Policy 2005-3

Capacity Fees - Deep Creek Lake Sewer System

Explanation

The Deep Creek Lake Sewer System (the "System") has been a project that has evolved and grown since its original design in the early 1980's. With this evolution and growth the District, and now the County, have attempted to respond with policies and procedures designed to compliment the growth in residential and commercial development at Deep Creek Lake (the "Lake"). The initial design and subsequent expansion of the System has been dependent upon an analysis of sewer capacity, which is expressed in terms of Equivalent Residential Units ("ERU's"). One ERU represents 262.5 gallons of daily wastewater flow.

On November 9, 2004, the Board of County Commissioners of Garrett County, Maryland, as the governing body of the Garrett County Sanitary District, adopted a capacity fee for each ERU for sewer service in the Deep Creek Lake Sanitary District in the amount of Six Thousand, Five Hundred Dollars (\$6,500.00), which is intended to cover the capital costs of the current expansion of the wastewater treatment facilities. A copy of the November 9, 2004, action by the County is attached hereto, incorporated herein, and marked as Exhibit 1 to this Policy.

The County desires to establish, in addition to the capacity fee, a procedure for the allocation of ERU's, both during the construction of the wastewater treatment expansion and after completion of the expanded facilities. Construction of the expanded wastewater treatment facilities is intended to be completed in December 2006 and is designed to have a rated capacity of treatment of 1.5 million gallons per day. The current rated capacity of the System is 1.0 million gallons per day.

1. Allocation of Current Sewer Capacity

- A. The holders of ERU's, which have been allocated in respect to specific property prior to February 1, 2005, are entitled to obtain sewer service in accordance with the policies and procedures of the District, including the payment of any connection fees that may apply in respect to that service. ERU's returned to the Department may be reallocated based upon current sewer capacity in accordance with Subsection 1.B. of this Policy.
- B. Requests for new ERU's prior to completion of the construction of the expanded wastewater treatment facilities, utilizing current capacity, shall be considered as follows:
 - (i) Any person who owns property within the Deep Creek Lake Sewer District which abuts any existing sewer line which forms a part of the System, who intends to

- construct and occupy a residential or commercial property prior to completion of the expanded wastewater treatment facilities, may apply for an allocation of ERU's through the Department of Public Utilities, in writing.
- (ii) The application for an allocation of ERU's shall be processed by the Department in the order in which they are received.
- (iii) To be entitled to an allocation of ERU's the owner of the property will be required to represent, under penalties of perjury, that:
 - (a) Construction of the improvements to the property for which the allocation is sought will be initiated prior to December 2006;
 - (b) A plat of the owner's lot has been recorded, in accordance with the Subdivision Ordinance of Garrett County, Maryland, depicting the property to be served by the System; and
 - (c) The owner has applied for a building permit for construction of the improvements to the property, contingent upon allocation of ERU's.
- (iv) Approval of an allocation shall be expressly subject to the existence, at the time of application, of capacity and facilities to serve the property.
- (v) Upon approval of an allocation of an ERU, the owner of the property shall pay to the County the capacity fees for all ERU's covered by the application. Connection fees shall, in addition, be payable in accordance with existing County Policies.
- (vi) The County and the Department reserve the right to limit the allocation of ERU's prior to completion of the improvements to the System in order to maintain and ensure the integrity of the System and compliance with State and Federal laws and regulations.
- (vii) The allocation of ERU's, prior to completion of construction of the expanded wastewater treatment facilities, utilizing current capacity, shall be restricted to and will only be available for use associated with property for which no ERU has been allocated prior to February 1, 2005.

2. Allocation of Expanded Sewer Capacity

- A. Allocation of sewer capacity, based on the construction of the expanded wastewater treatment facilities, shall be considered as follows:
 - (i) Any person who owns property within the Deep Creek Lake Sewer District which will abut lines forming a part of the expanded system and who intends to develop property after completion of the expanded wastewater treatment facilities, may apply for an allocation of ERU's through the Department of Public Utilities, in writing.
 - (ii) The application for an allocation of ERU's shall be processed by the Department in the order in which they are received.
 - (iii) To be entitled to an allocation of ERU's, the owner of the property will be required to represent, under penalties of perjury, that:

- (a) No construction of improvements intended for residential or commercial occupancy will occur prior to the completion of the expanded wastewater treatment facilities;
- (b) The owner has recorded a plat of the owner's lot, in accordance with the Subdivision Ordinance of Garrett County, Maryland, depicting the property to be served by the System; and
- (c) If the owner intends to record a plat depicting the subdivision of property into one or more lots, prior to completion of the expanded wastewater treatment facilities, that plat and all declarations of covenants and conditions or other documents associated with the property shall include a recital, **in bold lettering**, disclosing and providing that building permits for the lots and property depicted on the Subdivision Plat will not be issued, and construction of improvements intended for residential or commercial occupancy cannot begin until the completion of the expanded wastewater treatment facilities.
- (iv) Upon approval of an allocation of expanded sewer capacity, the owner shall pay to the County the capacity fees for ERU's covered by that reservation. The capacity fees must be paid prior to approval of any subdivision creating new lots. For each approved, platted parcel of property the owner shall, in accordance with the provisions of Section 9-661 of the Environment Article of the Annotated Code of Maryland, make all necessary connections to the sewer service line and pay any and all connection fees in accordance with existing County policies.
- (v) The County and Department reserve the right to limit the reservation and allocation of ERU's in order to maintain and ensure the integrity of the System and compliance with State and Federal laws and regulations and the allocation and reservation shall be expressly subject to the existence of capacity and facilities to serve the property for which the application is made.

This act shall take effect on the 8th day of March, 2005, upon having been duly executed by the Board of County Commissioners of Garrett County, Maryland, at a meeting duly held on the 8th day of March, 2005

BOARD OF COMMISSIONERS OF GARRETT COUNTY MARYLAND