

# The Mayor and Commissioners of the Town of Elkton

Ordinance 7 - 2006

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BY: **Mayor and Commissioners**

INTRODUCTION: **June 21, 2006**

ADOPTION: **July 5, 2006**

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## AN ORDINANCE CONCERNING

**The Code of the Town of Elkton  
Title 13  
Chapter 13.04  
Section 13.04.290 - Water and Sewer Rates**

**FOR THE PURPOSE** of amending the Code of the Town of Elkton, Title 13, Chapter 13.04, § 13.04.290., Water and Sewer Rates., increasing the sewer rates for customers of the Town of Elkton, principally to offset the cost of constructing an upgraded wastewater treatment plant.

**WHEREAS**, Article XI-E, Constitution of the State of Maryland; Article 23A, Annotated Code of Maryland; and the 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 State of Maryland regulates the discharge of treated wastewater from the Elkton Wastewater Treatment Plant and pursuant to the Chesapeake Bay Agreement and the federal Clean Water Act developed increasingly stringent regulations governing wastewater discharges into the Chesapeake Bay and its tributaries; and

**WHEREAS**, the Town of Elkton, the owner of the Elkton Wastewater Treatment Plant, a regulated treatment facility that discharges into the Big Elk Creek, a tributary of the Chesapeake Bay, entered into a consent order with the Maryland Department of the Environment on January 5, 2005, wherein the Town agreed to design and construct a BNR/ENR wastewater treatment plant to comply with its State and NPDES discharge permit, initially setting forth that construction of the new treatment plant would be completed on or about April, 2008, and implementation of the BNR/ENR treatment process would commence on or about July, 2008; and

**WHEREAS**, the Town of Elkton authorized and funded the design of the BNR/ENR wastewater treatment plant to comply with both the State's *biological nutrient removal (BNR)* and *enhanced nutrient removal (ENR)* treatment goals, coupled with a growth and development projected discharge rate of up to 3.2 million gallons/day (MGD); and

**WHEREAS**, the Town of Elkton, following completion of the BNR/ENR plant's design, bid the construction and tentatively selected a contractor whose bid price was \$33,900,000.00 (low bidder); and

**WHEREAS**, engineering services, i.e., project construction management, inspection and related services during the course of the wastewater treatment plant's 2-year construction, are estimated at \$2,985,190.00; and

**WHEREAS**, the Town expects to receive a BNR grant in the amount of \$7,361,790.00 and an ENR grant in the amount of \$6,623,710.00 from the Maryland Department of the Environment, along with a grant from the United States Environmental Protection Agency in the amount of \$1,139,273.00 for the construction of the BNR/ENR treatment plant; and

**WHEREAS**, the Town has applied to the Maryland Department of the Environment, Water Quality Financing Administration, for a construction loan under the Water Quality Revolving Loan Fund for the balance (construction cost, less grant funding) of the construction cost of the BNR/ENR treatment plant; and

**WHEREAS**, the Mayor and Commissioners conducted a cost analysis to specifically determine a sewer rate adjustment necessary to offset the cost of constructing the BNR/ENR treatment plant, in conjunction with the operating, maintenance and capital repair costs of the treatment facilities; and

**WHEREAS**, the Mayor and Commissioners have determined the need to increase the sewer rate to pay for the BNR/ENR upgrade of the wastewater treatment plant, specifically to retire debt incurred as a result of the plant's construction, in addition to the current operating, maintenance and capital costs.

**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, § 13.04.290., Water and Sewer Rates., is hereby repealed; and

Section 2. The Code of the Town of Elkton, Title 13, Chapter 13.04, § 13.04.290., Water and Sewer Rates., is hereby re-enacted to read as follows:

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

§13.04.290     **Water and sewer rates.**

A.     The Town shall bill water accounts on a quarterly basis and shall use water meters to determine the amount of water used by each residential, commercial, industrial or other property and/or portion thereof served by the town water and sewer systems.

**B. Water and sewer rates established.**

1. The following base water and sewer rates shall be charged:

Water Rate In-Town Minimum (9,000 Gallons/Qtr.)	Water Rate Out-Of-Town Minimum (9,000 Gallons/Qtr.)	Sewer Rate In-Town Minimum (9,000 Gallons/Qtr.)	Sewer Rate Out-Of-Town Minimum (9,000 Gallons/Qtr.)
\$19.35	\$38.70	\$47.25	\$94.50
Rate Exceeding In-Town Minimum/ 1,000 Gal. up to 30,000 gallons	Rate Exceeding Out-Of-Town Minimum / 1,000 Gal. up to 30,000 gallons	Rate Exceeding In-Town Minimum/ 1,000 Gal. up to 30,000 gallons.	Rate exceeding Out-Of-Town Minimum/ 1,000 Gal. up to 30,000 gallons.
\$2.15	\$4.30	\$5.25	\$10.50
from 30,001 gallons to 100,000 gallons	from 30,001 gallons to 100,000 gallons	from 30,001 gallons to 100,000 gallons	from 30,001 gallons to 100,000 gallons
\$2.26	\$4.52	\$5.50	\$11.00
from 100,001 gallons, a 5% additional incremental rate adjustment per 100,000 gallons up to a maximum rate of \$7.00	from 100,001 gallons, a 5% additional incremental rate adjustment per 100,000 gallons up to a maximum rate of \$14.00	from 100,001 gallons, a 5% additional incremental rate adjustment per 100,000 gallons up to a maximum rate of \$17.05	from 100,001 gallons, a 5% additional incremental rate adjustment per 100,000 gallons up to a maximum rate of \$34.10

2. The base water and sewer rate for consumers outside the municipal limits of the Town shall be double the town rate.

**C. Water meters required; minimum quarterly charge; sewer charge.**

1. A residential, commercial, industrial or other property that receives water from the Town shall have a water meter installed thereon to measure all water consumed in any manner upon the property and/or portion thereof. The Town may require additional water meters for each dwelling unit of a multi-dwelling unit building, for each rental space on a commercial property, or upon other property, as determined by the town, to measure water consumption by the respective property.

2. The owner of property receiving water from the Town shall pay not less than the minimum quarterly charge for water and sewer service provided to the property or for each portion thereof where water meters are installed.
  3. The charge for sewer service shall be determined on water usage.
- D. Unless otherwise provided in the code, or unless granted by the Mayor and Commissioners, a property owner receiving water and/or sewer service from the Town shall pay for all water and/or sewer service provided to the owner's property.
- E. A property receiving water and/or sewer service from the Town that is not located within the corporate limits of the Town shall be charged double the water and sewer rates.

\*\* END OF SECTION \*\*

**DATE OF EFFECT**

**THIS ORDINANCE** shall be effective on the 26<sup>th</sup> day of July, 2006.

**AFFIRMING:**

Mayor Joseph L. Fisona  
Commissioner Charles H. Givens, Sr.  
Commissioner Mary Jo Jablonski  
Commissioner C. Gary Storke

**DISSENTING**

Commissioner Earl M. Piner, Sr.