



The Mayor and Commissioners of the Town of Elkton

Ordinance 2 - 2011

BY: **Mayor and Commissioners**

INTRODUCTION: April 6, 2011

ADOPTION: April 20, 2011

AN ORDINANCE CONCERNING

**The Code of the Town of Elkton
Title 13
Public Services
Chapter 13.04
Water Service System**

Section 13.04.090

**Major Facilities Charges; Use of Major Facilities Funds; Credit for Water and/or Sewer
Connections; Front-Foot Assessment Charges**

FOR THE PURPOSE of amending the Code of the Town of Elkton, Title 13, Chapter 13.04, § 13.04.090, providing that twenty-five percent (25%) of the major facilities charges shall be paid at the time of the building permit's issuance and seventy-five percent (75%) shall be paid upon issuance of the Certificate of Occupancy for new construction; providing that twenty-five percent (25%) of the front foot assessment charges shall be paid at the time of the issuance of the building permit and seventy-five percent (75%) shall be paid at the time of the issuance of the Certificate of Occupancy for new construction; providing that one hundred percent (100%) of the major facilities charges shall be paid at the time of application for existing construction; and providing that one hundred percent (100%) of the front-foot assessment charges shall be paid at the time of application for existing construction.

WHEREAS, Article XI-E, Constitution of the State of Maryland; Article 23A, Annotated Code of Maryland; Charter and Code of the Town of Elkton provide the authority under which the Board of Commissioners may adopt, repeal, and/or amend the ordinances of the Town of Elkton; and

WHEREAS, the Mayor and Commissioners have determined that a stimulus to investment in new residential and commercial development within the town may be provided by reducing the up-front costs of major facilities and front-foot assessment charges, therefore a designated percentage of the major facilities charges and front-foot assessment charges shall be required to be paid at the time a building permit is issued and the balance collected at the time a Certificate of Occupancy is issued for new construction.

NOW, THEREFORE, the Board of Commissioners of the Town of Elkton hereby ordains that:

Section 1. The Code of the Town of Elkton, Title 13, Chapter 13.04, § 13.04.090, is hereby repealed; and

Section 2. The Code of the Town of Elkton, Title 13, Chapter 13.04, § 13.04.090, is hereby re-enacted to read as follows:

**The Code of the Town of Elkton
Title 13
Chapter 13.04**

13.04.090 Major facilities charges; use of major facilities funds; credit for water and/or sewer connections; front-foot assessment charges.

A. Major facilities charges. There shall be a major facilities charge of Fifteen Thousand Dollars (\$15,000.00) per major facilities equivalent unit for a person to connect to the Town's water distribution system and wastewater collection system, unless as otherwise provided under subsection B of this section. This charge shall be calculated and paid in the following method:

1. **FOR NEW CONSTRUCTION:** Twenty-five percent (25%) of the major facilities charges shall be paid at the time the building permit is issued by the Town's building official for all construction within the corporate limits and seventy-five percent (75%) of the major facilities charges shall be paid when the Certificate of Occupancy is issued.
2. **FOR EXISTING CONSTRUCTION:** One hundred percent (100%) of the major facilities charge shall be paid at the time of the application for connection to the Town's water distribution system and/or wastewater collection system.
3. Any approved connections outside the corporate limits shall pay Fifteen Thousand Dollars (\$15,000.00) per major facilities equivalent unit at the time the application is received by the Town. A major facilities charge of Five Thousand Dollars (\$5,000.00) shall apply for connections to the Town's water distribution system and a charge of Ten Thousand Dollars (\$10,000.00) shall apply for connections to the Town's wastewater collection system.
4. Major facilities charges for commercial, industrial, and other non-residential

building applicants shall be computed on a per-fixture basis, with each fixture having a value placed on it as provided in the standard adopted by a resolution of the Mayor and Commissioners. The estimated water consumption may also be used in computing commercial, industrial, and other non-residential building costs. A minimum of twenty (20) fixture units shall be assessed on all commercial, industrial and other non-residential building applications, unless otherwise provided under the adopted standard.

5. A major facilities charge of Five Thousand Dollars (\$5,000.00) shall be charged for connection to the Town's water distribution system and Ten Thousand Dollars (\$10,000.00) shall be charged for connection to the Town's wastewater collection system for individual connections.

B. Credit for Water and/or Sewer Service Connections

1. The owner of improved real property that is connected to the Town's water distribution and/or sewer collection system may be granted a major facilities connection credit equivalent to the existing connection(s) when: (a) the existing building is removed and a new building is constructed on the same building lot; or (b) the size, use, type, or function of the existing building is materially altered.
2. The owner of improved real property that is connected to the Town's water distribution and/or sewer collection system who permanently disconnects or otherwise discontinues water and/or sewer services to that building lot may be granted credit(s) equivalent to the disconnected or discontinued service connection(s) for allocation to another property: (a) that is under the same ownership as the building lot for which water and/or sewer services are being permanently disconnected or discontinued; and (b) for which a permit authorizing new residential or commercial construction has been issued.
3. Credit granted pursuant to this subsection B shall be provided in an amount not to exceed the prevailing major facilities charge(s) for water and/or sewer, as set forth under subsection A of this Section 13.04.090, and extended for a period not to exceed five (5) years from the date water and/or sewer service is disconnected from the owner's property.

C. Use of major facilities funds.

1. Unless as otherwise provided by law or by accounting procedures implemented by the Town, money collected as major facilities charges shall be accounted for in a special revenue fund and subsequently shall be used to pay for: 1) capital improvements to the water and/or wastewater system(s); 2) capital equipment used to operate and/or to maintain the water and/or wastewater system(s); 3) the acquisition of land and/or easements relating to capital improvements to the water and/or wastewater system(s); and/or 4) debt service resulting from the aforesaid. The term “*capital equipment*” shall be construed under this section to mean fixed or mobile equipment, the cost of which meets or exceeds Ten Thousand Dollars (\$10,000.00).
2. Notwithstanding the provisions of Paragraph B., 1., of this section, the Town shall require the owner of a property connecting to the Town's water distribution and/or wastewater collection system(s) to pay for all costs relating to the study, design, construction, construction management, acquisition of land and/or easements, and implementation of capital improvements to the water and/or wastewater system(s) necessary to service the owner's property.

D. Front-foot assessment charges. A person connecting to the Town's water distribution system and/or wastewater collection system shall pay front-foot assessment charges at a minimum rate of one hundred dollars (\$100.00) per front foot. Individual connections shall be charged at a minimum rate of fifty dollars (\$50.00) per front foot for water and a minimum rate of fifty dollars (\$50.00) per front foot for wastewater. Notwithstanding the provisions of this section, the Town may charge a person connecting to the Town's water distribution and/or wastewater collection system an amount equivalent to the proportional cost of constructing the water distribution system and/or the wastewater collection system to which a person is connecting. This charge shall be calculated and paid in the following manner:

1. The building official shall determine the front-foot assessment charge for a parcel by multiplying the length of parcel frontage on the Town's right-of-way, or upon other property or right-of-way, where a water distribution main and/or wastewater collection main is located by the front-foot assessment rate or the actual cost per foot to install the water distribution main and/or wastewater collection main.
2. **FOR NEW CONSTRUCTION:** A person who has applied for connection to the Town's water distribution system and/or wastewater collection system shall pay twenty-five percent (25%) of the applicable front-foot assessment charges at the time a building permit is issued by the Town's building official and seventy-five percent (75%) shall be paid upon the issuance of the Certificate of Occupancy.
3. **FOR EXISTING CONSTRUCTION:** A person who has applied for connection to the Town's water distribution system and/or wastewater collection system shall pay one hundred percent (100%) of the applicable front-foot assessment charges at the time of the application.

4. Money collected as front-foot assessment charges shall be accounted for in the Major Facilities (Special Revenue) Fund.

**** END OF SECTION ****

DATE OF EFFECT

THIS ORDINANCE shall be effective on the **10th** day of **May, 2011.**

THE MAYOR AND COMMISSIONERS OF THE TOWN OF ELKTON

Attest:

**The Mayor and Commissioners
of the Town of Elkton**

Lewis George, Town Administrator

Joseph L. Fisona, Mayor

Charles H. Givens, Sr., Commissioner

Charles E. Hicks, V, Commissioner

Mary Jo Jablonski, Commissioner

Earl M. Piner, Sr., Commissioner

DISSENTING

CERTIFICATION OF PUBLICATION

THIS ORDINANCE shall be published in the Cecil Whig on _____ and
_____ in the legal section.