

**Open Work Session**  
**Discussion on Countywide Water and Sewer**  
**October 20, 2020**

Mr. John Psota, Acting County Executive; Mr. Peter Bozick, P.E., and Ms. Katherine McAllister, P.E., both with George, Miles, and Buhr, LLC, (GMB) came before Council. Mr. Psota said, at Council's request, an invitation was extended to GMB to provide an update regarding the status of the Wicomico County Water and Sewer Master Plan. He said, having commenced in the spring of 2019, this master plan project is separate from the feasibility planning report regarding sewer service for failing septic systems in the County's eastside corridor, which was released in October 2015.

Mr. Bozick said the discussion Council just had about their capital projects was interesting. He said, down the road when they do this master water and sewer plan, he projects there will be very similar types of discussions on budgeting and capital improvement projects as the County embarks on building this infrastructure, setting it up in orderly fashion, figuring out where the money is coming from, and how much it is going to cost. He said this would be added to the spreadsheet, and they would possibly have columns for water and sewer, but there is a caveat to that. He explained, this goes far into the future because, when they build water and sewer infrastructure, the intent is for it to be there 50-100 years from now, so they are looking that far out. He said they are looking at future growth Countywide including all municipalities, all the rural villages, and all the agricultural land with individual residences. He said, when any resident of the County, whether single family or a subdivision, comes to Council like they did a while back with Morris Mill with a public health problem or an environmental health problem, they want the County to be in a position to respond. He said, with this report, they want the County to be in a position of being able to say they have a plan, and how they plan to go about it; or the County might say this is something the County Health Department can help with individually through the on-site septic system regulations; or the County can say they have already talked to the nearby municipalities, and they are willing to extend a hand to help solve the problem. He said this gets them past where they are now scratching their heads asking if the Health Department is supposed to deal with it, can a nearby City take it over, or is the County stuck with it, and that is the position they want to put the County in.

Mr. Bozick said there are three problems and three general solutions to address. He said the general category of problems are public health issues - life and safety, and disease coming from inadequate septic systems or contaminated wells. He said the County also has an environmental protection problem and needs to safeguard the environment and all of their water resources, and they are going to be able to give the County a sense of the impact of the nutrients being discharged from all septic systems, their impact on the watershed, and, ultimately, the Chesapeake Bay. He said the County has a responsibility to the federal government to manage their nutrient discharge. He said, through some of their watershed implementation plan and some of the things they are doing with stormwater management, they are directed from the government side to reduce nutrients going into the watershed. He said, with this Master Water and Sewer Plan they hope for the County to be able to integrate those two programs into one, and that would be a win-win on both sides of the County. He clarified, the County has a need to reduce nutrients, and people have nutrient problems individually, so they put it together. He said the third part of the problem is money, and they always have to protect people's pocketbooks.

Mr. Bozick said they gave Council a purpose statement, and the solution part centers around three concepts. He said one concept is technical infrastructure improvements, which is mostly on the engineers to tell the County the way to do it, such as with pump stations, gravity sewers, or pressure sewers; where to put the water tanks, and things of that nature. He said then there is the managerial component, which is equally or maybe even more important, such as what kind of entity the County is going to support to manage this technical infrastructure. He said right now the County has an Urban Services Commission, but beyond that, the County does not have the capacity or capability to own or operate sewer systems. He said, through their Urban Services Commission, they make arrangements with municipalities who take over the responsibility, and those citizens pay the cost. He said, once the County starts taking on responsibility in managing water and sewer infrastructure, it is usually funded through an enterprise fund, so somehow they will set up an enterprise fund within their government to pay for that infrastructure. He clarified, that may be an independent entity within the government, it may be a sub-department under the Public Works budget, or they may create some form of authority or sanitary district, and there are different forms of that in different Counties on the Eastern Shore. He said they have learned so far that there are about 35,000 houses in the County, and about 17,000 of those houses are connected to central water and sewer systems, which leaves about 17,000 that are on septic tanks. He said, looking out 50 to 100 years from now, there are going to be more houses in the County, and they are going to try to give Council a roadmap of which houses are going to be treated at a wastewater treatment plant with central sewers, and which ones are going to be on septic tanks. He said then, when Council has that information, they can decide if the County takes over, and eventually they are operating in place of a utility company, basically. He said then they have to look at how many customers they would have as a utility company providing water and sewer. He said, if they only had 15,000 customers, their management structure would be one thing, but if they had 40,000 utility customers they would have a bigger or different management structure, so they are trying to give the County some ideas in terms of which way they go. He said a hard decision by the County is whether they think it is in their best interest to get into the water and sewer business, to what level, and what structure they will get into. He said the caveat he just mentioned is the fact that earlier in the meeting Council was looking at different Departments and trying to balance all of those objectives and the funding source. He said it may be better for Council to add a water and sewer utility company and have them make those decisions versus having a County structure with an authority and people who only do that. He said they would manage that enterprise fund and decide what the CIP is, and be responsible for funding through revenue funds, and it separates the County's responsibility from their general obligation bonds and their property taxes, so it is a mixed blessing. He clarified, they lose some control, perhaps, but they are not responsible for the final funding. He said they have not gotten very deep into that part of the report yet, but that will take some more interactions with County staff and Council.

Mr. Bozick said the last part of the three solutions is financial, which is always important. He said he is getting the sense that people want to start doing something, and that is natural. He said, if they look at the eastside corridor, for example, that was a feasibility engineering study, and they have identified a problem. He said they can try to sell that to the government and most likely get funding for it, and get a certain percentage of grant funding, but he thinks it is going to be more important for the County to go through the whole Master Plan process and figure out where they are going to go in the future, and what kind of entity they have before they take a low-hanging fruit. He said they can build a project and get the best deal they can for those people, but, depending on what deal they make with the City, all

subsequent projects will look at the first project as a precedent, and if things do not work out that well, they will always be trying to catch up on how to do things.

Mr. Bozick said Council has their purpose statement, and they invite Council to read it and think on it, and ask questions. He said, at the end of the day, he thinks the main concept is taking the technical solution, the managerial solution, and the financial solution, and they all overlap to some extent, and they look for the middle spot that is the best combination of all three.

Mr. Holloway said, in 2015 when Mr. Bozick presented the feasibility study for the eastside corridor, he thought their inclination was that this was a good place to start. He said that seems to be where they are having some of the most severe issues, and there are homes in some of those neighborhoods that cannot even put in septic systems, so his thought on that is a little different than doing one section, and then other areas join in. He said they have to start somewhere, and he thought that was probably a good place to start since that is the place where they had problems. He then asked if Mr. Bozick is saying that may not be the best idea, to which Mr. Bozick responded, he thinks that is as hot as anyplace, and a good place to start, but the framework of how they implement that project needs to be understood before they just jump in and start implementing. He said there are two things he is thinking of, one being the issue they went through with the Airport that delayed it by six months because they had to get the County water and sewer plan amendment and the funding, and right now the County water and sewer plan amendment does not address those areas in any meaningful way. He said the first thing they need to do is pick a project and amend the water and sewer plan and change its category, and then the feasible solution is to connect to the City of Salisbury. He said, if Council agrees that is the feasible solution, the managerial solution is such that the City takes it over. He said the County's comprehensive plan says the County anticipates the only way the City will take County sewer is if those areas are annexed, and the municipalities' comprehensive plans say the same thing, that they will not serve those areas unless they are annexed into their City. He said the exception is, if there is an emergency situation and the County can prove there is an emergency, then maybe under those circumstances some of the municipalities will take those areas to solve that emergency and it will not be annexed, but if they start doing that for one area, they have a whole lot of other areas all around that they need to deal with.

Mr. Holloway said, going back in history, the Town of Willards was having failing septic systems, and the federal government stepped in and said they have to put in sewer and water, so they got a loan from the Farmers Home Administration. He then asked, at what point in time does it get so bad that the federal government or State steps in and says they have to do something, to which Mr. Bozick responded, he thinks in some respects they are almost past that point, and they are there in a number of different areas where there have been problems throughout the County and the State has done that. He said the homeowners go to the Health Department and the septic tank regulations issued by the State do not give the County Health Department the tools to solve these problems, either practically or cost effectively. Mr. Holloway said they are not there yet because they have not started condemning properties. Mr. Bozick said he does not know if they can do that, but when the Health Department says they have to put in a holding tank and the person says they are not going to be able to sell their house because it has a holding tank they have to pump out every week, they can probably conclude that is just as good as condemning a property. He clarified, they cannot necessarily blame the Health Department because they can only follow the State regulations, which are coming back with their own State water

and sewer plan. He said they are looking for the orderly implementation of central sewers, they are looking to protect public health, and they are looking to protect the environment. He said, when they built all of those septic tanks on the eastside corridor 50 years ago, and all the other areas, it was anticipated that in 50 years or so they would just connect to a central sewer, and now they are 50 years down the road. He said, if they do not do anything, they are going to be 80 or 100 years down the road.

Ms. McAllister suggested looking at the government entity side. She said, if they serve the eastside corridor and get the money, from a technical standpoint it is easy to put in water and sewer, but the question becomes who takes it over. She said they could negotiate again with the City of Salisbury, or the County could figure it out as a government entity. Mr. Psota said, from Fruitland's perspective, when they were dealing with the initial interviews a year ago regarding this, the municipality's position is pretty much annexation, and it is going to be sticky when they try to negotiate with each municipality.

Mr. Davis said they keep saying annexation to municipalities, but he can guarantee most people who live in the east corridor do not want to be touched by any City. He then asked if they can be self-sufficient so they do not have to hook into anybody's water and sewer and could be sustained themselves. He said they mentioned Urban Service Districts, and they all know that most people in these Urban Services Districts in Wicomico County pay more than what the people in the City limits pay for their services, and that is what these people do not want. Mr. McCain added, at the end of the day, technically, they can build a sewer system anywhere and make it work, but who is going to pay for that?

Ms. McAllister said, backing up a little bit, looking at the 2017 comprehensive plan map in the packet, they sat down with the Public Works Engineering Department to look at who would get central water and sewer, and who would not. She said their initial look was that all the colored areas on this map - Whitehaven, Mardela Springs, areas near Tyaskin that are higher density areas, and Parsonsburg will all eventually need to have some type of central water and sewer, and all the areas in white would be the jurisdiction of the Health Department. Mr. Bozick added, that is an important point to understand.

Mr. Holloway asked if it necessarily has to be both water and sewer, to which Ms. McAllister responded, no. Mr. Holloway said it could be just water because water quality is the number one problem, but they have an environmental issue when they talk about putting sewer into the ground. He then asked which is the best to go with, sewer or water, to which Ms. McAllister responded, if they could get the sewer on a central system, typically, they have plenty of water on the Eastern Shore. She said the groundwater and discharging sewer into an on-site septic system is a big problem, so if they can get sewer away from houses and have it centrally located, they might not have as many problems with some of those areas just staying on wells. Mr. Psota added, when they are in the ground putting in sewer, they may want to think about putting water in also. Mr. Holloway said that is the obvious thing that makes the most sense, but he was just making a statement, not suggesting doing that. Mr. Bozick said, as a general rule, if they are deciding between water and sewer, they think it is more cost-effective or technologically easier for people to have their own individual wells and take their chances with whether they need iron treatment than it is for people to have an individual septic tank. He explained, there are different technologies for the septic tank, but the people are stuck with the location, the elevation, and the soils they are dealing with. He said, if they are in a low-lying area, it is just not going to work no matter what technology they put to it. He said, generally, of the two, it could go either way depending on the case.

Mr. Cannon said he sees a fourth problem, and that is implementation because the County cannot just provide the service and say “here you go”. He said he is afraid they are going to have huge resistance from the public because they will scream and yell about their septic not working or their water problems, but then be told they now have to pay for water and sewer, which they have not paid for in the last 50 years. He then asked, they have to have permission in order to do this hookup, so how are they going to implement that, and how are they going to get people to all agree? He said, if they are going to do a standalone facility, buy-in is everything, and they cannot do it with 50 people. He then asked where the implementation program comes in where they create a carrot effect and tell people they want to start paying for their septic? He said he agrees water is not an issue, but how do they tell people they now have to pay for septic, to which Mr. Bozick responded, the people are going to need to know what their options are. He said their most cost-effective option may be to be annexed, or maybe people want to be in the County and want the County to do it, and they will pay the costs if it costs more because it is less than water and sewer plus municipal taxes, so that implementation is going to be a function of setting up a management structure, and what capabilities and capacities the County has. He said, if they have a modern authority in today’s environment using the latest tools and technological advances with digital communications, artificial intelligence, and things that are automated, they might be in a position where that is the carrot, and they are going to be able to sell them. Mr. Cannon asked how they are going to do that? Are they are going to go on Mt. Hermon Road or Old Ocean City Road and knock on every single door telling people their septic is going to fail in five years, and they should hook up today. Mr. Bozick responded, when the County implements a project, just like Morris Mill, they go through Public Hearings and referendums, and get grant funding programs, so when a project area is decided, every one of those properties are going to be required to hook up. Mr. Cannon said, with Morris Mill it was a little bit different because that whole area had poisoned water, and that is not the case now. He said these are people living quite fine as they are with a septic system that may be very questionable, but do not want the County in their business. He again asked how they would implement this, to which Mr. Bozick responded, if they look at the areas in white on the map, they want this plan to document that those homeowners and the County Health Department can address their problems, and the County Council does not have to be involved. He clarified, generally, what they are saying is that in those rural areas where the housing density is relatively 2 acres per house, they are going to do whatever they are going to have to do with an advanced treatment system or a mound system, or those types of other alternative systems to make it work. He said at that point the County should feel good about it because they know they cannot cost effectively treat that, and they do not want to spur or encourage growth in areas they do not want it, and the County rightfully takes the burden off their plate and it goes to the Health Department, and the State takes care of those rural density areas.

Mr. McCain said one caveat to what Mr. Bozick just mentioned is alternative systems, such as a mound system in Maryland. He said they cannot get a permit without signing an easement agreement saying, if public sewer is extended by their property, they have to connect to it when it becomes available in the future. He said they will not give a permit now unless that is signed, to which Mr. Bozick responded, he thinks that is good insight, and he thinks what is in this master plan should bring clarity to that, and make it more black and white. He said right now people have to sign that not knowing if sewer will be available, but in the future they will know whether sewer could be available or not.

Mr. Hastings thanked Mr. Bozick and Ms. McAllister for putting this presentation together, and said this is the kind of thing the County needs to grow. He said their neighbors in Sussex County have been putting up thousands of homes every year, and there are folks who want to move here but just cannot. He said, furthermore, he lives right next to the college in the middle of the City, and most of his District is in the middle of the City, but he can look out his window and actually see County property. He said most folks do not understand that the streets across from Bennett are actually not City property, but County property. He said he has heard from dozens upon dozens of residents who specifically ask to get out of the County and into the City because they have issues with septic and know it is going to cause further problems, and they will not be able to sell their house, so they want to find options. He then asked what mechanism they have specifically with the City of Salisbury, who has a lot of capacity in their wastewater treatment plant, and how are they actually facilitating communication between the people who want to be annexed into the City and the people in the actual City itself? He said he always hears that neighbors are then going to have to connect, and the latest he heard was that they have to have three-quarters of a street in order to connect. He said, one way or another, he has constituents who are just waiting to do that, and he has tried to point them in the right direction. He said they have a ton of ability for infill, and that is the only way places like Mardela, Sharptown, and others are going to get renewed, and people will move back to those kinds of places. He said there is aging infrastructure there, so he appreciates this effort, and he looks forward to figuring out how they can do that. Mr. Bozick responded, he appreciates that, and everything Mr. Hastings said is all valid, but he is not going to be able to promise that they as engineers in the water-sewer plan are going to give direct answers to that question. He clarified, they are going to try to give the information in terms of the technical solution, what it will cost, and, hopefully, depending on the management the County has in place or lack of management, that will be the bargaining between the County and the City. He suggested keeping in mind that good water and sewer for everybody whether in the City or County is all in their best interest, and is all a win-win. He said, at the end of the day, there are people coming into this area, and there are realtors trying to sell houses saying there are no taxes in certain areas, but it should not make any difference. He said the County should not be burdened with that, they should all have first class water and sewer at the most affordable price. He said it is a public utility, it is necessary, and nobody should be taking advantage of anybody else trying to make money on it. He said it does not need to work that way.

Mr. Cannon said he thinks the County has had discussions with the City before, and the City has been rather adamant that they are not going to provide water and sewer as a service, it has to be as an annexation. He said, if the County put \$100 million right now into a standalone facility on the eastside of the County, his question again is how would they hook it up? He said they have to have at least 100-200 people agree to it, so how are they going to arrange telling somebody they have to hook up now when they are doing just fine where they are, though they may only have a year left in their system? He said they have to almost instantaneously have 100 people agree, so that is what he does not understand. Mr. Davis responded, as Mr. Bozick said, they have to sell the plan and tell those people the variables, and, as Mr. Bozick said, if someone is trying to sell their house and has a tank behind it, they are not going to be able to sell it. He said they have to give all the variables of what can happen to that property over the next couple of years, to which Mr. Cannon responded, he understands that, but there are 200-400 houses out there, so who are they hitting, and how are they getting there? Mr. Bozick responded, he does not want to evade Mr. Cannon's question, but, in terms of it being engineering details, he can tell Mr. Cannon it is done all the time. He said it is what Sussex County has been doing for 30 to 50 years,

and they know how to get it done. He said it is different in different cases, but, in general, he thinks the eastside corridor is in the range of 200,000-400,000 gallons a day to cover those areas and the infill within those areas. He said then they have to look at the cost of just building something for those areas, or just putting sewers in for those customers but build a treatment system that could handle twice that much in anticipation they would go to other areas. He said those details are the easy part to solve. He clarified, it sounds daunting, but that is what the engineers do to make it happen and bring it about. He said, if the County does that and starts building a standalone treatment system, they have to decide what kind of a management they have, if they are going to make it an enterprise zone, and how they are going to charge people. He said, the bigger the flow, the more cost-effective it is going to be.

Ms. McAllister said, with Morris Mill, they had to get so much percentage to object to it, and they did not get it because enough wanted it. She said she can tell Mr. Cannon personally the number of people who did not want it, and she had to get them through it. She said they just had to connect because it just was not an option. Mr. Psota added, there is property value, and there is fire protection service.

Ms. McAllister said, to hit a couple more technical items, another major thing they have done is talked to every single town so they know what they are doing, and they have all said they will require annexation if it goes to them, and they gave them their boundaries. She said they have talked to the Health Department about where the hotspots are, and they are going to try to focus on those. She then showed Council another map and said this shows the homes that are already on, and those that are not. She said, if they look at the colored areas on the map, those are areas where they have recommended central systems, and basically, this whole County is going to have a total of 23 million gallons of septic flow. She said, looking at the existing wastewater capacity, they already have a good amount of existing treatment capacity through the City of Salisbury, but they have to let MDE know they are taking septic tanks offline, and MDE needs to give them discharge capacity. She clarified, they have to have discharge capacity, so then they can plant their treatment plan and figure out where they are going.

Mrs. Acle asked if this is a possibility for Whitehaven, to which Ms. McAllister responded, yes. She said Whitehaven is a great example, and would have enough customers in that small area where they could do a small system, and Whitehaven is a hotspot for the Health Department. Mr. Dodd asked if that would be for both water and sewer, to which Mrs. Acle responded, her town hall meeting is to discuss both. Mr. Bozick said sewer for sure. Ms. McAllister said the water table is just too high there, and this would give the County the managerial structure to get grants for Whitehaven, but then they also have to have the ability to operate it. Mr. Bozick said, if they implement a technical solution that has a pre-engineered, prepackaged treatment plant that could handle 500 houses and is a certain size, if the County does it for Whitehaven and they anticipate rolling it out, they would do the same thing in Quantico, Powellville, Eden, etc. when the time comes in the next 30, 40, or 50 years. He said, by taking advantage of the technology they have, they could have one or two people who go around to all of the different treatment plants so they are not all individually staffed eight hours a day, five days a week. He said that is part of the master plan, and they think it is going in that direction.

Ms. McAllister said she thinks the hardest areas are actually the bigger City areas, such as the City of Salisbury, Fruitland and Delmar because they have enough customers that they are not losing so much money on water and sewer, and that is why they want to annex. She said that is their policy, and that is

fair, so she does not see the County going into those three corridors. She said those individuals have to take the little pockets of people, and annex however they do it. She said, outside of that area, they have all of these small towns that are barely surviving because of water and sewer.

Mr. Dodd asked, when they were doing this study, did they take areas, such as Kilbirnie, that had failing septic systems, and did they look at that and think maybe that would be a place to start, to which Mr. Bozick responded, not necessarily, but they absolutely looked at them. He said they looked at all of them, but places like that kind of fall a little bit into no man's land in that regard, so they are not really sure. He said it came up bigtime that the people do not want to be annexed, to which Mr. Dodd responded, that is what he is hearing, and a lot of that is his District. Mr. Bozick said those are generally half acre lots, and he does not know, but they could eventually have some type of community system where everybody in there has a mound if they need to, but it is done as a community effort, jointly funded, and jointly operated, but they have not gotten to those details yet. He said they have overlapped the municipal growth areas with the County comprehensive plan and tried to cover those areas thinking they will definitely be candidates for central sewer. He said it lined up very well in Sharptown, and there are areas where the County thinks it is going to grow east, and they can work all of that out with the planning documents.

Mr. Dodd asked if it would be safe to say that a lot of the areas that have flooded badly in the past couple of years have bad septic systems, to which Mr. Bozick responded, he thinks the issue is more their soil conditions and watershed conditions. He said there are a number of places that have slow draining soil, and a vast number of places have high groundwater tables. Mr. Psota said a component of this is their MS4 permitting, and another large component of this is the State and federal government recognize the future impact to the watershed, and they are going to make it ever more increasingly expensive to put a package system in for a personal house, and they are going to regulate it. He said he thinks an initial study was done in the 70s, to which Mr. Bozick responded, he was involved in 1979 when Vic Laws was on the County Council and Bill Miles was around and did the first study. He said Kilbirnie was hot on the list back then, and so were Deer Harbor, Chesapeake Heights, and Maple Plains, and they are still there today.

Mr. Bozick said, when they get to the State level and have their act together in terms of what Ms. McAllister was talking about with what loads they need, and how they will holistically solve the problem at the County level, he feels good that they can get support from MDE for the direction they are going, and hopefully put them in the best position to maximize grant funding through their program, such as Bay Restoration. He said, if they are saving nutrients by putting in water and sewer, then maybe they can save doing some of the MS4 projects, so they can just try to use the money more cost effectively. He said they get a bigger bang for their buck taking a septic tank offline sometimes than putting in a bio-habitat on the side of a ditch, and they would present that to the State if they can sell them on it.

Mr. Hastings asked where they will go from here? He further asked, where does the conversation go with the creation of some sort of water-sewer authority? He asked if that is part of what he is hearing, to which Mr. Bozick responded, they are anticipating at least another six months in terms of what they are doing before they have a draft plan to give Council something to consider. He said they might have some workshops in between on specific entities, like management structures, and they might even be



doing some field visits. He said they have already brought Sussex County in to talk with the County Public Works Department, and they may do a little bit more of that. Mr. Dodd asked if Council can bring Mr. Bozick and Ms. McAllister in around the first of the year to discuss this in another Work Session, to which Mr. Bozick and Ms. McAllister both agreed. Mr. McCain said he highly recommends that because they need to keep this on their Agenda. Mr. Dodd said they have been talking about this for years, and a lot of them are getting tired of talking about it, to which Mr. Davis responded, they need to move on it. Mr. Bozick said it is going to be a win-win for everybody if they do it right, to which Mr. Dodd responded, anything to improve the quality of life. Mr. Hastings said this could also bring more revenue into the County, to which Mr. Bozick responded, ultimately, on the economic development side, it just makes all of their lives a lot easier. He said hopefully on the public utility side it is set up that it would be the least thing they would have to worry about, and they would have it covered. He clarified, they would either have the Public Works Department do it, or they would have an authority to do it under the County's ultimate control, but they would not have to be dealing with it day to day for every contract change order type of thing, and they all win. There was no further discussion.



Larry W. Dodd, President, District 3



John T. Cannon, Vice President, At-Large



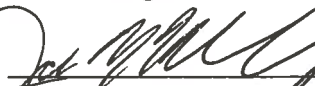
Ernest F. Davis, District 1



Nicole Acle, District 2



Josh Hastings, District 4



Joe Holloway, District 5



William R. McCain, At-Large



Laura Hurley, Council Administrator