like buying a house: costs spread across multiple years; try to borrow at the lowest rate possible.

Operating costs are the largest share of our budget, paid in one year, with the least amount of help.

FY 2026 Operating Budget Unanticipated Costs

Items absorbed in the budget:

- Reallocating funds resulted in other initiatives and actions being deferred or eliminated
- These cost increases persist in FY27 and will carry forward into the FY2028 budget

Operating Cost Increases Absorbed:

Non-Discretionary Increases

- Heat, Light, Power - **$5.8 million**
- Regional Sewage Disposal (Blue Plains) - **$9.0 million**

Declared Emergencies Related Increases

- Overtime - **$4.0 million**
- Materials - **$9.0 million**
- Contract Restoration/Paving - **$10.5 million**

Financial Assistance Program

- Customer Assistance Program Fee Waivers - **$1.5 million**

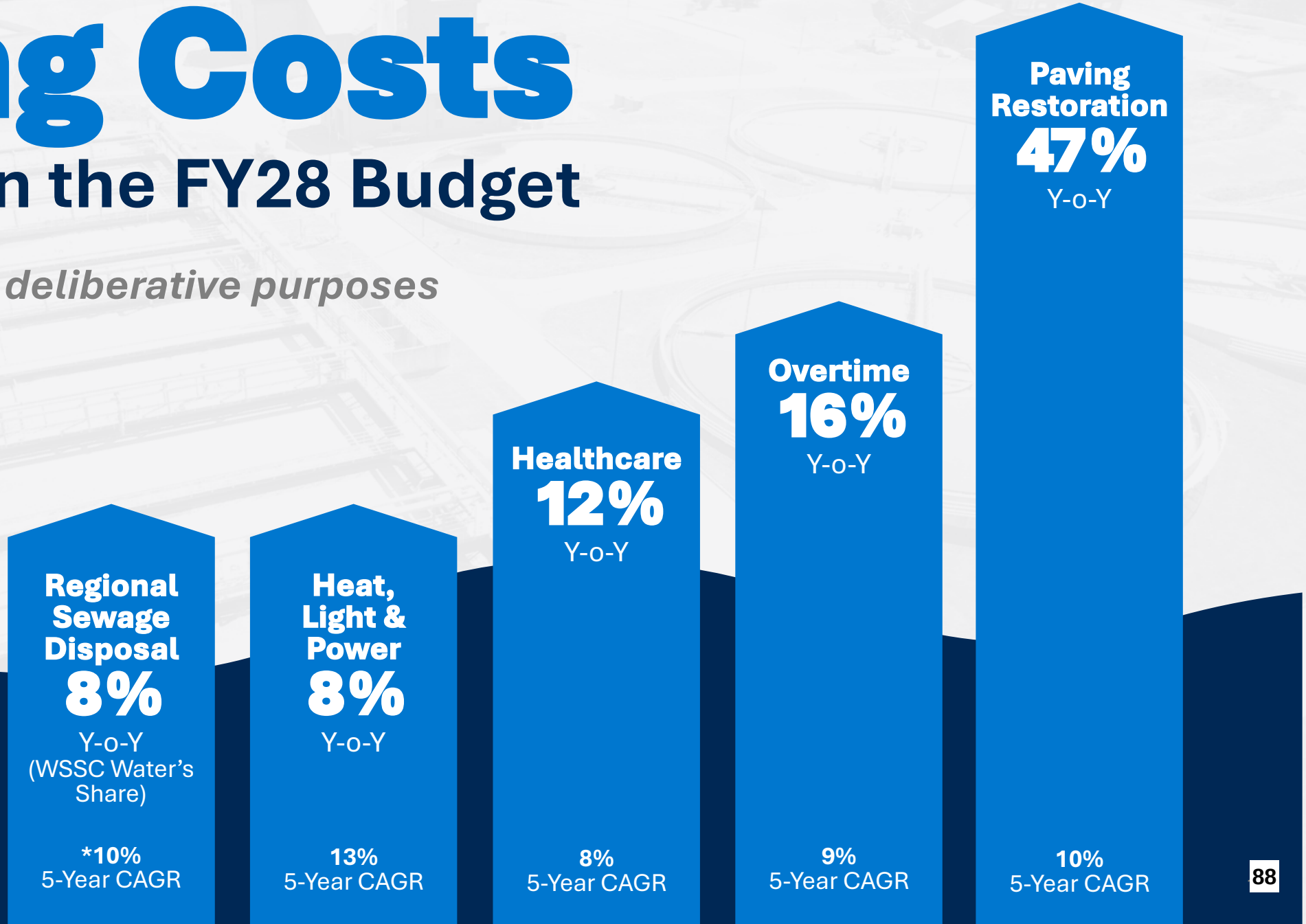
Materials and Supplies

- Higher costs resulted from supply chains issues arising from geo-political conflicts and demand/competition with other sectors
- Inflationary increases of supplies and materials required for essential operational needs.

Rising Costs

Absorbed in the FY28 Budget

Working draft – for deliberative purposes



*Regional sewage disposal costs and capital improvement program costs are increasing due to the increases in the D.C. Water budget.

5-Year = 2023 - 2028

Finance Information

Cost-of-Service Study Results

Working Draft – For Deliberative Purposes

Cost-of-Service (COS) Presentation

11.7% Revenue Enhancement

SAG Limits ($ In Thousands)	FY 2027 Approved	FY 2028 Preliminary	FY 2029 Projected	FY 2030 Projected	FY 2031 Projected	FY2032 Projected
New Water & Sewer Debt Issues	$ 491,102	$ 581,149	$ 631,000	$ 624,536	$ 603,213	$ 573,728
Total Water & Sewer Debt Service	388,446	430,056	458,944	486,249	509,668	526,230
Total Water & Sewer Expenditures	1,193,998	1,335,560	1,449,246	1,572,860	1,661,144	1,821,334
Volumetric & Fixed Fee Revenue Enhancement	5.0%	11.7%	11.1%	10.2%	8.7%	8.7%

Cost-of-Service Revenue Enhancement Scenarios

Description	Recommended Plan	Alternative 1	Alternative 2
FY 2028 Rate Increase	11.7%	7.0%	5.0%
Unfunded Capital	$0	$0	$186 M
Use of Reserves	$0	$5.0M	$-5.9 M
PAYGO Reduction	$0	-$62.9 M	-$62.9 M
Debt Service	$0	+$3.9 M	-$11.6M
Financial Targets Met by 2032	Yes	No	No

COS Five-Year Recommendations:

- Reduce rate supported bonded debt for capital investment
- Improvement to financial metrics:
  - Increase PAYGO financing to 40% by 2032 to improve Leverage and Debt Service Coverage Ratio
  - Add Cash Reserve to increase Days Cash on Hand

Long-Term Plan Presentation for FY 2027

FY 2027 Approved Long Term Plan - 8.2% Revenue Enhancement

SAG Limits ($ In Thousands)	FY 2027 Approved	FY 2028 Projected	FY 2029 Projected	FY 2030 Projected	FY 2031 Projected	FY2032 Projected	FY2033 Projected
New Water & Sewer Debt Issues	$ 491,102	$ 610,388	$ 647,047	$ 604,514	$ 556,242	$ 527,538	$ 506,480
Total Water & Sewer Debt Service	388,446	426,597	465,303	500,309	528,190	547,521	563,126
Total Water & Sewer Expenditures	1,193,998	1,273,886	1,366,932	1,443,553	1,523,376	1,591,492	1,657,429
Volumetric & Fixed Fee Revenue Enhancement	5.0%	8.2%	7.5%	6.3%	5.8%	4.7%	4.5%

Base Case Scenario 1 = 7.0%

7.0% Revenue Enhancement

SAG Limits ($ In Thousands)	FY 2027 Approved	FY 2028 Preliminary	FY 2029 Projected	FY 2030 Projected	FY 2031 Projected	FY2032 Projected	FY2033 Projected
New Water & Sewer Debt Issues	$ 491,102	$ 547,488	$ 666,742	$ 630,956	$ 579,642	$ 559,356	$ 527,458
Total Water & Sewer Debt Service	388,446	419,577	458,059	495,389	526,738	551,385	566,915
Total Water & Sewer Expenditures	1,193,998	1,269,073	1,370,186	1,475,005	1,593,008	1,699,326	1,805,143
Volumetric & Fixed Fee Revenue Enhancement	5.0%	7.0%	9.0%	8.5%	8.5%	7.0%	6.5%

Scenario 2 = 5.0%

5.0% Revenue Enhancement

SAG Limits ($ In Thousands)	FY 2027 Approved	FY 2028 Preliminary	FY 2029 Projected	FY 2030 Projected	FY 2031 Projected	FY2032 Projected	FY2033 Projected
New Water & Sewer Debt Issues	$ 491,102	$ 547,488	$ 666,742	$ 630,956	$ 579,642	$ 559,356	$ 527,458
Total Water & Sewer Debt Service	388,446	419,577	458,059	495,389	526,738	551,385	566,915
Total Water & Sewer Expenditures	1,193,998	1,247,215	1,352,118	1,468,008	1,585,416	1,706,181	1,820,532
Volumetric & Fixed Fee Revenue Enhancement	5.0%	5.0%	9.5%	9.5%	8.5%	8.0%	7.0%

Working Draft – For Deliberative Purposes

Impacts of Reduced Revenue Enhancement

FY 2028 rate increase reduction impact:

- 1.0% decrease to the volumetric and ready-to-serve rate for FY 2028 would require:
  - $11.0 million reduction to the Operating Budget OR
  - $196.1 million reductions or deferrals to the Capital Budget OR
  - $6.0 million in operating reductions and $89.2 million in capital deferrals

Bill Impact	FY26	FY28 (7%)
Average Gallons Per Day*	132	132
Average Quarterly Bill	$285.99	$306.01
Monthly Bill Impact	-	+$6.67
Quarterly Bill Impact	-	+$20.02
Annual Bill Impact	-	+$80.08

*Based on the recent Cost-of-Service Study, average daily consumption for a typical 3-person household dropped from 145 GPD to 132 GPD. Calculation above is based on ¾ inch meter.

Working Draft - For Deliberative Purposes

Preliminary Proposed FY 2028 Budget – Base Case **Major Changes**

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Department Operating Budget Formulation Guidance

- FY2028 will be a **same service** budget
  - No new funding requests will be incorporated
  - Departments are to absorb anticipated cost increases within the existing budget reflecting same services and budgeted amounts
- Permitted exceptions
  - Heat, Light and Power, Blue Plains Regional Sewage Disposal
- No new workyear requests will be considered
- Budget reductions implemented in FY2027 have not been reinstated for FY2028
  - Departments may reinstate those reductions only if alternative reductions are provided so that the overall budget (excluding salaries) does not increase

FY 2028 Planning v. FY 2027 Approved

Major Budget Changes **7.0%**

Regional Sewage Disposal

Increase in operational cost for treating wastewater at Blue Plains. The FY 2028 budget is based on the projections provided by DC Water

Heat, Light & Power

Cost is driven by higher natural gas cost and usage

Overtime

Increase in the overtime budget to support additional hours required during weather-related emergencies and pipe break incidents

Professional Services

The increase primarily supports essential operational needs and process improvements, including modernizing the ERP system by moving it to the cloud, higher bill printing costs, preventive building maintenance, and expanded outside services to meet rising emergency response demands from pipe breaks during extreme weather.

Paving Restoration

Increase in the paving restoration cost because of pipe breaks and pipe bursts

PAYGO

Increase in PAYGO with $3.0M capital budget reduction. PAYGO set below 25% bi-county policy level

Trucks & Vehicles

Purchase additional trucks and vehicles to stay aligned with the five-year replacement program and reduce long-term fleet maintenance costs

Non-Discretionary Cost	FY 2028	FY 2027	$ Change	% of Total
Debt Service	$ 419,577	$ 388,446	$ 31,131	41.5%
Regional Sewage Disposal	96,619	89,667	6,952	9.3%
Heat, Light & Power	34,303	31,866	2,437	3.2%
Chemicals	25,040	24,486	554	0.7%
Biosolids Hauling	16,433	16,433	-	0.0%
Non-Discretionary Sub-total	**$ 591,972**	**$ 550,898**	**$ 41,074**	**54.7%**
Personnel Cost				
COLA			3,529	4.7%
Merit			5,901	7.9%
Overtime			1,011	1.3%
Other Base Adjustments			1,266	1.7%
Career Ladder/Flexible Worker Step Increases			877	1.2%
Additional Workday (FY28 has 261 workdays)			801	1.1%
6-month freeze on vacancies			(4,000)	-5.3%
Change in Lapse			(546)	-0.7%
Salaries & Wages Sub-total	**$ 221,784**	**$ 212,946**	**$ 8,838**	**11.8%**
Employees Fringe Benefits	55,968	53,410	2,558	3.4%
Retirement Plan	34,953	32,326	2,627	3.5%
Employee Benefits Sub-total	**$ 90,921**	**$ 85,735**	**$ 5,186**	**6.9%**
Personnel Sub-total	**$ 312,705**	**$ 298,681**	**$ 14,024**	**18.7%**
Discretionary Cost				
Professional Services	157,229	139,756	17,473	23.3%
Paving Restoration	31,469	22,217	9,252	12.3%
PAYGO	102,553	100,000	2,553	3.4%
Trucks & Vehicles	9,830	10,830	(1,000)	-1.3%
Materials	20,132	16,617	3,515	4.7%
Miscellaneous Other	43,183	54,998	(11,815)	-15.7%
Discretionary Sub-total	**$ 364,396**	**$ 344,418**	**$ 19,978**	**26.6%**
Total	**$ 1,269,073**	**$ 1,193,998**	**$ 75,075**	**100.0%**

UNDER REVIEW

FY28 Capital Improvements Program (CIP)

$742.8M
FY28 Capital Budget



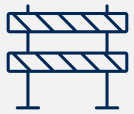
Total Six-Year FY28–33 Budget

$4.71B



Projects in Progress (**$250.9M**)

135



Projects Launching in 2028 (**$131.8M**)

68



Other Program Initiatives

$360.1M*

*The remaining 360.1M covers initiatives such as the Lead Reduction Program, PFAs, Blue Plains, Master Planning, Developer Projects = $742.8M

Next Steps

WSSCWATER
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WSSC Water
Budgeting Process
& Statutory Milestones

WSSC Water Budget Preparation

- Capital Improvements Plan (CIP) Update Starts **April**
- Operating Budget Preparation Kick-Off **May**
- Preliminary 6-Year CIP Presented to the Commissioners **July**
- Planning Level Operating Budget Presented to Commissioners **September**
- Public Hearings on the CIP **September**

Spending Affordability Process

- Bi-County Working Group Meetings Start **September**
- Prince George's County TIEE Committee Hearing on Operating Budget **October**
- **We are here**
- Montgomery County T&E Committee Meeting on Operating Budget **October**
- Montgomery County Council and Prince George's County Council **By November 1**

Statutory Milestones

- SAG Resolution Passed **November**
- Commission Approval to Transmit the FY28 Preliminary Proposed Budget **December**
- Transmittal of Preliminary Budget to County Governments **January 15**
- Public Hearings on FY28 Preliminary Proposed Budgets **January 27 (PGC) January 28 (MC)**
- Commission Approval to Transmit the FY28 Proposed Budget **February**
- Transmittal of Proposed FY28 Budget to County Governments **March 1**
- County Council & County Executive Meetings on FY28 Budget **February through April**
- Bi-County Meeting to Approve FY28 Budget **May**
- Commission Adoption of FY28 Budget & Rates **June**

Questions?

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WSSC Water

Water and Wastewater Cost of Service Study

Raftelis

October 21, 2026

Rate Study Process

Primary Objectives:



- The study develops water and wastewater rates that fund WSSC Water's objectives and appropriately recover revenue from its customers.
- Reviewing the rate structure, customer assistance programs, system development charges and wholesale rates also part of the study.

Financial Plan| Financial Planning Process



Forecast of Revenue at Current Rates

If WSSC Water did not adjust rates, how much revenue would be collected over the next five years?



Forecast of Operating Expenditures and Debt Service

Forecast of WSSC Water O&M, Blue Plains wastewater treatment charges, payments on current debt.



Capital Planning

Review the size of the capital improvement plan and mix of cash / debt used to finance it.



Determine Revenue Enhancements

Examine alternative revenue increases to fund the total revenue requirement and meet financial metric targets.

Financial Plan| Key Targets and Considerations

Consideration	Description
Capital Plan Completion	Should WSSC Water target full completion of the capital plan or consider reducing the plan for several years?
Financing Options	What is the appropriate capital financing mix of debt and cash from rates?
Days Cash on Hand	How quickly, if at all, should WSSC Water meet its target of 250 days?
Debt Service Coverage Ratio	How quickly, if at all, should WSSC Water meet its target of 1.50x?

Financial Plan| Revenue Enhancement Alternatives

Baseline Scenario

Raftelis developed a five-year schedule of rate adjustments beginning with 11.7% in FY 2028.

This option:

- Fully funds the $778M capital plan.
- Increasingly relies on cash-financed capital.
- Move towards meeting all financial targets by FY 2030.

Alternative Scenarios

Alternative rate adjustments for FY 2028 that were examined include:

- 5%
- 7%

Each alternative gives up one or more financial goals.

Financial Plan

FY 2028 Revenue Enhancement Alternatives

Scenario C
5%

Scenario D
7%

- Fully fund operating expenses and existing debt service.
- Defer $186 million of capital projects.
- Days cash and DSCR remain below target levels.

Scenario C, D labels align with description from draft memo submitted to WSSC Water staff.

FY 2028 Revenue Enhancement Alternatives (cont.)

Scenario C
5%

Scenario D
7%

- Fully fund operating expenses and existing debt service.
- Fully fund the capital improvement plan.
- Increase issuance of debt and reduce PAYGO relative to Baseline.
- Days cash and DSCR remain below target levels.

Scenario C, D labels align with description from draft memo submitted to WSSC Water staff.

Financial Plan| Alternatives Summary

	Baseline	Scenario D	Scenario C
Revenue Enhancement	**11.7%**	**7.0%**	**5.0%**
-	-	-	-
O&M and Existing Debt	$1,104.9	$1,104.9	$1,104.9
PAYGO	$162.9	$100.0	$100.0
Future Debt Service	$67.7	$71.6	$60.1
Adjustments	-$82.0	-$75.5	-$86.4
Total Revenue Requirement	**$1,253.5**	**$1,201.0**	**$1,178.6**
-	-	-	-
Total Capital	$865.6	$865.6	$679.6
-	-	-	-
Unfunded Capital	$0.0	$0.0	$186.0
-	-	-	-
Days Cash (FY 28)	202	205	199
DSCR (FY 28)	1.42x	1.29x	1.27x

Cost of Service and Rate Design

Potential Rate Structure Adjustments

Raftelis recommends that WSSC Water consider several adjustments to the water and sewer rates.



Increase the revenue recovered from the AMF & IIF.



Apply the same rates to all customers with a fire service meter.



Adopt a uniform sewer rate instead of the current inclining block.

SDCs

System Development Charge Update

Raftelis completed an update of WSSC Water's System Development Charges.

Buy-In Methodology

Net Value of Assets

Service Capacity of the System

Current SDCs

$5,332 total for a residential development with 3-4 toilets

Proposed SDCs

Increasing to $5,750

Customer Assistance Programs

Comprehensive Review & Roadmap

Raftelis completed a review of WSSC Water's CAP with 2 primary guiding questions:

1. **How does WSSC Water compare to other utilities in breadth and depth of affordability programs?**
2. **What strategies can WSSC Water employ in both the near-term and over a long-term to expand enrollment and assistance opportunities**

What WSSC Water does well today:

- 48-month payment plan for CAP is generous
- $9,000 CAP leak repair cap is high
- OHEP eligibility keeps administrative burden low
- Renters who own account are eligible for CAP
- PipeER is unique loan-based program

Number & Type of CAPs Offered by Peers

	Bill Discount	Payment Plans	One-time Emergency Relief	Arrearage/ Debt Forgiveness	Water Efficiency/ Conservation	Plumbing Repair	Senior/ Special Population	Multi-family/ Tenant
AlexRenew	-	X	X	-	-	-	-	-
Atlanta DWM	X	-	-	-	X	X	X	X
Austin Water	X	-	X	-	X	-	-	X
Baltimore City DPW	X	X	X	-	X	-	-	-
DC Water	X	X	X	X	-	-	-	X
Detroit DWSD	X	X	X	-	-	-	-	-
Louisville MSD	X	X	X	-	-	-	X	-
NEORSD	X	-	X	-	X	X	X	-
Philadelphia Water	X	X	X	X	X	X	X	-
Raleigh Water	-	X	X	-	-	-	-	-
Richmond DPU	X	X	X	X	-	X	X	-
Seattle Public Utilities	X	X	X	-	X	-	X	X
WSSC Water	X	X	X	-	-	X	-	-

What Can be Done Now?

MONITOR FIRST

Pause Before Adding Costs

CAP and Water Fund results are actively changing. Monitor program outcomes before committing to new recurring expenditures.

ACT NOW

Near-Term Progress Is Available

- Strengthen referral pathways
- Expand outreach reach
- Improve data visibility
- Build partnership readiness
- Add low-cost senior protections

PLAN AHEAD

A Ready Menu as Capacity Clears

As budget capacity becomes clearer, leadership will have defined options, costs, and implementation pathways ready to act on.

Senior Citizen Program	Find the "Missing Middle"	Consider a Volumetric Subsidy
• Bill discounts • Procedural protections	• Above poverty threshold below area median income • Costly ($ and admin)	• Helps large families • Could be costly

Questions

Performance Indicators

Customer Service Department

John Curry, Customer Service Director

October 21, 2026



Presentation for Informational Purposes

WSSCWATER
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Agenda

- Call Center Metrics
- Customer Emails & Starts/Stops
- Customer Payments
- Delinquent Accounts
- Revenue Protection Strategy

Call Center Metrics

Metric	July 2026	August 2026	September 2026
Average Speed of Answer	~4 minutes	~8 minutes	~11 minutes
Average Handle Time	~9 minutes	~9 minutes	~9 minutes
Call Answer Rate	93%	90%	87%
Calls Not Answered	7%	10%	13%
Total Calls for Month	31,866 (1,517 daily avg)	33,544 (1,597 daily avg)	34,320 (1,634 daily avg)

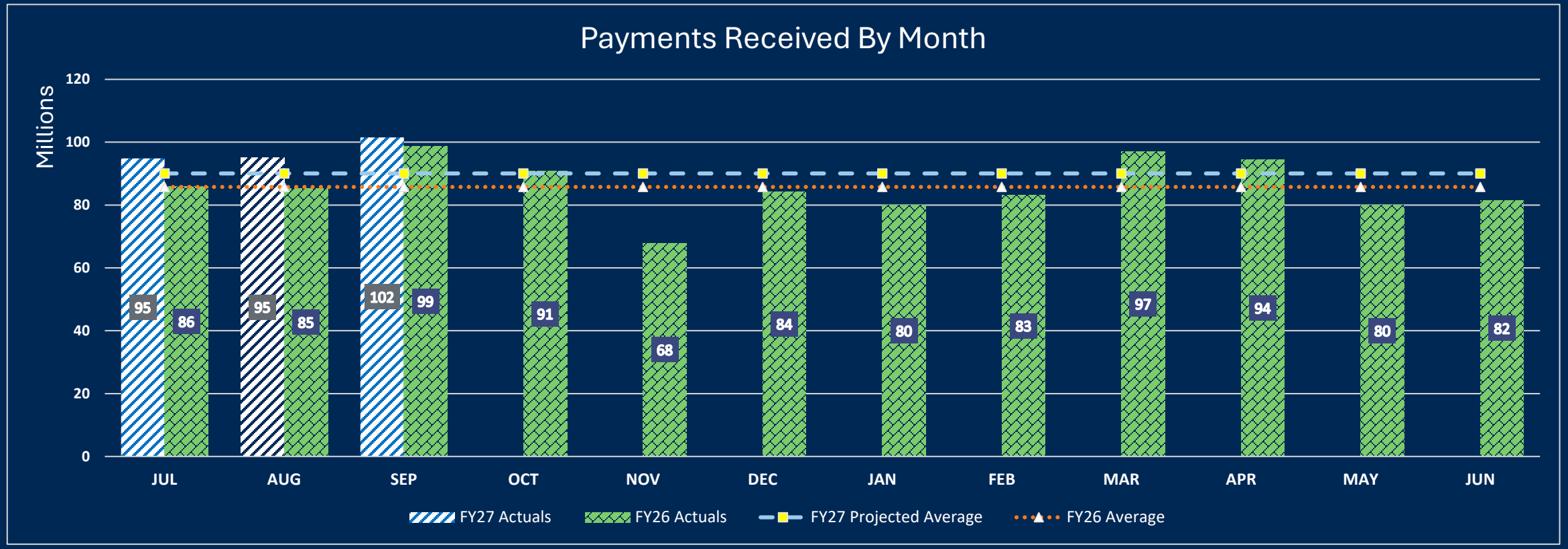
Customer Emails & Starts/Stops

FY2027 YTD, Customer Service closed 24,677 items, with an average 5 days open.
As of October 1, there were 1,204 open items, at an average of 4 days.



Customer Payments

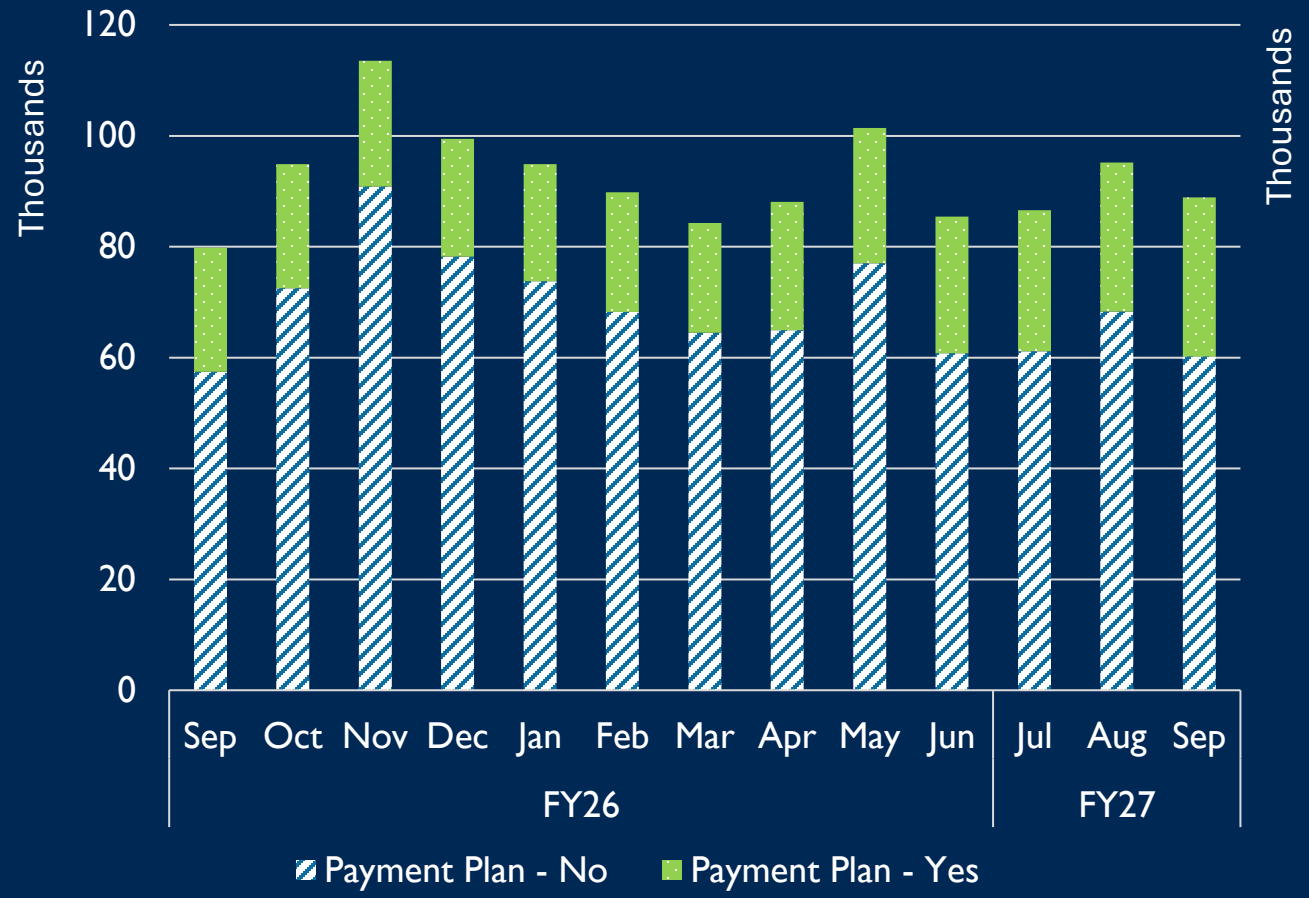
In September 2026, we received **$102M** in customer payments. This is **$3M more** than the $99M received in September 2025. FY2027 YTD payments total approximately $291M, $21M more compared to $270M in payments during the same FY 2026 period.



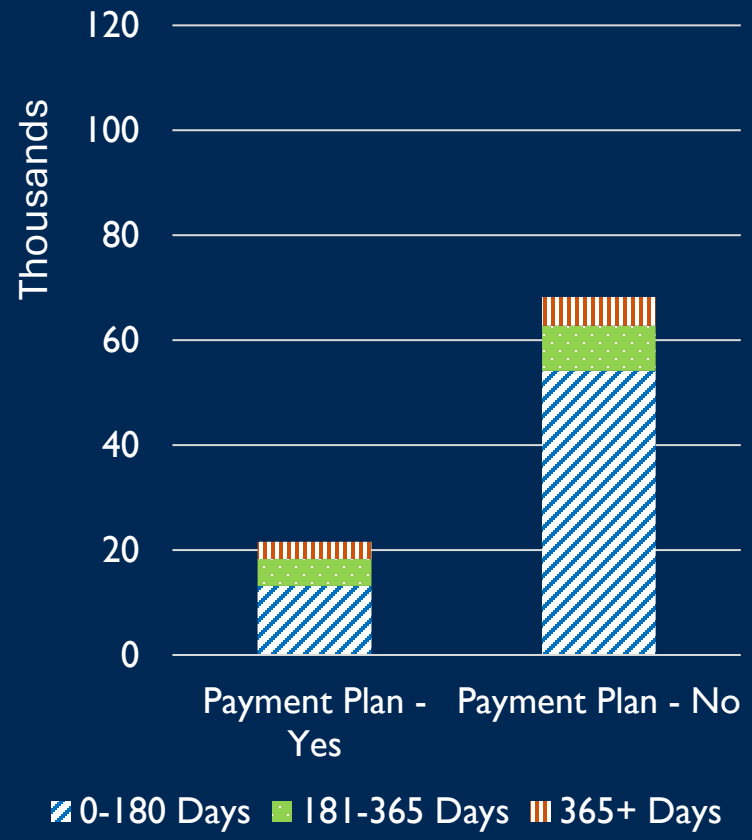
Delinquent Accounts (1 of 3)

Accounts

Delinquent Account **History**



Delinquent Account **Balance**

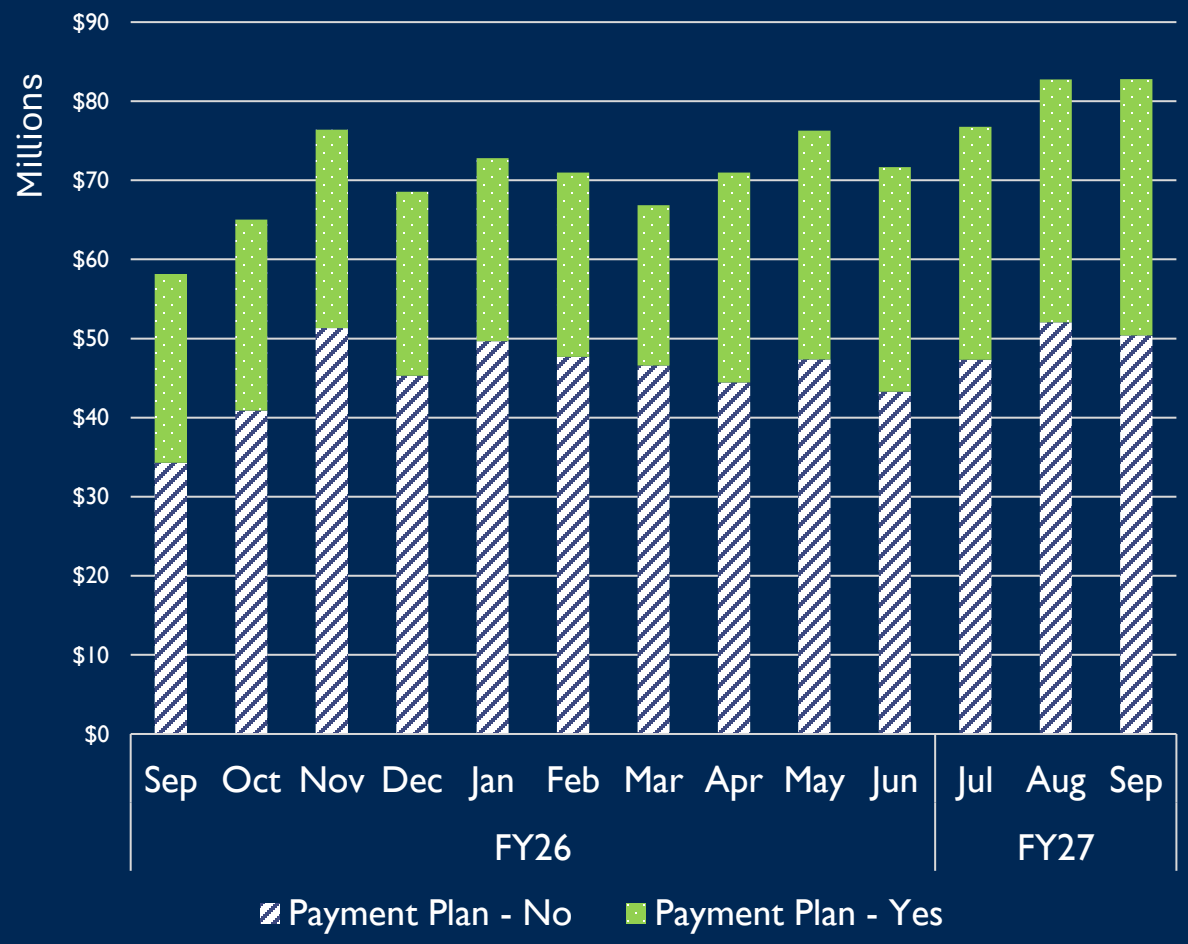


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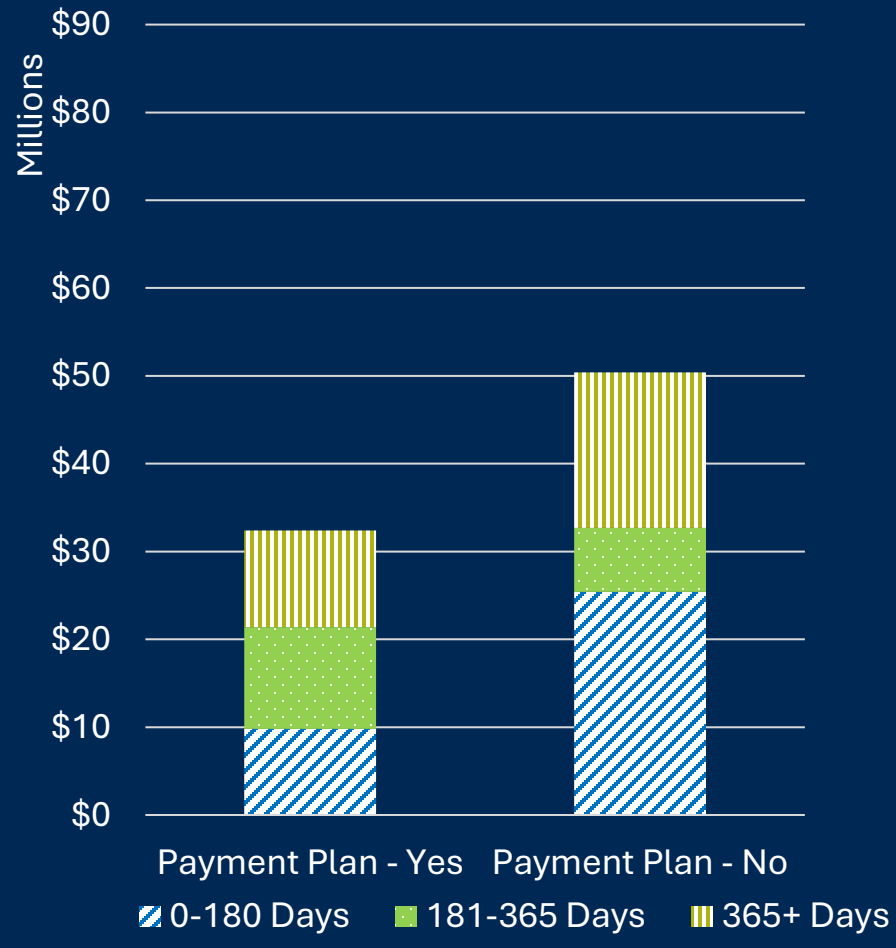
Delinquent Accounts (2 of 3)

Dollars

Delinquent Account **History**

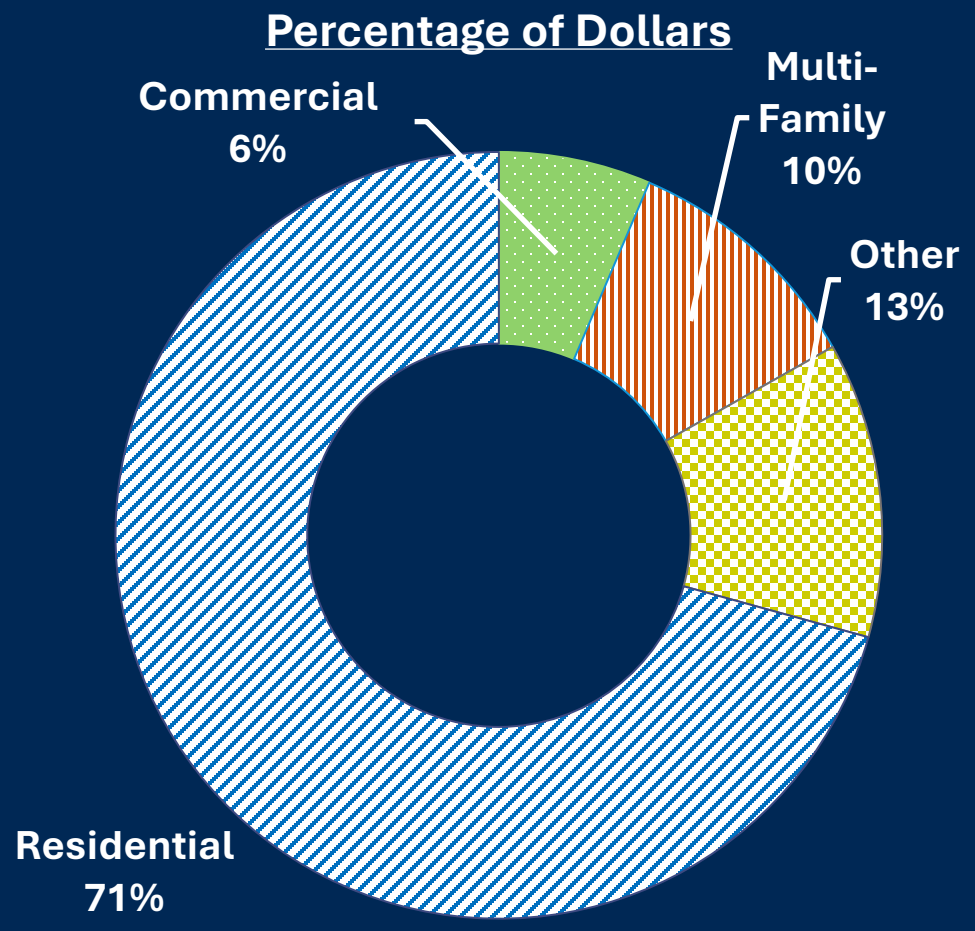


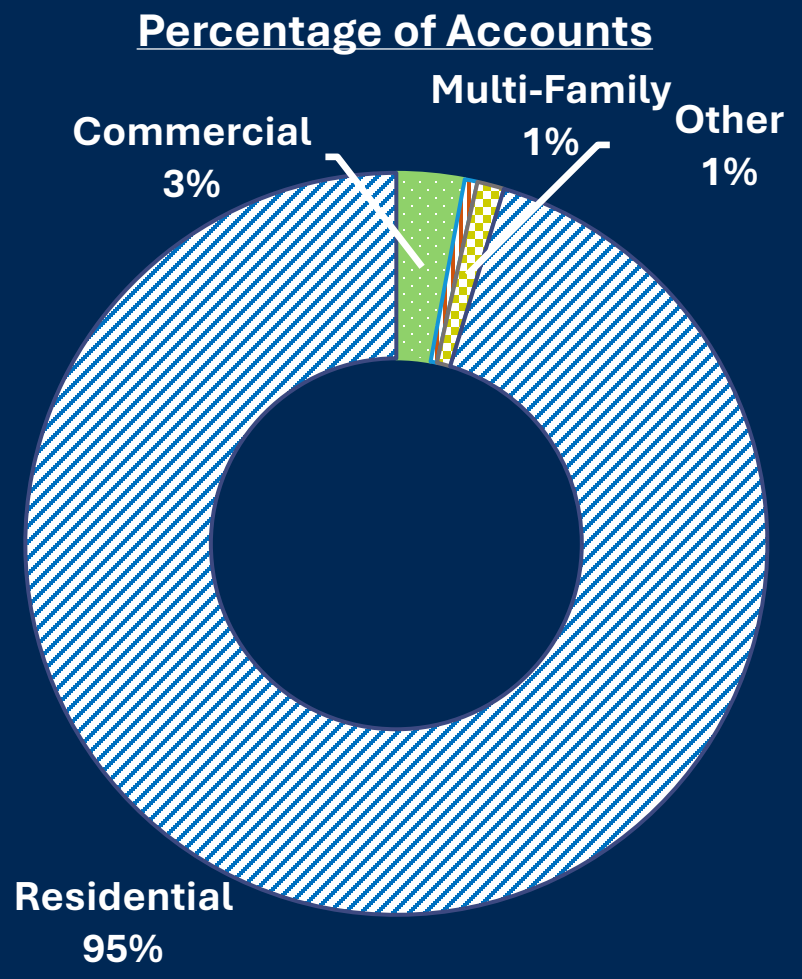
Delinquent Account **Balance**



Delinquent Accounts (3 of 3)

Customer Type





Revenue Protection Strategy



Identify
Oldest / largest accounts and exceptions

Engage
Notice, HOC Partnership, billing review, customer contacts

Resolve
Payment, pay plan, CAP/referral or dispute path

Enforce
Turn off when unresolved and eligible as a last resort

Restore
Turn on after payment confirmation & timely reconnects

Pay plans sit at the center of the pathway:
they convert delinquency into a managed obligation and reduce unnecessary service disruption.

	A. Up to 2 mo	B. 2 to 4 mo	C. 4 to 6 mo	D. 6 to 12 mo	E. 1 to 2 yr	F. 2 to 3 yr	G. Over 3 yr	Grand Total
Commercial	**246**	**149**	**104**	**163**	**141**	**84**	**20**	**907**
F. $1K - $2K	85	59	42	73	55	43	3	360
G. $2K - $5K	85	52	32	43	53	29	8	302
H. $5K - $10K	36	16	11	25	12	9	4	113
I. $10K - $100K	39	22	19	22	20	3	5	130
J. Over $100K	1	0	0	0	1	0	0	2
Government	**47**	**41**	**20**	**53**	**81**	**15**	**4**	**261**
F. $1K - $2K	11	9	9	34	48	9	1	121
G. $2K - $5K	16	9	4	11	25	6	1	72
H. $5K - $10K	11	9	3	2	7	0	1	33
I. $10K - $100K	8	13	4	5	1	0	0	31
J. Over $100K	1	1	0	1	0	0	1	4
Multi-Family	**163**	**89**	**43**	**71**	**19**	**8**	**2**	**395**
F. $1K - $2K	55	13	7	7	1	0	0	83
G. $2K - $5K	53	16	14	9	7	3	0	102
H. $5K - $10K	28	14	10	21	4	2	2	81
I. $10K - $100K	25	44	6	27	7	2	0	111
J. Over $100K	2	2	6	7	0	1	0	18
Residential	**584**	**449**	**1,514**	**5,035**	**5,415**	**1,516**	**133**	**14,646**
F. $1K - $2K	447	279	1,183	3,811	3,093	648	40	9,501
G. $2K - $5K	111	124	261	1,038	2,037	671	50	4,292
H. $5K - $10K	18	26	51	132	210	138	27	602
I. $10K - $100K	8	20	19	54	74	59	16	250
J. Over $100K	0	0	0	0	1	0	0	1
Grand Total	**1,040**	**728**	**1,681**	**5,322**	**5,656**	**1,623**	**159**	**16,209**

	A. Up to 2 mo	B. 2 to 4 mo	C. 4 to 6 mo	D. 6 to 12 mo	E. 1 to 2 yr	F. 2 to 3 yr	G. Over 3 yr	Grand Totl
Commercial	**$1,729,016**	**$905,229**	**$693,799**	**$899,687**	**$973,007**	**$305,352**	**$131,872**	**$5,637,962**
F. $1K - $2K	$117,608	$85,776	$58,773	$104,657	$74,041	$63,269	$4,609	$508,732
G. $2K - $5K	$243,654	$150,500	$102,240	$135,240	$170,207	$90,338	$21,689	$913,867
H. $5K - $10K	$254,165	$111,541	$67,885	$176,887	$84,195	$67,207	$23,606	$785,485
I. $10K - $100K	$1,011,933	$557,412	$464,900	$482,903	$379,076	$84,538	$81,969	$3,062,732
J. Over $100K	$101,656	$0	$0	$0	$265,488	$0	$0	$367,145
Government	**$1,408,714**	**$972,711**	**$135,311**	**$381,902**	**$196,767**	**$31,305**	**$4,350,182**	**$7,476,892**
F. $1K - $2K	$15,438	$13,498	$11,832	$43,938	$67,057	$13,472	$1,430	$166,665
G. $2K - $5K	$47,589	$29,448	$12,759	$35,890	$66,000	$17,833	$2,480	$211,999
H. $5K - $10K	$76,739	$72,344	$23,983	$17,431	$44,897	$0	$6,405	$241,799
I. $10K - $100K	$248,509	$403,110	$86,737	$165,716	$18,813	$0	$0	$922,885
J. Over $100K	$1,020,438	$454,311	$0	$118,928	$0	$0	$4,339,866	$5,933,544
Multi-Family	**$1,237,628**	**$1,772,459**	**$1,334,781**	**$2,326,778**	**$256,504**	**$1,462,470**	**$16,443**	**$8,407,062**
F. $1K - $2K	$78,801	$19,581	$9,559	$10,213	$1,692	$0	$0	$119,845
G. $2K - $5K	$159,617	$43,406	$45,246	$29,119	$21,899	$9,048	$0	$308,335
H. $5K - $10K	$211,849	$93,891	$68,527	$148,446	$27,167	$11,003	$16,443	$577,325
I. $10K - $100K	$525,146	$1,378,511	$285,116	$927,113	$205,746	$82,141	$0	$3,403,772
J. Over $100K	$262,216	$237,070	$926,333	$1,211,888	$0	$1,360,279	$0	$3,997,785
Residential	**$1,151,100**	**$1,387,054**	**$2,973,653**	**$9,874,152**	**$13,487,483**	**$4,983,920**	**$676,532**	**$34,533,893**
F. $1K - $2K	$578,034	$375,926	$1,551,266	$5,161,977	$4,503,019	$965,121	$55,067	$13,190,409
G. $2K - $5K	$311,866	$364,384	$745,385	$2,874,481	$5,871,850	$1,984,865	$166,367	$12,319,198
H. $5K - $10K	$126,177	$173,743	$355,367	$862,362	$1,384,059	$943,576	$188,914	$4,034,198
I. $10K - $100K	$135,023	$473,001	$321,635	$975,331	$1,615,776	$1,090,357	$266,184	$4,877,308
J. Over $100K	$0	$0	$0	$0	$112,780	$0	$0	$112,780
Grand Total	**$5,526,458**	**$5,037,452**	**$5,137,543**	**$13,482,519**	**$14,913,761**	**$6,783,047**	**$5,175,029**	**$56,055,809**

Questions?

WSSCWATER
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Customer Service Performance Indicators
Customer Service Department
October 21, 2026

Call Center Metrics

The chart below highlights key call center metrics including average speed of answer, call answer rate and total number of calls received for the month.

In September 2026, average wait time was 11 minutes, a 3-minute increase from the previous month (8 minutes). During September, average daily call volume increased 2% month-over-month to 1,634 calls per day.

Metric	July 2026	August 2026	September 2026
Average Speed of Answer	~4 minutes	~8 minutes	~11 minutes
Average Handle Time	~9 minutes	~9 minutes	~9 minutes
Call Answer Rate	93%	90%	87%
Calls Not Answered	7%	10%	13%
Total Calls for Month	31,866 (1,517 daily avg)	33,544 (1,597 daily avg)	34,320 (1,634 daily avg)

Customer Emails and Status of Backlog

In addition to phone calls, Customer Service receives thousands of emails each month which include start/stop service requests, payment plan requests, high bill inquiries, billing disputes, and escalated matters. As of October 1, 2026, Customer Service has responded to and processed 24,677 emails/IssueTrakr for FY2027.

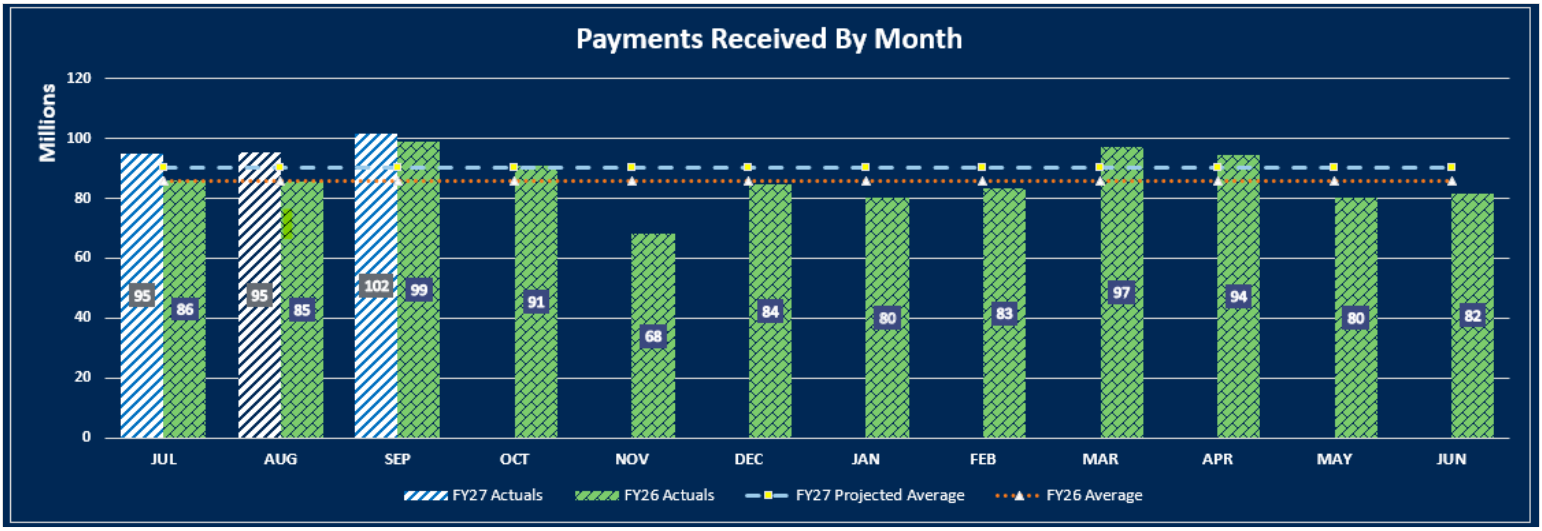
As of October 1st, 1,204 requests are open, down from our highest number of open requests, nearly 25,000 in December 2021. In December 2021, open requests had been open 30 days on average. On October 1st, open issues have been open **approximately 4 days** for Fiscal Year 2027.



Customer Payments

In September 2026, WSSC Water received **$102 million** in customer payments, which was $7M more than we received in August 2026; and $3M more than the $99 million received in September of 2025. FY2027 year to date, payments total approximately $291 million and are up approximately $21 million (8%), compared to $270 million during July – September FY2026.

Customer Service Performance Indicators
Customer Service Department
October 21, 2026

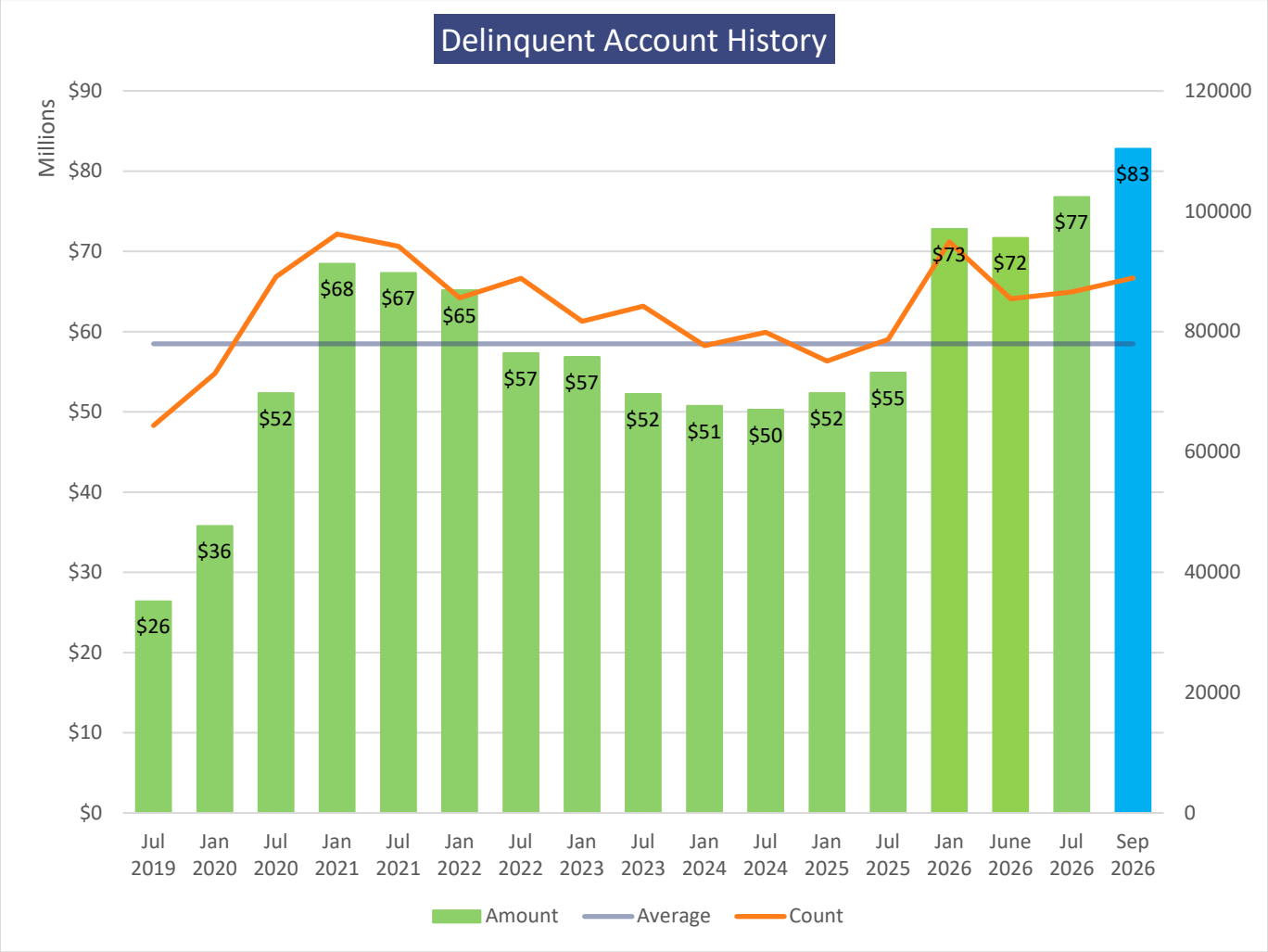


Revenue Recovery

As of October 1st, 2026, WSSC Water had **88,891** past due accounts totaling **$83 million**. The $83 million past due reflects no change from August 2026 ($83M). Residential premises account for 71% of the delinquencies with 84,724 past due accounts totaling $59M.

Account Type	Delinquent Accounts	Delinquent Amount	Delinquent Amount (%)
Residential	84,724	$58,545,997	71%
Multi-Family	495	$8,616,128	10%
Commercial	2,627	$5,311,316	6%
Other	1,045	$10,319,305	12%
Total	88,891	$82,792,747	100%

Customer Service Performance Indicators
Customer Service Department
October 21, 2026



WSSCWATER
DELIVERING THE ESSENTIAL

COMMISSION SUMMARY

AGENDA CATEGORY: Intergovernmental Relations
ITEM NUMBER: 13.A **DATE:** October 21, 2026

SUBJECT	Bay Restoration Fund Reauthorization
SUMMARY	The Bay Restoration Fund (BRF), administered by the Maryland Department of the Environment, is a dedicated funding source that supports nutrient reduction upgrades at wastewater treatment facilities across the state. In 2012, the monthly BRF fee increased from $2.50 to $5.00, but this increase is scheduled to expire in 2030, returning the fee to $2.50. Legislators and stakeholders have begun reauthorization discussions, including whether to extend the higher fee or revise the program's mission or eligibility.
SPECIAL COMMENTS	N/A
CONTRACT NO./REFERENCE NO.	N/A
COSTS	N/A
AMENDMENT/CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/COMMITTEE REVIEW	Kishia L. Powell, General Manager and CEO Cristi Bickham, Deputy General Manager for External Affairs Monica Marquina, Government Affairs Director
PRIOR STAFF/COMMITTEE APPROVALS	Kishia L. Powell, General Manager and CEO Cristi Bickham, Deputy General Manager for External Affairs

Monica Marquina, Government Affairs Director

RECOMMENDATION TO COMMISSION	Informational Only
ATTACHMENTS	Informational Memo - Bay Restoration Fund Reauthorization.pdf

WSSCWATER
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Interoffice Memorandum

TO: WSSC Water Commissioners

THRU: Kishia L. Powell, General Manager/CEO
Cristi C. Bickham, Deputy General Manager for External Affairs

FROM: Monica C. Marquina, Government Affairs Director
Kenneth Simons, Government Affairs Manager

DATE: October 21, 2026

RE: **Bay Restoration Fund Reauthorization**

Purpose

Informational

Overview

The Bay Restoration Fund (BRF), established in 2004 and administered by the Maryland Department of the Environment (MDE), supports nutrient-reduction upgrades at wastewater treatment facilities across the state. The fund is supported through fees assessed on users of wastewater facilities, septic systems, and sewage holding tanks. The BRF has an Advisory Committee, on which WSSC Water has a governor-appointed representative.

WSSC Water collects the BRF fee from customers and remits it to the Maryland Comptroller, retaining 5% for administrative costs. The base fee is $30 per equivalent dwelling unit (EDU) annually (ie., $2.50/month). In 2012, due to anticipated statewide funding shortfalls for major wastewater upgrades, there was a temporary increase of the BRF fee to $5.00/month through June 2030.

Since the program's inception, WSSC Water has received BRF grants for nutrient-reduction upgrades at several facilities, including Blue Plains, Damascus, Parkway, Piscataway, Seneca, and Western Branch, totaling over $212 million in capital support. WSSC Water has also received $17 million in O&M funding and $35 million for

sewer reconstruction. Additional BRF support may be available for future rehabilitation projects.

Discussion

The $2.50/month increase of the BRF fee is scheduled to sunset in 2030. Stakeholders, including state agencies, utilities, and advocacy groups have begun evaluating whether to reauthorize the additional $2.50/month and whether broader program changes are appropriate.

Option 1: Allow the increased fee to sunset and redirect equivalent to local utilities

Considerations:

- Redirect the equivalent revenue directly to utilities rather than through BRF grants. WSSC Water could revise fees or rates by 2030 to preserve the $18–19 million/year currently collected under the base fee. This would simplify access by eliminating grant application requirements. Future uses could include customer affordability programs, operational costs, or other environmental priorities.

Option 2: Retain the doubled BRF fee

Considerations:

- Potential for more stringent nutrient reduction targets driven by climate related water quality goals.
- Expanded eligible uses. Over time, BRF authorizations have grown to include tree planting, non WWTP nutrient load reductions, and initiatives under the Clean Water Commerce (CWC) Account. Future expansions could include customer affordability programs or other environmental priorities.

Financial Position: WSSC Water Contributions vs. Returns

- $18–19M/year collected under the base BRF fee ($2.50/month)
- $38M/year collected under the doubled fee ($5.00/month)
- $621.5M total remitted to the state since program inception through FY25
- $265M (≈43%) returned to WSSC Water in BRF grants to date
- $356.5M (≈57%), or roughly $17M per year, represents WSSC Water's net contribution to the state BRF -- funds largely supporting projects outside the WSSC Water service area.

Next Steps

Staff will meet with key stakeholders, including MDE, to understand their positions on BRF reauthorization and explore potential enhancements to ensure a more equitable

distribution of funds, particularly in areas affecting drinking water, wastewater reinvestment, and utility affordability.

House Bill 1230 Regulations

Kiyon T. Harley

Office of Supplier Diversity & Inclusion Director

October 21, 2026



Presentation For Informational Purposes

WSSCWATER
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Connecting WSSC Water's Investments to Local Economic Benefits

Bottom Line Up Front: The proposed regulations expand business opportunities and support local business growth and workforce development through WSSC Water contracts.

Prioritize local businesses

Give preference to local small and local businesses in Prince George's and Montgomery Counties.

Support business growth

Allow local firms to participate beyond small-business size limits, subject to eligibility and graduation rules.

Create workforce opportunities

Authorize local hiring, skills training and apprenticeship measures on designated contracts.

Strengthen accountability

Establish contract-specific reporting and compliance measures to assess workforce participation and local economic activity.

October 2026: Information and discussion. November 2026: Proposed regulations for a vote.



Law effective October 1, 2026

House Bill 1230 gives WSSC Water new tools to expand business opportunities, support local workers, and help strengthen local economic development via our procurement contracts.

What This Changes

01 Business pathways

Local small, local, small and Maryland-based categories, with priority for local firms.

02 Veteran recognition

Recognizes veteran-owned and disabled veteran-owned firms that meet a base category.

03 Workforce authority

Designated contracts can support local hiring, skills training and apprenticeships.

04 Economic impact

Contract reporting can track workforce residency or local economic activity.

Infrastructure investment creates opportunities for local businesses and workers.

Driving Economic Impact In New Regulations

As-is: Current rules	To-be: Proposed rules
Business Eligibility Businesses must qualify as both small and local.	**Business Eligibility** Adds local firms that are not small and other eligible categories.
Registration Attestation and accepted governmental certifications already exist.	**Registration** Adds other-jurisdiction registration or self-certification, with eligibility checks.
Workforce and Local Economic Benefits No dedicated chapter for workforce and local economic benefits.	**Workforce and Local Economic Benefits** Adds Chapter 6.40 for good-faith measures, reporting and performance standards.

Chapter 6.35: Office Administration

Proposed name: Office of Supplier and Economic Development

Why the change	Administration	Intended benefit
Reflects broader responsibilities for business growth and local economic benefits.	Administers business participation and measures to promote local workforce engagement and economic benefits.	Connects contracting opportunities to business growth and local hiring and training.

Proposed under Chapter 6.35, with workforce administration under Chapter 6.40.

Chapter 6.35: Expanding Business Pathways

01

Room to grow

A local firm can qualify even after it outgrows small-business size standards.

02

Local priority

Preference goes to local small and local businesses within our service district.

03

Contract-specific tools

Each solicitation identifies eligible categories and applicable preferences.

Local = principal office in either county, or at least 25% of employees domiciled in our service district.

Chapter 6.40: Workforce & Economic Benefits

01

Local hiring

Good-faith efforts for local recruitment and hiring.

02

Training

Skills training, pre-apprenticeship and apprenticeship participation or support.

03

Reporting

Contractor data on workforce residency or local economic activity.

Designated solicitations or contracts specify the measures, reporting, performance standards and remedies.

Questions?

WSSCWATER
DELIVERING THE ESSENTIAL

Chapter 6.35
[SMALL LOCAL**]** BUSINESS **[**ENTERPRISE (SLBE)**]** **PARTICIPATION** PROGRAM

Sections:

Article I.
General Provisions

6.35.010 Purpose.
6.35.020 Statement of policies and objectives.
6.35.030 Definitions.
6.35.040 Eligibility for the **[**SLBE**]** **BUSINESS PARTICIPATION** program.

Article II.
Race- and Gender-Neutral Remedies

6.35.050 Applicability.
6.35.060 Expanded unbundling.
6.35.070 Mentor-protege program.
6.35.080 Access to capital, bonding and insurance requirements.
6.35.090 Aggressive outreach.
6.35.100 Optimization of **[**diverse business development program ([ODPDP) (formerly "sheltered market program")**]** **BUSINESS PARTCIPATION PROGRAM (OBPP)**.
6.35.110 Small contracts rotation program.
6.35.120 Supplier diversity distributor (value-added) program.
6.35.130 Expedited payment.
6.35.140 Subcontracting requirements.
6.35.150 Price preferences/point preferences.
6.35.160 Bid debriefings.
6.35.170 Monitoring, tracking and reporting of program and contracting activities.
6.35.180 Prohibition of discrimination.

Article III.
Program Administration

6.35.190 [SLBE approval] **RESERVED**.
6.35.200 Graduation.
6.35.210 Termination.
6.35.220 Reconsideration –Appeals.
6.35.230 Requests for waiver or modification to subcontracting plan(s).
6.35.240 [SLBE] [p]Prime and subcontracting – Enforcement and compliance.
6.35.250 Post-award contract compliance monitoring.
6.35.260 Good faith efforts.
6.35.270 **[**SLBE**] BUSINESS PARTICIPATION** program performance review.
6.35.280 Severability.
6.35.290 Regulatory status.
6.35.300 Applicability.

Chapter 6.50

WORKFORCE ENGAGEMENT AND LOCAL ECONOMIC BENEFITS

Sections:

6.50.010 PURPOSE AND ADMINISTRATION.

6.50.020 CONTRACT-SPECIFIC MEASURES.

6.50.030 COMPLIANCE.

Article I. General Provisions

6.35.010 Purpose.

In accordance with Title 20, Subtitle 3 of the Public Utilities Article, Annotated Code of Maryland, the Washington Suburban Sanitary **[**Commission's (WSSC) small local business enterprise (SLBE) program**] COMMISSION'S BUSINESS PARTICIPATION PROGRAM** is intended to assist **BUSINESSES ELIGIBLE TO PARTICIPATE IN THE PROGRAM, WITH PREFERENCE BEING GIVEN TO LOCAL** small businesses **[**located in Montgomery County and Prince George's County,

Maryland**] AND LOCAL BUSINESSES**, by establishing a competitive business program or subcontracting or other appropriate preferences in connection with the award of construction, architectural and engineering (A&E), goods and services and professional services contracts by WSSC. **[**The program was established in 2001 by the Commission with intent to provide additional race- and gender-neutral remedies for the Commission to use in its efforts to ensure that all segments of its local business community have a reasonable and significant opportunity to participate in WSSC-funded contracting opportunities.

The program was established in 2001 with intent to further WSSC's compelling interest in avoiding either active or passive participation in private sector marketplace discrimination, and in promoting equal opportunity for all segments of the contracting community to participate in WSSC-funded contracting opportunities.

Specialized terms used in this chapter are defined in WSSC 6.35.030. (REG-PROC-SD-2017-005 § I)**]**

6.35.020 Statement of policies and objectives.

(a) *Policies.*

(1) The procedures in this chapter implement WSSC's policy of encouraging greater availability, capacity development, and contract participation by **[**SLBEs**] ELIGIBLE BUSINESS ENTERPRISES** on Commission contracts. This policy is intended to promote equal opportunity for all segments of the contracting community to participate in WSSC-funded contracting opportunities.

(2) Consistent with the Public Utilities Article, **[**§ 20-304(d)**] § 20-304(E)**, Annotated Code of Maryland, the Commission will review the eligibility criteria and administrative procedures of the program each year to assess their effectiveness in furthering the purposes of the program.

(3) The Commission shall take all necessary, reasonable and legal action to **[**prevent discrimination, and to**]** ensure that **[**all businesses (including local business enterprises (LBEs) and small business enterprises (SBEs))**] ELIGIBLE BUSINESS ENTEPRISES** are afforded the maximum practicable opportunity to participate in the Commission's contracting process.

(4) The **[**SLMBE**]** Office in collaboration with the Chief Procurement Officer shall have primary oversight responsibility with the full support and cooperation of all other WSSC offices to administer and ensure compliance with all policies and procedures established herein.

(5) (I) PURSUANT TO §20-203(B) OF THE PUBLIC UTILITIES ARTICLE OF THE ANNOTATED CODE OF MARYLAND, THE OFFICE ESTABLISHED WITHIN THE WASHINGTON SUBURBAN SANITARY COMMISSION UNDER §20-203(A) OF THE PUBLIC UTILITIES ARTICLE SHALL BE KNOWN AS THE OFFICE OF SUPPLIER AND ECONOMIC DEVELOPMENT.

(II) IN ACCORDANCE WITH §20-203(A) OF THE PUBLIC UTILITIES ARTICLE OF THE ANNOTATED CODE OF MARYLAND, THE OFFICE IS RESPONSIBLE FOR ADMINISTERING THE PROGRAMS ESTABLISHED UNDER SUBTITLES 2 AND 3 OF THE PUBLIC UTILITIES ARTICLE.

(b) *Objectives.* To meet the objectives of the **[**SLBE**]** **BUSINESS PARTICIPATION** program, WSSC is committed to, at a minimum:

(1) Increasing the participation of **[**SLBEs**]** **ELIGIBLE BUSINESS ENTERPRISES** in WSSC contracting and to the extent possible, eliminate through race- and gender-neutral means any disparities in the participation of minority business enterprises or women business enterprises on WSSC contracts;

(2) Periodically evaluating the progress of the **[**SLBE**]** **BUSINESS PARTICIPATION** program in meeting its objectives using accumulated availability and utilization data;

(3) Providing accountability and accuracy in setting requirements and in reporting program results utilizing Web-Based Compliance Systems or other related systems (i.e., WSSC's Supplier Portal System and Prism™ or any successor Web-Based Compliance Systems) capable of identifying the universe of firms that are ready, willing and able and interested in bidding on or performing on WSSC contracts;

(4) Providing a means of tracking actual WSSC bids, contract awards, and prime contracts and direct subcontract payments to registered bidders or respondents on the basis of firm ownership status, commodity or sub-industry codes, firm location and firm size. Accordingly, prime contractors and subcontractors will be required to register and input

data into WSSC's Web-Based Compliance System or other related systems as one of the conditions of engaging in business with WSSC; and

(5) The **[**SLMBE**]** Office, in concurrence with the Chief Procurement Officer whenever necessary, shall:

(i) Oversee and implement this chapter;

(ii) Report to WSSC and to the public on at least an annual basis WSSC's progress towards satisfying **[**SLBE program**] THE BUSINESS PARTICIPATION PROGRAM** objectives;

(iii) Recommend or grant **[**SLBE program**] BUSINESS PARTICIPATION PROGRAM** waivers, improvements and adjustments to the Commission's goal-setting and other **[**SLBE program**] BUSINESS PARTICIPATION PROGRAM** functions;

(iv) Provide substantive input in forecasting contracting opportunities and contract specification (procurement process) review process to be undertaken in advance of the issuance of WSSC invitation for bids (IFBs) and request for proposals (RFPs) to ensure that contract bid specifications are not unnecessarily restrictive and unduly burdensome to **[**SLBE firms**] ELIGIBLE BUSINESSES ENTERPRISES**;

(v) Develop and implement extensive outreach and **[**SLBE**] BUSINESS PARTICIPATION PROGRAM** vendor/supplier development events;

(vi) Receive and analyze external and internal information including statistical data and anecdotal evidence it deems appropriate to effectively accomplish its duties;

(vii) Monitor and support the implementation of the procedures in this chapter;

(viii) Meet with internal stakeholders as program objectives;

(ix) Enforce contractor compliance with contract participation goals, and ensure that the overall **[**SLBE program**] BUSINESS PARTICIPATION PROGRAM** goals and objectives are met; and

(x) Establish on a contract-by-contract basis the minimum **[**SLBE**] BUSINESS PARTICIPATION PROGRAM** subcontracting or other **[**SLBE program**] BUSINESS PARTICIPATION PROGRAM** preference(s). **[**(REG-PROC-SD-2017-005 § II)**]**

6.35.030 Definitions.

(A) (1) IN THIS CHAPTER, THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(2) DEFINITIONS DERIVED FROM §20-301 OF THE PUBLIC UTILITIES ARTICLE OF THE ANNOTATED CODE OF MARYLAND ARE REPRODUCED IN THIS SECTION FOR CONVENIENCE AND SHALL BE CONSTRUED CONSISTENTLY WITH THAT STATUTE, AS AMENDED. IN THE EVENT OF A CONFLICT, THE STATUTORY DEFINITIONS SHALL CONTROL.

[(a)**] (B)** "Affirmative procurement initiatives (APIs)" means waivers, bid incentives, price preferences, optimization of diverse business development program, subcontracting, small contract rotation program, mentor-protege program, and **[**SLBE**] BUSINESS PARTICIPATION PROGRAM** preference points and price in the proposal evaluations, expanded unbundling of contracts, bonding and insurance requirements, and expedited payments for subcontractors.

[(b)**] (C)** "Architectural and engineering (A&E) **SERVICES**" means professional services of an architectural or engineering nature; or required to be performed or approved by a person licensed, registered, or certified to provide such services; or related to research, planning, development, design, construction, alteration, or repair of real property; or incidental services, which such individuals perform, including studies, investigations, surveying, mapping, tests, evaluations, consultations, comprehensive planning, program management, conceptual designs, plans and specifications, value engineering, construction phase services, soils engineering, drawing reviews, preparation of operating and maintenance manuals, and other related services. Systems engineering related to WSSC information technology is included in professional services**.**

[(c)**] (D)** "Award" means the final selection of a bidder, respondent or offeror for a specified prime contract or subcontract dollar amount. Contract awards are made by the Commission to prime contractors or vendors and by prime contractors or vendors to subcontractors or sub-vendors, usually pursuant to an open invitation for bid (IFB) or request for proposal (RFP) or qualification process. (Contract awards are to be distinguished from contract payments in that they only reflect the anticipated dollar amounts instead of actual dollar amounts that are paid to a bidder, or offeror under an awarded contract.)

[(d)**] (E)** "Bidder" means a firm submitting a price or proposal in response to an invitation for bid (IFB) **OR REQUEST FOR PROPOSALS (RFP)**. **[**Also**] "BIDDER" IS** used interchangeably with "respondent" or "offeror."

(F) "BUSINESS PARTICIPATION PROGRAM" OR "PROGRAM" MEANS THE PROGRAM THE COMMISSION IS AUTHORIZED TO ESTABLISH PURSUANT TO §20-302 OF THE PUBLIC UTILITIES ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

(G) "BUSINESS PARTICIPATION PROGRAM APPLICATION" IS A FORM THAT SHALL BE COMPLETED BY ELIGIBLE BUSINESS ENTERPRISES WHEN APPLYING FOR APPROVAL OR SEEKING RENEWAL OF THEIR ELIGIBILITY STATUS FOR PARTICIPATION IN WSSC'S BUSINESS PARTICIPATION PROGRAM. THIS APPLICATION SHALL BE COMPLETED EVERY TWO YEARS BY ELIGIBLE BUSINESS ENTERPRISES 60 DAYS PRIOR TO THEIR STATUS EXPIRATION DATE.

(H) "BUSINESS PARTICIPATION PROGRAM DIRECTORY" IS A LISTING OF BUSINESSES THAT HAVE BEEN APPROVED FOR PARTICIPATION IN THE BUSINESS PARTICIPATION PROGRAM AND MAY BE OBTAINED, IN PART, BY UTILIZING WSSC'S SUPPLIER PORTAL SYSTEM OR ANY SUCCESSOR WEB-BASED COMPLIANCE SYSTEM THERETO, OR A FULL BUSINESS PARTICIPATION PROGRAM DIRECTORY OBTAINED FROM THE OFFICE.

[(e)**] (I)** "*Commercially Useful Function".* **[**A business enterprise or firm**] AN ELIGIBLE BUSINESS ENTERPRISE** performs a commercially useful function when, based on all relevant facts and circumstances, it is responsible for the execution of the work of the contract by actually performing, managing and supervising the work involved. Thus, the **[**enterprise or firm**] ELIGIBLE BUSINESS ENTERPRISE** must be responsible with respect to the material and supplies used on the contract, for negotiating price, determining quality and quantity, ordering the material and installing (where applicable) and paying for the material itself. **[**A SLBE**] AN ELIGIBLE BUSINESS ENTERPRISE** does not perform a commercially useful function if its role is limited to that of an extra participant in a transaction, contract or project through which funds are passed in order to obtain the appearance of **[**SLBE**] BUSINESS PARTICIPATION PROGRAM** participation. In determining whether **[**a SLBE**] AN ELIGIBLE BUSINESS ENTERPRISE** is such an extra participant, the **[**SLMBE**]** Office will examine similar transactions, particularly those in which **[**SLBEs**] ELIGIBLE BUSINESS ENTERPRISES** do not participate.

[(f)**](J)** "Construction" means the process of building, altering, repairing, improving, or demolishing any public facility, including any public structure, public building, pipelines, plants, infrastructure, or other public improvements of any kind to real property. It does not include

the routine operation, routine repair, or routine maintenance of any existing public facility, including structures, buildings, plants, pipelines, infrastructure, or real property. Construction materials and supplies may be part of a construction purchase if procured by the contractor. If construction materials and supplies are purchased directly by WSSC, they are classified as goods purchases.

[(g)**] (K)** "Contracting area(s)" means WSSC's four broad contracting areas of architectural and engineering, construction, goods and services and professional services. Also referred to as "industry categories."

(L) "DIRECTOR" MEANS THE DIRECTOR OF THE OFFICE OF SUPPLIER AND ECONOMIC DEVELOPMENT OR OFFICE.

(M) "DISABLED VETERAN-OWNED BUSINESS" MEANS A BUSINESS THAT MEETS THE DEFINITION OF A DISABLED VETERAN OWNED BUSINESS IS AT LEAST 51% OWNED AND CONTROLLED BY ONE OR MORE INDIVIDUALS CERTIFIED BY THE U.S. DEPARTMENT OF VETERANS AFFAIRS AS HAVING A SERVICE-CONNECTED DISABILITY REGARDLESS OF THE DISABILITY RATING.

(N) "ELIGIBLE BUSINESS ENTERPRISE","EBE" OR "EBES" MEANS A BUSINESS THAT:

(1) MEETS THE ELIGIBITY REQUIREMENTS SET FORTH IN §20-304(A) OF THE PUBLIC UTILITIES ARTICLE OF THE ANNOTATED CODE OF MARYLAND; AND

(2) HAS BEEN APPROVED BY THE OFFICE TO PARTICIPATE IN THE BUSINESS PARTICIPATION PROGRAM IN A CATEGORY LISTED IN § 6.35.040(A)(3) OF THIS CHAPTER.

(O) "ELIGIBILE BUSINESS ENTERPRISE STATUS EXPIRATION" OCCURS WHEN AN ELIGIBLE BUSINESS ENTERPRISE FAILS TO OBTAIN TIMELY RENEWAL, EXTENSION OR REINSTATEMENT OF ITS ELIGIBILITY STATUS FROM THE COMMISSION. A WSSC-APPROVED ELIGIBLE BUSINESS ENTERPRISE'S FAIULRE TO REMAIN ELIGIBLE AND APPLY FOR ITS ELIGIBILITY STATUS UPON RECEIPT OF WRITTEN NOTICE FROM THE OFFICE WILL RESULT IN THE BIDDER'S OR PRIME'S PROFILE BEING CHANGED TO INELIGIBLE STATUS. SUCH FIRM WILL NOT BE ELIGIBLE TO PARTICIPATE IN THE PROGRAM.

[(h)**] (P)** *Goal.* As used in this chapter, a "goal" is either an annual aspirational objective or a contract-by-contract specific subcontracting goal. Annual aspirational objectives are inapplicable to individual contracts, but are intended to serve as a benchmark against which to measure the overall effectiveness of the **[**SLBE program**] BUSINESS PARTICIPATION PROGRAM** in increasing participation of ready, willing and able **[**SLBEs**] ELIGIBLE BUSINESS ENTERPRISES** in WSSC contracting opportunities. May also be referred to as a "requirement."

[(i)**] (Q)** *Good Faith Efforts.* As used in this chapter, "good faith efforts" shall mean the actions taken by a bidder, respondent or prime contractor as established by reliable documentation of the bidder's intent to comply with the **[**SLBE program**] BUSINESS PARTICIPATION PROGRAM** goals and procedures and is more than due diligence, including but not limited to the requirements described in **[**6.35.260**] §6.35.260 OF THIS CHAPTER**.

[(j)**] (R)** "Good Faith Efforts Guide" means a document used during the solicitation process that describes in detail the enumerated good faith efforts criteria that prime contractors must employ pre- and post-award to maximize the participation/utilization of **[**certified MBEs or WSSC-approved SLBEs**] ELIGIBLE BUSINESS ENTERPRISES**. It details the process by which a prime contractor may request full and partial waiver of WSSC's subcontracting requirements for **[**MBEs or WSSC-approved SLBEs**] ELIGIBLE BUSINESS ENTERPRISES**.

[(k)**] (S) (1)** "Goods" means all supplies, equipment, materials, and all tangible personal property **[**, excluding real property**]**.

(2) "GOODS" DOES NOT INCLUDE REAL PROPERTY.

[(l) *Goods and Services.* The term "goods" means, without limitation, physical items such as treatment plant parts and supplies, water meters, fire hydrants, valves, office supplies and equipment, vehicles and other materials. The term "services" means, without limitation, business, cleaning and restoration, communication and waste management services**]**

[(m)**] (T)** "Graduation" means **[**a SLBE firm**] AN ELIGIBLE BUSINESS ENTERPRISE** [permanently] graduates from WSSC's **[**SLBE program**] BUSINESS PARTICIPATION PROGRAM** when it meets the criteria for graduation set forth in **[**WSSC 6.35.200**] § 6.35.200 OF THIS CHAPTER**.

[(n)**] (U)** *Independently Owned and Operated.* Ownership of **[**a SLBE firm**] AN ELIGIBLE BUSINESS ENTERPRISE** must be direct, independent, and by individuals only. Business firms that are owned by other businesses or by the principals or owners of other businesses that

cannot themselves qualify under the **[**SLBE**] PROGRAM'S** eligibility requirements shall not be eligible **[**to participate in the SLBE program**] FOR RECOGNITION AS AN ELIGIBLE BUSINESS ENTERPRISE**.

[(o)**] (V)** "Industry categories" means procurement groupings for WSSC inclusive of architectural and engineering, construction, professional services and goods and services (i.e., manufacturing, wholesale and retail distribution of commodities and nonprofessional services). Industry categories are also referred to as "contracting areas."

[(p)**] (W)** "Invitation for bids (IFB)" means **[**a method of soliciting sealed bids which are awarded to the lowest, responsible and responsive bidder(s), are generally opened publicly at a fixed date and time and are read out loud in the presence of one or more witnesses**] ALL DOCUMENTS, WHETHER ATTACHED OR INCORPORATED BY REFERENCE, UTILIZED FOR SOLICITING BIDS**.

[(q)**] (X)** "Joint venture" means an association of two or more persons or businesses carrying out a single business enterprise for which purpose they combine their capital, efforts, skills, knowledge or property. Joint ventures must be established by written agreement and, prior to submission of a bid, validated by the **[**SLMBE**]** Office.

[(r)**] (Y) [** "Local business enterprise (LBE)"**] "LOCAL BUSINESS"** means **[**a firm having a principal place of business or a significant employment presence in Prince George's County or Montgomery County, Maryland. This definition is subsumed within the definition of "small local business enterprise."**] A BUSINESS WITH:**

(1) A PRINCIPAL PLACE OF BUSINESS IN MONTGOMERY COUNTY OR PRINCE GEORGE'S COUNTY; OR

(2) AT LEAST 25% OF THE EMPLOYEES OF THE BUSINESS DOMICILED IN MONTGOMERY COUNTY OR PRINCE GEORGE'S COUNTY.

(Z) "LOCAL SMALL BUSINESS" MEANS A BUSINESS THAT QUALIFIES AS BOTH:

(1) A LOCAL BUSINESS; AND

(2) A SMALL BUSINESS.

(AA) "MARYLAND-BASED BUSINESS" MEANS A BUSINESS THAT HAS ITS PRINCIPAL PLACE OF BUSINESS IN THE STATE OF MARYLAND.

[(s) "Minority business enterprise (MBE)" means any legal entity, except a joint venture, that is organized to engage in commercial transactions, which is certified as being at least 51 percent owned, managed and controlled by one or more socially and economically disadvantaged minority or woman individuals as defined in the State Finance and Procurement Article, § 14-301, Annotated Code of Maryland, and that is ready, willing and able to sell goods or services that are purchased by WSSC. Unless otherwise stated, the term "MBE" as used in this chapter is inclusive of women-owned business enterprises (WBEs) and disadvantaged business enterprises (DBEs) that are certified in accordance with state law and regulations.

(t) "Non-M/WBE firms" means a firm that is not a certified minority/woman-owned firm in WSSC's SLBE or MBE program.**]**

[(u)**] (BB)** "North American Industry Classification System (NAICS)" means the six-digit code standard used by federal statistical agencies in classifying business establishments by the type of goods or services a firm provides.

[(v)**] (CC)** "Notice to proceed (NTP)" means a communication from WSSC to a contractor stating the date that the contractor can begin work, subject to the contract conditions.

[(w)**] (DD) [** "Office of Supplier Diversity and Inclusion Director (OSDI Director)" means the WSSC personnel who is responsible for the management of the OSDI, and ultimately responsible for oversight, tracking, monitoring, administration, and implementation of the MBE and SLBE programs, including but not limited to this chapter (formerly the Small, Local and Minority Business Enterprise (SLMBE) Director**)] "OFFICE OF SUPPLIER AND ECONOMIC DEVELOPMENT (OSED)" OR "OFFICE" MEANS THE OFFICE NAMED BY THE COMMISSION PURSUANT TO § 6.35.020 (A)(5) OF THIS CHAPTER IN ACCORDANCE WITH §20-203(B) OF THE PUBLIC UTILITIES ARTICLE OF THE ANNOTATED CODE OF MARYLAND.**

[(x) "Office of Supplier Diversity and Inclusion (OSDI)" means the office within the Commission that is primarily responsible for implementing and administering the MBE and SLBE programs (formerly the Small, Local and Minority Business Enterprise (SLMBE) Office)**]**

[(y)**] (EE)** "Optimization of **[**diverse business development program ([ODPDP])"**] THE BUSINESS PARTICIPATION PROGRAM (OBPP)** means an affirmative procurement initiative designed to identify a portion of WSSC procurements and contracts for bidding exclusively by **[**WSSC-approved SLBEs**] ELIGIBLE BUSINESS ENTERPRISES** to facilitate their competitive development **[**(formerly "sheltered market program")**]**.

[(z)**] (FF)** "Points" means the quantitative assignment of value for specific evaluation criteria in the contractor selection process pursuant to a request for proposal, request for qualification or multi-step invitation for bid selection method.

[(aa)**] (GG)** "Prime contractor" means the vendor or contractor to whom a purchase order or contract is issued by WSSC for purposes of providing goods or services for WSSC.

[(bb)**] (HH)** "Principal place of business" means **[**a**] THE** location wherein a firm maintains [a] **ITS PRIMARY** physical office **[**in Prince George's County or Montgomery County, Maryland**]**.

[(cc)**] (II)** "Professional services" means services provided by skilled professionals other than architectural and engineering. Such services include without limitation: IT consulting, management consulting, legal and accounting.

[(dd)**] (JJ)** *Race- and Gender-Neutral Remedy.* Efforts to open procurement opportunities in general, or specifically to small or newly formed firms, are collectively described as "race- and gender-neutral" programs. Neutral programs also include bonding assistance and small business lending programs.

[(ee)**] (KK)** "Request for proposal (RFP)" means **[**all documents utilized by WSSC for soliciting proposals. This competitive selection method is used for procurements where the Commission has determined that price should not be the sole determinant when procuring specified types of supplies, services or construction. Proposals submitted in response to a RFP are analyzed and ranked based on evaluation factors and their corresponding relative weights, as stated in the RFP. For architectural and engineering (A&E) contracts (and some professional services contracts), WSSC may use a process that begins with publication of an announcement indicating the Commission's intention to retain an A&E consultant and requesting interested firms to submit a statement of their qualifications for the proposed project. (This announcement is hereinafter referred to as "request for qualifications.")**] ALL DOCUMENTS, WHETHER ATTACHED OR INCORPORATED BY REFERENCE, UTILIZED FOR SOLICITING PROPOSALS.**

[(ff)**] (LL)** "Requirement" means a minimum subcontracting percentage for [SLBE] **EBE** participation may be established on a contract-by-contract basis by the **[**SLMBE**]** Director or designee.

[(gg) "Responsible" means a firm is capable in all respects to fully perform the contract requirements and has the integrity and reliability which will assure good faith performance.**]**

[(hh) "Responsive" means a firm's bid or proposal conforms in all material respects to the invitation for bid (IFB) or request for proposal (RFP) and shall include compliance with the **[**SLBE**]** program requirements.**]**

(MM) "RESPONSIBLE BIDDER OR OFFEROR" MEANS A PERSON WHO HAS THE CAPABILITY IN ALL RESPECTS TO PERFORM FULLY THE REQUIREMENTS STATED IN THE INVITATION FOR BIDS AND REQUEST FOR PROPOSALS, RESPECTIVELY, AND THE INTEGRITY AND RELIABILITY WHICH WILL ASSURE GOOD FAITH PERFORMANCE. BIDDERS RESPOND TO INVITATIONS FOR BIDS. OFFERORS RESPOND TO REQUESTS FOR PROPOSALS.

(NN) "RESPONSIVE BIDDER OR OFFEROR" MEANS A PERSON WHO HAS SUBMITTED A BID OR A PROPOSAL WHICH FULLY CONFORMS TO THE INVITATION FOR BIDS OR REQUEST FOR PROPOSALS.

[(ii) "Service disabled veteran small local business enterprise (SDV-SLBE)" means a firm that is certified as service disabled veteran-owned and approved to participate in WSSC's SLBE program as defined here within. Firm must meet the approval criteria of SLBE firms.**]**

[(jj)**] (OO)** "Services" means the furnishing of labor, time, or effort not involving the delivery of a tangible material product other than reports which are merely incidental to the required performance. This term excludes employment agreements and collective bargaining agreements, but includes without limitation consulting, personal, professional, technical, and advisory services.

[(kk)**] (PP)** *Significant Employee Presence.* A firm has a significant employee presence when no less than 25 percent of a firm's total number of employees are domiciled in either Prince George's County or Montgomery County, Maryland.

(QQ) "SMALL BUSINESS" MEANS A BUSINESS THAT MEETS THE CRITERIA ESTABLISHED BY REGULATIONS ADOPTED IN ACCORDANCE WITH §14-203 OF THE STATE FINANCE AND PROCUREMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND.

[(ll)**] (RR) [***SLBE/MBE* **]** *Subcontracting and Supplier Certification* ***[****(SLBE/MBE****] (ELIGIBLE BUSINESS ENTERPRISE*** *Subcontracting Plan).* The subcontracting plan identifies how the prime contractor intends to comply with the **[**SLBE**] BUSINESS PARTICIPATION PROGRAM** subcontracting

participation requirements of the contract. This subcontracting plan is signed by both the prime and subcontractor and is notarized.

[(mm) *Small Business **[**Enterprise (SBE).* For the purpose of this chapter, a small business enterprise (SBE) is a small business qualifying under COMAR 21.11.01.04 or any successor regulation adopted pursuant to the State Finance and Procurement Article, § 14-203, Annotated Code of Maryland, or any successor provision thereto**]**

[(nn) "Small, Local and Minority Business Enterprise Office Director (SLMBE Director)" means the WSSC employee that is responsible for the management of the SLMBE Office, and ultimately responsible for oversight, tracking, monitoring, administration and implementation of the SLBE and MBE programs, including but not limited to this chapter.**]**

[(oo) "Small, Local and Minority Business Enterprise Office (SLMBE Office)" means the office within the Commission that is primarily responsible for implementing and administering the SLBE and MBE programs.**]**

[(pp) *Small Local Business Enterprise Directory.* A listing of small local businesses that have been approved for participation in the SLBE program may be obtained, in part, by utilizing WSSC's Supplier Portal System or any successor Web-Based Compliance System thereto, or a full SLBE Directory obtained from the SLMBE Office.**]**

[(qq) *Small Local Business Enterprise Program Application.* This form shall be completed by SLBEs when applying for approval or seeking renewal of their SLBE status for participation in WSSC's SLBE program. This application shall be completed every two years by SLBEs 60 days prior to their status expiration date.**]**

[(rr) "Small local business enterprise (SLBE)" means a firm that is approved by the SLMBE Office based on the eligibility requirement as set forth in WSSC 6.35.040, a SLBE prior to submission of a bid or proposal or inclusion in a subcontract plan. Includes a MBE or WBE if the MBE or WBE meets the requirements of a SLBE.**]**

[(ss) "Small local business enterprise status expiration" occurs when a SLBE firm fails to obtain timely renewal, extension or reinstatement of its SLBE status from the Commission. A WSSC-approved SLBE firm's failure to remain eligible and apply for its SLBE status upon receipt of written notice from the SLMBE Office will result in the bidder's or prime's profile being changed to ineligible status. Such firm will not be eligible to participate in the SLBE program.**]**

[(tt) "Standard procedure" refers to the standard procedure codified in this chapter (or any successor SP, except where another WSSC standard procedure is expressly indicated). The terms "policy," "SLBE policy," "SLBE program" and "program" are used synonymously with "SP" herein.**]**

[(uu)**] (SS)** "Subcontractor" means any vendor or contractor that is directly providing goods or services to a prime contractor in furtherance of the prime contractor's performance under a contract or purchase order with WSSC.

[(vv)**] (TT)** "Termination" means permanent revocation of **[**SLMBE**] BUSINESS PARTICIPATION PROGRAM** eligibility **[**as defined in this SP in WSSC 6.35.210**]**.

(UU) "USING DEPARTMENT" MEANS ANY TEAM, DEPARTMENT, OFFICE OR DESIGNATED UNIT WITHIN WSSC THAT UTILIZES ANY GOODS, SERVICES, PROFESSIONAL SERVICES, ARCHITECTURAL AND ENGINEERING SERVICES, OR CONSTRUCTION CONTRACTS.

(VV) "VETERAN-OWNED BUSINESS" MEANS A BUSINESS THAT IS AT LEAST 51% OWNED AND CONTROLLED BY ONE OR MORE INDIVIDUALS WHO ARE VETERANS AS DEFINED IN 38 U.S.C. § 101.

(ww) "Waiver" means an exclusion from the provisions of the **[**MBE or SLBE program**] BUSINESS PROGRAM** requirements granted by the Commission.

[(xx) *Women-Owned Business Enterprise (WBE).* As used in this chapter, "WBE" means any legal entity, except a joint venture, that is organized to engage in commercial transactions and that is certified as being at least 51 percent owned, managed and controlled by a female.**]**

[(yy)**] (XX)** "WSSC" or the "Commission" means the Washington Suburban Sanitary Commission.

[(zz) *WSSC Relevant Market Area.* Defined in the 2015 disparity study, the relevant market area includes those cities and counties in the Washington-Arlington-Alexandria, DC-VA-MD-WV metropolitan statistical area (MSA) plus Anne Arundel County, MD, Baltimore County, MD, Carroll County, MD, city of Baltimore, MD, and Howard County, MD.**]**

[(aaa)**] (YY)** "WSSC Supplier Portal System" **[**(supplanted the Centralized Bidder Registration System (CBR) on November 9, 2015)**]** means **THE** mandatory automated Web-Based Compliance System wherein the Commission requires all prospective bidders, contractors,

vendors and subcontractors that are ready, willing and able to sell goods or services to the Commission to register online in accordance with WSSC Chapter 6.05.

[(bbb)**] (ZZ)** "WSSC's Web-Based Compliance System" means a web-based software application used by WSSC to track and monitor subcontractor availability and utilization (i.e., "Spend" or "Payments") on WSSC-funded contracts. This system is used to report and monitor prime contractors' compliance with WSSC's **[**MBE or SLBE**] BUSINESS PARTICIPATION PROGRAM** subcontracting requirements. **[**(Amended during 2019 codification; REG-PROC-SD-2017-005 § III)**]**

6.35.040 Eligibility for the **[**SLBE program**] BUSINESS PARTICIPATION PROGRAM**.

(a) A firm may register for recognition as **[**a small local business enterprise (SLBE)**] AN ELIGIBLE BUSINESS ENTERPRISE** by submitting a signed attestation affirming eligibility. Additional documentation may be required to establish eligibility. WSSC may also recognize firms certified as small businesses by a federal, county, regional, or other governmental certification program that verifies **[**geographic**] THE APPLICABLE** eligibility **REQUIREMENTS** and is determined acceptable by WSSC. WSSC may establish the procedures and documentation requirements for **[**SLBE**] ELIGIBLE BUSINESS ENTERPRISE** recognition, demonstrating that the applicant's firm:

(1) Is **[**an independently owned and operated for-profit business concern that is not dominant in its field of operation, and that is**]** performing a commercially useful function;

(2) **IF SEEKING RECOGNITION AS A SMALL BUSINESS OR LOCAL SMALL BUSINESS**, **[**Meets**] MEETS** the eligibility requirements, including, but not limited to, number of employees and gross sales, for **[**SBES as defined**] SMALL BUSINESSES** under **[**the**]** State **[**of Maryland**]** Regulations **[**(COMAR 21.11.01.04)**]** adopted **[**by the Department of General Services**]** pursuant to the State Finance and Procurement Article, § 14-203, Annotated Code of Maryland, **INCLUDING COMAR 21.11.01.04, AS AMENDED FROM TIME TO TIME**, or any successor **[**provision thereto and as reflected in this chapter, which shall be modified as necessary to remain**] REGULATION**, consistent with **[**state law**] §20-301(G) OF THE PUBLIC UTILITIES ARTICLE, ANNOTATED CODE OF MARYLAND**;

(3) **[** Is an LBE as defined**] QUALIFIES** in [WSSC 6.35.030, with a principal place**] ONE OR MORE** of **THE FOLLOWING ELIGIBLE [**business or significant employment presence in Prince George's County or Montgomery County, Maryland; and**] CATEGORIES UNDER §20-304(A) OF THE PUBLIC UTILITIES ARTICLE, ANNOTATED CODE OF MARYLAND:**

(I) A LOCAL BUSINESS;

(II) A SMALL BUSINESS;

(III) A LOCAL SMALL BUSINESS;

(IV) A MARYLAND-BASED BUSINESS;

(V) A DISABLED VETERAN-OWNED BUSINESS THAT IS A LOCAL BUSINESS, A SMALL BUSINESS, A LOCAL SMALL BUSINESS, OR A MARYLAND-BASED BUSINESS; OR

(V) A VETERAN-OWNED BUSINESS THAT IS A LOCAL BUSINESS, A SMALL BUSINESS, A LOCAL SMALL BUSINESS, OR A MARYLAND-BASED BUSINESS; AND

(4) Has been established for at least one year or the principals of the business have at least three years of relevant experience prior to forming or joining the business.

(b) **[**A firm must receive its SLBE approval from the SLMBE Office prior to submitting a bid or proposal or being included in a subcontract plan pursuant to this chapter.**]**

(1) IN ACCORDANCE WITH § 20-304 OF THE PUBLIC UTILITIES ARTICLE, ANNOTATED CODE OF MARYLAND, A BUSINESS SEEKING PROGRAM ELIGIBILITY SHALL SUBMIT TO THE OFFICE AT LEAST ONE OF THE FOLLOWING ON OR BEFORE THE APPLICABLE SOLICITATION DEADLINE:

(I) AN APPLICATION FOR PROGRAM APPROVAL;

(II) DOCUMENTATION OF REGISTRATION IN ANOTHER JURISDICTION PURSUANT TO § 20-304(F)(1) OF THE PUBLIC UTILITIES ARTICLE THAT DEMONSTRATES COMPLIANCE WITH THE PROGRAM ELIGIBILITY CRITERIA SET FORTH IN THIS CHAPTER; OR

(III) A SIGNED ATTESTATION TO SELF-CERTIFY PROGRAM ELIGIBILITY PURSUANT TO § 20-304(F)(2) OF THE PUBLIC UTILITIES ARTICLE.

(2) THE BUSINESS SHALL MEET ALL APPLICABLE ELIGIBILITY REQUIREMENTS SET FORTH IN THIS CHAPTER AS OF THE APPLICABLE SOLICITATION DEADLINE.

(3) THE COMMISSION MAY PROCEED WITH CONTRACT AWARD BASED ON THE SUBMITTED DOCUMENTATION, SUBJECT TO PRE-AWARD OR POST-AWARD AUDIT AND VERIFICATION.

(c) Upon receipt of the **[**SLBE program**]** **BUSINESS PARTICIPATION PROGRAM** application, the **[**SLMBE**]** Office shall review all enclosed application affidavits and documentation to make a determination as to whether the applicant successfully satisfies the **[**SLBE**]** **BUSINESS PARTICIPATION PROGRAM** eligibility requirements as set forth in this chapter. Applicants determined ineligible to participate as **[**a SLBE**]** **AN ELIGIBLE BUSINESS ENTERPRISE** shall receive a letter from the **[**SLMBE**]** Office stating the basis for the denial of eligibility. Applicants determined ineligible shall not be eligible to submit a new application for one calendar year from the date of the notice of denial of eligibility. A firm whose application for **[**SLBE**]** **ELIGIBLE BUSINESS ENTERPRISE** status is denied by the **[**SLMBE**]** Office may ask the Office to reconsider its decision within 20 days thereof, or may file an appeal with the GM/CEO within 30 calendar days of the last action taken by the **[**SLMBE**]** Office regarding the application.

(d) If ownership, business location, and eligibility status remain unchanged, a firm may renew its **[**SLBE**]** **ELIGIBLE BUSINESS ENTERPRISE** certification through a signed attestation with supporting documentation, in lieu of submitting a full reapplication.

(e) Any existing **[**SLBE**]** firms approved in accordance with the eligibility standards **[**of SLBE 12-01 (or successor SP)**]** **UNDER THE PREVIOUS SMALL LOCAL BUSINESS ENTERPRISE PROGRAM REGULATIONS**, shall continue to be eligible for **[**SLBE program**]** **BUSINESS PARTICIPATION PROGRAM** participation until the expiration of their existing **[**SLBE**]** status or **IF** they have graduated from the **[**SLBE status**]** **BUSINESS PARTICIPATION PROGRAM** (whichever comes first), at which time the firm must meet all eligibility criteria as stated in this chapter.

(f) The **[**SLMBE**]** Office reserves the right to periodically audit any **[**SLBE firm**]** **ELIGIBLE BUSINESS ENTERPRISE** with respect to the firm's **[**SLBE**]** **ELIGIBLE BUSINESS ENTERPRISE** status. Such audits may include but are not necessarily limited to: Inspection of the firm's office (i.e., field compliance), job site, contract-related records and documents, and interviewing of the firm's employees, subcontractors, vendors, and customers as reasonably necessary to ensure that all eligibility standards are satisfied and that the integrity of the **[**SLBE program**]** **BUSINESS PARTICIPATION PROGRAM** is maintained.

(G) THE OFFICE RESERVES THE RIGHT TO REVOKE EBE ELIGIBILITY OF ANY FIRM THAT HAS BEEN DETERMINED TO HAVE VIOLATED THE REQUIREMENTS OF THIS CHAPTER OR THOSE OF A COMPARABLE PROGRAM OF ANOTHER GOVERNMENT AGENCY. WSSC RESERVES THE RIGHT TO DENY THE EBE APPLICATION OF ANY FIRM THAT HAS BEEN DETERMINED TO HAVE COMMITTED SUCH A VIOLATION.

[(g)**] (H)** A firm whose **[**SLBE**] PROGRAM** eligibility has been revoked and whose reinstatement request has been denied by the **[**SLMBE**]** Office, or a **[**SLBE**] BUSINESS PARTICIPATION PROGRAM** applicant whose waiver and reconsideration requests have been denied by the **[**SLMBE**]** Office, may appeal the decision to the Chief Procurement Officer.

(1) A written notice of appeal must be received by the Chief Procurement Officer within 30 calendar days of the last action taken by the **[**SLMBE**]** Office regarding its petition.

(2) The Chief Procurement Officer shall respond within 60 calendar days of receipt of the notice of appeal. The decision shall be issued by the Chief Procurement Officer and shall constitute the final decision of the Commission. **[**(Res. 2025-2410; REG-PROC-SD-2017-005 § IV)**]**

(I) UNDER § 20-304(F) OF THE PUBLIC UTILITIES ARTICLE, ANNOTATED CODE OF MARYLAND, WSSC MAY ACCEPT AS A REGISTERED VENDOR ELIGIBLE TO PARTICIPATE IN THE PROGRAM A BUSINESS THAT IS A REGISTERED VENDOR THROUGH A VENDOR-REGISTRATION PROCESS IN ANOTHER JURISDICTION OR SELF-CERTIFIES AS A VENDOR BY SUBMITTING A SIGNED ATTESTATION UNDER SUBSECTION (A) OF THIS SECTION. THE BUSINESS SHALL IDENTIFY THE ELIGIBLE CATEGORY FOR WHICH RECOGNITION IS SOUGHT AND PROVIDE DOCUMENTATION OF THE OTHER JURISDICTION'S REGISTRATION OR THE SIGNED SELF-CERTIFICATION, AS APPLICABLE. THE OFFICE SHALL DETERMINE PROGRAM ELIGIBILITY UNDER THIS SECTION AND NOTIFY THE PROCUREMENT OFFICE OF AN ACCEPTANCE FOR RECORDING UNDER § 6.05.030(O) AND 6.15.060(H).

(J) AN ELIGIBLE BUSINESS MAY QUALIFY TO PARTICIPATE IN THE PROGRAM WITHOUT REGARD TO THE RACE, ETHNICITY, OR GENDER OF THE PARTICIPANTS IN THE BUSINESS.

Article II. Race- and Gender-Neutral Remedies

6.35.050 Applicability.

(A) The following race- and gender-neutral remedies set forth in this article apply to WSSC-approved **[**SLBE firms**]** **EBES [**as deemed by the SLMBE Office**]**. **[**(REG-PROC-SD-2017-005 § V)**]**

(B) THE OFFICE SHALL IDENTIFY IN THE APPLICABLE SOLICITATION THE ELIGIBLE BUSINESS CATEGORIES AND PROGRAM MEASURES THAT APPLY. UNDER § 20-304(G) OF THE PUBLIC UTILITIES ARTICLE, ANNOTATED CODE OF MARYLAND, A SOLICITATION IS NOT REQUIRED TO INCLUDE EVERY CATEGORY OF ELIGIBLE BUSINESS. PREFERENCE SHALL BE GIVEN TO LOCAL SMALL BUSINESSES AND LOCAL BUSINESSES IN ACCORDANCE WITH § 20-303 OF THAT ARTICLE.

6.35.060 Expanded unbundling.

(a) WSSC, where feasible and in the best interest of the Commission, shall engage in efforts to unbundle (segment or break up) large contracts to make them more accessible to **[**SLBEs**]** **EBES**; and

(b) WSSC shall encourage prime contractors to subcontract portions of work that they might otherwise perform with their own resources. **[**(REG-PROC-SD-2017-005 § V(A))**]**

6.35.070 Mentor-protege program.

(a) WSSC shall implement and maintain a mentor-protege program to further the development of **[**SLBEs**]** **EBES**.

(b) WSSC shall develop incentives for businesses to mentor **[**SLBEs**]** **EBES** to gain experience, contacts and resources necessary to compete for contracts.

(c) Any mentor-protege relationship shall be based on a written development plan, approved by **[**WSSC's SLMBE**]** Office, which sets forth the objectives of the parties and their respective roles, the duration of the arrangement and the services and resources to be provided by the mentor to the protege.

(d) **[**SLBEs**] ELIGIBLE BUSINESS ENTERPRISES** involved in a written mentor-protege development plan must be approved in the **[**SLBE program**] BUSINESS PARTICIPATION PROGRAM** prior to entering into this development opportunity.

(e) **[**WSSC's SLMBE**] THE** Office shall monitor these mentor-protege relationships with the full support of the appropriate WSSC personnel. **[**(REG-PROC-SD-2017-005 § V(B))**]**

6.35.080 Access to capital, bonding and insurance requirements.

(a) WSSC shall assist [SLBEs] in overcoming their inability to obtain bonding, insurance or financing. Commission efforts shall include, where feasible: simplifying these processes, reducing bonding and insurance requirements where permitted by law, and eliminating the impact of surety costs from bids.

(b) WSSC, at its discretion, may waive or reduce the bonding or insurance requirements depending on the type of contract and whether the Commission determines that the bonding or insurance requirements would deny the **[**SLBE**] EBE** an opportunity to perform the contract that the **[**SLBE**] EBE** has shown itself otherwise capable of performing.

(c) WSSC shall provide assistance to **[SLBEs] EBES** by directing firms to resources that may support **[SLBEs] EBES** in overcoming short- and long-term barriers to **[SLBE's] EBE'S** access to capital. **[**(REG-PROC-SD-2017-005 § V(C))**]**

6.35.090 Aggressive outreach.

WSSC shall engage in outreach measures to assist **[SLBEs] EBES**, including the following:

(a) Implement information and communication programs on contracting procedures and specific contract opportunities;

(b) Provide services to help **[SLBEs] EBES** improve long-term development, increase opportunities to participate in a variety of kinds of work and handle increasingly significant projects;

(c) Implement a supportive services program to develop and improve immediate and long-term business management, record-keeping, financial and accounting capability;

(d) Establish a program to assist new start-up firms, particularly in fields in which small business participation has historically been low;

(e) Ensure distribution of a **[**SLBE**] EBE** Directory, through print and electronic means;

(f) Provide technical assistance and other services including developing **[**SLBE**] EBE** capability to utilize emerging technology and conduct business through electronic media;

(g) Provide directions to online bid documents available for download via WSSC's Supplier Portal System; and

(h) Develop procedures to notify **[SLBEs] EBES** of bid opportunities, including sending notices regarding bid opportunities to various organizations and other agencies. **[**(REG-PROC-SD-2017-005 § V(D))**]**

6.35.100 Optimization of **[**diverse business development program**] BUSINESS PARTICIPATION PROGRAM (OBPP) [**([ODPDP]) (formerly "sheltered market program")**].**

(a) *Specifications.*

(1) In this section, "solicitation" means invitation to bids, request for proposals, or any other method or instrument used to communicate to potential bidders, offerors or respondents to the Commission's needs.

(2) The **[**SLMBE**]** Director in collaboration with the appropriate **[**WSSC personnel**] USING DEPARTMENT AND THE PROCUREMENT OFFICE** may select the following solicitations for inclusion and eligibility in the **[**[ODPDP]**] OBPP**:

(i) Solicitations which have an estimated contract value of $1 million or less for award to a WSSC-approved **[**SLBE**] EBE**; or

(ii) Solicitations which have an estimated contract value of $1 million or less for award to a joint venture with a WSSC-approved **[**SLBE**] EBE** firm.

(3) Solicitations are eligible for inclusion in **[**[ODPDP]**] OBPP** when the base term estimated contract value averages $1 million or less (formula for calculation: base term divided by estimated contract value). The Procurement Office shall make the applicable contracting decisions regarding the base term of contracts

(4) In determining whether a solicitation is eligible for **[**[ODPDP]**] OBPP**, the **[**SLMBE**]** Director or designee with the support of the **[**WSSC Contracting Department**]** **PROCUREMENT OFFICE AND APPROPRIATE USING DEPARMENT** shall consider:

(i) Whether there are at least three WSSC-approved **[SLBEs] EBE's** that are available and capable to participate in the **[**[ODPDP]**] OBPP** for this solicitation;

(ii) The degree of underutilization of the WSSC-approved **[**SLBE**] EBE** prime contractors in the specific industry category; and

(iii) The extent to which the WSSC-approved **[**SLBE**] EBE** prime contractor goals are being achieved.

(5) If a responsive and responsible bid or response is not received for a solicitation that has been designated for **[**ODPDP**] OBPP**, or if the apparent low bid is determined to be fiscally unacceptable, then the solicitation shall be removed from the **[**ODPDP**] OBPP** and placed in the market with less restrictive **[**SLBE**] EBE** program preferences.

(6) In the **[**ODPDP**] OBPP**, collectively, WSSC-approved **[**SLBE**] EBE** prime and subcontractors must retain 60 percent of the contract value and may not subcontract more than 40 percent to majority subcontractors. This requirement does not apply to supply contracts, licensing agreements, and distributorship agreements. Any WSSC-approved **[**SLBE**]EBE** awarded a contract under this section as a prime contractor or consultant may not contract more than 40 percent of the contract value to a firm other than other certified WSSC-approved **[SLBEs] EBEs**. **[**(REG-PROC-SD-2017-005 § V(E))**]**

6.35.110 Small contracts rotation program.

(a) WSSC shall implement and maintain a small contracts rotation program to provide an orderly and efficient method of awarding purchases and work, and to equitably distribute purchases and work among qualified **[SLBEs] EBES**.

(b) Contracts may be assigned on a rotating basis, except where it is otherwise determined to be in the best interest of the Commission.

(c) The small contract rotation program will be widely advertised to WSSC-approved **[SLBEs] EBES**. WSSC may provide technical assistance and guidance to outside financial assistance to firms that participate in the rotation.

(d) In the small contract rotation program, collectively, WSSC-approved **[**SLBE**]** primes and subcontractors must retain 60 percent of the contract value. This requirement does not apply to supply contracts, licensing agreements and distributorship agreements. Any WSSC-approved **[**SLBE**] EBE** awarded a WSSC contract under this policy as a prime consultant/contractor shall not subcontract more than 40 percent of the contract value to a firm other than to other certified MBEs or WSSC-approved **[SLBEs] EBES**. **[**(REG-PROC-SD-2017-005 § V(F))**]**

6.35.120 Supplier diversity distributor (value-added) program.

(a) Agreements, contracts and decisions under this section shall be approved by the Chief Procurement Officer after consultation with the **[**SLMBE**]** Director or designee.

(b) *Leveraging Intergovernmental and Cooperative Agreements.* In accordance with WSSC Chapter 6.15, use intergovernmental agreements when possible and as approved by the Chief Procurement Officer to identify WSSC-approved **[**SLBE**] EBE** value added distributors/resellers/suppliers (local and regional) on schedules (and awardees) to negotiate pricing/quotes.

(c) *Construction Direct Purchasing.* For fairly simple and routine, but labor intensive, construction projects that require the purchase of only a relative few construction supply materials, the **[**SLMBE**]** Office in partnership with the originating (using department or end-user) department to directly purchase in bulk and to warehouse or store some, or all, of the required construction supply materials for all such projects, and to issue bid solicitations that require bidder/respondent/participants to submit bids based upon labor costs only, with the selected contractor having the responsibility to transport required quantities of construction supplies from WSSC warehouse to the job site, and for providing construction services associated with the use, inspection or installation of WSSC construction supplies. In determining whether to apply this program element to a particular series of contracts, the **[**SLMBE**]** Office will consult

and work closely with the originating department and Procurement to determine the feasibility and cost effectiveness of bulk purchases and warehousing of required construction supplies by WSSC, and for managing the release of appropriate quantities of warehoused supplies to selected contractors. This race- and gender-neutral element is intended to assist local or regional **[**SLBE**] EBE** prime contractors that may have difficulty obtaining preferred pricing and credit from construction suppliers where the cost of construction supplies is largely determinative of the lowest responsible bid.

(d) *Distributorship Development Program.* For those industry segments of WSSC purchases that have demonstrated very low availability of WSSC-approved **[**SLBE**] EBE** suppliers, WSSC-approved **[**SLBE**] EBE** authorized dealers/resellers, or WSSC-approved **[**SLBE**] EBE** distributorships, the **[**SLMBE**]** Office may direct or partner with originating departments to offer certain incentives to those manufacturers and wholesale distributors of those goods and products that participate in this program element. **[**(REG-PROC-SD-2017-005 § V(G))**]**

6.35.130 Expedited payment.

(a) WSSC shall implement policies and procedures to ensure prompt and full payment to WSSC-approved **[SLBEs] EBEs**.

(b) Prime contractors awarded WSSC contracts shall ensure the prompt and full payment of any subcontractors working on the contract. During the contract and upon completion of the contract, WSSC may request documentation to certify payment to subcontractors or suppliers. All WSSC contracts shall include a contract clause to require prime contractors to: pay subcontractors for satisfactory performance of their contracts no later than 15 days from receipt of subcontractor's invoice on WSSC-funded contracts; and pay subcontractors retainage within 15 days after the subcontractor's work is satisfactorily completed. All payments to direct subcontractors must be reported and validated by the prime contractor and direct subcontractor in WSSC's Web-Based Compliance System within 30 days of the prime contractor being paid by WSSC.

(c) A subcontractor's work is satisfactorily completed when all the tasks called for in the subcontract have been accomplished and documented as required by the prime contractor. When a prime contractor has made an incremental acceptance of a portion of the work of a subcontractor covered by that acceptance, it is deemed to be satisfactorily completed.

(d) WSSC shall establish appropriate means for enforcement, which means that this may include appropriate penalties for failure to comply.

(e) Prime contractors shall permit the Washington Suburban Sanitary Commission to conduct audits of WSSC-funded contracts that contain [SLBE] subcontracting requirements in accordance with WSSC 6.15.450. **[**(REG-PROC-SD-2017-005 § V(H))**]**

6.35.140 Subcontracting requirements.

(a) The **[**SLMBE**]** Office may, at its discretion, either:

(1) Require that a predetermined percentage of a specific contract up to 40 percent be subcontracted to eligible WSSC-approved **[SLBEs] EBES** on a contract-specific basis which may utilize NAICS codes during availability analysis; or

(2) Utilize some other APIs set forth herein.

(b) A WSSC-approved **[**SLBE**] EBE** prime contractor may not subcontract more than 49 percent of the contract value to a non-**[**SLBE**] EBE [**or non-M/WBE firm(s)**]**.

(c) A prospective bidder, respondent or prime contractor on a WSSC contract shall submit at the time of bid a **[**SLBE/MBE**] EBE** subcontracting and supplier certification (subcontracting plan) providing, at a minimum, the name of the WSSC-approved **[**SLBE**] EBE** subcontractor and describing both the percentage of subcontracting of the contract value and the work to be performed by the WSSC-approved **[**SLBE(s)**] EBES**. **[**(REG-PROC-SD-2017-005 § V(I))**]**

6.35.150 Price preferences/point preferences.

(a) To facilitate and encourage the participation and utilization of WSSC-approved [SLBE] **EBE** firms in the procurement process for purchases, a preference may apply to competitive solicitations for architectural and engineering, construction, goods and services, and professional services. These preferences may be applied to WSSC contracts valued at various thresholds.

(b) The preference provides for the utilization of additional points in the evaluation of proposals and the utilization of a preference percentage reduction in price for bids. The preferences are as follows:

(1) *Preference Points for Request for Proposals (RFP).* Note: The **[**SLMBE**]** Director may consider granting a point preference to a qualified, WSSC-approved **[**SLBE**] EBE** firm. The number of eligible preference points for a proposal submitted by a WSSC-approved **[**SLBE**] EBE** in response to a request for proposals (RFP) shall not exceed 15 points of the total evaluation points.

If a WSSC-approved **[**SLBE**] EBE** firm is awarded a contract with the application of this preference collectively, WSSC-approved **[**SLBE**] EBE** primes and subcontractors must retain 60 percent of the contract value. This requirement does not apply to supply contracts, licensing agreements and distributorship agreements.

This preference is subject to reduction if the WSSC-approved **[**SLBE**] EBE** proposes to joint venture or subcontract with a non-**[**SLBE**] EBE** firm(s).

(2) *Preference Price Reduction for Invitation for Bids (IFB).* Note: The preference price reduction for a WSSC-approved **[**SLBE**] EBE** firm bidding as a prime shall not exceed 10 percent. Application of this preference is applied when bids are received and evaluated.

This price reduction is subject to a limitation if the WSSC-approved **[**SLBE**] EBE** proposes to joint venture or subcontract with a non-**[**SLBE**] EBE** firm(s).

If a WSSC-approved **[**SLBE**]** firm is awarded a contract with the application of this preference, collectively, WSSC-approved [SLBE] **EBE** primes and subcontractors must retain 60 percent of the contract value. This requirement does not apply to supply contracts, licensing agreements and distributorship agreements.

(c) A preference price reduction may be awarded to a non-**[**SLBE**] EBE** prime contractor that subcontracts with a WSSC-approved **[**SLBE**] EBE** or proposes to joint venture with a WSSC-approved **[**SLBE**] EBE** firm(s); the preference price reduction may be equal to 10 percent of the amount subcontracted. (Example: If a non-**[**SLBE**] EBE** prime contractor subcontracts 25 percent of the contract value to a WSSC-approved **[**SLBE**] EBE**, the prime contractor will be eligible for a two-and-one-half percent reduction in its bid price.) **[**(Res. 2025-2410; REG-PROC-SD-2017-005 § V(J)**]**

6.35.160 Bid debriefings.

[WSSC shall offer debriefing sessions to unsuccessful bidders or respondents to RFPs. The sessions should be published on WSSC's Supplier Portal System or any successor Web-Based Compliance System thereto, and included in the notice of intent to award to unsuccessful bidders or respondents. WSSC shall make proposal and statement of qualification standards of the successful bidder/respondents available upon request. Debriefings are conducted at the request of the supplier after the issuance of the notice to proceed and in response to a written request submitted to the Chief Procurement Officer or designee (REG-PROC-SD-2017-005 § V(K))**]**

(A) WSSC SHALL OFFER A DEBRIEFING TO BIDDERS UPON REQUEST, FOLLOWING THE COMPLETION OF A SOLICITATION PROCESS.

(B) EXCEPT AS PROVIDED IN SUBSECTION (C) OF THIS SECTION, THE DEBRIEFING MAY INCLUDE:

(I) INFORMATION ON THE EVALUATION PROCESS;

(II) THE STRENGTHS AND WEAKNESSES OF THE BIDDER'S SUBMISSION;

(III) AREAS FOR IMPROVEMENT; AND

(IV) DISCUSSION REGARDING THE BIDDER'S TECHNICAL PROPOSAL, PRICING, AND OVERALL PERFORMANCE.

(C) WSSC MAY NOT DISCLOSE CONFIDENTIAL OR PROPRIETARY INFORMATION IN A DEBRIEFING INCLUDING CONFIDENTIAL OR PROPRIETARY INFORMATION OF OTHER BIDDERS.

(D) BIDDERS SHALL SUBMIT A WRITTEN REQUEST TO THE CHIEF PROCUREMENT OFFICER FOR A DEBRIEFING WITHIN 30 DAYS AFTER BEING NOTIFIED OF THE RESULTS OF THE SOLICITATION.

(E) WSSC SHALL PROMPTLY SCHEDULE AND CONDUCT THE DEBRIEFING IN RESPONSE TO A VALID REQUEST.

(F) DEBRIEFINGS MAY BE CONDUCTED IN PERSON, BY PHONE, OR BY ELECTRONIC TELECOMMUNICATIONS, AS DEEMED APPROPRIATE BY WSSC.

(G) WSSC SHALL MAINTAIN A RECORD OF EACH DEBRIEFING, INCLUDING THE DATE, PARTICIPANTS, TOPICS COVERED, AND ANY ACTIONS AGREED UPON DURING THE DEBRIEFING PROCESS.

6.35.170 Monitoring, tracking and reporting of program and contracting activities.

WSSC shall:

(a) Implement procedures to review, analyze and monitor procurement and contracting requirements, bid procedures, terms and conditions, and contract and purchase awards to determine the extent WSSC is soliciting WSSC-approved **[**SLBEs**]** **EBEs**, and which **[SLBEs]** **EBEs** are being provided with the opportunity to engage in procurement and contracting with WSSC.

(b) Ensure compliance with **[**SLBE program**]** **BUSINESS PARTICIPATION PROGRAM** policy.

(c) Create and maintain a database and records on **[**SLBE**]** **EBE** participation on all WSSC projects.

This includes keeping records of **[**SLBE**]** **EBE** utilization by WSSC on contracting and procurement, procurement of commodities, and emergency contracting and procurement.

(d) Provide an overall evaluation of the effectiveness of the race-, ethnic-, and gender-neutral measures on an annual (fiscal year) basis. WSSC shall implement appropriate changes to the measures and programs based on the results. **[**(REG-PROC-SD-2017-005 § V(L))**]**

6.35.180 Prohibition of discrimination.

WSSC shall establish policies and procedures and adopt regulations to prohibit discrimination in the provision of credit or bonding regarding WSSC contracts and with respect to contracting and procurement by contractors who do business with WSSC. WSSC shall enforce anti-discrimination policies, legislation and law, implement and maintain procedures for WSSC-approved **[**SLBEs**]** **EBEs**, or any other firm, to notify WSSC if the **[**SLBE (or firm)**]** **EBE** believes a prime contractor or WSSC is discriminating under guidelines set forth in state law in the award of contracts or procurement. **[**(REG-PROC-SD-2017-005 § V(M))**]**

Article III. Program Administration

6.35.190 [SLBE approval] **RESERVED**.

[(a) The SLMBE Office shall verify, at the time of bid either as a prime or subcontractor, entities that claim to be WSSC-approved SLBEs in the WSSC SLBE program.

(b) The SLMBE Office may conduct an audit of the initial application, supplemental documentation or by conducting an on-site visit(s) or field visit pre- or post-award of a WSSC-funded contract.

(c) As required by WSSC Chapter 6.05, all firms registered in WSSC's Supplier Portal System or any successor Web-Based Compliance System thereto shall provide their SLBE status when registering in WSSC's Supplier Portal System or any successor Web-Based Compliance System thereto and shall be responsible for the ongoing accuracy of that status.

(d) The SLMBE Office reserves the right to revoke SLBE eligibility of any firm that has been determined to have violated the requirements of this chapter or those of a comparable program of another government agency. WSSC reserves the right to deny the SLBE application of any firm that has been determined to have committed such a violation.**]** **[**(REG-PROC-SD-2017-005 § VI(A))**]**

6.35.200 Graduation.

(a) **[**The SLMBE**] THE** Office shall be responsible for determining when **[**SLBE firms no longer require the preferences provided by this chapter and should, as a result, graduate from the SLBE program**] EBE FIRMS GRADUATE FROM THE BUSINESS PARTICIPATION PROGRAM**. The **[**SLMBE**]** Office shall ensure that WSSC's Supplier Portal System or any successor Web-Based Compliance System thereto accurately and timely reflects the graduation of **[**SLBE**] EBE** firms. Nevertheless, the risk that a firm's **[**SLBE**] EBE** status is inaccurately stated in WSSC's Supplier Portal System or any successor Web-Based Compliance System thereto shall be borne by any bidder or respondent to an IFB or RFP.

(b) A**N [**SLBE**] EBE** firm shall graduate from the **[**SLBE program**] BUSINESS PARTICIPATION PROGRAM BASED ON THE FOLLOWING CRITERIA: [**whenever the firm has received a cumulative total in prime or subcontract payments of either: (1) $10 million for WSSC architecture and engineering, goods and services and professional services contracts; or (2) $14 million for WSSC construction contracts or subcontracts since the firm's initial approval as a SLBE firm.**]**

(1) FOR A DISABLED VETERAN-OWNED BUSINESS, THE FIRM SHALL GRADUATE WHEN THE FIRM IS NO LONGER AT LEAST 51% OWNED AND CONTROLLED BY ONE OR MORE INDIVIDUALS CERTIFIED BY THE U.S. DEPARTMENT OF VETERANS AFFAIRS AS HAVING A SERVICE-CONNECTED DISABILITY REGARDLESS OF THE DISABILITY RATING.

(2) FOR A LOCAL BUSINESS, THE FIRM SHALL GRADUATE WHEN THE FIRM NO LONGER HAS (1) A PRINCIPAL PLACE OF BUSINESS IN MONTGOMERY COUNTY OR PRINCE GEORGE'S COUNTY OR (2) AT LEAST 25% OF THE EMPLOYEES OF THE BUSINESS DOMICILED IN MONTGOMERY COUNTY OR PRINCE GEORGE'S COUNTY.

(3) FOR A LOCAL SMALL BUSINESS, THE FIRM SHALL GRADUATE WHEN THE FIRM NO LONGER HAS (1) A PRINCIPAL PLACE OF BUSINESS IN MONTGOMERY COUNTY OR PRINCE GEORGE'S COUNTY OR (2) AT LEAST 25% OF THE EMPLOYEES OF THE BUSINESS DOMICILED IN MONTGOMERY COUNTY OR PRINCE GEORGE'S COUNTY AND (3) MEETS CRITERIA ESTABLISHED BY REGULATIONS ADOPTED IN ACCORDANCE WITH § 14-203 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(4) FOR A MARYLAND-BASED BUSINESS, THE FIRM SHALL GRADUATE WHEN THE FIRM NO LONGER HAS ITS PRINCIPAL PLACE OF BUSINESS IN THE STATE.

(5) FOR A SMALL BUSINESS, WHEN THE FIRM NO LONGER MEETS CRITERIA ESTABLISHED BY REGULATIONS ADOPTED IN ACCORDANCE WITH § 14-203 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(6) FOR A VETERAN-OWNED BUSINESS, WHEN THE FIRM IS NO LONGER AT LEAST 51% OWNED AND CONTROLLED BY ONE OR MORE INDIVIDUALS WHO ARE VETERANS AS DEFINED IN 38 U.S.C. § 101.

(c) The [SLMBE] Office [shall annually evaluate each SLBE firm receiving contract payments from WSSC to determine whether the firm has graduated based on these standards.] **SHALL ANNUALLY EVALUATE THE PROGRAM'S ELIGIBILITY CRITERIA AND ADMINISTRATIVE PROCEDURES TO ASSESS THEIR EFFECTIVENESS IN FURTHERING THE PURPOSES OF THE PROGRAM, IN ACCORDANCE WITH § 20-304(E) OF THE PUBLIC UTILITIES ARTICLE.**

(d) **[**A SLBE firm's**]** **AN EBE's** graduation, pursuant to this section, shall have no effect on any contract entered into by the firm and the Commission when the firm was qualified to participate in the API established in this chapter.

(e) The **[**SLMBE**]** Office will provide written notice to the **[**SLBE**]** **EBE** upon graduation from the **[**SLBE program**]** **BUSINESS PARTICIPATION PROGRAM**, and therein state the reasons for such graduation.

(f) *Petition for Reinstatement.* During the three years after graduating pursuant to subsection (b) of this section, a graduated **[**SLBE**]** firm may petition for reinstatement providing the **[**SLBE**]** firm meets the eligibility requirements set forth in WSSC 6.35.040. The petition shall include (but need not be limited to) all documents and records relating to the **[**SLBE's**]** **EBE's** unsuccessful efforts during the three-year period to obtain Commission contracts (including internal documents, which may be submitted under seal) and the firm's detailed explanation regarding why its bids or proposals were unsuccessful. **[**(REG-PROC-SD-2017-005 § VI(B))**]**

6.35.210 Termination.

(a) A**N** **[**SLBE**] EBE** firm's **[**SLBE**] EBE** eligibility may be permanently revoked by the **[**SLMBE**]** Office if the firm fails to perform a commercially useful function under a contract, or if the firm allows its **[**SLBE**] EBE** status to be fraudulently used for the benefit of a non-**[**SLBE**] EBE** firm (i.e., a firm that **[**lacks**] DOES NOT MEET** the [size or geographic requirements for SLBE eligibility)] **APPLICABLE PROGRAM ELIGIBILITY REQUIREMENTS** or the owners of a non-**[**SLBE**] EBE** firm so as to provide the non-**[**SLBE**] EBE** firm or firm owners benefits from APIs for which the non-**[**SLBE**] EBE** firm and its owners would not otherwise be entitled.

(b) The **[**SLMBE**]** Office will provide written notice to the **[**SLBE**] EBE** upon termination from the **[**SLBE program**] BUSINESS PARTICIPATION PROGRAM**, and state therein the reasons for such termination. **[**(REG-PROC-SD-2017-005 § VI(C))**]**

6.35.220 Reconsideration –Appeals.

A **[**SLBE firm**] EBE** whose petition for reinstatement after graduating or being terminated is dismissed or denied by the **[**SLMBE**]** Office may ask the Office to reconsider its decision within 20 business days thereof, or may file an appeal with the Chief Procurement Officer within 30 business days of the last action taken by the **[**SLMBE**]** Office regarding its petition. The Chief Procurement Officer shall respond within 60 calendar days of the receipt of the notice of appeal. The decision shall be issued by the Chief Procurement Officer and shall constitute the final decision of the Commission. **[**(REG-PROC-SD-2017-005 § VI(D))**]**

6.35.230 Requests for waiver or modification to subcontracting plan(s).

(a) *Pre-Award.* A bidder or respondent may request a full or partial waiver of a **[**SLBE**] EBE** subcontracting requirement by submitting the **[**MBE/[SLBE**] EB**E unavailability form with the appropriate documentation contained in the solicitation and written request with appropriate documentation. Bidders and respondents are required to submit the **[**MBE/SLBE**] EBE** unavailability form and the required supporting documentation simultaneously with bid or proposal submission, if the bidder or respondent is unable to obtain a WSSC-approved **[**SLBE**] EBE** firm or meet the minimum **[**SLBE**] EBE** participation subcontracting requirement and presents adequate evidence of its good faith efforts, as defined in WSSC 6.35.260, to meet the subcontracting requirement. All subcontractors **(**[SLBE] and majority subcontracting firms)**]**

must be approved by WSSC's **[**SLMBE**]** Office and all subcontracting **[**(SLBE and majority subcontracting firms)**]** must be reported to WSSC via the WSSC Web-Based Compliance System.

(b) *Post-Award.* A prime contractor shall promptly request in writing a full or partial waiver of the **[**SLBE**] EBE** subcontracting requirement as soon as reasonably possible (timely manner) after the prime contractor becomes aware that it will be unable to comply with an approved **[**SLBE/MBE**]** subcontracting and supplier certification (subcontracting plan). The written request shall detail the prime contractor's good faith efforts to execute the **[**SLBE/MBE**]** subcontracting and supplier certification (subcontracting plan) and shall include a revised **[**SLBE/MBE**]** subcontracting and supplier certification (subcontracting plan) and documentation of the prime's good faith efforts. A prime is required to notify and obtain written approval from the **[**SLMBE**]** Office in advance of any reduction in subcontract scope, termination, substitution or any other changes for a designated **[**SLBE**] EBE** subcontractor and accompanied by supporting documentation. All subcontractors **[**(SLBE, MBE and majority subcontracting firms) **]** must be approved by WSSC's **[**SLMBE**]** Office and all subcontracting **[**(SLBE, MBE and majority subcontracting firms)**]** must be reported to WSSC via the WSSC Web-Based Compliance System.

(c) *Procedure.* All waiver requests shall be in writing and shall be submitted to the **[**SLMBE**]** Office and to the Procurement Office for resolution by the **[**SLMBE**]** Director. Should the **[**SLMBE**]** Director determine that the bidder, respondent or prime contractor has demonstrated good faith efforts, then the waiver may be granted. If the waiver is denied, the Chief Procurement Officer shall respond within 60 calendar days of the receipt of any notice of appeal to a waiver request. The decision shall be issued by the Chief Procurement Officer and shall constitute the final decision of the Commission.

(d) A bidder, respondent or prime contractor may request a full or partial waiver of this subcontracting requirement from the **[**SLMBE**]** Office for good cause by submitting in writing the reason for this inability to satisfy the **[**SLBE**] EBE** subcontracting requirement to the **[**SLMBE**]** Office at the time of bid, along with a written waiver request outlining the good cause and good faith efforts employed by the bidder, respondent and prime contractor to satisfy the minimum **[**SLBE**] EBE** subcontracting requirements. Under no circumstances shall a waiver of a subcontracting requirement be granted without submission of adequate documentation of good faith efforts as defined in this chapter by the bidder, respondent and prime contractor and careful review by the **[**SLMBE**]** Office. The **[**SLMBE**]** Office shall base its determination, at a minimum, on a waiver request on the following criteria:

(1) The requestor has made good faith efforts to subcontract with qualified and available **[SLBEs] EBES**;

(2) Subcontracting would be inappropriate or not provide a commercially useful function under the circumstances of the contract;

(3) The requestor sought assistance from the **[**SLMBE**]** Office in satisfying the requirement;

(4) The requestor utilized WSSC's Supplier Portal System or any successor Web-Based Compliance System thereto;

(5) There are no WSSC-approved **[**SLBE**] EBE** firms that are qualified and available to provide the goods or services required;

(6) In the absence of a waiver granted by the **[**SLMBE**]** Office, failure of a bidder or respondent to commit in its bid or proposal to satisfying the **[**SLBE**] EBE** subcontracting requirement may render its bid or proposal nonresponsive; and

(7) In the absence of a waiver granted by the **[**SLMBE**]** Office, failure of a prime contractor to attain the specified **[**SLBE**] EBE** subcontracting requirement stated in the contract for [SLBE] participation in the performance of its contract shall be grounds for termination of existing contracts with WSSC, debarment from performing future WSSC contracts, or any other remedies available under the terms and conditions (or general conditions) of its contract with WSSC or under the law. A prime contractor's failure to be in compliance with WSSC's **[**SLBE**] [**p**]P**rogram shall impact their potential for future contracts with the Commission, as determined by the Chief Procurement Officer. **[**(REG-PROC-SD-2017-005 § VI(E))**]**

6.35.240 [SLBE] [p]**P**rime and subcontracting – Enforcement and compliance.

(a) The **[**SLMBE**]** Office shall ensure adherence to this chapter by Commission employees and **[SLBEs] EBEs**.

(b) The **[**SLMBE**]** Office shall verify that a prime contractor has submitted the **[**SLBE/MBE**]** subcontracting and supplier certification (subcontracting plan) before the notice to proceed (NTP) is issued on a contract and, if applicable, the contract's option term(s).

(c) To ensure compliance with contract-specific **[**SLBE**]** subcontracting requirements, the **[**SLMBE**]** Office shall verify that the WSSC-approved **[**SLBE**]** **EBE** listed in the approved **[**SLBE/MBE**]** subcontracting and supplier certification plan (subcontracting plan) is actually performing work and receiving compensation as set forth in the plan.

(d) Requests for waiver of approved **[**SLBE/MBE**]** subcontracting and supplier certification plan (subcontracting plan) shall be filed and resolved in accordance with WSSC 6.35.230.

(e) Failure of a prime contractor to make good faith efforts to comply with an approved **[**SLBE/MBE**]** subcontracting and supplier certification plan (subcontracting plan) may, absent unintentional, accidental or otherwise justifiable extenuating circumstances, constitute either willful or intentional failure to perform in accordance with the requirements of the **[**SLBE/MBE**]** subcontracting and supplier certification plan (subcontracting plan), or willful or intentional action to frustrate the plan. The **[**SLMBE**]** Office shall determine whether the prime contractor's failure to make good faith efforts was willful or intentional based on all relevant facts, circumstances and information presented or available to the Office and shall then determine whether enforcement action should be taken in a particular case.

(f) Upon determining that a prime contractor has failed to comply with an approved **[**SLBE/MBE**]** subcontracting and supplier certification plan (subcontracting plan), the **[**SLMBE**]** Office shall notify the Procurement Office, which will notify the prime contractor in writing of its findings and shall specify what corrective actions are required. The prime contractor is required to initiate the corrective actions within 10 days of receipt of notice and complete them within the time specified in the notice. The correction actions shall be recommended by the **[**SLMBE**]** Office and implemented and issued to the contractor by the Chief Procurement Officer.

(g) If the **[**SLMBE**]** Office determines that material noncompliance with **[**SLBE**]** **EBE** contract provisions exists and that the prime contractor refuses or fails to take the corrective action required in the Procurement Office's notice, then the following sanctions may be invoked by the Chief Procurement Officer:

(1) Withhold payment to the prime contractor;

(2) Suspension of the contract;

(3) Referral to the General Counsel's Office for appropriate action;

(4) Termination of the contract; or

(5) Initiation of any other specific remedy identified by contract, this chapter or other applicable law or regulation.

(h) Unless the **[**SLMBE**]** Director grants a partial or complete waiver of the contract-specific subcontracting requirement from the **[**SLMBE**]** Office, failure on the part of any bidder to commit to attainment of a contract-specific subcontracting requirement shall render a bid nonresponsive. Furthermore, disclosure of subcontractor information is a material specification in the bid, and failure to provide such information shall render a bid nonresponsive.

(i) Absent a waiver, a prime contractor's failure to reach the required level of WSSC-approved **[**SLBE**] EBE** subcontracting shall be considered a material breach of contract. No final payment on the prime contract shall be released to the prime contractor, and no new WSSC contracts should be issued to the prime contractor until the audit of previous subcontract payments is complete and payments are determined to comply with contract specifications.

(j) The **[**SLMBE**]** Office, in collaboration with the Procurement Office, Contracting Manager (CM) (or Administrating Contract Manager (ACM)), may initiate the noncompliance with the prime contractor via the Procurement Office for corrective action, as outlined in WSSC's Contract Terms and Conditions.

(k) The **[**SLMBE**]** Office may use any other compliance mechanisms authorized by the contract, or by Commission regulation.

(l) The **[**SLMBE**]** Office, in conjunction with appropriate WSSC personnel, may, upon completion of a contract, and before final payment is made, require that a prime contractor on any contract having a contract-specific **[**SLBE**] EBE** subcontracting requirement to:

(1) Submit a final report, in affidavit form and under penalty of perjury, of all payments made to, or withheld from, **[**SLBE**] EBE** subcontractors;

(2) Allow the **[**SLMBE**]** Office to inspect any relevant matter, including job site records of the contractor;

(3) Allow the [SLMBE] Office to interview subcontractors and employees of the contractor;

(4) For construction contracts, ensure that subcontractors (a) are paid any undisputed amount to which the subcontractor is entitled as provided under the State Finance and

Procurement Article, § 15-226, Annotated Code of Maryland; and (b) comply with the Commission regulations; and

(5) Include in the agreement with the WSSC-approved **[**SLBE**]** **EBE** subcontractor a requirement that the subcontractor submit a monthly report to the Commission as required by the contract through the WSSC's Web-Based Compliance System or any successor system thereto.

(6) Notice of this requirement shall be included in the IFB or RFP.

(m) WSSC shall establish and implement subcontractor substitution standards to prevent prime contractors from listing subcontractors on bid documents without utilizing their services. Substitution of a listed subcontractor in furtherance of bid shopping before or after the award of the prime contract is prohibited.

(n) Any enforcement action taken by WSSC pursuant to WSSC 6.35.220 shall be subject to the internal appeals process and procedures provided for in WSSC Chapter 6.15 (and any subsequent manual or regulation thereto). (REG-PROC-SD-2017-005 § VI(F))

6.35.250 Post-award contract compliance monitoring.

WSSC shall establish a system to monitor monthly contract compliance to ensure that the prime contract award and subcontractor participation listed in bids, proposals, and statements of qualification is achieved throughout the duration of a contract; all subcontractors **[**(SLBE, MBE and majority subcontracting firms)**]** must be approved by **[**WSSC's SLMBE**]** the Office and all subcontracting **[**(SLBE, MBE and majority subcontracting firms) **]** must be reported to WSSC via the WSSC Web-Based Compliance System. The system shall:

(a) Track and report subcontractor utilization in an electronic database;

(b) Initiate noncompliance notification; and

(c) Collect copies of the canceled checks (before closeout of contracts with signed affidavits from prime contractors) written to subcontractors in order to verify payment information, if required. **[**(REG-PROC-SD-2017-005 § VI(G))**]**

6.35.260 Good faith efforts.

Good faith efforts require bidders, respondents and prime contractors to make and demonstrate an effort to provide subcontracting opportunities to WSSC-approved **[**SLBE**] EBE** firms pre- and post-award on WSSC-funded contracts. The bidder, respondent or prime contractor is required to contact WSSC-approved **[**SLBE**] EBE** firms at the time the contract is solicited for bid. Good faith efforts to contact and work with WSSC-approved **[**SLBE**] EBE** firms must be documented to the Commission. This good faith effort must continue throughout the life of the contract, if awarded. Sustained good faith efforts should be made with the intention of producing desired or required results. Good faith efforts do not necessarily include due diligence. The good faith efforts of the bidders', respondents' and primes' intent to comply with the **[**SLBE**] EBE** subcontracting requirement and evaluation of that intent based on a review of, but not limited to, all of the following:

(a) Provide a copy of the advertisement(s) in local or trade publications and the services that they are attempting to subcontract. This effort would need to be made well in advance of pre-bid meetings, and at the very least, well before the bid or proposal due date.

(b) Provide a list of **[**SLBE**] EBE** firms that were contacted. There should also be a statement regarding what type of contact was made with each firm and why these firms were not suitable to service this project.

(c) Provide the list of opportunities that the prime contractor (bidder, respondent or proposer) had in regards to the portion of the project they intended to subcontract out. What areas would be better served by an entity that may have specialized services (i.e., trucking, paving, special supplies, electrical engineering or asbestos abatement).

(d) Submit a copy of information that was forwarded to the list of potential subcontracting firms. This step is to illustrate that adequate information was provided to firms that were contacted.

(e) Provide evidence that no bid was rejected without a sound reason. This can be addressed adequately by complying with requirements in subsections (b) and (c) of this section.

(f) Demonstrate attempts were made to assist interested **[**SLBE**] EBE** firms with obtaining bonding or insurance that the bidder/respondent/proposer may make as a requirement of the **[**SLBE**] EBE** firm to subcontract.

(g) Demonstrate that they (prime contractor-bidder, respondent or proposer) utilized the services of the **[**SLMBE**]** Office and WSSC's Supplier Portal System or any successor Web-Based Compliance System thereto, or one of the certifying agencies recognized by WSSC in establishing the initial contact list. Provide a copy of the information that was furnished by these agencies and was used in contacting bidders or respondents.

(h) Provide the list of **[**SLBE**] EBE** firms that were invited to bid on subcontract work, but were not available to work.

(i) Provide the list of **[**SLBE firms**] EBEs** that were invited to bid on subcontract work, but did not respond to the IFB.

(j) Provide the list of **[**SLBE firms**]** EBEs that submitted bids which were not the low acceptable bid or fiscally sound according to the bidder, respondent or prime contractor's contracting policies.

(k) Demonstrate that the bidder or respondent selected portions of the work that could be performed by **[**SLBE**] EBE** firms in order to increase the likelihood of meeting the subcontracting requirements (including, where applicable, breaking down the contract work into economically feasible units to facilitate subcontractor participation).

(l) Provide documentation that **[**SLBE**] EBE** firms were invited, where appropriate, to meetings/conferences to inform them of subcontracting opportunities.

(m) Provide documentation of written notice, to a reasonable number of specific **[**SLBE**] EBE** firms, of the bidder's or respondent's interest in the contract that is being solicited, in sufficient time in order to allow **[**SLBE**] EBE** firms to participate effectively. (REG-PROC-SD-2017-005 § VI(H))

6.35.270 [SLBE program] **BUSINESS PARTICIPATION PROGRAM** performance review.

(a) The **[**SLMBE**]** Director or designee shall monitor the implementation of this policy and the progress of this program.

(b) On at least an annual basis, the Director or designee shall report to WSSC on the progress of achieving the goals established for awards/payments to **[**SLBE**]** **EBE** firms, reporting both dollars awarded and expended.

(c) The **[**SLMBE Office**]** Director or designee shall report on the progress in achieving the stated program objectives, including, but not limited to, enhancing competition, establishing and building new business capacity, and removing barriers and eliminating disparities in the utilization of available small local business enterprises, minority business enterprises and women business enterprises on WSSC contracts.

(d) **IN ACCORDANCE WITH §20-304(E) OF THE PUBLIC UTILITIES ARTICLE, ANNOTATED CODE OF MARYLAND,** WSSC shall review the eligibility **CRITERIA** and administrative procedures of the program each year to assess its effectiveness in furthering the purposes of the program. **[**(REG-PROC-SD-2017-005 § VI(I))**]**

6.35.280 Severability.

If any section, paragraph, sentence, clause, phrase or word of this chapter is, for any reason, held by a court of competent jurisdiction to be unconstitutional, invalid, inoperative or void, such holding shall not affect the legality or validity of any other section, paragraph, sentence, clause, phrase or word of this chapter. **[**(REG-PROC-SD-2017-005 § VI(J))**]**

6.35.290 Regulatory status.

This chapter shall constitute a “regulation” within the meaning of the Public Utilities Article, § 17-403, Annotated Code of Maryland, and shall be enacted in accordance with the requirements of the Public Utilities Article, § 17-403, Annotated Code of Maryland. Any revisions, modifications or amendments of or to this chapter shall also be enacted in accordance with the Public Utilities Article, § 17-403, Annotated Code of Maryland, or any successor provision thereto. **[**(REG-PROC-SD-2017-005 § VI(K))**]**

6.35.300 Applicability.

For any WSSC contract to be awarded pursuant to an IFB, RFP, or request for bid/quotation, this chapter shall apply only to a contract with the associated IFB, RFP or other request disseminated to the public on or after the effective date of **[**the standard procedure codified in this chapter, as indicated above**] THESE REGULATIONS. [**(REG-PROC-SD-2017-005 § VI(L))**]**

CHAPTER 6.50

WORKFORCE ENGAGEMENT AND LOCAL ECONOMIC BENEFITS

6.50.010 PURPOSE AND ADMINISTRATION.

(A) UNDER § 20-401 OF THE PUBLIC UTILITIES ARTICLE, ANNOTATED CODE OF MARYLAND, THIS CHAPTER GOVERNS THE USE OF THE WASHINGTON SUBURBAN SANITARY COMMISSION'S CONTRACT-SPECIFIC MEASURES TO PROMOTE WORKFORCE ENGAGEMENT AND LOCAL ECONOMIC BENEFITS WITHIN WSSC WATER'S SERVICE DISTRICT.

(B) IN THIS CHAPTER, "WSSC" OR "THE COMMISSION" MEANS THE WASHINGTON SUBURBAN SANITARY COMMISSION, AS DEFINED IN § 16-101(B) OF THE PUBLIC UTILITIES ARTICLE, ANNOTATED CODE OF MARYLAND. "OFFICE" HAS THE MEANING STATED IN § 6.35.030(DD).

(C) THE OFFICE SHALL ADMINISTER THIS CHAPTER IN COORDINATION WITH THE CHIEF PROCUREMENT OFFICER.

6.50.020 CONTRACT-SPECIFIC MEASURES.

(A) THE OFFICE, IN COORDINATION WITH THE CHIEF PROCUREMENT OFFICER, MAY DESIGNATE A WSSC SOLICITATION OR CONTRACT FOR WORKFORCE ENGAGEMENT OR LOCAL ECONOMIC BENEFIT MEASURES.

(B) THE MEASURES MAY INCLUDE CONTRACTOR GOOD-FAITH EFFORTS CONCERNING:

(1) LOCAL HIRING AND RECRUITMENT;

(2) SKILLS TRAINING, PRE-APPRENTICESHIP, AND APPRENTICESHIP PARTICIPATION OR SUPPORT; AND

(3) DATA REPORTING ON WORKFORCE RESIDENCY OR LOCAL ECONOMIC ACTIVITY.

(C) THE APPLICABLE SOLICITATION OR CONTRACT SHALL IDENTIFY THE REQUIRED MEASURES, REPORTING REQUIREMENTS, AND PERFORMANCE STANDARDS.

6.50.030 COMPLIANCE.

THE OFFICE MAY MONITOR AND VERIFY COMPLIANCE WITH REQUIREMENTS ESTABLISHED UNDER THIS CHAPTER. ANY REPORTING METHOD, SUPPORTING DOCUMENTATION, CORRECTIVE ACTION, OR REMEDY SHALL BE ESTABLISHED IN THE APPLICABLE SOLICITATION OR CONTRACT.

Legal Review of Regulation

As requested, the following Regulation has been reviewed as required by Chapter 1.42 of the WSSC Manual of Standard Procedures:

WSSC Code of Regulations
Title 6
Subtitle II
Chapters 6.35 and 6.50

1. Legal Sufficiency Review:

This Regulation has been reviewed and determined to be legally sufficient.

If not legally sufficient, details provided below:

N/A

2. Approval Authority

The Commission has authority to adopt this Regulation.

Rhonda Weaver
_____

10/16/2026
_____
Date

Chapter 560

(House Bill 1230)

AN ACT concerning

Washington Suburban Sanitary Commission – Procurement – Alterations

PG/MC 102–26

FOR the purpose of repealing the name of the Washington Suburban Sanitary Commission Office of Supplier Diversity and Inclusion; ~~authorizing~~ requiring the Commission to name the Office; altering the purpose and duties of the Office; altering the local small business enterprise program to ~~include local or small businesses or certain other businesses~~ be the business participation program and limiting participation in the program to certain businesses; requiring the Commission to adopt certain additional eligibility criteria for participation in the program; authorizing the Commission to accept as a registered vendor any ~~person~~ business that is registered as a vendor with another jurisdiction or has self–certified as a vendor in a certain manner; authorizing the Commission to adopt certain regulations to promote workforce engagement and local economic benefits; and generally relating to procurement by the Washington Suburban Sanitary Commission.

BY repealing and reenacting, with amendments,
Article – Public Utilities
Section 20–201, 20–203, and 20–301 through 20–304
Annotated Code of Maryland
(2025 Replacement Volume and 2025 Supplement)

BY adding to
Article – Public Utilities
Section 20–401 to be under the new subtitle "Subtitle 4. ~~Vendor Registration"~~ Workforce and Local Economic Benefits"
Annotated Code of Maryland
(2025 Replacement Volume and 2025 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND, That the Laws of Maryland read as follows:

Article – Public Utilities

20–201.

(a) In this subtitle the following words have the meanings indicated.

(b) "Minority business enterprise" has the meaning stated in § 14–301 of the State Finance and Procurement Article.

(c) "Office" means the Office **[**of Supplier Diversity and Inclusion**]** established under § 20–203 of this subtitle.

20–203.

(a) There is an Office **[**of Supplier Diversity and Inclusion in the Commission**]** **ESTABLISHED WITHIN THE COMMISSION THAT SHALL BE RESPONSIBLE FOR:**

~~**(1) ADMINISTERING EACH OF THE BUSINESS PARTICIPATION AND VENDOR DEVELOPMENT PROGRAMS FOR COMMISSION CONTRACTS AND SUBCONTRACTS; AND**~~

~~**(2) MONITORING COMPLIANCE WITH PARTICIPATION REQUIREMENTS FOR THE PROGRAMS ESTABLISHED**~~ **ADMINISTERING PROGRAMS ESTABLISHED UNDER THIS SUBTITLE AND SUBTITLE 3 OF THIS TITLE**.

(b) **THE COMMISSION SHALL ADOPT REGULATIONS ESTABLISHING THE NAME OF THE OFFICE.**

(C) The **[**head of the Office is the**]** **OFFICE SHALL BE HEADED BY A** Director **[**of Supplier Diversity and Inclusion**]**.

~~(c) **THE COMMISSION MAY PROVIDE A NAME FOR THE OFFICE ESTABLISHED UNDER THIS SECTION.**~~

(D) The Office shall:

(1) administer each Commission program that is created to remedy discrimination against minority business enterprises and promote the participation of local ~~**OR** small business enterprises **OR OTHER BUSINESS ENTERPRISES THAT SUPPORT THE ECONOMIC OUTCOMES OF**~~ **SMALL BUSINESSES THAT DO BUSINESS WITH THE COMMISSION**, including:

(i) the minority business enterprise utilization program under § 20–204 of this subtitle; and

(ii) the **[**local small**]** business ~~enterprise~~ **PARTICIPATION** program **ESTABLISHED** under Subtitle 3 of this title;

(2) promote and coordinate the plans, programs, and operations of the Commission to remedy discrimination against minority business enterprises and the effects of discrimination;

(3) promote activities and the use of the resources of the Commission, local governments, and private entities to remedy discrimination against minority business enterprises and the effects of discrimination; ~~[~~and~~]~~

(4) ensure compliance with certified minority business enterprise subcontract participation goals under § 20–206 of this subtitle~~; AND~~

~~(5) PROMOTE, ENCOURAGE, AND SUPPORT INCREASED BUSINESS PARTICIPATION AND ECONOMIC OUTCOMES IN COMMISSION CONTRACTS AND SUBCONTRACTS~~.

20–301.

~~In this subtitle, "program" means a local, small, OR OTHER business enterprise program.~~

(A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "DISABLED VETERAN–OWNED BUSINESS" MEANS A BUSINESS THAT IS AT LEAST 51% OWNED AND CONTROLLED BY ONE OR MORE INDIVIDUALS CERTIFIED BY THE U.S. DEPARTMENT OF VETERANS AFFAIRS AS HAVING A SERVICE–CONNECTED DISABILITY REGARDLESS OF THE DISABILITY RATING.

(C) "LOCAL BUSINESS" MEANS A BUSINESS WITH:

(1) A PRINCIPAL PLACE OF BUSINESS IN MONTGOMERY COUNTY OR PRINCE GEORGE'S COUNTY; OR

(2) AT LEAST 25% OF THE EMPLOYEES OF THE BUSINESS DOMICILED IN MONTGOMERY COUNTY OR PRINCE GEORGE'S COUNTY.

(D) "LOCAL SMALL BUSINESS" MEANS A BUSINESS THAT QUALIFIES AS BOTH:

(1) A LOCAL BUSINESS; AND

(2) A SMALL BUSINESS.

(E) "MARYLAND–BASED BUSINESS" MEANS A BUSINESS THAT HAS ITS PRINCIPAL PLACE OF BUSINESS IN THE STATE.

(F) "PROGRAM" MEANS THE BUSINESS PARTICIPATION PROGRAM ESTABLISHED UNDER § 20–302 OF THIS SUBTITLE.

(G) "SMALL BUSINESS" MEANS A BUSINESS THAT MEETS CRITERIA ESTABLISHED BY REGULATIONS ADOPTED IN ACCORDANCE WITH § 14–203 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.

(H) "VETERAN–OWNED BUSINESS" MEANS A BUSINESS THAT IS AT LEAST 51% OWNED AND CONTROLLED BY ONE OR MORE INDIVIDUALS WHO ARE VETERANS AS DEFINED IN 38 U.S.C. § 101.

20–302.

(a) By resolution or adopting regulations, the Commission may establish a ~~local, small, OR OTHER business enterprise program~~ **BUSINESS PARTICIPATION PROGRAM IN ACCORDANCE WITH THIS SUBTITLE**.

(b) The Office **[**of Supplier Diversity and Inclusion,**]** established ~~under~~ **IN ACCORDANCE WITH** § 20–203 of this title**[**,**]** shall administer the program.

20–303.

The purpose of the program is to assist ~~[small] LOCAL businesses in Montgomery County and Prince George's County, SMALL BUSINESSES, OR OTHER BUSINESSES THAT FURTHER THE COMMISSION'S CONTRACTING, SUBCONTRACTING, AND ECONOMIC OBJECTIVES~~ **BUSINESSES ELIGIBLE TO PARTICIPATE IN THE PROGRAM, *WITH PREFERENCE BEING GIVEN TO LOCAL SMALL BUSINESSES AND LOCAL BUSINESSES,*** by:

(1) establishing a sheltered market or other appropriate preference; or

(2) facilitating the award of Commission construction contracts or procurement contracts for goods and services to ~~[small]~~**:**

~~(I) LOCAL businesses in Montgomery County and Prince George's County;~~

~~(II) SMALL BUSINESSES; OR~~

~~(III) OTHER BUSINESSES THAT FURTHER THE COMMISSION'S CONTRACTING, SUBCONTRACTING, AND ECONOMIC OBJECTIVES~~ **ELIGIBLE BUSINESSES**.

20–304.

(a) ~~The Commission shall adopt:~~

~~(1) [eligibility criteria for businesses to qualify for the program, including:~~

~~(i) the criteria for a small business qualifying under the Small Business Preference Program as established in regulations adopted by the Department of General Services under § 14–203 of the State Finance and Procurement Article;~~

~~(ii) a requirement that:~~

~~1. the business's principal place of business be in Montgomery County or Prince George's County; or~~

~~2. at least 25% of the total number of employees of the business be domiciled in Montgomery County or Prince George's County; and~~

~~(iii) any other] eligibility criteria that the Commission determines to be necessary or appropriate for the promotion of [small] businesses in the Commission's service area, SMALL BUSINESSES, OR OTHER BUSINESSES THAT FURTHER THE COMMISSION'S CONTRACTING, SUBCONTRACTING, AND ECONOMIC OBJECTIVES~~ **THE FOLLOWING BUSINESSES ARE ELIGIBLE TO PARTICIPATE IN THE PROGRAM:**

(1) A LOCAL BUSINESS;

(2) A SMALL BUSINESS;

(3) A LOCAL SMALL BUSINESS;

(4) A MARYLAND–BASED BUSINESS;

(5) A DISABLED VETERAN–OWNED BUSINESS THAT IS:

(I) A LOCAL BUSINESS;

(II) A SMALL BUSINESS;

(III) A LOCAL SMALL BUSINESS; OR

(IV) A MARYLAND–BASED BUSINESS; AND

(6) A VETERAN–OWNED BUSINESS THAT IS:

(I) A LOCAL BUSINESS;

(II) A SMALL BUSINESS;

(III) A LOCAL SMALL BUSINESS; OR

(IV) A MARYLAND–BASED BUSINESS.

(B) THE COMMISSION SHALL ADOPT:

(1) ANY OTHER ELIGIBILITY CRITERIA THE COMMISSION DETERMINES TO BE NECESSARY OR APPROPRIATE FOR THE PROMOTION OF THE BUSINESSES SPECIFIED UNDER SUBSECTION (A) OF THIS SECTION; and

(2) administrative procedures for conducting the program.

~~(b)~~ **(C)** ~~A~~ **AN ELIGIBLE** business may qualify ~~as a local OR small business enterprise under~~ **TO PARTICIPATE IN** the program without regard to the race, ethnicity, or gender of the participants in the business.

~~(c)~~ **(D)** The Commission shall establish criteria for graduation from the program for ~~a~~ **AN ELIGIBLE [**local small**]** business that the Commission determines no longer requires the assistance or benefits offered by the program.

~~(d)~~ **(E)** The Commission shall review the eligibility criteria and administrative procedures of the program each year to assess their effectiveness in furthering the purposes of the program.

(F) THE COMMISSION MAY ACCEPT AS A REGISTERED VENDOR ELIGIBLE TO PARTICIPATE IN THE PROGRAM ANY BUSINESS THAT:

(1) IS A REGISTERED VENDOR THROUGH A VENDOR REGISTRATION PROCESS IN ANOTHER JURISDICTION; OR

(2) SELF–CERTIFIES AS A VENDOR IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE COMMISSION.

(G) NOTHING IN THIS SECTION MAY BE CONSTRUED TO REQUIRE A SOLICITATION ISSUED BY THE COMMISSION TO INCLUDE EVERY CATEGORY OF ELIGIBLE BUSINESS.

~~**SUBTITLE 4. VENDOR REGISTRATION.**~~

~~**20–401.**~~

~~**(A) THE COMMISSION MAY ACCEPT AS A REGISTERED VENDOR FOR THE COMMISSION ANY PERSON THAT:**~~

~~**(1) IS REGISTERED AS A VENDOR THROUGH A VENDOR REGISTRATION PROCESS IN ANOTHER JURISDICTION; OR**~~

~~**(2) SELF–CERTIFIES AS A VENDOR IN ACCORDANCE WITH REGULATIONS ADOPTED BY THE COMMISSION.**~~

~~**(B) THE COMMISSION MAY ADOPT REGULATIONS TO CARRY OUT THIS SECTION.**~~

SUBTITLE 4. WORKFORCE AND LOCAL ECONOMIC BENEFITS.

20–401.

THE COMMISSION MAY ADOPT REGULATIONS TO PROMOTE IN THE COMMISSION'S CONTRACTS WORKFORCE ENGAGEMENT AND LOCAL ECONOMIC BENEFITS WITHIN THE COMMISSION'S SERVICE DISTRICT, INCLUDING ESTABLISHING DEFINITIONS AND STANDARDS FOR CONTRACTOR GOOD FAITH EFFORTS REGARDING:

(1) LOCAL HIRING AND RECRUITMENT;

(2) SKILLS TRAINING, PRE–APPRENTICESHIP, AND APPRENTICESHIP PARTICIPATION OR SUPPORT; AND

(3) DATA REPORTING ON WORKFORCE RESIDENCY OR LOCAL ECONOMIC ACTIVITY.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act may not be interpreted to amend, expand, limit, or otherwise affect the Minority Business Enterprise Program of the Washington Suburban Sanitary Commission.

SECTION ~~2.~~ 3. AND BE IT FURTHER ENACTED, That this Act shall take effect October 1, 2026.

Approved by the Governor, May 12, 2026.

Docusign Envelope ID: 33A2BA2E-4DF8-8CCE-80BE-947BD653A0B5

COMMISSION PACKAGE

Purpose of Request

This Commission Package requests approval to award Contract No. 120582, Hydro Power Generation Energy Services #2 in the amount of $28,050,000.00 to Brookfield Renewable Trading and Marketing LP for a contract term of 10 years – an annual value of $2,805,000.00. Approval would allow WSSC Water to purchase clean, renewable hydropower as part of its long-term energy strategy.

Contract Summary

Requested Action:	Contracting Area:	Procurement Type:	Competitively Bid:
☒New Award ☐Option Term ☐Change Order ☐Other: _____	☐Architecture & Engineering ☐Construction ☒Goods & Services ☐Professional Services	☐Invitation for Bid ☐Multi-Step Invitation for Bid ☐Request for Proposal ☒Other: Exemption	☐Yes ☒No **Basis of Award:** ☐Lowest Bid Price ☐Lowest Evaluated Bid Price ☐Most Responsible and Responsive Offeror ☒N/A
Requested Amount:	$28,050,000.00	**Contract Number:**	120582
Contract Term:	10 Years	**Project Location:**	☐Montgomery County ☐Prince George's County ☒Both Counties ☐Other: _____
Option Term:	N/A		

Project Scope and Overview

The scope of this contract consists of the purchase of 30,000 Megawatt-hours (MWh) per year at an approximate unit price of $93.50 per MWh, or a total of $2,805,000 per year, for a period of 10 years from Brookfield Hydro (or a wholly owned subsidiary) facility known as Wallenpaupack ("Wally"), located on the Wallenpaupack Creek in Wayne County, Pennsylvania. The purchase shall include all environmental attributes, including Renewable Energy Credits (RECs).

FY27 Budget:	$1,650,000.00	**FY28 Budget:**	$2,805,000.00
FY29 Budget:	$2,805,000.00	**FY30 Budget:**	$2,805,000.00
FY31 Budget:	$2,805,000.00	**FY32 Budget:**	$2,805,000.00
FY33 Budget:	$2,805,000.00	**FY34 Budget:**	$2,805,000.00
FY35 Budget:	$3,310,000.00	**FY36 Budget:**	$3,455,000.00

Capital Improvement Project (CIP)

CIP Project Title:	N/A
CIP Job Number:	N/A

Docusign Envelope ID: 33A2BA2E-4DF8-8CCE-80BE-947BD653A0B5

Justification
The product being procured is not standard retail electricity; it is bundled hydropower generation from a specific generation unit that includes energy, as produced, all bundled environmental attributes, and associated Renewable Energy Certificates. Hydropower facilities capable of offering this structure are finite, geographically fixed, and subject to extensive regulatory and operational constraints. Market surveys and outreach confirm that no other regional hydropower owner can provide an equivalent block to meet WSSC Water's delivery and certification needs. The hydropower we are looking to purchase will be generated from the Brookfield Hydro facility known as Wallenpaupack ("Wally"), located on the Wallenpaupack Creek in Wayne County, Pennsylvania. It's important to consider the geographic location of where the power is produced, as generators inject into the power grid at a distinct point, and depending on where that occurs, it impacts the price they charge for their generation. WSSC Water is looking to purchase a generation from Hydro Power that will be close to our geographic footprint so that we minimize the differential from the injection point to our usage location and positively impact our region's air quality. The market price will be governed by availability and costs of energy. As one of the largest providers of Renewable Energy Credit (REC) services, Brookfield provides the most economical means of Renewable Energy Credit (REC) acquisition. The negotiated price for the Brookfield hydro should be benchmarked against the current forward electric market price, along with the current market pricing for the Renewable Energy Credits (RECs) and environmental attributes. Any pricing within or near the benchmark of $96/MWh (Megawatt-hour) can be supported as fair and market-consistent given current PJM forward market conditions.

OSDI Recommendation	
OSDI Concurrence:	☐ Yes ☐ No ☒ N/A
Awardee Information	
Contractor Name:	Brookfield Renewable Trading and Marketing LP
Contract Amount:	$28,050,000.00
Business Location:	Manhattan, New York
Past Performance:	☒ Satisfactory ☐ No Past Performance

Subcontractors	Summary of Services
N/A	N/A

Docusign Envelope ID: 33A2BA2E-4DF8-8CCE-80BE-947BD653A0B5

Change Order Justification		
Goods and Services:	**Construction:**	**Professional Services or Architectural & Engineering:**
☐ Increased quantities ☐ Increased unit prices ☐ Other (Describe below)	☐ Unforeseen site changes ☐ Minor change in scope ☐ Scheduling impacts ☐ Design errors or omissions ☐ Other (Describe below)	☐ Increased hours ☐ Increased hourly rates ☐ Minor change in scope ☐ Scheduling impacts ☐ Other (Describe below)

Other Justification(s):

Contract Summary				
Contract History:	**Requested Amount:**	**Cumulative Amount:**	**Approved By:**	**Approval Date:**
Original Contract Value	$	$		
	TOTALS	$		

Statement of Determination and Findings

Based upon a thorough review and analysis of the Contractor's proposal and all other supporting documentation submitted by the Contractor, and in conjunction with the due diligence performed by the Procurement Office, I certify that the award of Contract No. 120582 is relevant, fair, and reasonable, and in the best interest of the Commission. To the best of my knowledge and belief all applicable regulatory and statutory provisions were adhered to when determining award.

Buyer: Olu Fawehinmi Buyer's Initials: Initial OF

Docusign Envelope ID: 33A2BA2E-4DF8-8CCE-80BE-947BD653A0B5

Legal Form and Sufficiency Review

Contract award method:

☐ **Competitively awarded** - This contract has been reviewed and approved for legal form and sufficiency by the General Counsel's Office.

☐ **Competitively awarded with previously approved standard form** - The Procurement Office has notified the General Counsel's Office that this is a standard form contract previously approved for legal form and sufficiency by the General Counsel's Office and there are no deviations from the standard form

☒ **Exemption** - This contract was procured under an exemption from competition as provided for in the Procurement Regulations. The use of that exemption has been reviewed and approved for legal sufficiency.

☐ Not applicable (e.g. change order, option term)

Signed by:
Nina R Hickson
36721264CCA14E4...

General Counsel's Office

Docusign Envelope ID: 33A2BA2E-4DF8-8CCE-80BE-947BD653A0B5

Review and Approval

Signed by:
Allison Wilson
F9ED74DFD468406...

Oct 5, 2026 | 12:30 PM EDT

Allison Dunn Wilson — **Date**
General Services Director

Signed by:
Kiyon T. Harley
0A75BF3AD966495...

Oct 6, 2026 | 11:05 AM EDT

Kiyon Harley — **Date**
Office of Supplier Diversity & Inclusion Director

Signed by:
Munetsi Musara
66EC2C787AA4449...

Oct 5, 2026 | 2:15 PM EDT

Munetsi Timothy Musara — **Date**
Chief Financial Officer

DocuSigned by:
Caprecia Poole-Williams
A42FEDB2CA544D0...

Oct 5, 2026 | 2:33 PM EDT

Caprecia M. Poole-Williams — **Date**
Chief Procurement Officer

Signed by:
9CF8A23C58BF4D2...

Oct 6, 2026 | 1:41 PM EDT

David McDonough — **Date**
Deputy General Manager Mission Support

DocuSigned by:
D2484629DDEE450...

Oct 9, 2026 | 5:09 PM EDT

Kishia L. Powell — **Date**
General Manager/CEO

Docusign Envelope ID: 33A2BA2E-4DF8-8CCE-80BE-947BD653A0B5

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action.

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action with the following stipulations:

_____

_____

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted not to approve the above action.

_____ / _____

COMMISSION **Date**

Docusign Envelope ID: E18438BA-D4CB-828C-8252-842E37089F25

COMMISSION PACKAGE

Purpose of Request

This Commission Package requests approval to exercise Option Term No. 1 under Contract No. 45459 for Biosolids Hauling, Management and Utilization with Synagro Central, LLC, in the amount of $20,177,403.60, for a period of two (2) years. The option term will ensure the continued hauling, management, and beneficial utilization of biosolids generated by WSSC Water's wastewater treatment operations.

Contract Summary

Requested Action:	Contracting Area:	Procurement Type:	Competitively Bid:
☐New Award ☒Option Term ☐Change Order ☐Other: _____	☐Architecture & Engineering ☐Construction ☒Goods & Services ☐Professional Services	☐Invitation for Bid ☐Multi-Step Invitation for Bid ☒Request for Proposal ☐Other: _____	☒Yes ☐No **Basis of Award:** ☐Lowest Bid Price ☐Lowest Evaluated Bid Price ☒Most Responsible and Responsive Offeror ☐N/A
Requested Amount:	$20,177,403.60	**Contract Number:**	45459
Contract Term:	Three Years	**Project Location:**	☐Montgomery County ☐Prince George's County ☒Both Counties ☐Other: _____
Option Term:	One, Two-Year Option Terms		

Project Scope and Overview

The scope of work includes the hauling, management, storage, processing, and beneficial utilization of biosolids generated at WSSC Water's Water Resource Recovery Facilities (WRRFs). The Contractor is responsible for transporting unstabilized biosolids from the WRRFs to the Piscataway Bioenergy Facility, which serves as the central processing facility for the production of Class A biosolids.

Following processing, the Contractor is responsible for transporting and managing Class A biosolids, lime-stabilized biosolids, or unstabilized material for land application, beneficial utilization, and/or landfill disposal, as necessary and in accordance with applicable requirements.

The Contractor is responsible for providing all supervision, labor, vehicles, equipment, materials, permitted management and storage facilities, permits, licenses, and other resources necessary to perform the required services. The contract provides WSSC Water with the resources necessary to continuously manage biosolids generated through wastewater treatment operations and maintain reliable operations at its WRRFs.

Docusign Envelope ID: E18438BA-D4CB-828C-8252-842E37089F25

FY27 Budget:	$5,885,076.05	**FY28 Budget:**	$10,088,701.80
FY29 Budget:	$4,203,625.75	**FY30 Budget:**	$

Capital Improvement Project (CIP)	
CIP Project Title:	N/A
CIP Job Number:	N/A

Justification

This contract is necessary to support the continuous hauling, management, and beneficial utilization of biosolids generated at WSSC Water's six (6) Water Resource Recovery Facilities (WRRFs) located throughout Montgomery and Prince George's Counties. The services are essential to maintaining reliable wastewater treatment operations and ensuring biosolids are properly transported, processed, managed, and utilized.

Unstabilized biosolids generated at five (5) of the WRRFs are transported to the Piscataway Bioenergy Facility, where they are centrally processed to produce a High Quality (HQ), Class A biosolids product. The resulting material can then be managed for beneficial use, including land application, or other approved management methods as operational conditions require.

Continued availability of these services is critical to WSSC Water's ability to manage biosolids generated through the wastewater treatment process, maintain uninterrupted WRRF operations, and meet applicable biosolids management and environmental requirements.

OSDI Recommendation	
OSDI Concurrence:	☒ Yes ☐ No ☐ N/A

Docusign Envelope ID: E18438BA-D4CB-828C-8252-842E37089F25

Awardee Information	
Contractor Name:	Synagro Central, LLC
Contract Amount:	$27,160,973.60
Business Location:	Baltimore, Maryland
Past Performance:	☒ Satisfactory ☐ No Past Performance

Subcontractors	Summary of Services
Duffield Hauling, Inc. Sealston, Virginia	Transportation of biosolids from the bioenergy facility
Recyc Systems, Inc. Remington, Virginia	Land application of biosolids on farm sites in Virginia
Zymco Hauling, LLC Woodstock, Maryland	Transportation of WSSC biosolids between Water Resource Recovery Facilities (WRRF) and outbound transportation of biosolids from bioenergy facility

Change Order Justification		
Goods and Services:	**Construction:**	**Professional Services or Architectural & Engineering:**
☐ Increased quantities ☐ Increased unit prices ☐ Other (Describe below)	☐ Unforeseen site changes ☐ Minor change in scope ☐ Scheduling impacts ☐ Design errors or omissions ☐ Other (Describe below)	☐ Increased hours ☐ Increased hourly rates ☐ Minor change in scope ☐ Scheduling impacts ☐ Other (Describe below)

Other Justification(s):

Docusign Envelope ID: E18438BA-D4CB-828C-8252-842E37089F25

Contract Summary				
Contract History:	**Requested Amount:**	**Cumulative Amount:**	**Approved By:**	**Approval Date:**
Original Contract Value	$27,160,973.60	$27,160,973.60	Commissioners	October 18, 2023
Change Order No. 1	$0.00	$27,160,973.60	Chief Procurement Officer	April 23, 2024
Change Order No. 2	$0.00	$27,160,973.60	Chief Procurement Officer	October 9, 2024
Change Order No. 3	$0.00	$27,160,973.60	Chief Procurement Officer	March 6, 2026
	TOTALS	$27,160,973.60		

Statement of Determination and Findings

Based upon a thorough review and analysis of the Contractor's proposal and all other supporting documentation submitted by the Contractor, and in conjunction with the due diligence performed by the Procurement Office, I certify that the award of Contract No. 45459 is relevant, fair, and reasonable, and in the best interest of the Commission. To the best of my knowledge and belief all applicable regulatory and statutory provisions were adhered to when determining award.

Buyer: Tamika Miller Buyer's Initials: ___DS TM_____

Docusign Envelope ID: E18438BA-D4CB-828C-8252-842E37089F25

Legal Form and Sufficiency Review

Contract award method:

☐ **Competitively awarded** - This contract has been reviewed and approved for legal form and sufficiency by the General Counsel's Office.

☐ **Competitively awarded with previously approved standard form** - The Procurement Office has notified the General Counsel's Office that this is a standard form contract previously approved for legal form and sufficiency by the General Counsel's Office and there are no deviations from the standard form

☐ **Exemption** - This contract was procured under an exemption from competition as provided for in the Procurement Regulations. The use of that exemption has been reviewed and approved for legal sufficiency.

☒ Not applicable (e.g. change order, option term)

_____
General Counsel's Office

Docusign Envelope ID: E18438BA-D4CB-828C-8252-842E37089F25

WSSCWATER
DELIVERING THE ESSENTIAL

Review and Approval

Signed by:
075C8D0CEB85406...
Oct 14, 2026 | 8:22 AM EDT

Benjamin Thompson
Director of Production
Date

Signed by:
Kiyon T. Harley
0A75BF3AD966495...
Oct 14, 2026 | 3:22 PM EDT

Kiyon Harley
Office of Supplier Diversity & Inclusion Director
Date

Signed by:
Munetsi Musara
66EC2C787AA4449...
Oct 14, 2026 | 10:36 AM EDT

Munetsi Timothy Musara
Chief Financial Officer
Date

Signed by:
Caprecia M Poole-Williams
A42FEDB2CA544D0...
Oct 14, 2026 | 9:08 AM EDT

Caprecia M. Poole-Williams
Chief Procurement Officer
Date

Signed by:
Aklile Tesfaye
729AA1281A544A4...
Oct 14, 2026 | 4:32 PM EDT

Aklile Tesfaye
Deputy General Manager Operations
Date

DocuSigned by:
Kpowell
D2484629DDEE450...
Oct 14, 2026 | 5:59 PM EDT

Kishia L. Powell
General Manager/CEO
Date

Docusign Envelope ID: E18438BA-D4CB-828C-8252-842E37089F25

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action.

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action with the following stipulations:

_____

_____

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted not to approve the above action.

_____ / _____

COMMISSION **Date**

Docusign Envelope ID: C505FAE3-15B3-803F-82ED-84C5752871A1

COMMISSION PACKAGE

Purpose of Request

This Commission Package requests approval to exercise Option Term No. 3 under Contract No. 47727 for the supply of Polyaluminum Chloride with USALCO, LLC, in the amount of $5,865,600.00, for a period of one (1) year. The option term will ensure the continued availability of Polyaluminum Chloride necessary to support WSSC Water's water treatment operations.

Contract Summary

Requested Action:	**Contracting Area:**	**Procurement Type:**	**Competitively Bid:**
☐New Award ☒Option Term ☐Change Order ☐Other: _____	☐Architecture & Engineering ☐Construction ☒Goods & Services ☐Professional Services	☒Invitation for Bid ☐Multi-Step Invitation for Bid ☐Request for Proposal ☐Other: _____	☒Yes ☐No **Basis of Award:** ☒Lowest Bid Price ☐Lowest Evaluated Bid Price ☐Most Responsible and Responsive Offeror ☐N/A
Requested Amount:	$5,865,600.00	**Contract Number:**	47727
Contract Term:	One Year	**Project Location:**	☐Montgomery County ☐Prince George's County ☒Both Counties ☐Other: _____
Option Term:	Four, One-Year Option Terms		

Project Scope and Overview

This contract provides for the furnishing, transportation, and delivery of Polyaluminum Chloride (DelPAC 2500) to WSSC Water's water treatment plants on an as-needed basis. Polyaluminum Chloride is used in the potable water treatment process and is necessary to support continuous water production and maintain required water quality standards.

The contractor is responsible for providing timely deliveries based on operational demand, maintaining required product quality, providing applicable safety documentation and certifications, and complying with requirements for the handling and transportation of treatment chemicals. Continued availability of Polyaluminum Chloride is essential to maintaining uninterrupted treatment operations and the reliable production of potable water for WSSC Water customers.

FY27 Budget:	$3,421,600.00	**FY28 Budget:**	$2,444,000.00
FY29 Budget:	$	**FY30 Budget:**	$

Docusign Envelope ID: C505FAE3-15B3-803F-82ED-84C5752871A1

Capital Improvement Project (CIP)	
CIP Project Title:	N/A
CIP Job Number:	N/A

Justification
Polyaluminum Chloride (DelPAC 2500) is a critical coagulant used in WSSC Water's potable water treatment process to support the removal of suspended particles and impurities from source water. Its continued availability is necessary to maintain effective treatment performance and protect drinking water quality. Exercising the option term will ensure an uninterrupted supply of Polyaluminum Chloride to WSSC Water's treatment facilities, supporting compliance with applicable drinking water quality requirements and the continuous, safe, and reliable production of potable water for WSSC Water customers.

OSDI Recommendation	
OSDI Concurrence:	☐ Yes ☐ No ☒ N/A

Awardee Information	
Contractor Name:	USALCO, LLC
Contract Amount:	$18,983,360.00
Business Location:	Baltimore, Maryland
Past Performance:	☒ Satisfactory ☐ No Past Performance

Subcontractors	Summary of Services
N/A	N/A

Docusign Envelope ID: C505FAE3-15B3-803F-82ED-84C5752871A1

Change Order Justification		
Goods and Services:	**Construction:**	**Professional Services or Architectural & Engineering:**
☐ Increased quantities ☐ Increased unit prices ☐ Other (Describe below)	☐ Unforeseen site changes ☐ Minor change in scope ☐ Scheduling impacts ☐ Design errors or omissions ☐ Other (Describe below)	☐ Increased hours ☐ Increased hourly rates ☐ Minor change in scope ☐ Scheduling impacts ☐ Other (Describe below)

Other Justification(s):

Contract Summary				
Contract History:	**Requested Amount:**	**Cumulative Amount:**	**Approved By:**	**Approval Date:**
Original Contract Value	$5,865,600.00	$5,865,600.00	Commissioners	August 16, 2023
Change Order No. 1	$0.00	$5,865,600.00	Chief Procurement Officer	August 1, 2024
Change Order No. 2	$400,000.000	$6,265,600.00	Chief Procurement Officer	December 17, 2024
Option Term 1	$5,865,600.00	$12,131,200.00	Commissioners	September 18, 2024
Change Order No. 3	$400,000.00	$12,531,200.00	Commissioners	January 27, 2025
Change Order No. 4	$0.00	$12,531,200.00	Chief Procurement Officer	March 21, 2025
Option Term 2	$6,452,160.00	$18,983,360.00	Commissioners	October 15, 2025
Change Order No. 5	$0.00	$18,983,360.00	Chief Procurement Officer	November 25, 2025
	TOTALS	$18,983,360.00		

Docusign Envelope ID: C505FAE3-15B3-803F-82ED-84C5752871A1

Statement of Determination and Findings

Based upon a thorough review and analysis of the Contractor's proposal and all other supporting documentation submitted by the Contractor, and in conjunction with the due diligence performed by the Procurement Office, I certify that the award of Contract No. 47727 is relevant, fair, and reasonable, and in the best interest of the Commission. To the best of my knowledge and belief all applicable regulatory and statutory provisions were adhered to when determining award.

Buyer: Tamika Miller Buyer's Initials: DS TM

Legal Form and Sufficiency Review

Contract award method:

☐ **Competitively awarded** - This contract has been reviewed and approved for legal form and sufficiency by the General Counsel's Office.

☐ **Competitively awarded with previously approved standard form** - The Procurement Office has notified the General Counsel's Office that this is a standard form contract previously approved for legal form and sufficiency by the General Counsel's Office and there are no deviations from the standard form

☐ **Exemption** - This contract was procured under an exemption from competition as provided for in the Procurement Regulations. The use of that exemption has been reviewed and approved for legal sufficiency.

☒ Not applicable (e.g. change order, option term)

_____
General Counsel's Office

Docusign Envelope ID: C505FAE3-15B3-803F-82ED-84C5752871A1

Review and Approval

Signed by:
075C8D0CEB85406...

Oct 5, 2026 | 7:53 AM EDT

Benjamin Thompson
Director of Production

Date

Signed by:
Kiyon T. Harley
0A75BF3AD966495...

Oct 5, 2026 | 9:28 AM EDT

Kiyon Harley
Office of Supplier Diversity & Inclusion Director

Date

Signed by:
Munetsi Musara
66EC2C787AA4449...

Oct 5, 2026 | 12:08 PM EDT

Munetsi Timothy Musara
Chief Financial Officer

Date

DocuSigned by:
Caprecia Poole-Williams
A42FEDB2CA544D0...

Oct 5, 2026 | 7:54 AM EDT

Caprecia M. Poole-Williams
Chief Procurement Officer

Date

DocuSigned by:
Priscilla To
B3225BC6990E4E8...

Oct 6, 2026 | 10:44 AM EDT

Aklile Tesfaye
Deputy General Manager Operations

Date

DocuSigned by:
D2484629DDEE450...

Oct 9, 2026 | 5:58 PM EDT

Kishia L. Powell
General Manager/CEO

Date

Docusign Envelope ID: C505FAE3-15B3-803F-82ED-84C5752871A1

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action.

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action with the following stipulations:

_____

_____

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted not to approve the above action.

_____ / _____

COMMISSION **Date**

Docusign Envelope ID: 929F466A-4DBE-8B32-8207-FBDE72D5EC6C

COMMISSION PACKAGE

Purpose of Request

This Commission Package requests approval to award Change Order No. 3 to Contract No. 163246 to Sherwood-Logan and Associates, LLC, in the amount of $5,000,000.00, for the continued provision of Sherwood-Logan Original Equipment Manufacturer (OEM) parts and related services. The additional funding will support WSSC Water's Production Department by ensuring continued access to critical OEM parts, maintenance, repair, and technical services necessary to maintain equipment reliability and support ongoing facility operations.

Contract Summary

Requested Action:	**Contracting Area:**	**Procurement Type:**	**Competitively Bid:**
☐New Award ☐Option Term ☒Change Order ☐Other: _____	☐Architecture & Engineering ☐Construction ☒Goods & Services ☐Professional Services	☐Invitation for Bid ☐Multi-Step Invitation for Bid ☐Request for Proposal ☒Other: Exemption	☐Yes ☒No **Basis of Award:** ☐Lowest Bid Price ☐Lowest Evaluated Bid Price ☐Most Responsible and Responsive Offeror ☐N/A
Requested Amount:	$5,000,000.00	**Contract Number:**	163246
Contract Term:	Three Years	**Project Location:**	☐Montgomery County ☐Prince George's County ☒Both Counties ☐Other: _____
Option Term:	Two, One-year Option Terms		

Project Scope and Overview

The scope of this contract includes the provision of Original Equipment Manufacturer (OEM) replacement parts and related services to support the repair, maintenance, and continued operation of critical equipment at various WSSC Water facilities. The contract covers mechanical, plumbing, and electrical components and equipment, including Flygt mixers, polymer systems, filter press systems, Pine Valley pumps, and anthracite products. These parts and services are necessary to maintain equipment reliability, address routine and unanticipated repair needs, and minimize disruptions to facility operations. Specifically, various major projects are anticipated at the following facilities: Patuxent Water Filtration Plant (WFP) three filters that are scheduled for media removal, inspection, and installation at a cost of $1,000,000.00. Parkway WRRF: Parkway Water Resource Recovery Facility (WRRF): Two clarifiers that are scheduled for inspection and replacement at an approximate cost of $2,000,000.00. Western Branch WRRF: Water Resource Recovery Facility (WRRF): Replacement of Polymer delivery system and various pumps at an approximate cost of $1,000,000.00. Seneca (WRRF): Seneca Water Resource Recovery Facility (WRRF): Replacement of various pumps, mixers, and sluice gates at three main facilities and twenty-five pumping

Docusign Envelope ID: 929F466A-4DBE-8B32-8207-FBDE72D5EC6C

stations at an approximate cost of $500,000.00. Piscataway/Biosolids Management Facility: Ongoing maintenance activities and work orders at an approximate cost of $500,000.00. The need for these projects could not have been anticipated when the contract was awarded in 2023.			
FY27 Budget:	$2,500,000.00	**FY28 Budget:**	$2,500,000.00
FY29 Budget:	$	**FY30 Budget:**	$

Capital Improvement Project (CIP)	
CIP Project Title:	N/A
CIP Job Number:	N/A

Justification

This funding will support the continued operational readiness and reliability of WSSC Water's Production Department by providing the resources necessary to complete critical equipment and asset replacement, repair, and maintenance projects at various facilities, including the Patuxent Water Filtration Plant (WFP), Parkway (WRRF), and Seneca Water Resource Recovery Facility (WRRF).

Several planned and anticipated projects require the purchase and installation of Original Equipment Manufacturer (OEM) replacement equipment and components that are available through Sherwood-Logan. Maintaining access to these OEM parts and related services is necessary to ensure compatibility with existing equipment, facilitate timely repairs and replacements, and minimize operational disruptions.

The additional funding will allow WSSC Water to address ongoing and emerging equipment needs, maintain critical infrastructure in reliable operating condition, and reduce the risk of equipment failures that could affect facility operations. These projects are essential to sustaining the continuous operation of WSSC Water's treatment facilities and supporting the uninterrupted delivery of water and wastewater services to its customers.

OSDI Recommendation	
OSDI Concurrence:	☐ Yes ☐ No ☒ N/A

Docusign Envelope ID: 929F466A-4DBE-8B32-8207-FBDE72D5EC6C

Awardee Information	
Contractor Name:	Sherwood-Logan and Associates, LLC
Contract Amount:	$6,233,000.00
Business Location:	Annapolis, Maryland
Past Performance:	☒ Satisfactory ☐ No Past Performance

Subcontractors	Summary of Services
N/A	N/A

Change Order Justification		
Goods and Services:	**Construction:**	**Professional Services or Architectural & Engineering:**
☐ Increased quantities ☐ Increased unit prices ☒ Other (Describe below)	☐ Unforeseen site changes ☐ Minor change in scope ☐ Scheduling impacts ☐ Design errors or omissions ☐ Other (Describe below)	☐ Increased hours ☐ Increased hourly rates ☐ Minor change in scope ☐ Scheduling impacts ☐ Other (Describe below)

Other Justification(s): The provision of Original Equipment Manufacturer (OEM) replacement parts and services supports the repair and maintenance of critical mechanical, plumbing, and electrical equipment at various WSSC Water facilities. The requested funding will provide continued access to OEM parts and services necessary to maintain equipment reliability, protect existing assets, and support uninterrupted facility operations. Specifically, the additional funding will:

- **Maintain warranty compliance** – The use of OEM parts helps ensure applicable equipment warranties remain valid, protecting WSSC Water's investment and reducing exposure to avoidable repair costs.
- **Reduce emergency repairs and operational disruptions** – Timely maintenance and replacement of components with OEM parts reduces the likelihood of unexpected equipment failures, emergency repairs, and associated interruptions to facility operations.
- **Maintain system reliability and performance** – OEM components are designed and manufactured for the specific equipment in which they are installed, supporting proper fit, compatibility, performance, and equipment longevity.

Docusign Envelope ID: 929F466A-4DBE-8B32-8207-FBDE72D5EC6C

- **Preserve equipment efficiency** – Proper maintenance and replacement with compatible OEM components helps equipment continue operating at its intended performance and efficiency levels.
- **Reduce the risk of secondary equipment failures** – The use of properly designed and compatible OEM components reduces the potential for premature failures or damage to interconnected equipment and systems.

The requested funding will enable WSSC Water to continue addressing planned and unanticipated maintenance and replacement needs while supporting the safe, reliable, and continuous operation of critical treatment infrastructure.

Contract Summary

Contract History:	Requested Amount:	Cumulative Amount:	Approved By:	Approval Date:
Original Contract Value	$2,500,000.00	$2,500,000.00	Chief Procurement Officer	September 26, 2023
Change Order No. 1	$400,000.00	$2,900,000.00	Chief Procurement Officer	August 4, 2025
Change Order No. 2	$2,500,000.00	$5,400,000.00	Commissioners	October 15, 2025
Option Term 1	$833,000.00	$6,233,000.00	Chief Procurement Officer	January 30, 2026
	TOTALS	$6,233,000.00		

Statement of Determination and Findings

Based upon a thorough review and analysis of the Contractor's proposal and all other supporting documentation submitted by the Contractor, and in conjunction with the due diligence performed by the Procurement Office, I certify that the award of Contract No. 163246 is relevant, fair, and reasonable, and in the best interest of the Commission. To the best of my knowledge and belief all applicable regulatory and statutory provisions were adhered to when determining award.

Buyer: Tamika Miller Buyer's Initials: DS TM

Docusign Envelope ID: 929F466A-4DBE-8B32-8207-FBDE72D5EC6C

Legal Form and Sufficiency Review

Contract award method:

☐ **Competitively awarded** - This contract has been reviewed and approved for legal form and sufficiency by the General Counsel's Office.

☐ **Competitively awarded with previously approved standard form** - The Procurement Office has notified the General Counsel's Office that this is a standard form contract previously approved for legal form and sufficiency by the General Counsel's Office and there are no deviations from the standard form

☐ **Exemption** - This contract was procured under an exemption from competition as provided for in the Procurement Regulations. The use of that exemption has been reviewed and approved for legal sufficiency.

☒ Not applicable (e.g. change order, option term)

_____
General Counsel's Office

Docusign Envelope ID: 929F466A-4DBE-8B32-8207-FBDE72D5EC6C

Review and Approval

Signed by: Allison Wilson F9ED74DFD468406...

Oct 5, 2026 | 1:31 PM EDT

Allison Dunn Wilson
General Services Director

Date

Signed by: Kiyon T. Harley 0A75BF3AD966495...

Oct 6, 2026 | 11:04 AM EDT

Kiyon Harley
Office of Supplier Diversity & Inclusion Director

Date

Signed by: Munetsi Musara 66EC2C787AA4449...

Oct 5, 2026 | 2:00 PM EDT

Munetsi Timothy Musara
Chief Financial Officer

Date

DocuSigned by: Caprecia Poole-Williams A42FEDB2CA544D0...

Oct 5, 2026 | 1:31 PM EDT

Caprecia M. Poole-Williams
Chief Procurement Officer

Date

Signed by: 9CF8A23C58BF4D2...

Oct 8, 2026 | 8:39 AM EDT

David McDonough
Deputy General Manager Mission Support

Date

DocuSigned by: K Powell D2484629DDEE450...

Oct 9, 2026 | 4:58 PM EDT

Kishia L. Powell
General Manager/CEO

Date

Docusign Envelope ID: 929F466A-4DBE-8B32-8207-FBDE72D5EC6C

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action.

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action with the following stipulations:

_____

_____

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted not to approve the above action.

_____ / _____

COMMISSION **Date**

Docusign Envelope ID: 61F77A66-CB15-8E10-82A8-AE53CE95486F

COMMISSION PACKAGE

Purpose of Request

This Commission Package requests approval to award Contract No. 107594, Western Branch Water Resource Recovery Facility Potable Water System Upgrade, to Schummer, Inc. in the amount of $4,894,445.00, for a contract term of two (2) years.

Contract Summary

Requested Action:	Contracting Area:	Procurement Type:	Competitively Bid:
☒New Award ☐Option Term ☐Change Order ☐Other: _____	☐Architecture & Engineering ☒Construction ☐Goods & Services ☐Professional Services	☒Invitation for Bid ☐Multi-Step Invitation for Bid ☐Request for Proposal ☐Other: _____	☒Yes ☐No **Basis of Award:** ☒Lowest Bid Price ☐Lowest Evaluated Bid Price ☐Most Responsible and Responsive Offeror ☐N/A
Requested Amount:	$4,894,445.00	**Contract Number:**	107594
Contract Term:	Two (2) years	**Project Location:**	☐Montgomery County ☒Prince George's County ☐Both Counties ☐Other: _____
Option Term:	N/A		

Project Scope and Overview

The scope of this contract consists of the construction of a new well house and associated potable water system improvements at the Western Branch Water Resource Recovery Facility. The work includes installation of new water lines and connections to the treatment plant buildings, as well as construction of a new electrical duct bank connecting to an existing electrical manhole. The contract also includes all associated sitework necessary to complete the improvements, including establishment and maintenance of erosion and sediment controls, site grading, excavation and restoration, and pavement restoration.

FY27 Budget:	$1,223,612.00	**FY28 Budget:**	$2,936,667.00
FY29 Budget:	$734,166.00	**FY30 Budget:**	

Capital Improvement Project (CIP)

CIP Project Title:	Western Branch Potable Water Upgrades
CIP Job Number:	CD6915A20

Docusign Envelope ID: 61F77A66-CB15-8E10-82A8-AE53CE95486F

Justification
The Western Branch Water Resource Recovery Facility relies on groundwater as its primary source of potable water. The existing system consists of an on-site well, pumps, associated equipment, and distribution piping that supplies potable water to buildings throughout the facility. Portions of this infrastructure have been in service for more than 50 years and have reached an age and condition where increasingly frequent maintenance, repairs, and inspections are required to maintain reliable operation. The location and condition of the existing well system also present concerns. The well is situated within the 100-year floodplain, creating potential vulnerability during significant storm and flooding events. In addition, piping, valves, and other components located within the below-grade well vault have experienced corrosion and deterioration over time. These conditions increase maintenance requirements and raise concerns regarding the long-term reliability and integrity of the potable water system. Water quality has also become an important concern. Recent testing detected total coliforms within the potable water system, highlighting the need to address potential vulnerabilities within the existing infrastructure and improve the reliability of the facility's potable water supply. The proposed improvements are intended to address these aging infrastructure, reliability, and water quality concerns by upgrading the existing potable water system. The project will provide a new well house and associated water distribution infrastructure, replace or improve deteriorated components, and provide more reliable connections to the treatment plant buildings. Collectively, these improvements will modernize the facility's potable water infrastructure and support a safer, more reliable, and maintainable water supply for continued facility operations.

OSDI Recommendation	
OSDI Concurrence:	☒ Yes ☐ No ☐ N/A

Docusign Envelope ID: 61F77A66-CB15-8E10-82A8-AE53CE95486F

Awardee Information	
Contractor Name:	Schummer, Inc.
Contract Amount:	$4,894,445.00
Business Location:	Mayo, Maryland
Past Performance:	☒ Satisfactory ☐ No Past Performance

Subcontractors	Summary of Services
Bulldog Distribution Trucking Beltsville, Maryland	Furnishing construction aggregates, dump truck rental services
Com-Bro Contracting, Inc. Elkridge, Maryland	Piping, electrical and Well pump services
Tegler Construction & Supply Baltimore, Maryland	Plumbing materials supplier

Statement of Determination and Findings

Based upon a thorough review and analysis of the Contractor's proposal and all other supporting documentation submitted by the Contractor, and in conjunction with the due diligence performed by the Procurement Office, I certify that the award of Contract No. 107594 is relevant, fair, and reasonable, and in the best interest of the Commission. To the best of my knowledge and belief all applicable regulatory and statutory provisions were adhered to when determining award.

Buyer: Wilma S. Foster Buyer's Initials: Initial WF

Docusign Envelope ID: 61F77A66-CB15-8E10-82A8-AE53CE95486F

Legal Form and Sufficiency Review

Contract award method:

☐ **Competitively awarded** - This contract has been reviewed and approved for legal form and sufficiency by the General Counsel's Office.

☒ **Competitively awarded with previously approved standard form** - The Procurement Office has notified the General Counsel's Office that this is a standard form contract previously approved for legal form and sufficiency by the General Counsel's Office and there are no deviations from the standard form

☐ **Exemption** - This contract was procured under an exemption from competition as provided for in the Procurement Regulations. The use of that exemption has been reviewed and approved for legal sufficiency.

☐ Not applicable (e.g. change order, option term)

Signed by:
Nina R Hickson
36721264CCA14E4...

General Counsel's Office

Docusign Envelope ID: 61F77A66-CB15-8E10-82A8-AE53CE95486F

Review and Approval

Signed by:
Alan Wong
9CC9C860D9374DE...

Alan K. Wong
Chief Engineer

Oct 7, 2026 | 11:44 AM EDT
Date

Signed by:
Kiyon T. Harley
0A75BF3AD966495...

Kiyon Harley
Office of Supplier Diversity & Inclusion Director

Oct 7, 2026 | 12:41 PM EDT
Date

Signed by:
Munetsi Musara
66EC2C787AA4449...

Munetsi Timothy Musara
Chief Financial Officer

Oct 7, 2026 | 12:17 PM EDT
Date

DocuSigned by:
Caprecia Poole-Williams
A42FEDB2CA544D0...

Caprecia M. Poole-Williams
Chief Procurement Officer

Oct 7, 2026 | 12:12 PM EDT
Date

DocuSigned by:
Priscilla To
B3225BC6990E4E8...

Aklile Tesfaye
Deputy General Manager of Operations

Oct 7, 2026 | 3:58 PM EDT
Date

DocuSigned by:
KPowell
D2484629DDEE450...

Kishia L. Powell
General Manager/CEO

Oct 9, 2026 | 4:59 PM EDT
Date

Docusign Envelope ID: 61F77A66-CB15-8E10-82A8-AE53CE95486F

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action.

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action with the following stipulations:

_____

_____

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted not to approve the above action.

_____ / _____

COMMISSION **Date**

Docusign Envelope ID: 61F77A66-CB15-8E10-82A8-AE53CE95486F

Bid Results

SOLICITATION NO:	DATE: August 6, 2026 TIME: 2:00 PM LOCATION: OPENGOV	BUYER NAME:
107594		Wilma S. Foster
SOLICITATION TITLE:	Western Branch Resource Recovery Facility Potable Water System Upgrade	
ENGINEER'S ESTIMATE:	**$5,444,150.00**	**RECORDED BY:** W. Foster

BID TABULATION

	NAME OF BIDDER	BID AMOUNT
1.	Schummer Inc	$4,894,445.00
2.	Norair Engineering Corporation	$7,079,050.00
3.	W. M. Schlosser Company, Inc.	$7,488,000.00

Docusign Envelope ID: 27EE18F0-9CEB-8E71-82CF-7D0113C31C7E

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COMMISSION PACKAGE

Purpose of Request

This Commission Package requests approval to award Contract No. 107592, Anacostia II Wastewater Pumping Station Electrical Upgrades in the amount of $36,379,000.00 to Singleton Electric Company, Inc. for a contract term of five (5) years.

Contract Summary

Requested Action:	Contracting Area:	Procurement Type:	Competitively Bid:
☒New Award ☐Option Term ☐Change Order ☐Other: _____	☐Architecture & Engineering ☒Construction ☐Goods & Services ☐Professional Services	☒Invitation for Bid ☐Multi-Step Invitation for Bid ☐Request for Proposal ☐Other: _____	☒Yes ☐No **Basis of Award:** ☒Lowest Bid Price ☐Lowest Evaluated Bid Price ☐Most Responsible and Responsive Offeror ☐N/A
Requested Amount:	$36,379,000.00	**Contract Number:**	107592
Contract Term:	Five (5) years	**Project Location:**	☐Montgomery County ☒Prince George's County ☐Both Counties ☐Other: _____
Option Term:	N/A		

Project Scope and Overview

The project consists of the replacement and upgrade of the electrical system at the Anacostia II Wastewater Pumping Station. The work includes replacement of multiple large and medium-voltage transformers, 13.8 kV and 4.16 kV switchgear lineups, associated IPA enclosures, electrical protection systems, and backup battery systems. The project also includes new underground ducts, feeders, cables, electrical manholes, and temporary power provisions.

Additional work includes providing HVAC systems for the 13.8 kV and 4.16 kV IPA areas, constructing foundations and structural supports for the switchgear and transformers, installing new paving and stormwater control devices, and integrating monitoring, metering, alarm, and protection systems with the Parkway WRRF SCADA system. The scope also includes all associated auxiliary equipment and related work necessary to provide a complete, reliable, and operational electrical system.

FY27 Budget:	$ 2,248,495.00	**FY28 Budget:**	$ 5,625,885.00
FY29 Budget:	$ 9,434,832.00	**FY30 Budget:**	$ 9,389,732.00
FY31 Budget:	$ 7,696,005.00	**FY32 Budget:**	$ 1,984,051.00

Capital Improvement Project (CIP)

CIP Project Title:	Anacostia II WWPS Upgrades

Docusign Envelope ID: 27EE18F0-9CEB-8E71-82CF-7D0113C31C7E

CIP Job Number:	S-000089.24

Justification
The Anacostia II Wastewater Pumping Station is the most critical facility serving WSSC's service area. Much of the electrical equipment was installed during the station's original construction in the late 1970s and has exceeded its useful life. This project addresses that need by replacing outdated electrical components within the station's substation to improve reliability, safety, and overall system performance.

OSDI Recommendation	
OSDI Concurrence:	☒ Yes ☐ No ☐ N/A

Awardee Information	
Contractor Name:	Singleton Electric Company, Inc.
Contract Amount:	$36,379,000.00
Business Location:	Gaithersburg, Maryland
Past Performance:	☒ Satisfactory ☐ No Past Performance

Subcontractors	Summary of Services
Norair Engineering, Corp. Landover, Maryland	Civil, structural and mechanical work
MAC Electric, LLC Gaithersburg, Maryland	Furnish and install electrical materials

Other Justification(s):

Statement of Determination and Findings

Based upon a thorough review and analysis of the Contractor's proposal and all other supporting documentation submitted by the Contractor, and in conjunction with the due diligence performed by the Procurement Office, I certify that the award of Contract No. 107592 is relevant, fair, and reasonable, and in the best interest of the Commission. To the best of my knowledge and belief all applicable regulatory and statutory provisions were adhered to when determining award.

Buyer: Wilma S. Foster Buyer's Initials: Initial WSF

Docusign Envelope ID: 27EE18F0-9CEB-8E71-82CF-7D0113C31C7E

Legal Form and Sufficiency Review

Contract award method:

☐ **Competitively awarded** - This contract has been reviewed and approved for legal form and sufficiency by the General Counsel's Office.

☒ **Competitively awarded with previously approved standard form** - The Procurement Office has notified the General Counsel's Office that this is a standard form contract previously approved for legal form and sufficiency by the General Counsel's Office and there are no deviations from the standard form

☐ **Exemption** - This contract was procured under an exemption from competition as provided for in the Procurement Regulations. The use of that exemption has been reviewed and approved for legal sufficiency.

☐ Not applicable (e.g. change order, option term)

Signed by:
Nina R Hickson
36721264CCA14E4...

General Counsel's Office

Docusign Envelope ID: 27EE18F0-9CEB-8E71-82CF-7D0113C31C7E

Review and Approval

Signed by:
Alan Wong
9CC9C860D9374DE...

Oct 7, 2026 | 11:44 AM EDT

Alan K. Wong
Chief Engineer

Date

Signed by:
Kiyon T. Harley
0A75BF3AD966495...

Oct 7, 2026 | 12:44 PM EDT

Kiyon T. Harley
Office of Supplier Diversity & Inclusion Director

Date

Signed by:
Munetsi Musara
66EC2C787AA4449...

Oct 7, 2026 | 12:12 PM EDT

Munetsi Timothy Musara
Chief Financial Officer

Date

DocuSigned by:
Caprecia Poole-Williams
A42FEDB2CA544D0...

Oct 7, 2026 | 1:08 PM EDT

Caprecia M. Poole-Williams
Chief Procurement Officer

Date

DocuSigned by:
Priscilla To
B3225BC6990E4E8...

Oct 7, 2026 | 3:55 PM EDT

Aklile Tesfaye
Deputy General Manager of Operations

Date

DocuSigned by:
KPowell
D2484629DDEE450...

Oct 9, 2026 | 5:07 PM EDT

Kishia L. Powell
General Manager/CEO

Date

Docusign Envelope ID: 27EE18F0-9CEB-8E71-82CF-7D0113C31C7E

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action.

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action with the following stipulations:

_____

_____

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted not to approve the above action.

_____ / _____

COMMISSION **Date**

Docusign Envelope ID: 27EE18F0-9CEB-8E71-82CF-7D0113C31C7E

Bid Results

SOLICITATION NO: 107592	**DATE: September 3, 2026** **TIME: 2:00 PM** **LOCATION: OpenGov**	**BUYER NAME:** Wilma S. Foster

TITLE:	Anacostia II WWPS Electrical Updates		
ENGINEER'S ESTIMATE	**$39,814,420.06**	**RECORDED BY:**	W. Foster

BID TABULATION

	NAME OF BIDDER	BID AMOUNT
1.	Singleton Electric Company, Inc.	$36,379,000.00

Docusign Envelope ID: 27EE18F0-9CEB-8E71-82CF-7D0113C31C7E

Docusign Envelope ID: 84C436BF-FE94-88F0-826A-A6860300BCC2

COMMISSION PACKAGE

Purpose of Request

This Commission Package requests approval to award Contract No. 48551-135 Regency Estates Roads Sewer Rehabilitation in the amount of $2,996,421.00 to United Construction Services, LLC for a contract term of 260 days.

Contract Summary

Requested Action:	Contracting Area:	Procurement Type:	Competitively Bid:
☒New Award ☐Option Term ☐Change Order ☐Other: _____	☐Architecture & Engineering ☒Construction ☐Goods & Services ☐Professional Services	☒Invitation for Bid ☐Multi-Step Invitation for Bid ☐Request for Proposal ☐Other: _____	☒Yes ☐No **Basis of Award:** ☒Lowest Bid Price ☐Lowest Evaluated Bid Price ☐Most Responsible and Responsive Offeror ☐N/A
Requested Amount:	$2,996,421.00	**Contract Number:**	48551-135
Contract Term:	260	**Project Location:**	☒Montgomery County ☐Prince George's County ☐Both Counties ☐Other: _____
Option Term:	NA		

Project Scope and Overview

The scope of this contract consists of the repair, rehabilitation, or replacement of 2.66 miles of defective sewer mains and laterals utilizing 2,588 linear feet (0.49 miles) of open-cut replacement, 8,356 linear feet (1.58 miles) of cure-in-place pipe lining, 367 linear feet (0.7 miles) of pipe bursting, 2,406 linear feet (0.45 miles) of defective sewer laterals, and forty-six (46) manholes located in the Cabin John Basin, Montgomery County, Maryland.

Fact sheets were mailed on February 4, 2026, to impacted customers and elected officials. A Community Outreach Meeting will be held approximately 4-6 weeks prior to the start of construction, with meeting invitation cards mailed to impacted customers and elected officials.

FY27 Budget:	$2,000,000.00	**FY28 Budget:**	$996,421.00
FY29 Budget:	$	**FY30 Budget:**	$

Capital Improvement Project (CIP)

CIP Project Title:	Regency Estates Roads Sewer Rehabilitation

Docusign Envelope ID: 84C436BF-FE94-88F0-826A-A6860300BCC2

CIP Job Number:	CRCILRMH8007A25

Justification
This project resides in Montgomery County within the Cabin John Basin and conveys wastewater to the Blue Plains Advanced Wastewater Treatment Plant. The Regency Estates Sewer Rehabilitation Project addresses the repair, replacement, and rehabilitation of 6-inch, 8-inch, 10-inch and 12-inch concrete gravity sewer mains and laterals originally constructed between 1961 and 1991. Condition assessments revealed significant issues, including root intrusion, infiltration, and grease buildup, all which compromise system performance and reliability. Addressing these deficiencies is essential to restoring system integrity, protecting public health, and reducing the risk of sanitary sewer overflows. The project is supported through loan funding from the Maryland Department of the Environment.

OSDI Recommendation	
OSDI Concurrence:	☒ Yes ☐ No ☐ N/A
Awardee Information	
Contractor Name:	United Construction Services, LLC
Contract Amount:	$2,996,421.00
Business Location:	Temple Hills, Maryland
Past Performance:	☒ Satisfactory ☐ No Past Performance

Subcontractors	Summary of Services
CJF Construction, LLC. College Park, Maryland	Sewer system rehabilitation manhole work, pipe bursting, service replacements and trench backfill
Manuel Luis Construction Co., Inc. Silver Spring, Maryland	Hot Mix Asphalt (HMA) & concrete restoration
Empire Landscape, LLC Silver Spring, Maryland	Open space construction, site preparation
Ram Construction, Inc. Olney, Maryland	Temporary help services
M. Luis Products, LLC Baltimore, Maryland	Asphalt, cold patch and aggregates

Docusign Envelope ID: 84C436BF-FE94-88F0-826A-A6860300BCC2

Change Order Justification		
Goods and Services:	**Construction:**	**Professional Services or Architectural & Engineering:**
☐ Increased quantities ☐ Increased unit prices ☐ Other (Describe below)	☐ Unforeseen site changes ☐ Minor change in scope ☐ Scheduling impacts ☐ Design errors or omissions ☐ Other (Describe below)	☐ Increased hours ☐ Increased hourly rates ☐ Minor change in scope ☐ Scheduling impacts ☐ Other (Describe below)

Other Justification(s):

Contract Summary				
Contract History:	**Requested Amount:**	**Cumulative Amount:**	**Approved By:**	**Approval Date:**
Original Contract Value	$	$		
	TOTALS	$		

Statement of Determination and Findings

Based upon a thorough review and analysis of the Contractor's proposal and all other supporting documentation submitted by the Contractor, and in conjunction with the due diligence performed by the Procurement Office, I certify that the award of Contract No. 48551-135 is relevant, fair, and reasonable, and in the best interest of the Commission. To the best of my knowledge and belief all applicable regulatory and statutory provisions were adhered to when determining award.
Buyer: Curtis L. Pinder Buyer's Initials: _ Initial CP _____

Docusign Envelope ID: 84C436BF-FE94-88F0-826A-A6860300BCC2

Legal Form and Sufficiency Review

Contract award method:

☐ **Competitively awarded** - This contract has been reviewed and approved for legal form and sufficiency by the General Counsel's Office.

☒ **Competitively awarded with previously approved standard form** - The Procurement Office has notified the General Counsel's Office that this is a standard form contract previously approved for legal form and sufficiency by the General Counsel's Office and there are no deviations from the standard form

☐ **Exemption** - This contract was procured under an exemption from competition as provided for in the Procurement Regulations. The use of that exemption has been reviewed and approved for legal sufficiency.

☐ Not applicable (e.g. change order, option term)

Signed by:
Nina R Hickson
36721264CCA14E4...

General Counsel's Office

Docusign Envelope ID: 84C436BF-FE94-88F0-826A-A6860300BCC2

Review and Approval

Signed by:
Alan Wong
9CC9C860D9374DE...

Oct 6, 2026 | 11:46 AM EDT

Alan K. Wong
Chief Engineer

Date

Signed by:
Kiyon T. Harley
0A75BF3AD966495...

Oct 6, 2026 | 3:53 PM EDT

Kiyon T. Harley
Office of Supplier Diversity & Inclusion Director

Date

Signed by:
Munetsi Musara
66EC2C787AA4449...

Oct 7, 2026 | 11:26 AM EDT

Munetsi Timothy Musara
Chief Financial Officer

Date

DocuSigned by:
Caprecia Poole-Williams
A42FEDB2CA544D0...

Oct 6, 2026 | 11:54 AM EDT

Caprecia M. Poole-Williams
Chief Procurement Officer

Date

DocuSigned by:
Priscilla To
B3225BC6990E4E8...

Oct 7, 2026 | 4:00 PM EDT

Aklile Tesfaye
Deputy General Manager of Operations

Date

DocuSigned by:
K Powell
D2484629DDEE450...

Oct 9, 2026 | 4:43 PM EDT

Kishia L. Powell
General Manager/CEO

Date

Docusign Envelope ID: 84C436BF-FE94-88F0-826A-A6860300BCC2

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action.

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted to approve the above action with the following stipulations:

_____

_____

☐This is to certify that the Washington Suburban Sanitary Commission on this date voted not to approve the above action.

_____ / _____

COMMISSION **Date**

Docusign Envelope ID: 84C436BF-FE94-88F0-826A-A6860300BCC2

Bid Results

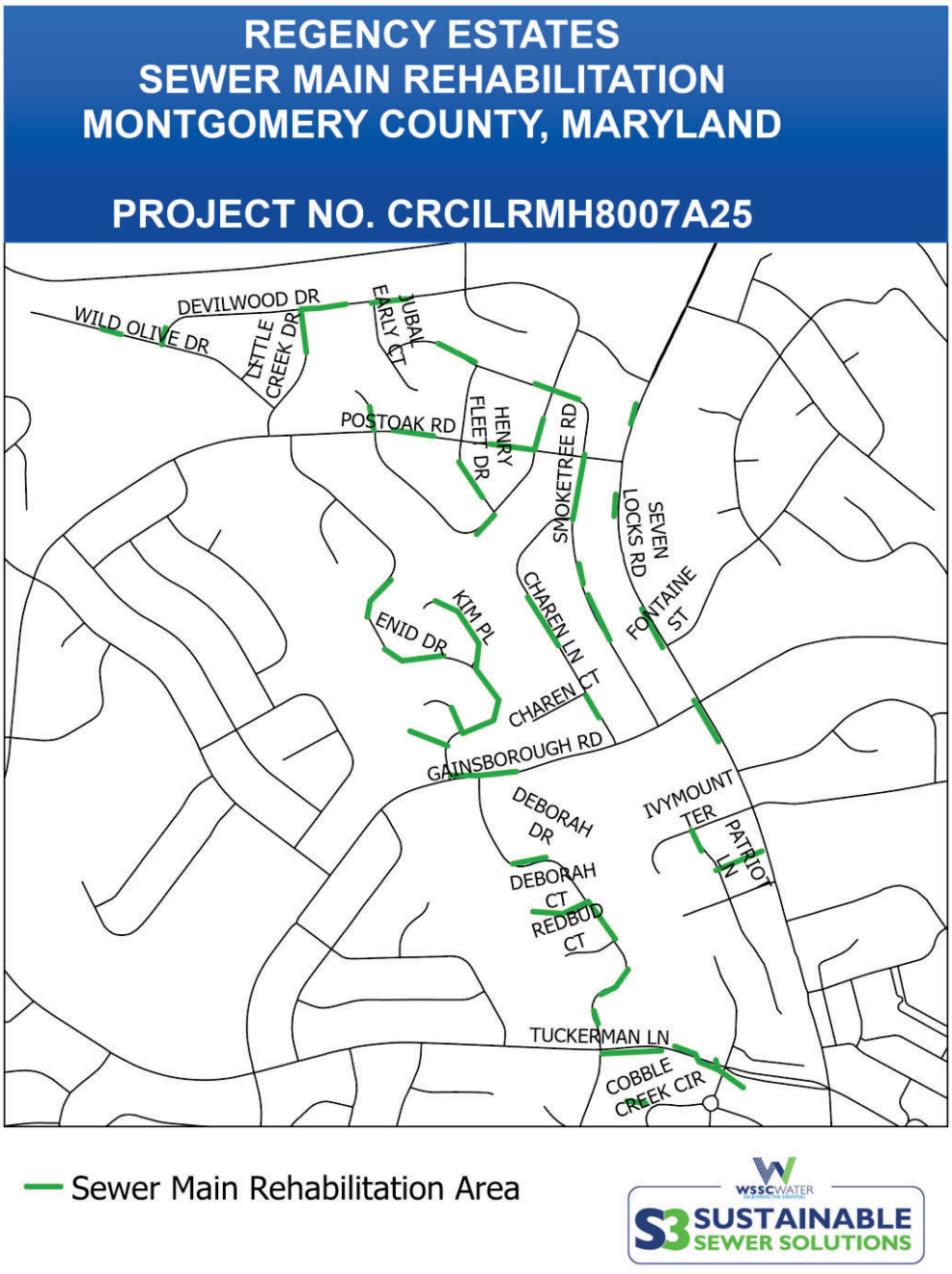
SOLICITATION NO: 48551-135		DATE: TIME: LOCATION:	5/05/2026 14:00:00 PM Trimble Portal
TITLE:	Regency Estates Roads Sewer Rehabilitation		
ENGINEER'S ESTIMATE	$3,390,326.00	RECORDED BY:	C. Pinder

	NAME OF BIDDER	BID AMOUNT
1.	**United Construction Services, LLC**	**$2,996,421.00**
2.	**SAK Construction LLC**	**$3,049,255.00**
3.	**Rivers Construction Group Ltd.**	**$3,212,537.00**
4.	**Inliner Solutions, LLC**	**$3,362,284.00**
5.	**Insituform Technologies, LLC**	**$3,440,712.00**
6.	**Ross Contracting, Inc.**	**$4,660,690.00**

Docusign Envelope ID: 84C436BF-FE94-88F0-826A-A6860300BCC2

WSSCWATER
DELIVERING THE ESSENTIAL

Project Map



WSSCWATER S3 SUSTAINABLE SEWER SOLUTIONS

Resolution 2026-2468
Adopted: October 21, 2026
Effective: December 1, 2026

WASHINGTON SUBURBAN SANITARY COMMISSION

Subject: A RESOLUTION adopting new regulation, Title 15: Risk Management, Subtitle II: Emergency Management, Chapter 15.140: Critical Customers (Critical Care, High Priority and Priority Customers) to 2026 WSSC Code of Regulations ("Code"),

WHEREAS, the Washington Suburban Sanitary Commission ("Commission") is authorized and empowered to adopt regulations pursuant to § 17-403 of the Public Utilities Article, Annotated Code of Maryland; and

WHEREAS, the Commission desires to establish a formal, organization wide process for identifying and maintaining WSSC Water's Critical Customers by ensuring accurate customer classification, timely notifications, and targeted support during outages and thereby improving operational continuity and overall system resilience.

NOW, THEREFORE, BE IT RESOLVED, this 21st day of October 2026, the Commission hereby adopts Chapter 15.140 to strengthen public health and safety for those whose well-being depends on reliable, continuous water service;

BE IT FURTHER RESOLVED, the regulation shall be effective on the 1st day of December 2026; and

BE IT FURTHER RESOLVED, that notice of this resolution and the actions taken hereunder shall be published in at least one (1) newspaper published in each county of the Washington Suburban Sanitary District for thirty (30) days prior to the effective date.

A True Copy.

_____
Julianne M. Montes de Oca
Corporate Secretary

WSSC CODE OF REGULATIONS
2026

TITLE 15: RISK MANAGEMENT
SUBTITLE II: EMERGENCY MANAGEMENT
CHAPTER 15.140 CRITICAL CUSTOMERS (CRITICAL CARE, HIGH PRIORITY AND PRIORITY CUSTOMERS)

15.140.010 PURPOSE

(A) THE PURPOSE OF THIS CHAPTER IS TO ESTABLISH A STANDARD PROCESS FOR THE IDENTIFICATION AND APPROVAL OF CRITICAL CUSTOMERS.

(B) THE WSSC OFFICE OF EMERGENCY MANAGEMENT, IN CONJUNCTION WITH ALL WSSC DEPARTMENTS, CUSTOMERS AND STAKEHOLDERS, SHALL IDENTIFY THE CRITICAL CARE, HIGH PRIORITY AND PRIORITY CUSTOMERS SO THEY MAY BE ALERTED TO ISSUES CONCERNING SERVICE DISRUPTIONS AND EMERGENCIES THAT MAY IMPACT PUBLIC HEALTH AND BUSINESS OPERATIONS AND TAKE ACTION TO MINIMIZE IMPACT.

15.140.020 DEFINITIONS

(A) IN THIS CHAPTER THE FOLLOWING WORDS HAVE THE MEANINGS INDICATED.

(B) "CRITICAL CUSTOMERS" MEANS CRITICAL CARE, HIGH PRIORITY OR PRIORITY CUSTOMERS.

(C)(1) "CRITICAL CARE CUSTOMERS" MEANS CUSTOMERS THAT REQUIRE A CONTINUOUS SUPPLY OF POTABLE WATER TO MAINTAIN LIFE.

(2) "CRITICAL CARE CUSTOMERS" INCLUDES:

1. HOSPITALS;
2. SURGICAL CENTERS;
3. KIDNEY DIALYSIS CENTERS;
4. NURSING HOMES/ASSISTED LIVING FACILITIES;
5. RESIDENTIAL HOMES/MULTI-UNIT PROPERTIES/SHELTERS HOUSING PERSONS THAT REQUIRE A CONTINUOUS SUPPLY OF POTABLE WATER TO MAINTAIN LIFE; AND
6. ANY OTHER CUSTOMER THAT WSSC DEFINES AS CRITICAL CARE CUSTOMER.

(D)(1) "HIGH PRIORITY CUSTOMERS" MEANS CUSTOMERS THAT REQUIRE WATER TO MAINTAIN THE GENERAL HEALTH OF THE PUBLIC.

(2) "HIGH PRIORITY CUSTOMERS" INCLUDES:

1. SCHOOLS AND UNIVERSITIES;
2. GOVERNMENT FACILITIES;
3. CORRECTIONAL FACILITIES;
4. DAYCARE CENTERS;
5. MEDICAL/DENTAL OFFICES;
6. FIRE/POLICE STATIONS;
7. PHARMACIES;
8. LARGE COMMERCIAL WATER USERS;
9. INDUSTRIAL/MANUFACTURING FACILITIES; AND
10. ANY OTHER CUSTOMER THAT WSSC DEFINES AS HIGH PRIORITY CUSTOMER.

(E)(1) "PRIORITY CUSTOMERS" MEANS CUSTOMERS THAT REQUIRE WATER TO MAINTAIN BUSINESS OPERATIONS.

(2) "PRIORITY CUSTOMERS" INCLUDES:

1. **FOOD SERVICE FACILITIES SUCH AS RESTAURANTS, CONVENIENCE STORES, GROCERY STORES;**
2. **MULTI-UNIT PROPERTIES;**
3. **LAUNDRIES;**
4. **CAR WASHES;**
5. **GYMS/FITNESS CENTERS;**
6. **PUBLIC POOLS;**
7. **HAIR/TANNING SALONS; AND**
8. **ANY OTHER CUSTOMER THAT WSSC DEFINES AS A PRIORITY CUSTOMER.**

15.140.030 SCOPE.

THIS CHAPTER IS APPLICABLE TO ALL CUSTOMERS.

15.140.040 PROCEDURES.

(A) IDENTIFICATION OF CRITICAL CARE, HIGH PRIORITY OR PRIORITY CUSTOMERS STATUS.

(1) A WSSC CUSTOMER THAT MEETS THE DEFINITION OF CRITICAL CARE, HIGH PRIORITY OR PRIORITY CUSTOMER SHALL SELF-IDENTIFY BY FILLING THE APPLICATION FORM ON THE WSSC WEBSITE OR BY CONTACTING THE WSSC OFFICE OF EMERGENCY MANAGEMENT BY EMAIL OR TELEPHONE FOR ASSISTANCE.

(2) TO IDENTIFY AS A CRITICAL CARE CUSTOMER, THE FORM MUST BE FULLY COMPLETED AND HAVE ATTACHED WRITTEN VERIFICATION FROM A LICENSED MEDICAL PROFESSIONAL.

(3) IN ADDITION TO SELF-IDENTIFICATION BY THE CUSTOMER, WSSC SHALL USE EXISTING DATA TO PERIODICALLY REVIEW AND UPDATE THE LIST BY CONTACTING CRITICAL CARE, HIGH PRIORITY OR PRIORITY CUSTOMERS REQUESTING CUSTOMERS TO FILL THE APPLICATION FORM ON THE WSSC WEBSITE OR BY CONTACTING THE WSSC OFFICE OF EMERGENCY MANAGEMENT BY EMAIL OR TELEPHONE FOR ASSISTANCE.

(B) REPORTING.

(1) UPON RECEIPT AND REVIEW OF A COMPLETED CUSTOMER APPLICATION, THE SENIOR RESEARCH AND COMMUNICATIONS SPECIALIST OR DESIGNATED CUSTOMER SERVICE STAFF SHALL FLAG THE CUSTOMER ACCOUNT WITH THE CORRECT ENCODING, I.E., "CRITICAL CARE", "HIGH-PRIORITY" OR "PRIORITY".

(2) AN EMAIL BOX, CRITICALCUSTOMERS@WSSCWATER.COM AND A PHONE NUMBER WITH POINT OF CONTACT, SHALL BE MANAGED BY THE WSSC OFFICE OF EMERGENCY MANAGEMENT TO ADDRESS CRITICAL CARE, HIGH PRIORITY OR PRIORITY CUSTOMER CONCERNS AND PROVIDE MEANS OF RESOLUTION.

15.140.050 EMERGENCY/PLANNED WORK.

(A) THE EMERGENCY SERVICES CENTER SHALL ALERT CRITICAL CARE, HIGH PRIORITY OR PRIORITY CUSTOMERS IN THE VICINITY OF A PLANNED OR EMERGENT INCIDENT THAT MAY CAUSE SERVICE DISRUPTIONS, THROUGH WSSC'S MASS NOTIFICATION SYSTEM WHEN APPROPRIATE.

(B) IN THE CASE OF EXTENDED SERVICE DISRUPTIONS, USUALLY MORE THAN SIX HOURS, CUSTOMER ADVOCATES MAY DELIVER WATER OR SET UP WATER STATIONS WITHIN THE VICINITY TO ALLOW CRITICAL CARE, HIGH PRIORITY OR PRIORITY CUSTOMERS ACCESS TO WATER SERVICES WHILE REPAIRS ARE COMPLETED.

15.140.060 COMMUNICATIONS.

(A) THE DEFINITION OF CRITICAL CARE, HIGH PRIORITY AND PRIORITY CUSTOMERS SHALL BE MADE AVAILABLE TO THE PUBLIC VIA THE WSSC WEBSITE.

(B) (1) FOLLOWING THE INITIAL ALERT, CRITICAL CARE CUSTOMERS SHALL RECEIVE FOLLOW UP NOTIFICATIONS ON THE STATUS OF AN EVENT THAT CAUSES SERVICE DISRUPTIONS AND RECOMMENDED ACTIONS THROUGH THE MASS NOTIFICATION SYSTEM.

(2) THE NOTIFICATIONS SHALL BE TRACKED AND RECORDED.

15.140.070 REVIEW AND STATUS APPLICATION RENEWAL.

(A) (1) A CUSTOMER'S CRITICAL CARE, HIGH PRIORITY OR PRIORITY STATUS SHALL BE SUBJECT FOR RENEWAL EVERY TWO YEARS.

(2) WSSC SHALL UTILIZE AN AUTOMATIC NOTIFICATION SYSTEM TO ALERT CUSTOMERS TO RENEW THEIR STATUS.

(3) TECHNICAL ERRORS WITH THE AUTOMATIC NOTIFICATION DOES NOT REMOVE A CUSTOMER'S DUTY TO RENEW STATUS UPON NOTIFICATION.

(B) UPON NOTIFICATION, A CUSTOMER SHALL BE REQUIRED TO SELF-IDENTIFY AND RENEW THEIR APPLICATION THROUGH THE CRITICAL CUSTOMER WEBPAGE ON THE WSSC WEBSITE OR BY CONTACTING THE WSSC OFFICE OF EMERGENCY MANAGEMENT BY EMAIL OR TELEPHONE FOR ASSISTANCE.

(C) THE WSSC OFFICE OF EMERGENCY MANAGEMENT WILL COORDINATE PROACTIVE OUTREACH TO FACILITATE CUSTOMERS IN UNDERSTANDING AND APPLYING FOR CRITICAL CARE, HIGH PRIORITY AND PRIORITY STATUS.

Legal Review of Regulation

As requested, the following Regulation has been reviewed as required by Chapter 1.42 of the WSSC Manual of Standard Procedures:

WSSC Code of Regulations
Title 15 Risk Management
Subtitle II, Emergency Management
Chapter 15.140 Critical Customers (Critical Care, High Priority, Priority)

1. Legal Sufficiency Review:

This Regulation has been reviewed and determined to be legally sufficient.

If not legally sufficient, details provided below:

N/A

2. Approval Authority

The Commission has authority to adopt this Regulation.

Lisa O. Arnquist

_____
Lisa O. Arnquist
Associate General Counsel

August 28, 2026

_____
Date

Docusign Envelope ID: FC4975E7-A6D0-86A0-82F2-4A287F8FD30D

WSSCWATER
DELIVERING THE ESSENTIAL

Interoffice Memorandum

AGENDA CATEGORY: Finance Office

ITEM NUMBER: **DATE:** October 21, 2026

SUBJECT	Approval – Resolution No. 2026-2469 Authorizing the Issuance of Water Quality Bond (Alexandria Drive Water Main Replacement), Series 2026
SUMMARY **SPECIAL COMMENTS**	WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Alexandria Drive Water Main Replacement Project. The Board of Public Works has approved the loan for this project. The loan requires a closing between the State and WSSC Water. Resolution No. 2026-2469 provides formal Commission approval of the loan not to exceed $4,052,354 and authorizes the signing of closing documents on behalf of the Commission.
CONTRACT NO./ REFERENCE NO.	N/A
COSTS	Debt issuance is within the approved budget limits for FY 2027.
AMENDMENT/ CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/ COMMITTEE REVIEW **PRIOR STAFF/ COMMITTEE APPROVALS**	Kishia L. Powell, GM/[illegible] DocuSigned by: D2484629DDEE450... Munetsi T. Musara, C[illegible] 66EC2C787AA4449...
RECOMMENDATION TO COMMISSION	Adopt Resolution No. 2026-2469 Authorizing the Issuance of Water Quality Bond (Alexandria Drive Water Main Replacement), Series 2026
COMMISSION ACTION	Approve

Docusign Envelope ID: FC4975E7-A6D0-86A0-82F2-4A287F8FD30D

WSSCWATER
DELIVERING THE ESSENTIAL

Interoffice Memorandum

TO: COMMISSIONERS DS

THRU: KISHIA L. POWELL
GENERAL MANAGER/C DS

THRU: MUNETSI T. MUSARA
CHIEF FINANCIAL OFFICER

DATE: OCTOBER 21, 2026

SUBJECT: RESOLUTION NO. 2026-2469 AUTHORIZING THE ISSUANCE OF WATER QUALITY BOND (ALEXANDRIA DRIVE WATER MAIN REPLACEMENT PROJECT), SERIES 2026

Background: WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Alexandria Drive Water Main Replacement Project. Maryland Board of Public Works has approved the loan in an amount of $4,052,354. This amount consists of $3,039,266 in base loan and $1,013,088 in principal loan forgiveness.

Discussion: Resolution No. 2026-2469 authorizes the issuance of Water Quality Bond (Alexandria Drive Water Main Replacement Project), Series 2026 in an amount not to exceed $4,052,354. The Bond will bear interest at an interest rate per annum equal to 25% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Bond. For example, if the average of the Bond Buyer 11- Bond Index for the preceding month was 3.2%, the interest rate would be 0.80%. The Resolution provides the Commission's formal approval of the loan and authorizes the signing of closing documents on behalf of the Commission.

Recommendation: Approve Resolution No. 2026-2469 authorizing the issuance of the Water Quality Bond (Alexandria Drive Water Main Replacement Project), Series 2026.

Docusign Envelope ID: FC4975E7-A6D0-86A0-82F2-4A287F8FD30D

RESOLUTION NO. 2026 - 2469

RESOLUTION AUTHORIZING THE ISSUANCE OF
DRINKING WATER BONDS (ALEXANDRIA DRIVE PROJECT), SERIES 2026

BE IT RESOLVED by the Washington Suburban Sanitary Commission:

Section 1. For the purpose of providing funds, together with other available funds, for funding a portion of the cost of the engineering, design, construction and equipping of small diameter water mains, house connections, service connections, water meters, and large water services (the "Project") located within the Washington Suburban Sanitary District (the "District"), there shall be issued, under the Constitution and laws of the State of Maryland, including Titles 16 through 25, inclusive, of the Public Utilities Article of the Annotated Code of Maryland, as amended (the "Commission Act"), particularly Title 22 thereof, a fully registered bond, without coupons, of the District in the aggregate principal amount not to exceed $3,039,266 and issued in the form of a single bond certificate (the "Series 2026A Bond") and a fully registered bond, without coupons, of the District in the aggregate principal amount not to exceed $1,013,088 and issued in the form of a single bond certificate (the "Series 2026B Bond" and, together with the Series 2026A Bond, the "Bonds"). The Washington Suburban Sanitary Commission (the "Commission") hereby determines that said principal amount of borrowing is necessary for such purposes. The Maryland Water Infrastructure Financing Administration (the "Administration") generally refers to the Project by the following name: Alexandria Drive Water Main Replacement.

Section 2. Pursuant to the authority of, and as contemplated by, Sections 9-1601 through 9-1622 of the Environment Article of the Annotated Code of Maryland, as amended (the "Administration Act"), the Commission shall issue and sell the Series 2026A Bond pursuant to the terms and provisions of a loan agreement relating to the Series 2026A Bond (the "Series 2026A Loan Agreement") and the Series 2026B Bond pursuant to the terms and provisions of a loan agreement relating to the Series 2026B Bond (the "Series 2026B Loan Agreement" and, together with the Series 2026A Loan Agreement, the "Loan Agreements"), each between the Commission and the Administration. The Series 2026A Loan Agreement and the Series 2026B Loan Agreement shall be in substantially the forms included in Attachment 1 attached hereto and made a part hereof, subject to such additions, deletions and amendments as the Chief Financial Officer of the Commission (the "Chief Financial Officer") shall determine to be in the best interests of the Commission.

Section 3. The proceeds of the Bonds shall be used for the public purpose of financing a portion of the cost of the Project, as may be amended from time to time with the prior consent of the Administration, including, as applicable, the development of property, the acquisition and installation of equipment and furnishings and any related architectural, financial, legal, planning and engineering expenses. The Project constitutes a "water supply system" within the meaning of the Administration Act and the acquisition, design, construction, reconstruction, establishment, extension or enlargement of water and sewer systems within the meaning of the Commission Act. The Commission constitutes a "local government" within the meaning of the Administration Act.

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Section 4.

(a) The Series 2026A Bond shall be issued in a maximum principal amount not to exceed $3,039,266 and shall mature in annual installments on the basis prescribed in Exhibit B to the Series 2026A Loan Agreement and approved by the Chief Financial Officer. The Series 2026A Bond shall bear interest at an interest rate per annum not to exceed 25% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Series 2026A Bond, subject to adjustment in accordance with the Series 2026A Loan Agreement, payable semiannually. The determination of the interest rate on the Series 2026A Bond by the Administration in accordance with the foregoing shall be conclusive.

The Series 2026A Bond shall be issued in registered form and the Commission shall serve as bond registrar for the Series 2026A Bond.

The Series 2026A Bond shall be in substantially the form set forth in Exhibit F to the form of Series 2026A Loan Agreement in Attachment 1-A attached hereto, in the maximum principal amount, maturing and bearing interest as determined in this Section 4 and approved by the Chief Financial Officer to be appropriate or proper to minimize debt service cost to the Commission, and with such other insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers executing the same, including the modification of the caption of the Bonds, the execution of the Series 2026A Bond by such officers to constitute conclusive evidence of such approval. The Commission hereby approves the form of and authorizes the execution and delivery of the Series 2026A Bond in substantially the form set forth in Exhibit F to the form of the Series 2026A Loan Agreement in Attachment 1-A, including all covenants and conditions set forth therein.

(b) The Series 2026B Bond shall be issued in a maximum principal amount not to exceed $1,013,088. The principal of the Series 2026B Bond advanced under the Series 2026B Loan Agreement shall be payable upon demand by the Administration in accordance with the Series 2026B Loan Agreement, together with interest at an annual rate equal to the average of the Bond Buyer 11-Bond Index for the calendar month prior to the month in which the Series 2026B Bond is delivered (provided that the rate determined by such calculation may be rounded down by the Administration in its sole discretion), accruing from the date on which such demand is made by the Administration, which demand may be made at any time prior to that date which is the ten year anniversary of the date of delivery of the Series 2026B Bond. Prior to any such date of demand, the Series 2026B Bond shall bear interest at the rate of zero percent (0.00%) per annum. The determination of the interest rate on the Series 2026B Bond by the Administration in accordance with the foregoing shall be conclusive.

The Series 2026B Bond shall be issued in registered form and the Commission shall serve as bond registrar for the Series 2026B Bond.

The Series 2026B Bond shall be in substantially the form set forth in Exhibit F to the form of Series 2026B Loan Agreement in Attachment 1-B attached hereto, in the maximum principal amount, maturing and bearing interest as determined in this Section 4 and approved by the Chief Financial Officer to be appropriate or proper to minimize debt service cost to the Commission,

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and with such other insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers executing the same, including the modification of the caption of the Bonds, the execution of the Series 2026B Bond by such officers to constitute conclusive evidence of such approval. The Commission hereby approves the form of and authorizes the execution and delivery of the Series 2026B Bond in substantially the form set forth in Exhibit F to the form of the Series 2026B Loan Agreement in Attachment 1-B, including all covenants and conditions set forth therein.

Section 5. The Loan Agreements shall be executed on behalf of and in the name of the Commission by the Chief Financial Officer. The Bonds shall be executed on behalf of the Commission by (1) the Chair of the Commission (the "Chair"), the Chief Financial Officer of the Commission and the Corporate Secretary of the Commission (the "Secretary") or (2) any two Commissioners of the Commission. The corporate seal of the Commission shall be affixed to or printed on the Loan Agreements and the Bonds, attested by the signature of the Secretary. The principal of and interest on the Bonds shall be paid in accordance with the terms and conditions of the Loan Agreements and the Bonds. The annual Administrative Fee (as defined in the Loan Agreements) shall be paid in accordance with the Loan Agreements. The Commission will identify within the provisions of the Loan Agreements a dedicated source or sources of revenues available to pay the costs of debt service on the Bonds, as required by the Administration Act, and to provide for the payment of the costs of operating and maintaining the Project. The Loan Agreements, assuming the due authorization, execution and delivery thereof by the other parties thereto, and the Bonds shall be valid and legally binding obligations of the Commission enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights.

The execution of the Loan Agreements by the Chief Financial Officer shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Loan Agreements and of the due execution of the Loan Agreements by the Commission. The execution of the Bonds as provided hereunder shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Bonds and of the due execution of the Bonds by the Commission.

The Chief Financial Officer and the officers and Commissioners of the Commission authorized to execute the Loan Agreements and the Bonds are expressly authorized to execute and deliver from time to time (a) such amendments to either of the Loan Agreements as shall be deemed necessary or appropriate by such officers and Commissioners to cure any defect or ambiguity in either of the Loan Agreements, to add any provision thereto beneficial to the Commission or to comply with Administration practices and policy from time to time and (b) such amendments to the Series 2026A Bond (or a new Bond or Bonds in replacement thereof) in accordance with the Series 2026A Loan Agreement and the Series 2026A Bond as shall be necessary to provide for the reamortization of the principal installments due thereunder in the event that the total amount advanced thereunder shall be less than the maximum principal amount of the Series 2026A Bond, so long as neither the aggregate principal amount of the Series 2026A Bond, the amount of any principal installment thereunder in any year, nor the interest rate thereon shall be increased.

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In the event any official of the Commission, whose signature shall appear on the Loan Agreements or the Bonds described in this Resolution, or on other documents pertaining thereto, shall cease to be such official prior to the delivery of said Bonds, or document, or in the event that any official shall take office subsequent to the sale of the Bonds, his/her signature shall nevertheless be valid, sufficient and binding for the purposes herein intended.

Section 6. As authorized and contemplated by the Loan Agreements and the Administration Act, the Bonds shall be sold at private sale to the Administration, public advertisement and sale of the Bonds not being required by the terms of the Administration Act and the best interests of the Commission being hereby declared to be served by such private sale. The Chief Financial Officer is expressly authorized and empowered to take any and all action necessary or appropriate to complete and close the award, sale and delivery of the Bonds to the Administration, including, without limitation, making such changes or modifications in the form of the Bonds adopted herein as may be necessary or appropriate to comply with Administration practices and policies applicable from time to time, including modifying the caption of the Bonds.

Section 7. The proceeds of the sale of the Bonds shall be applied from time to time as and when received by the Commission to finance costs of the Project in strict compliance with the provisions of the Loan Agreements and the Administration Act.

Section 8. The Commission covenants that the execution and delivery of the Loan Agreements and the issuance, sale, execution and delivery of the Bonds, together with all other indebtedness of the Commission, is within every applicable debt and other limit prescribed by the Constitution or statutes of the State of Maryland, including (without limitation) the Commission Act.

Section 9. In the opinion of the Commission, money market conditions for municipal securities seem to justify the sale of the Bonds without the guarantee as to payment of principal and interest thereof by the County Council of Montgomery County and the County Council of Prince George's County, and the sale of the Bonds will not be affected by the waiver of said guarantee. The Commission, therefore, waives the guarantee by said county councils as authorized by the Commission Act.

Section 10. The Bonds shall be a general obligation of the District and, for the prompt payment of the principal of and the interest on the Bonds as the same shall fall due, the full faith and credit of the District are hereby irrevocably pledged. In each year while any amount of the Bonds shall be outstanding there shall be levied upon all of the assessable property within the District a tax sufficient with other available funds to pay the interest on and the principal of the Bonds as the same may respectively become due and payable.

Section 11. The Chair, Vice Chair of the Commission, Commissioners, General Manager/CEO, Secretary, Chief Financial Officer, General Counsel of the Commission, any person acting in any such capacity and their respective designees and all other officers and employees of the Commission are hereby authorized and directed to take such further action and to prepare, execute, deliver and file such documents as the Chief Financial Officer shall deem

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necessary or appropriate to be taken, prepared, executed, delivered and filed in consummation of the transactions contemplated by this Resolution.

Section 12. The Commission hereby covenants that it will take all actions necessary to comply with those requirements of the Internal Revenue Code of 1986, as amended, and those requirements of the Income Tax Regulations promulgated thereunder which are applicable to the Bonds, in order to maintain the exemption of interest on the Bonds from federal income taxation, if applicable. This covenant is for the benefit of the holders from time to time of the Bonds.

Section 13. This Resolution shall be effective immediately upon its adoption.

Attest:

_____
Julianne Montes De Oca, Esq.
Corporate Secretary

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ATTACHMENT 1

FORM OF LOAN AGREEMENTS

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WSSCWATER
DELIVERING THE ESSENTIAL

Interoffice Memorandum

AGENDA CATEGORY: Finance Office

ITEM NUMBER: **DATE:** October 21, 2026

SUBJECT	Approval – Resolution No. 2026-2470 Authorizing the Issuance of Water Quality Bond (Annapolis Road Transmission Water Main Replacement), Series 2026
SUMMARY **SPECIAL COMMENTS**	WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Annapolis Road Transmission Water Main Replacement Project. The Board of Public Works has approved the loan for this project. The loan requires a closing between the State and WSSC Water. Resolution No. 2026-2470 provides formal Commission approval of the loan not to exceed $6,236,011 and authorizes the signing of closing documents on behalf of the Commission.
CONTRACT NO./ REFERENCE NO.	N/A
COSTS	Debt issuance is within the approved budget limits for FY 2027.
AMENDMENT/ CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/ COMMITTEE REVIEW **PRIOR STAFF/ COMMITTEE APPROVALS**	Kishia L. Powell, GM/C Munetsi T. Musara, CFO DocuSigned by: D2484629DDEE450... Munetsi T Musara 66EC2C787AA4449...
RECOMMENDATION TO COMMISSION	Adopt Resolution No. 2026-2470 Authorizing the Issuance of Water Quality Bond (Annapolis Road Transmission Water Main Replacement), Series 2026
COMMISSION ACTION	Approve

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WSSCWATER
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Interoffice Memorandum

TO: COMMISSIONERS DS

THRU: KISHIA L. POWELL
GENERAL MANAGER/

THRU: MUNETSI T. MUSARA DS
CHIEF FINANCIAL OFFICER

DATE: OCTOBER 21, 2026

SUBJECT: RESOLUTION NO. 2026-2470 AUTHORIZING THE ISSUANCE OF WATER QUALITY BOND (ANNAPOLIS ROAD TRANSMISSION WATER MAIN REPLACEMENT PROJECT), SERIES 2026

Background: WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Annapolis Road Transmission Water Main Replacement Project. Maryland Board of Public Works has approved the loan in an amount of $6,236,011. This amount consists of $5,891,094 in base loan and $344,917 in principal loan forgiveness.

Discussion: Resolution No. 2026-2470 authorizes the issuance of Water Quality Bond (Annapolis Road Transmission Water Main Replacement Project), Series 2026 in an amount not to exceed $6,236,011. The Bond will bear interest at an interest rate per annum equal to 25% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Bond. For example, if the average of the Bond Buyer 11- Bond Index for the preceding month was 3.2%, the interest rate would be 0.80%. The Resolution provides the Commission's formal approval of the loan and authorizes the signing of closing documents on behalf of the Commission.

Recommendation: Approve Resolution No. 2026-2470 authorizing the issuance of the Water Quality Bond (Annapolis Road Transmission Drive Water Main Replacement Project), Series 2026.

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RESOLUTION NO. 2026 - 2470

RESOLUTION AUTHORIZING THE ISSUANCE OF
DRINKING WATER BONDS (ANNAPOLIS ROAD PROJECT), SERIES 2026

BE IT RESOLVED by the Washington Suburban Sanitary Commission:

Section 1. For the purpose of providing funds, together with other available funds, for funding a portion of the cost of the engineering, design, construction and equipping of small diameter water mains, house connections, service connections, water meters, and large water services (the "Project") located within the Washington Suburban Sanitary District (the "District"), there shall be issued, under the Constitution and laws of the State of Maryland, including Titles 16 through 25, inclusive, of the Public Utilities Article of the Annotated Code of Maryland, as amended (the "Commission Act"), particularly Title 22 thereof, a fully registered bond, without coupons, of the District in the aggregate principal amount not to exceed $5,891,094 and issued in the form of a single bond certificate (the "Series 2026A Bond") and a fully registered bond, without coupons, of the District in the aggregate principal amount not to exceed $344,917 and issued in the form of a single bond certificate (the "Series 2026B Bond" and, together with the Series 2026A Bond, the "Bonds"). The Washington Suburban Sanitary Commission (the "Commission") hereby determines that said principal amount of borrowing is necessary for such purposes. The Maryland Water Infrastructure Financing Administration (the "Administration") generally refers to the Project by the following name: Annapolis Road Water Main Replacement.

Section 2. Pursuant to the authority of, and as contemplated by, Sections 9-1601 through 9-1622 of the Environment Article of the Annotated Code of Maryland, as amended (the "Administration Act"), the Commission shall issue and sell the Series 2026A Bond pursuant to the terms and provisions of a loan agreement relating to the Series 2026A Bond (the "Series 2026A Loan Agreement") and the Series 2026B Bond pursuant to the terms and provisions of a loan agreement relating to the Series 2026B Bond (the "Series 2026B Loan Agreement" and, together with the Series 2026A Loan Agreement, the "Loan Agreements"), each between the Commission and the Administration. The Series 2026A Loan Agreement and the Series 2026B Loan Agreement shall be in substantially the forms included in Attachment 1 attached hereto and made a part hereof, subject to such additions, deletions and amendments as the Chief Financial Officer of the Commission (the "Chief Financial Officer") shall determine to be in the best interests of the Commission.

Section 3. The proceeds of the Bonds shall be used for the public purpose of financing a portion of the cost of the Project, as may be amended from time to time with the prior consent of the Administration, including, as applicable, the development of property, the acquisition and installation of equipment and furnishings and any related architectural, financial, legal, planning and engineering expenses. The Project constitutes a "water supply system" within the meaning of the Administration Act and the acquisition, design, construction, reconstruction, establishment, extension or enlargement of water and sewer systems within the meaning of the Commission Act. The Commission constitutes a "local government" within the meaning of the Administration Act.

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Section 4.

(a) The Series 2026A Bond shall be issued in a maximum principal amount not to exceed $5,891,094 and shall mature in annual installments on the basis prescribed in Exhibit B to the Series 2026A Loan Agreement and approved by the Chief Financial Officer. The Series 2026A Bond shall bear interest at an interest rate per annum not to exceed 25% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Series 2026A Bond, subject to adjustment in accordance with the Series 2026A Loan Agreement, payable semiannually. The determination of the interest rate on the Series 2026A Bond by the Administration in accordance with the foregoing shall be conclusive.

The Series 2026A Bond shall be issued in registered form and the Commission shall serve as bond registrar for the Series 2026A Bond.

The Series 2026A Bond shall be in substantially the form set forth in Exhibit F to the form of Series 2026A Loan Agreement in Attachment 1-A attached hereto, in the maximum principal amount, maturing and bearing interest as determined in this Section 4 and approved by the Chief Financial Officer to be appropriate or proper to minimize debt service cost to the Commission, and with such other insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers executing the same, including the modification of the caption of the Bonds, the execution of the Series 2026A Bond by such officers to constitute conclusive evidence of such approval. The Commission hereby approves the form of and authorizes the execution and delivery of the Series 2026A Bond in substantially the form set forth in Exhibit F to the form of the Series 2026A Loan Agreement in Attachment 1-A, including all covenants and conditions set forth therein.

(b) The Series 2026B Bond shall be issued in a maximum principal amount not to exceed $344,917. The principal of the Series 2026B Bond advanced under the Series 2026B Loan Agreement shall be payable upon demand by the Administration in accordance with the Series 2026B Loan Agreement, together with interest at an annual rate equal to the average of the Bond Buyer 11-Bond Index for the calendar month prior to the month in which the Series 2026B Bond is delivered (provided that the rate determined by such calculation may be rounded down by the Administration in its sole discretion), accruing from the date on which such demand is made by the Administration, which demand may be made at any time prior to that date which is the ten year anniversary of the date of delivery of the Series 2026B Bond. Prior to any such date of demand, the Series 2026B Bond shall bear interest at the rate of zero percent (0.00%) per annum. The determination of the interest rate on the Series 2026B Bond by the Administration in accordance with the foregoing shall be conclusive.

The Series 2026B Bond shall be issued in registered form and the Commission shall serve as bond registrar for the Series 2026B Bond.

The Series 2026B Bond shall be in substantially the form set forth in Exhibit F to the form of Series 2026B Loan Agreement in Attachment 1-B attached hereto, in the maximum principal amount, maturing and bearing interest as determined in this Section 4 and approved by the Chief Financial Officer to be appropriate or proper to minimize debt service cost to the Commission,

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and with such other insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers executing the same, including the modification of the caption of the Bonds, the execution of the Series 2026B Bond by such officers to constitute conclusive evidence of such approval. The Commission hereby approves the form of and authorizes the execution and delivery of the Series 2026B Bond in substantially the form set forth in Exhibit F to the form of the Series 2026B Loan Agreement in Attachment 1-B, including all covenants and conditions set forth therein.

Section 5. The Loan Agreements shall be executed on behalf of and in the name of the Commission by the Chief Financial Officer. The Bonds shall be executed on behalf of the Commission by (1) the Chair of the Commission (the "Chair"), the Chief Financial Officer of the Commission and the Corporate Secretary of the Commission (the "Secretary") or (2) any two Commissioners of the Commission. The corporate seal of the Commission shall be affixed to or printed on the Loan Agreements and the Bonds, attested by the signature of the Secretary. The principal of and interest on the Bonds shall be paid in accordance with the terms and conditions of the Loan Agreements and the Bonds. The annual Administrative Fee (as defined in the Loan Agreements) shall be paid in accordance with the Loan Agreements. The Commission will identify within the provisions of the Loan Agreements a dedicated source or sources of revenues available to pay the costs of debt service on the Bonds, as required by the Administration Act, and to provide for the payment of the costs of operating and maintaining the Project. The Loan Agreements, assuming the due authorization, execution and delivery thereof by the other parties thereto, and the Bonds shall be valid and legally binding obligations of the Commission enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights.

The execution of the Loan Agreements by the Chief Financial Officer shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Loan Agreements and of the due execution of the Loan Agreements by the Commission. The execution of the Bonds as provided hereunder shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Bonds and of the due execution of the Bonds by the Commission.

The Chief Financial Officer and the officers and Commissioners of the Commission authorized to execute the Loan Agreements and the Bonds are expressly authorized to execute and deliver from time to time (a) such amendments to either of the Loan Agreements as shall be deemed necessary or appropriate by such officers and Commissioners to cure any defect or ambiguity in either of the Loan Agreements, to add any provision thereto beneficial to the Commission or to comply with Administration practices and policy from time to time and (b) such amendments to the Series 2026A Bond (or a new Bond or Bonds in replacement thereof) in accordance with the Series 2026A Loan Agreement and the Series 2026A Bond as shall be necessary to provide for the reamortization of the principal installments due thereunder in the event that the total amount advanced thereunder shall be less than the maximum principal amount of the Series 2026A Bond, so long as neither the aggregate principal amount of the Series 2026A Bond, the amount of any principal installment thereunder in any year, nor the interest rate thereon shall be increased.

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In the event any official of the Commission, whose signature shall appear on the Loan Agreements or the Bonds described in this Resolution, or on other documents pertaining thereto, shall cease to be such official prior to the delivery of said Bonds, or document, or in the event that any official shall take office subsequent to the sale of the Bonds, his/her signature shall nevertheless be valid, sufficient and binding for the purposes herein intended.

Section 6. As authorized and contemplated by the Loan Agreements and the Administration Act, the Bonds shall be sold at private sale to the Administration, public advertisement and sale of the Bonds not being required by the terms of the Administration Act and the best interests of the Commission being hereby declared to be served by such private sale. The Chief Financial Officer is expressly authorized and empowered to take any and all action necessary or appropriate to complete and close the award, sale and delivery of the Bonds to the Administration, including, without limitation, making such changes or modifications in the form of the Bonds adopted herein as may be necessary or appropriate to comply with Administration practices and policies applicable from time to time, including modifying the caption of the Bonds.

Section 7. The proceeds of the sale of the Bonds shall be applied from time to time as and when received by the Commission to finance costs of the Project in strict compliance with the provisions of the Loan Agreements and the Administration Act.

Section 8. The Commission covenants that the execution and delivery of the Loan Agreements and the issuance, sale, execution and delivery of the Bonds, together with all other indebtedness of the Commission, is within every applicable debt and other limit prescribed by the Constitution or statutes of the State of Maryland, including (without limitation) the Commission Act.

Section 9. In the opinion of the Commission, money market conditions for municipal securities seem to justify the sale of the Bonds without the guarantee as to payment of principal and interest thereof by the County Council of Montgomery County and the County Council of Prince George's County, and the sale of the Bonds will not be affected by the waiver of said guarantee. The Commission, therefore, waives the guarantee by said county councils as authorized by the Commission Act.

Section 10. The Bonds shall be a general obligation of the District and, for the prompt payment of the principal of and the interest on the Bonds as the same shall fall due, the full faith and credit of the District are hereby irrevocably pledged. In each year while any amount of the Bonds shall be outstanding there shall be levied upon all of the assessable property within the District a tax sufficient with other available funds to pay the interest on and the principal of the Bonds as the same may respectively become due and payable.

Section 11. The Chair, Vice Chair of the Commission, Commissioners, General Manager/CEO, Secretary, Chief Financial Officer, General Counsel of the Commission, any person acting in any such capacity and their respective designees and all other officers and employees of the Commission are hereby authorized and directed to take such further action and to prepare, execute, deliver and file such documents as the Chief Financial Officer shall deem

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necessary or appropriate to be taken, prepared, executed, delivered and filed in consummation of the transactions contemplated by this Resolution.

Section 12. The Commission hereby covenants that it will take all actions necessary to comply with those requirements of the Internal Revenue Code of 1986, as amended, and those requirements of the Income Tax Regulations promulgated thereunder which are applicable to the Bonds, in order to maintain the exemption of interest on the Bonds from federal income taxation, if applicable. This covenant is for the benefit of the holders from time to time of the Bonds.

Section 13. This Resolution shall be effective immediately upon its adoption.

Attest:

_____
Julianne Montes De Oca, Esq.
Corporate Secretary

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ATTACHMENT 1

FORM OF LOAN AGREEMENTS

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WSSCWATER
DELIVERING THE ESSENTIAL

Interoffice Memorandum

AGENDA CATEGORY: Finance Office

ITEM NUMBER: **DATE:** October 21, 2026

SUBJECT	Approval – Resolution No. 2026-2471 Authorizing the Issuance of Water Quality Bond (Carderock Springs Road Water Main Replacement), Series 2026
SUMMARY **SPECIAL COMMENTS**	WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Carderock Springs Water Main Replacement Project. The Board of Public Works has approved the loan for this project. The loan requires a closing between the State and WSSC Water. Resolution No. 2026-2471 provides formal Commission approval of the loan not to exceed $7,742,198 and authorizes the signing of closing documents on behalf of the Commission.
CONTRACT NO./ REFERENCE NO.	N/A
COSTS	Debt issuance is within the approved budget limits for FY 2027.
AMENDMENT/ CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/ COMMITTEE REVIEW **PRIOR STAFF/ COMMITTEE APPROVALS**	Kishia L. Powell, GM/CE Munetsi T. Musara, CFO DocuSigned by: D2484629DDEE450... 66EC2C787AA4449...
RECOMMENDATION TO COMMISSION	Adopt Resolution No. 2026-2471 Authorizing the Issuance of Water Quality Bond (Carderock Springs Water Main Replacement), Series 2026
COMMISSION ACTION	Approve

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WSSCWATER
DELIVERING THE ESSENTIAL

Interoffice Memorandum

TO: COMMISSIONERS DS

THRU: KISHIA L. POWELL
GENERAL MANAGER/ DS

THRU: MUNETSI T. MUSARA
CHIEF FINANCIAL OFFICER

DATE: OCTOBER 21, 2026

SUBJECT: RESOLUTION NO. 2026-2471 AUTHORIZING THE ISSUANCE OF WATER QUALITY BOND (CARDEROCK SPRINGS WATER MAIN REPLACEMENT PROJECT), SERIES 2026

Background: WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Carderock Springs Water Main Replacement Project. Maryland Board of Public Works has approved the loan in an amount of $7,742,198.

Discussion: Resolution No. 2026-2471 authorizes the issuance of Water Quality Bond (Carderock Springs Water Main Replacement Project), Series 2026 in an amount not to exceed $7,742,198. The Bond will bear interest at an interest rate per annum equal to 50% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Bond. For example, if the average of the Bond Buyer 11- Bond Index for the preceding month was 3.2%, the interest rate would be 1.60%. The Resolution provides the Commission's formal approval of the loan and authorizes the signing of closing documents on behalf of the Commission.

Recommendation: Approve Resolution No. 2026-2471 authorizing the issuance of the Water Quality Bond (Carderock Springs Water Main Replacement Project), Series 2026.

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RESOLUTION NO. 2026 - 2471

RESOLUTION AUTHORIZING THE ISSUANCE OF
DRINKING WATER BOND (CARDEROCK SPRINGS PROJECT), SERIES 2026

BE IT RESOLVED by the Washington Suburban Sanitary Commission:

Section 1. For the purpose of providing funds, together with other available funds, for funding a portion of the cost of the engineering, design, construction and equipping of small diameter water mains, house connections, service connections, water meters, and large water services (the "Project") located within the Washington Suburban Sanitary District (the "District"), there shall be issued, under the Constitution and laws of the State of Maryland, including Titles 16 through 25, inclusive, of the Public Utilities Article of the Annotated Code of Maryland, as amended (the "Commission Act"), particularly Title 22 thereof, a fully registered bond, without coupons, of the District in the aggregate principal amount not to exceed $7,742,198 and issued in the form of a single bond certificate (the "Bond"). The Washington Suburban Sanitary Commission (the "Commission") hereby determines that said principal amount of borrowing is necessary for such purposes. The Maryland Water Infrastructure Financing Administration (the "Administration") generally refers to the Project by the following name: Carderock Springs Water Main Replacement.

Section 2. Pursuant to the authority of, and as contemplated by, Sections 9-1601 through 9-1622 of the Environment Article of the Annotated Code of Maryland, as amended (the "Administration Act"), the Commission shall issue and sell the Bond pursuant to the terms and provisions of a loan agreement relating to the Bond (the "Loan Agreement") between the Commission and the Administration. The Loan Agreement shall be in substantially the form included in Attachment 1 attached hereto and made a part hereof, subject to such additions, deletions and amendments as the Chief Financial Officer of the Commission (the "Chief Financial Officer") shall determine to be in the best interests of the Commission.

Section 3. The proceeds of the Bond shall be used for the public purpose of financing a portion of the cost of the Project, as may be amended from time to time with the prior consent of the Administration, including, as applicable, the development of property, the acquisition and installation of equipment and furnishings and any related architectural, financial, legal, planning and engineering expenses. The Project constitutes a "water supply system" within the meaning of the Administration Act and the acquisition, design, construction, reconstruction, establishment, extension or enlargement of water and sewer systems within the meaning of the Commission Act. The Commission constitutes a "local government" within the meaning of the Administration Act.

Section 4. The Bond shall be issued in a maximum principal amount not to exceed $7,742,198 and shall mature in annual installments on the basis prescribed in Exhibit B to the Loan Agreement and approved by the Chief Financial Officer. The Bond shall bear interest at an interest rate per annum not to exceed 50% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Bond, subject to adjustment in accordance with

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the Loan Agreement, payable semiannually. The determination of the interest rate on the Bond by the Administration in accordance with the foregoing shall be conclusive.

The Bond shall be issued in registered form and the Commission shall serve as bond registrar for the Bond.

The Bond shall be in substantially the form set forth in Exhibit F to the form of Loan Agreement in Attachment 1 attached hereto, in the maximum principal amount, maturing and bearing interest as determined in this Section 4 and approved by the Chief Financial Officer to be appropriate or proper to minimize debt service cost to the Commission, and with such other insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers executing the same, including the modification of the caption of the Bond, the execution of the Bond by such officers to constitute conclusive evidence of such approval. The Commission hereby approves the form of and authorizes the execution and delivery of the Bond in substantially the form set forth in Exhibit F to the form of the Loan Agreement in Attachment 1, including all covenants and conditions set forth therein.

Section 5. The Loan Agreement shall be executed on behalf of and in the name of the Commission by the Chief Financial Officer. The Bond shall be executed on behalf of the Commission by (1) the Chair of the Commission (the "Chair"), the Chief Financial Officer of the Commission and the Corporate Secretary of the Commission (the "Secretary") or (2) any two Commissioners of the Commission. The corporate seal of the Commission shall be affixed to or printed on the Loan Agreement and the Bond, attested by the signature of the Secretary. The principal of and interest on the Bond shall be paid in accordance with the terms and conditions of the Loan Agreement and the Bond. The annual Administrative Fee (as defined in the Loan Agreement) shall be paid in accordance with the Loan Agreement. The Commission will identify within the provisions of the Loan Agreement a dedicated source or sources of revenues available to pay the costs of debt service on the Bond, as required by the Administration Act, and to provide for the payment of the costs of operating and maintaining the Project. The Loan Agreement, assuming the due authorization, execution and delivery thereof by the other parties thereto, and the Bond shall be valid and legally binding obligations of the Commission enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights.

The execution of the Loan Agreement by the Chief Financial Officer shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Loan Agreement and of the due execution of the Loan Agreement by the Commission. The execution of the Bond as provided hereunder shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Bond and of the due execution of the Bond by the Commission.

The Chief Financial Officer and the officers and Commissioners of the Commission authorized to execute the Loan Agreement and the Bond are expressly authorized to execute and deliver from time to time (a) such amendments to the Loan Agreement as shall be deemed necessary or appropriate by such officers and Commissioners to cure any defect or ambiguity in

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the Loan Agreement, to add any provision thereto beneficial to the Commission or to comply with Administration practices and policy from time to time and (b) such amendments to the Bond (or a new Bond or Bonds in replacement thereof) in accordance with the Loan Agreement and the Bond as shall be necessary to provide for the reamortization of the principal installments due thereunder in the event that the total amount advanced thereunder shall be less than the maximum principal amount of the Bond, so long as neither the aggregate principal amount of the Bond, the amount of any principal installment thereunder in any year, nor the interest rate thereon shall be increased.

In the event any official of the Commission, whose signature shall appear on the Loan Agreement or the Bond described in this Resolution, or on other documents pertaining thereto, shall cease to be such official prior to the delivery of said Bond, or document, or in the event that any official shall take office subsequent to the sale of the Bond, his/her signature shall nevertheless be valid, sufficient and binding for the purposes herein intended.

Section 6. As authorized and contemplated by the Loan Agreement and the Administration Act, the Bond shall be sold at private sale to the Administration, public advertisement and sale of the Bond not being required by the terms of the Administration Act and the best interests of the Commission being hereby declared to be served by such private sale. The Chief Financial Officer is expressly authorized and empowered to take any and all action necessary and appropriate to complete and close the award, sale and delivery of the Bond to the Administration, including, without limitation, making such changes or modifications in the form of the Bond adopted herein as may be necessary or appropriate to comply with Administration practices and policies applicable from time to time, including modifying the caption of the Bond.

Section 7. The proceeds of the sale of the Bond shall be applied from time to time as and when received by the Commission to finance costs of the Project in strict compliance with the provisions of the Loan Agreement and the Administration Act.

Section 8. The Commission covenants that the execution and delivery of the Loan Agreement and the issuance, sale, execution and delivery of the Bond, together with all other indebtedness of the Commission, is within every applicable debt and other limit prescribed by the Constitution or statutes of the State of Maryland, including (without limitation) the Commission Act.

Section 9. In the opinion of the Commission, money market conditions for municipal securities seem to justify the sale of the Bond without the guarantee as to payment of principal and interest thereof by the County Council of Montgomery County and the County Council of Prince George's County, and the sale of the Bond will not be affected by the waiver of said guarantee. The Commission, therefore, waives the guarantee by said county councils as authorized by the Commission Act.

Section 10. The Bond shall be a general obligation of the District and, for the prompt payment of the principal of and the interest on the Bond as the same shall fall due, the full faith and credit of the District are hereby irrevocably pledged. In each year while any amount of the Bond shall be outstanding there shall be levied upon all of the assessable property within the

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District a tax sufficient with other available funds to pay the interest on and the principal of the Bond as the same respectively become due and payable.

Section 11. The Chair, Vice Chair of the Commission, Commissioners, General Manager/CEO, Secretary, Chief Financial Officer, General Counsel of the Commission, any person acting in any such capacity and their respective designees and all other officers and employees of the Commission are hereby authorized and directed to take such further action and to prepare, execute, deliver and file such documents as the Chief Financial Officer shall deem necessary or appropriate to be taken, prepared, executed, delivered and filed in consummation of the transactions contemplated by this Resolution.

Section 12. The Commission hereby covenants that it will take all actions necessary to comply with those requirements of the Internal Revenue Code of 1986, as amended, and those requirements of the Income Tax Regulations promulgated thereunder which are applicable to the Bond, in order to maintain the exemption of interest on the Bond from federal income taxation, if applicable. This covenant is for the benefit of the holders from time to time of the Bond.

Section 13. This Resolution shall be effective immediately upon its adoption.

Attest:

_____
Julianne Montes De Oca, Esq.
Corporate Secretary

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ATTACHMENT 1

FORM OF LOAN AGREEMENT

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WSSCWATER
DELIVERING THE ESSENTIAL

Interoffice Memorandum

AGENDA CATEGORY: Finance Office

ITEM NUMBER: **DATE:** October 21, 2026

SUBJECT	Approval – Resolution No. 2026-2472 Authorizing the Issuance of Water Quality Bond (Dolphin Road Water Main Replacement), Series 2026
SUMMARY **SPECIAL COMMENTS**	WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Dolphin Road Water Main Replacement Project. The Board of Public Works has approved the loan for this project. The loan requires a closing between the State and WSSC Water. Resolution No. 2026-2472 provides formal Commission approval of the loan not to exceed $5,500,000 and authorizes the signing of closing documents on behalf of the Commission.
CONTRACT NO./ REFERENCE NO.	N/A
COSTS	Debt issuance is within the approved budget limits for FY 2027.
AMENDMENT/ CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/ COMMITTEE REVIEW **PRIOR STAFF/ COMMITTEE APPROVALS**	Kishia L. Powell, GM/C Munetsi T. Musara, CFO DocuSigned by: D2484629DDEE450... 66EC2C787AA4449...
RECOMMENDATION TO COMMISSION	Adopt Resolution No. 2026-2472 Authorizing the Issuance of Water Quality Bond (Dolphin Road Water Main Replacement), Series 2026
COMMISSION ACTION	Approve

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WSSCWATER
DELIVERING THE ESSENTIAL

Interoffice Memorandum

TO: COMMISSIONERS DS

THRU: KISHIA L. POWELL
GENERAL MANAGER/C DS

THRU: MUNETSI T. MUSARA
CHIEF FINANCIAL OFFICER

DATE: OCTOBER 21, 2026

SUBJECT: RESOLUTION NO. 2026-2472 AUTHORIZING THE ISSUANCE OF WATER QUALITY BOND (DOLPHIN ROAD WATER MAIN REPLACEMENT PROJECT), SERIES 2026

Background: WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Dolphin Road Water Main Replacement Project. Maryland Board of Public Works has approved the loan in an amount of $5,500,000. This amount consists of $2,250,000 in base loan and $3,250,000 in principal loan forgiveness.

Discussion: Resolution No. 2026-2472 authorizes the issuance of Water Quality Bond (Dolphin Road Water Main Replacement Project), Series 2026 in an amount not to exceed $5,500,000. The Bond will bear interest at an interest rate per annum equal to 25% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Bond. For example, if the average of the Bond Buyer 11- Bond Index for the preceding month was 3.2%, the interest rate would be 0.80%. The Resolution provides the Commission's formal approval of the loan and authorizes the signing of closing documents on behalf of the Commission.

Recommendation: Approve Resolution No. 2026-2472 authorizing the issuance of the Water Quality Bond (Dolphin Road Water Main Replacement Project), Series 2026.

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RESOLUTION NO. 2026 - 2472

RESOLUTION AUTHORIZING THE ISSUANCE OF
DRINKING WATER BONDS (DOLPHIN ROAD PROJECT), SERIES 2026

BE IT RESOLVED by the Washington Suburban Sanitary Commission:

Section 1. For the purpose of providing funds, together with other available funds, for funding a portion of the cost of the engineering, design, construction and equipping of small diameter water mains, house connections, service connections, water meters, and large water services (the "Project") located within the Washington Suburban Sanitary District (the "District"), there shall be issued, under the Constitution and laws of the State of Maryland, including Titles 16 through 25, inclusive, of the Public Utilities Article of the Annotated Code of Maryland, as amended (the "Commission Act"), particularly Title 22 thereof, a fully registered bond, without coupons, of the District in the aggregate principal amount not to exceed $2,250,000 and issued in the form of a single bond certificate (the "Series 2026A Bond") and a fully registered bond, without coupons, of the District in the aggregate principal amount not to exceed $3,250,000 and issued in the form of a single bond certificate (the "Series 2026B Bond" and, together with the Series 2026A Bond, the "Bonds"). The Washington Suburban Sanitary Commission (the "Commission") hereby determines that said principal amount of borrowing is necessary for such purposes. The Maryland Water Infrastructure Financing Administration (the "Administration") generally refers to the Project by the following name: Dolphin Road Water Main Replacement.

Section 2. Pursuant to the authority of, and as contemplated by, Sections 9-1601 through 9-1622 of the Environment Article of the Annotated Code of Maryland, as amended (the "Administration Act"), the Commission shall issue and sell the Series 2026A Bond pursuant to the terms and provisions of a loan agreement relating to the Series 2026A Bond (the "Series 2026A Loan Agreement") and the Series 2026B Bond pursuant to the terms and provisions of a loan agreement relating to the Series 2026B Bond (the "Series 2026B Loan Agreement" and, together with the Series 2026A Loan Agreement, the "Loan Agreements"), each between the Commission and the Administration. The Series 2026A Loan Agreement and the Series 2026B Loan Agreement shall be in substantially the forms included in Attachment 1 attached hereto and made a part hereof, subject to such additions, deletions and amendments as the Chief Financial Officer of the Commission (the "Chief Financial Officer") shall determine to be in the best interests of the Commission.

Section 3. The proceeds of the Bonds shall be used for the public purpose of financing a portion of the cost of the Project, as may be amended from time to time with the prior consent of the Administration, including, as applicable, the development of property, the acquisition and installation of equipment and furnishings and any related architectural, financial, legal, planning and engineering expenses. The Project constitutes a "water supply system" within the meaning of the Administration Act and the acquisition, design, construction, reconstruction, establishment, extension or enlargement of water and sewer systems within the meaning of the Commission Act. The Commission constitutes a "local government" within the meaning of the Administration Act.

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Section 4.

(a) The Series 2026A Bond shall be issued in a maximum principal amount not to exceed $2,250,000 and shall mature in annual installments on the basis prescribed in Exhibit B to the Series 2026A Loan Agreement and approved by the Chief Financial Officer. The Series 2026A Bond shall bear interest at an interest rate per annum not to exceed 25% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Series 2026A Bond, subject to adjustment in accordance with the Series 2026A Loan Agreement, payable semiannually. The determination of the interest rate on the Series 2026A Bond by the Administration in accordance with the foregoing shall be conclusive.

The Series 2026A Bond shall be issued in registered form and the Commission shall serve as bond registrar for the Series 2026A Bond.

The Series 2026A Bond shall be in substantially the form set forth in Exhibit F to the form of Series 2026A Loan Agreement in Attachment 1-A attached hereto, in the maximum principal amount, maturing and bearing interest as determined in this Section 4 and approved by the Chief Financial Officer to be appropriate or proper to minimize debt service cost to the Commission, and with such other insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers executing the same, including the modification of the caption of the Bonds, the execution of the Series 2026A Bond by such officers to constitute conclusive evidence of such approval. The Commission hereby approves the form of and authorizes the execution and delivery of the Series 2026A Bond in substantially the form set forth in Exhibit F to the form of the Series 2026A Loan Agreement in Attachment 1-A, including all covenants and conditions set forth therein.

(b) The Series 2026B Bond shall be issued in a maximum principal amount not to exceed $3,250,000. The principal of the Series 2026B Bond advanced under the Series 2026B Loan Agreement shall be payable upon demand by the Administration in accordance with the Series 2026B Loan Agreement, together with interest at an annual rate equal to the average of the Bond Buyer 11-Bond Index for the calendar month prior to the month in which the Series 2026B Bond is delivered (provided that the rate determined by such calculation may be rounded down by the Administration in its sole discretion), accruing from the date on which such demand is made by the Administration, which demand may be made at any time prior to that date which is the ten year anniversary of the date of delivery of the Series 2026B Bond. Prior to any such date of demand, the Series 2026B Bond shall bear interest at the rate of zero percent (0.00%) per annum. The determination of the interest rate on the Series 2026B Bond by the Administration in accordance with the foregoing shall be conclusive.

The Series 2026B Bond shall be issued in registered form and the Commission shall serve as bond registrar for the Series 2026B Bond.

The Series 2026B Bond shall be in substantially the form set forth in Exhibit F to the form of Series 2026B Loan Agreement in Attachment 1-B attached hereto, in the maximum principal amount, maturing and bearing interest as determined in this Section 4 and approved by the Chief Financial Officer to be appropriate or proper to minimize debt service cost to the Commission,

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and with such other insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers executing the same, including the modification of the caption of the Bonds, the execution of the Series 2026B Bond by such officers to constitute conclusive evidence of such approval. The Commission hereby approves the form of and authorizes the execution and delivery of the Series 2026B Bond in substantially the form set forth in Exhibit F to the form of the Series 2026B Loan Agreement in Attachment 1-B, including all covenants and conditions set forth therein.

Section 5. The Loan Agreements shall be executed on behalf of and in the name of the Commission by the Chief Financial Officer. The Bonds shall be executed on behalf of the Commission by (1) the Chair of the Commission (the "Chair"), the Chief Financial Officer of the Commission and the Corporate Secretary of the Commission (the "Secretary") or (2) any two Commissioners of the Commission. The corporate seal of the Commission shall be affixed to or printed on the Loan Agreements and the Bonds, attested by the signature of the Secretary. The principal of and interest on the Bonds shall be paid in accordance with the terms and conditions of the Loan Agreements and the Bonds. The annual Administrative Fee (as defined in the Loan Agreements) shall be paid in accordance with the Loan Agreements. The Commission will identify within the provisions of the Loan Agreements a dedicated source or sources of revenues available to pay the costs of debt service on the Bonds, as required by the Administration Act, and to provide for the payment of the costs of operating and maintaining the Project. The Loan Agreements, assuming the due authorization, execution and delivery thereof by the other parties thereto, and the Bonds shall be valid and legally binding obligations of the Commission enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights.

The execution of the Loan Agreements by the Chief Financial Officer shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Loan Agreements and of the due execution of the Loan Agreements by the Commission. The execution of the Bonds as provided hereunder shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Bonds and of the due execution of the Bonds by the Commission.

The Chief Financial Officer and the officers and Commissioners of the Commission authorized to execute the Loan Agreements and the Bonds are expressly authorized to execute and deliver from time to time (a) such amendments to either of the Loan Agreements as shall be deemed necessary or appropriate by such officers and Commissioners to cure any defect or ambiguity in either of the Loan Agreements, to add any provision thereto beneficial to the Commission or to comply with Administration practices and policy from time to time and (b) such amendments to the Series 2026A Bond (or a new Bond or Bonds in replacement thereof) in accordance with the Series 2026A Loan Agreement and the Series 2026A Bond as shall be necessary to provide for the reamortization of the principal installments due thereunder in the event that the total amount advanced thereunder shall be less than the maximum principal amount of the Series 2026A Bond, so long as neither the aggregate principal amount of the Series 2026A Bond, the amount of any principal installment thereunder in any year, nor the interest rate thereon shall be increased.

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In the event any official of the Commission, whose signature shall appear on the Loan Agreements or the Bonds described in this Resolution, or on other documents pertaining thereto, shall cease to be such official prior to the delivery of said Bonds, or document, or in the event that any official shall take office subsequent to the sale of the Bonds, his/her signature shall nevertheless be valid, sufficient and binding for the purposes herein intended.

Section 6. As authorized and contemplated by the Loan Agreements and the Administration Act, the Bonds shall be sold at private sale to the Administration, public advertisement and sale of the Bonds not being required by the terms of the Administration Act and the best interests of the Commission being hereby declared to be served by such private sale. The Chief Financial Officer is expressly authorized and empowered to take any and all action necessary or appropriate to complete and close the award, sale and delivery of the Bonds to the Administration, including, without limitation, making such changes or modifications in the form of the Bonds adopted herein as may be necessary or appropriate to comply with Administration practices and policies applicable from time to time, including modifying the caption of the Bonds.

Section 7. The proceeds of the sale of the Bonds shall be applied from time to time as and when received by the Commission to finance costs of the Project in strict compliance with the provisions of the Loan Agreements and the Administration Act.

Section 8. The Commission covenants that the execution and delivery of the Loan Agreements and the issuance, sale, execution and delivery of the Bonds, together with all other indebtedness of the Commission, is within every applicable debt and other limit prescribed by the Constitution or statutes of the State of Maryland, including (without limitation) the Commission Act.

Section 9. In the opinion of the Commission, money market conditions for municipal securities seem to justify the sale of the Bonds without the guarantee as to payment of principal and interest thereof by the County Council of Montgomery County and the County Council of Prince George's County, and the sale of the Bonds will not be affected by the waiver of said guarantee. The Commission, therefore, waives the guarantee by said county councils as authorized by the Commission Act.

Section 10. The Bonds shall be a general obligation of the District and, for the prompt payment of the principal of and the interest on the Bonds as the same shall fall due, the full faith and credit of the District are hereby irrevocably pledged. In each year while any amount of the Bonds shall be outstanding there shall be levied upon all of the assessable property within the District a tax sufficient with other available funds to pay the interest on and the principal of the Bonds as the same may respectively become due and payable.

Section 11. The Chair, Vice Chair of the Commission, Commissioners, General Manager/CEO, Secretary, Chief Financial Officer, General Counsel of the Commission, any person acting in any such capacity and their respective designees and all other officers and employees of the Commission are hereby authorized and directed to take such further action and to prepare, execute, deliver and file such documents as the Chief Financial Officer shall deem

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necessary or appropriate to be taken, prepared, executed, delivered and filed in consummation of the transactions contemplated by this Resolution.

Section 12. The Commission hereby covenants that it will take all actions necessary to comply with those requirements of the Internal Revenue Code of 1986, as amended, and those requirements of the Income Tax Regulations promulgated thereunder which are applicable to the Bonds, in order to maintain the exemption of interest on the Bonds from federal income taxation, if applicable. This covenant is for the benefit of the holders from time to time of the Bonds.

Section 13. This Resolution shall be effective immediately upon its adoption.

Attest:

_____
Julianne Montes De Oca, Esq.
Corporate Secretary

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ATTACHMENT 1

FORM OF LOAN AGREEMENTS

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WSSCWATER
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Interoffice Memorandum

AGENDA CATEGORY: Finance Office

ITEM NUMBER: **DATE:** October 21, 2026

SUBJECT	Approval – Resolution No. 2026-2473 Authorizing the Issuance of Water Quality Bond (Furman Parkway Water Main Replacement), Series 2026
SUMMARY **SPECIAL COMMENTS**	WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Furman Parkway Water Main Replacement Project. The Board of Public Works has approved the loan for this project. The loan requires a closing between the State and WSSC Water. Resolution No. 2026-2473 provides formal Commission approval of the loan not to exceed $10,190,015 and authorizes the signing of closing documents on behalf of the Commission.
CONTRACT NO./ REFERENCE NO.	N/A
COSTS	Debt issuance is within the approved budget limits for FY 2027.
AMENDMENT/ CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/ COMMITTEE REVIEW **PRIOR STAFF/ COMMITTEE APPROVALS**	Kishia L. Powell, GM/CE Munetsi T. Musara, CFO DocuSigned by: D2484629DDEE450... 66EC2C787AA4449...
RECOMMENDATION TO COMMISSION	Adopt Resolution No. 2026-2473 Authorizing the Issuance of Water Quality Bond (Furman Parkway Water Main Replacement), Series 2026
COMMISSION ACTION	Approve

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WSSCWATER
DELIVERING THE ESSENTIAL

Interoffice Memorandum

TO: COMMISSIONERS DS

THRU: KISHIA L. POWELL
GENERAL MANAGER/C DS

THRU: MUNETSI T. MUSARA
CHIEF FINANCIAL OFFICER

DATE: OCTOBER 21, 2026

SUBJECT: RESOLUTION NO. 2026-2473 AUTHORIZING THE ISSUANCE OF WATER QUALITY BOND (FURMAN PARKWAY WATER MAIN REPLACEMENT PROJECT), SERIES 2026

Background: WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Furman Parkway Water Main Replacement Project. Maryland Board of Public Works has approved the loan in an amount of $10,190,015. This amount consists of $7,642,511 in base loan and $2,547,504 in principal loan forgiveness.

Discussion: Resolution No. 2026-2473 authorizes the issuance of Water Quality Bond (Furman Parkway Water Main Replacement Project), Series 2026 in an amount not to exceed $10,190,015. The Bond will bear interest at an interest rate per annum equal to 25% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Bond. For example, if the average of the Bond Buyer 11- Bond Index for the preceding month was 3.2%, the interest rate would be 0.80%. The Resolution provides the Commission's formal approval of the loan and authorizes the signing of closing documents on behalf of the Commission.

Recommendation: Approve Resolution No. 2026-2473 authorizing the issuance of the Water Quality Bond (Furman Parkway Water Main Replacement Project), Series 2026.

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RESOLUTION NO. 2026 - 2473

RESOLUTION AUTHORIZING THE ISSUANCE OF
DRINKING WATER BONDS (FURMAN PARKWAY PROJECT), SERIES 2026

BE IT RESOLVED by the Washington Suburban Sanitary Commission:

Section 1. For the purpose of providing funds, together with other available funds, for funding a portion of the cost of the engineering, design, construction and equipping of small diameter water mains, house connections, service connections, water meters, and large water services (the "Project") located within the Washington Suburban Sanitary District (the "District"), there shall be issued, under the Constitution and laws of the State of Maryland, including Titles 16 through 25, inclusive, of the Public Utilities Article of the Annotated Code of Maryland, as amended (the "Commission Act"), particularly Title 22 thereof, a fully registered bond, without coupons, of the District in the aggregate principal amount not to exceed $7,642,511 and issued in the form of a single bond certificate (the "Series 2026A Bond") and a fully registered bond, without coupons, of the District in the aggregate principal amount not to exceed $2,547,504 and issued in the form of a single bond certificate (the "Series 2026B Bond" and, together with the Series 2026A Bond, the "Bonds"). The Washington Suburban Sanitary Commission (the "Commission") hereby determines that said principal amount of borrowing is necessary for such purposes. The Maryland Water Infrastructure Financing Administration (the "Administration") generally refers to the Project by the following name: Furman Parkway Water Main Replacement.

Section 2. Pursuant to the authority of, and as contemplated by, Sections 9-1601 through 9-1622 of the Environment Article of the Annotated Code of Maryland, as amended (the "Administration Act"), the Commission shall issue and sell the Series 2026A Bond pursuant to the terms and provisions of a loan agreement relating to the Series 2026A Bond (the "Series 2026A Loan Agreement") and the Series 2026B Bond pursuant to the terms and provisions of a loan agreement relating to the Series 2026B Bond (the "Series 2026B Loan Agreement" and, together with the Series 2026A Loan Agreement, the "Loan Agreements"), each between the Commission and the Administration. The Series 2026A Loan Agreement and the Series 2026B Loan Agreement shall be in substantially the forms included in Attachment 1 attached hereto and made a part hereof, subject to such additions, deletions and amendments as the Chief Financial Officer of the Commission (the "Chief Financial Officer") shall determine to be in the best interests of the Commission.

Section 3. The proceeds of the Bonds shall be used for the public purpose of financing a portion of the cost of the Project, as may be amended from time to time with the prior consent of the Administration, including, as applicable, the development of property, the acquisition and installation of equipment and furnishings and any related architectural, financial, legal, planning and engineering expenses. The Project constitutes a "water supply system" within the meaning of the Administration Act and the acquisition, design, construction, reconstruction, establishment, extension or enlargement of water and sewer systems within the meaning of the Commission Act. The Commission constitutes a "local government" within the meaning of the Administration Act.

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Section 4.

(a) The Series 2026A Bond shall be issued in a maximum principal amount not to exceed $7,642,511 and shall mature in annual installments on the basis prescribed in Exhibit B to the Series 2026A Loan Agreement and approved by the Chief Financial Officer. The Series 2026A Bond shall bear interest at an interest rate per annum not to exceed 25% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Series 2026A Bond, subject to adjustment in accordance with the Series 2026A Loan Agreement, payable semiannually. The determination of the interest rate on the Series 2026A Bond by the Administration in accordance with the foregoing shall be conclusive.

The Series 2026A Bond shall be issued in registered form and the Commission shall serve as bond registrar for the Series 2026A Bond.

The Series 2026A Bond shall be in substantially the form set forth in Exhibit F to the form of Series 2026A Loan Agreement in Attachment 1-A attached hereto, in the maximum principal amount, maturing and bearing interest as determined in this Section 4 and approved by the Chief Financial Officer to be appropriate or proper to minimize debt service cost to the Commission, and with such other insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers executing the same, including the modification of the caption of the Bonds, the execution of the Series 2026A Bond by such officers to constitute conclusive evidence of such approval. The Commission hereby approves the form of and authorizes the execution and delivery of the Series 2026A Bond in substantially the form set forth in Exhibit F to the form of the Series 2026A Loan Agreement in Attachment 1-A, including all covenants and conditions set forth therein.

(b) The Series 2026B Bond shall be issued in a maximum principal amount not to exceed $2,547,504. The principal of the Series 2026B Bond advanced under the Series 2026B Loan Agreement shall be payable upon demand by the Administration in accordance with the Series 2026B Loan Agreement, together with interest at an annual rate equal to the average of the Bond Buyer 11-Bond Index for the calendar month prior to the month in which the Series 2026B Bond is delivered (provided that the rate determined by such calculation may be rounded down by the Administration in its sole discretion), accruing from the date on which such demand is made by the Administration, which demand may be made at any time prior to that date which is the ten year anniversary of the date of delivery of the Series 2026B Bond. Prior to any such date of demand, the Series 2026B Bond shall bear interest at the rate of zero percent (0.00%) per annum. The determination of the interest rate on the Series 2026B Bond by the Administration in accordance with the foregoing shall be conclusive.

The Series 2026B Bond shall be issued in registered form and the Commission shall serve as bond registrar for the Series 2026B Bond.

The Series 2026B Bond shall be in substantially the form set forth in Exhibit F to the form of Series 2026B Loan Agreement in Attachment 1-B attached hereto, in the maximum principal amount, maturing and bearing interest as determined in this Section 4 and approved by the Chief Financial Officer to be appropriate or proper to minimize debt service cost to the Commission,

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and with such other insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers executing the same, including the modification of the caption of the Bonds, the execution of the Series 2026B Bond by such officers to constitute conclusive evidence of such approval. The Commission hereby approves the form of and authorizes the execution and delivery of the Series 2026B Bond in substantially the form set forth in Exhibit F to the form of the Series 2026B Loan Agreement in Attachment 1-B, including all covenants and conditions set forth therein.

Section 5. The Loan Agreements shall be executed on behalf of and in the name of the Commission by the Chief Financial Officer. The Bonds shall be executed on behalf of the Commission by (1) the Chair of the Commission (the "Chair"), the Chief Financial Officer of the Commission and the Corporate Secretary of the Commission (the "Secretary") or (2) any two Commissioners of the Commission. The corporate seal of the Commission shall be affixed to or printed on the Loan Agreements and the Bonds, attested by the signature of the Secretary. The principal of and interest on the Bonds shall be paid in accordance with the terms and conditions of the Loan Agreements and the Bonds. The annual Administrative Fee (as defined in the Loan Agreements) shall be paid in accordance with the Loan Agreements. The Commission will identify within the provisions of the Loan Agreements a dedicated source or sources of revenues available to pay the costs of debt service on the Bonds, as required by the Administration Act, and to provide for the payment of the costs of operating and maintaining the Project. The Loan Agreements, assuming the due authorization, execution and delivery thereof by the other parties thereto, and the Bonds shall be valid and legally binding obligations of the Commission enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights.

The execution of the Loan Agreements by the Chief Financial Officer shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Loan Agreements and of the due execution of the Loan Agreements by the Commission. The execution of the Bonds as provided hereunder shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Bonds and of the due execution of the Bonds by the Commission.

The Chief Financial Officer and the officers and Commissioners of the Commission authorized to execute the Loan Agreements and the Bonds are expressly authorized to execute and deliver from time to time (a) such amendments to either of the Loan Agreements as shall be deemed necessary or appropriate by such officers and Commissioners to cure any defect or ambiguity in either of the Loan Agreements, to add any provision thereto beneficial to the Commission or to comply with Administration practices and policy from time to time and (b) such amendments to the Series 2026A Bond (or a new Bond or Bonds in replacement thereof) in accordance with the Series 2026A Loan Agreement and the Series 2026A Bond as shall be necessary to provide for the reamortization of the principal installments due thereunder in the event that the total amount advanced thereunder shall be less than the maximum principal amount of the Series 2026A Bond, so long as neither the aggregate principal amount of the Series 2026A Bond, the amount of any principal installment thereunder in any year, nor the interest rate thereon shall be increased.

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In the event any official of the Commission, whose signature shall appear on the Loan Agreements or the Bonds described in this Resolution, or on other documents pertaining thereto, shall cease to be such official prior to the delivery of said Bonds, or document, or in the event that any official shall take office subsequent to the sale of the Bonds, his/her signature shall nevertheless be valid, sufficient and binding for the purposes herein intended.

Section 6. As authorized and contemplated by the Loan Agreements and the Administration Act, the Bonds shall be sold at private sale to the Administration, public advertisement and sale of the Bonds not being required by the terms of the Administration Act and the best interests of the Commission being hereby declared to be served by such private sale. The Chief Financial Officer is expressly authorized and empowered to take any and all action necessary or appropriate to complete and close the award, sale and delivery of the Bonds to the Administration, including, without limitation, making such changes or modifications in the form of the Bonds adopted herein as may be necessary or appropriate to comply with Administration practices and policies applicable from time to time, including modifying the caption of the Bonds.

Section 7. The proceeds of the sale of the Bonds shall be applied from time to time as and when received by the Commission to finance costs of the Project in strict compliance with the provisions of the Loan Agreements and the Administration Act.

Section 8. The Commission covenants that the execution and delivery of the Loan Agreements and the issuance, sale, execution and delivery of the Bonds, together with all other indebtedness of the Commission, is within every applicable debt and other limit prescribed by the Constitution or statutes of the State of Maryland, including (without limitation) the Commission Act.

Section 9. In the opinion of the Commission, money market conditions for municipal securities seem to justify the sale of the Bonds without the guarantee as to payment of principal and interest thereof by the County Council of Montgomery County and the County Council of Prince George's County, and the sale of the Bonds will not be affected by the waiver of said guarantee. The Commission, therefore, waives the guarantee by said county councils as authorized by the Commission Act.

Section 10. The Bonds shall be a general obligation of the District and, for the prompt payment of the principal of and the interest on the Bonds as the same shall fall due, the full faith and credit of the District are hereby irrevocably pledged. In each year while any amount of the Bonds shall be outstanding there shall be levied upon all of the assessable property within the District a tax sufficient with other available funds to pay the interest on and the principal of the Bonds as the same may respectively become due and payable.

Section 11. The Chair, Vice Chair of the Commission, Commissioners, General Manager/CEO, Secretary, Chief Financial Officer, General Counsel of the Commission, any person acting in any such capacity and their respective designees and all other officers and employees of the Commission are hereby authorized and directed to take such further action and to prepare, execute, deliver and file such documents as the Chief Financial Officer shall deem

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necessary or appropriate to be taken, prepared, executed, delivered and filed in consummation of the transactions contemplated by this Resolution.

Section 12. The Commission hereby covenants that it will take all actions necessary to comply with those requirements of the Internal Revenue Code of 1986, as amended, and those requirements of the Income Tax Regulations promulgated thereunder which are applicable to the Bonds, in order to maintain the exemption of interest on the Bonds from federal income taxation, if applicable. This covenant is for the benefit of the holders from time to time of the Bonds.

Section 13. This Resolution shall be effective immediately upon its adoption.

Attest:

_____
Julianne Montes De Oca, Esq.
Corporate Secretary

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ATTACHMENT 1

FORM OF LOAN AGREEMENTS

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WSSCWATER
DELIVERING THE ESSENTIAL

Interoffice Memorandum

AGENDA CATEGORY: Finance Office

ITEM NUMBER: **DATE:** October 21, 2026

SUBJECT	Approval – Resolution No. 2026-2474 Authorizing the Issuance of Water Quality Bond (Kent Village Water Main Replacement), Series 2026
SUMMARY **SPECIAL COMMENTS**	WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Kent Village Water Main Replacement Project. The Board of Public Works has approved the loan for this project. The loan requires a closing between the State and WSSC Water. Resolution No. 2026-2474 provides formal Commission approval of the loan not to exceed $6,784,369 and authorizes the signing of closing documents on behalf of the Commission.
CONTRACT NO./ REFERENCE NO.	N/A
COSTS	Debt issuance is within the approved budget limits for FY 2027.
AMENDMENT/ CHANGE ORDER NO. AMOUNT	N/A
MBE PARTICIPATION	N/A
PRIOR STAFF/ COMMITTEE REVIEW **PRIOR STAFF/ COMMITTEE APPROVALS**	Kishia L. Powell, GM/C[illegible] Munetsi T. Musara, CFO DocuSigned by: D2484629DDEE450... munetsi t musara 66EC2C787AA4449...
RECOMMENDATION TO COMMISSION	Adopt Resolution No. 2026-2474 Authorizing the Issuance of Water Quality Bond (Kent Village Water Main Replacement), Series 2026
COMMISSION ACTION	Approve

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WSSCWATER
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Interoffice Memorandum

TO: COMMISSIONERS

THRU: KISHIA L. POWELL
GENERAL MANAGER/CEO

THRU: MUNETSI T. MUSARA
CHIEF FINANCIAL OFFICER

DATE: OCTOBER 21, 2026

SUBJECT: RESOLUTION NO. 2026-2474 AUTHORIZING THE ISSUANCE OF WATER QUALITY BOND (KENT VILLAGE WATER MAIN REPLACEMENT PROJECT), SERIES 2026

Background: WSSC Water is utilizing the Maryland Water Infrastructure Financing Administration's Water Quality/Drinking Water Revolving Loan Program to finance a portion of the Kent Village Water Main Replacement Project. Maryland Board of Public Works has approved the loan in an amount of $6,784,369. This amount consists of $5,088,277 in base loan and $1,696,092 in principal loan forgiveness.

Discussion: Resolution No. 2026-2474 authorizes the issuance of Water Quality Bond (Kent Village Water Main Replacement Project), Series 2026 in an amount not to exceed $6,784,369. The Bond will bear interest at an interest rate per annum equal to 25% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Bond. For example, if the average of the Bond Buyer 11- Bond Index for the preceding month was 3.2%, the interest rate would be 0.80%. The Resolution provides the Commission's formal approval of the loan and authorizes the signing of closing documents on behalf of the Commission.

Recommendation: Approve Resolution No. 2026-2474 authorizing the issuance of the Water Quality Bond (Kent Village Water Main Replacement Project), Series 2026.

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RESOLUTION NO. 2026 - 2474

RESOLUTION AUTHORIZING THE ISSUANCE OF
DRINKING WATER BONDS (KENT VILLAGE PROJECT), SERIES 2026

BE IT RESOLVED by the Washington Suburban Sanitary Commission:

Section 1. For the purpose of providing funds, together with other available funds, for funding a portion of the cost of the engineering, design, construction and equipping of small diameter water mains, house connections, service connections, water meters, and large water services (the "Project") located within the Washington Suburban Sanitary District (the "District"), there shall be issued, under the Constitution and laws of the State of Maryland, including Titles 16 through 25, inclusive, of the Public Utilities Article of the Annotated Code of Maryland, as amended (the "Commission Act"), particularly Title 22 thereof, a fully registered bond, without coupons, of the District in the aggregate principal amount not to exceed $5,088,277 and issued in the form of a single bond certificate (the "Series 2026A Bond") and a fully registered bond, without coupons, of the District in the aggregate principal amount not to exceed $1,696,092 and issued in the form of a single bond certificate (the "Series 2026B Bond" and, together with the Series 2026A Bond, the "Bonds"). The Washington Suburban Sanitary Commission (the "Commission") hereby determines that said principal amount of borrowing is necessary for such purposes. The Maryland Water Infrastructure Financing Administration (the "Administration") generally refers to the Project by the following name: Kent Village Water Main Replacement.

Section 2. Pursuant to the authority of, and as contemplated by, Sections 9-1601 through 9-1622 of the Environment Article of the Annotated Code of Maryland, as amended (the "Administration Act"), the Commission shall issue and sell the Series 2026A Bond pursuant to the terms and provisions of a loan agreement relating to the Series 2026A Bond (the "Series 2026A Loan Agreement") and the Series 2026B Bond pursuant to the terms and provisions of a loan agreement relating to the Series 2026B Bond (the "Series 2026B Loan Agreement" and, together with the Series 2026A Loan Agreement, the "Loan Agreements"), each between the Commission and the Administration. The Series 2026A Loan Agreement and the Series 2026B Loan Agreement shall be in substantially the forms included in Attachment 1 attached hereto and made a part hereof, subject to such additions, deletions and amendments as the Chief Financial Officer of the Commission (the "Chief Financial Officer") shall determine to be in the best interests of the Commission.

Section 3. The proceeds of the Bonds shall be used for the public purpose of financing a portion of the cost of the Project, as may be amended from time to time with the prior consent of the Administration, including, as applicable, the development of property, the acquisition and installation of equipment and furnishings and any related architectural, financial, legal, planning and engineering expenses. The Project constitutes a "water supply system" within the meaning of the Administration Act and the acquisition, design, construction, reconstruction, establishment, extension or enlargement of water and sewer systems within the meaning of the Commission Act. The Commission constitutes a "local government" within the meaning of the Administration Act.

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Section 4.

(a) The Series 2026A Bond shall be issued in a maximum principal amount not to exceed $5,088,277 and shall mature in annual installments on the basis prescribed in Exhibit B to the Series 2026A Loan Agreement and approved by the Chief Financial Officer. The Series 2026A Bond shall bear interest at an interest rate per annum not to exceed 25% of the average of the Bond Buyer 11-Bond Index for the month preceding the month of issuance of the Series 2026A Bond, subject to adjustment in accordance with the Series 2026A Loan Agreement, payable semiannually. The determination of the interest rate on the Series 2026A Bond by the Administration in accordance with the foregoing shall be conclusive.

The Series 2026A Bond shall be issued in registered form and the Commission shall serve as bond registrar for the Series 2026A Bond.

The Series 2026A Bond shall be in substantially the form set forth in Exhibit F to the form of Series 2026A Loan Agreement in Attachment 1-A attached hereto, in the maximum principal amount, maturing and bearing interest as determined in this Section 4 and approved by the Chief Financial Officer to be appropriate or proper to minimize debt service cost to the Commission, and with such other insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers executing the same, including the modification of the caption of the Bonds, the execution of the Series 2026A Bond by such officers to constitute conclusive evidence of such approval. The Commission hereby approves the form of and authorizes the execution and delivery of the Series 2026A Bond in substantially the form set forth in Exhibit F to the form of the Series 2026A Loan Agreement in Attachment 1-A, including all covenants and conditions set forth therein.

(b) The Series 2026B Bond shall be issued in a maximum principal amount not to exceed $1,696,092. The principal of the Series 2026B Bond advanced under the Series 2026B Loan Agreement shall be payable upon demand by the Administration in accordance with the Series 2026B Loan Agreement, together with interest at an annual rate equal to the average of the Bond Buyer 11-Bond Index for the calendar month prior to the month in which the Series 2026B Bond is delivered (provided that the rate determined by such calculation may be rounded down by the Administration in its sole discretion), accruing from the date on which such demand is made by the Administration, which demand may be made at any time prior to that date which is the ten year anniversary of the date of delivery of the Series 2026B Bond. Prior to any such date of demand, the Series 2026B Bond shall bear interest at the rate of zero percent (0.00%) per annum. The determination of the interest rate on the Series 2026B Bond by the Administration in accordance with the foregoing shall be conclusive.

The Series 2026B Bond shall be issued in registered form and the Commission shall serve as bond registrar for the Series 2026B Bond.

The Series 2026B Bond shall be in substantially the form set forth in Exhibit F to the form of Series 2026B Loan Agreement in Attachment 1-B attached hereto, in the maximum principal amount, maturing and bearing interest as determined in this Section 4 and approved by the Chief Financial Officer to be appropriate or proper to minimize debt service cost to the Commission,

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and with such other insertions, omissions or variations as may be deemed necessary or appropriate and approved by the officers executing the same, including the modification of the caption of the Bonds, the execution of the Series 2026B Bond by such officers to constitute conclusive evidence of such approval. The Commission hereby approves the form of and authorizes the execution and delivery of the Series 2026B Bond in substantially the form set forth in Exhibit F to the form of the Series 2026B Loan Agreement in Attachment 1-B, including all covenants and conditions set forth therein.

Section 5. The Loan Agreements shall be executed on behalf of and in the name of the Commission by the Chief Financial Officer. The Bonds shall be executed on behalf of the Commission by (1) the Chair of the Commission (the "Chair"), the Chief Financial Officer of the Commission and the Corporate Secretary of the Commission (the "Secretary") or (2) any two Commissioners of the Commission. The corporate seal of the Commission shall be affixed to or printed on the Loan Agreements and the Bonds, attested by the signature of the Secretary. The principal of and interest on the Bonds shall be paid in accordance with the terms and conditions of the Loan Agreements and the Bonds. The annual Administrative Fee (as defined in the Loan Agreements) shall be paid in accordance with the Loan Agreements. The Commission will identify within the provisions of the Loan Agreements a dedicated source or sources of revenues available to pay the costs of debt service on the Bonds, as required by the Administration Act, and to provide for the payment of the costs of operating and maintaining the Project. The Loan Agreements, assuming the due authorization, execution and delivery thereof by the other parties thereto, and the Bonds shall be valid and legally binding obligations of the Commission enforceable in accordance with their terms, subject to bankruptcy, insolvency, reorganization, moratorium and other similar laws and principles of equity relating to or affecting the enforcement of creditors' rights.

The execution of the Loan Agreements by the Chief Financial Officer shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Loan Agreements and of the due execution of the Loan Agreements by the Commission. The execution of the Bonds as provided hereunder shall be conclusive evidence of the approval by the Commission of all inserted terms, additions, deletions and amendments to the form of the Bonds and of the due execution of the Bonds by the Commission.

The Chief Financial Officer and the officers and Commissioners of the Commission authorized to execute the Loan Agreements and the Bonds are expressly authorized to execute and deliver from time to time (a) such amendments to either of the Loan Agreements as shall be deemed necessary or appropriate by such officers and Commissioners to cure any defect or ambiguity in either of the Loan Agreements, to add any provision thereto beneficial to the Commission or to comply with Administration practices and policy from time to time and (b) such amendments to the Series 2026A Bond (or a new Bond or Bonds in replacement thereof) in accordance with the Series 2026A Loan Agreement and the Series 2026A Bond as shall be necessary to provide for the reamortization of the principal installments due thereunder in the event that the total amount advanced thereunder shall be less than the maximum principal amount of the Series 2026A Bond, so long as neither the aggregate principal amount of the Series 2026A Bond, the amount of any principal installment thereunder in any year, nor the interest rate thereon shall be increased.

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In the event any official of the Commission, whose signature shall appear on the Loan Agreements or the Bonds described in this Resolution, or on other documents pertaining thereto, shall cease to be such official prior to the delivery of said Bonds, or document, or in the event that any official shall take office subsequent to the sale of the Bonds, his/her signature shall nevertheless be valid, sufficient and binding for the purposes herein intended.

Section 6. As authorized and contemplated by the Loan Agreements and the Administration Act, the Bonds shall be sold at private sale to the Administration, public advertisement and sale of the Bonds not being required by the terms of the Administration Act and the best interests of the Commission being hereby declared to be served by such private sale. The Chief Financial Officer is expressly authorized and empowered to take any and all action necessary or appropriate to complete and close the award, sale and delivery of the Bonds to the Administration, including, without limitation, making such changes or modifications in the form of the Bonds adopted herein as may be necessary or appropriate to comply with Administration practices and policies applicable from time to time, including modifying the caption of the Bonds.

Section 7. The proceeds of the sale of the Bonds shall be applied from time to time as and when received by the Commission to finance costs of the Project in strict compliance with the provisions of the Loan Agreements and the Administration Act.

Section 8. The Commission covenants that the execution and delivery of the Loan Agreements and the issuance, sale, execution and delivery of the Bonds, together with all other indebtedness of the Commission, is within every applicable debt and other limit prescribed by the Constitution or statutes of the State of Maryland, including (without limitation) the Commission Act.

Section 9. In the opinion of the Commission, money market conditions for municipal securities seem to justify the sale of the Bonds without the guarantee as to payment of principal and interest thereof by the County Council of Montgomery County and the County Council of Prince George's County, and the sale of the Bonds will not be affected by the waiver of said guarantee. The Commission, therefore, waives the guarantee by said county councils as authorized by the Commission Act.

Section 10. The Bonds shall be a general obligation of the District and, for the prompt payment of the principal of and the interest on the Bonds as the same shall fall due, the full faith and credit of the District are hereby irrevocably pledged. In each year while any amount of the Bonds shall be outstanding there shall be levied upon all of the assessable property within the District a tax sufficient with other available funds to pay the interest on and the principal of the Bonds as the same may respectively become due and payable.

Section 11. The Chair, Vice Chair of the Commission, Commissioners, General Manager/CEO, Secretary, Chief Financial Officer, General Counsel of the Commission, any person acting in any such capacity and their respective designees and all other officers and employees of the Commission are hereby authorized and directed to take such further action and to prepare, execute, deliver and file such documents as the Chief Financial Officer shall deem

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necessary or appropriate to be taken, prepared, executed, delivered and filed in consummation of the transactions contemplated by this Resolution.

Section 12. The Commission hereby covenants that it will take all actions necessary to comply with those requirements of the Internal Revenue Code of 1986, as amended, and those requirements of the Income Tax Regulations promulgated thereunder which are applicable to the Bonds, in order to maintain the exemption of interest on the Bonds from federal income taxation, if applicable. This covenant is for the benefit of the holders from time to time of the Bonds.

Section 13. This Resolution shall be effective immediately upon its adoption.

Attest:

_____
Julianne Montes De Oca, Esq.
Corporate Secretary

Docusign Envelope ID: FC4975E7-A6D0-86A0-82F2-4A287F8FD30D

ATTACHMENT 1

FORM OF LOAN AGREEMENTS

WSSCWATER
DELIVERING THE ESSENTIAL

Operations Performance

Report

Aklile Tesfaye
Deputy General Manager, Operations

October 21, 2026








Presentation For Informational Purposes



Sustainability & Resiliency

Table of Contents

Water Supply

- Drought

Water Supply/Wastewater Collection

- Pennyfield Lock PI Repairs

Water Distribution

- Fire Hydrant Inspections

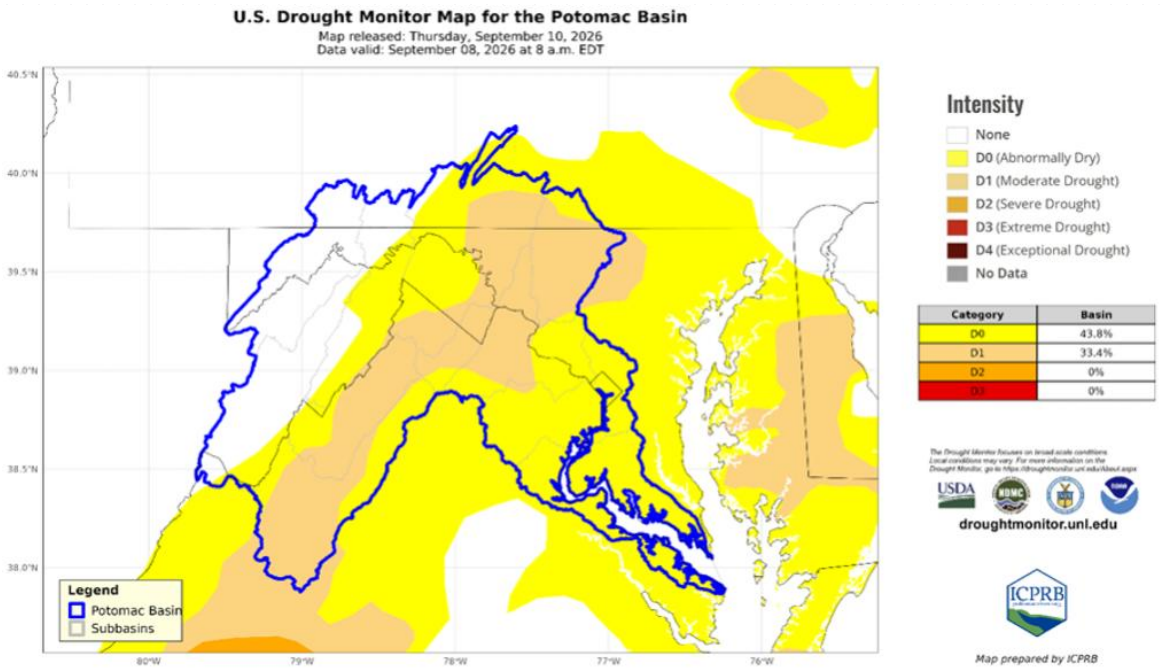
Water Distribution/Lead Reduction Program

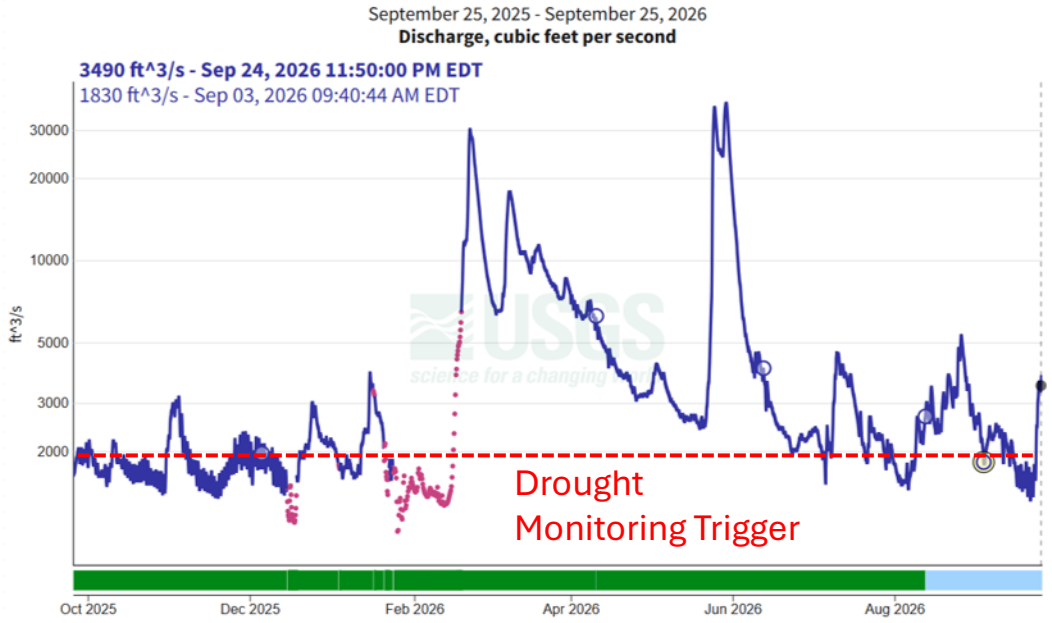
- Service Line Replacements Process

Wastewater Treatment

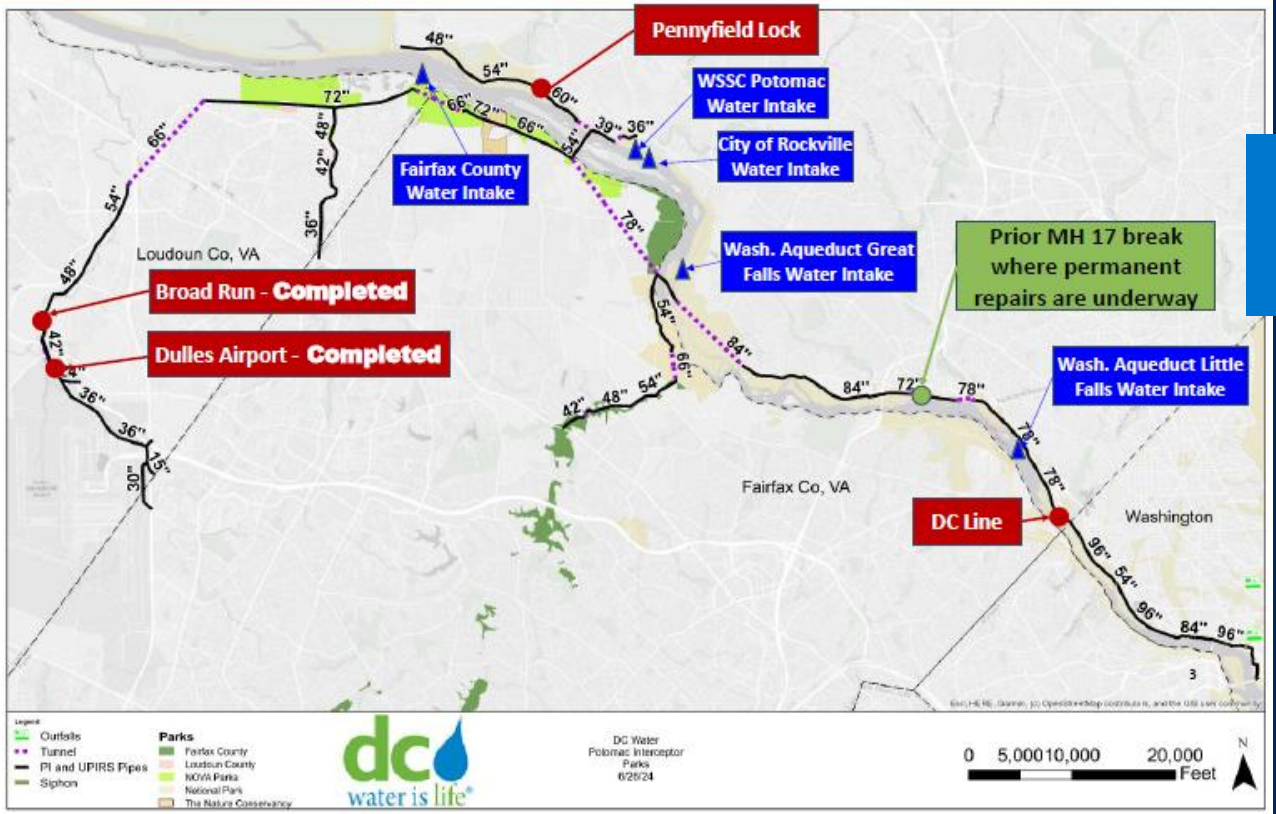
- Bioenergy Repair Status

Drought





- Relief from severe drought with continued widespread dryness
- Maintaining operational preparedness includes:
  - Conserving Patuxent Reservoir storage, currently at 86% full (9.3 BG) as of October 2
  - Adjusting water treatment for more challenging source water quality

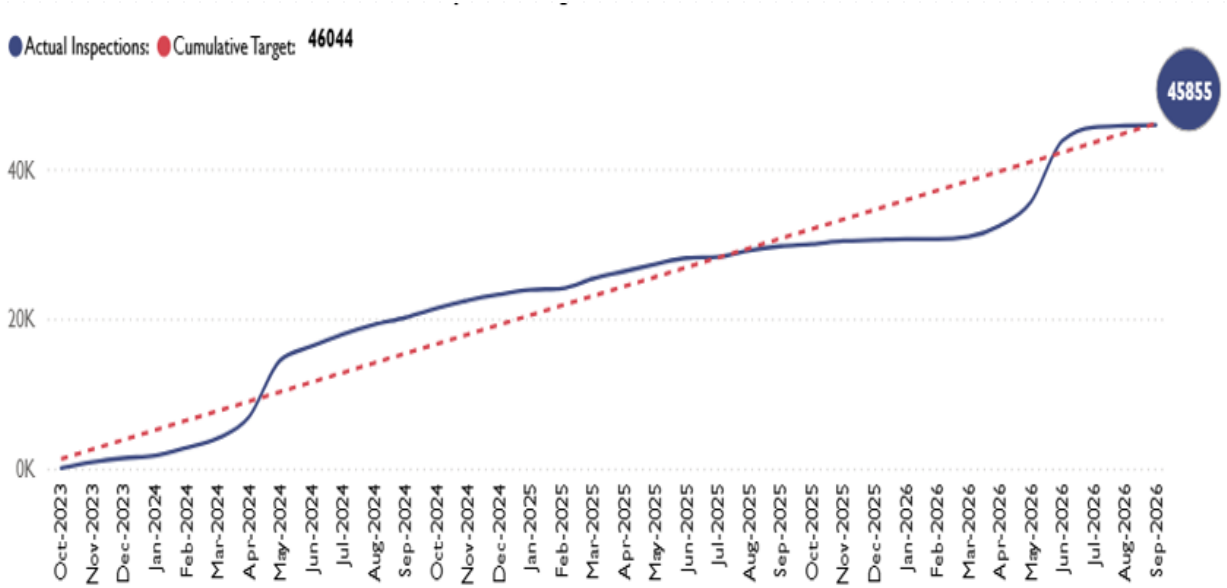




Pennyfield Lock PI **Repairs**

- Emergency rehabilitation of a high-priority segment of the Potomac Interceptor expected to be completed by December 2026

- Prioritizing public health and the environment includes:
  - Urged bypass setup, completed July 2026
  - Maintaining unified coordination group
  - Enhanced monitoring
  - Emergency response planning
  - Stakeholder briefings
  - Remind customers not to flush wipes or grease
  - Long-term Secure the Source





Fire Hydrant **Inspections**

AWWA = American Water Works Association
NFPA = National Fire Protection Association

- Completed inspections of almost entire inventory of 46,044 hydrants

- Transitioning to annual inspections
  - Brings us up to AWWA and NFPA standard guidance
  - Supported by staffing and training
  - Leveraging new hydrant digital app
  - Designing tailored Inspection tool for worker safety
  - Enhancing depot coordination
  - Engaging county fire departments

Service Line **Replacement**



Who is eligible for replacement?

Any customer with a confirmed lead service line (LSL) or galvanized requiring replacement (GRR)

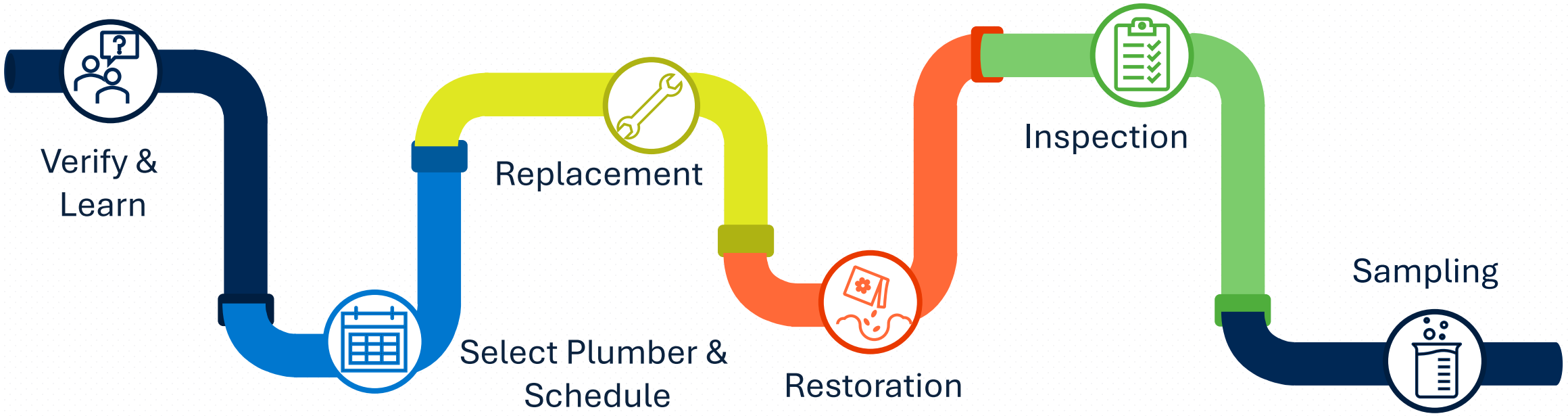
Who is doing the work?

17 WSSC Water-registered local plumbers, including one WBE

How much will it cost the customer?

Eligible service line replacements are **100%** covered by WSSC Water

Customer Water Service Line Replacement Process



01

Verify and Learn: Lead Free Group verifies eligibility and walks customer through process.

02

Select Plumber and Schedule: Customer selects from list of eligible plumbers and schedules replacement.

03

Replacement: Service line is replaced and pitcher filter provided to customer.

04

Restoration: Customer property is restored.

05

Inspection: Lead Free Group and WSSC Water inspect work and confirm restoration is acceptable.

06

Sampling: Collect water sample 3-6 months after replacement to confirm water quality.



Wastewater Treatment **Bioenergy Repair Status**

- **Digester - October**
  - Leak repairs completed in September
  - Draining and reseeding of bacteria
- **Gas Upgrade System - October**
  - Scrubber media replacement completed
  - Ensures digester gas can be upgraded to grid quality
- **Full Biosolids Processing – November**
  - Expect to receive all WRRF biosolids at Bioenergy

Questions?

WSSCWATER
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