

May 12, 2022

The regular meeting of the County Commissioners of Allegany County was held in the Commissioners' Meeting Room, Allegany Room 100, 701 Kelly Road, Cumberland, at 5:00 p.m. on the above date. The following were present: Commissioner Jacob C. Shade; Commissioner Creade V. Brodie, Jr.; Commissioner David J. Caporale; County Administrator Jason M. Bennett; and County Attorney T. Lee Beeman, Jr.

The Pledge of Allegiance was recited by those present.

#### **MOTION**

There were no additions or deletions to the Agenda.

#### **MOTION**

Upon Motion by Commissioner Brodie, and seconded by Commissioner Caporale, the Minutes of the April 21, 2022, public business meeting were approved by the Board of County Commissioners.

#### **PUBLIC HEARING**

**Item 1 – Flintstone Wastewater Treatment Plant Upgrade Phase 2, Progress Hearings for the Flintstone Wastewater Treatment Plant Upgrade Phase 1, Locust Grove Sewage Improvement Project Phases 1 through 4, and Garden City Mobile Home Park Partial Acquisition Public Hearing** – David K. Nedved, Economic & Community Development Representative, presented background and information for this Item, as set forth on his staff report on the subject dated May 3, 2022, copy of the notice of public hearings that was published in the Cumberland Times-News, and another attachment entitled "public hearings background information". Copies of the staff report, notice of public hearings, and public hearing background information summary are attached to and made a part of these Minutes. Mr. Nedved announced that this evening public hearings would be held for the Flintstone Wastewater Treatment Plant Upgrade Phase 2, Flintstone Wastewater Treatment Plant Upgrade Phase 1 (progress hearings), Locust Grove Sewage Improvement Project Phases 1 through 4, and Garden City Mobile Home Park Partial Acquisition. He explained that notice was given in the *Cumberland Times-News* on Saturday, May 7, 2022, that the County Commissioners would sponsor public hearings on these projects, and that they are basically all being funded by the Community Development Block Grant Program.

Mr. Nedved pointed out that for the Flintstone Wastewater Treatment Plant Upgrade – Phase 2 Project, the Allegany County Commissioners plan to submit an application to the Maryland Department of Housing and Community Development by June 15, 2022, the deadline for a Community Block Grant. A draft of the application for the project was available for the public to review, and to provide comments, beginning Monday, May 9, 2022, until Friday, May 20, 2022, at the Allegany County Department of Economic and Community Development, 701 Kelly Road, Suite 400, Cumberland, Maryland.

Mr. Nedved then asked for any public comments or questions regarding the projects or about community development, economic development, or housing needs.

Commissioner Shade opened the public hearings and asked for public comment. There being none, the hearings were closed.

**Item 2 – Fiscal Year 2023 Second Preliminary Budget Public Hearing** – Jason M. Bennett, CPA, County Administrator, announced that this evening is the second public hearing on the preliminary Fiscal Year 2023 budget. A copy of the preliminary budget is available on the County's website and is made a part of these Minutes by reference. Mr. Bennett pointed out that if no changes are made to the draft budget, it will be on the agenda for adoption as drafted at the May 26, 2022 public business meeting.

Commissioner Shade opened the public hearing and asked for any public comments. None were received, and the hearing was closed.

#### **PRESENTATION**

**Item 3 – 2022 Foster Care and Foster Family Recognition Month Proclamation** – Courtney Thomas-Winterberg, Director of Allegany County Department of Social Services. Ms. Charlene Platter, Supervisor at Social Services, and Mr. Brent Dressman, Assistant Director for Services, attended this meeting in place of Courtney Thomas-Winterberg, Director of Social Services for Allegany County. Ms. Platter made a few brief remarks. She thanked the Commissioners for the opportunity to be at this evening's meeting, and then spoke in appreciation of the work done by the County's foster families and foster care staff. She introduced Polly Schwartz and Cassie Yates, foster care workers. Ms. Platter then introduced Kathleen Roberts, who has both adopted and fostered numerous children; Ann Stewart, the Foster Parent Family of the Year; and Dawn and Clint Ruby, foster parent veterans.

Commissioner Shade expressed his thanks to Ms. Platter and those accompanying her, then read and presented the official Proclamation of May 2022 as Foster Care and Foster Family Recognition Month in Allegany County. There followed a round of applause.

**Item 4 – Five Year Capital Improvement Program (CIP) Budget Fiscal Year 2023 – 2027 –** Daniel S. DeWitt, PE, County Engineer, gave a power point presentation on the County's Capital Improvement Plan (CIP) for FY-2023 through FY-2027. A copy of Mr. DeWitt's presentation is available on the County's website and is made a part of these Minutes by reference.

Mr. DeWitt noted that he would be asking for the Commissioners' approval of the proposed CIP at their next public business meeting on May 26, 2022.

The County Commissioners expressed their appreciation and thanks for the work put in by Mr. DeWitt and his committee to put together the five-year CIP.

**Item 5 – Fiscal Year 2023 Allegany County Sanitary Commission Water and Sewer Rate Recommendations –** Adam Patterson, PE, Director of Public Works, presented background and information regarding the FY-2023 water and sewer rate recommendations of the Allegany County Sanitary Commission. A summary of the information presented by Mr. Patterson is attached to and made a part of these Minutes.

Mr. Patterson pointed out to the Commissioners that this Item is just a presentation for this evening, and also explained that the information he presented will be available on the County's website. He added that he will be back at the public meeting on May 26, 2022, seeking approval of the FY-2023 Allegany County Sanitary Commission water and sewer rate recommendations.

Commissioner Shade asked the other Commissioners if they wished to have any discussion regarding the recommended FY-23 water and sewer rates.

Commissioner Brodie briefly commented on the proposed increases and asked Mr. Patterson if there were any way they could be lower, if at all possible. Mr. Patterson said that he could go back and take another look.

#### **ACTION AGENDA**

**Item 6 – Resolution 22-8 – County Income Tax Rate Reduction from 3.05% to 3.03% –** Board of County Commissioners to approve a County Income Tax Rate Reduction from 3.05% to 3.03% to become effective January 1, 2023 – Jacob C. Shade, President, commented that this would be the first time since 1998 that the County has cut its local income tax rate. Commissioner Shade pointed out that the reduction would save the County's taxpayers a total of \$200,000 a year.

Upon Motion made by Commissioner Shade, seconded by Commissioner Caporale, and duly carried, the Board of County Commissioners approved and passed Resolution 22-8 to approve a County Income Tax Rate Reduction from 3.05% to 3.03%, to become effective January 1, 2023.

**Item 7 – Resolution 22-9 – Tri County Council Loan Resolution –** Board of County Commissioners to approve Resolution 22-9, in the amount of \$500,000, for a low interest loan as part of the Berkeley Springs Instruments, LLC, (BSI) Building project – Jason M. Bennett, CPA, County Administrator, briefly discussed this Item, noting that this project has been going on for some time. He explained that the Berkeley Springs Instruments Building is completed, and that the County previously agreed to help with funding its cost. Mr. Bennett told the Commissioners that this evening he was asking the Commissioners to approve and pass Resolution 22-9, which would then allow for closing of the loan sometime next week. He also pointed out that this project is allowing for expansion of a local business.

Upon Motion made by Commissioner Brodie and seconded by Commissioner Caporale, the Board of County Commissioners approved and passed Resolution 22-9, in the amount of \$500,000, for a low interest loan as part of the Berkeley Springs Instruments, LLC, (BSI) Building project

**Item 8 – Department of Economic & Community Development Appalachian Regional Commission (ARC) Federal Fiscal Year 2023 Priorities –** Board of County Commissioners to approve the transmittal of a recommended priority list of fifteen Area Development projects to Tri-County Council for Western Maryland for consideration for ARC funding for Federal Fiscal Year 2023 – David K. Nedved, Economic & Community Development Representative, presented background and details regarding the ARC Federal Fiscal Year 2023 Priorities, as set forth on his Staff Report on the subject, with Priorities List attached, dated May 5, 2022, a copy of which is attached to and made a part of these Minutes.

Mr. Nedved concluded his presentation of this Item by asking the Commissioners for either their approval of the Priorities List as presented, or for any changes they wanted to make to the list, and then approval of the list as amended.

Commissioner Shade asked for Item 14, FSU – STEM Camp for Allegany and Garrett Students to be moved up in order on the list and placed between Items 3 and 4 on the list. Commissioners Brodie and Caporale had no objection to this change.

Upon Motion made by Commissioner Caporale, seconded by Commissioner Brodie, and duly carried, the Board of County Commissioners approved the transmittal of a recommended priority list, as amended, of fifteen Area Development projects to Tri-County Council for Western Maryland for consideration for ARC funding for Federal Fiscal Year 2023.

### **CONSENT AGENDA**

As recommended by the County Administrator

Upon Motion by Commissioner Brodie, seconded by Commissioner Caporale, and Motion carried, the Board of County Commissioners approved and adopted the Consent Agenda as recommended by the County Administrator.

**Item 9 – Hamilton Relay, Inc. Lease Agreement Renewal** – Board of County Commissioners approved and authorized the President of the County Commissioners to sign a three-year lease renewal with five one-year options between the Board of County Commissioners and Hamilton Relay, Inc, for 10,000 square feet of office space at One Science Park in the Frostburg Business Park.

**Item 10 – Old Allegany High School Field Use Agreement** – Board of County Commissioners approved the Field Use Agreement between Braddock Warriors, Westside Hunters, and Allegany County for the use of the old Allegany High School fields and parking lot, and authorized the President of the County Commissioners to sign the Agreement.

**Item 11 – Supply of Allegany County Waterline Piping Project Award** – Board of County Commissioners approved the award for the Allegany County Waterline Piping project to Core & Main, LP, Martinsburg, West Virginia, in the amount of \$272,059, and authorized the County Commissioners to sign the required project documents.

**Item 12 – Supply of Allegany County Waterline Construction Materials Project Award** – Board of County Commissioners approved the award for the Allegany County Waterline Construction Materials project to Core & Main, LP, Martinsburg, West Virginia, in the amount of \$167,385, and authorized the County Commissioners to sign the required project documents.

**Item 13 – Grinding Yard Waste and Purchasing and Removing Mulch at Allegany County Yard Trimmings and Mulch Site Award** – Board of County Commissioners approved the award of the Grinding of Yard Waste and Purchasing and Removing Mulch contract to Dotson's Contracting, Cumberland, Maryland, with a cost-effective proposal by charging the County \$0.00 for grinding yard materials and purchasing a yearly estimate of 8,000 cubic yards for \$40,080.

**Item 14 – Resolution 22-10 – Rules & Regulations Governing Employees of Allegany County, Maryland Amendments** – Board of County Commissioners approved and passed Resolution 22-10, the amendments to the Rules & Regulations Governing Employees of Allegany County, Maryland.

**Item 15 – Solid Waste Management Board Appointment and Membership Renewals** – Board of County Commissioners approved the appointment of Juli McCoy to serve as the Chamber of Commerce representative in a permanent position, Kristi Harper to represent the Environmental/Technical position, and Frank Fox to represent the Industry position. Their terms will expire on May 12, 2024.

**Item 16 – Allegany County Building Code Appeals Board Appointment** – Board of County Commissioners approved the appointment of Raymond C. Rase, Frostburg, Maryland, to the Allegany County Building Code Appeals Board. His term will expire on January 22, 2027.

**Item 17 – Allegany County Department of Social Services Board Appointments** – Board of County Commissioners approved the appointments of Seth Sgaggero, Joseph George, and Nicole Andrews to the Allegany County Department of Social Services Board. Their terms will expire on June 30, 2025.

**Item 18 – Surplus Real Property** – Board of County Commissioners accepted an offer made by Brandon Bowman, in the amount of \$4,000, on property known as 11014 Raven Drive, Cumberland, Maryland, Property Tax Account Number 05-002583 previously declared surplus and advertised, and authorized the President of the County Commissioners to sign the deed and closing documents.

**Item 19 – Surplus Real Property** – Board of County Commissioners accepted an offer made by Randy and Stacy Cutter, in the amount of \$4,500, on property known as 10701 Laurel Hill Drive, Frostburg, Maryland, Property Tax Account Number 24-007480 previously declared surplus and advertised, and authorized the President of the County Commissioners to sign the deed and closing documents.

**Item 20 – Request for Tax Abatement** – Board of County Commissioners approved the abatement of taxes in the total amount of \$24,501.92 for twelve properties within the City Cumberland as listed: 409 S. Central for \$1,238.01, 421 Arch Street for \$2,368.88, 13 West Clement Street for \$2,629.38, 124 Columbia Avenue for \$1,555.14, 222 Pear Street for \$1,569.00, 420 Pine Avenue for \$2,684.20, 435 Columbia Avenue for \$1,404.70, 619 Greene Street for \$2,829.52, 842 Gephart Drive for \$2,730.10, 406-408 Goethe Street for \$113.72, 412 Goethe Street for \$731.55, and 502 Regina Avenue for \$4,647.72. These properties have been acquired by the City of Cumberland and will be demolished for future development.

**Item 21 – Purchase of Vehicles** – Board of County Commissioners authorized the Sheriff's Office to purchase a 2021 Ford Police Utility Vehicle for \$34,734, a 2021 Dodge Durango Police Pursuit Utility Vehicle for \$34,936, and a 2022 Tahoe SSV Utility Vehicle for \$37,992. These vehicles are being purchased with government pricing through Hertrich Fleet Services, Inc.

**Item 22 – Frostburg Lodge #470 BPOE 46<sup>th</sup> Derby Day** – Board of County Commissioners authorized the County Finance Office to remit \$1,500 budgeted from the Community Promotions Account for the Frostburg Elks Lodge #470 46<sup>th</sup> Derby Day scheduled for Saturday, July 2, 2022.

**County Administrator Jason Bennett** had no further comments to make at this evening's meeting.

**County Attorney Lee Beeman** had no further comments to make at this evening's meeting.

**Commissioners' statements, comments, recognition –**

**Commissioner David Caporale** had no further comments to make at this evening's meeting.

**Commissioner Creade Brodie** had no further comments to make at this evening's meeting.

**Commissioner Jake Shade** had no further comments to make at this evening's meeting.

**Constituents** – In order of sign-up sheet – Nobody signed up to speak at this evening's meeting.

**Reminders/Upcoming Meetings**

**Next Public Business Meeting** – Thursday, May 26, 2022, 5:00 p.m.

**ADJOURNMENT:**

There being no further business to come to the attention of the Board, the meeting was adjourned at 5:50 p.m.

\_\_\_\_\_  
Jacob C. Shade, President

True Copy  
Attest:

\_\_\_\_\_  
Cynthia A. Young  
Recording Secretary



ALLEGANY COUNTY  
DEPARTMENT OF ECONOMIC  
& COMMUNITY DEVELOPMENT

*Item 1*

701 Kelly Road, Suite 400 • Cumberland, Maryland 21502

**STAFF REPORT**

TO: Jason M. Bennett, County Administrator

FROM: David K. Nedved<sup>DN</sup>, Economic & Community Development Representative

DATE: May 3, 2022

RE: Required Application Hearing for the Flintstone Wastewater Treatment Plant Upgrade – Phase 2 and Required Progress Hearing for the Flintstone Wastewater Treatment Plant Upgrade – Phase 1, Locust Grove Sewage Improvements Project – Phases 1-4, Garden City Mobile Home Park Partial Acquisition

For the Agenda of: May 12, 2022

**Background:** By June 15, 2022, the Maryland Department of Housing and Community Development (DHCD) will accept applications for a Community Development Block Grant (CDBG) from eligible jurisdictions throughout the state. Allegany County intends to submit an application for an additional \$800,000 for the Flintstone Wastewater Treatment Plant Upgrade, which DHCD would consider Phase 2. The project cost was originally estimated to be \$3 million overall. A revised Engineer's estimate was completed, however, and because of the ever increasing cost of materials, the new estimate is now over \$4 million. Therefore, Allegany County is pursuing an additional Community Development Block Grant to cover the additional cost.

Also, DHCD has provided four CDBG's for a total of \$2,675,000 for the Locust Grove Sewage Improvements project. Also, DHCD has provided a CDBG of \$700,000 for Garden City Mobile Home Park Partial Acquisition.

**Issues:** As part of the CDBG application process for the Flintstone Wastewater Treatment Plant Upgrade – Phase 2, a public hearing must be held for public input. In the case of the Locust Grove Sewage Improvements project and the Garden City Mobile Home Park Partial Acquisition project, a requirement of accepting CDBG funding is that a public hearing has to be held on the progress of the projects while they are active. These public hearings are required to be held during a Commissioners' Public

Meeting and a formal Notice of Public Hearings has to be given at least five (5) days before the hearings. The notice will be advertised in the Cumberland Times-News on Saturday May 7, 2022. The public hearings will be at the May 12, 2022, Commissioners' public meeting.

**Financial Impact:** If awarded, a CDBG would provide \$800,000 towards the additional cost of the Flintstone Wastewater Treatment Plant Upgrade. For the Locust Grove Sewage Improvements project \$2,675,000 of awarded CDBG's is at risk if a hearing is not held. For the Garden City Mobile Home Park Partial Acquisition project, \$700,000 of an awarded CDBG is at risk if a hearing is not held.

**Alternatives:** None

**Other Considerations:** N/A

**Conformity to County Policy:** The County Commissioners have already expressed support for the Flintstone Wastewater Treatment Plant Upgrade, Locust Grove Sewage Improvements Project, and Garden City Mobile Home Park Partial Acquisition Project by Resolutions to apply for and accept the awarded funds.

**Recommendation:** Please schedule the CDBG hearings for the May 12, 2022, public meeting.

cc: Jeffrey S. Barclay, Director – Economic & Community Development  
Pamela S. Diaz, Deputy Director – Finance  
W. Adam Patterson, Director – Public Works  
Mark W. Yoder, – Utilities Division  
Whitney M. Daugherty, Engineer – Public Works  
Paul F. Kahl, Engineer – Public Works

# NOTICE OF PUBLIC HEARINGS

**Maryland Department of Housing and Community Development**  
**Community Development Block Grant**  
**Board of County Commissioners of Allegany County, Maryland**

The Allegany County Commissioners will conduct Public Hearings on the following subjects:

1. To obtain the views of citizens on:

**COMMUNITY DEVELOPMENT, ECONOMIC DEVELOPMENT AND HOUSING NEEDS**

2. To offer citizens the opportunity to review application for funds for:

**FLINTSTONE WASTEWATER TREATMENT PLANT UPGRADE – Phase 2**

3. To offer citizens the opportunity to review the progress of:

- a. **FLINTSTONE WASTEWATER TREATMENT PLANT UPGRADE – Phase 1**
- b. **LOCUST GROVE SEWAGE IMPROVEMENTS PROJECT – Phases 1-4**
- c. **GARDEN CITY MOBILE HOME PARK PARTIAL ACQUISITION**

The hearings will be held in the Allegany County Commissioners' Public Meeting Room 100, 701 Kelly Road, Cumberland, MD, at 5 p.m. on Thursday, May 12, 2022.

Citizens will be furnished with information including but not limited to:

- the amount of Community Development Block Grant funds available for the State Fiscal Year 2023;
- the range of activities that may be undertaken with Community Development Block Grant funds; and
- the proposed projects under consideration by the Allegany County Commissioners

For the **FLINTSTONE WASTEWATER TREATMENT PLANT UPGRADE – Phase 2 PROJECT**, the Allegany County Commissioners propose to submit an application to the Maryland Department of Housing and Community Development by June 15, 2022, the deadline for a Community Development Block Grant. A draft application will be available for the public to

review and to provide comments beginning Monday, May 9, 2022, until Friday, May 20, 2022, during normal business hours at the Allegany County Department of Economic and Community Development, 701 Kelly Road, Suite 400, Cumberland, MD.

The **FLINTSTONE WASTEWATER TREATMENT PLANT UPGRADE**, the **LOCUST GROVE SEWAGE IMPROVEMENTS PROJECT**, and the **GARDEN CITY MOBILE HOME PARK PARTIAL ACQUISITION** are all being funded partially by Maryland Department of Housing and Community Development Block Grants.

Information and records for these projects are available for review at the Allegany County Department of Economic and Community Development, 701 Kelly Road, Suite 400, Cumberland, MD.

The Maryland Community Development Block Grant Program is a federally sponsored program designed to assist governments with activities directed toward neighborhood and housing revitalization, economic development and improved community facilities and services. The grants are made available on a competitive basis to small political subdivisions not entitled to direct Federal funding.

Community Development Block Grants are provided to the State of Maryland from the United States Department of Housing and Urban Development. Maryland's Community Development Block Grant Program is administered by the Department of Housing and Community Development.

The Maryland Community Development Block Grant Program reflects the State's economic and community development priorities and provides public funds for activities which meet one of the following national objectives, in accordance with the Housing Community Development Act of 1974, as amended:

1. Benefit low and moderate income persons and households;
2. Aid in the prevention or elimination of slums or blight;
3. Meet other community development needs of an urgent nature, or that are an immediate threat to community health and welfare.

Efforts will be made to accommodate the disabled and non-English speaking residents with at least three days' advance notice to David Nedved at 301-876-9513.

Jacob C. Shade, President  
Board of County Commissioners  
of Allegany County, Maryland

Adv: May 7, 2022



# **Public Hearings Background Information**

**For**

## **COMMUNITY DEVELOPMENT, ECONOMIC DEVELOPMENT AND HOUSING NEEDS**

**FLINTSTONE WASTEWATER TREATMENT PLANT UPGRADE – Phases 1-2**

**LOCUST GROVE SEWAGE IMPROVEMENTS PROJECT – Phases 1-4**

**and**

## **GARDEN CITY MOBILE HOME PARK PARTIAL ACQUISITION**

Notice was given in the *Cumberland Times-News* on Saturday, May 7, 2022, that the Allegany County Commissioners would sponsor public hearings on the following subjects:

1. To obtain the views of citizens on:

### **COMMUNITY DEVELOPMENT, ECONOMIC DEVELOPMENT AND HOUSING NEEDS**

2. To offer citizens the opportunity to review application for funds for:

**FLINTSTONE WASTEWATER TREATMENT PLANT UPGRADE – Phase 2**

3. To offer citizens the opportunity to review the progress of:

a. **FLINTSTONE WASTEWATER TREATMENT PLANT UPGRADE – Phase 1**

b. **LOCUST GROVE SEWAGE IMPROVEMENTS PROJECT – Phases 1-4**

c. **GARDEN CITY MOBILE HOME PARK PARTIAL ACQUISITION**

The hearings will be part of the Allegany County Commissioners' Public Business Meeting on Thursday, May 12, 2022, at 5:00 p.m. at the Allegany County Office Building, 701 Kelly Road – Room 100, Cumberland.

The Maryland Community Development Block Grant (CDBG) Program is a federally sponsored program designed to assist local governments with activities directed toward neighborhood and housing revitalization, economic development and improved community facilities and services. CDBG funds are provided to the State of Maryland from the United States Department of Housing and Urban Development. Maryland's CDBG program is administered by the Department of Housing and Community Development (DHCD). The State of Maryland's allocation of CDBG funds for FY-2023 is estimated to be \$6,542,585 for Community Development and \$1,215,107 for Special Projects. Funds are made available on a competitive basis to small political subdivisions not entitled to direct Federal funding. The maximum CDBG funds available per political subdivision is \$800,000.

The projects meet the National Block Grant objective of providing assistance to low- and moderate-income households; i.e., those below 80 percent of the median income for Allegany County and/or housing related projects. The projects are activities that will not result in displacement. The Allegany County Commissioners, however, have anti-displacement and relocation plans, as required.

The projects are also eligible activities for CDBG funds; specifically, they are all for public facilities. The activities that may be undertaken with CDBG funds are:

- Acquisition of Real Property
- Public Facilities and Improvements and Privately-Owned Utilities
- Code Enforcement
- Clearance, Rehabilitation, Reconstruction and Construction of Buildings Including Housing
- Architectural Barrier Removal
- Loss of Rental Income
- Disposition of Real Property
- Public Services
- Payment of the Non-Federal Share
- Relocation
- Planning and Capacity Building
- Program Administration Costs
- Activities Carried Out Through Nonprofit Development Organizations
- Economic Development Assistance to For-Profit Business
- Additional Applicable Requirements—Activities Funded Under Section 105(a) (14), (15) & (17)
- Technical Assistance
- Housing Services
- Assistance to Institutions of Higher Education
- Microenterprise Assistance
- In-Rem Housing
- Homeownership Assistance
- Interim Assistance

Proposed Allegany County Utility Budget Fiscal Year 2023

County Commissioner Meeting May 12, 2022

1. The proposed FY 23 Utilities Division budget is separated into the Sanitary (\$8.4 mil) and Water (\$2.1) budgets. The Sanitary Budget continues to operate in a deficit and the Water Budget offsets the deficit. The proposed budget includes the Sanitary budget \$684,000 in the negative (includes \$100,000 for capital - emergency). Water budget is \$800,000 in the positive (\$116,000 is available for capital and \$684,000 is needed to offset the Sanitary budget).
2. Proposed budget was discussed with the Allegany County Sanitary Commission on March 22 and April 20, 2022. The Sanitary Commission recommended the budget that is presented this evening at the April 20<sup>th</sup> meeting.
3. Our utility rates are affected by increased costs for operating the system. These costs consist of:
  - a. Maintaining aged infrastructure
  - b. Utility costs, electric, gas, internet
  - c. Man-power and equipment
  - d. Water loss
  - e. Extended period of wet weather (treatment), Cumberland surcharge
4. County purchases water from Frostburg, Cumberland, Keyser, and Westernport.
5. Nearly half of all County sewer customers are treated by Cumberland WWTP.
6. Proposed rate increases for water will increase the operating budget \$36,000. The additional rate increase for water is associated with debt service payments: 1) US 40 water line project and 2) the Mattingly Building purchase.
7. Proposed rate increases for sewer will increase the operating budget \$10,000. The additional rate increase for sewer is associated with debt service payments: 1) the Mattingly Building purchase.
8. Average bill for County customers would be: \$688 (Water) and \$561 (Sewer.)
9. The average annual increase for County residents that have water and sewer service is \$16.70 (1.3%). The average annual increase for County residents that only have water service is \$12.04 (1.8%). The average annual increase for County residents that only have sewer service \$8.00 (1.4%).
10. Current **commercial sewer** rates are \$4.75 per thousand in Mexico Farms District and \$4.00 per thousand in all other Districts. Proposed increase is 5% for commercial sewer. For comparison purposes, an annual residential bill at \$5.00 per thousand would be estimated at \$250 (50,000-gallon water usage) versus our average proposed residential bill of \$561.
11. Funds from the American Rescue Plan are being used on Water and Sewer projects this year that are not included in the regular budget. This eliminates rate increases. The traditional capital improvement process for utility construction involves rate increases (grant and loan funding).
12. Consideration: median household income is \$49,000 (based on the average of the median from 2016 to 2020). Funding agencies consider a 2% cost for each utility a reasonable rate. Based on 2% of \$49,000, our rates would be \$980 each.
13. Allegany County customers have comparable rates to municipalities and private companies within the County.

District	Water Service Areas	FY22 Annual Customer Cost		FY23 Annual Customer Cost		FY23 Annual Customer Increase		Water Increase Justification*
		Water	Water	Water	Water	Water	Water	
Bedford Road	Bedford Road	\$ 793.00	\$ 819.00	\$ 793.00	\$ 819.00	\$ 26.00	\$ 26.00	Increase rate from \$7.06 to \$7.50 (Average rate paid to Cumberland is \$10.48); 3% increase
Borden/Mt. Savage	Borden/Zihlman	\$ 689.00	\$ 693.00	\$ 689.00	\$ 693.00	\$ 4.00	\$ 4.00	
Bowling Green	Bowling Green	\$ 646.50	\$ 658.50	\$ 646.50	\$ 658.50	\$ 12.00	\$ 12.00	Increase rate from \$5.89 to \$6.05 (Average rate paid to Cumberland is \$5.03); 2% increase
Bedford Road	Bowman's Addition	\$ 721.00	\$ 747.00	\$ 721.00	\$ 747.00	\$ 26.00	\$ 26.00	Increase rate from \$7.06 to \$7.50 (Average rate paid to Cumberland is \$7.49); 4% increase
Georges Creek	Carlos, Klondike, Shaft	\$ 689.00	\$ 693.00	\$ 689.00	\$ 693.00	\$ 4.00	\$ 4.00	
Jennings Run	Cash Valley	\$ 646.50	\$ 682.50	\$ 646.50	\$ 682.50	\$ 36.00	\$ 36.00	Increase rate from \$5.89 to \$6.05 (Average rate paid to Cumberland is \$5.03); \$24 increase for debt service to cover Ellerslie waterline project; 5% increase
Braddock Run	Consol	\$ 689.00	\$ 693.00	\$ 689.00	\$ 693.00	\$ 4.00	\$ 4.00	
Cresaptown	Cresaptown	\$ 563.38	\$ 574.10	\$ 563.38	\$ 574.10	\$ 10.72	\$ 10.72	Increase rate from \$5.89 to \$6.05 (Average rate paid to Cumberland is \$5.14); 2% increase
Braddock Run	Clarysville	\$ 703.40	\$ 707.40	\$ 703.40	\$ 707.40	\$ 4.00	\$ 4.00	
Braddock Run	Eckhart	\$ 659.40	\$ 663.40	\$ 659.40	\$ 663.40	\$ 4.00	\$ 4.00	
Jennings Run	Corriganville, Ellerslie	\$ 646.50	\$ 682.50	\$ 646.50	\$ 682.50	\$ 36.00	\$ 36.00	Increase rate from \$5.89 to \$6.05 (Average rate paid to Cumberland is \$5.03); \$24 increase for debt service to cover Ellerslie waterline project; 5% increase
Franklin	Franklin	\$ 788.50	\$ 792.50	\$ 788.50	\$ 792.50	\$ 4.00	\$ 4.00	
Braddock Run	Grahamtown	\$ 689.00	\$ 693.00	\$ 689.00	\$ 693.00	\$ 4.00	\$ 4.00	
Route 36	Hoffman	\$ 689.00	\$ 693.00	\$ 689.00	\$ 693.00	\$ 4.00	\$ 4.00	
McCoole	McCoole	\$ 600.00	\$ 604.00	\$ 600.00	\$ 604.00	\$ 4.00	\$ 4.00	
Mexico Farms	Mexico Farms	\$ 673.00	\$ 699.00	\$ 673.00	\$ 699.00	\$ 26.00	\$ 26.00	Increase rate from \$7.06 to \$7.50 (Average rate paid to Cumberland is \$7.59); 4% increase
Jennings Run	Mount Savage	\$ 689.00	\$ 693.00	\$ 689.00	\$ 693.00	\$ 4.00	\$ 4.00	
Oldtown Road	Oldtown Road	\$ 662.50	\$ 674.50	\$ 662.50	\$ 674.50	\$ 12.00	\$ 12.00	Increase rate from \$5.89 to \$6.05 (Average rate paid to Cumberland is \$5.06); 2% increase
Rawlings	Rawlings	\$ 678.50	\$ 690.50	\$ 678.50	\$ 690.50	\$ 12.00	\$ 12.00	Increase rate from \$5.89 to \$6.05 (Average rate paid to Cumberland is \$5.14); 2% increase
Route 36	Route 36	\$ 689.00	\$ 693.00	\$ 689.00	\$ 693.00	\$ 4.00	\$ 4.00	

\*All Sewer Districts will have a \$4/year property debt surcharge added for the Mattingly Building purchase (9-9-21 business meeting.) 10-year loan repayment (+/-).

District	Sewer Service Areas	FY22 Annual Customer Cost		FY23 Annual Customer Cost		FY23 Annual Customer Increase		Sewer Increase Justification*
		Sewer	Sewer	Sewer	Sewer	Sewer	Sewer	
Bedford Road	Bedford Road	\$ 532.00	\$ 536.00	\$ 536.00	\$ 4.00			
Biers Lane	Biers Lane	\$ 469.00	\$ 493.00	\$ 493.00	\$ 24.00	\$20 increase for County O&M; 5% increase		
Bowling Green	Bowling Green	\$ 722.00	\$ 726.00	\$ 726.00	\$ 4.00			
Bedford Road	Bowman's Addition	\$ 532.00	\$ 536.00	\$ 536.00	\$ 4.00			
Georges Creek	Carlos, Klondike, Shaft	\$ 722.00	\$ 726.00	\$ 726.00	\$ 4.00			
Jennings Run	Cash Valley	\$ 672.00	\$ 676.00	\$ 676.00	\$ 4.00			
Braddock Run	Consol	\$ 512.00	\$ 516.00	\$ 516.00	\$ 4.00			
Cresaptown	Cresaptown	\$ 666.00	\$ 670.00	\$ 670.00	\$ 4.00			
Braddock Run	Clarysville	\$ 512.00	\$ 516.00	\$ 516.00	\$ 4.00			
Braddock Run	Eckhart	\$ 512.00	\$ 516.00	\$ 516.00	\$ 4.00			
Jennings Run	Corriganville, Eilersie	\$ 562.00	\$ 566.00	\$ 566.00	\$ 4.00			
Flintstone	Flintstone	\$ 456.00	\$ 480.00	\$ 480.00	\$ 24.00	\$20 increase for County O&M; 5% increase		
Franklin	Franklin	\$ 459.00	\$ 483.00	\$ 483.00	\$ 24.00	\$20 increase for County O&M; 5% increase		
Georges Creek	Georges Creek	\$ 722.00	\$ 726.00	\$ 726.00	\$ 4.00			
Braddock Run	Grahamtown	\$ 512.00	\$ 516.00	\$ 516.00	\$ 4.00			
McCoole	McCoole	\$ 471.00	\$ 495.00	\$ 495.00	\$ 24.00	\$20 increase for County O&M; 5% increase		
Mexico Farms	Mexico Farms	\$ 507.00	\$ 511.00	\$ 511.00	\$ 4.00			
Jennings Run	Mount Savage	\$ 562.00	\$ 566.00	\$ 566.00	\$ 4.00			
Oldtown	Oldtown	\$ 473.00	\$ 477.00	\$ 477.00	\$ 4.00			
Oldtown Road	Oldtown Road	\$ 562.00	\$ 566.00	\$ 566.00	\$ 4.00			

\*All Sewer Districts will have a \$4/year property debt surcharge added for the Mattingly Building purchase (9-9-21 business meeting.) 10-year loan repayment (+/-).



ALLEGANY COUNTY  
DEPARTMENT OF ECONOMIC  
& COMMUNITY DEVELOPMENT

Item 8

701 Kelly Road, Suite 400 • Cumberland, Maryland 21502

STAFF REPORT

TO: Jason M. Bennett, County Administrator  
FROM: David K. Nedved<sup>DN</sup>, Economic and Community Development Representative  
DATE: May 5, 2022  
RE: Acceptance of Priorities for ARC Funding of FY-23 Projects

For the Agenda of: May 12, 2022

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**Background:** Staff has completed its prioritization process for Appalachian Regional Commission (ARC) projects to be considered by Tri-County Council for Western Maryland as part of Maryland's Strategy Statement document for Federal Fiscal Year 2023. There are fifteen Area Development projects being proposed.

**Issues:** See attached list.

**Financial Impact:** Area Development projects require a 50 percent match.

**Alternatives:** The Commissioners can change priorities from the staff's recommendations.

**Other Considerations:** None.

**Conformity to County Policy:** This supports the County's overall economic development strategy.

**Recommendation:** That the Board approve the transmittal of a recommended priority list of fifteen Area Development projects to Tri-County Council for Western Maryland for consideration for Appalachian Regional Commission funding in Federal Fiscal Year 2023.

cc: Jeffrey S. Barclay, Director, Economic and Community Development  
Pamela S Diaz, Assistant Director, Finance

# Allegany County Proposed Priorities For ARC Projects for FY 2023

## Area Development

<u>Rank</u>	<u>Applicant</u>	<u>Project Name</u>	<u>Amount</u>
1	Allegany County	Cumberland Chase Improvements	\$400,000
2	Frostburg State University	Regional Science Center - Challenger Learning Center	\$500,000
3	Allegany College of Maryland	Workforce Training Theatre Enhancement	\$150,000
4	Bishop Walsh	Robotics Program Class Packs	\$15,000
5	Allegany County Board of Education	Robotics Kits and Esports	\$60,000
6	CDDC	Cumberland History Trail - 6 QR Posts On Pedestrian Mall	\$25,000
7	Appalachian Laboratory	Data Network Upgrade - Category 7 Cabling and Fiber	\$50,000
8	Allegany Museum	Mountain Maryland Traditional Arts Education - Program and Exhibits	\$87,000
9	Humpty Dumpty	Elevator Repair and Window Replacement - Opens Space For Business	\$36,000
10	Allegany College of Maryland	Enhancing Virtual Workforce Education - Technology For 4 Classrooms	\$55,000
11	Frostburg State University	NMR (Nuclear Magnetic Resonance) Spectrometer	\$87,500
12	Frostburg State University	Training Development for SUD (Substance Use Disorder)	\$25,000
13	Frostburg State University	Western Maryland Regional Export Initiative - Certifications and Conference	\$5,000
14	Frostburg State University	STEM Camp - Allegany and Garrett Students	\$13,000
15	Frostburg State University	Center for Product Design and Advanced Manufacturing Operating Budget	\$50,000
		<b>Total</b>	<b>\$1,558,500</b>