

**Department of Legislative Services**  
Maryland General Assembly  
2012 Session

**FISCAL AND POLICY NOTE**

House Bill 890

(Prince George's County Delegation and Montgomery  
County Delegation)

Environmental Matters

Education, Health, and Environmental Affairs

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**Washington Suburban Sanitary Commission - Pipeline Construction - Contracts  
PG/MC 104-12**

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This bill expands the definition of a “facilities construction contract” to include the construction of a pipeline in order to authorize the Washington Suburban Sanitary Commission (WSSC) to enter into a design/build contract for pipeline construction with costs exceeding \$2.0 million. The bill repeals a prohibition on WSSC from entering into a design/build contract for a pipeline.

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**Fiscal Summary**

**State Effect:** None.

**Local Effect:** Potential minimal decrease in WSSC expenditures related to facilities construction contracts. Revenues are not affected.

**Small Business Effect:** None.

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**Analysis**

**Current Law:** A “facilities construction contract” is a contract that provides services for the construction of (1) a water or wastewater treatment plant; (2) a water or wastewater pumping station and related force mains in the pumping station site limits; (3) a water storage facility; (4) a wastewater storage facility; or (5) a building for WSSC purposes. A design build contract is defined as a contract that provides for both architectural and engineering design services and construction services as part of a single contract.

WSSC is authorized to only enter into a design/build contract for a facilities construction contract with costs exceeding \$2.0 million. WSSC may not enter into a design/build contract for a pipeline.

**Background:** WSSC is the eighth largest water and wastewater utility in the country, providing water and sewer services to 1.8 million residents in Montgomery and Prince George's counties. It has over 460,000 customer accounts, serves an area of around 1,000 square miles, and currently employs more than 1,500 people. The agency operates four reservoirs, two water filtration plants, and six wastewater treatment plants. Additionally, the Blue Plains Water Pollution Control Plant handles approximately 169 million gallons per day under a cost sharing agreement with WSSC. The commission maintains nearly 5,500 miles of water main lines and over 5,400 miles of sewer main lines.

**Local Fiscal Effect:** WSSC may realize some minimal reduction in expenditures as a result of being able to enter into design/build contracts for pipelines. Currently WSSC must enter into a design/bid/build contract process where there may be separate contractors for the design and construction of a water or sewer pipeline.

The bill will allow WSSC to enter into contracts for pipelines sooner than under current law. WSSC advises that this will be beneficial when entering into water line replacement contracts to replace the aging system infrastructure. WSSC currently replaces 35 to 40 miles of water mains per year.

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### **Additional Information**

**Prior Introductions:** HB 608 of 2011 passed the House and received a hearing in the Senate Education, Health, and Environmental Affairs Committee, but no further action was taken.

**Cross File:** None.

**Information Source(s):** Montgomery County, Prince George's County, Department of Budget and Management, Department of General Services, Washington Suburban Sanitary Commission, Department of Legislative Services

**Fiscal Note History:** First Reader - March 5, 2012  
mc/hlb

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