A BILL ENTITLED

AN ORDINANCE concerning: Public Works - Utilities - Partial Deferral of Residential Wastewater System Connection Charges and Assessments

FOR the purpose of defining certain terms; allowing the partial deferral of the payment of residential wastewater connection charges and assessments under certain circumstances; adding the terms for payment and eligibility requirements; and generally relating to public works.

BY repealing and reenacting, with amendments: § 13-5-813(h)
Anne Arundel County Code (2005, as amended)

BY adding: § 13-5-815.1
Anne Arundel County Code (2005, as amended)

SECTION 1. Be it enacted by the County Council of Anne Arundel County, Maryland, That Section(s) of the Anne Arundel County Code (2005, as amended) read as follows:

ARTICLE 13. PUBLIC WORKS

TITLE 5. UTILITIES

13-5-813. Water and wastewater system connection charges and assessments.

(h) Residential properties with existing improvements. [For] EXCEPT FOR PAYMENTS PARTIALLY DEFERRED IN ACCORDANCE WITH § 13-5-815.1, FOR residential

EXPLANATION: CAPITALS indicate new matter added to existing law.
[[Brackets]] indicate matter deleted from existing law.
Captions and taglines in bold in this bill are catchwords and are not law.
properties with existing improvements, the applicable user connection charge and capital facility connection charge shall be paid as follows:

(1) Both charges shall be paid in full when application for connection is made; or

(2) Any portion of either charge may be paid when an application for connection is made and the remainder shall be financed in 30 annual installments ([bearing]), or for connections eligible for partial deferral under § 13-5-815.1, in 40 annual installments. The installments shall accrue annual interest at the bond rate established by the Controller as of the date of issuance of a construction contract notice to proceed for a petition project or, for all other connections, the date of issuance of a connection permit. Any installments shall be paid within 60 days of the billing date.

13-5-815.1. Partial deferral of residential wastewater system connection charges and assessments.

(A) Definitions. In this section, the following words have the meanings indicated.

(1) “Assessment” means the assessment imposed under § 13-5-601, et seq. for a connection to a wastewater extension.

(2) “Critical area” has the meaning stated in § 18-1-101 of this code.

(3) “Eligible area” means property that is located in:

(I) The critical area;

(II) An on-site wastewater management problem area;

(III) A area designated in the county's master plan for water supply and sewerage systems as a septic to sewer conversion area; or

(IV) An area that is adjacent to one of the areas listed in (I) through (III) and that is also within the boundaries of a wastewater extension project that includes one of the areas listed in (I) through (III).

(4) “On-site wastewater management problem area” means an area determined to be a wastewater management problem area in the county's master plan for water supply and sewerage systems, as adopted by the county council.

(B) Partial deferral. For connections to an extension of the county's wastewater system within an eligible area, the owner of a residential property with existing improvements may choose to defer payment of up to 50%, separately or in total, of the assessment, the capital facility connection charges, and the user connection charges imposed under § 13-5-813 until the earlier of 40 years after the date of connection or upon a title transfer by deed of the property. The portion of any charge or assessment that is not deferred shall be paid in accordance with §§ 13-5-601, et seq. and 13-5-813 (H).

(C) Interest rate. The capital facility connection charges and user connection charges deferred under subsection (B) shall accrue annual interest at the bond rate established by the controller as of the date of
ISSUANCE OF A CONSTRUCTION CONTRACT NOTICE TO PROCEED FOR THE WASTEWATER EXTENSION PROJECT.

(D) **Lien enforcement.** THE CAPITAL FACILITY CONNECTION CHARGES AND USER CONNECTION CHARGES DEFERRED UNDER SUBSECTION (B), ANY INTEREST ACCRUED UNDER SUBSECTION (C), AND ANY ASSESSMENT CHARGES DEFERRED UNDER SUBSECTION (B), SHALL BE A LIEN ON THE PROPERTY, SUBORDINATE ONLY TO THE LIEN OF STATE AND COUNTY TAXES AND SPECIAL BENEFIT ASSESSMENTS, AND PAYMENT SHALL BE ENFORCED AT THE SAME TIME AND IN THE SAME MANNER AS SUCH TAXES AND ASSESSMENTS.

(E) **Payment of deferred charges and unpaid balance.** UPON THE EARLIER OF 40 YEARS AFTER THE DATE OF CONNECTION OR TITLE TRANSFER BY DEED, EXCEPT WHEN AT LEAST ONE RECORD OWNER REMAINS THE SAME EITHER INDIVIDUALLY OR AS A TRUSTEE:

   (I) THE UNPAID BALANCE OF THE CAPITAL FACILITY CONNECTION CHARGES AND USER CONNECTION CHARGES, PLUS ANY INTEREST ACCRUED UNDER SUBSECTION (C) AND § 13-5-813(H), BECOMES DUE AND PAYABLE;

   (II) THE DEFERRED PORTION OF THE ASSESSMENT BECOMES DUE AND PAYABLE; AND

   (III) THE REMAINDER OF THE ASSESSMENT SHALL BE PAID IN ACCORDANCE WITH § 13-5-601, ET SEQ.

(F) **Eligibility.** THE DEFERRAL AUTHORIZED IN THIS SECTION IS ONLY AVAILABLE TO THE OWNER OF THE PROPERTY AT THE TIME THE PROPERTY IS CONNECTED TO THE COUNTY'S WASTEWATER SYSTEM.

SECTION 2. And be it further enacted, That this Ordinance shall take effect 45 days from the date it becomes law.

READ AND PASSED this 16th day of December, 2019

By Order:

JoAnne Gray
Administrative Officer

PRESENTED to the County Executive for his approval this 17th day of December, 2019

JoAnne Gray
Administrative Officer

APPROVED AND ENACTED this 20th day of December, 2019

Stuart Pittman
County Executive
EFFECTIVE DATE: FEB 3 2020

I HEREBY CERTIFY THAT THIS IS A TRUE AND CORRECT COPY OF BILL NO. 90-19. THE ORIGINAL OF WHICH IS RETAINED IN THE FILES OF THE COUNTY COUNCIL.

JoAnne Gray
Administrative Officer