

THE ISSUE OF PUBLIC WATER

From time to time in London Towne, the issue of whether or not we should connect to the public water system comes up for discussion. The issue was raised again in 2006 at a Board of Directors meeting.

As a result, the Parks and Planning Committee was asked to do research into the issue. This information is presented so that all residents will have a common knowledge base as we discuss “the issue of public water”.

FIRST, YOU PETITION

The County will accept a petition from any group of property owners who wish to obtain public water. They must define a “petition area” - that area that will connect to the public water system. A petition area could be a block, a group of blocks, or a whole neighborhood. This makes it possible, for example, for all the property owners in a single Beach to petition for water or for all the property owners in London Towne to petition. (Of course, the more residents who participate, the less the costs are per household.) The important thing for the County is that **51%** (a simple majority) of all tax accounts in the defined petition area must support the petition to connect. All property owners, as shown on the land deeds, who support the petition must sign the petition. If two or more people are listed on the deed, then all must sign the petition to connect.

For example, let's say there are 100 tax accounts in a neighborhood. The whole neighborhood is defined as the “petition area.” Fifty one (51) of those tax accounts must agree to petition the County to connect to public water in order for the County to consider the request. And all property owners listed on the deeds of those fifty one (51) tax accounts must sign the petition for it to be valid.

There is another factor that can complicate things: any properties which would adjoin the water lines must be considered part of the “petition area.” So, in the example of the 100 tax account neighborhood just mentioned, if the water lines had to be built in such a way that other homes adjoined them, they would have to be considered part of the petition area too. Those additional properties must be included in the count.

Once a “petition area” has obtained the necessary signatures representing fifty one (51) percent of the tax accounts supporting the petition, the petition is submitted to Anne Arundel County. The petition is reviewed by County officials for validation to ensure that all criteria as described above have been met.

THEN, THE COUNTY STUDIES THE PROJECT

After the petition is validated, the County conducts a preliminary study to determine the feasibility of providing water service to the “petition area.” They also develop the *estimated* costs to provide the service and present this to the property owners. The project has to be self-supporting. In other words, the property owners have to pay the full cost of the project.

But there is a “safety net” of sorts. If the *estimated* project costs exceed the ceiling set in the County Code (currently \$6.67 per foot), the property owners can decide to stop the project. If the property owners decide to proceed, the County will work up *final* project costs. The property owners have another chance to stop or go forward with the project once the County presents the *final* costs.

If the property owners decide to continue, the County estimates it takes about three (3) to four (4) years from the petition’s submission to the start of construction.

SO, HOW MUCH WILL IT COST?

Before, getting into the specific costs, it is helpful to define the County’s different fees for connecting to public water.

Front Foot Benefit Assessment: This assessment actually pays for the water project itself. This assessment is placed on each property connecting to public water and is billed in annual payments for a period of thirty (30) years. It transfers with the property if the property is sold. The Front Foot Benefit Assessment is based on the average width of each property multiplied by a rate calculated from the total construction and financing costs of the project. Until the County gives final construction costs to the property owners, this cost is unknown. (Although the “safety net” mentioned above gives one a maximum amount to consider.)

Capital Facility Connection Charge: In addition to the costs of project construction, each property

owner must pay a facility connection charge that helps pay for the County’s water treatment plants. This fee can be financed through the County in several different ways. However, it cannot be transferred with the property upon selling.

User Connection Charge: There is also a user connection fee that recaptures the costs of installing the water lines, the water meter, and the water vault. This fee, paid by each property owner, can also be financed through the County in several ways. It also cannot be transferred with the property upon selling.

Permit Fee: There is a flat, one time only, fee paid by each property owner to get the project started.

Other Costs: Each property owner will have to hire a private plumber to connect his/her house to the water lines. And, of course, there is the cost of the water itself, which includes a County administrative fee and a new environmental fee.

PUBLIC WATER ESTIMATE OF EXPENSES

Front Foot Benefit Assessment Charge

Calculated on a per foot basis by the County based on final water project costs; Although the “per foot cost” will be the same for all property owners, each property owner will pay a different total amount based on the average width of his/her property;

Billed in annual payments over thirty years;

Cost CAN BE transferred with the property upon selling it;

“Safety net” is currently \$6.67 per foot.

2) Capital Facility Connect Charge

Current charge is \$4,500 per dwelling unit;

Can be financed by the County;

Does NOT transfer with the property upon selling it.

3) User Connection Charge

Current charge is \$2,100 per connection;

Can be financed through the County;

Does NOT transfer with the property upon selling it.

4) Permit Fee

Current charge is \$55 per connection.

5) Other Costs

Cost of water is currently \$2.00 per 1,000 gallons of water;

Average household uses 76,000 gallons of water per year;

County adds on an “environmental fee” of 10% of water usage charge;

County adds on an account maintenance fee of \$6.00 per quarterly bill;

Cost of a plumber to hook up the house to the water line—varies by plumber.

All of the rates above are based on current information and are subject to change by the County. We do know that county connection fees have increased 29% in the past 21 months.

FACTORS TO CONSIDER

As the residents of London Town discuss the issue of whether or not to connect to public water, the various pros and cons need to be weighed. Every resident will have to make up his/her own mind based on his/her situation. Here are some factors to consider:

The cost – Obviously, the cost of getting public water must be compared to the perceived benefits. Each resident will also have to take into account his/her own financial resources.

Added property value – Properties that are on public water have greater value in the marketplace than properties that have wells. Opinions differ on how much a property with public water increases in value.

Water safety – Anne Arundel County tests public water frequently to ensure safety. People's opinions differ on whether well water or public water is "safer." Public water has fluoride as an additive.

Adding fire hydrants to the community – Having public water would allow the County to install fire hydrants in the community. Fire hydrants decrease home insurance premiums and make it easier for firefighters to access water.

Impact on community roads – Installing public water lines will tear up community roads for some period of time during construction.

There is less home maintenance expense with public water – Well water can be hard on pipes and water heaters. Well water often causes rust stains. With well water, a homeowner has the additional expense of maintaining a pump and paying for the electricity to run the pump.

When the electricity goes out, homeowners lose their access to their well water because pumps are out of commission when power is lost.

In the event of flooding, homeowners don't need to worry about their wells and well water safety with public water.

Some homeowners may be able to get rid of their water conditioning systems (and those expenses

as well as the undesirable addition of sodium) with public water use.

LTPOA could have water access at all boat docks without having to drill or maintain wells if our community had public water.

Some people feel that public water is healthier for hair and skin.

With public water, there is no danger of not having water in the event of a drought.

Some home water pipes may need repair or replacement if unable to handle public water pressure.

With public water, a homeowner doesn't have to be concerned with the County requirement to be a certain distance from a well head if adding on to a home or adding a garage.

There are probably other factors that will surface as this discussion continues.

COUNTY FINANCING OPTIONS

As stated earlier in this newsletter, the County allows property owners to finance the Capital Facility Connection Charge of \$4,500 and the User Connection Charge of \$2,100. One can include the \$55 Connection Permit Fee, also. The total then which can be financed is **\$6,655**.

Option #1

The full payment of **\$6,655** is due when the connection permit is issued.

In this option, the property owner does not take advantage of any County financing.

Option #2

Partial payment of **\$3,655** is due when the connection permit is issued AND **\$3,000** is financed for 30 years at *\$266 a year.

*includes interest.

Must be paid off in full when property transfers ownership.

Option #3

Payment of the **\$55** Connection Permit Fee when the connection permit is issued AND **\$3,600** is financed for five (5) years (monthly payment at *\$63) AND **\$3,000** is financed for 30 years at *\$266 a year.

*includes interest.

Must be paid off in full when property transfers ownership

Option #4

Payment of the **\$55** Connection Permit Fee when the connection permit is

issued. All other charges are deferred until ownership of the property transfers.

This option is available to the handicapped, surviving spouses, and senior citizens who meet age and income requirements.

SURVEY SAYS.....

Bringing public water to London Towne could benefit our community. However, it comes with a financial cost. To some residents, the benefits may outweigh the cost, and to others, the cost may not justify the benefits. The LTPOA Board of Directors understands that opinions vary on this subject.

Before investing a significant level of effort to petition for public water, potentially delaying other important efforts being undertaken by the Board, the Board would like to get a sense of how our community members feel about this subject. To accomplish this, we have decided to conduct an informal survey of our members.

The Board's decision to continue with the petition process at this time will depend on your response. Your response to this survey does not commit you in any way for or against public water. We will evaluate the survey results based on a minimum response rate of at least 10% of our membership. A simple majority response either for or against continuing this pursuit will prevail.

The survey question: given what you have read in this issue of The Conciliator, do you think the Board of Directors should invest the time and energy into conducting a full petition to bring public water into the community at this time? Yes or No?

You can cast your vote by e-mailing the Board at LTPOAWater@Yahoo.com. **Your name and London Towne address must be provided** so that we can verify that you are a property owner in London Towne.