



ST. MARY'S COUNTY METROPOLITAN COMMISSION

STANDARD PROCEDURES & POLICIES

SP Number:

FIN-10-02

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Approved By: Board

Effective Date: 10/09/08
Effective Date: 07/01/19

SUBJECT: **CAPITAL CONTRIBUTION CHARGE PAYMENT PLANS POLICY**

A. Residential Financial Hardship Deferrals

Authority. Sections 113-12.B (5) and 113-12.D (11) of the Code of St. Mary's County, Maryland.

Introduction. Resolution No. 2008-05 was approved by the Commission on October 9, 2008. The Resolution included the Commission's desire to allow a given property owner (**residential**), who may not be capable of paying the entire Capital Contribution Charge in advance of connecting to a public water and / or sewer line, the ability to pay the entire charge in twenty four (24) monthly installments under a Capital Contribution Charge Payment Plan (the "Plan"). The Plan would be limited to those who may not have been financially capable of paying the entire charge in advance and would include an interest rate on the unpaid portion of the Capital Contribution Charge.

Procedures. An Applicant (Customer) may apply to pay their Water Capital Contribution Charge, Sewer Capital Contribution Charge or both over a period of twenty-four (24) months. The payment plan will be based on the Capital Contribution Charge in effect at the time the customer becomes liable for the Capital Contribution Charge. The monthly payments will include interest. Any past due amounts will accrue interest at the same rate as other past due accounts. The following outlines the procedures to be followed:

1. To be eligible to request relief under this Policy, the property for which relief is sought (the “Property”) must:
 - a. Be a **residential property**; and
 - b. serve as the principal residence of the person(s) seeking relief (the “Applicant”).
2. The Applicant must complete a Capital Contribution Charge Payment Plan Application For Income Eligible Homeowners Application (*attached*) in accordance with Chapter 113-12.D(5); and
 - a. submit copies of sources of income (i.e. 55A-1099).
3. Once the application is submitted, the Customer Service Supervisor will review the application, the documents for the most current sources of income, and the State Department of Assessments and Taxation (SDAT), and verify the total income to the income eligibility limits from Maryland Energy Assistance Program (MEAP) <http://dhr.maryland.gov/office-of-home-energy-programs/> (*sample attached*).
4. If the Applicant meets the standard requirements, the Customer Service Supervisor will submit to the Chief Finance Officer (CFO) for approval.
 - a. If approved, the CFO will provide the applicable interest rates to the Applicant, subject to the current interest rate at the time of application approval as determined by **the lower of**: the 20-Bond GO Index which is based on an average of certain general obligation municipal bonds maturing in 20 years and having an average rating equivalent of Moody's Aa2 and Standard & Poor's AA located at <http://www.munibondadvisor.com/market.htm> or the corporate rate for a AA rated agency at <https://personal.vanguard.com/us/FundsBondsMarketSummaryTable>. In accordance with 113-12.C(5), when bonds have not been issued at the time the Capital Contribution Charge is calculated, a schedule for the principal of, interest on, and other costs of the loans/ bonds may be established.
 - b. If denied, the Customer Service Supervisor will notify the Applicant, in writing.
5. Engineering will notify Billing when the permit has been issued and the monthly charges should start on the customer’s account.
6. A fixed charge will be applied to the customer’s account based on the current Capital Contribution Charge payment plan for the Capital Contribution Charge for which the payment plan is being entered. The fixed charge will include interest and will be charged

to the customer's account for 24 months. A note will be put in the note field, indicating the last month the fixed fee will be charged.

7. New codes will be set up for the monthly Capital Contribution Charge payment plans. Monthly the Customer Service Supervisor will run a report of the notes in all accounts with these codes, to determine which accounts to stop the charges on.
8. When these properties are sold or transferred the principal balance remaining on the payment plan must be paid in full.
9. In accordance with Section 113-12.D (4) of the Code of St. Mary's County, Maryland, any unpaid Capital Contribution Charges shall be a first lien on the property against which it is assessed until paid.

B. Non-Hardship Residential and Commercial Payment Plans

Authority. Section 113-12 of the Code of St. Mary's County, Maryland made effective on October 1, 2018.

Exemptions. All applications submitted prior to 10-1-2018 are not subject to the provisions of this Policy. This Section does not apply to properties that are already connected that may require additional capacity (EDUs).

Introduction. Sections 113-12.C(3)(A) and 113-12.D&E of the Code of St. Mary's County, Maryland were amended to provide **both residential and commercial** properties, with an option of paying the Capital Contribution Charge in installments rather than in full at the time of application for connection.

Procedures. Depending on the annual availability of program funding, customers may apply to pay their Water Capital Contribution Charge, Sewer Capital Contribution Charge or both over a period of time in lieu of at the time of application. The payment plan will be based on the Capital Contribution Charge in effect at the time the customer becomes liable for the Capital Contribution Charge, subject to paragraph 6 below. The monthly payments will include interest. Any past due amounts will accrue interest at the same rate as other past due accounts. The following outlines the procedures to be followed:

1. To be eligible under this Policy, the property (the "Property") must:
 - a. Be a **residential or commercial property**; and
 - b. serve as the principal residence or be the principal owner(s) (the "Applicant(s)").
2. The Applicant must complete a Water and/or Sewer Connection Permit Sketch Plan Submittal Form (*attached*) at the St. Mary's Department of Land Use & Growth Management (LUGM), which shall be forwarded to the Commission's Engineering Department.

3. The Applicant must be in good standing with the Metropolitan Commission. No new accounts shall be transferred or assigned if there are any unpaid balances on the Capital Contribution Charges or any other outstanding monies owed to the Commission by the Applicant or prior owner(s).
4. The Applicant must pay the Commission (*collected by LUGM at the time of Building Permit or Zoning Application*) an amount equal to not less than 50% of the total Capital Contribution Charge at the time of application for connection. If not paid for already, the Applicant must pay 50% of the outstanding Capital Contribution Charge balance within twenty four (24) months of the date of application approval.
5. Engineering will notify Billing when the permit has been issued and the remaining balance with interest should start on the Applicant's (Customer's) billing account. Installment payments may be made by the Applicant at any time and in any amount, subject to Paragraph 6.
6. The CFO will provide the applicable interest rates, based upon the cumulative interest rate on the current debt at the time of application, subject to annual adjustment **PLUS one (1) percentage point for administrative costs OR** as per the approved capital improvement budget on all water and/or sewer capital contribution projects **PLUS one (1) percentage point for administrative costs**. In accordance with Section 113-12.C(5) of the Code of St. Mary's County, Maryland, when bonds have not been issued at the time the Capital Contribution Charge is calculated, a schedule for the principal of, interest on, and other costs of the bonds may be established.
7. The Applicant must pay the remaining portion of the Capital Contribution Charge upon connection to a water main or sewer or upon the sale or transfer of the property.
8. In accordance with Section 113-12.D(4), of the Code of St. Mary's County, Maryland, any unpaid Capital Contribution Charges shall be a first lien on the property against which it is assessed until paid.
9. Where a connection is not made to a water main or sewer within six (6) years of the date of the application for connection, at the time of connection, an amount equal to the difference of:
 - a. The amount which the property owner has paid toward the Capital Contribution Charge; and
 - b. the Capital Contribution Charge rate in effect at the time of connection.

ST. MARY'S COUNTY METROPOLITAN COMMISSION
Capital Contribution Charge Payment Plan Application
For
Income Eligible Homeowners

1. LAST NAME	FIRST NAME	MIDDLE INIT.	2. TELEPHONE (H)	(W) TELEPHONE	(C) TELEPHONE
3. PROPERTY ADDRESS			TOWN	COUNTY	ZIPCODE
4. MAILING ADDRESS IF DIFFERENT THEN ITEM 4. (ATTACH EXPLANATION WHY)					
5. FURNISH THE FOLLOWING FROM YOUR METCOM BILL: _____ CUSTOMER NO. _____			6. IS ITEM 3 YOUR PRINCIPAL RESIDENCE? YES _____ NO _____ HOW LONG? _____		
7. DO YOU OWN ANY OTHER DWELLING OR OTHER REAL ESTATE? (IF YES, PLEASE ATTACH LIST)			YES _____ NO _____		
8. LIST THE NAMES OF ALL RESIDENTS LIVING IN THE HOME – ATTACH ADDITIONAL SHEET IF NECESSARY.					

NAME	AGE	RELATIONSHIP

9. REPORT HERE THE AMOUNT OF ROOM AND BOARD, RENT OR EXPENSES PAID BY THE PERSONS LISTED IN ITEM 8 ABOVE WHO ARE NOT CO-OWNERS AND WHO CANNOT BE CLAIMED AS YOUR DEPENDENT FOR TAX PURPOSES. \$ _____ PER WEEK/MONTH. NOTE TOTAL PER YEAR IN ITEM 12 COLUMN.				
10. IS ANY PORTION OF THE PROPERTY FOR WHICH THIS APPLICATION IS BEING MADE USED FOR a) FARMING b) A COMMERCIAL BUSINESS, AND/OR c) A RENTAL PURPOSE? YES _____ NO _____ IF YES, CIRCLE WHICH AND INDICATE WHAT PERCENTAGE %				
11. IF YOU ARE HOLDER OF THIS PROPERTY BY LIFE ESTATE _____ CHECK HERE. THIS APPLICATION MUST BE SIGNED BY PROPERTY OWNER OF RECORD ALSO.				
12. SOURCES OF INCOME For Most Immediate Prior Tax Year LIST TOTAL GROSS INCOME FROM ALL SOURCES WHETHER INCLUDED FOR STATE AND FEDERAL RETURNS OR NOT. _____ Year	(1) APPLICANT	(2) SPOUSE OR RESIDENT CO-OWNER	(3) ALL OTHERS	OFFICE USE ONLY
WAGES, SALARY, TIPS, BONUSES, COMP. FEES				
INTEREST (TAXABLE & NON-TAXABLE)				
DIVIDENDS (INCL. NON-TAXABLE DISTRIBUTIONS)				
CAPITAL GAINS (INCL. NON-TAXABLE GAINS)				
RENTAL PROFITS (NET)				
BUSINESS PROFITS (NET)				
ROOM & BOARD (SEE ITEM 10 ABOVE)				
UNEMPLOYMENT INSURANCE/.WORKMAN'S COMP.				
ALIMONY/SUPPORT MONEY/PUBLIC ASSISTANCE				
SOCIAL SECURITY (ATTACH COPY OF FORM 55A-1099)				
SSI BENEFITS				
RAILROAD RETIREMENT (ATTACH COPY FORM RRB-1099)				
OTHER FEDERAL PENSIONS (NOT VA) PER YEAR				
VETERANS BENEFITS PER YEAR				
OTHER PENSIONS & ANNUITIES PER YEAR				
DEFERRED COMPENSATION (ATTACH W-2)				
GIFTS OVER \$300; EXPENSES PAID BY OTHERS; INHERITANCES (CIRCLE ONE)				
TOTAL INCOME				
13. DID OR WILL YOU AND/OR YOUR SPOUSE FILE A FEDERAL INCOME TAX RETURN FOR MOST IMMEDIATE PRIOR TAX YEAR? YES _____ NO _____ IF YOU OR YOUR SPOUSE FILE A JOINT OR SEPARTE RETURN, A COPY OF EACH RETURN WITH ALL ACCOMPANYNG SCHEDULES MUST BE SUBMITTED WITH THIS APPLICATION.				
14. I DECLARE UNDER THE PENALTIES OF PERJURY, THAT THIS APPLICATION (INCLUDING ANY ACCOMPANYING FORMS AND STATEMENTS) HAS BEEN EXAMINED BY ME AND THE INFORMATION CONTAINED HEREIN, TO THE BEST OF MY KNOWLEDGE AND BELIEF, IS TRUE, CORRECT, AND COMPLETE; THAT I HAVE REPORTED ALL MONIES RECEIVED; THAT I HAVE A LEGAL INTEREST IN THIS PROPERTY; THAT THIS DWELLING IS MY PRINCIPAL RESIDENCE FOR THE PRESCRIBED PERIOD AND THAT MY NET WORTH IS LESS THAN \$200,000 EXCLUDING THE VALUE OF THE SUBJECT DWELLING, FURTHER, I HEREBY AUTHORIZE THE SOCIAL SECURITY ADMINISTRATION TO RELEASE TO THE METROPOLITAN COMMISSION TREASURER ANY AND ALL INFORMATION CONCERNING THE BENEFITS RECEIVED.				

DATE

PROPERTY OWNER'S SIGNATURE

CO-PROPERTY OWNER'S SIGNATURE

IN CASE OF LIFE ESTATE SIGNATURE OF LIFE ESTATE HOLDER

St. Mary's County Metropolitan Commission
Capital Contribution Charge Payment Plan

Plan Outline:

The Capital Contribution Charge in effect at the time the eligible customer becomes liable for the charge will be amortized at the applicable interest rate per annum over a 24 month period.

For the period July 1, 20__ thru June 30, 20__ the monthly rates will be:

Water Only	\$ _____	<i>to be filled out by staff at time of application</i>
Sewer Only	\$ _____	<i>to be filled out by staff at time of application</i>
Water & Sewer	\$ _____	<i>to be filled out by staff at time of application</i>

If the monthly payments are not made on time the standard late fee will be charged on the delinquent balance.

This plan is to benefit our low income customers and the application will be evaluated using the Maryland Department of Human Resources income guidelines for the energy assistance program.

If the property is sold or transferred prior to the end of the 24 months, the principle balance remaining on the payment plan must be paid in full prior to or at the time of conveyance.

Application Process:

- Complete Contribution Payment Plan Application.
- Attach required information:
 1. List of all other real estate owned.
 2. A copy of your federal income tax return for the most immediate past tax year, please make your social security number(s) illegible.
- Application must be signed by the owner and any co-owner of the property. If the property is held in life estate, the application must also be signed by the holder of the life estate.
- Return completed application to the Billing Department at MetCom.
- You will be notified in writing if you qualify for the payment plan.

MARYLAND ENERGY ASSISTANCE PROGRAM (MEAP)

Income Eligibility (sample)

Household Size	Maximum Gross Monthly Income	Maximum Gross Yearly Income
	Standards	Standards
1	\$1,770	\$21,245
2	\$2,400	\$28,805
3	\$3,030	\$36,365
4	\$3,660	\$43,925
5	\$4,290	\$51,485
6	\$4,920	\$59,045
7	\$5,550	\$66,605
8	\$6,180	\$74,165
For Each Additional Person, Add	\$630	\$7,560

NOTE: The income eligibility requirements must be updated annually.

Source: <http://dhr.maryland.gov/office-of-home-energy-programs/>



www.metcom.org

St. Mary's County Metropolitan Commission
23121 Camden Way, California, MD 20619

Potable Water Distribution & Wastewater
Collection/Treatment

STAFF ONLY

INITIALS: _____

DATE: _____

***WATER and/or SEWER CONNECTION PERMIT
SKETCH PLAN SUBMITTAL FORM (sample)***

Instructions: All Water and Sewer Sketch Plan submissions shall contain the requirements stated below. Any Sketch Plan submissions with missing or incomplete information may be rejected and not reviewed until all necessary information has been provided.

LUGM PERMIT #: _____ PUBLIC SEWER: YES or NO
METCOM ACCOUNT #: _____ - _____ PUBLIC WATER: YES or NO
IRRIGATION SYSTEM: YES or NO

APPLICANT

CONTRACTOR: _____

PHONE: _____ FAX/EMAIL: _____

OWNER NAME: _____

MAILING ADDRESS: _____

PHONE: _____ FAX/EMAIL: _____

PROPERTY INFORMATION

PROPOSED IMPROVEMENTS: _____

SUBDIVISION: _____ LOT & SEC #: _____

TAX MAP: _____ GRID: _____ PARCEL: _____ TAX ID#: _____

PROPERTY STREET ADDRESS: _____

CAPITAL CONTRIBUTION CHARGES - PAYMENT PLAN OPTIONS (✓ ALL THAT APPLY)

- Full payment at time of Application, **both water and sewer connections, or**
- Full payment at time of Application, **water connections.**
- 50% payment at time of Application, **sewer connections.**

NOTE: You may qualify for a 24 month Residential Financial Hardship installment plan.

GENERAL REQUIREMENTS

*Applicant shall place one of the following marks (as appropriate) on each line
(METCOM reviewer shall verify each mark): NA - not applicable or ✓ - provided*

- _____ 1. All existing and proposed improvements are shown on attached sketch.
- _____ 2. Existing and proposed wells, water lines, and water meters are shown on attached sketch.
- _____ 3. Existing or proposed sewer lines and grinder pump location (if required) are shown on the attached sketch.
- _____ 4. Property corners are to be clearly marked prior to the construction for any new water or sewer connection.
- _____ 5. I have read and understand the provisions in the Capital Contribution Payment Plan Policy.

APPLICANT SIGNATURE: _____ **DATE:** ____/____/____
(Printed Name):