

WICOMICO COUNTY URBAN SERVICES COMMISSION

2014 Legislative Session

Legislative Day No. 20

Resolution No. 06-2014

Introduced by: The Wicomico County Urban Services Commission

A RESOLUTION ADOPTING THE "AMENDMENT TO THE BASIC WATER AND SEWER AGREEMENT" BY AND BETWEEN WICOMICO COUNTY, MARYLAND, THE WICOMICO COUNTY URBAN SERVICES COMMISSION, AND THE CITY OF FRUITLAND, TO ADDRESS THE MORRIS MILL URBAN SERVICE DISTRICT.

WHEREAS, Wicomico County, Maryland, the Wicomico County Urban Services Commission, and the City of Fruitland entered into a Basic Water and Sewer Agreement dated December 18, 2001; and

WHEREAS, due to a number of private water wells in the Morris Mill Road area having been contaminated with Trichloroethylene (TCE), the Wicomico County Urban Services Commission deemed it necessary for the health, safety and welfare of the residents to create an urban service district for the purpose of providing a potable water system to the property owners of the Morris Mill Road area; and

WHEREAS, the establishment of the Morris Mill Urban Service District became final, in the absence of a sufficient petition, on December 2, 2013; and

WHEREAS, the Morris Mill Urban Service District is located adjacent to the City of Fruitland and the City of Fruitland has agreed to administer water services to the residents of the Morris Mill Urban Service District; and

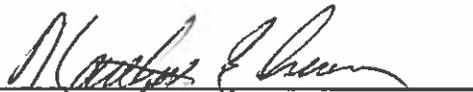
WHEREAS, Wicomico County, Maryland, the Wicomico County Urban Services Commission and the City of Fruitland desire to amend the Basic Water and Sewer Agreement, dated December 18, 2001, to address the Morris Mill Urban Service District.

NOW, THEREFORE, BE IT RESOLVED, by the Wicomico County Urban Services Commission that the "Amendment To The Basic Water and Sewer Agreement," in substantially the same form as the Agreement attached as Exhibit "A," is hereby approved.

Done at Salisbury, Maryland, this 21st day of October, 2014.

ATTEST:

WICOMICO COUNTY
URBAN SERVICES COMMISSION



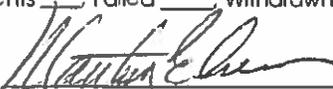
Matthew E. Creamer,
Secretary



Matt Holloway,
President

CERTIFICATION

This Resolution was Adopted , Adopted with Amendments , Failed , Withdrawn by the Wicomico County Urban Service Commission on October 21, 2014.

Certified by 
Matthew E. Creamer, Secretary

**AMENDMENT
TO THE
BASIC WATER AND SEWER SERVICE AGREEMENT**

THIS AMENDMENT TO THE BASIC WATER AND SEWER SERVICE AGREEMENT, dated ___ October, 2014, by and between Wicomico County, Maryland (“County”) a body politic and corporate of the State of Maryland, Wicomico County Urban Services Commission (“Commission”), an agency or instrumentality of the County and the City of Fruitland (“City”), a municipal corporation of the State of Maryland, collectively referred to as the “Parties”;

WHEREAS, the County, Commission and City entered into a Basic Water and Sewer Service Agreement, dated December 18, 2001; and

WHEREAS, a number of private water wells in the Morris Mill Road area have been contaminated with Trichloroethylene (TCE); and

WHEREAS, the Commission, at a public hearing held on October 14, 2013, deemed it necessary for the health, safety and welfare of the residents to create an urban service district for the purpose of providing a potable water system to the property owners of the Morris Mill Road area; and

WHEREAS, the Morris Mill Urban Service District created and established consists of the following described area:

All those, lots, tracts, or parcels of land situate, lying and being in the southern portion of Wicomico County, Maryland, in the Nutters Election District, located along South Division Street, Morris Mill Road and Coulbourne Mill Road, including the Morris Mill Subdivision, Coulbourne Woods Subdivision, Goose Creek Subdivision, Raynefield Subdivision, and Shady Brook Subdivision; being generally bounded on the north by the City of Salisbury corporate limit line, on the east by Coulbourne Mill Pond, on the south by the Route 13 Salisbury bypass and on the west by the City of Fruitland corporate limit line. Said area includes Parcels 49, 164, 233, 293, 312, 313, 314, 371, 372, 373, 374, 385, 389, 390, 421, 422, 423, 424, 451, 452, 453, 454, 455, 457, 458, 459, 460, 463, 464, 465, 467, 468, 469, 471, 472, 473, 474, 475, 476, 577, 615, 623, 705, 709, 719, 722, 727, 730, 734, 737 on Tax Map 48; and Parcel 320 on Tax Map 58.

WHEREAS, the Morris Mill Urban Service District is adjacent to the City and the City has agreed to administer water services to the residents of the Morris Mill Urban Service District; and

WHEREAS, the Morris Mill Urban Service District has no existing allocation of EDUs thus the County, Commission and City agree to allocate three hundred and seventy (370) EDUs, which have been reserved by the City for the County for water and sewer service from the Basic Water and Sewer Service Agreement to provide public water to the Morris Mill Urban Service District to address a public health concern. Only water service will be utilized at this time. If sewer is desired at a later date, the related sewer infrastructure will be negotiated between the County, Commission and City; and

WHEREAS, the Parties are desirous and willing to have the said County EDUs used for and allocated to the District; and

WHEREAS, this project will include the acquisition of a site for a water tower, the construction of a water tower and a construction of the water delivery system to the Morris Mill Urban Service District; and

WHEREAS, this project will be funded by a Three Million Dollar (\$3,000,000) grant from the State of Maryland, a Nine Hundred Thousand Dollar (\$900,000) loan from the United States Department of Agriculture, a One Million, Five Hundred Thousand Dollar (\$1,500,000) grant from the United States Department of Agriculture, an additional One Million, One Hundred Thousand Dollar (\$1,100,000) loan from the United States Department of Agriculture and an additional One Million, Five Hundred Thousand Dollar (\$1,500,000) grant from the United States Department of Agriculture, for a total project funding amount of Eight Million Dollars (\$8,000,000).

NOW, THEREFORE, WITNESSETH THIS AGREEMENT: That in and for the consideration stated in this Agreement and other good and valuable consideration, receipt of which is hereby acknowledged, the County, Commission, and City hereby mutually agree as follows:

1. The County and Commission consent to the allocation of three hundred and seventy (370) EDUs, for water, currently reserved by City for the County, to the Morris Mill Urban Service District.
2. In the event it is determined that the project does not require all of the 370 EDUs, which have been herein transferred from the County's reserve to the Commission, based upon the number of users in the district, then upon written request from the County and upon consent of the Commission and City, the number of EDUs not then being utilized will be returned to the credit of the County's reserve under the Basic Water and Sewer Agreement dated December 18, 2001.
3. If for reasons beyond the control of the Parties hereto total project funding and approval of the Morris Mill project is not received, this Agreement will be cancelled and the County and Commission shall have reinstated the three hundred and seventy (370) EDUs allocation pursuant to the base Agreement.
4. The County shall acquire a perpetual easement for the location of the new water tower site.
5. The County shall construct a new 500,000 gallon water tower with the funding received from the State of Maryland for this project. The water tower shall be operational when the water system for this project is completed.
6. The County shall lease land upon which the water tower is located to the City for ninety-

nine years at the cost of One Dollar (\$1.00) to the City; provided, however, upon completion of the construction of the water tower and the water delivery system, and determination by the County and City that it is ready to be placed in service, the County shall sell the water tower to the City for One Dollar (\$1.00). The City shall be responsible for all maintenance of the water tower and related structures; for making all repairs to the water tower and related structures and for the maintenance of the land upon which the water tower is located.

In the event the City leases the water tower to a cellular service provider(s) or others who may install antennae or other similar devices on the water tower, all revenues received from such leases shall be paid to the City.

7. The County shall be responsible for installing the water main and appurtenances needed for this project, including, but not limited to, the installation of potable water mains, or as may be specifically requested by City or The Maryland Department of the Environment (MDE), water service laterals, stops, manholes, boxes, meters, valves and fire hydrants, and the relocation of fire hydrants, and other items related to water service, as required. The County shall use City specifications for this work. The meters will be provided by the City when each individual homeowner opens a water billing account with the City. The meters for currently developed homes will be funded by the County through the project funding referenced herein.
8. The County will obtain all necessary easements for this project. The County grants the City the right of access and entry to all such easements for the repair and replacement of the water mains and appurtenances. After the completion of any work done by the City on all such easements, the City shall be required to restore the property to its original condition in accordance with the County's Construction Standards in effect at the time the work is being done.
9. This project will be funded by a Three Million Dollar (\$3,000,000) grant from the State of Maryland, a Nine Hundred Thousand Dollar (\$900,000) loan from the United States Department of Agriculture, a One Million, Five Hundred Thousand Dollar (\$1,500,000) grant from the United States Department of Agriculture, an additional One Million, One Hundred Thousand Dollar (\$1,100,000) loan from the United States Department of Agriculture and an additional One Million, Five Hundred Thousand Dollar (\$1,500,000) grant from the United States Department of Agriculture, for a total project funding amount of Eight Million Dollars (\$8,000,000).
10. The County worked with the Maryland General Assembly to secure a Three Million Dollar (\$3,000,000) grant from the State for this project. The General Assembly awarded the Three Million Dollar (\$3,000,000) grant to the City. The City, County and MDE have reached an understanding as to how the grant award should be managed, which is summarized as follows:

The grant has been awarded to the City of Fruitland, but the County will take all responsibility for the Morris Mill water project. The County will sign the MDE

conditions of grant award and undertake the project, as if it were the grant recipient with one exception; that being that the MDE payment disbursement request form will be completed by the County but signed by City, and will request that the funds be paid directly to the County.

- 10A. To the extent permitted by law and for work solely done by the County, its representatives, agents, employees and officers, the County shall defend, indemnify and hold harmless the City and its officers, employees and representatives, from and against all claims, actions, suits, causes of action or proceedings, including attorney fees, expert fees and Court costs, arising or alleged to arise from the Morris Mill project, including the purchase of land, easements, rights-of-way or licenses and permits, or failure to obtain the same, in regard to all aspects of the water delivery system and the water tower construction.
11. The homeowners in the Morris Mill Urban Service District shall be responsible for reimbursing the County for any loans required to be used to fund this project. The County is being loaned Nine Hundred Thousand Dollars (\$900,000) to be repaid over forty years at an interest rate of 2.1250% and One Million, One Hundred Thousand Dollars (\$1,100,000) to be repaid over 40 years at an interest rate of 2.5%. This cost will be billed to the homeowners of the Morris Mill Urban Service District by an assessment on the tax bill issued by the County. In accordance with Wicomico County Code Section 97-10E, the County Director of Finance shall have the right to enforce collection of this assessment in the same method and manner and by the same procedure provided for the collection of State and County taxes.
12. The City will bill the homeowners of the Morris Mill Urban Service District quarterly for the water consumption at a rate of one and one half times (1 ½) the published in City-rates adopted by the City Council for the same service and in accordance with the City's water billing policy and subject to change at such time as City amends its published in-City rate. Additionally, homeowners of the Morris Mill Urban Service District shall be responsible for all other standard City charges for water service. On a quarterly basis, the County will submit to the City a list of the homeowners in the Morris Mill Urban Service District.
13. The requirement contained in paragraph 18 of the Basic Water and Sewer Service Agreement, dated December 18, 2001, by which the City is required to make a payment of two percent (2%) of its annual gross collection is not applicable to this amendment and the Morris Mill Urban Service District.
14. The County shall contribute up to One Thousand, Five Hundred Dollars (\$1,500) for the water hookup infrastructure for homes currently developed in the Morris Mill Urban Services District. Homes developed subsequent to October 14, 2013, will not receive this benefit and will be responsible for paying the costs to connect to the City water system, including the cost of the water meter.
15. In accordance with Commission Resolution 01-2014, all property owners in the Morris

Mill Urban Service District shall make a connection to said water supply system, within the time prescribed by the Commission, or be subject to penalties as provided in Section 97-11 of the Wicomico County Code.

- 16. The scope of work on the Morris Mill Project will be done in accordance with the construction contracts.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their respective duly authorized officers as of the day and year first above written.

ATTEST:

WICOMICO COUNTY, MARYLAND

R. Wayne Strausburg
Director of Administration

BY: _____
Richard M. Pollitt, Jr.
County Executive

ATTEST:

CITY OF FRUITLAND

Raye Ellen Thomas
City Clerk

BY: _____
Darlene Kerr
Council President

ATTEST:

WICOMICO COUNTY URBAN SERVICES
COMMISSION

R. Wayne Strausburg
Director of Administration

BY: _____
Matt Holloway
Chairman