

Managing our Sewer Allocation

Amended May 3, 2005

1. Purpose

- a. The Consent Judgement requires that beginning on January 12, 2005 and until the City's sewer system is upgraded to 10 mgd, we will have 120,000 gallons per year of sewer allocation from MDE for new residential final plats and non-residential site plans that can be approved by the Water and Sewer Department, including those in the County and Joint Service Areas. This 120,000 gallons is representative of 600 homes.
- b. Under the Consent Judgment, all existing final plats and site plans approved by the Water and Sewer Department before January 12, 2005 are permitted to connect to the sewer system and are not part of the 120,000 gallons limit. This would also include existing structures that are not currently used or are underutilized.
- c. The Consent Judgement also requires us to develop and submit to MDE for review, a "Capacity Allocation" program before July 11, 2005, (180 days) that will allow the City to determine how we plan to use the 120,000 gallons and limit additional flows from customers.

2. Allocation History

- a. One residential home requires 200 gallons per day of allocation. Non-residential allocation is based on actual usage and is determined on a case-by-case basis.
- b. In 2004, the City Water and Sewer Department approved sewer connections for 456 residential units in the City and 267 residential units outside the corporate boundaries.
- c. In 2004, 3,264 gallons (3.5%) were used for non-residential allocation inside the City. Outside the City, 3,200 gallons (5.7%).
- d. Historical issuance of allocation:

Annual Sewer Allocations			
Year	In City	Outside City	Total Gallons
2004	94,464	56,600	151,064
2003	27,000	70,287	97,287
2002	31,400	61,200	92,600
2001	56,241	91,194	147,435
2000	44,700	111,500	156,200
1999	37,075	79,600	116,675

3. The Development Picture

- a. Steps of the typical residential development are:
 - i. Concept Plan
 - ii. Preliminary Plat (includes detailed infrastructure plans)
 - iii. Construction of sewer infrastructure
 - iv. Final Plat (includes simplified plats)
 - v. Building Permit application/approval
 - vi. Application/approval for sewer service
 - vii. Construction and occupancy of home
- b. Once a final plat is approved by the Water and Sewer Department, it must still be approved by the Planning Commission and recorded at the court house. After recording, the lot can be sold.
- c. Summary of in-City residential projects' status:

Table 1 - Residential Projects	
Project Status	# of Units
Preliminary Plat Under Review	512
Preliminary Plat Approved	386
Final Plat Under Review	168
Final Plat Approved	1,362
Total	2,428

Note: Please see separate handout for "Pipeline Developments"

- d. There are twelve non-residential projects that have indicated interest for development in the City. Additionally, there are five site plans already approved.

4. Interim Sewer Capacity Allocation Program Recommendations

- a. Objectives
 - i. Move towards fulfilling requirement of Consent Judgement to create a Capacity Management Plan.
 - ii. Institute a user-friendly short-term program to sensibly manage a portion of this year's annual allocation until the final program is developed.
 - iii. Provide our community with a planning tool for more predictable growth.
- b. Program Summary

- i. Staff would be authorized to develop Administrative Policies for implementation and management of the interim program.
- ii. Allocation for new final plats or non-residential site plans in the City would be issued on a first-come first-serve basis as projects are submitted to the City Planning Department.
- iii. Allocation for existing final plats or non-residential site plans in the City would be issued on a first-come first-serve basis as applications for sewer service are submitted to the City's Billing and Customer Service Department.
- iv. Allocation for new final plats or non-residential site plans outside the City would be issued on a first-come first-serve basis as projects are submitted to the Water and Sewer Department or per an allocation strategy as developed by the County.
- v. Allocation for existing final plats or non-residential site plans outside the City would be issued on a first-come first-serve basis as allocation is depleted from the County's reserve.
- vi. Place a cap for creation of final plats inside the City at twenty-five (25) residential dwelling units for each development/developer/property owner during the interim program.
- vii. Place a cap for approval of sewer applications for existing platted residential lots in the City at forty (40) units for each development/developer/property owner during the interim program.
- viii. The City may exempt from the limitation imposed in vii any existing project where the City has undertaken financial and/or contractual arrangements that necessitate or require, in the City's judgement, approvals over and above the cap set forth in vii.
- ix. Partitioning of Annual Allocation
 - (1) Reserve one half of the CY2005 allocation for incorporation into the final program.
 - (2) Reserve a portion for a "Discretionary Reserve" that requires approval by the Council to be used as recommended by staff based on a developed prioritization system, which could include City and County projects.
 - (3) Reserve allocation for growth outside the corporate boundaries.
 - (4) Divide remaining allocation between residential and non-residential projects in the City.

x. Division of allocation for new projects:

Table 2 - Interim Use of 120,000 Gallons			
Category	Equivalent # Units	Allocation (gpd)	Balance
Beginning Balance			120,000
M&C Discretionary Reserve	100	20,000	100,000
CY05 Final Program Reserve	250	50,000	50,000

Outside Corporate Boundary Reserve	63	12,500	37,500
City Residential Plats	135	27,000	10,500
City Multi-family Site Plans	12	2,400	8,100
City Non-residential Site Plans	N/A	8,100	0

xi. Allocation thresholds for existing approved lots and site plans:

Table 3 - Thresholds for Existing		
Category	Allocation (gpd)	Equivalent # Units
Outside Corporate Boundary Reserve	30,000	150
City Residential Plats	40,000	200
City Multi-family Site Plans	8,000	40
City Non-residential Site Plans	10,000	N/A

xii. The following criteria are not intended to be considered for the interim program but may be expected to be considered for the *Final Sewer Capacity Allocation Program*:

- (1) Allocation that can be gained from flow transfer
- (2) Developer agreements and reserving of allocation
- (3) Any allocation we, or a third party, can recover from I/I remediation
- (4) Improvements to the plant that increase its capacity
- (5) Increased or decreased demands of existing customers
- (6) Re-utilization of existing vacant structures
- (7) Additional capacity use by existing non-residential customers above previous year's average daily usage
- (8) Criteria for the Discretionary Reserve

5. Summary

- a. The Sewer Capacity Allocation Program will allow the City to permit growth in the Hagerstown Urban Growth Area at a manageable pace while meeting the constraints of the Consent Judgement.
- b. It is intended that all projects will be given consideration for sewer service. When those projects occur will be planned.
- c. As proposed in the Interim Capacity Allocation Program, the City would be able to approve sewer connections for a total of 387 residential units in the City and the equivalent of 213 residential units in the County while the final program is developed and approved.
- d. As we undertake I/I corrections, flow transfers, and other system improvements, we will have the ability to gain additional capacity for new development.