

RESOLUTION NO. 17 - 19

**RESOLUTION CREATING THE MYSTIC HARBOUR SANITARY SERVICE AREA
SEWER EDU ALLOCATION PROCESS**

WHEREAS, the Mystic Harbour Wastewater Treatment Plant (WWTP) was upgraded and expanded in 2014 to provide additional sanitary sewer treatment capability to serve residential and commercial needs of properties within the Mystic Harbour Sanitary Service Area (SSA); and

WHEREAS, the upgrade and expansion resulted in a total of 200,000 gallons per day of additional sewage treatment capacity in the Mystic Harbour WWTP which created a total of 666 new Equivalent Dwelling Units (EDUs) of sewer capacity at a rate of 300 gallons per day per EDU which are now available in the Mystic Harbour SSA; and

WHEREAS, the planning documents included in the latest approved *Worcester County Water and Sewerage Master Plan* amendment regarding the Mystic Harbour SSA identified a number of goals for the additional capacity and included a chart (attached hereto) allocating the new EDUs to different areas within the Mystic Harbour SSA for different purposes; and

WHEREAS, on March 15, 2016, the Worcester County Commissioners reviewed and approved an implementation policy for the newly available sewer EDUs in the Mystic Harbour/West Ocean City SSA Overlay Area; and

WHEREAS, upon the recommendation of the Worcester County Water and Sewer Committee, the County Commissioners have determined that it is prudent to have an allocation process in place for all 666 new sewer EDUs in the Mystic Harbour SSA, not just those aimed at the Overlay Area, to include County Commissioner approval of future allocations.

NOW, THEREFORE, BE IT RESOLVED by the County Commissioners of Worcester County, Maryland that the following Mystic Harbour Sanitary Service Area EDU Allocation Process is hereby adopted:

1. The allocation of Mystic Harbour Sanitary Service Area sewer EDUs shall only be approved for properties with an existing demonstrated need and in connection with either a permit or plan application specifying how and where the capacity will be allocated:
 - A. The project must apply to the County Commissioners for the EDU allocation while the project is pending as follows:
 - i. Single Family Dwellings and change of use commercial spaces - The property owner or their representative must apply for and receive any needed EDU allocation prior to receiving any permit for the project. EDU(s) must be paid for in full at time of the first permit application.
 - ii. Minor Site Plans and other projects requiring administrative approvals - The project must have completed the Technical Review Committee process (when required) or the granting of an administrative waiver before applying to the County Commissioners for EDU allocation. The project must have EDU allocations prior to the project applying for final signature approval with the Zoning Administrator. A deposit shall be required upon application as detailed in

Section 1B hereof. The remaining balance to purchase the EDUs shall be paid prior to any project permit being issued.

- iii. Major Site Plans - The project must have completed the Technical Review Committee process before applying to the County Commissioners for EDU allocation. The project must have EDU allocations prior to the project applying for final site plan approval with the Planning Commission. A deposit shall be required upon application as detailed in Section 1B hereof. The remaining balance to purchase the EDUs shall be paid prior to any project permit being issued.
- iv. Residential Planned Community (RPC) - Concurrent with Step 1 of the RPC approval process, the project shall apply to the County Commissioners for EDU allocation. The project cannot move to Step 2 of the RPC approval process without sufficient EDUs being allocated. A deposit shall be required upon application as detailed in Section 1B hereof.

B. Included with the application shall be a \$1,000 deposit per EDU applied for. If the County Commissioners deny the allocation or if the Planning Commission fails to approve the site plan, the deposit shall be returned. If the County Commissioners approve the allocation and if the Planning Commission approves the site plan or RPC, the deposit is non-refundable.

C. If the project approvals expire, the project shall lose its allocation of EDUs. The County shall return the amount paid to purchase the EDUs less the non-refundable deposit.

D. If after one year of the project having EDUs allocated to it, a building permit has still not been issued for the project, an additional deposit of \$1,000 per EDU per year shall be required for each year of additional reservation of service up to a maximum of five years. No reservation shall be allowed beyond five years. The additional deposit shall be paid not less than 60 days prior to the anniversary date of the original allocation approval. If the additional deposit is not paid as required or if five years elapses, the EDU allocation shall be null and void and all prior deposits shall be forfeited.

E. Applications shall be submitted to: Worcester County Administration, Government Center - Room 1103, One West Market Street, Snow Hill, MD 21863.

2. There shall be no transfers of sewer allocations permitted in the Mystic Harbour Sanitary Service Area (MHSSA) by property owners who have excess capacity allocated to their properties. In the event that excess sewer capacity exists on a property as a result of changes or modifications to the original development plan, any and all excess capacity shall revert to the MHSSA two years after the issuance of the certificate of occupancy for the last building shell in the project. The property owner shall only be entitled to the return of the amount of the original price paid to the County for the EDUs less the non-refundable deposit. The property owner shall be notified in writing of the forfeiture of the unused capacity. Such notice shall be sent by registered mail to the property owner(s) address as identified on the tax assessment rolls as maintained by the Maryland Department of Assessments and Taxation.

3. The current equity contribution in fiscal year 2018 (FY18) for each Mystic Harbour Sanitary Service Area sewer EDU is \$7,700, with quarterly debt service payments of \$54 per EDU


thereafter until the debt is paid in full. The equity contribution will be recalculated each fiscal year to include the debt service from the prior year. Quarterly debt service payments may be adjusted in the future to pay for additional debt incurred by the Mystic Harbour Sanitary Service Area.

4. Upon allocation of the EDUs, accessibility charges as established in the annual budget for the Mystic Harbour Sanitary Service Area shall become due and payable on a quarterly basis. The current accessibility charge is \$150 per quarter per EDU. Accessibility charges are non-refundable should the applicant fail to utilize the allocated EDUs.


AND, BE IT FURTHER RESOLVED that this Resolution shall take effect upon its passage.


PASSED AND ADOPTED this 19th day of September, 2017.


ATTEST:


Kelly Shanahan For MLH
Harold L. Higgins - Kelly Shanahan
Chief Administrative Officer ; Assistant CAO


COUNTY COMMISSIONERS OF
WORCESTER COUNTY, MARYLAND

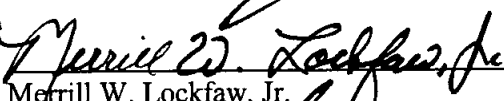

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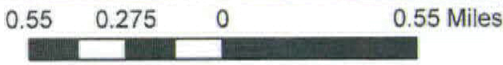
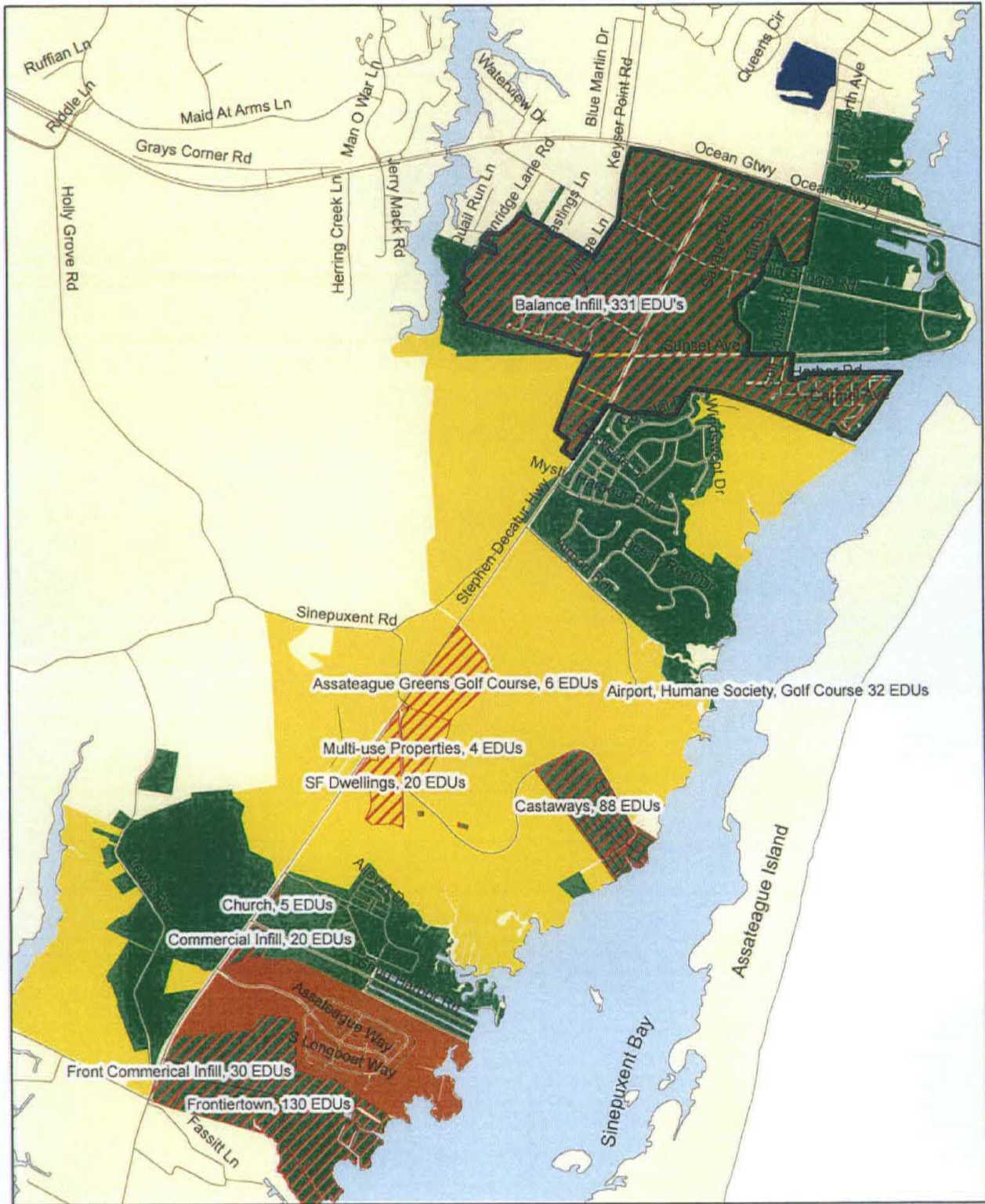
Allocation of Sewer EDUs in Mystic Harbour Sanitary Service Area (New Capacity)

| North of Airport, North of Antique Road, East and West of Route 611 - "Area 1" | Original Allocation | Current Adjusted Allocation | Sold and In Service | Sold and Not In Service | Remaining Allocation | Footnotes |
|--|---------------------|-----------------------------|---------------------|-------------------------|----------------------|-----------|
| Infill and Intensification of Properties in "Area 1" | 154 | 148 | 0 | 0 | 148 | 3 |
| Vacant or Multi-lot Properties in "Area 1" | 80 | 80 | 0 | 0 | 80 | |
| Single Family Dwellings | 17 | 17 | 0 | 0 | 17 | |
| Commercial Properties in "Area 1" | 80 | 80 | 0 | 27 | 53 | 4, 5 |
| Subtotal EDUs in "Area 1" | 331 | 325 | 0 | 27 | 298 | |
| Airport and South of Airport, East of Route 611 - "Area 2" | | | | | | |
| Commercial Infill South of Airport | 20 | 20 | 0 | 0 | 20 | |
| Vacant or Multi-lot Properties | 4 | 4 | 0 | 0 | 4 | |
| Assateague Greens Executive Golf Course/Range-9-holes | 6 | 6 | 0 | 0 | 6 | |
| Ocean City Airport, Clubhouse and Humane Society | 32 | 32 | 32 | | 0 | 1 |
| Church | 5 | 5 | 0 | 0 | 5 | |
| Single Family Dwellings | 20 | 20 | 0 | 0 | 20 | |
| Castaways Campground | 88 | 88 | 88 | | 0 | 2 |
| Frontier Town Campground | 130 | 166 | 0 | 166 | 0 | 3 |
| Commercial Portion of Frontier Town Campground | 30 | 0 | | | 0 | |
| Subtotal EDUs in "Area 2" | 335 | 341 | 120 | 166 | 55 | |
| TOTAL EDUs | 666 | 666 | 120 | 193 | 353 | |

Note: See attached map for location of EDU allocations

Footnotes:

- 1 - Transferred 32 EDUs to Town of Ocean City on June 3, 2014 as part of the Eagles Landing Spray Irrigation MOU.
- 2 - Sold 88 EDUs to Castaways Campground on July 3, 2014.
- 3 - Sold 166 EDUs to Frontier Town Campground on March 30, 2017 by transferring 30 EDUs from Frontier Town Commercial allocation and 6 EDUs from "infill and intensification of properties in Area 1" allocation as agreed by Commissioners on September 19, 2017.
- 4 - Sold 14 EDUs to Park Place on May 16, 2017.
- 5 - Hampton Inn bought 40 EDUs from Mitch Parker and bought an additional 13 EDUs from the County on August 28, 2017.



Mystic Harbour Sewer Planning Area
 New Mystic Capacity--666 EDU's
 Prepared by the Worcester County
 Department of Environmental Programs
 June 2015