



BOONSBORO MUNICIPAL UTILITIES COMMISSION
Wednesday, September 29th, 2022 - 6:00PM
Meeting Chambers

The Boonsboro Municipal Utilities Commission (BMUC) held their Regular Meeting on Wednesday, September 29th, 2022, in the Meeting Chambers. In attendance were BMUC Chairman Stu Mullendore, Commission Members Dave Wade and Colin Shanaberger. Also present were Assistant Mayor/BMUC Liaison Tony Nally, Town Manager Paul Mantello, Water/Sewer Superintendent Pete Shumaker and Public Works Superintendent Greg Huntsberry. The meeting was called to order at 5:59PM by Chairman Mullendore.

CALL TO ORDER – Chairman, Stu Mullendore

ROLL CALL

PUBLIC COMMENTS

MINUTES

Regular Meeting Minutes for August 24th, 2002. Council Member Dave Wade motions and second by Council Member Colin Shanaberger to approve August 24th, Meeting Minutes. Motion carried unanimously.

TREASURER'S REPORT

- Nally confirms all accounts and balances look up to date for Water/Sewer.

REVIEW AND APPROVAL OF MEETING MINUTES and TREASURER'S REPORT Motion by Chairman Mullendore, second by Council Member Dave Wade to approve the Treasure's Report. Motion carried unanimously.

UPDATES Chairman Mullendore explained the new procedure to streamline our meetings, by removing "update items" from the agenda and including them as text only. The below updates were provided and reviewed by commission members before the meeting in writing and were asked if there were any questions/comments that needed to be discussed at the public meeting.

1. **WWTP Sludge Dewatering Press:** GD&F submitted the building permit application for the press building, today. The permits for the pole barns will be submitted by chosen prime contractor. The County's stormwater review has dragged on and they are insisting we consider the project's footprint as "new development." If you recall, the area where the sludge storage pole barn is planned was originally intended for a shop building, for which a stormwater permit was reviewed/approved in 2009, with the



construction of the WWTP. The County informs those considerations have “expired” and we will have to expand our planned stormwater infrastructure.

Now that we have MDE construction permit approval and sealed drawings, Maryland Environmental Service (MES) will begin working on our MDE Sludge Treatment Permit. As you may recall, we recently received our Sludge Transportation Permit. We also purchased the rotary press and the wheel loader, due to both arrive in November or December.

2. **Advanced Metering Infrastructure:** WRA did not include Keedysville in their original proposal. We have a revised and executed proposal, and we will schedule a kickoff meeting, soon.
3. **Alt. 40 Waterline Looping:** As earlier discussed, we have been invited to complete a full ARC application, for \$200k. We will need a Preliminary Engineering Report to pair with the application and WRA has been tasked. Application is due November 18th.
4. **MDE Drinking Water State Revolving Fund (DWSRF):** As it stands now, we are income-eligible for MDE grants, through the DWSRF program. The EPA announced a 5-year funding increase, including \$800+ Million for Maryland. MDE is currently accepting comments, regarding their eligibility criteria and newly proposed “Environmental Justice Screening Tool.” Because we are already eligible for federal grant funds through the Appalachian Regional Commission (ARC) program, we are working with ARC to lobby MDE and asking them to adopt ARC’s eligibility criteria.
5. **Shafer Park Well Replacement:** On 9/16, Pete and I met with Phillips Well Drilling to locate the new well site. The new well site will be located approximately 30-40 feet from the existing well, where there currently sits an unused concrete pad. Speaking with Greg and Pete, this site is out of the way, will not affect any future projects, and plumbing to the water plant should be straightforward.
6. **Keedysville Booster Station / Crestview Pressure Reduction:** Greg recently received the digital pressure loggers and fabricated the necessary fittings. He is installing the software and will deploy, asap.
7. **Reservoir Replacement Project:** The Water Resources Development Act, and the \$5M we applied for through Congressman Trone, passed the Senate and the House. Speaking with Van Hollen and Trone’s Staff, this legislation is in committee and should go to the President before the end of the month. Like the \$1M CDS grant we got through Van Hollen, those funds will not be available until October / November 2023. Andy Cooper @ WRA informs they are working on the pipeline connecting the



reservoir to the distribution system. They will have 60% Plans ready for our review, in October.

8. **MDE MS4 Annual Report:** Our annual stormwater report is due, at the end of October. Greg is completing outfall inspections and MDE is working on the WWTP Stream Restoration MOU. I will have a draft report ready for review, for the October Meeting.
9. **Stormwater GIS Modeling & Tree Inventory:** The Council approved a bid from Barton & Loguidice, to begin our Stormwater GIS Modeling and inventory our recent tree planting. This is another step toward an asset management program and will provide some MS4 reporting tools. Once I get a few things tied up with USACE and our asset inventory, we will have to schedule a joint kickoff meeting with the BEC and Barton & Loguidice.

NEW BUSINESS

- **Crestview Water Treatment Plant Decommissioning & Demolition** – Town Manager Paul Mantello informed the Commission that decommissioning is progressing and brought an alternative easement to have access to the stormwater pond. He stated that Melvin Fulton would grant easement from his King Road property in exchange for free water. The Commission decided that the Town should keep the existing easement and the blacktop would be removed and grass seeded. Mantello stated he would reach out to the HOA with the decision and the demolishing of the water plant will move forward. The Budget is for \$80,000.00 to demolish, and Public Works will be doing demo and the re-seeding.
- **Boonsboro Municipal Utilities Commission Charter Amendment** - Member Colin Shanaberger discussed with the Commission to amend Section 2 of the BMUC Charter Qualifications where it states that members of the Commission shall be qualified voters of the town and shall maintain a permanent residence in the town during their term of office to include active Out-Of-Town BMUC water customers in good standing and business owners who live Out-of-Town but their business location are In Town and a current BMUC customer. These members on the Commission would have voting rights. There was also the idea of an At Large Member being created who would not have to necessarily live In-Town but have extensive Water/Sewer experience and would not have voting power. Both would be interviewed by the BMUC and proposed to the Mayor and Council for approval. Colin stated he would work on a draft.
- **Billing Policy Email Vote** – On 9/14/2022 there was a Billing Policy Email Vote: The Commission was asked to recall that the BMUC voted to recommend a billing policy change to the Mayor & Council, at the May Meeting. The Mayor & Council



subsequently approved that policy and was attached, under “M&C Approved Billing Policy.” After discussion with a local apartment complex owner, we were asked to look into how we can administratively scale the usage rate tier, with the corrected number of household units. In working with the billing software company, we found that there was a process to achieve this tier structure and after a successful testing it was determined that it does not require special quarterly admin work. With that said, the Commission was informed that the BMUC needed a revised-&-approved billing policy passed before bills go out on the 21st, and a BMUC-recommendation for the Mayor & Council to consider at their meeting on the 19th. The proposed/amended policy was attached, under “Water Sewer Policies Draft FY23 FINAL.” Commission Member Bobby Mose motioned with a second from Chairman Mullendore to recommend the amended billing policy to the Mayor & Council, for consideration at the 9/19 Meeting.

- **Amended Water & Sewer Billing Policy Proposal** - During the 9/19/2022 Mayor and Council Meeting, the already approved Water & Sewer Billing Policy was rescinded. Along with issues raised by the Ridenour Family, Councilwoman Kerns noted additional concerns that she would like us to address. Councilman Kerns was asked to document her thoughts and concerns related to proposed fees charged for water distribution and sewer collection. The BMUC was sent her notes and each point was discussed with a written response. (Attached) At this meeting, the Commission discussed the definitions and the description of the fixed fee and multihousehold and agreed to add a chart with examples of the different tiers of usage for the multihousehold. The highlighted yellow is the agreed verbiage to be used along with the chart to accompany. Motion by Chairman Mullendore and a second by Council Member Dave Wade to recommend the Water & Sewer Billing Amended Policy changes to the Mayor and Council. Motion passes with 2 Yay and 1 Nay. Below is the amended verbiage.

Water and sewer fixed fees are based on the meter size, customer attributes, or the number of plumbing fixtures. For residential properties, one household will be charged a water fixed fee and a sewer fixed fee. A fixed fee is a charge for on-demand service, paid by each household for the space or allocation it takes up in the system. A household is defined as all people who occupy a single housing unit, regardless of their relationship to one another.

For multihousehold residential properties sharing a single water meter, a fixed fee will be applied to each household residing at the service location. Multihousehold properties contain multiple units or households within a single residential structure and/or multiple residential structures serviced by one water meter. Fixed water fees



and fixed sewers fees for commercial properties will be assessed by meter size, by fixture unit analysis, or by consultation with the Town's consulting engineer.

Dwelling Type (Single Water Meter)	1st Tier	2nd Tier
Single-Family (1 Household)	0 – 18,000 Gallons	18,001+ Gallons
2-Unit Apartment Building (2 Households)	0 – 36,000 Gallons	36,001+ Gallons
3-Unit Mobile Home Park (3 Households)	0 – 54,000 Gallons	54,001+ Gallons
10-Unit Condo Building (10 Households)	0 – 180,000 Gallons	180,001+ Gallons

- **Commercial Customer Audit** – Paul informed the Commission that Yvette was in the middle of compiling a list of Commercial customers to give to the engineer to review their current EDU and make recommendations if there are any changes.

SYSTEMS REPORT – Pete Shumaker, W/S Superintendent informed the Commission that everything is running smoothly for the most part at the Water/Sewer Plant and that he is still changing the 800 Diffuser Tubes at the plant which is very time consuming. On the Water side he is still waiting on parts for the pump and flow switch. Greg Huntsberry, PW Superintendent stated that water distribution is at an acceptable level. His crew has finished with the water meter readings for the quarter with no significant issues. He informs the Commission that he would like to put out an RFP for Leak Detection. Motion by Commission Members Colin Shanaberger, second Commission Member Dave Wade to purchase Digital Pressure Loggers for Greg to be able to detect leaks. Motion carried unanimously.

TOWN MANAGER REPORT – Paul Mantello, Town Manager informed the Commission on of another illicit discharge into the stormwater. A resident on Lakin Ave was dumping their salt water from a pool into the stormwater. The matter was resolved quickly. A report will be sent to the MDE.

ADJOURN - Motion by Commission Member Dave Wade, second Commission Member Colin Shanaberger to adjourn meeting at 7:50pm. Motion carried unanimously.

Respectfully submitted

Yvette May, Administrative Assistant

NEXT MEETING – October 2022 @ 6PM

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BOONSBORO MUNICIPAL UTILITIES COMMISSION
TOWN OF BOONSBORO, MARYLAND
UTILITY BILLING POLICIES AND PROCEDURES
PROVIDING FOR THE MANNER IN WHICH TOWN PROVIDED UTILITIES ARE BILLED
AND COLLECTED.

BILLING. Quarterly bills are mailed each January, April, July, and October. All accounts are established in the property owner's name and are billed to the property owner. The Town does not mail utility bills or notices to tenants of rental properties.

All users of the Town's water supply system, including owners of unoccupied dwellings, shall be billed the quarterly minimum rates for water and/or sewer. Owners of all established residential units, including unoccupied dwellings, shall be billed the quarterly fee for sanitation collection.

The Mayor & Council will establish reasonable rates and charges for water and sewer services and systems upkeep. The Town Manager is charged with the administration of the provisions of these policies, relating to billing and payment, and may establish rules and regulations as needed to implement those provisions.

Water and sewer charges consist of the following:

- 1) **Water and sewer fixed fees are based on the meter size, customer attributes, or the number of plumbing fixtures. For residential properties, one household will be charged a water fixed fee and a sewer fixed fee. A fixed fee is a charge for on-demand service, paid by each household for the space or allocation it takes up in the system. A household is defined as all people who occupy a single housing unit, regardless of their relationship to one another.**

For multihousehold residential properties sharing a single water meter, a fixed fee will be applied to each household residing at the service location. Multihousehold properties contain multiple units or households within a single residential structure and/or multiple residential structures serviced by one water meter. Fixed water fees and fixed sewers fees for commercial properties will be assessed by meter size, by fixture unit analysis, or by consultation with the Town's consulting engineer.

- 2) **A usage charge is based on the amount of water passing through the meter during the period between the last two (2) readings, generally known as a "metered gallonage" rate. For multihousehold residential properties, the "metered gallonage" portion of a water rent will be calculated by multiplying the maximum number of gallons in each tier by the number of households residing at the service location, to determine the maximum number of gallons that will be charged at that tier rate. For example, please see the chart, below:**

Dwelling Type (Single Water Meter)	1st Tier	2nd Tier
Single-Family (1 Household)	0 – 18,000 Gallons	18,001+ Gallons
2-Unit Apartment Building (2 Households)	0 – 36,000 Gallons	36,001+ Gallons
3-Unit Mobile Home Park (3 Households)	0 – 54,000 Gallons	54,001+ Gallons
10-Unit Condo Building (10 Households)	0 – 180,000 Gallons	180,001+ Gallons

Payments are due in full within thirty (30) days of the billing date and payable to the “The Town of Boonsboro.” Personal checks cannot be post-dated, and are not held for a future deposit date. After thirty (30) days, an interest penalty charge of 5% (five per cent) will be added to the overdue bill and a late notice will be mailed. After sixty (60) days, a disconnection notice - including the deadline for payment and the date and time of the disconnection of water services - will be mailed. (Disconnection notices are the final notification for payment mailed to property owners prior to disconnection of services.)

If services are disconnected, a reconnection fee of \$100.00* will be added to the overdue bill; the reconnection fee must be paid in full prior to reconnection of services.

DISCONNECTION POLICY. On the day of disconnection, a notice that service has been terminated will be left on the premises or will be presented to the property owner, if present. A payment made after disconnection must be paid in cash or money order to the Town Clerk in the Town Hall, 21 N. Main Street. Public Works personnel are not permitted to accept any form of payment.

RETURNED CHECKS. An additional \$25.00 fee will be added to the utility bill for a check returned for any reason. If payment is received by check on the day of or just prior to disconnection and the check is later returned for insufficient funds, services will be terminated immediately.

PAYMENT PLANS: A property owner may arrange for a payment plan by contacting the Town Clerk immediately after a quarterly utility bill is received by the property owner. Payment Plans are based on the bill being paid in full prior to the issuance of the next quarterly utility bill. If a leak has occurred on the property which results in the quarterly bill at least doubling the average of the last four quarters, payment arrangements may be made to pay the overage over a six-month period. The second quarterly bill that is distributed during the payment plan period must be paid in full by its due date.

METER READING. A property owner, whose water meter cannot be accessed by a meter reader, due to weeds or other impediments, will be in violation of the Town’s Property Maintenance Code and subject to a fine of \$100 each day the violation remains.

Effective June 1, 2009

*Revised: April 2013

REVISED: January 2015, July 2022, & August 2022

COUNCILMEMBER KERNS QUESTIONS/CONCERNS

WATER AND SEWER FIXED FEES

QUESTIONS/CONCERNS: Mr. Ridenour questioned a huge increase of approximately 65% in his quarterly utility billing made retroactively. A jump in his bill from \$1700.00 / quarter to \$2900.00 / quarter.

The customer brought up the fact that he pays a higher usage rate per 1,000 gallons because of the volume usage – if they were now considered 18 units – shouldn't then they be entitled to a discount in the volume usage.

It was stated that this customer did not receive notice at the same time other customers were notified, thus they were “missed” or “discovered later”.

I felt the customer had very valid points – and I was disappointed that this was not in our policy we passed. The fact of the very short notice, the notice being sent retroactively of the policy and billing period, the substantial increase in billing / quarter and that we missed this volume tiered charging led me to believe that maybe we better slow down and make sure we have captured all our intentions correctly and fairly. I felt other customers may not have understood the impact of the billing change letter they received.

I want to give customers an advanced notice – more than 30 days and not retroactive

STAFF & BMUC RESPONSE: To be clear, this is not a billing change or rate increase; it is a billing correction and an administrative error on the part of admin staff. If we give advance notice and continue a faulty billing practice, rather than 1) acknowledge the issue, 2) show due consideration, and 3) make a justified correction, than we owe the same consideration and a the possibility of a discount period to all our customers.

QUESTIONS/CONCERNS: I would like to know the exact number of customers affected.

STAFF & BMUC RESPONSE: Council has had this information, since March 2021, when the issue was first presented to them. It was discovered by staff, while completing a data request for SERCAP and the Rate Study. This billing correction will affect 49 service locations (landlords) and the 177 households who rent apartments at these locations.

QUESTIONS/CONCERNS: I would like to know the anticipated net \$ gain per quarter/ year of revenues to water & sewer fund.

STAFF & BMUC RESPONSE:

Water \$2,805/Quarter	\$11,220/Year
Sewer \$8,415/Quarter	\$33,660/Year
TOTAL \$11,220/Quarter	\$44,880/Year

QUESTIONS/CONCERNS: Are we implementing this change to all affected accounts now?

STAFF & BMUC RESPONSE: Using the results of our survey and an audit of our residential billing data, we are correcting all accounts identified as undercharged.

QUESTIONS/CONCERNS: It was stated that other changes to billing is to come – what are they and why aren't we implementing those now – why have we decided to do apartments/ multi-unit dwellings first.

STAFF & BMUC RESPONSE: We split up residential and commercial. We began working on an audit of our residential properties, first. Auditing the commercial accounts requires a different approach: engineering consultation, analysis of potential vs. historical capacity/usage (meter size vs. historical usage), possible fixture unit surveys, etc. Also, unlike the residential billing issues we're working to resolve, any discrepancies we discover on the commercial side might not be the result of a clerical error. It's likely they're actually the result of inaccurately allocated EDUs, unaccounted for expansions/renovations, etc. Also, given that our customer base is mostly residential, staff has limited bandwidth, and the matter we're trying to correct is very delicate, it makes sense to complete the residential first, quickly and responsibly.

QUESTIONS/CONCERNS: We need a clear definition of multi-unit dwelling stated in the policy

STAFF & BMUC RESPONSE: Please see revised policy, with definitions.

QUESTIONS/CONCERNS: I just want to make sure we have given a thorough and accurate analysis and weighed all options

STAFF & BMUC RESPONSE: The BMUC and Staff has more than demonstrated due diligence and thorough analysis.

This project was included in multiple Liaison Reports, to the Mayor & Council. In June 2022, without the later-proposed usage amendment, the policy was unanimously approved by the Council. In September 2022, the same policy with a usage amendment was opposed and the June 2022 policy was repealed. One of the Council's concerns, which was cited as a reason for opposition and repeal, was that a policy so quickly needing revision should be reevaluated and possibly overhauled.

The usage amendment adjusts the tiered gallonage, to scale with the number of households present at the service location. It's important to note, this was not an oversight by the BMUC. The concept of adjusting the tiered gallonage according to the number of households was discussed, early in the project's development (February and March 2022). The BMUC had concerns about the potential for undue administrative burden of implementing/administering a usage adjustment and it was decided that landlords should accommodate this change, by adding more meters and better accounting for their needed capacity.

When Mr. Ridenour came to a Mayor & Council Meeting and expressed his concerns, it then occurred to the Council that a usage adjustment was needed. This is not the fault of the BMUC. The Council's poor communication, lack of procedure, and late interest in the project created confusion and subsequent delays. It's the Council's business to know and understand what's going on in the Town. We recommend the Council take a greater interest in the BMUC's business, become more involved in

projects that interest/concern them, pay greater attention to items included in the Liaison Reports, and have a full understanding of BMUC affairs, before they are present to the Council for a vote.

QUESTIONS/CONCERNS: I did not approve of a significant policy change happening only through email – I do not believe that is best practices and in accordance to the Open Meetings Act.

STAFF & BMUC RESPONSE: Council was not asked to approve a policy change, via email. When was this? Council approved an amended policy, in June, at a public meeting. Council was not asked to approve anything related to the topic, via email.

QUESTIONS/CONCERNS: Animosity toward the customer shouldn't be – it is not their fault

STAFF & BMUC RESPONSE: There is no basis for suggesting we have animosity toward customers. We're correcting an issue we discovered, while completing a data request for SERCAP. It's our fault and we're trying to fix it.

QUESTIONS/CONCERNS: Fixed costs can be brought down by the Town watching their costs. It is not uncommon for municipalities to supplement their water & sewer funds and that may need discussed again.

STAFF & BMUC RESPONSE: What costs? We thought we were.... The majority of our capital spending is 100% or heavily leveraged by grant funds. Operational spending hasn't increased and is also supported by grants. We're doing everything we can to complete capital projects that improve our infrastructure and reduce operating expenses, so we can pass it on to the customer.

Water and sewer should be enterprise funds and should not be subsidized by tax revenues. How is that responsible and transparent? We're charged with operating an ever-changing modern water and wastewater systems, with stagnant residential and commercial growth. Tightening our belts and tax dollar subsidies is not a sustainable/rational idea. We've generated millions in grant revenues and we're working on ways to reduce the operating and capital expenses of the utility funds:

- 1) WWTP Chemical Storage Expansion
- 2) Reservoir Replacement and Water Loss Reduction
- 3) Alt. 40 Waterline Looping
- 4) Crestview Pressure Reduction
- 5) AMI Metering
- 6) WWTP Sludge Dewatering
- 7) Asset Management Program
- 8) Billing Policy Correction

It's also worth noting, that during budget discussions in May and June 2022, Councilmember Kerns insisted that any subsidies the Sewer Fund received from the General Fund must be considered loans and should be repaid.

QUESTIONS/CONCERNS: One more question – Is this fixed fee policy in line with other municipalities and the county?

STAFF & BMUC RESPONSE: While completing a data request for SERCAP, in the early stages of our Rate Study, we discovered many of our service locations were not allocated the correct number of EDUs and

subsequently were not paying the correct number of fixed fees. The service locations were mostly apartment buildings. Many of those “apartment buildings” are single family homes, that were renovated into multihousehold dwellings.

Working with SERCAP and American Water & Wastewater Association (AWWA) industry standards, we began working on correcting the issue. For building types other than single family homes, AWWA recommends four strategies for calculating EDUs: 1) Meter Size, 2) Customer Attributes, 3) Plumbing Fixtures, and 4) Historical Flow.

Given the Town’s building stock, our existing “Minimum + Volume Rate” rate structure, and the idea that landlords can seemingly operate multihousehold dwellings using meters designed for one household, we decided the “Customer Attributes” approach was best (below). The attorney reviewed/approved the amended policy.

Obviously, meter size and plumbing fixture approaches weren’t appropriate for our purposes. Of course, it could and has been argued that the historical flow approach would also work. We discussed that landlords operating formerly single-family homes as multihousehold apartment buildings, without upgrading to an appropriate-sized meter, should not qualify for historical usage consideration and the most equitable solution would be to charge a fixed fee per household.

This became particularly clear with SERCAP’s definition of a fixed fee: **This customer charge is something that each connection pays for space or allocation it takes up in the system. So even if a customer turns off the water and goes elsewhere for a whole billing quarter or quarters, they pay this charge as the price of maintaining their connection and the availability of water, whether used or not.**

The customer attributes method is also a common method to determine the number of ERUs for a new customer. This method is based on the type of establishment and standardized usage characteristics rather than meter size or plumbing fixtures of the new structure. For example, the capacity demand of a restaurant may be based on the number of seats, while the capacity demand of an office building may be based on the square feet of the building. A major advantage to the customer attributes method is that it may be a better indicator of actual use compared to a meter-based or fixture-based approach that does not consider how the facility will be used. However, one downside is that compared to the meter-based or fixture-based approaches, the attributes method can be more administratively burdensome. There may be difficulty in surveying existing establishments, and some may not be easily categorized.

The ERUs for multifamily residential customers can be calculated based on any of the above methodologies. An equitable approach that is common for these types of customers is to base the calculation on the number of multifamily units behind the master meter. While some utilities consider a multifamily unit to be one ERU, such units are often assigned a value less than one ERU.