

LEGISLATIVE PACKET

SPECIAL MEETING OF THE
ANNAPOLIS CITY COUNCIL

FEBRUARY 27, 2012

*Note: Fiscal Impact Note and Policy Note for O-6-12 will be available on
Monday, February 27, 2012.*

CITY OF ANNAPOLIS
SPECIAL MEETING OF THE CITY COUNCIL
 February 27, 2011 7:00 p.m.

Call to Order	Mayor Cohen
Invocation	Alderman Israel
Pledge of Allegiance	Mayor Cohen
Roll Call	City Clerk Watkins-Eldridge

PETITIONS, REPORTS AND COMMUNICATIONS

City Council Citation honoring the late James Coleman	Mayor Cohen
Swearing in of 2 Lateral Firefighters	Mayor Cohen
Approval of Journal of Proceedings	Regular Meeting January 9, 2012 Special Meeting January 23, 2012

Reports by Committees
 Comments by the General Public

A person appearing before the City Council with a petition, report or communication shall be limited to a presentation of not more than three minutes.

PUBLIC HEARINGS

O-29-11 The Length of Time for Filing an Appeal of an Administrative Decision to the Board of Appeals – For the purpose of extending the length of time for filing an appeal of an administrative decision to the Board of Appeals from fifteen days to thirty days.

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	180 Day Rule
6/20/11	2/27/12	1/29/12	12/16/11
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	6/20/11		
Planning Commission	6/20/11	12/15/11	Unfavorable
			Travels with R-33-11

R-33-11 Reducing the FY 2011 Fee for Filing an Appeal of an Administrative Decision to the Board of Appeals – For the purpose of reducing the fee for FY 2011 for filing an appeal of an administrative decision to the Board of Appeals from \$620.00 to \$150.00.

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	120 Day Rule
6/20/11	2/27/12	1/29/12	10/18/11
Referred to	Referral Date	Meeting Date	Action Taken
Finance	6/20/11	7/14/11	Favorable
Rules and City Gov't	6/20/11	12/6/11	
Planning Commission	6/20/11	12/15/11	No Action
			Travels with O-29-11

O-2-12 Lease of City Dock Space to Chesapeake Marine Tours – For the purpose of authorizing for fiscal year 2018 the lease of certain municipal property located at the City Dock to Chesapeake Marine Tours, Inc. for the docking and mooring of certain boats.

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
1/23/12	2/27/12	2/16/12	4/20/12
Referred to	Referral Date	Meeting Date	Action Taken
Economic Matters	1/23/12		
Environmental Matters	1/23/12		

O-3-12 Lease of City Property: Boat Shows in 2017 – For the purpose of authorizing a lease of certain municipal property located in the general harbor, Dock Street and Edgewood Road areas to United States Sailboat Shows, Inc. and United States Powerboat Shows, Inc., for a certain period of time in October 2017, to conduct boat shows.

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
1/23/12	2/27/12	2/16/12	4/20/12
Referred to	Referral Date	Meeting Date	Action Taken
Economic Matters			
Environmental Matters			

O-6-12 Issuance of Bonds and Notes – For the purpose of authorize and empower the City of Annapolis (the “City”) to issue and sell, upon its full faith and credit, general obligation bonds in the aggregate principal amount not to exceed Twenty-One Million Five Hundred Thousand Dollars (\$21,500,000), pursuant to Sections 31 through 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume), Section 24 of Article 31 of the Annotated Code of Maryland (2010 Replacement Volume and 2011 Supplement), and Article VII, Section 11 of the Charter of the City of Annapolis, as amended, to be designated as the “Public Improvements Refunding Bonds, 2012 Series”, and said bonds to be issued and sold for the public purpose of refunding all or a portion of certain outstanding general obligation bonds of the City, as provided in this Ordinance; authorizing the City to issue and sell, upon its full faith and credit, taxable general obligation notes in the aggregate principal amount not to exceed the maximum amount authorized to be issued under Article VII, Section 8 of the Charter of the City of Annapolis, as amended, to be designated as “Taxable General Obligation Notes, 2012 Series” and said notes to be issued and sold for the public purpose of financing working capital expenses of the City as provided in this Ordinance; prescribing the form and tenor of said bonds and notes; determining the method of sale of said bonds and notes and other matters relating to the issuance and sale thereof; providing for the disbursement of the proceeds of said bonds and notes; covenanting to levy and collect all taxes necessary to provide for the payment of the principal of and interest on said bonds and notes; and generally providing for and determining various matters relating to the issuance, sale and delivery of all said bonds and notes.

LEGISLATIVE HISTORY
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council’s adopted minutes</i>

First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
2/13/12	2/27/12		5/14/12
Referred to	Referral Date	Meeting Date	Action Taken
Economic Matters	2/13/12		
Finance	2/13/12		

R-2-12 City Water Treatment Plant – For the purpose of expressing the sense of the City Council to select the City-only alternative for construction of a new water treatment capacity.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
2/13/12	2/27/12	2/22/12	5/14/12
Referred to	Referral Date	Meeting Date	Action Taken
Finance	2/13/12		

LEGISLATIVE ACTIONS
ORDINANCES AND RESOLUTIONS – 2ND READING

O-26-11 Alarm System Registration – For the purpose of establishing a registration requirement for alarm systems. *Proposed to be withdrawn by sponsor.*

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	120 Day Rule
9/12/11	11/14/11	10/3/11	1/10/12
Referred to	Referral Date	Meeting Date	Action Taken
Housing and Human Welfare	9/12/11	12/5/11	Favorable w/ comments
Public Safety	9/12/11	10/17/11	Favorable

R-45-11 Annexation Plan – Hayes Property – For the purpose of adopting an annexation plan for the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	180 Day Rule
7/25/11	1/9/12	1/23/12	N/A
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	7/25/11	2/14/12	Favorable w/ amd.
Planning Commission	7/25/11	12/15/11	Favorable w/ amd.
			Travels with O-38-11 and R-47-11

R-2-12 City Water Treatment Plant – For the purpose of expressing the sense of the City Council to select the City-only alternative for construction of a new water treatment capacity.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
2/13/12	2/27/12	2/22/12	5/14/12
Referred to	Referral Date	Meeting Date	Action Taken
Finance	2/13/12		

ORDINANCE – 1st READING

O-7-12 Variances for Subdivisions – For the purpose of moving the authority for granting subdivision variances from the Planning Commission to the Board of Appeals to comply with the Annotated Code of Maryland and a recent court decision; and all matters relating to variances for subdivisions.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	180 Day Rule
2/27/12			8/24/12
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	2/27/12		
Planning Commission	2/27/12		

BUSINESS and MISCELLANEOUS

1. Hiring approval requests
2. Budget revisions
3. Withdraw R-53-11 (rendered moot by City Council's adoption of O-31-11 on February 13, 2012)
4. Appointments

UPCOMING CITY COUNCIL EVENTS

Regular Meeting; Monday, March 12, 2011 7:30 p.m. City Council Chambers
Work Session; Thursday, March 15, 2011 1:30-4:30 p.m. City Council Chambers
Special Meeting; Monday, March 19, 2011 7:00 p.m. City Council Chambers

Jessica Cowles
Legislative and Policy Analyst
City of Annapolis Office of Law
E) JCCowles@annapolis.gov
P) 410-263-1184
F) 410-268-3916

February 22, 2012

TO: The Capital Legal Notices: legalad@capgaz.com
FROM: Jessica Cowles, Legislative and Policy Analyst
RE: Notice of Public Hearing
PUBLISH: Please publish on: **Sunday, February 26, 2012 and Monday, February 27, 2012**

Please send bill and certificate of publication to the City of Annapolis Office of Law, 93 Main Street, 3rd Floor, Annapolis, MD 21401.

NOTICE OF ANNAPOLIS CITY COUNCIL PUBLIC HEARING

Notice is hereby given that the Annapolis City Council will hold a public hearing on Monday, February 27, 2012 at 7:00 p.m., in City Council Chambers, 160 Duke of Gloucester Street, Annapolis, to consider:

- O-29-11 The Length of Time for Filing an Appeal of an Administrative Decision to the Board of Appeals** – For the purpose of extending the length of time for filing an appeal of an administrative decision to the Board of Appeals from fifteen days to thirty days.
- R-33-11 Reducing the FY 2011 Fee for Filing an Appeal of an Administrative Decision to the Board of Appeals** – For the purpose of reducing the fee for FY 2011 for filing an appeal of an administrative decision to the Board of Appeals from \$620.00 to \$150.00.
- O-2-12 Lease of City Dock Space to Chesapeake Marine Tours** – For the purpose of authorizing for fiscal year 2018 the lease of certain municipal property located at the City Dock to Chesapeake Marine Tours, Inc. for the docking and mooring of certain boats.
- O-3-12 Lease of City Property: Boat Shows in 2017** – For the purpose of authorizing a lease of certain municipal property located in the general harbor, Dock Street and Edgewood Road areas to United States Sailboat Shows, Inc. and United States Powerboat Shows, Inc., for a certain period of time in October 2017, to conduct boat shows.
- O-6-12 Issuance of Bonds and Notes** – For the purpose of authorize and empower the City of Annapolis (the “City”) to issue and sell, upon its full faith and credit, general obligation bonds in the aggregate principal amount not to exceed Twenty-One Million Five Hundred Thousand Dollars (\$21,500,000), pursuant to Sections 31 through 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume), Section 24 of Article 31 of the Annotated Code of Maryland (2010 Replacement Volume and 2011 Supplement), and Article VII, Section 11 of the Charter of the City of Annapolis, as amended, to be designated as the “Public Improvements Refunding Bonds, 2012 Series”, and said bonds to be issued and sold for the public purpose of refunding all or a portion of certain outstanding general obligation bonds of the City, as provided in this Ordinance; authorizing the City to issue and sell, upon its full faith and credit, taxable general obligation notes in the aggregate principal amount not to exceed the maximum amount authorized to be issued under Article VII, Section 8 of the Charter of the City of Annapolis, as amended, to be designated as “Taxable General Obligation Notes, 2012 Series” and said notes to be issued and sold for the public purpose of financing working capital expenses of the City as provided in this Ordinance; prescribing the form and tenor of said bonds and notes; determining the method of sale of said bonds and notes and other

matters relating to the issuance and sale thereof; providing for the disbursement of the proceeds of said bonds and notes; covenanting to levy and collect all taxes necessary to provide for the payment of the principal of and interest on said bonds and notes; and generally providing for and determining various matters relating to the issuance, sale and delivery of all said bonds and notes.

R-2-11 City Water Treatment Plant – For the purpose of expressing the sense of the City Council to select the City-only alternative for construction of a new water treatment capacity.

The above legislation on the City Council agenda for public hearing can be viewed on the City's website at: <http://www.annapolis.gov/Government/Departments/LawOffice/PendingLegis.aspx>

REGULAR MEETING
January 9, 2012

The Regular Meeting of the Annapolis City Council was held on January 9, 2011 in the Council Chamber. Mayor Cohen called the meeting to order at 7:36 p.m.

Present on Roll Call: Mayor Cohen, Alderwomen Hoyle, Finlayson, Aldermen Israel, Paone, Silverman, Kirby, Pfeiffer, Arnett

Staff Present: City Attorney Hardwick, Assistant City Attorney Elson, Planning and Zoning Director Arason, DNEP Director Broadbent, Personal Transportation & Parking Specialist Banks, Finance Director Miller, Environmental Programs Coordinator Beard, Public Works Director Jarrell, Civil Engineer Grieco

Approval of Agenda

- Alderman Paone moved to approve the Regular Meeting Agenda as submitted. Seconded. CARRIED on voice vote.

HONORARY MAYORAL CITATIONS

Martha Wood Leadership Award

Mayor Cohen invited Alderwoman Finlayson to present to Yevola Peters, 44 Calvert Street, Annapolis, Maryland 21401 the Mayoral Citation in recognition of being honored by the Housing Authority of the City of Annapolis as the nineteenth recipient of the prestigious Martha Wood Leadership Award.

PETITIONS, REPORTS AND COMMUNICATIONS

Approval of Journal of Proceedings

Alderman Arnett moved to approve the Journal of Proceedings for the Regular Meeting December 12, 2011, the Special Meetings of December 19, 2011. Seconded. CARRIED on voice vote.

Comments by the General Public

Robert H. Eades, 32 Pleasant Street, Annapolis, Maryland 21401 representing the Taxi Cab Drivers Association spoke in opposition to the privatizing city jobs and the expansion of the taxi cab industry in Annapolis.

- Mayor Cohen declared the petitions, reports and communications closed.

PUBLIC HEARINGS

O-31-11 Planning Commission and Board of Appeals Roles and Responsibilities Regarding Planned Developments and Special Exceptions – For the purpose of changing the roles and responsibilities of the Planning Commission and Board of Appeals as they relate to planned developments and special exceptions to maximize efficiencies in the public hearing process as allowed under Article 66B of the Annotated Code of Maryland.

Planning and Zoning Director Arason gave a brief presentation on the ordinance and answered questions from Council.

Assistance City Attorney Elson was present and answered questions from Council.

Spoke on the ordinance:

Denise Worthen, 65 Southgate Avenue, Annapolis, Maryland 21401
Kevin Sullivan, 7 Cumberland Court, Annapolis, Maryland 21401

Spoke in favor of the ordinance:

Chuck Walsh, 12 Southgate Avenue, Annapolis, Maryland 21401 representing the
Annapolis Economic Development Corporation
Joe Budge, 9 Randall Court, Annapolis, Maryland 21401
James Urban, 915 Creek Drive, Annapolis, Maryland 21403

Spoke in opposition to the ordinance:

Ray Sullivan, 119 Meade Drive, Annapolis, Maryland 21403 representing Save
Your Annapolis Neck

No one else from the general public spoke in favor of or in opposition to the
ordinance.

- Mayor Cohen accepted into the record a Memorandum to the Annapolis City Council from the Planning Commission dated 11/17/11, and Memoranda from Jon Arason, Director, to the Planning Commission dated 10/27/10.
- Mayor Cohen declared the public hearing closed.

R-53-11 Establishing a Fee for Appealing a Planning Commission Decision to the Board of Appeals – For the purpose of establishing a fee for appealing a Planning Commission decision to the Board of Appeals by amending the FY12 fee schedule for the City of Annapolis.

Planning and Zoning Director Arason gave a brief presentation on the resolution.

Spoke on the resolution:

Joe Budge, 9 Randall Court, Annapolis, Maryland 21401

Spoke in opposition to the ordinance:

Ray Sullivan, 119 Meade Drive, Annapolis, Maryland 21401

No one else from the general public spoke in favor of or in opposition to the
ordinance.

- Mayor Cohen accepted into the record a Memorandum to the Annapolis City Council from the Planning Commission dated 12/15/11, and Memoranda from Jon Arason, Director, to the Planning Commission dated 12/15/11.
- Mayor Cohen declared the public hearing closed.

O-32-11 Outdoor Dining in the B1 and B2 Zoning Districts – For the purpose of clarifying the contradiction in use standards related to outdoor dining in the B1 and B2 zoning districts in Chapters 21.64 and specific provisions in 21.42 of the Code of the City of Annapolis.

Planning and Zoning Director Arason gave a brief presentation on the ordinance.

Spoke on the ordinance:

Mathew Jones, 1115 1-A Lake Heron Drive, Annapolis, Maryland 21403
representing Annapolis Economic Development Corporation.

No one from the general public spoke in favor of or in opposition to the

ordinance.

- Mayor Cohen accepted into the record a Memorandum to the Annapolis City Council from the Planning Commission dated 11/17/11, and Memoranda from Jon Arason, Director, to the Planning Commission dated 10/19/11.
- Mayor Cohen declared the public hearing closed.

O-53-11 Keeping or Maintaining Chickens Within the City of Annapolis – For the purpose of allowing chickens, but not roosters, to be kept or maintained within the City of Annapolis.

DNEP Director Broadbent gave a brief presentation on the ordinance and answered questions from Council.

Environmental Program Coordinator Beard was also present and answered questions from Council.

Spoke on the ordinance:

Robin Smalls, 411 Maxwell Frye Road, Millersville, Maryland 21108-1551
representing Anne Arundel County Animal Control
Tony Evans, 3 Constitution Square, Annapolis, Maryland 21401

Spoke in favor of the ordinance:

Kurt Riegel, 307 A Monterey Avenue, Annapolis, Maryland 21401
Jessica Pachler, 506 President Street, Annapolis, Maryland 21403
John Booth, 433 State Street, Annapolis, Maryland 21401
Sveinn Storm, 130 Dock Street, Annapolis, Maryland 21401
Sara Robinson, 521 Burnside Street, Annapolis, Maryland 21401

No one else from the general public spoke in favor of or in opposition to the ordinance.

- Mayor Cohen declared the public hearing closed.

At 9:34 p.m., Mayor Cohen requested Alderwoman Hoyle preside over the meeting during his absence.

R-45-11 Annexation Plan – Hayes Property – For the purpose of adopting an annexation plan for the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City’s jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

Planning and Zoning Director gave a brief presentation on the resolution and answered questions from Council.

Assistance City Attorney Elson was also present and answered questions from Council.

At 9:48 p.m., Mayor Cohen resumed the duties of the Chair.

Spoke on the resolution:

Alan Hyatt, Esq., 200 West Gate Circle, Annapolis, Maryland 21401 representing
Hogan Holding Company
Suzanne Pogell, 137 Conduit Street, Annapolis, Maryland 21401
Ray Sullivan, 119 Meade Drive, Annapolis, Maryland 21401

No one else from the general public spoke in favor of or in opposition to the resolution.

- Mayor Cohen accepted into the record a Memorandum to the Annapolis City Council from the Planning Commission dated 12/15/11, and Memoranda from Jon Arason, Director, to the Planning Commission dated 11/17/11 and 11/23/11.
- Mayor Cohen continued the public hearing until January 23, 2012.

R-58-11 2011 Bicycle Master Plan – For the purpose of adopting the 2011 Bicycle Master Plan as an addendum to the 2009 Comprehensive Plan for the City of Annapolis.

Lucas Cruse, AICP, Senior Planner 6525 Belcrest Road, Suite 400 Hyattsville, Maryland 20782 representing Toole Design Group gave a brief presentation on the resolution and answered questions from Council.

Personal Transportation & Parking Specialist Banks was present and answered questions from Council.

Spoke on the resolution:

Sveinn Storm, 130 Dock Street, Annapolis, Maryland 21401
Robin Elliott, 48 Maryland Avenue, Annapolis, Maryland 21401 representing The Annapolis Business Association

Spoke in favor of the resolution:

Alex Pline, 305 Monterey Avenue, Annapolis, Maryland 21401
Alexander Meller, 820 Monroe Street, Apt 203, Annapolis, Maryland 21403
Joe Budge, 9 Randall Court, Annapolis, Maryland 21401 representing the Ward One Residents Association
James Urban, 915 Creek Drive, Annapolis, Maryland 21403

No one else from the general public spoke in favor of or in opposition to the resolution.

- Mayor Cohen accepted into the record a Memorandum to the Annapolis City Council from the Planning Commission dated 10/20/11.
- Mayor Cohen declared the public hearing closed.
- Alderwoman Hoyle left for the evening at 10:32 p.m.

R-64-11 A Parking Garage on Compromise Street – For the purpose of expressing the sense of the Annapolis City Council regarding a parking garage on Compromise Street.

Planning and Zoning Director gave a brief presentation on the resolution.

Spoke on the resolution:

Carolyn Kirby, 145 Compromise Street, Annapolis, Maryland 21401 representing Annapolis Summer Garden Theatre
Sharon Kennedy, 9 Randall Court, Annapolis, Maryland 21401 representing the Historic Preservation Commission
Sveinn Storm, 130 Dock Street, Annapolis, Maryland 21401
Orlando Ridout, 110 Duke of Gloucester Street, Annapolis, Maryland 21401

Spoke in favor of the resolution:

Ronald Jarashow, Esq., 295 Locust Avenue, Annapolis, Maryland 21401

representing Compromise Street, LLC
Sean O’Neil, 423 Halsey Road, Annapolis, Maryland 21401 representing the
Annapolis Business Association
Joe Budge, 9 Randall Court, Annapolis, Maryland 21401 representing City Dock
Advisory Committee and the Garage Sub Committee

- Alderman Arnett moved to continue the public hearing beyond 11:00 p.m.
Seconded. CARRIED on voice vote.

Midgett S. Parker, Jr, One Park Place, Suite 585, Annapolis, Maryland 21401
representing the Annapolis Economic Development Corporation

Spoke in opposition to the resolution:

Rick Struse, 120 Duke of Gloucester Street, Annapolis, Maryland 21401
Frederica Struse, 120 Duke of Gloucester Street, Annapolis, Maryland 21401

No one else from the general public spoke in favor of or in opposition to the
resolution.

- Mayor Cohen declared the public hearing closed.

LEGISLATIVE ACTION
RESOLUTIONS – 2nd READER

**R-49-11 Job Description for Accountant – For the purpose of approving the
new job description for Accountant in the Finance Department.**

- Alderman Arnett moved to adopt R-49-11 on second reading. Seconded.

Finance Director Miller was present and answered questions from Council.

A ROLL CALL vote was taken:

*YEAS: Mayor Cohen, Aldermen Silverman, Kirby, Pfeiffer, Arnett, Israel,
Paone Alderwoman Finlayson*

NAYS:

CARRIED: 8/0

**R-64-11 A Parking Garage on Compromise Street – For the purpose of
expressing the sense of the Annapolis City Council regarding a
parking garage on Compromise Street.**

- Alderman Arnett moved to adopt R-64-11 on second reading. Seconded.

A ROLL CALL vote was taken:

*YEAS: Mayor Cohen, Aldermen Silverman, Kirby, Pfeiffer, Arnett, Israel,
Paone Alderwoman Finlayson*

NAYS:

CARRIED: 8/0

ORDINANCE – 1st READER

**O-1-12 Election Ward Boundaries – For the purpose of altering the eight
election wards of the City of Annapolis; and all matters generally
relating to said wards.**

Referred to the Rules and City Government Committee

Mayor Cohen requested a public hearing with legislative action in February.

BUSINESS and MISCELLANEOUS

1. Budget Revision Requests

Finance Director Miller was present and gave a brief presentation on the budget revision request and answered questions from Council.

The Finance Committee voted favorable on the budget revision requests.

Harbormaster Walters was present and answered questions from Council.

GT-30-12 Department Recreation and Parks Division: Dock, justification for request: To post additional Federal MARAMA Funds approved for re-power conversion of Patrol Boats.

&

GT-31-12 Department Recreation and Parks, justification for request: With the anticipation of the summer programs, the Department will need to adjust expense accounts for the plan for summer recreation camps and pool (aquatic) related supplies. There is a savings in the professional services accounts due to changes in programming.

&

GT-32-12 Department Recreation and Parks, justification for request: As staff strives to maintain the PMRC to high degree of efficiency and cleanliness, additional funds are needed to repair and maintain the building structure. There is a savings in the professional services account due to changes in programming.

&

GT-33-12 Department Police, justification for the request: The Police Department requests to reallocate funds from the FY09 Byrne Justice grant from overtime for police personnel for Gang Training for new software to supplies to purchase equipment for the patrol vehicles to include etix scanners and printers and mobile computers. The approved Grant Adjustment from the Department of Justice.

&

GT-34-12 Department Public Works, justification for request: To establish working budget for grant awarded FY State Highway Administration for Safe Routes to School.

- Alderman Arnett moved to approve GT-30-12, GT-31-12, GT-32-12, GT-33-12 and GT-34-12. Seconded. CARRIED on voice vote.

2. Market House Update

Public Works Director Jarrell gave a brief update on the Market House and answered questions from Council.

Civil Engineer Grieco was also present and answered questions from Council.

Upon motion duly made, seconded and adopted, the meeting was adjourned at 12:17 a.m.

Regina C. Watkins-Eldridge, MMC
City Clerk

SPECIAL MEETING
January 23, 2012

The Special Meeting of the Annapolis City Council was held on January 23, 2012 in the Council Chamber. Mayor Cohen called the meeting to order at 7:14 p.m.

Present on Roll Call: Mayor Cohen, Alderwomen Hoyle, Finlayson, Aldermen Israel, Paone, Silverman, Kirby, Pfeiffer, Arnett

Staff Present: City Attorney Hardwick, Assistant City Attorney Elson, Planning and Zoning Director Arason, Grants Coordinator Farrow, Transportation Director Newell

PETITIONS, REPORTS AND COMMUNICATIONS

- Alderman Paone moved to amend the agenda to have O-2-12 on first reader and O-3-12 on first reader after petitions, reports and communications. Seconded. CARRIED on voice vote.
- Alderman Israel moved to amend the agenda to add O-31-11 on second reader for the purpose of considering a revised ordinance. Seconded. CARRIED on voice vote.
- Alderwoman Finlayson moved to postpone consideration O-26-11 on second reading until the Special Meeting of February 27, 2012, and to refer to the Public Safety Committee. Seconded. CARRIED on voice vote.
- Alderman Israel moved to postpone the legislative action on R-45-11 until the Regular Meeting of February 13, 2012. Seconded. CARRIED on voice vote.

Comments by the General Public

Arthur Roberts, 108 Duke of Gloucester Street, Annapolis, Maryland 21401 spoke on the Market House

- Mayor Cohen declared petitions, reports and communications closed.

The order of the agenda was amended to allow for ordinances on 1st reader.

ORDINANCES – 1st READING

O-2-12 Lease of City Dock Space to Chesapeake Marine Tours – For the purpose of authorizing for fiscal year 2018 the lease of certain municipal property located at the City Dock to Chesapeake Marine Tours, Inc. for the docking and mooring of certain boats.

Referred to the Economic Matters and Environmental Matters Committees

- Alderwoman Finlayson requested her name be added as a co-sponsor of O-2-12

O-3-12 Lease of City Property: Boat Shows in 2017 – For the purpose of authorizing a lease of certain municipal property located in the general harbor, Dock Street and Edgewood Road areas to United States Sailboat Shows, Inc. and United States Powerboat Shows, Inc., for a certain period of time in October 2017, to conduct boat shows.

Referred to the Economic Matters and Environmental Matters Committees

- Alderwoman Finlayson requested her name be added as a co-sponsor of O-3-12

The order of the agenda was resumed.

CONTINUATION OF PUBLIC HEARING OF 1/9/12

R-45-11 Annexation Plan – Hayes Property – For the purpose of adopting an annexation plan for the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City’s jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

Planning and Zoning Director Arason gave a brief presentation on the resolution.

Assistant City Attorney Elson was present and answered questions from council.

Spoke on the resolution:

Councilman Chris Trumbauer, 44 Calvert Street, Annapolis, Maryland 21404 representing the community of Dorsey Heights and Anne Arundel County

Spoke in favor of the resolution:

Seth Zirkle, 200 Westgate Circle, Suite 500, Annapolis, Maryland 21401 representing Hyatt & Weber, P.A. and Hogan Holding Company, LLC

Spoke in opposition to the resolution:

Verna Dreher, 170 Woods Drive, Annapolis, Maryland 21403 representing 135 Dorsey Drive, Edgewater, Maryland 21037

Ray Sullivan, 119 Meade Drive, Annapolis, Maryland 21403 representing Save Your Annapolis Neck

Carliese Scott, 130 Dorsey Drive, Edgewater, Maryland 21037

L. Odessa Ellis, 110 Dorsey Drive, Edgewater, Maryland 21037

Lynell Reed, 102 Dorsey Drive, Edgewater, Maryland 21037

Maurice Snowden, 116 Dorsey Drive, Edgewater, Maryland 21037

No one else from the general public spoke in favor of or in opposition to the resolution.

- Mayor Cohen declared the public hearing closed.

PUBLIC HEARINGS

O-54-11 Community Grant Application Review Process for Non-Profit Organizations – For the purpose of modifying the City of Annapolis’ community grant application review process for non-profit organizations.

Grants Coordinator Farrow gave a brief presentation on the ordinance and answered questions from council.

No one from the general public spoke in favor of or in opposition to the ordinance.

- Mayor Cohen declared the public hearing closed.

R-63-11 Increasing Transit Fares for Transportation Services – For the purpose of increasing transit fares for use of transportation services in the City of Annapolis by amending the FY 2012 fee schedule.

Transportation Director Newell gave a brief presentation on the resolution and answered questions from council.

No one from the general public spoke in favor of or in opposition to the resolution.

- Mayor Cohen declared the public hearing closed.

LEGISLATIVE ACTIONS

CHARTER AMENDMENT, ORDINANCES AND RESOLUTION – 2ND READING

CA-08-10 Structure and Procedures of City Government – For the purpose of increasing the number of wards in the City of Annapolis from eight to nine for the purpose of conducting the 2013 primary and general election and all primary and general elections thereafter, and for removing the Mayor as a member of the City Council, and providing for a presiding officer of the City Council to be selected by a majority vote of the City Council from the aldermen and alderwomen representing each of the nine wards, to serve for no more than a term of one year consecutively, and providing for the Mayor to have veto power over proposed ordinances and resolutions and line item veto power with respect to the City’s annual operating budget, and providing for the City Council to have the power to override a veto of the Mayor by a two thirds vote of those present and constituting a quorum and voting.

- Alderman Israel moved to adopt CA-08-10 on second reading. Seconded. DEFEATED on voice vote.

O-26-11 Alarm System Registration – For the purpose of establishing a registration requirement for alarm systems.

Postponed

O-54-11 Community Grant Application Review Process for Non-Profit Organizations – For the purpose of modifying the City of Annapolis’ community grant application review process for non-profit organizations.

- Alderman Arnett moved to adopt O-54-11 on second reading. Seconded.

The Finance Committee reported favorably on O-54-11.

- Alderman Arnett moved to amend O-54-11 as follows:

On page 1, in line 21, before “The City” add “Subject to the availability of funds”
On page 2, in line 2, change “may” to “shall”
On page 2, in line 3, change “City grant writer” to “a city staff person responsible for writing grants selected by the Mayor or his or her designee” Seconded.
CARRIED on voice vote.

- Alderwoman Finlayson moved to amend O-54-11 as follows:

On page 1, in line 24, strike “reasonable”. Seconded. CARRIED on voice vote.

The main motion as amended CARRIED on voice vote.

- Alderman Arnett moved to adopt O-54-11 amended on third reading. Seconded.

A ROLL CALL vote was taken:

YEAS: Mayor Cohen, Aldermen, Kirby, Pfeiffer, Arnett, Israel, Alderwomen

Hoyle, Finlayson, Aldermen Silverman
NAYS: Aldermen Paone
CARRIED: 8/1

The order of the agenda was amended to allow for O-31-11 on second reading.

O-31-11 Planning Commission and Board of Appeals Roles and Responsibilities Regarding Planned Developments and Special Exception – FOR the purpose of changing the roles and responsibilities of the Planning Commission and Board of Appeals as they relate to planned developments and special exceptions to maximize efficiencies in the public hearing process as allowed under Article 66B of the Annotated Code of Maryland.

- Alderman moved to adopt O-31-11 on second reading. Seconded.

The Rules and City Government Committee reported favorably with amendments on O-31-11.

- Alderman Arnett moved to substitute in the form of an amendment O-31-11 as revised by the Rules and City Government Committee as follows:

**CITY COUNCIL OF THE
City of Annapolis**

Ordinance No. O-31-11 Amended

Introduced by: Mayor Cohen

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	180 Day Rule
7/11/11	1/9/12	12/9/11	1/13/12
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	7/11/11	1/23/12	Favorable w/ amd.
Planning Commission	7/11/11	11/17/11	Favorable w/ amd.
Annapolis EDC	7/11/11		Comments

A ORDINANCE concerning

**Planning Commission and Board of Appeals Roles and Responsibilities
Regarding Planned Developments and Special Exceptions**

FOR the purpose of changing the roles and responsibilities of the Planning Commission and Board of Appeals as they relate to planned developments and special exceptions to maximize efficiencies in the public hearing process as allowed under Article 66B of the Annotated Code of Maryland.

BY repealing and re-enacting with amendments the following portions of the Code of the City of Annapolis, 2011 Edition

- Section 20.24.040
- Chapter 21.08
- Section 21.08.030
- Section 21.08.040
- Section 21.10.020
- Section 21.24.010
- Section 21.24.020
- Section 21.24.030
- Section 21.24.050
- Section 21.24.070
- Section 21.24.080
- Section 21.24.090

Section 21.24.110
 Section 21.24.130
 Section 21.26.030
 Section 21.26.050
 Section 21.26.060
 Section 21.30.010
 Section 21.48.030
 Section 21.64.510
 Section 21.68.070

SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the Code of the City of Annapolis shall be amended to read as follows:

20.24.040 - Right-of-way width.

I. In the case of any planned development developed pursuant to the requirements of Chapter 21.24, the Planning Commission may recommend and the Board of Appeals may authorize reductions in right-of-way and paving width pursuant to the standards set forth in Chapter 21.24 or its successor.

Chapter 21.08 Decision Making Bodies and Officials

Annapolis Zoning Code Summary of Review and Decision-Making Authority

Type of Decision	Planning and Zoning Director	Director of Neighborhood and Environmental Programs	Planning Commission	Board of Appeals	Historic Preservation Commission	City Council	Circuit Court
Administrative							
Administrative Adjustments	Decision			Appeal			
Administrative Interpretations	Decision			Appeal			
Change of Nonconforming Use	Decision			Appeal			
Demolition Permits (selected, per Chapter 21.14)	Decision			Appeal			
Determination of Nonconforming Use	Decision			Appeal			
Major and Minor Site Design Plans	Decision			Appeal			
Use and Occupancy Permit	Review	Decision		Appeal			
Sign Permit	Review	Decision, pursuant to Chapter 17.60		Appeal			
Stop Work Order, Corrective Measures Orders		Decision, Appeals pursuant to Title 17					
Revocation of		Decision					

Permits		Appeals pursuant to Title 17					
Planning Commission							
Business Planned Development	Review		Recommendation Decision	Decision			Appeal
Residential Planned Development	Review		Recommendation Decision	Decision			Appeal
Board of Appeals							
Appeal	Review			Decision			Appeal
Expansion of Nonconforming Use	Review		Recommendation Decision	Decision			Appeal
Special Mixed Planned Development	Review		Recommendation Decision	Decision Appeal			Appeal
Special Exception	Review		Recommendation Decision	Decision			Appeal
Variance	Review			Decision			Appeal
Zoning District Boundary Adjustments	Review			Decision			Appeal
Historic Preservation Commission							
Certificate of Approval	Review				Decision		Appeal
City Council							
Zoning Map Amendment	Review		Recommendation			Decision	Appeal
Zoning Text Amendment	Review		Recommendation			Decision	Appeal

21.08.030 - Planning Commission.

A. Establishment. The Planning Commission is established under Article 66B of the Annotated Code of Maryland.

B. Membership. The Planning Commission shall consist of seven residents of the City who have a demonstrated interest with regard to planning policy and with regard to land use matters and procedures of the City. The members shall be appointed by the Mayor and confirmed by the City Council.

C. Term. The term of office of each member of the Planning Commission shall be as provided in Article 66B of the Annotated Code of Maryland. The term of each member shall commence on July 1st of the year in the appointment is made.

D. Rules. The Planning Commission may adopt rules to assist the Commission in carrying out its duties under this Zoning Code.

E. Duties. The Planning Commission shall have the following powers and duties:

1. Review all applications for special exceptions and report the findings and recommendations to the Board of Appeals in the manner prescribed in this Zoning Code, Chapter 21.26

2 1. Review all proposed amendments to this Zoning Code and Zoning Map and to report to the City Council its findings and recommendations in the manner prescribed in this Zoning Code, Chapter 21.32 and Chapter 21.34

3 2. Receive the Planning and Zoning Director's recommendations related to the effectiveness of this Zoning Code and report its conclusions and recommendations to the City Council not less frequently than once a year.

4 3. Hear and ~~make recommendations~~ decide applications on planned developments pursuant to the provisions of Zoning Code Chapter 21.24

5 4. Execute all powers conferred to Planning Commissions under Article 66B of the Annotated Code of Maryland.

5. On referral by the Director of Planning and Zoning of a major site design the Planning Commission shall hold a public hearing and make recommendations.

6. On referral by the Director of Planning and Zoning on structures greater than 3250 square feet in R2-NC zoning districts the Planning Commission shall hold a public hearing and make recommendations.

21.08.040 - Board of Appeals.

A. Establishment. The Board of Appeals is established pursuant to and has the authority to execute all of the powers granted to Boards of Appeals by Article 66B of the Annotated Code of Maryland.

B. Membership. The Board of Appeals shall consist of five members who shall be residents and registered voters of the City of Annapolis and who shall serve without compensation. The regular members and one alternate member shall be appointed by the Mayor and confirmed by the City Council and be removable for cause, upon written charges, and after public hearing. When an alternate member is absent, the Mayor with the confirmation of the City Council may designate a temporary alternate.

C. Term. The term of office of each member of the Board of Appeals shall be for three years, as provided in Article 66B of the Annotated Code of Maryland. Vacancies shall be filled for the unexpired term of any member whose term becomes vacant.

D. Rules. The Board of Appeals shall adopt rules in accordance with the provisions of this section and in accordance with the provisions of Article 66B of the Annotated Code of Maryland. The Board shall adopt and amend rules as follows:

1. After a public session to consider the proposed rules or amendments, the Board shall adopt and periodically amend rules of practice and procedure.

2. The Board shall give reasonable notice of the date, time, and place of the public session and the category of rule or amendment to be considered at the session.

3. After approval by the Board, the rules of the Board of Appeals shall be published and shall be available to the public through the Department of Planning and Zoning.

E. Duties. The Board of Appeals shall have the following powers and duties:

1. To hear and decide appeals, pursuant to the provisions of Zoning Code Chapter 21.30 where it is alleged there is error in any order, requirement, decision or determination made by an administrative official or body in the enforcement of: (a) this Zoning Code; or (b) any ordinance adopted pursuant to this Zoning Code.

2. To hear and decide applications for special exceptions pursuant to Chapter 21.26 of this Zoning Code.

3. To hear and decide applications for variances from the terms of this Zoning Code, pursuant to the provisions of Chapter 21.28

4. ~~To hear and decide applications for planned developments pursuant to the provisions of Zoning Code Chapter 21.24~~

5 4. To hear and decide applications for zoning district boundary adjustments pursuant to the provisions of Zoning Code Chapter 21.20

6 5. To hear and decide applications for physical alteration of a nonconforming use pursuant to the provisions of Chapter 21.68

7 6. To hear and decide all matters referred to it or upon which it is required to decide by this Zoning Code, and as prescribed by Article 66B of the Annotated Code of Maryland.

F. Tolling of Approvals. Approvals granted by the Board of Appeals pursuant to Section 21.08.040E of this Code and extensions thereof which are active and valid as of December 31, 2010, shall be tolled until June 30, 2012, so that all such approvals and extensions shall expire on, or any applicable extension request shall have been requested by, June 30, 2012.

G. Meetings. The meetings of the Board of Appeals shall be held at the call of the chair and at other time determined by the Board. The Board shall provide public notice of any

meeting by publication in at least one newspaper of general circulation in the City not less than seven days prior to the meeting. The chair or the acting chair may administer oaths and compel the attendance of witnesses. All meetings shall be open to the public. The Board shall make a transcript of all proceedings, showing the vote of each member on each question, or the member's absence or failure to vote. The board shall immediately file the transcript of its proceedings in the Office of Planning and Zoning. Each transcript shall be a public record. If a recording or a transcript of a recording is not prepared in the normal course of the Board's proceedings, the party who requests a copy of the recording or its transcript shall pay the cost of preparing the recording or transcript.

21.10.020 - Notice requirements.

Summary of Public Meetings (PM) and Public Hearings (PH)

Type of Application	Planning and Zoning Director	Planning Commission	Board of Appeals	Historic Preservation Commission	City Council
Administrative Adjustment	Optional PH				
Appeal			PH		
Certificate of Approval				PH	
Change of Nonconforming Use	PH				
Demolition Permits	Optional PM				
Expansion of Nonconforming Use		PH	PH		
Minor Site Design Plan	Optional PM				
Major Site Design Plan	Optional PM				
Planned Developments	Optional PM	PH	PH		
Special Exceptions With Major Site Design Plan		PH* *if referred by Planning and Zoning Director	PH		
Variance			PH		
Zoning District Boundary Adjustment			PH		
Zoning Text Amendment		PH			PH
Zoning Map Amendment		PH			PH
Site Design Review of R2-NC Structures > 3250 sq. ft.		PH			

21.24.010 - Purposes, authority and types.

A. Purposes. The purposes of planned developments are as follows:

1. To allow greater flexibility in order to encourage more creative design for the development of land than is generally possible under conventional zoning district regulations.
2. To promote orderly and thorough planning and review procedures that will result in quality design and counteract the negative effects of monotonous design.
3. To allow the grouping of buildings and a mix of land uses with an integrated design and a coordinated physical plan.
4. To promote development in a manner that protects significant natural resources and integrates natural open spaces into the design of a development project.
5. To encourage a design that takes into account the natural characteristics of the site in the placement of structures.
6. To promote development that is compatible with the goals of the Comprehensive Plan.

B. Types of Planned Developments, Where Permitted.

1. There are three types of planned developments: residential planned developments, business planned developments, and special mixed planned developments.
2. Planned developments may be permitted only where listed in the use tables for specific zoning districts in Chapter 21.48 of this Zoning Code.

C. Authority to Approve. The Board of Appeals Planning Commission is authorized to decide applications for planned developments.

21.24.020 - Use regulations for planned developments.

A. Residential Planned Development.

1. Except for uses specifically prohibited by the Zoning Code in the district that is the subject of the application, a residential planned development may consist of the following uses:

- a. Uses that are allowed as permitted uses, uses subject to standards or special exception uses in any residential district, which uses are allowed as permitted uses if included within and approved as part of a residential planned development.
 - b. Up to ten percent of the ground area or gross floor area of a residential planned development may consist of uses that are allowed as permitted uses or as uses subject to standards in the B1 District.
2. No more than thirty percent of the ground area or of the gross floor area of the development may be devoted to planned development uses.

B. Business Planned Development.

1. Except for uses specifically prohibited by the Zoning Code in the district that is the subject of the application, a business planned development may consist of the following uses:

- a. All uses allowed as a permitted use, ~~or~~ use subject to standards, or special exception use in the zoning district in which the business planned development is located, which uses are allowed as permitted uses if included within and approved as part of a business planned development.
 - b. For business planned developments located in the B1, B2, B3, BCE, P, and MX districts, a business planned development may include all uses allowed in any residential district as a permitted use, use subject to standards, or as a special exception.
2. No more than fifteen percent of the ground area or of the gross floor area of the development may be devoted to planned development uses.

C. Special Mixed Planned Development.

1. Except for uses specifically prohibited by the Zoning Code in the district that is the subject of the application, a special mixed planned development may consist of all uses allowed as a permitted use, use subject to standards, or as a special exception in any zoning district, which uses are allowed as permitted uses if included within and approved as part of a special mixed planned development.
2. No more than thirty percent of the ground area or of the gross floor area of the development may be devoted to planned development uses.

21.24.030 - Phasing of nonresidential uses.

Proposed phases of the planned development must be designed so that no separate building or structure designed or intended to be used, in whole or in part, for business

purposes as a planned development use within a residential planned development may be constructed prior to the issuance of at least thirty building permits for at least ten percent of the dwelling units proposed in the planned development plan.

21.24.050 - Bulk and density standards.

A. Bulk Standards. The Board of Appeals Planning Commission may adjust bulk standards, other than height, that are otherwise applicable in the zoning district, except as follows:

1. Except in the case of single family detached dwellings in residential planned developments, the spacing between principal buildings shall be at least equivalent to the spacing which would be required between buildings similarly developed under the terms of this Zoning Code, on separate zoning lots, due consideration being given to the openness normally afforded by intervening streets and alleys.

2. Along the periphery of the planned development, yards will at a minimum be provided as required by the regulations of the district in which the development is located.

B. Density Standards. The following density standards shall apply to planned developments:

1. In a residential planned development, the maximum number of dwelling units may not exceed the number of units determined by dividing the gross development area by the minimum lot area per dwelling unit (or per dwelling unit type if a mix of units is proposed) required by the district or districts in which the development is located. Gross development area shall be the area of the zoning lot as a whole. The area of land set aside for common open space or recreational use may be included in determining the number of dwelling units permitted. If the gross development area of the property includes property within the Resource Conservation Area of the Critical Area Overlay, density shall be determined, as per Section 20.24.130(G) and (H).

2. In a business or special mixed planned development, the maximum number of dwelling units may not exceed the number of units determined by dividing the gross residential development area by the minimum lot area per dwelling unit required by the R4 district.

21.24.070 - Procedures for planned developments.

A. Application Procedures. All planned development applications must be submitted to the Planning and Zoning Director in accordance with the requirements of Section 21.10.010 Common Procedures for Review of Applications. Applications must be submitted on forms provided by the Planning and Zoning Director and accompanied by any required fees, preliminary or final plans or other required submittals.

B. Application Options. An applicant may elect one of the following procedural options:

1. An applicant may submit a preliminary plan for informal review by the Planning and Zoning Director and other City departments the Director deems appropriate, prior to the submission of a final planned development application.

2. An applicant may submit a preliminary plan for formal review and decision by the Board of Appeals Planning Commission.

3. An applicant may elect to submit only a complete final planned development application.

C. Review of Preliminary Planned Development Plans. The following procedures shall apply to the review of preliminary planned development plans.

1. Staff Review. The Planning and Zoning Director may distribute copies of a preliminary plan for review by the appropriate City departments.

2. Staff Comments on Preliminary Plan. Following review of any preliminary plan, the Planning and Zoning Director and any other City department reviewing the preliminary plan will provide the applicant with any written comments prepared in connection with the review of the preliminary plan and will transmit a copy of any written comments to the Board of Appeals Planning Commission.

3. Optional Work Session or Public Meeting. If the Planning and Zoning Director deems necessary, the Director or the Planning Commission may hold a work session or public meeting for the review of the preliminary plan. Notice of the work session or public meeting must be given by the applicant in accordance with the notice requirements set forth in Section 21.10.020(D).

4. Public Hearing. If the applicant requests action on a preliminary plan by the Board of Appeals Planning Commission, the Board of Appeals Planning

Commission shall schedule and hold a public hearing on a preliminary planned development application. The applicant shall give notice of the hearing in accordance with the notice requirements set forth in Section 21.10.020(B) and 21.10.020(C) and any other requirements established by the Board of Appeals Planning Commission.

5. Decision on Preliminary Plan. Within thirty days of the conclusion of the public hearing, the Board of Appeals Planning Commission shall decide to: (1) approve the preliminary plan, (2) approve the preliminary plan subject to specific conditions; or (3) deny the preliminary plan.

D. Review of Final Plans and Application. The following procedures shall apply to the review of final planned development plans.

1. Staff Review. The Planning and Zoning Director shall distribute copies of a final planned development application to appropriate City departments for review after having determined that the submission is complete.

2. Staff Report. Following review of any complete final planned development application, the Planning and Zoning Director and any other City department reviewing the application will prepare a staff report on the final planned development application and transmit the staff report to the Planning Commission and the Board of Appeals prior to the required Planning Commission public hearing and Board of Appeals public hearing on the application.

3. Planning Commission Public Hearing. The Planning Commission will consider the application at a regular monthly public meeting. Notice of the public hearing must be given by the applicant in accordance with the notice requirements set forth in Section 21.10.020(B) and 21.10.020(D). At this meeting the Planning Commission shall accept evidence and testimony as it may judge to be relevant to the proper consideration of the case.

4. Planning Commission Recommendation. Within thirty days after the Planning Commission has completed its review of the application, it shall forward its written findings of fact and recommendations on the application to the Board of Appeals. In no case may the Planning Commission forward its findings and recommendations to the Board of Appeals more than ninety days after first placing the application on the agenda of a Planning Commission meeting.

5. Public Hearing. The Board of Appeals Planning Commission shall schedule and hold a public hearing on the complete final planned development application. The applicant shall give notice of the hearing in accordance with the notice requirements set forth in Section 21.10.020(B) and 21.10.020(C) and any other requirements established by the Board of Appeals Planning Commission.

6. Decision on Final Plan and Application. Any staff reports received by the Board of Appeals Planning Commission will be considered at the public hearing. Within thirty days of the conclusion of the public hearing, the Board of Appeals Planning Commission shall decide to: (1) approve the application, (2) approve the application subject to specific conditions; or (3) deny the application.

21.24.080 - Rights-of-way.

The Board of Appeals Planning Commission may authorize reductions in the right-of-way width and paving width based on the following findings:

A. The proposed width will promote the public welfare and will not endanger public safety.

B. The proposed width will not impede normal and orderly development and improvement of surrounding property.

C. The proposed width will not impair the provision of adequate ingress, egress and access within the planned development.

D. The proposed width of right-of-way has been approved by the Department of Public Works, the Fire Department or other appropriate City agencies.

21.24.090 - Planned development review criteria and findings.

In deciding planned development applications the Board of Appeals Planning Commission shall make written findings based on the following:

A. The planned development is compatible with the character of the surrounding neighborhood and the Comprehensive Plan and the purposes of planned developments.

B. The proposed locations of buildings, structures, open spaces, landscape elements, and pedestrian and vehicular circulation systems are adequate, safe, and efficient and designed to minimize any adverse impact upon the surrounding area.

C. The planned development will promote high quality design and will not result in greater adverse impacts to the surrounding area compared to the development that may otherwise be permitted pursuant to the Zoning Code if a planned development were not approved.

D. The planned development complies with the planned development use standards and bulk and density standards.

E. The planned development complies with the Site Design Plan Review criteria provided in Section 21.22.080

F. The planned development plan includes adequate provision of public facilities and the proposed infrastructure, utilities and all other proposed facilities are adequate to serve the planned development and adequately interconnect with existing public facilities.

21.24.110 - Expiration.

A. Expiration.

1. A preliminary planned development approval shall expire ~~within~~ one year ~~of~~ from the date of final approval if the applicant has not submitted a final planned development application prior to that ~~expiration~~ date.

2. A final planned development approval shall expire ~~within one two~~ years ~~of~~ from the date final approval if a building permit is not obtained prior to that ~~expiration~~ date. If substantial site development has not commenced within a period of three years ~~of from~~ the date of final approval, or in the case of larger developments, for each phase of the project indicated on the planned development plan, the planned development approval shall expire.

B. Extension. If an extension is requested prior to the expiration of a preliminary or final planned development approval, the Planning and Zoning Director may extend a preliminary or final planned development approval, and the corresponding expiration dates in subsection A. above, for a period not to exceed up to three years from the date or dates on which the approval would otherwise have expired, of initial approval by the Board of Appeals Planning Commission subject to the notification requirements of Section 21.10.020A.

C. Abandonment. If, within any continuous three year period after approval of a planned development, no building permits are issued for that planned development, then that planned development shall be deemed to be abandoned.

D. Abandoned or Expired Planned Developments. In the event that a planned development is abandoned or expires, no building permits shall be issued for the planned development unless it is determined by the Planning and Zoning Director that the planned development complies with the current Comprehensive Plan, site design standards and zoning regulations. Should the Planning and Zoning Director decline to make a determination that an abandoned or expired planned development complies with the current Comprehensive Plan, site design standards and zoning regulations, the An abandoned or expired planned development may be reinstated in the same manner as a new planned development.

E. Conditions. Any conditions of approval related to those phases of the planned development which were complete prior to the abandonment of the planned development shall remain in full effect and shall be enforceable.

21.24.130 - Appeals.

Appeal of ~~Board of Appeals~~ Planning Commission Decision. An appeal from a decision of the ~~Board of Appeals~~ Planning Commission under this chapter shall be made to the Circuit Court of Maryland for Anne Arundel County Board of Appeals Circuit Court of Maryland for Anne Arundel County.

21.26.030 – Procedures for Special Exceptions.

A. Application Procedures. All applications for special exceptions shall be filed with the Planning and Zoning Director in accordance with the requirements of Section 21.10.010 Common Procedures for Review of Applications.

B. Review Procedures for Special Exception Applications. In the review and decision of special exception applications, the following procedures shall apply:

1. Staff Review. The Planning and Zoning Director, after having determined that the submission is complete pursuant to Section 21.10.010, may distribute copies of the application to appropriate City departments for review.
2. Staff Report. Following review of any special exception application, the Planning and Zoning Director and any other City department reviewing the application will prepare a staff report on the application and transmit the staff report to the ~~Planning Commission~~ Board of Appeals prior to the required ~~Planning Commission~~ Board of Appeals public hearing on the application.
3. ~~Public Hearing. The Planning Commission will consider the application at a regular monthly public meeting. Notice of the public hearing must be given by the applicant in accordance with the notice requirements set forth in Sections 21.10.020(B) and 21.10.020(D). At this hearing the Planning Commission shall accept evidence and testimony as it may judge to be relevant to the proper consideration of the case.~~
4. ~~Planning Commission Recommendation. Within thirty days after the Planning Commission has completed its review of the application, it shall forward its written findings of fact and recommendations on the application to the Board of Appeals. In no case may the Planning Commission forward its findings and recommendations to the Board of Appeals more than ninety days after first placing the application on the agenda of a Planning Commission meeting.~~
- 5 3. Public Hearing. The Board of Appeals shall hold a public hearing on each application. The hearing shall be conducted, and a record of the proceedings shall be preserved, in the manner the Board of Appeals, by rule, prescribes from time to time. Notice of the public hearing must be given by the applicant in accordance with the notice requirements set forth in Sections 21.10.020(B) and 21.10.020(C). At the hearing, ~~the Planning Commission's findings and recommendations and a report from the Planning and Zoning Director shall be placed in evidence.~~
- 6 4. Action on Application. Within thirty days of the conclusion of the public hearing, the Board of Appeals shall decide to: (1) approve the application, (2) approve the application subject to specific conditions; or (3) deny the application.
- 7 5. Conditions of Approval. ~~The Planning Commission may recommend, and the Board of Appeals may stipulate, conditions and restrictions upon the establishment, location, construction, maintenance and operation of the special exception as are deemed necessary for the protection of the public interest and to secure compliance with the requirements specified in Section 21.26.050. However, the Board of Appeals may not impose any condition, or enforce any condition previously imposed, which restricts the applicability or approval of a special exception to a particular applicant, owner or operator.~~

21.26.050 - Review criteria and findings.

The ~~recommendation of the Planning Commission and~~ decision by the Board of Appeals must be based upon written findings with respect to the following:

- A. The establishment, maintenance or operation of the special exception will not be detrimental to or endanger the public health, safety, morals, convenience or general welfare.
- B. The special exception will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted, or substantially diminish and impair property values within the neighborhood.
- C. The establishment of the special exception will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district.
- D. Adequate utilities, access roads, drainage and necessary facilities have been or are being provided.
- E. Adequate measures have been or will be taken to provide ingress and egress designed to minimize traffic congestion in the public streets.
- F. The special exception shall, in all other respects, conform to the applicable regulations of the district in which it is located, including any use provisions or standards set forth in Chapter 21.64
- G. In the case of food service establishments, the following additional standards for review apply. The review of the proposed food service operation shall be based upon an analysis of the proposed use's impact in the following areas:
 1. Environmental:

- a. Noise, including the noise of the mechanical equipment and of the patrons while on the premises.
 - b. Odors: control of odors from the cooking process and from the storage of garbage,
 - c. Trash and litter: the type of trash and garbage the food service operation will generate; the precautions to be taken to prevent littering of the streets.
2. Traffic:
- a. Streets: adequacy of the street system to handle additional traffic,
 - b. Loading/unloading: off-street loading facilities available and adequate to handle the intensity and the type of trucks needed to service the proposed use; if on-street loading facilities are used, whether the use will impede traffic flow,
 - c. Parking: adequate parking available either on-site or within the area for employees and patrons.
3. Neighborhood:
- a. Hours: the hours of operation are compatible with the surrounding commercial and/or residential neighborhood,
 - b. Loitering: the measures the restaurant will employ to discourage loitering; whether the type of use is compatible with the surrounding commercial and residential neighborhood.
4. Adequacy of public facilities:
- a. Water and sewer: excess capacity exists and is available,
 - b. Police: police coverage is available,
 - c. Fire: the Fire Department has access to the site; sufficient water pressure for firefighting purposes is available and the building meets life safety standards,
5. Community need: a community need for the use has been established.

H. An appeal from a decision of the Board of Appeals shall be made to the Circuit Court of Maryland for Anne Arundel County.

21.26.060 - Reapplication after denial.

No application for a special exception, which has been denied wholly or in part by the Board of Appeals, shall be resubmitted for a period of one year from the date of the order of denial, except on the grounds of new evidence or proof of change of conditions found to be valid by the Planning Commission and the Board of Appeals.

21.30.010 - Purpose and authority.

An appeal may be taken to the Board of Appeals by a person aggrieved or by an officer, department, board or bureau of the City aggrieved by a decision of the Planning and Zoning Director or an enforcement action of the Director of Neighborhood and Environmental Programs other than the issuance of a misdemeanor citation.

21.48.030 - Table of Uses—Office and Mixed Use Zoning Districts.

[Table Notes]

3. Uses and combinations of uses located on zoning lots of 40,000 square feet or more require special exception approval, unless such uses are approved as part of a planned development.

21.64.510 - Planned developments.

Planned developments are permitted subject to approval by the Board of Appeals Planning Commission pursuant to regulations and procedures set forth in Chapter 21.24.

21.68.070 - Expansion of nonconforming uses.

No nonconforming use may be expanded except in the manner provided in this section.

A. Applications for Expansion.

1. Applications for expansion of nonconforming uses shall be subject to the procedures established in Section 21.26.030 (special exceptions).

2. Upon approval by the Board of Appeals, a nonconforming use of a structure may be expanded throughout the same structure to occupy a part of a structure that it did not occupy on the effective date of this Zoning Code.

B. Application Requirements. All applications for expansion of nonconforming

uses shall be accompanied by plans and on any forms prescribed by the Planning and Zoning Director and shall at a minimum include the following:

1. A statement in writing by the applicant and adequate evidence showing that the expanded nonconforming use will conform to the standards set forth in this chapter.
2. Applicants shall provide the names and addresses of all persons having a financial or vested interest in the project and in the case of firms, partnerships and corporations, the names and addresses of all principals of the firm, partnership or corporation, who have a financial or vested interest in the project for which the application is made.

C. Review Criteria and Findings. The ~~recommendation of the Planning Commission and decision by the Board of Appeals~~ must be based upon written findings with respect to the following:

1. Compared with the existing nonconforming use, the expanded use will not be substantially more detrimental to the public health, safety, or general welfare.
2. The expanded use will not be injurious to the use and enjoyment of other property in the immediate vicinity for the purposes already permitted, or substantially diminish and impair property values within the neighborhood.
3. The expanded use will not impede the normal and orderly development and improvement of the surrounding property for uses permitted in the district.
4. Adequate utilities, road access, drainage and necessary facilities have been or are being provided.
5. Adequate measures have been or will be taken to minimize traffic congestion in the public streets.

D. Expiration of Approval. No approvals of expansion of a nonconforming use shall be valid for a period longer than one year from the date of the approval, unless the building permit is obtained within that period and the expansion of the use is commenced within that period. However, the Planning and Zoning Director, upon a showing of good cause, may grant up to two successive extensions of the approval for periods not longer than six months each, provided that a written application for each extension is filed while the prior approval is still valid.

E. Appeals. Appeals from decisions of the Board of Appeals under this section shall be made to the Circuit Court of Maryland for Anne Arundel County.

SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that this Ordinance shall take effect from the date of its passage, and it shall apply to all future and all pending applications for planned development and/or special exception approvals, except that with regard to a planned development application for which the Planning Commission has opened the public hearing pertaining thereto as of the date of passage of this Ordinance, the Planning Commission shall complete the public hearing and its review of the planned development application and shall issue a recommendation on such planned development application, and the Board of Appeals shall consider and decide the planned development application in accordance with the procedures in place prior to the passage of this Ordinance.

ADOPTED this _____ day of _____, _____.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

EXPLANATION:

Highlighting indicates matter added to existing law.
Strikeout indicates matter deleted from existing law.

Underlining indicates amendments.

Seconded. CARRIED on voice vote.
The order of the agenda was resumed.

R-45-11 Annexation Plan – Hayes Property – For the purpose of adopting an annexation plan for the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City’s jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

Postponed

BUSINESS and MISCELLANEOUS

1. Referral of O-51-11 to the Planning Commission

- Mayor Cohen referred O-51-11 to the planning Commission.

2. Strategic Planning Meeting pursuant to Charter and Code Section 2.16.020

- Alderman Arnett move pursuant to Charter and Code Section 2.16.020 to hold the meeting at the Roger “Pip” Moyer Community Center on February 6, 2012 from 2 p.m. to 4 p.m. **Seconded. CARRIED on voice vote.**

3. Budget Revision Request

Control number **GT- 28-12**, Department Public Works, Department justification for request, to reallocate U S Justice Energy Funds for installation of Geothermal Wells at the Market House.

- Alderwoman Finlayson moved to approve GT- 28-12. **Seconded. CARRIED on voice vote.**

Upon motion duly made, seconded and adopted, the meeting was adjourned at 9:32 p.m.

Regina C. Watkins-Eldridge, MMC
City Clerk

1 CITY COUNCIL OF THE
2 City of Annapolis

3 Ordinance No. O-29-11

4 Introduced by: Alderman Israel
5
6
7

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	180 Day Rule
6/20/11			12/16/11
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	6/20/11		
Planning Commission	6/20/11		

8
9 **A ORDINANCE** concerning

10 **The Length of Time for Filing an Administrative Decision to the Board of Appeals**

11 **FOR** the purpose of extending the length of time for filing an appeal of an administrative
12 decision to the Board of Appeals from fifteen days to thirty days.

13 **BY** repealing and re-enacting with amendments the following portions of the Code of the
14 City of Annapolis, 2010 Edition
15 Section 21.30.020
16

17 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
18 **COUNCIL** that the Code of the City of Annapolis shall be amended to read as follows:

19 **CHAPTER 12.30 - APPEALS.**

20 21.30.020 - Procedures.

21 A. Appeal Procedures. An appeal may be taken within ~~fifteen~~ **thirty** days after the decision or
22 the action complained of, by filing with the director from whom the appeal is taken a notice of
23 appeal specifying the grounds of the appeal. The director from whom the appeal is taken shall,
24 at the expense of the appellant, forthwith transmit to the Board of Appeals all of the papers
25 constituting the record upon which the action appealed from was taken.

26 B. Review Procedures.

27 1. Notice and Hearing. The Board of Appeals shall select a reasonable time and place for the
28 hearing of the appeal. Notice of the hearing must be given in accordance with the notice
29 requirements set forth in Sections 21.10.020(B) and 21.10.020(C).

30 2. Decision. The board shall reach its decision within forty days from the date of the hearing.
31 The Board of Appeals may affirm or reverse, wholly or in part, or may modify the order,
32 requirement, decision or determination as ought to be made or the board may issue a new
33 order, requirement, decision or determination. To that end, the board has all the powers of the
34 officer from whom the appeal is taken.

35 3. Notice of Decision. At the appellant's expense, the Board of Appeals shall publish notice of
36 the decision in a newspaper of general circulation in the City and mail notices of the decision to
37 all persons owning property within two hundred feet of the subject property.

1 4. Record of Decisions. The Planning and Zoning Director and the Director of Neighborhood
2 and Environmental Programs shall maintain records of all actions of the Board of Appeals
3 relative to appeals taken from their actions pursuant to this section.
4

5 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
6 **ANNAPOLIS CITY COUNCIL** that this Ordinance shall retroactively take effect as of May 15,
7 2011.
8

9 **ADOPTED** this _____ day of _____, _____.
10
11

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY _____

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

12
13
14 **EXPLANATION:**

15 Highlighting indicates matter added to existing law.
16 ~~Strikeout indicates matter deleted from existing law.~~
17 Underlining indicates amendments.
18

FISCAL IMPACT NOTE

Legislation No: O-29-11

First Reader Date: 06-20-11

Note Date: 01-29-12

Legislation Title: The Length of Time for Filing an Administrative Decision to the Board of Appeals

Description: For the purpose of extending the length of time for filing an appeal of an administrative decision to the Board of Appeals from fifteen days to thirty days.

Analysis of Fiscal Impact:

This legislation produces no significant fiscal impact.

Policy Report

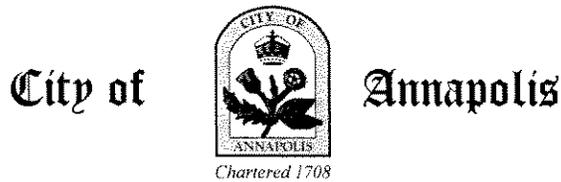
Ordinance O-29-11 and R-33-11

The Length of Time for Filing An Appeal of an Administrative Decision to the Board of Appeals and Reducing the FY 2011 Fee for Filing an Appeal of an Administrative Decision to the Board of Appeals

The proposed ordinance would extend the length of time for filing an appeal of an administrative decision to the Board of Appeals from fifteen days to thirty days.

The proposed resolution would reduce the fee for fiscal year 2011 for filing an appeal of an administrative decision to the Board of Appeals from \$620.00 to \$150.00.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at JCCowles@annapolis.gov or 410.263.1184.



PLANNING COMMISSION

(410)263-7961

145 GORMAN STREET, 3RD FLOOR
ANNAPOLIS, MARYLAND 21401

December 15, 2011

To: Annapolis City Council
From: Planning Commission
Re: Findings - O-29 -11

Summary

O-29 -11 proposes a modification to Chapter 21. to extend the length of time for filing an appeal of an administrative decision to the Board of Appeals from 15 days to 30 days.

Staff Recommendation

As requested by a member of City Council, the staff prepared a report on the proposed change to the period allowed for filing an appeal to a decision of the Director of Planning. Staff reviewed the incidents of past requests for an extended time for filing for appeals and the potential impact of such extended time. Finding no record of complaint about the current time allowed and contemplated further delay for property owners potentially affected by an extended period of delay in their projects, staff did not find sufficient cause to recommend support of the text amendment.

Public Hearing and Deliberation

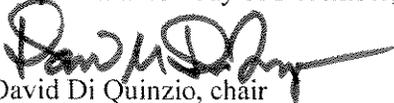
The Planning Commission received the staff report at a regularly scheduled meeting on Dec. 1, 2011. The chairman of the commission opened the floor to a public hearing following the staff report presentation. No one spoke.

The commissioners questioned staff about the history of appeals to the decisions of the planning director and sought evidence of negative impacts resulting from the current time limits. Neither staff nor commissioners were aware of such impacts. Further questions directed to staff dealt with impacts of an extension of the time to file appeals. Staff reported that in most instances, the planning director's administrative decisions effect residential or small scale projects already approved and underway. An observed situation reported by staff is the issuance of a stop-work order until the director completes the review and issues a determination. Extending the allowable period for appeal would, in the opinion of staff, add to the time of uncertainty for projects. This potentially adds costs and time to projects without benefit to the community.

Recommendation

Lacking evidence of a current problem with the existing time limit of fifteen days for appeal and accepting the staff's observation of potential delay and expense for small projects, the commissioners voted 6-0 to recommended denial of the proposed text amendment.

Adopted this 15th day of December, 2011


David Di Quinzio, chair



City of Annapolis

DEPARTMENT OF PLANNING AND ZONING

145 Gorman Street, 3rd Floor, Annapolis, Maryland 21401

Chartered 1708

Annapolis 410-263-7961 • FAX 410-263-1129 • MD Relay (711)

JON ARASON, AICP
DIRECTOR

August 26, 2011

MEMORANDUM

To: Planning Commission

From: Jon Arason *JA*
Planning Director

Re: Ordinance O-29-11—extending the appeal period from an administrative determination

Attachments: O-29-11
Chapter 21.30 if the code

Ordinance O-29-11

The zoning code is written such that discretion is given to administrative staff in the interpretation of the code and in the application of various subjective standards. In instances where there are ambiguities in the code, the Director of Planning and Zoning is empowered to interpret the code in its application. Many times there can be disagreements as to how the director interpreted the code. The remedy for these disagreements is found in Chapter 21.30 wherein any person aggrieved by a decision of the Planning and Zoning Director may appeal that decision to the Board of Appeals. The same is true of subjective decisions made regarding, for example, site design review when discretion is used to enforce such design characteristics as ‘compatibility’ with nearby development. Aggrieved parties may also take these determinations to the Board of Appeals for adjudication.

Chapter 21 further states that when an appeal is filed all proceedings in the furtherance of the action appealed are stayed, or halted. This means that no further actions can be taken, e.g. building permits issued, during the pendency of the appeal to the Board of Appeals. In some instances stop work orders are issued when an appeal is filed. (This occurs when a property owner begins work during the fifteen day appeal period and the appeal is filed on the fourteenth or fifteenth day.)

Ordinance O-29-11 was introduced on June 20, 2011. The purpose is to extend the appeal period from administrative determinations to thirty days. Since 1970 the appeal period for determinations has been fifteen days. In that time, and in my tenure, numerous appeals have been filed. The threat of appeal or actual appeal can place a project in limbo during the appeal period, or the period of the actual appeal if filed, lengthening the appeal period to thirty days would add additional time between an approval and the ability to begin work. Two goals of the

permitting process is to maintain or enhance predictability and to try to stream line permit issuance and O-29 is contrary to both of these goals. A third important goal is to ensure that all persons in the city are not denied their due process rights to challenge a governmental action. The code addresses this right in Chapter 21.30 which details the appeal process. For forty years, fifteen days has been an effective period in which to file an appeal and few if any complaints have been made regarding this appeal period.

Staff finds no benefit from extending the appeal period, and feels that it adds additional uncertainty and time to the appeal process. Staff recommends that the appeal period remain at fifteen days.

**CITY COUNCIL OF THE
City of Annapolis**

Resolution No. R-33-11

Introduced by: Alderman Israel

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	120 Day Rule
6/20/11			10/18/11
Referred to	Referral Date	Meeting Date	Action Taken
Finance	6/20/11		
Rules and City Gov't	6/20/11		

A RESOLUTION concerning

**Reducing the FY 2011 Fee for Filing an Appeal of an
Administrative Decision to the Board of Appeals**

FOR the purpose of reducing the fee for FY 2011 for filing an appeal of an administrative decision to the Board of Appeals from \$620.00 to \$150.00.

WHEREAS, 21.30.010 of the Code of the City of Annapolis states, "An appeal may be taken to the Board of Appeals by a person aggrieved or by an officer, department, board or bureau of the City aggrieved by a decision of the Planning and Zoning Director or an enforcement action of the Director of Neighborhood and Environmental Programs other than the issuance of a misdemeanor citation"; and

WHEREAS, 21.30.020 of the Code of the City of Annapolis provides that an appeal must be taken within fifteen days after the decision or the action complained of, by filing with the director from whom the appeal is taken a notice of appeal specifying the grounds of the appeal.

NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL that the FY 2011 fee schedule is amended as follows:

Section	Type of Fee	Amount of Fee FY 2011
21.30.020	Appeal from an administrative decision to the Board of Appeals	\$620.00 \$150.00

AND, BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that this Resolution shall retroactively take effect as of May 15, 2011.

ADOPTED this _____ day of _____, _____.

1

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

2

3

4

5

6

7

8

EXPLANATION:

Highlighting indicates matter added to existing law.
~~Strikeout indicates matter deleted from existing law.~~
Underlining indicates amendments.

FISCAL IMPACT NOTE

Legislation No: R-33-11

First Reader Date: 06-20-11

Note Date: 01-29-12

Legislation Title: Reducing the FY2011 Fee for Filing an Appeal of an Administrative Decision to the Board of Appeals

Description: For the purpose of reducing the fee for FY 2011 for filing an appeal of an administrative decision to the Board of Appeals from \$620 to \$150.

Analysis of Fiscal Impact:

The fee change in this legislation was included in R-15-11, FY 2012 Fees Schedule Effective July 1, 2011. There is no additional fiscal impact.

1
2
3
4
5
6
7
8

**CITY COUNCIL OF THE
City of Annapolis**

Ordinance No. O-2-12

**Introduced by: Mayor Cohen, Alderman Arnett, Alderwoman Hoyle, Alderman Paone,
Alderman Pfeiffer, and Alderman Israel**

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
1/23/12			4/20/12
Referred to	Referral Date	Meeting Date	Action Taken
Economic Matters	1/23/12		
Environmental Matters	1/23/12		

9
10 **A ORDINANCE** concerning

11 **Lease of City Dock Space to Chesapeake Marine Tours**

12 **FOR** the purpose of authorizing for fiscal year 2018 the lease of certain municipal property
13 located at the City Dock to Chesapeake Marine Tours, Inc. for the docking and mooring
14 of certain boats.

15 **WHEREAS,** the City of Annapolis and Chesapeake Marine Tours, Inc., have entered into a
16 series of leases and amendments, the most recent being O-4-11, to lease
17 through June 30, 2017, certain docking space at the City Dock at specified rental
18 and under certain terms and conditions; and

19 **WHEREAS,** Article III, Section 8 of the Charter of the City of Annapolis requires the passage
20 of an ordinance to authorize a lease.

21
22 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
23 **COUNCIL** that the proposed Lease, a copy of which is attached hereto and made a part hereof,
24 between the City of Annapolis and Chesapeake Marine Tours, Inc. d/b/a Watermark Cruises, is
25 hereby approved, and the Mayor is hereby authorized to execute the Lease on behalf of the
26 City. It is further expressly found by the City Council that the services to be provided as a result
27 of the Lease will benefit visitors and residents of the City, will generate tax revenues and
28 additional rental income to the City, and will better serve the public need for which the property
29 was acquired.

30
31 **AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
32 **COUNCIL** that this Ordinance shall take effect from the date of its passage.

33
34 **ADOPTED** this _____ day of _____, 2012.
35
36
37

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

1
2
3
4
5
6
7
8

EXPLANATION:

Highlighting indicates matter added to existing law.
~~Strikeout indicates matter deleted from existing law.~~
Underlining indicates amendments.

LEASE

This Lease is made this ____ day of _____, 2012, by and between the City of Annapolis, a municipal corporation of the State of Maryland, Lessor, and Chesapeake Marine Tours, Inc., a corporation of the State of Maryland, Lessee.

Whereas, the parties have entered into a succession of leases beginning in 1972 for purposes of permitting the Lessee to lease docking spaces at the Lessor's City Dock to dock its vessels and carry on its business of operating a cruise and water taxi service on the Chesapeake Bay and its tributaries;

Whereas, the existing Lease expires June 30, 2016;

Whereas, the parties entered into a Lease dated _____ for the same purposes to provide for an additional leasing term from July 1, 2016 to June 30, 2017;

Whereas, the parties have agreed to this Lease for the same purposes and to provide for an additional leasing term of another one year period to run from July 1, 2017 to June 30, 2018;

Whereas, the Annapolis City Council has authorized this Lease pursuant to Ordinance O-2-12.

Now, therefore, in consideration of these premises and the terms stated below, and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

1. Identification of Leased Docking Spaces

a. The Lessor hereby rents and leases to the Lessee, and the Lessee hereby rents and leases from the Lessor, for the term stated in paragraph 2, at the rent and upon the other terms set forth in this Lease, the following docking spaces at the City Dock, constituting two hundred sixty (260) linear feet of City Dock docking space:

1. The two end boat slips nearest the channel of Spa Creek known as Slips 21 and 22, both of which are suitable for boats not exceeding sixty five (65) feet in length;
2. The end of the dock adjacent to Slip 22 between two dolphins for a distance of not more than eighty feet (80'); and
3. Sixty feet (60') along the boardwalk adjacent to the Harbormaster's office.

2. Term

a. The term of this Lease shall be for a period of one year beginning July 1, 2017, and ending June 30, 2018.

3. Rent

a. The Lessee shall pay rent to the Lessor, for the lease of two hundred sixty (260) linear feet of City Dock docking space, for the FY period July 1, 2017, through June 30, 2018, at

a rate of \$187.79 per linear foot, for a total amount of rent of \$48,825.40. This represents a 3% annual increase, using the same rate per linear foot, from the amount earned by the Lessor from the lease of one thousand, four hundred, twenty-three (1,423) linear feet of total rented dock space at the City Dock during the 2010 calendar year. Annual rent shall be invoiced on or before June 1, 2017 by the City Harbormaster, which the Lessee shall pay not later than July 1, 2017. Payment shall be made directly to the City Harbormaster. If the Lessor fails to pay rent by July 5, 2017, the Lessee shall incur a late payment of 1% of the base rent, and an additional 1% of the base rent if unpaid by the fifth day of any subsequent month.

b. As additional rent for electricity service, the Lessee may, at its option and at its expense, arrange with Baltimore Gas & Electric to have its electric service separately metered and billed directly to the Lessee, or may pay monthly, by the first day of each month to the City Harbormaster the appropriate monthly winter electric rate, as set by the City Council in the Annual Fee Resolution applicable to the term of this Lease which, as it pertains to this Lease, for a one hundred amp outlet, shall be twice the rate set in the Annual Fee Resolution for a fifty amp outlet. If the Lessee chooses to pay pursuant to the monthly winter electric rate, the City Harbormaster shall invoice the Lessee and payment shall be due on the first day of the month after invoicing. If the Lessee fails to pay by the fifth day of any month, the Lessee shall incur a late payment calculated in accordance with the Annual Fee Resolution applicable to the term of this Lease.

c. As additional rent for refuse collection, the Lessee shall pay \$250.00 per month. by the first day of each month. The City Harbormaster shall invoice the Lessee and payment shall be due on the first day of the month after invoicing. If the Lessee fails to pay by the fifth day of any month, the Lessee shall incur a late payment calculated in accordance with the Annual Fee Resolution applicable to the term of this Lease.

d. As additional rent, the Lessee shall also pay from time to time all taxes and other charges or fees required by law.

4. Vessels Authorized at Docking Spaces

a. The Lessee shall have authority to dock an office barge at the leased docking spaces plus the passenger vessels Harbor Queen, No. 539448; Annapolitan II, No. 544467; Cabaret II, No. 1039051; Lady Sarah, No. 1160977; Miss Anne, No. 635636; Miss Anne II, No. 672686; Catherine Marie, No. 1082215; Raven, No. TBD, Severn Exposure, No. 1146892, and four water taxi launches.

b. The Lessee may replace any vessel referenced above, provided that all replacement vessels are of the same size, or substantially the same size, and of the use, as Coast Guard certified passenger vessels. All replacement vessels shall be subject to the Lessor's final approval, which shall not be unreasonably withheld as long as all replacement vessels meet the standards of Coast Guard certified passenger vessels.

5. Use of Docking Spaces

a. The Lessee shall use the leased docking spaces solely as passenger vessels for sightseeing, boat charter and water taxi operations and for office space from which to conduct the business which this Lease authorizes at the Lessor's City Dock.

b. The Lessee shall notify the City Harbormaster whenever any of its vessels will be absent from any portion of the leased docking spaces for more than seventy-two (72) hours, during which time the Lessor may utilize any portion of the docking spaces so vacated for any lawful purpose whatsoever without any abatement of the rent due pursuant to this Lease. Whenever the Lessee vacates any portion of the leased space for more than seventy-two (72) hours, the Lessee shall give the Harbormaster twenty-four (24) hours written notice of the intended return to the docking spaces vacated.

c. The Lessee shall not discharge or board passengers at the plaza located at that portion of the City Dock closest to the Markethouse commonly known as the end of Ego Alley.

d. The Lessor shall attempt to keep the leased docking spaces free and clear of unauthorized vessels when the Lessee's vessels are away from the leased docking spaces, but shall be under no obligation or responsibility to do so, nor shall the Lessor assume or incur any liability for failing to do so, and the Lessee hereby unconditionally and completely waives and releases all complaints, claims, suits and actions of all types, both administrative and judicial, against the Lessor in connection therewith.

e. The Lessor shall have the right to remove from the leased docking spaces, without any liability whatsoever for so doing, and without prior or subsequent notice to the Lessee, any alterations made by the Lessee which are made without the express consent of the City Harbormaster. The cost of removal and/or repairs associated with the removal of any such unauthorized alterations, including any administrative costs incurred by the Lessor, shall be billed to the Lessee, and shall be due and payable by the Lessee promptly upon the Lessee's receipt of the invoice.

f. The Lessor shall have the right and privilege, with the consent of the Lessee, which consent shall not be unreasonably withheld, on not less than seven (7) days notice from the Lessor to the Lessee, to reclaim and use all or some of the leased docking spaces in order to meet prior contractual obligations relating to the annual sailboat and/or powerboat shows at or on the City Dock, and to accommodate certain special events, shows or programs conducted from time to time at or on the City Dock. In such event, the Lessee shall vacate designated leased docking spaces to which the consent applies and remove all of its vessels from the designated leased docking spaces during the period specified in the Lessor's notice.

g. If the Lessee vacates any of the leased docking spaces due to any events, shows or programs other than the annual sailboat and/or powerboat shows conducted at or on the City Dock, the Lessee shall be entitled to a pro rata abatement of the rent due pursuant to this Lease based on the ratio which the number of days of vacancy specified in the Lessor's notice to the Lessee bears to the total annual rent, and based on the docking spaces vacated.

h. The Lessee shall conduct its business in and about the City Dock in an orderly manner and shall keep its vessels neat and clean and shall maintain the area immediately adjacent to its mooring area and the leased spaces in a neat and clean manner.

6. Default, Breach and Termination

a. The Lessee shall be deemed to be in breach and default of this Lease if, within ten (10) days of the due date, the Lessee fails to pay the rent, the additional rent, or any other charges due under the terms of this Lease. In such event, the Lessor may declare this Lease immediately terminated and the Lessor shall be entitled to all unpaid rent, additional rent and

other charges due pursuant to this Lease, and to the immediate and exclusive use and possession of each of the leased docking spaces, without any notice or further demand for rent, additional rent and other charges due pursuant to this Lease, and without any notice to quit or vacate or other demand to recover use and possession of the leased docking spaces, or notice of intention to exercise its rights pursuant to this Lease, and the Lessee hereby expressly and unconditionally waives all such notice. In such event, the Lessee shall be responsible for all reasonable attorney fees and costs incurred by the Lessor to obtain eviction.

b. If the Lessee shall be in breach or default in the performance of any of the other terms of this Lease and fails to cure or remedy the breach or default within thirty days after the Lessor gives written notice to the Lessee of the breach or default, the Lessor may declare this Lease immediately terminated and the Lessor shall be entitled to all unpaid rent, additional rent and other charges due pursuant to this Lease, and to the immediate and exclusive use and possession of each of the leased docking spaces, without any notice or further demand for rent, additional rent and other charges due pursuant to this Lease, and without any notice to quit or vacate or other demand to recover use and possession of the leased docking spaces, or notice of intention to exercise its rights pursuant to this Lease, and the Lessee hereby expressly and unconditionally waives all such notice. In such event, the Lessee shall be responsible for all reasonable attorney fees and costs incurred by the Lessor to obtain eviction.

7. Signs

a. All signs which the Lessee desires to post must be approved by the Lessor and the Historic Preservation Commission of the City of Annapolis and any other agency if required by law.

8. Compliance with Law

a. The Lessee shall comply with all federal, state and municipal licensing laws and regulations to insure that the Lessee's vessels and crews are certified as appropriate and that the Lessee's operations are conducted in a safe and non-hazardous and lawful manner.

9. Insurance

a. The Lessee shall for the duration of this Lease maintain and pay the premiums for a policy of insurance covering liability for personal injury and property damage arising out of its business and operations pursuant to this Lease in the amount of no less than One Million Dollars (\$1,000,000.00) per person for bodily injury and property damage and Three Million Dollars (\$3,000,000.00) for each occurrence in the aggregate. The Lessee shall specifically name City of Annapolis and its Mayor, City Council, employees, contractors and other agents as an additional insureds, and shall deliver a copy of such insurance policy and a certificate of insurance to the City Attorney at least ten days prior to the commencement of the lease term.

b. The Lessee shall have adequate workers' compensation insurance covering its employees who enter upon the access road leading to the Rental Area and the Rental Area itself and in no event shall the coverage in such policy be less than One Million Dollars (\$1,000,000.00) per person for accidental bodily injury and occupational disease. The Lessee shall specifically name City of Annapolis and its Mayor, City Council, employees, contractors and other agents as an additional insureds. The Lessee shall deliver a copy of its Worker's Compensation insurance policy and a certificate of insurance to the City Attorney at the time of

the execution of this Lease and an updated certificate of insurance on the commencement date of each renewal term.

10. Indemnification

a. The Lessee shall indemnify, defend, and hold the City of Annapolis, its Mayor, City Council, employees, contractors and other agents, harmless from all actions, causes of action, complaints, claims or demands, and all liability for injuries or damages to person or property, arising or alleged to arise as a result of any act or omission of the Lessee, its employees, contractors or other agents, whether or not the result of negligence or other fault, during the term of this Lease.

b. In the event the Lessor is required to defend any such actions, causes of action, complaints, claims or demands, the Lessor shall be entitled to participate in its defense, either in whole or in part as it so deems, and to select its own attorneys to provide a defense at the sole expense, for purposes of attorney fees and litigation costs, of the Lessee.

11. Immunities

a. The Lessor reserves and shall be entitled to enforce any and all immunities, partial or total, statutory or common law, in any proceeding that is initiated as a result of this Lease, whether initiated by the Lessor, the Lessee or any third party.

12. Assignment

a. The Lessee shall be entitled to assign its Lease obligations with the prior written consent of the Lessor, which the Lessor shall not unreasonably withhold, but any assignee, to the reasonable satisfaction of the Lessor, shall be financially able to meet the obligations of the Lease, including the payment of all rent due timely and the maintenance of the minimum insurance coverage required by this Lease, have the overall capability, expertise and resources to operate a waterfront tour and cruise business of a scale and quality comparable to that of the Lessee, or, in the alternative, to operate a maritime business that qualifies as an "amusement" under the Maryland State tax laws, and to otherwise perform the obligations of the Lease at the same level as the Lessee.

13. Absence of Agency

a. The Lessee acknowledges that it is an independent contracting party and not the agent or employee of the Lessor.

14. Notice

a. All notices pursuant to this Lease shall be by regular mail, fax or email, except notice of termination, which shall be by certified mail, return receipt requested.

b. Notice to the Lessor shall be to the City Attorney, 160 Duke of Gloucester Street, Annapolis, Maryland 21401.

c. Notice to the Lessee shall be to Debbie Gosselin at PO Box 3350, Annapolis, MD 21403.

d. The parties shall timely advise each other in writing of any change of address.

15. Venue, Waiver of Jury Trial and Governing Law

a. Venue for all judicial proceedings which result from this Lease shall be the courts of Anne Arundel County, Maryland.

b. The parties hereby expressly waive trial by jury in any such judicial proceeding.

c. The laws of the State of Maryland shall govern all matters relating to this Lease.

16. Modification or Amendment

a. This Agreement may not be modified or amended except in a writing signed by the parties and witnessed. No waiver of any provision of this Agreement shall be construed as a modification or amendment of this Agreement or valid unless in writing and signed by the parties and witnessed.

17. Integration

a. This Lease constitutes the entire agreement between the parties regarding the Lessee's lease of the Lessor's docking spaces. There are no other terms or understandings, oral or written, between the parties with respect thereto.

18. Binding Effect

a. The terms of this Lease shall be binding upon and shall be for the benefit of the parties and their successors and assigns.

Witness the signatures and seals of the parties.

Attest:

Lessor

Regina C. Watkins-Eldridge, MMC

By: _____
Joshua J. Cohen, Mayor (Seal)

Lessee

Witness

By: _____
Debbie Gosselin, President (Seal)

Approved for form and Legal Sufficiency:

Karen M. Hardwick, City Attorney

Date:

FISCAL IMPACT NOTE

Legislation No: O-02-12

First Reader Date: 1-23-12

Note Date: 2-16-12

Legislation Title: Lease of City Dock Space to Chesapeake Marine Tours

Description: For the purpose of authorizing for fiscal year 2018 the lease of certain municipal property located at the City Dock to Chesapeake Marine Tours, Inc. for the docking and mooring of certain boats.

Analysis of Fiscal Impact:

This legislation would extend the City's current lease with Chesapeake Marine Tours for a period of one year, commencing July 1, 2017 and terminating June 30, 2018. This extension will provide the City with an estimated \$48,825.40 in rental revenue plus \$3,000.00 in refuse collection revenue in Fiscal Year 2018. The lessee may arrange with Baltimore Gas and Electric to have separately metered service billed directly to the lessee, or may pay to the City twice the appropriate monthly winter electric rate, as set by the City Council, for a fifty amp outlet. The current monthly winter rate for a fifty amp outlet is \$225 and if this method is selected the annual amount to be paid to the City for electricity would be \$5,400.

See below for actual revenues for FY2008 – FY2012 and future revenues going forward through the period of this lease, assuming electricity is purchased through the City in FY2017 and FY2018.

Chesapeake Marine Tours					
	Rent	Electricity	Refuse	Adjustment for dock restoration	Total
Past					
FY2008	39,148.68	2,018.28	725.85	-20,881.14	21,011.67
FY2009	40,753.78	2,101.03	755.61		43,610.42
FY2010	40,794.53	2,103.13	758.39		43,656.05
FY2011	41,895.98	2,159.91	776.79		44,832.68
FY2012	42,524.42	2,192.31	788.44		45,505.17
Future					
FY2013	42,524.42	2,192.31	788.44		45,505.17
FY2014	45,524.42	2,192.31	788.44		48,505.17
FY2015	42,524.42	2,192.31	788.44		45,505.17
FY2016	42,524.42	2,192.31	788.44		45,505.17
FY2017	48,825.40	5,400.00	3,000.00		57,225.40
FY2018	48,825.40	5,400.00	3,000.00		57,225.40

Policy Report

Ordinance O-2-12

Lease of City Dock Space to Chesapeake Marine Tours

Chesapeake Marine Tours has requested that its lease of City Dock space for operating cruise and taxi service be extended an additional year through fiscal year 2018. The current arrangement with Chesapeake Marine Tours dates to 1972, followed by a series of new leases and annual amendments. Recent practice has been to add an additional year annually, extending the term of the lease so that a lease is in place for at least five years permitting Chesapeake Marine Tours the security of borrowing necessary money and in maintaining capital investments for twelve boats.

Prepared by Jessica Cowles, Legislative and Policy Analyst, Office of Law; JCCowles@annapolis.gov and 410-263-1184.

1
2
3
4
5
6
7
8

**CITY COUNCIL OF THE
City of Annapolis**

Ordinance No. O-3-12

**Introduced by: Mayor Cohen, Alderman Arnett, Alderwoman Hoyle, Alderman Paone, and
Alderman Israel**

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
Referred to	Referral Date	Meeting Date	Action Taken
1/23/12			4/20/12
Economic Matters	1/23/12		
Environmental Matters	1/23/12		

9
10
11 **A ORDINANCE** concerning

12 **Lease of City Property: Boat Shows in 2017**

13
14 **FOR** the purpose of authorizing a lease of certain municipal property located in the general
15 harbor, Dock Street and Edgewood Road areas to United States Sailboat Shows, Inc.
16 and United States Powerboat Shows, Inc., for a certain period of time in October 2017,
17 to conduct boat shows.

18 **WHEREAS,** United States Sailboat Shows, Inc., and United States Powerboat Shows, Inc.,
19 desire to lease certain municipal property for the purpose of conducting boat
20 shows; and

21
22 **WHEREAS,** the Annapolis City Council believes that these proposed boat shows would
23 benefit the City; and

24
25 **WHEREAS,** a lease setting forth details of the rental has been prepared and is considered
26 satisfactory; and

27
28 **WHEREAS,** Article III, Section 8 of the Charter of the City of Annapolis requires the passage
29 of an ordinance to authorize the lease.

30
31 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
32 **COUNCIL** that the proposed lease between the City of Annapolis and United States Sailboat
33 Shows, Inc., and United States Powerboat Shows, Inc., for the rental of certain municipal
34 property in the general harbor, Dock Street and Edgewood Road areas, as described in the
35 lease, a copy of which is attached hereto and made a part hereof, for portions of October 2017,
36 more specifically described in the attached lease, and subject to the option to expand or reduce
37 the number of days of the tenancy as provided in the lease, is hereby approved and the Mayor
38 is hereby authorized to execute the lease on behalf of the City of Annapolis.
39

1 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
2 **ANNAPOLIS CITY COUNCIL** that it is expressly found by the City Council that the property to
3 be leased will better serve the public need for which the property was acquired by stimulating
4 local interest in the boating industry, encouraging visitors and residents of the City to visit the
5 harbor and dock area, by generating tax revenues and rental income to the City and otherwise
6 providing economic benefits to the City.
7

8 **SECTION III: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
9 **ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the date of its passage.
10

11 **ADOPTED** this _____ day of _____, 2012.
12
13
14

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

15
16
17 **EXPLANATION:**
18

19 Highlighting indicates matter added to existing law.
20 Strikeout indicates matter deleted from existing law.
21 Underlining indicates amendments.
22

LEASE AGREEMENT

Authorized by O-3-12

This Lease is made this _____ day of _____, 2012, by and between City of Annapolis, a municipal corporation of the State of Maryland ("Lessor"), and the United States Sailboat Show, Inc., and the United States Powerboat Show, Inc. (jointly and severally "Lessee").

Article I

Section 1.1. Premises and Term: Lessor hereby leases to Lessee, for the purpose of holding two boat shows, from October ____ through October _____, 2017, inclusive, that property and water shown and described in Exhibit A of this Lease ("Premises"). The Premises includes Lessor's right and interest in the "Fawcett's Lot" pursuant to an agreement between Lessor and Chandler, LLC, but does not include the sidewalk on Dock Street between Craig Street and the bulkhead at the Department of Natural Resources, which are to be left open for public access subject to the terms of this Lease.

Section 1.2. Revisions to Premises: Lessor shall have the right to change the area of the Premises from time to time in order to reflect any change in ownership or infrastructure. If the total area of the Premises (exclusive of the Edgewood Road property referenced below) is reduced pursuant to this paragraph by five percent (5%) or more of the total area, Lessee shall be entitled to a pro rata reduction in the Base Rent. If the total area of the Premises is reduced pursuant to this paragraph by ten percent (10%) or more of the total area, Lessee shall have the right to a pro rata reduction in the Base Rent or to terminate the Lease. If the Base Rent is determined by using Ticket Sales Base Rent, then the reduction shall be calculated by reducing the fifty percent (50%) multiplier referenced in Section 1.3(a) to reflect the area reduction (e.g., if the Premises are reduced ten percent (10%), then the Base Rent shall equal $[50\% \times 90\%] \times$ gross ticket receipts. If the Base Rent is determined using Minimum Base Rent, then the reduction shall be determined by using Minimum Base Rent, and the reduction shall be calculated by reducing the Base Rent by the percentage of the reduction of the total area. For purposes of this Section, the Edgewood Road property referenced below shall not be included in Premises area calculations or in rent adjustments.

Section 1.3. Rent: Except as provided in Section 2.3, Base Rent shall be (a) the greater of (i) 50% of Lessee's gross receipts (after deduction of admission taxes) from the sale by Lessee of tickets for admission to the boat shows for the term stated above ("Ticket Sales Base Rent") or, (ii) Three Hundred Seventy-Five Thousand Nine Hundred Fifty Dollars (\$375,950.00) ("Minimum Base Rent"), plus (b) if the Lessee uses the Edgewood Road property, Two Thousand Sixty Dollars (\$2,060.00) each year used ("Edgewood Road Rent"). Lessee shall pay Lessor the Minimum Base Rent, in full, within thirty (30) days of the close of the boat shows. Any further monies over the Minimum Base Rent due to Lessor as a result of ticket sales shall be paid by Lessee to Lessor simultaneously with Lessee's payment of State admissions tax. Proof of gross receipts from ticket sales shall be supplied at that time by Lessee to the City of Annapolis Director of Finance in a form satisfactory to the Director of Finance. In addition to the Base Rent, Lessee shall pay Lessor Additional Rent equal to Twenty-Five Thousand Seven Hundred Fifty Dollars (\$25,750.00) toward the costs incurred by the City in providing electricity, water, inspections and public safety services to the boat shows and in providing increased public services during the boat shows. Lessee shall pay Lessor the Additional Rent and, if applicable, the Edgewood Road rent, in full, at the time Lessee pays the Minimum Base Rent.

Article II

Section 2.1. Number of Days: Lessor grants to Lessee the right to add one day at the end of either or both of the two boat shows for general public admission. Lessee shall have the right, in its sole discretion, to reduce the

number of days of either or both of the boat shows. Lessee shall provide written notice of such intent no later than thirty (30) before the opening of the first boat show governed by this Lease.

Section 2.2. Other Boat Shows: Lessor shall not lease the Premises for the purpose of holding boat shows on the Premises from June 1 through November 30 in the year of 2017. Lessee may, within its sole discretion, provide written authority to waive these restrictions. These restrictions shall be deemed to be waived by Lessee automatically as to either boat show reduced to less than one 10-hour day under Section 2.1.

Section 2.3. Adjustment to Rent: The Minimum Base Rent and Additional Rent shall be increased or reduced proportionately if Lessee exercises its rights to extend or shorten the number of days pursuant to Section 2.1. Notice of any such extension or shortening shall be given by Lessee in writing to Lessor by June 1, 2016. All of the other provisions of the lease shall remain in full force and effect.

Article III

Section 3.1. Facilities and Services: Lessee shall have the use of the following Lessor existing and normal street and harbor lighting, electricity, water supply, and police and fire protection, all without additional charge.

Section 3.2. Police Services: Lessor shall provide police services related to traffic control outside the Premises, security for the boat show office within the Premise, and liaison with Lessee's security guards inside the Premises without additional charge.

Section 3.3. Fire Services: Lessor shall provide fire protection as required without additional charge. Following the erection of all booths and other boat show structures as described in Section 7.1 of this Agreement, but before the boat shows open, the parties shall meet at the Premises to assure compliance with Fire Department regulations and accessibility of fire lanes and turning radius. No open flame devices or running of watercraft propulsion engines shall be permitted the Premises during the open hours of the boat shows.

Section 3.4. Utilities: Lessor shall provide water and electricity without additional charge. Lessee, at its own expense, shall install all temporary electrical equipment, lines and devices required to provide power to the Premises in compliance with National Electric Code. Lessee shall be responsible for refuse removal as provided under Section 8.1 hereof.

Section 3.5. Parking and Transportation: Lessee shall coordinate with the City of Annapolis Department of Transportation all plans for the provision of any intra-city mode of transportation during the course of the boat shows. Prior to the opening of the boat shows, Lessee shall furnish to Lessor a written transportation plan which includes a parking element.

Section 3.7. Pre-Show Meetings and Inspection: Prior to the opening of each boat show, representatives of Lessor's Department of Neighborhood and Environmental Programs, Police Department, Fire Department, Harbormaster, and Department of Public Works shall inspect the Premises and nearby areas with Lessee's representative to determine compliance with City requirements and for determination of the condition of the Premises. Written approval by representatives of these departments is required before Lessee may open either boat show. The opening of the boat show shall not be delayed by any department whose representative is not present for the pre-inspection. Lessor shall not refuse permission to open either boat show or any part of the show under this paragraph unless a threat to health or safety has been identified. Lessor shall make every effort to limit that part of the show not opened in the event of such threat and to allow Lessee to open the closed portion of the show as soon as the threat is abated to Lessor's satisfaction. All other federal, state or county permits which may be required shall be the responsibility of the Lessee.

Section 3.8. Transportation: The Lessee shall prepare and submit a written Transportation Plan with a Parking Element to Lessor's Director of Transportation. The Transportation Plan shall address matters specified by the Director and shall be submitted no later than August 15, 2017. Except for public ways within the Premises, the Transportation Plan shall not provide for the closure of any street or restrict parking to those associated with the boat shows. Moreover in publicizing the boat shows, Lessee shall direct all persons attending the event to park their vehicles at satellite lots and ride the shuttle to the site of the boat shows. Upon receipt of the Transportation Plan, the Director shall make copies available to relevant agencies and to interested parties who have requested a copy.

Article IV

Section 4.1. Insurance: Lessee, at its own expense, shall obtain and keep in full force and effect comprehensive commercial general liability insurance of no less than Two Million Dollars (\$2,000,000.00) combined single limit, bodily injury and property damage, and Eight Million Dollars (\$8,000,000.00) umbrella policy, which shall be effective during the entire period of time during which the Lessee shall use or occupy the Premises or any part of the Premises.

The insurance policy or policies shall specifically name the City of Annapolis, and in their capacity as such, the officers, agents and employees thereof, as additional insureds, and insure against any and all loss, costs, damages, and expenses suffered by any person or to any property, including property owned by Lessor, due to or alleged to be due to an act, omission or the negligence of Lessee, its officers, agents, employees, vendors, subtenants or contractors, directly or indirectly, in connection with the use of the Premises or any part of the Premises by Lessee, its officers, agents, employees, vendors, subtenants or contractors.

Lessee's insurer or insurers shall be authorized to write the required insurance, approved by the Insurance Commissioner of the State of Maryland, and subject to the approval of Lessor's City Attorney. The form and substance of the Lessee's insurance policy or policies shall also be subject to reasonable approval by Lessor's City Attorney, and shall be submitted to the City Attorney for such approval not less than thirty (30) days prior to Lessee's occupancy of the Premises. The policy or policies of insurance shall then be secured by Lessee and filed with the City Attorney not less than fifteen (15) days prior to Lessee's occupancy of the Premises. No approval shall be unreasonably withheld.

The Certificate for each insurance policy shall contain a statement on its face that the insurer will not cancel the policy or fail to renew the policy, whether for nonpayment of premium, or otherwise, whether at the request of Lessee or for any other reason, except after thirty (30) calendar days advance written notice mailed by the insurer to Lessor's City Attorney, and that such notice shall be transmitted postage prepaid, return receipt requested.

The obligations of Lessee under this Article are part of but do not limit or satisfy Lessee's obligations under Article V.

Article V

Section 5.1. Indemnity: Lessee shall forever indemnify, defend and hold harmless Lessor, its officers, agents, and employees, from and against any and all claims, suits, actions, judgments, and liability for loss, injury, damages and/or expenses suffered or alleged to have been suffered during the lease term by any person or to any property due to or alleged to be due to an act, omission or the negligence of Lessee, its officers, agents, employees, vendors, subtenants or contractors, directly or indirectly, in connection with the use and occupancy of the Premises or any part of the Premises, by Lessee, its officers, agents, employees, vendors, subtenants or contractors.

Lessee shall reimburse Lessor, within thirty (30) days after demand for such reimbursement, for any damage done to Lessor's buildings, facilities, equipment or property caused by an act, omission or the negligence of

Lessee, its officers, agents, employees, vendors, subtenants or contractors, during Lessee's use and occupancy of the Premises or any part of the Premises.

Article VI

Section 6.1. Security: Lessee shall contract with and pay, as independent contractors, security guards from an agency duly licensed by the State of Maryland, in numbers sufficient to maintain security, peace and order at the boat shows inside the Premises during the lease term.

Article VII

Section 7.1. Interior Construction: Lessee shall have the right to construct, install or erect seats, platforms, booths, tanks, scaffolding, rigging, floating piers, pilings, docks, catwalks, tents, exhibits, and any other apparatus or structure which Lessee may deem necessary or desirable for the purpose of presenting the boat shows. Lessee shall have the right to erect and construct a temporary fence so as to enclose the Premises in such a manner as to limit entry onto the Premises through controlled entrances. Such fence shall not contain barbed wire, razor wire or any similar materials.

Section 7.2. Exterior Construction: Lessee shall erect and construct temporary wooden sidewalks, wherever necessary to provide for pedestrian traffic, outside of the Premises where the existing sidewalks are enclosed in the Premises by a temporary fence described in Section 7.1. All temporary sidewalks shall be handicap accessible and illuminated during hours of darkness and maintained by Lessee in a safe and secure condition.

Section 7.3. ADA and Other Permits: Lessee hereby assumes exclusive responsibility for compliance with any and all applicable provisions of the Americans with Disabilities Act of 1990, as amended from time to time, at the Premises, during the entire time Lessee uses or occupies the Premises or any part of the Premises. Subject to the inspection provisions of Section 3.7 of this Lease and to standard public safety and health approvals, any and all permits, licenses or authorizations required to be obtained from the City by Lessee during the term of this Lease for the purpose of constructing or erecting the temporary structures described in Sections 7.1 and 7.2 of this Lease or for operating the boat shows, shall be deemed granted and issued upon the execution of this Lease by Lessor and Lessee. All other federal, state or county permits, which may be required, shall be the responsibility of the Lessee.

Article VIII

Section 8.1. Trash: Lessee, at its own expense, shall provide an adequate number of trash containers for its use within the boat show grounds during the entire use and occupancy period of the Premises, and shall provide for the prompt removal of all such containers, trash and refuse. Lessor, at its own expense, shall provide an adequate number of trash dumpsters outside the boat show grounds for the use of Lessee during the use and occupancy period and shall provide for the prompt removal of trash and refuse in these dumpsters.

Section 8.2. Cleanliness: Lessee shall be responsible for keeping the Premises free of debris, trash and refuse, which shall be placed in dumpsters or receptacles.

Section 8.3. Sanitation and Toilets: Lessee shall, at its own expense, provide adequate and sanitary toilet facilities throughout the Premises for use by the general public and others attending or participating in the boat shows.

Article IX

Section 9.1. Quiet Enjoyment: Lessor covenants with Lessee that at all times during the term of this Lease, Lessee shall peacefully hold and quietly enjoy the use and occupancy of the Premises without any disturbance or

hindrance from Lessor or from any other person claiming through Lessor, except that Lessor or others claiming through Lessor may enter onto the Premises to effect necessary repairs to their own facilities as reasonably contemplated by the terms of this Lease, and to assure compliance with the terms of this Lease. Lessee shall cooperate with the Lessor to effect this access to the Premises.

Section 9.2. Trash and Public Safety Cooperation: The parties shall cooperate with each other and use their best efforts to ensure that there is prompt trash removal, public safety protection and adequate traffic control during the designated period of use and occupancy by Lessee of the Premises.

Article X

Section 10.1. Condition of Premises After Show: Following the lease term, Lessee, at Lessee's sole expense, shall return the Premises to Lessor in the same or superior condition than received, natural wear and tear excepted.

Section 10.2. Lessee's Equipment After Show: Prior to the expiration of the lease term, Lessee shall immediately remove all of its property, fixtures and chattels from the Premises. In the event that Lessee, its officers, agents, employees, vendors, subtenants or contractors, fail to remove any item of property, Lessor reserves the right to remove and store any such property after the expiration or termination of the lease term at Lessee's expense or as an alternative, to leave the property at the Premises. In either case, Lessor shall charge Lessee per diem rental for storage of such property. Lessor shall bear no responsibility or liability for damage to or expense incurred as a result of property left, removed or stored under the provisions of this Section. Lessee shall pay to Lessor any expenses or charges under this Section billed to Lessee by Lessor within thirty (30) days after delivery of any such bill by Lessor to Lessee.

Section 10.3. Post-Show Inspection: Within ten (10) days following the expiration of the lease term, Lessee shall accompany Lessor during a tour of the Premises to determine the condition of the Premises. Items corrected or repaired by Lessor, deemed by Lessor to be the responsibility of Lessee, shall be billed by Lessor and paid by Lessee within thirty (30) days after receipt of such bill.

Article XI

Section 11.1. Remedies: All duties, liabilities and/or obligations imposed upon or assumed by Lessee and Lessor by or under this Lease shall be taken or construed as cumulative and the mention of any specified duty, liability or obligation imposed upon or assumed by Lessee or Lessor under this Lease shall not be taken or construed as a limitation or restriction upon any or all of the other duties, liabilities, or obligations imposed upon or assumed by Lessee under this Lease. The remedies provided for in this Lease shall be construed to be cumulative and in addition to any other remedies provided in law or equity which Lessor or Lessee would have in any case. Lessor shall have the right to seek and obtain in any court of competent jurisdiction an injunction, without the necessity of posting a bond, to restrain a violation or alleged violation by Lessee of any term of this Lease, anything to the contrary notwithstanding. In no case shall a waiver by either party of the right to seek relief under this provision constitute a waiver of any other or further violation. The remedies provided in this Lease shall not be deemed exclusive of other remedies not specified.

Article XII

Section 12.1. Impossibility of Performance: If, for any reason, an unforeseen event not the act of Lessor occurs, including but not limited to fire, casualty, act of God, labor strike or other unforeseen occurrence which renders impossible the fulfillment of any rental period of this Lease, Lessee shall have no right to claim damages not right to claim against Lessor for damages, but Lessee shall not be liable for the payment of rent for said rental period. However, if such impossibility relates to not more than five percent (5%) of the rental period, Base Rent, if

determined under Section 1.3(A)(ii) of this Lease, shall be prorated to account for the number of scheduled hours the Show is not open to the public.

Article XIII

Section 13.1. Payment: Lessee shall make all payments due under this Lease by check, payable to the City of Annapolis. In addition to all other amounts due pursuant to this Lease, Lessee shall pay Lessor a monthly late fee of 1.5% (18% per annum) of any payment more than sixty (60) days past due, until paid.

Article XIV

Section 14.1. Time is of the Essence: Time is of the essence in the performance of this Lease. The times and deadlines specified in this Lease shall not be extended for any reason, except as may be provided in this Lease, relating to the term of the Lease or the installation or removal of equipment, materials or displays from the Premises, without written consent of Lessor.

Article XV

Section 15.1. Assignment: Lessee shall not assign, transfer, or otherwise dispose of this Lease without the prior written consent of Lessor, but such consent shall not be unreasonably or arbitrarily withheld. The foregoing shall not prevent Lessee from subleasing portions of the Premises to boat show exhibitors, provided the portion of the Premises subleased to any exhibitor does not exceed twenty-five percent (25%) of the total area of the Premises.

Article XVI

Section 16.1. Independent Contractor: Lessee is an independent contractor and not the agent or employee of Lessor. Under no circumstances shall this Lease be considered to create an employee or agency relationship or a partnership or joint venture.

Article XVII

Section 17.1. Liens: Lessee hereby consents that Lessor shall have a lien upon all property of Lessee located from time to time upon the Premises for any and all unpaid charges which arise under this Lease. Lessee hereby consents to and Lessor shall have the power to impound and retain possession of such property until all such charges and late fees due under Article XIII have been paid, in full, to the satisfaction of Lessor. In the event such charges remain unpaid ten (10) days after the termination of this Lease, Lessor shall have the power to sell such property at public auction and apply the receipts from such auction to all such unpaid charges.

Article XVIII

Section 18.1. Compliance with all Laws: Lessee shall comply with all laws, ordinances, and statutes applicable to the Premises or any part of the Premises, and the use and occupancy thereof, and to pay all taxes or charges imposed by law in connection with Lessee's use and occupancy of the Premises. Lessee shall have a reasonable time to correct any violation.

Article XIX

Section 19.1. Other Leases: There are currently in effect leases between Lessor and Lessee for the Premises for boat shows for the years of 2010 through 2016. In the event Lessee should materially default in performance of its obligations in any one of the above years, such default shall constitute a default in the leases for all years subsequent to 2016, including this Lease. If the default continues for more than thirty days (30) after Lessor

has given written notice to Lessee of such default, Lessor shall have the right to terminate any of the leases for any one or more of the years remaining in the leases through 2016, and this Lease. Otherwise, execution of this Lease shall have no effect on leases for the years of 2010 through 2016.

Article XX

Section 20.1. Immunities: Nothing in this Lease shall be interpreted or construed to waive, in whole or in part, or to otherwise diminish, Lessor's statutory, common law or other immunities in any action in tort, in contract or in any other form. The parties agree that if any duty assumed by Lessor under the terms of this Lease or any action taken by Lessor pursuant to any such term is construed to waive, in whole or in part, any such immunity, then the immunity shall nevertheless be fully restored, and shall bind and protect the parties as a contractual undertaking.

Article XXI

Section 21.1 Authority: This Lease is authorized by Ordinance O- 3-12 adopted by the City Council of the City of Annapolis.

In Witness Whereof, the City of Annapolis, by and through its duly authorized agent, has caused this Lease to be executed on its behalf, and the Lessee, United Sates Sailboat Show, Inc. and United States Powerboat Show, Inc. has duly executed this Lease on the date first written above.

Attest: City of Annapolis

Regina C. Watkins-Eldridge, MMC, City Clerk

By: _____
Joshua J. Cohen, Mayor (Seal)
United States Sailboat Show, Inc.

Witness

By: _____
C.E. Hartman, President (Seal)

United States Powerboat Show, Inc.

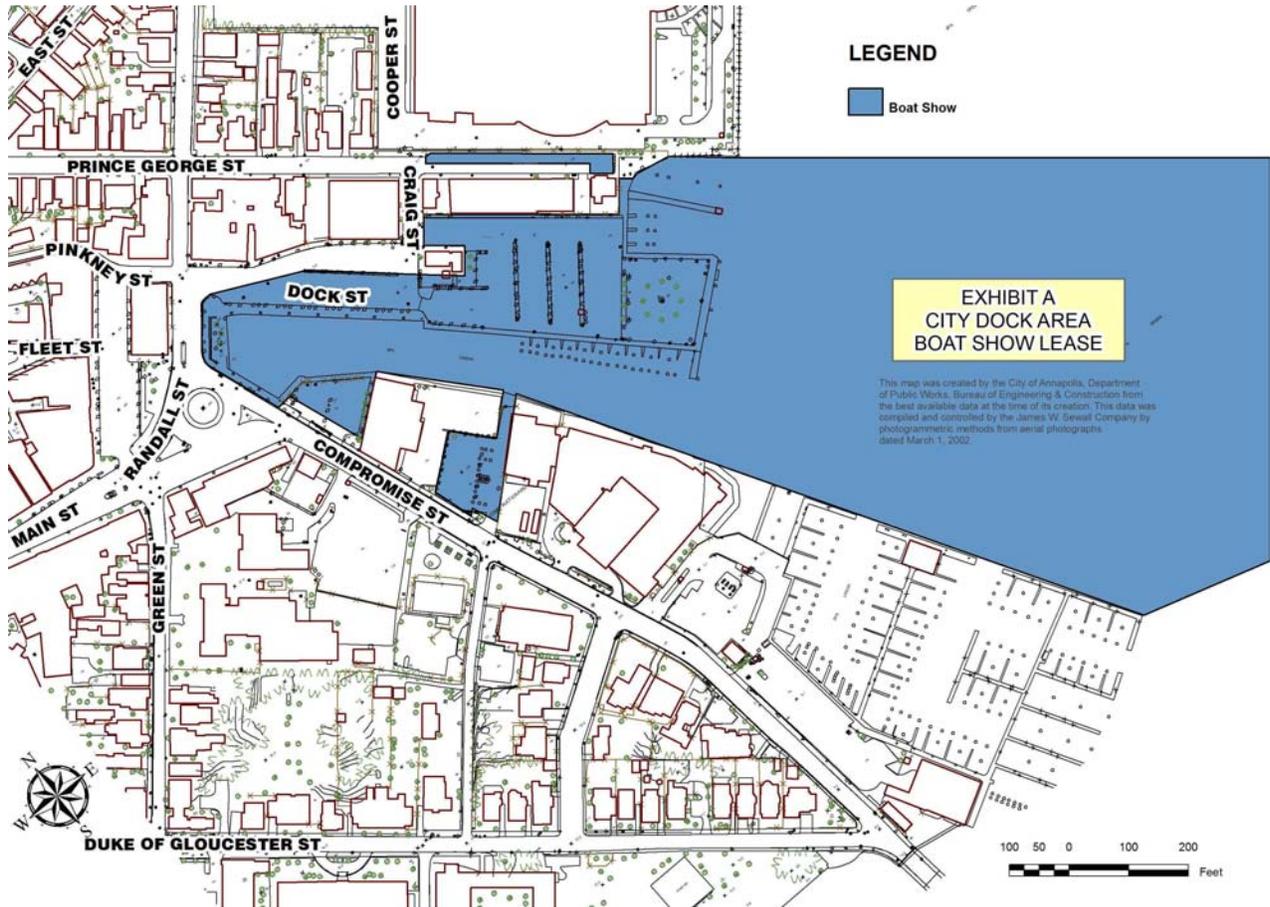
Witness

By: _____
C.E. Hartman, President (Seal)

Approved as to form and legal sufficiency

Karen M. Hardwick, City Attorney

Exhibit A



FISCAL IMPACT NOTE

Legislation No: O-03-12

First Reader Date: 01-23-12

Note Date: 02-16-12

Legislation Title: Lease of City Property: Boat Shows in 2017

Description: For the purpose of authorizing a lease of certain municipal property located in the general harbor, Dock Street and Edgewood Road areas to United States Sailboat Shows, Inc. and United States Powerboat Shows, Inc., for a certain period of time in October 2017, to conduct boat shows.

Analysis of Fiscal Impact:

The rent for each of the years shall be the greater of: 50% of Lessee's gross receipts (after deducting admission taxes and any other taxes) from the sale by Lessee of tickets for admission to the shows for that year; or \$375,950 (base rent) **plus** \$2,060 if the Edgewood Road property is used. In addition to the base rent, Lessee shall pay additional rent equal to \$25,750 toward the costs incurred by the City in providing electricity, water, inspections and public safety services to the boat shows and providing increased public services during the boat shows.

Per the terms of the contract, the minimum revenue the City will receive is \$403,580 if the Edgewood Rd. location is used, \$401,700 if it is not. This minimum amount has not changed since the shows held in October 2006 (FY2007).

Assuming a 4% annual increase in the costs of Police, Fire and Public Works services (which consist mainly of salaries and overtime) over the 2011 costs of \$106,139, the cost to the City can be estimated at \$134,300 for the shows to be held in October 2017. See the chart below for actual and projected City expenses since the shows of October 2006 (FY2007).

Boat Show Expenses			
Fiscal Year	Show year	Actual	Estimated
FY2007	2006	98,739.91	
FY2008	2007	101,710.19	
FY2009	2008	102,621.35	
FY2010	2009	108,001.64	
FY2011	2010	93,748.21	
FY2012	2011	106,139.28	
FY2013	2012		110,384.85
FY2014	2013		114,800.25
FY2015	2014		119,392.26
FY2016	2015		124,167.95
FY2017	2016		129,134.66
FY2018	2017		134,300.05

The estimated lost revenue from parking meters and boat slips for the period of the lease is \$60,988 assuming there is no change in parking and boat slip fees.

With revenues of at least \$401,700, less estimated costs and lost revenue of \$195,288 for 2017, the net minimum fiscal benefit produced by this lease can reasonably be expected to be about \$206,412. Based on the shows' history, the average additional revenue from sales and the City portion of admission taxes has been \$99,718 over the last five years, which could provide a total estimated fiscal benefit of \$308,190.

Policy Report

O-3-12 Lease of City property: Boat Shows in 2017

Pursuant to Article II, Section 8 of the Annapolis City Charter, the City Council must authorize the lease of City property by ordinance. Proposed Ordinance O-3-12 authorizes a lease of City property for the Boat Shows in 2017. Areas of the City to be leased include municipal property located in the general harbor, Dock Street, and the Edgewood Road area. As part of the lease agreement, the Lessee would be responsible for the development of a transportation plan that includes a parking element.

Prepared by Jessica Cowles, Legislative and Policy Analyst, Office of Law at JCCowles@annapolis.gov or (410) 263-1184.

1
2
3
4
5
6
7

**CITY COUNCIL OF THE
City of Annapolis**

Ordinance No. O-6-12

Introduced by: Mayor Cohen

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
Referred to	Referral Date	Meeting Date	Action Taken
2/13/12			5/14/12
Economic Matters	2/13/12		

8
9 **A ORDINANCE** concerning

10 **ISSUANCE OF BONDS AND NOTES**

11 **FOR** the purpose of authorizing and empowering the City of Annapolis (the "City") to issue
12 and sell, upon its full faith and credit, general obligation bonds in the aggregate principal
13 amount not to exceed Twenty-One Million Five Hundred Thousand Dollars
14 (\$21,500,000), pursuant to Sections 31 through 39, inclusive, of Article 23A of the
15 Annotated Code of Maryland (2011 Replacement Volume), Section 24 of Article 31 of
16 the Annotated Code of Maryland (2010 Replacement Volume and 2011 Supplement),
17 and Article VII, Section 11 of the Charter of the City of Annapolis, as amended, to be
18 designated as the "Public Improvements Refunding Bonds, 2012 Series", and said
19 bonds to be issued and sold for the public purpose of refunding all or a portion of certain
20 outstanding general obligation bonds of the City, as provided in this Ordinance;
21 authorizing the City to issue and sell, upon its full faith and credit, taxable general
22 obligation notes in the aggregate principal amount not to exceed the maximum amount
23 authorized to be issued under Article VII, Section 8 of the Charter of the City of
24 Annapolis, as amended, to be designated as "Taxable General Obligation Notes, 2012
25 Series" and said notes to be issued and sold for the public purpose of financing working
26 capital expenses of the City as provided in this Ordinance; prescribing the form and
27 tenor of said bonds and notes; determining the method of sale of said bonds and notes
28 and other matters relating to the issuance and sale thereof; providing for the
29 disbursement of the proceeds of said bonds and notes; covenanting to levy and collect
30 all taxes necessary to provide for the payment of the principal of and interest on said
31 bonds and notes; and generally providing for and determining various matters relating to
32 the issuance, sale and delivery of all said bonds and notes.

1 The Refunding Act authorizes the City to issue bonds for the purpose of refunding
2 outstanding bonds issued by the City in order to (i) realize debt service savings on either a
3 direct comparison or present value basis, or (ii) restructure debt that (1) in the aggregate effects
4 such a reduction in the cost of debt service or (2) is determined to be in the best interests of the
5 City, to be consistent with the City's long-term financial plan, and to realize a financial objective
6 including improving the relationship of debt service to a source of payment such as taxes,
7 assessments or other charges.

8 The City has determined that it is in the best interest of the City to refund the Refunded
9 Bonds in order to realize savings to the City in the aggregate cost of debt service.

10 Section 8 of the Charter provides that the City may borrow upon its faith and credit for a
11 period not to exceed one (1) year such sum or sums from time to time as may be deemed
12 necessary to provide for the payment of any obligations of the City. The aggregate principal
13 amount of the sums borrowed outstanding and unpaid at any one time (i) shall not exceed ten
14 million dollars (\$10,000,000) through June 30, 2014; and (ii) after July 1, 2014, shall not exceed
15 eight million dollars (\$8,000,000) as adjusted annually thereafter for inflation based on the
16 municipal cost index. The Municipal Cost Index is derived from American City & County. The
17 City may issue notes to secure payment of sums borrowed. The City proposes to spend the
18 proceeds of the notes authorized pursuant to this Ordinance for purposes of financing working
19 capital expenses (including refinancing notes previously issued for the purposes of financing
20 working capital) and paying the costs of issuing such notes and has determined that it is in the
21 best interest of the City to issue such notes in order to finance working capital expenses.

22 The Charter contains no limitations upon the rate at which *ad valorem* taxes may be
23 levied by the City for the payment of the principal of and interest on said indebtedness.

24 Since the adoption of Article XI-E as an amendment of the Constitution of Maryland, the
25 General Assembly of Maryland has passed no law proposing a limitation upon the rate at which
26 taxes may be levied by the City, or a limitation upon the amount of bonded indebtedness which
27 may be incurred by the City different from that set forth in the Charter.

28
29 **NOW THEREFORE, BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS**
30 **CITY COUNCIL** that

31 SECTION 1. All terms used herein which are defined in the Recitals hereof shall have
32 the meanings given such terms therein.

33 SECTION 2. It is in the best interest of the City to borrow money and incur indebtedness
34 and the City is authorized and empowered to issue and sell, upon its full faith and credit its

1 general obligation, fully registered bonds in the aggregate principal amount not to exceed
2 Twenty-One Million Five Hundred Thousand Dollars (\$21,500,000) to be known as the “Public
3 Improvements Refunding Bonds, 2012 Series” (the “2012 Series Bonds”) or such other
4 designation as deemed appropriate by the Mayor or City Manager for the purposes of refunding
5 all or a portion of the Refunded Bonds and paying the costs of issuing such 2012 Series Bonds.

6 SECTION 3. It is in the best interest of the City to borrow money and incur indebtedness
7 and is authorized and empowered to issue and sell, upon its full faith and credit its general
8 obligation, fully registered notes or other obligations in the aggregate principal amount not to
9 exceed the amount authorized under Article VII, Section 8 of the Charter, to be known as
10 “Taxable General Obligation Notes, 2012 Series” (the “Notes”) or such other designation as
11 deemed appropriate by the Mayor or City Manager for the purposes of financing working capital
12 expenses (including refinancing notes previously issued for the purposes of financing working
13 capital) and paying the costs of issuing such Notes. The Notes authorized to be issued and
14 reissued pursuant to the provisions of this Ordinance may be issued and reissued from time to
15 time as notes or other obligations in connection with a line of credit or other similar financial
16 arrangement provided by a financial institution. Such Notes may be issued as a revolving debt
17 obligation, term loan or other structure, shall be payable within one (1) year of any advance or
18 issuance of such debt obligation, and may bear interest at fixed or variable rates not to exceed
19 7.5% per annum, in each case as approved by the Mayor in an executive order.

20 SECTION 4. The City hereby covenants that any 2012 Series Bonds and Notes issued
21 hereunder shall comply with all limitations of the Charter. No 2012 Series Bonds shall be issued
22 by the City if, by the issuance thereof, the total bonded indebtedness of the City incurred, less
23 the amount of sinking funds established for the retirement thereof, would then exceed ten per
24 centum (10%) of the assessed value of all real and personal property in the City taxable for
25 municipal purposes. No Notes shall be issued by the City under this Ordinance in excess of the
26 amount authorized under Article VII, Section 8 of the Charter less any other indebtedness
27 issued and outstanding under Article VII, Section 8 of the Charter.

28 SECTION 5. The 2012 Series Bonds authorized by this Ordinance shall be dated the
29 date of their delivery, shall be fully registered bonds without coupons in the denomination of
30 Five Thousand Dollars (\$5,000) each or any integral multiple thereof and shall bear interest at
31 the interest rate or rates fixed at the time of the awarding of the 2012 Series Bonds in
32 accordance with an executive order of the Mayor and the provisions of this Ordinance as
33 hereinafter provided. Interest on the 2012 Series Bonds shall be payable semi-annually on the

1 dates and in the years as may be determined by the Mayor in an executive order. The 2012
2 Series Bonds shall mature, subject to the option of prior redemption, in annual installments,
3 including any mandatory sinking fund installments, in the years as shall be determined by the
4 Mayor pursuant to an executive order; provided however, that the final maturity of the 2012
5 Series Bonds shall not exceed 30 years from the date of delivery of the 2012 Series Bonds.
6 Each 2012 Series Bond shall bear interest from the interest payment date next preceding the
7 date on which it is authenticated, unless authenticated upon an interest payment date, in which
8 event it shall bear interest from such interest payment date, or unless authenticated prior to the
9 first interest payment date, in which event it shall bear interest from the date of the 2012 Series
10 Bonds; provided, however, that if at the time of authentication of any bond interest is in default,
11 such bond shall bear interest from the date to which interest has been paid.

12 SECTION 6. The 2012 Series Bonds may be subject to redemption prior to maturity as
13 may be determined by the Mayor in an executive order. The 2012 Series Bonds so subject to
14 redemption, if any, the redemption dates and the redemption prices shall be specified in an
15 executive order by the Mayor.

16 The 2012 Series Bonds shall be redeemed only in integral multiples of \$5,000. If less
17 than all of the 2012 Series Bonds of any one maturity are called for redemption, the particular
18 bonds to be redeemed from such maturity shall be selected by lot by the Bond Registrar (as
19 hereinafter defined) in such manner as the Bond Registrar in its sole discretion may determine
20 or under the procedures for book-entry bonds if the 2012 Series Bonds are under a book-entry
21 system.

22 When less than all of a 2012 Series Bond in a denomination in excess of \$5,000 shall be
23 so redeemed, then upon the surrender of such 2012 Series Bond, there shall be issued to the
24 registered owner thereof, without charges, for the unredeemed balance of the principal amount
25 of such 2012 Series Bond, at the option of such owner, 2012 Series Bonds in any of the
26 authorized denominations, the aggregate face amount of such 2012 Series Bonds not to exceed
27 the unredeemed balance of the 2012 Series Bond so surrendered, and to bear the same
28 interest rate and to mature on the same date as said unredeemed balance.

29 If the City elects to redeem all or a portion of the 2012 Series Bonds outstanding, it shall
30 give a redemption notice by first class mail, postage prepaid, at least 30 days prior to the date
31 fixed for redemption to each registered owner appearing on the books kept by the Bond
32 Registrar. Notwithstanding the foregoing, so long as all of the Bonds are registered in the name
33 of Cede & Co., as nominee for the Depository Trust Company, New York, New York ("DTC"),
34 such notice shall be given by a secure means (e.g. legible facsimile transmission, registered or

1 certified mail or overnight express delivery) in a timely manner designed to assure that such
2 notice is in DTC possession no later than the close of business on such thirtieth day; provided,
3 however, that the failure to mail the redemption notice or any defect in the notice so mailed or in
4 the mailing thereof shall not affect the validity of the redemption proceedings. The redemption
5 notice shall state (i) whether the 2012 Series Bonds are to be redeemed in whole or in part and,
6 if in part, the maturities and numbers of the 2012 Series Bonds to be redeemed, (ii) the date
7 fixed for redemption and the redemption price or prices, (iii) that the 2012 Series Bonds to be
8 redeemed shall be presented for redemption at the office of the Bond Registrar, and (iv) that
9 interest on the 2012 Series Bonds called for redemption shall cease to accrue on the date fixed
10 for redemption.

11 From and after the date fixed for redemption, if notice has been duly and properly given
12 and if funds sufficient for the payment of the redemption price of the 2012 Series Bonds called
13 for redemption plus accrued interest due thereon are available on such date, the 2012 Series
14 Bonds so called for redemption shall become due and payable at the redemption price or prices
15 provided for redemption of such 2012 Series Bonds on such date, interest on the 2012 Series
16 Bonds shall cease to accrue and the registered owners of the 2012 Series Bonds so called for
17 redemption shall have no rights in respect thereof except to receive payment of the redemption
18 price plus accrued interest to the date fixed for redemption. Upon presentation and surrender of
19 a 2012 Series Bond called for redemption in compliance with the redemption notice, the Bond
20 Registrar shall pay the redemption price of such bond plus accrued interest thereon to the date
21 fixed for redemption. If bonds so called for redemption are not paid upon presentation and
22 surrender as described above, such bonds shall continue to bear interest at the rates stated
23 therein until paid.

24 SECTION 7. The Notes authorized by this Ordinance shall be dated the date of their
25 delivery, shall be fully registered notes without coupons in the denomination of Five Thousand
26 Dollars (\$5,000) each or any integral multiple thereof and shall bear interest at the interest rate
27 or rates fixed at the time of the awarding or issuance of the Notes in accordance with an
28 executive order of the Mayor and the provisions of this Ordinance as hereinafter provided.
29 Interest on the Notes shall be payable on such dates as may be determined by the Mayor in an
30 executive order. The final maturity of the Notes shall not exceed one year from the date of any
31 advance or delivery of the Notes. Each Note shall bear interest on the outstanding amounts
32 from the date of Notes to the date of maturity.

33 SECTION 8. The Notes may be subject to redemption or prepayment prior to maturity
34 as determined by the Mayor pursuant to an executive order.

1 SECTION 9. The 2012 Series Bonds and Notes shall be executed in the name of the
2 City and on its behalf by the Mayor of the City. Such signature of the Mayor shall be imprinted
3 on such 2012 Series Bonds and Notes manually or by facsimile and a facsimile of the corporate
4 seal of Annapolis shall also be imprinted thereon, attested by the manual or facsimile signature
5 of the City Clerk of Annapolis, all in accordance with and pursuant to the authority of the
6 Maryland Uniform Facsimile Signature of Public Officials Act, being Sections 2-301 through 2-
7 306 of the State Finance and Procurement Article of the Annotated Code of Maryland.

8 In the event any official whose signature shall appear on such Notes or 2012 Series
9 Bonds shall cease to be such official prior to the delivery of the Notes or 2012 Series Bonds, or,
10 in the event any such official whose signature shall appear on such Notes or 2012 Series Bonds
11 shall have become such after the date of issue thereof, the Notes or 2012 Series Bonds shall
12 nevertheless be valid and legally binding obligations of Annapolis in accordance with their
13 terms.

14 All 2012 Series Bonds and Notes shall be registered in the name or names of the owner
15 or owners thereof on books kept for such purpose at the principal office of the Bond Registrar or
16 Note Registrar, as hereinafter defined (collectively, the "Registrar"). The 2012 Series Bonds
17 initially will be issued in book-entry form without any physical distribution of certificates made to
18 the public. DTC will act as securities depository for the 2012 Series Bonds, and the 2012 Series
19 Bonds will be registered in the name of DTC's partnership nominee, Cede & Co. The City
20 reserves the right to terminate maintenance of the 2012 Series Bonds in a book-entry only
21 system and to issue fully certificated bonds. The Mayor or his designee is hereby authorized to
22 appoint a financial institution to act as bond registrar (the "Bond Registrar" or as note registrar,
23 the "Note Registrar") and as paying agent (the "Paying Agent") for the 2012 Series Bonds,
24 unless the Mayor determines after consulting with the Financial Advisor to the City that the City
25 shall act as the Bond Registrar or the Paying Agent or both. Payment of the principal of and
26 interest on the 2012 Series Bonds or Notes shall be made to the person appearing on the
27 registration books maintained by the Registrar as the registered owner thereof, such principal to
28 be payable at the principal office of the Paying Agent upon presentation and surrender of such
29 bonds or notes as the same become due and payable, and such interest to be payable by check
30 mailed by the Paying Agent to the persons in whose names the bonds or notes are registered
31 on the regular record date which shall be the fifteenth day of the month immediately preceding
32 each regular interest payment date or such other date specified in the bond or note (the
33 "Regular Record Date") at the registered owner's address as shown on the registration books
34 maintained by the Registrar.

1 SECTION 10. Any interest on any 2012 Series Bonds or Notes which is payable but is
2 not punctually paid or provision for the payment of which has not been made ("Defaulted
3 Interest") shall forthwith cease to be payable to the registered owner on the relevant Regular
4 Record Date solely by virtue of such registered owner having been such registered owner; and
5 such Defaulted Interest may be paid by the City, at its election in each case, as provided in
6 paragraph (1) or (2) below:

7 (1) The City may elect to make payment of any Defaulted Interest on the 2012
8 Series Bonds or Notes to the persons in whose names such 2012 Series Bonds or Notes is
9 registered at the close of business on a record date for the payment of such Defaulted Interest
10 (the "Special Record Date"), which shall be fixed in the following manner. The City shall notify
11 the Paying Agent in writing of the amount of Defaulted Interest proposed to be paid on the 2012
12 Series Bonds or Notes and the date of the proposed payment (which date shall be such as will
13 enable the Paying Agent to comply with the next sentence hereof), and at the same time the
14 City shall deposit or cause to be deposited with the Paying Agent an amount of money equal to
15 the aggregate amount proposed to be paid in respect of such Defaulted Interest or shall make
16 arrangements satisfactory to the Paying Agent for such deposit prior to the date of the proposed
17 payment, such money when deposited to be held in trust for the benefit of the persons entitled
18 to such Defaulted Interest as provided in this paragraph. Thereupon the Paying Agent shall fix
19 a Special Record Date for the payment of such Defaulted Interest which shall be not more than
20 fifteen (15) nor less than ten (10) days prior to the date after the receipt by the Paying Agent of
21 the notice of the proposed payment. The Paying Agent shall promptly notify the City of such
22 Special Record Date and, in the name of the City, shall cause notice of the proposed payment
23 of such Defaulted Interest and the Special Record Date therefore to be mailed, first-class
24 postage prepaid, to each registered owner at his address as it appears in the registration books
25 maintained by the Bond Registrar not less than ten (10) days prior to such Special Record Date.
26 The Paying Agent may, in its discretion, in the name of the City, cause a similar notice to be
27 published at least once in a newspaper of general circulation in Annapolis, Maryland but such
28 publication shall not be a condition precedent to the establishment of such Special Record Date.
29 Notice of the proposed payment of such Defaulted Interest and the Special Record Date
30 therefor having been mailed as aforesaid, such Defaulted Interest shall be paid to the registered
31 owners of the 2012 Series Bonds or Notes as of the close of business on such Special Record
32 Date.

33 (2) The City may make payment of any Defaulted Interest in any other lawful manner
34 not inconsistent with the requirements of any securities exchange on which the 2012 Series

1 Bonds or Notes may be listed, and upon such notice as may be required by such exchange, if,
2 after notice given by the City to the Paying Agent of the proposed payment pursuant to this
3 paragraph, such payment shall be deemed practicable, and approved in writing, by the Paying
4 Agent.

5 SECTION 11. Except as provided hereinafter or in ordinances of the Mayor and
6 Aldermen of the City of Annapolis adopted prior to the issuance and delivery of the 2012 Series
7 Bonds or Notes, all 2012 Series Bonds or Notes shall be substantially in the following forms,
8 with appropriate insertions as therein indicated and such other modifications as shall be
9 approved by the Mayor, which forms and all of the covenants therein contained are hereby
10 adopted by Annapolis as and for the forms of obligation to be incurred by Annapolis, and said
11 covenants and conditions are hereby made binding upon Annapolis, including the promise to
12 pay therein contained:

1 No. R-____
2 \$ _____
3

4 (Form of 2012 Series Bond)
5

6
7 UNITED STATES OF AMERICA
8 STATE OF MARYLAND
9 CITY OF ANNAPOLIS, MARYLAND
10 GENERAL OBLIGATION BONDS
11 PUBLIC IMPROVEMENTS REFUNDING BONDS,
12 2012 Series
13

14 Interest Rate Per Annum Maturity Date Date of Original Issue CUSIP

15 REGISTERED OWNER: CEDE & CO.

16 PRINCIPAL AMOUNT DOLLARS
17

18
19
20 CITY OF ANNAPOLIS (the "City"), a municipal corporation created and existing under the laws
21 of the State of Maryland, hereby acknowledges itself indebted, and, for value received,
22 promises to pay to the Registered Owner shown above or registered assigns or legal
23 representatives on the Maturity Date shown above (unless this bond shall be redeemable, shall
24 have been called for prior redemption and payment of the redemption price made or provided
25 for), the Principal Amount shown above or so much thereof as shall not have been paid upon
26 prior redemption in any coin or currency which, at the time of payment, is legal tender for the
27 payment of public and private debts upon presentation and surrender of this bond on the date
28 such principal is payable or if such date is not a Business Day (hereinafter defined) then on the
29 next succeeding Business Day at the principal office of the Paying Agent, and to pay to the
30 registered owner hereof by check or draft, mailed to such registered owner at his address as it
31 appears on said registration books (the "Bond Register") maintained by the Bond Registrar
32 interest on said principal amount at the Interest Rate shown above until payment of such
33 principal amount, or until the prior redemption hereof, such interest being payable semi-annually
34 on the first days of _____ and _____ in each year, in like coin or currency to the registered
35 owner in whose name this bond is registered on the Bond Register as of the close of business
36 on the regular record date, which shall be the fifteenth day of the month immediately preceding
37 each regular interest payment date (the "Regular Record Date"). Any such interest not so
38 punctually paid or duly provided for shall forthwith cease to be payable to the registered owner
39 on the Regular Record Date, and may be paid to the person in whose name this bond is
40 registered at the close of business on a date fixed by the Paying Agent for such defaulted
41 interest payment (the "Special Record Date"), notice of which is given to the registered owner
42 hereof not less than ten (10) days prior to such Special Record Date, or may be paid at any time
43 in any other lawful manner not inconsistent with the requirement of any securities exchange on

1 which the bonds of this series may be listed and upon such notice as may be required by such
2 exchange.

3
4 “Business Day” means a day other than a Saturday, Sunday or day on which banking
5 institutions under the laws of the State governing the Paying Agent are authorized or obligated
6 by law or required by executive order to remain closed.

7
8 This bond shall not be valid or become obligatory for any purpose, until this bond shall have
9 been authenticated by an authorized officer of the Bond Registrar.

10
11 This bond is one of a duly authorized issue of general obligation bonds of the City aggregating
12 _____ Dollars (\$_____) in principal amount, which are in
13 denominations of \$5,000 or any integral multiple thereof, mature serially in installments on the
14 first day of ____ in each of the years 20_ to 20_, inclusive, and bear interest per annum as
15 follows:

17	Year of	Principal	Interest	Year of	Principal	Interest
18	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>

19
20
21
22
23
24 The bonds are numbered from one consecutively upwards prefixed by the letter “R” and are of
25 like tenor and effect except as to maturity, number, interest rate, denomination and redemption
26 provisions, and are issued pursuant to and in full conformity with the provisions of Sections 31
27 to 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume),
28 as amended, Section 24 of Article 31 of the Annotated Code of Maryland (2010 Replacement
29 Volume and 2011 Supplement) and Article VII, Section 11 of the Annapolis City Charter, and by
30 virtue of due proceedings had and taken by the Mayor and Aldermen of the City of Annapolis
31 particularly an Ordinance adopted on the _____ day of _____, 2012 (approved
32 _____ 2012) (the “Ordinance”).

33
34 [The bonds which mature on or before _____ are not subject to redemption prior to their
35 maturities. The bonds which mature on or after _____ are subject to redemption prior to
36 their maturities on or after _____ at the option of the City either as a whole or in part at any
37 time, in any order of maturities, at a redemption price expressed as a percentage of the principal
38 amount of the bonds to be redeemed, set forth in the table below, together with interest accrued
39 to the date fixed for redemption:

41	<u>Redemption Period (both dates inclusive)</u>	<u>Redemption Price</u>
----	-------------------------------------------------	-------------------------

42
43
44
45 If less than all of the bonds of any one maturity of this issue shall be called for redemption, the
46 bonds to be redeemed shall be selected by lot by the Bond Registrar in such manner as, in its
47 discretion, it shall determine.

48
49 When less than all of a bond in a denomination in excess of \$5,000 shall be so redeemed, then,
50 upon the surrender of such bond, there shall be issued to the registered owner thereof, without
51 charge, for the unredeemed balance of the principal amount of such bond, at the option of such

1 owner, bonds in any of the authorized denominations, the aggregate face amount of such bonds
2 not to exceed the unredeemed balance of the bond so surrendered, and to bear the same
3 interest rate and to mature on the same date as said unredeemed balance.
4

5 If the City elects to redeem all or a portion of the Bonds outstanding, it shall give a redemption
6 notice by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption
7 to each registered owner appearing on the books kept by the Bond Registrar. Notwithstanding
8 the foregoing, so long as all of the Bonds are registered in the name of Cede & Co., as nominee
9 for the Depository Trust Company, New York, New York ("DTC"), such notice shall be given by
10 a secure means (e.g. legible facsimile transmission, registered or certified mail or overnight
11 express delivery) in a timely manner designed to assure that such notice is in DTC possession
12 no later than the close of business on such thirtieth day; provided, however, that the failure to
13 mail the redemption notice or any defect in the notice so mailed or in the mailing thereof shall
14 not affect the validity of the redemption proceedings. The redemption notice shall state (i)
15 whether the Bonds are to be redeemed in whole or in part and, if in part, the maturities and
16 numbers of the Bonds to be redeemed, (ii) the date fixed for redemption and the redemption
17 price or prices, (iii) that the Bonds to be redeemed shall be presented for redemption at the
18 office of the Bond Registrar, and (iv) that interest on the Bonds called for redemption shall
19 cease to accrue on the date fixed for redemption.
20

21 From and after the date fixed for redemption, if notice has been duly and properly given and if
22 funds sufficient for the payment of the redemption price of the bonds called for redemption plus
23 accrued interest due thereon are available on such date, the bonds so called for redemption
24 shall become due and payable at the redemption price or prices provided for redemption of such
25 bonds on such date interest on the bonds shall cease to accrue and the registered owners of
26 the bonds so called for redemption shall have no rights in respect thereof except to receive
27 payment of the redemption price plus accrued interest to the date fixed for redemption. Upon
28 presentation and surrender of a bond called for redemption in compliance with the redemption
29 notice, the Bond Registrar shall pay the redemption price of such Bond plus accrued interest
30 thereon to the date fixed for redemption. If bonds so called for redemption are not paid upon
31 presentation and surrender as described above, such bonds shall continue to bear interest at
32 the rates stated therein until paid.
33

34 This bond is transferable only upon the registration books kept at the principal office of the Bond
35 Registrar, by the registered owner hereof in person, or by his attorney duly authorized in writing,
36 upon surrender hereof together with a written instrument of transfer in the form attached hereto
37 and satisfactory to the Bond Registrar duly executed by the registered owner or his duly
38 authorized attorney, and thereupon, within a reasonable time, the City shall issue in the name of
39 the transferee a new registered bond or bonds of any authorized denominations in aggregate
40 principal amount equal to the principal amount of this bond or the unredeemed portion hereof,
41 and maturing on the same date and bearing interest at the same rate. Said new bond or bonds
42 shall be delivered to the transferee only after payment of any tax or governmental charge
43 required to be paid with respect to and any shipping expenses or insurance relating to, such
44 transfer and only after due authentication thereof by an authorized officer of the Bond Registrar.
45 The City shall not be required to issue, transfer or exchange any bond during the period
46 beginning fifteen days before any selection of bonds to be redeemed and ending on the day of
47 publication and mailing of the notice of redemption or to transfer or exchange any bond called or
48 being called for redemption in whole or in part. The City may deem and treat the person in
49 whose name this bond is registered as the absolute owner hereof for the purpose of receiving
50 payment of or on account of the principal or redemption price hereof and interest due hereon
51 and for all other purposes.

1 The full faith and credit and unlimited taxing power of the City are hereby irrevocably pledged to
2 the prompt payment of the principal of and interest on this bond according to its terms, and the
3 City does hereby covenant and agree to pay the principal of this bond and the interest thereon,
4 at the dates and in the manner mentioned herein, according to the true intent and meaning
5 thereof.
6

7 It is hereby certified and recited that all conditions, acts and things required by the Constitution
8 or statutes of the State of Maryland, the Charter of the City and the Ordinance to exist, to have
9 happened or to have been performed precedent to or in the issuance of this bond, exist, have
10 happened and have been performed, and that the issue of bonds of which this is one, together
11 with all other indebtedness of the City, is within every debt and other limit prescribed by said
12 Constitution or statutes or Charter, and that due provision has been made for the levy and
13 collection of an *ad valorem* tax or taxes upon all legally assessable property within the corporate
14 limits of the City in rate and amount sufficient to provide for the payment, when due, of the
15 principal of and interest on this bond.
16

17 IN WITNESS WHEREOF, this bond has been executed by the facsimile signature of the Mayor
18 of the City, which signature has been imprinted hereon, a facsimile of the corporate seal of the
19 City has been imprinted hereon, attested by the manual or facsimile signature of the City Clerk
20 as of the first day of _____, 2012.

21
22 ATTEST:

CITY OF ANNAPOLIS

23
24
25 _____
26 City Clerk

By: _____
Mayor

27
28 CERTIFICATION OF AUTHENTICATION

29 The undersigned hereby certifies that this bond is one of the registered bonds
30 of the City of Annapolis.
31

32 _____
33 _____
34 [Authorized Officer of Bond Registrar]

(Form of Assignment)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ the within bond and all rights thereunder, and does hereby constitute and appoint _____ to transfer the within bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

In the presence of:

Notice: The signature to this assignment must correspond with the name as it appears upon the face of the within bond in every particular, without alteration or enlargement or any change whatever.

1 No. R-_____
2 \$ _____
3

4 (Form of Note)
5

6
7 UNITED STATES OF AMERICA
8 STATE OF MARYLAND
9 CITY OF ANNAPOLIS, MARYLAND
10 TAXABLE GENERAL OBLIGATION NOTES,
11 2012 Series
12

13 Interest Rate Per Annum Maturity Date Date of Original Issue CUSIP
14

15 REGISTERED OWNER:
16

17 PRINCIPAL AMOUNT DOLLARS
18

19 CITY OF ANNAPOLIS (the "City"), a municipal corporation created and existing under the laws
20 of the State of Maryland, hereby acknowledges itself indebted, and, for value received,
21 promises to pay to the Registered Owner shown above or registered assigns or legal
22 representatives on the Maturity Date shown above (unless this note shall be redeemable, shall
23 have been called for prior redemption and payment of the redemption price made or provided
24 for), the Principal Amount shown above or so much thereof as shall not have been paid upon
25 prior redemption in any coin or currency which, at the time of payment, is legal tender for the
26 payment of public and private debts upon presentation and surrender of this note on the date
27 such principal is payable or if such date is not a Business Day (hereinafter defined) then on the
28 next succeeding Business Day at the principal office of the Paying Agent, and to pay to the
29 registered owner hereof by check or draft, mailed to such registered owner at his address as it
30 appears on said registration books (the "Note Register") maintained by the Note Registrar
31 interest on said principal amount at the Interest Rate shown above until payment of such
32 principal amount, or until the prior redemption hereof, such interest being payable semi-annually
33 on the first days of _____ and _____ in each year, in like coin or currency to the registered
34 owner in whose name this note is registered on the Note Register as of the close of business on
35 the regular record date, which shall be the fifteenth day of the month immediately preceding
36 each regular interest payment date (the "Regular Record Date"). Any such interest not so
37 punctually paid or duly provided for shall forthwith cease to be payable to the registered owner
38 on the Regular Record Date, and may be paid to the person in whose name this note is
39 registered at the close of business on a date fixed by the Paying Agent for such defaulted
40 interest payment (the "Special Record Date"), notice of which is given to the registered owner
41 hereof not less than ten (10) days prior to such Special Record Date, or may be paid at any time
42 in any other lawful manner not inconsistent with the requirement of any securities exchange on
43 which the notes of this series may be listed and upon such notice as may be required by such
44 exchange.
45

46 "Business Day" means a day other than a Saturday, Sunday or day on which banking
47 institutions under the laws of the State governing the Paying Agent are authorized or obligated
48 by law or required by executive order to remain closed.
49

50 This note shall not be valid or become obligatory for any purpose, until this note shall have been
51 authenticated by an authorized officer of the Note Registrar.

1
2 This note is one of a duly authorized issue of general obligation notes of the City aggregating
3 _____ Dollars (\$_____) in principal amount, which are in
4 denominations of \$5,000 or any integral multiple thereof, mature serially in installments on the
5 first day of _____ in each of the years 20_ to 20_, inclusive, and bear interest per annum as
6 follows:

7
8

<u>Year of</u>	<u>Principal</u>	<u>Interest</u>	<u>Year of</u>	<u>Principal</u>	<u>Interest</u>
<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>

9
10
11
12
13
14
15

16 The notes are numbered from one consecutively upwards prefixed by the letter “R” and are of
17 like tenor and effect except as to maturity, number, interest rate, denomination and redemption
18 provisions, and are issued pursuant to and in full conformity with the provisions of Article VII,
19 Section 8 of the Annapolis City Charter, and by virtue of due proceedings had and taken by the
20 Mayor and Aldermen of the City of Annapolis particularly an Ordinance adopted on the
21 _____ day of _____, 2012 (approved _____ 2012) (the “Ordinance”).
22

23 [The notes are [not] subject to redemption prior to their maturities [at the option of the City either
24 as a whole or in part at anytime.]
25

26 When less than all of a note in a denomination in excess of \$5,000 shall be so redeemed, then,
27 upon the surrender of such note, there shall be issued to the registered owner thereof, without
28 charge, for the unredeemed balance of the principal amount of such note, at the option of such
29 owner, notes in any of the authorized denominations, the aggregate face amount of such notes
30 not to exceed the unredeemed balance of the note so surrendered, and to bear the same
31 interest rate and to mature on the same date as said unredeemed balance.
32

33 If the City elects to redeem all or a portion of the Notes outstanding, it shall give a redemption
34 notice by first class mail, postage prepaid, at least 30 days prior to the date fixed for redemption
35 to each registered owner appearing on the books kept by the Note Registrar. Notwithstanding
36 the foregoing, so long as all of the Notes are registered in the name of Cede & Co., as nominee
37 for the Depository Trust Company, New York, New York (“DTC”), such notice shall be given by
38 a secure means (e.g. legible facsimile transmission, registered or certified mail or overnight
39 express delivery) in a timely manner designed to assure that such notice is in DTC possession
40 no later than the close of business on such thirtieth day; provided, however, that the failure to
41 mail the redemption notice or any defect in the notice so mailed or in the mailing thereof shall
42 not affect the validity of the redemption proceedings. The redemption notice shall state (i)
43 whether the Notes are to be redeemed in whole or in part and, if in part, the maturities and
44 numbers of the Notes to be redeemed, (ii) the date fixed for redemption and the redemption
45 price or prices, (iii) that the Notes to be redeemed shall be presented for redemption at the
46 office of the Note Registrar, and (iv) that interest on the Notes called for redemption shall cease
47 to accrue on the date fixed for redemption.
48

49 From and after the date fixed for redemption, if notice has been duly and properly given and if
50 funds sufficient for the payment of the redemption price of the notes called for redemption plus
51 accrued interest due thereon are available on such date, the notes so called for redemption

1 shall become due and payable at the redemption price or prices provided for redemption of such
2 notes on such date interest on the notes shall cease to accrue and the registered owners of the
3 notes so called for redemption shall have no rights in respect thereof except to receive payment
4 of the redemption price plus accrued interest to the date fixed for redemption. Upon
5 presentation and surrender of a note called for redemption in compliance with the redemption
6 notice, the Note Registrar shall pay the redemption price of such note plus accrued interest
7 thereon to the date fixed for redemption. If notes so called for redemption are not paid upon
8 presentation and surrender as described above, such notes shall continue to bear interest at the
9 rates stated therein until paid.]

10
11 This note is transferable only upon the registration books kept at the principal office of the Note
12 Registrar, by the registered owner hereof in person, or by his attorney duly authorized in writing,
13 upon surrender hereof together with a written instrument of transfer in the form attached hereto
14 and satisfactory to the Note Registrar duly executed by the registered owner or his duly
15 authorized attorney, and thereupon, within a reasonable time, the City shall issue in the name of
16 the transferee a new registered note or notes of any authorized denominations in aggregate
17 principal amount equal to the principal amount of this note or the unredeemed portion hereof,
18 and maturing on the same date and bearing interest at the same rate. Said new note or notes
19 shall be delivered to the transferee only after payment of any tax or governmental charge
20 required to be paid with respect to and any shipping expenses or insurance relating to, such
21 transfer and only after due authentication thereof by an authorized officer of the Note Registrar.
22 The City shall not be required to issue, transfer or exchange any note during the period
23 beginning fifteen days before any selection of notes to be redeemed and ending on the day of
24 publication and mailing of the notice of redemption or to transfer or exchange any note called or
25 being called for redemption in whole or in part. The City may deem and treat the person in
26 whose name this note is registered as the absolute owner hereof for the purpose of receiving
27 payment of or on account of the principal or redemption price hereof and interest due hereon
28 and for all other purposes.

29
30 The full faith and credit and unlimited taxing power of the City are hereby irrevocably pledged to
31 the prompt payment of the principal of and interest on this note according to its terms, and the
32 City does hereby covenant and agree to pay the principal of this note and the interest thereon,
33 at the dates and in the manner mentioned herein, according to the true intent and meaning
34 thereof.

35
36 It is hereby certified and recited that all conditions, acts and things required by the Constitution
37 or statutes of the State of Maryland, the Charter of the City and the Ordinance to exist, to have
38 happened or to have been performed precedent to or in the issuance of this note, exist, have
39 happened and have been performed, and that the issue of notes of which this is one, together
40 with all other indebtedness of the City, is within every debt and other limit prescribed by said
41 Constitution or statutes or Charter, and that due provision has been made for the levy and
42 collection of an *ad valorem* tax or taxes upon all legally assessable property within the corporate
43 limits of the City in rate and amount sufficient to provide for the payment, when due, of the
44 principal of and interest on this note.

45
46 IN WITNESS WHEREOF, this note has been executed by the facsimile signature of the Mayor
47 of the City, which signature has been imprinted hereon, a facsimile of the corporate seal of the
48 City has been imprinted hereon, attested by the manual or facsimile signature of the City Clerk
49 as of the first day of _____, 2012.

1 ATTEST:

CITY OF ANNAPOLIS

2
3
4
5 _____
6 City Clerk

By: _____
Mayor

7
8
9
10 CERTIFICATION OF AUTHENTICATION

11 The undersigned hereby certifies that this note is one of the registered notes of the City of
12 Annapolis.
13

14
15 _____
16 _____
17 [Authorized Officer of Note Registrar]
18

(Form of Assignment)

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ the within note and all rights thereunder, and does hereby constitute and appoint _____ to transfer the within note on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: _____

In the presence of:

Notice: The signature to this assignment must correspond with the name as it appears upon the face of the within note in every particular, without alteration or enlargement or any change whatever.

1
2 SECTION 12. All of the 2012 Series Bonds and Notes authorized by this Ordinance
3 may be sold by solicitation of competitive sealed proposals at public sale in accordance with the
4 provisions of the following Notice of Sale at the principal office of the City, on such date as may
5 be selected by the Mayor pursuant to an executive order for cash at no less than par, to the
6 bidder therefor whose bid is deemed to be for the best interests of Annapolis. Bids shall be
7 received as provided in the Notice of Sale. The 2012 Series Bonds and Notes authorized by
8 this Ordinance may also be sold, if the Mayor determines that it would be in the best interest of
9 the City, at private (negotiated) sale without advertisement, publication, notice of sale, or
10 solicitation of competitive bids. The Mayor shall award the sale of the 2012 Series Bonds and
11 Notes by executive order.

12 Unless a referendum petition shall be filed as provided hereinafter or the 2012 Series
13 Bonds or Notes are sold at private (negotiated) sale, the City Clerk of Annapolis is authorized
14 and directed to publish a notice of sale at least twice in a daily or weekly newspaper having
15 general circulation in Annapolis. The publication of such notice of sale shall be made once at
16 least ten (10) days prior to the date of sale. The City Clerk may give such other notice of the
17 sale of such 2012 Series Bonds and Notes, within or without this State, by publication or
18 otherwise, as the Mayor may deem appropriate.

19 The Finance Director of Annapolis is hereby authorized and directed to make all
20 necessary arrangements for the tabulation and comparison of the proposals received, including
21 the employment of specially qualified personnel, if necessary, so that he will be able promptly to
22 advise the Mayor as to the proposal which produces the lowest true interest cost for the 2012
23 Series Bonds and Notes sold.

24 The Mayor, City Manager and Finance Director are hereby authorized to prepare and
25 distribute a preliminary official statement and final official statement in connection with the sale
26 of the 2012 Series Bonds and Notes.

27 The Notice of Sale if used for the issue of 2012 Series Bonds and Notes authorized by
28 this Ordinance shall be in substantially the form hereinafter set forth, with the insertions therein
29 indicated. The terms and conditions stated in such Notice of Sale are hereby adopted and
30 approved as the terms and conditions under which and the manner in which such 2012 Series
31 Bonds and Notes shall be sold, issued and delivered at public sale, subject to such insertions,
32 alterations, additions or deletions as the Mayor may deem advisable due to financial or market
33 conditions prevailing at the time and based upon the advice of the Financial Advisor to the City.

(Form of Notice of Sale)

NOTICE OF SALE

\$ _____

**CITY OF ANNAPOLIS, MARYLAND
General Obligation Bonds
Public Improvements Refunding Bonds, 2012 Series**

\$ _____

**CITY OF ANNAPOLIS, MARYLAND
Taxable General Obligation Notes,
2012 Series**

Electronic bids via the BiDCOMP/Parity Competitive Bidding System ("PARITY") will be received until _____, prevailing Eastern time, on _____ (unless postponed as described herein) by the City of Annapolis, Maryland (the "City") for the City of Annapolis, Maryland General Obligation Bonds, Public Improvements Refunding Bonds, 2012 Series (the "2012 Series Bonds") and the City of Annapolis, Maryland Taxable General Obligation Notes, 2012 Series (the "Notes" and collectively with the 2012 Series Bonds, the "Obligations").

Terms of the 2012 Series Bonds

The 2012 Series Bonds shall be dated the date of their delivery.

Interest on the 2012 Series Bonds is payable on _____ and semi-annually thereafter on _____ and _____ until maturity. The 2012 Series Bonds will mature on _____ in the following respective years and principal amounts:

Maturing [Date]*	Principal Amount*
-----------------------------	------------------------------

*Preliminary, subject to change. See "Adjustments of Principal Amounts."

The proceeds of the 2012 Series Bonds will be used to refund all or a portion of the City's Public Improvements Bonds, 2005 Series and Public Improvements Bonds, 2007 Series, and to pay the costs of issuing such 2012 Series Bonds.

Terms of the Notes

The Notes shall be dated the date of their delivery.

1 Interest on the Notes is payable on _____ and at maturity. The Notes will mature
2 on _____ in the principal amount(s) of _____.

3
4
5 The proceeds of the Notes will be used to finance working capital expenses and to pay
6 costs of issuing such Notes.

7
8
9 **Authority**

10
11 The 2012 Series Bonds are issued pursuant to Sections 31 through 39, inclusive, of
12 Article 23A of the Annotated Code of Maryland (2011 Replacement Volume), Section 24 of
13 Article 31 of the Annotated Code of Maryland (2010 Replacement Volume and 2011
14 Supplement), and Article VII, Section 11 of the Charter of the City of Annapolis, as amended.

15
16 The Notes are issued pursuant to Article VII, Section 8 of the Charter of the City of
17 Annapolis, as amended.

18
19 The Obligations are general obligations of the City, and will constitute an irrevocable
20 pledge of its full faith and credit and unlimited taxing power.

21
22 **Book-Entry System**

23
24 One bond or note representing each maturity of the Obligations will be issued to and
25 registered in the name of Cede & Co., as nominee of The Depository Trust Company, New
26 York, New York ("DTC"), as registered owner of the Obligations and each such bond or note
27 shall be held in the custody of DTC. DTC will act as securities depository for the Obligations.
28 Individual purchases will be made in book-entry form only, in the principal amount of \$5,000 or
29 any integral multiple thereof. Purchasers will not receive physical delivery of certificates
30 representing their interest in the Obligations purchased. The winning bidder, as a condition to
31 delivery of the Obligations, will be required to deposit the bond or note certificates representing
32 each maturity with DTC.

33
34 Interest on the Obligations will be payable when due and the principal or redemption price
35 of the Obligations will be payable at maturity or upon earlier redemption to DTC or its nominee as
36 registered owner of the Obligations, in accordance with the authority above. Transfer of principal
37 and interest payments to beneficial owners of the Obligations by participants of DTC
38 ("Participants") will be the responsibility of Participants and other nominees of beneficial owners.
39 The City will not be responsible or liable for such transfers of payments or for maintaining,
40 supervising or reviewing the records maintained by DTC, Participants or persons acting through
41 Participants.

42
43 **Optional Redemption of the 2012 Series Bonds and Notes**

44
45 The Notes are [not] redeemable prior to their stated maturity.

46
47 2012 Series Bonds maturing on or before _____ are not subject to redemption prior
48 to their stated maturities. 2012 Series Bonds maturing on or after _____ are subject to
49 redemption prior to their maturities at the option of the City on or after _____ either as a
50 whole or in part at any time in any order of maturity at the option of the City, at par plus accrued
51 interest thereon to the date fixed for redemption.

1 **Adjustments of Principal Amounts**
2

3 The preliminary aggregate principal amount of the 2012 Series Bonds and the
4 preliminary principal amount of each annual payment on the 2012 Series Bonds as set forth in
5 this Notice of Sale (the "Preliminary Aggregate Principal Amount" and the "Preliminary Annual
6 Principal Amount", and collectively the "Preliminary Amounts") may be revised before the receipt
7 and opening of the bids for their purchase. Such revisions may include the addition or deletion
8 of maturities of the 2012 Series Bonds. **ANY SUCH REVISIONS** made prior to the opening of
9 the bids (the "Revised Aggregate Principal Amount" and the "Revised Annual Principal Amount",
10 and collectively the "Revised Amounts") **WILL BE PUBLISHED ON THOMPSON MUNICIPAL**
11 **MARKET MONITOR ("TM3") (www.tm3.com) NOT LATER THAN ____ A.M. (LOCAL**
12 **BALTIMORE, MARYLAND TIME) ON THE BUSINESS DAY PRIOR TO THE ANNOUNCED**
13 **DATE FOR RECEIPT OF BIDS FOR THE OBLIGATIONS.**
14

15 In the event that no such revisions are made, the Preliminary Amounts will constitute the
16 Revised Amounts. Bidders shall submit bids based on the Revised Amounts and the Revised
17 Amounts will be used to compare bids and select a winning bidder.
18

19 Such Revised Amounts, among other things, will be used by the City to calculate the final
20 aggregate principal amount of the 2012 Series Bonds and the final principal amount of each
21 annual payment on the 2012 Series Bonds (the "Final Aggregate Principal Amount" and the "Final
22 Principal Amount" of each annual payment, respectively, and collectively, the "Final Amounts"). In
23 determining the Final Amounts the City reserves the right to increase or decrease the aggregate
24 amount of the 2012 Series Bonds by an amount not to exceed ten percent (10%) and
25 correspondingly adjust the issue size, with all calculations to be rounded to the nearest \$5,000.
26

27 In the event of any such adjustment, no rebidding or recalculation of the bid submitted will
28 be required or permitted. If necessary, the total purchase price of the 2012 Series Bonds will be
29 increased or decreased in direct proportion to the ratio that the adjustment bears to the aggregate
30 principal amount of the 2012 Series Bonds specified herein; and the 2012 Series Bonds of each
31 maturity, as adjusted, will bear interest at the same rate and must have the same initial reoffering
32 yields as specified in the bid of the successful bidder. However, the award will be made to the
33 bidder whose bid produces the lowest true interest cost, calculated as specified in the section
34 entitled "Basis of Award" herein. **THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID**
35 **OR CHANGE THE INTEREST RATES BID OR THE INITIAL REOFFERING PRICES AS A**
36 **RESULT OF ANY CHANGES MADE TO THE PRINCIPAL AMOUNTS WITHIN THESE LIMITS.**
37 **IN READJUSTING THE PRINCIPAL AMOUNT OF THE OBLIGATIONS FOLLOWING THE**
38 **AWARD, THE CITY WILL HOLD CONSTANT THE BIDDER'S GROSS SPREAD PER \$1,000**
39 **2012 SERIES BONDS AS INDICATED IN THE ORIGINAL BID.** In this process, however, the City
40 reserves the right to adjust the actual dollar amount of Bidder's gross spread resulting from an
41 upward or downward adjustment of the principal amount of the 2012 Series Bonds.

Change of Bid Date and Closing Date

42 The City reserves the right to postpone, from time to time, the date established for the
43 receipt of bids and will undertake to notify registered prospective bidders via notification published
44 on [TM3](http://www.tm3.com).
45

46 A postponement of the bid date will be announced via TM3 not later than 4:00 P.M.,
47 prevailing Eastern Time, on the last business day prior to any announced date for receipt of bids,
48 and an alternative sale date and time will be announced via TM3 at that time or at a later date.

1 On any such alternative date and time for receipt of bids, the City will accept electronic
2 bids for the purchase of the Obligations, such bids to conform in all respects to the provisions of
3 this Notice of Sale, except for the changes in the date and time for receipt of bids and any other
4 changes announced via TM3.

5
6 The City may change the scheduled delivery date for the Obligations by notice given in
7 the same manner as that set forth for a change in the date for the receipt of bids. See "Delivery"
8 below.

9
10 **Bid Parameters for the 2012 Series Bonds**

11
12 No bid of less than 100% of par or more than 110% on an "all-or-none" basis, no oral bid
13 and no bid for less than all of the 2012 Series Bonds described in this Notice of Sale, will be
14 considered. The 2012 Series Bonds are expected to be awarded by approximately ___ p.m.,
15 prevailing Eastern Time, on _____. All proposals shall remain firm until the time
16 of award.

17
18 Bidders are requested to name the interest rate or rates in multiples of 1/8 or 1/20 of 1%,
19 and the highest rate may not exceed the lowest rate by more than 3% and no interest rate may
20 exceed 5.50%. A zero rate may not be named. No 2012 Series Bond shall bear more than one
21 rate of interest which rate shall be uniform for the life of the 2012 Series Bond.

22
23 **Bid Parameters for the Notes**

24
25 No bid of less than 100% of par on an "all-or-none" basis, no oral bid and no bid for less
26 than all of the Notes described in this Notice of Sale, will be considered. The Notes are
27 expected to be awarded by approximately ___ p.m., prevailing Eastern Time, on _____.
28 All proposals shall remain firm until the time of award.

29
30 Bidders are requested to name one interest rate in multiples of 1/8 or 1/20 of 1%. The
31 Notes shall bear one rate of interest which rate shall be uniform for the life of the Notes.

32
33 **Basis of Award**

34
35 The Mayor of the City will not accept and will reject any bid for less than all of the 2012
36 Series Bonds or all of the Notes. The City will award all of the 2012 Series Bonds or all of the
37 Notes to one bidder for each of the Obligations. The City reserves the right to reject any and all
38 bids and to waive any irregularities in any of the bids. The judgment of the City shall be final
39 and binding upon all bidders with respect to the form and adequacy of any proposal received
40 and as to its conformity with the terms of this Notice of Sale.

41
42 Each of the Obligations will be awarded to the bidder naming the lowest true interest
43 cost (TIC) for the Obligations in any legally acceptable proposal and offering to pay not less
44 than par. The lowest true interest cost with respect to the Obligations will be determined by
45 doubling the semiannual interest rate, compounded semi-annually, necessary to discount the
46 debt service payments from the payment dates to the date of the Obligations and to the amount
47 bid.

48
49 Where the proposals of two or more bidders result in the same lowest true interest cost
50 for any Obligations, such Obligations may be apportioned between such bidders, but if this shall
51 not be acceptable, the City shall have the right to award all of each Obligation to one bidder.

1 There will be no auction. The right is reserved to the City to reject any or all proposals and to
2 waive any irregularity or informality in any proposal. The City's judgment shall be final and
3 binding upon all bidders with respect to the form and adequacy of any proposal received and as
4 to its conformity to the terms of this Notice of Sale. Any award of the Obligations may be made
5 as late as 3:00 p.m., prevailing Eastern Time, on the sale date. All bids remain firm until an
6 award is made. Upon notice of such award, the winning bidder shall advise the City of the initial
7 reoffering prices to the public of each maturity of the Obligations and the names of the members
8 of the underwriting groups.

9 10 **Procedures for Electronic Bidding**

11 12 **Bidders to Submit Bids by PARITY**

13
14 Bids must be submitted electronically via PARITY pursuant to this Notice of Sale until
15 _____ a.m., for the 2012 Series Bonds and _____ a.m. for the Notes, prevailing Eastern
16 time, on the sale date, but no bid will be received after the time for receiving bids specified
17 above. To the extent any instructions or directions set forth in PARITY conflict with this Notice
18 of Sale, the terms of this Notice of Sale shall control. For further information about PARITY,
19 potential bidders may contact i-Deal LLC at 1359 Broadway, 2nd Floor, New York, New York
20 10018, telephone (212) 849-5021.

21 22 **Disclaimer**

23
24 Each prospective electronic bidder shall be solely responsible to submit its bid via
25 PARITY as described above. Each prospective electronic bidder shall be solely responsible to
26 make necessary arrangements to access PARITY for the purpose of submitting its bid in a
27 timely manner and in compliance with the requirements of this Notice of Sale. Neither the City
28 nor PARITY shall have any duty or obligation to provide or assure access to PARITY to any
29 prospective bidder, and neither the City nor PARITY shall be responsible for proper operation
30 of, or have any liability for any delays or interruptions of, or any damages caused by PARITY.
31 The City is using PARITY as a communication mechanism, and not as the City's agent, to
32 conduct the electronic bidding for the Obligations. The City is not bound by any advice and
33 determination of PARITY to the effect that any particular bid complies with the terms of this
34 Notice of Sale and in particular the "Bid Parameters" set forth herein. All costs and expenses
35 incurred by prospective bidders in connection with their submission of bids via PARITY are the
36 sole responsibility of the bidders; the City is not responsible, directly or indirectly, for any of such
37 costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying, or
38 withdrawing a bid for the Obligations, such bidder should telephone i-Deal LLC at (212) 849-
39 5021 and notify Davenport & Company LLC by facsimile at (866) 932-6660.

40 41 **Electronic Bidding Procedures**

42
43 Electronic bids must be submitted for the purchase of the 2012 Series Bonds or the
44 Notes (in each case, all or none) via PARITY. Bids will be communicated electronically to the
45 City at _____ a.m. for the 2012 Series Bonds and _____ a.m. for the Notes, prevailing Eastern
46 time, on _____. Prior to that time, a prospective bidder may (1) submit
47 the proposed terms of its bid via PARITY, (2) modify the proposed terms of its bid, in which
48 event the proposed terms as last modified will (unless the bid is withdrawn as described herein)
49 constitute its bid for the Obligations, or (3) withdraw its proposed bid. Once the bids are
50 communicated electronically via PARITY to the City, each bid will constitute an irrevocable offer

1 to purchase the Obligations on the terms therein provided. For purposes of the electronic
2 bidding process, the time as maintained on PARITY shall constitute the official time.

3 **Good Faith Deposit**

4
5 A good faith deposit in the amount of \$_____ is required of the winning
6 bidder for the 2012 Series Bonds. A good faith deposit in the amount of \$_____ is
7 required of the winning bidder for the Notes. The winning bidder for each of the Obligations is
8 required to submit such good faith deposit payable to the order of the City in the form of a wire
9 transfer in federal funds as instructed by the City's Financial Advisor, Davenport & Company
10 LLC or a financial surety bond. The winning bidder shall submit the good faith deposit not more
11 than two hours after verbal award is made. The winning bidder should provide as quickly as it is
12 available, evidence of wire transfer by providing the City the federal funds reference number. If
13 the good faith deposit is not received in the time allotted, the bid of the winning bidder may be
14 rejected and the City may direct the next lowest bidder to submit a good faith deposit and
15 thereafter may award the sale of the Obligations to the same. If the winning bidder fails to
16 comply with the good faith deposit requirement as described herein, that bidder is nonetheless
17 obligated to pay to the City the sum of \$_____ as liquidated damages due to the failure
18 of the winning bidder to timely deposit the good faith deposit.
19

20 A bidder may submit a financial surety bond from an insurance company acceptable to
21 the City, the claims paying ability of which is rated AAA by Standard & Poor's, a Division of the
22 McGraw-Hill Companies, Inc., or Aaa by Moody's Investors Service, Inc. and licensed to issue
23 such a bond in the State of Maryland and such surety bond must be submitted to the Director of
24 Finance of the City prior to 11:00 a.m., prevailing Eastern Time, on the date of sale. The financial
25 surety bond must identify each bidder whose good faith deposit is guaranteed by such financial
26 surety bond. If the Obligations are awarded to a bidder utilizing a financial surety bond, then the
27 successful bidder is required to submit its good faith deposit to the Director of Finance of the City
28 not later than 12:00 noon, prevailing Eastern Time, on the next business day following the award
29 either in the form of a wire transfer as described above in accordance with the City's instructions
30 to such successful bidder. If such good faith deposit is not received by that time, the financial
31 surety bond may be drawn by the City to satisfy the good faith deposit requirement.
32

33 ***Submission of a bid to purchase the Obligations serves as acknowledgement and***
34 ***acceptance of the terms of the good faith deposit requirement.***

35
36 The good faith deposit will be retained by the City until the delivery of the respective
37 Obligations, at which time the good faith deposit will be applied against the purchase price of the
38 Obligations or the good faith deposit will be retained by the City as partial liquidated damages in
39 the event of the failure of the successful bidder to take up and pay for such Obligations in
40 compliance with the terms of this Notice of Sale and of its bid. No interest on the good faith
41 deposit will be paid by the City. The balance of the purchase price must be wired in federal funds
42 to the account detailed in the closing memorandum, simultaneously with delivery of the
43 Obligations.
44

45 **Approving Legal Opinion**

46
47 The approving legal opinion of McKennon Shelton & Henn LLP, Baltimore, Maryland,
48 Bond Counsel, will be furnished to the purchasers without cost. There will also be furnished the
49 usual closing papers and, in addition, a certificate signed by appropriate officers of the City,
50 certifying that there is no litigation pending or, to the knowledge of the signers of such
51 certificate, threatened affecting the validity of the Obligations and that on the date of the Official

1 Statement mentioned below and at the time of delivery of the Obligations the statements and
2 information contained in such Official Statement which are made and provided by the City are
3 and will be true, correct and complete in all material respects and the Official Statement does
4 not and will not omit any statement or information which is required to be stated therein or
5 necessary to make the statements and information therein, in the light of the circumstances
6 under which they were made, not misleading or incomplete in any material respect.
7

8 **Preliminary Official Statement; Continuing Disclosure**

9

10 The City has deemed the Preliminary Official Statement with respect to the Obligations
11 dated _____ (the "Preliminary Official Statement") to be final as of its date for
12 purposes of Rule 15c2-12 of the United States Securities and Exchange Commission (the
13 "SEC"), except for the omission of certain information permitted to be omitted by said Rule. The
14 City agrees to deliver to the successful bidder for its receipt no later than seven business days
15 after the date of sale of the Obligations such quantities of the final official statement as the
16 successful bidder shall request; provided, that the City shall deliver up to 300 copies of such
17 official statement without charge to the successful bidder.
18

19 The City has made certain covenants for the benefit of the holders from time to time of
20 the Obligations to provide certain continuing disclosure, in order to assist bidders for the
21 Obligations in complying with Rule 15c2-12(b)(5) of the SEC. Such covenants are described in
22 the Preliminary Official Statement.
23

24 **Delivery**

25

26 The Obligations will be delivered on or about _____ (UNLESS A
27 NOTICE OF A CHANGE IN THE DELIVERY DATE IS ANNOUNCED ON TM3 NOT LATER
28 THAN 4:00 P.M., PREVAILING EASTERN TIME, ON THE LAST BUSINESS DAY PRIOR TO
29 ANY ANNOUNCED DATE FOR RECEIPT OF BIDS) through the facilities of DTC in New York,
30 New York, against payment therefor in federal or other immediately available funds.

31 **Reoffering Price Certificate**

32

33 SIMULTANEOUSLY WITH OR BEFORE DELIVERY OF THE 2012 SERIES BONDS,
34 THE SUCCESSFUL BIDDER SHALL FURNISH TO THE CITY A CERTIFICATE ACCEPTABLE
35 TO BOND COUNSEL TO THE EFFECT THAT (I) THE SUCCESSFUL BIDDER HAS MADE A
36 BONA FIDE PUBLIC OFFERING OF EACH MATURITY OF THE 2012 SERIES BONDS AT
37 THE INITIAL REOFFERING PRICES, (II) AS OF THE DATE OF THE SALE OF THE 2012
38 SERIES BONDS, THE SUCCESSFUL BIDDER REASONABLY EXPECTED TO SELL A
39 SUBSTANTIAL AMOUNT OF EACH MATURITY OF THE 2012 SERIES BONDS TO THE
40 PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT
41 THEIR RESPECTIVE REOFFERING PRICES, AND (III) A SUBSTANTIAL AMOUNT OF EACH
42 MATURITY OF THE 2012 SERIES BONDS WAS SOLD TO THE PUBLIC (EXCLUDING BOND
43 HOUSES, BROKERS AND OTHER INTERMEDIARIES) AT THEIR RESPECTIVE INITIAL
44 REOFFERING PRICES OR SUCH OTHER FACTS REGARDING THE ACTUAL SALE OF THE
45 2012 SERIES BONDS AS BOND COUNSEL SHALL REQUEST, AS DESCRIBED BELOW.
46 Bond Counsel advises that (i) such certificate must be made on the best knowledge, information
47 and belief of the successful bidder, (ii) the sale to the public of 10% or more in par amount of
48 each maturity of the 2012 Series Bonds at the initial reoffering prices would be sufficient to
49 certify as of the sale of a substantial amount of the bonds, and (iii) reliance on other facts as a
basis for such certification would require evaluation by Bond Counsel to assure compliance with

1 the statutory requirement to avoid the establishment of an artificial price for the 2012 Series
2 Bonds.

3 **Miscellaneous**

4
5 It is expected that CUSIP numbers will be printed on the Obligations. However, the
6 validity, sale, delivery or acceptance of the Obligations will not be affected in any manner by any
7 failure to print, or any error in printing, the CUSIP numbers on said Obligations, or any of them.

8
9 The right to reject any or all bids, or to waive any irregularity or informality in any bid, is
10 reserved.

11
12
13
14
15
16 CITY OF ANNAPOLIS, MARYLAND

17
18
19 By: _____
20 Mayor

21
22 By: _____
23 Director of Finance
24
25

1
2 SECTION 13. If any 2012 Series Bonds or Notes are sold pursuant to the foregoing
3 Notice of Sale, the award shall be made by order of the Mayor. Such action of the Mayor shall
4 also fix the interest rate or rates payable on the 2012 Series Bonds and Notes in accordance
5 with the accepted proposal. The Mayor shall also be authorized to make all changes necessary
6 to the form of the 2012 Series Bonds or Notes to comply with a book-entry only system. All or a
7 portion of the proceeds from the sale of the 2012 Series Bonds may be deposited with and used
8 by the Escrow Deposit Agent as set forth in the paragraph below. The proceeds of the 2012
9 Series Bonds and Notes shall be paid to the Finance Director of the City. Upon approval of the
10 appropriate vouchers, in accordance with the established procedure of the City, the Finance
11 Director shall pay, from the proceeds of the 2012 Series Bonds and Notes in his hands, all
12 expenses incurred in the issuance of the 2012 Series Bonds and Notes, including costs of
13 advertising, printing, document reproduction and counsel fees and expenses. Prior to
14 expenditure of such proceeds, the same or any part thereof shall be invested by the Finance
15 Director, with the approval of the Mayor, in any authorized investment of the City. If the funds
16 derived from the sale of the 2012 Series Bonds and Notes shall exceed the amount needed to
17 finance any of the purposes described in this Ordinance, the funds so borrowed and not
18 expended for the purposes provided by this Ordinance shall be set apart in a separate fund by
19 the Finance Director of Annapolis and applied in payment of the debt service on the respective
20 2012 Series Bonds and Notes.

21 The proceeds of the 2012 Series Bonds which will be used to refund all or a portion of
22 the Refunded Bonds, shall be used to purchase direct obligations of, or obligations the principal
23 of and interest on which are unconditionally guaranteed by, the United States of America or
24 certificates of deposit or time deposits fully collateralized by direct obligations of, or obligations
25 the principal of and the interest on which are unconditionally guaranteed by, the United States of
26 America in such amounts and maturing at stated fixed prices as to principal and interest at such
27 times so that sufficient moneys will be available from such maturing principal and interest,
28 together with any initial cash deposit, to pay at maturity or redeem, as the case may be, the
29 Refunded Bonds, to pay any applicable redemption premiums, and to pay interest when due on
30 the Refunded Bonds. Such portion of the net proceeds of the 2012 Series Bonds will be
31 deposited in trust with the escrow deposit agent for the 2012 Series Bonds, pursuant to an
32 escrow deposit agreement. The Mayor is hereby authorized to appoint an escrow deposit agent
33 for the 2012 Series Bonds.

1 SECTION 14. In order to provide for the payment of the principal of and interest on the
2 2012 Series Bonds and Notes hereby authorized when due, there shall be appropriated in the
3 next ensuing fiscal year of Annapolis and in each fiscal year thereafter, so long as any of the
4 2012 Series Bonds and Notes are outstanding and unpaid, or until a sufficient funds had been
5 accumulated and irrevocably set aside for the purpose, an amount sufficient to meet the debt
6 service on the 2012 Series Bonds and Notes coming due in such fiscal year and there shall be
7 levied ad valorem taxes upon all property within the corporate limits of the City subject to
8 assessment for full City taxes, in rate and amount sufficient in each such year to fund such
9 appropriations and to provide for the payment when due of the principal of and interest on all
10 2012 Series Bonds and Notes maturing in each such fiscal year. In the event the proceeds from
11 the taxes so levied in each such fiscal year shall prove inadequate for the above purposes,
12 additional taxes shall be levied in the subsequent fiscal year to make up any deficiency.
13 Thereafter, prior to each interest payment date, the Finance Director shall deposit with the
14 Paying Agent, from the tax proceeds above described, the amounts needed to pay the principal
15 of and interest on the 2012 Series Bonds and Notes coming due on each such interest payment
16 date. All moneys so deposited with the Paying Agent shall be deemed and treated by the
17 Paying Agent as trust funds for the use and benefit of the holders from time to time of the 2012
18 Series Bonds or the Notes hereby authorized. Any such trust funds so held by the Paying
19 Agent for the payment of particular 2012 Series Bonds and Notes for periods of more than two
20 (2) years respectively from the dates of such 2012 Series Bonds and Notes upon the expiration
21 of any such two-year period, and the failure of the holders of said 2012 Series Bonds and Notes
22 to present the same for payment within such period, shall be returned by the Paying Agent to
23 the City and, therefore, the holders of any such 2012 Series Bonds and Notes shall have claims
24 only against the City for payment of the obligations held by them and the Paying Agent shall be
25 relieved of the trust hereby imposed.

26 To assure the performance by the City of the provisions of this Section, the full faith and
27 credit and unlimited taxing power of the City are hereby irrevocably pledged to the payment to
28 maturity of the principal of and interest on the 2012 Series Bonds and the Notes hereby
29 authorized as and when the same respectively mature and become payable and to the levy and
30 collection of the taxes hereinabove described as and when such taxes may become necessary
31 in order to provide sufficient funds to meet the debt service requirements of the 2012 Series
32 Bonds and Notes hereby authorized to be issued. This pledge is made hereby for the benefit of
33 the holders, from time to time, of the 2012 Series Bonds and Notes hereby authorized.

1 The City hereby solemnly covenants and agrees with each holder of any of the 2012
2 Series Bonds and Notes hereby authorized to levy and collect the taxes hereinabove described
3 and to take any other action that may be appropriate from time to time during the period that any
4 of such 2012 Series Bonds and Notes remain outstanding and unpaid to provide the funds
5 necessary to make principal and interest payments thereon when due.

6 SECTION 15. This Ordinance and the question of the issuance of 2012 Series Bonds
7 hereunder shall not be submitted to a referendum of the registered voters of Annapolis, as
8 permitted by law, unless, within ten (10) days after the passage of this Ordinance, there shall be
9 served upon the Mayor a notice signed by not fewer than two hundred (200) of the registered
10 voters of Annapolis, advising that a petition for a referendum on the issuance of said bonds is
11 being circulated by one or more of the persons signing said notice and unless, within twenty
12 (20) days after the delivery of such notice, there shall also be filed with the Mayor a petition or
13 petitions requesting the holding of such a referendum, properly signed as required by the
14 Charter, by not fewer than twenty-five per centum (25%) of the registered voters of Annapolis,
15 as shown by the registered voters books of Annapolis, maintained by the Board of Supervisors
16 of Elections. In view of the foregoing, no action shall be taken by Annapolis pursuant to this
17 Ordinance for a period of ten (10) days following its passage. If, within such ten (10) day period,
18 the notice above described is filed as aforesaid, then no action shall be taken by Annapolis
19 pursuant to this Ordinance for a period of twenty (20) days following the filing of such notice. If,
20 within such twenty (20) day period, a petition for referendum, as above-described, shall be filed
21 as aforesaid, then no action shall be taken by Annapolis under this Ordinance unless and until
22 the Mayor shall receive written advice from the City Attorney and the Board of Supervisors of
23 Elections that such referendum petition does not meet the requirements of the Charter or unless
24 and until the referendum requested in such petition shall be duly held in accordance with law
25 and the Board of Supervisors of Elections shall certify to Annapolis that, in the election at which
26 such referendum is held, a majority of the registered voters of Annapolis voting on the question
27 referred duly cast their ballots in favor of the issuance of the 2012 Series Bonds hereby
28 authorized. If this Ordinance shall be ratified or approved on any such referendum, then the
29 Mayor and City Clerk may proceed with the issuance of the 2012 Series Bonds hereby
30 authorized, without further action by Annapolis.

31 SECTION 16. That CUSIP numbers may be printed on the 2012 Series Bonds and
32 Notes; provided, however, that the printing of CUSIP numbers on the 2012 Series Bonds and
33 Notes (even if incorrect) shall have no legal effect and shall not in any way affect the
34 enforceability or validity of any 2012 Series Bonds and Notes. Any expenses in relation to the

1 printing of CUSIP numbers on the 2012 Series Bonds and Notes, including any CUSIP Service
2 Bureau charge for the assignment of such numbers, in the discretion of the Finance Director,
3 may be paid for by the City from the proceeds of the 2012 Series Bonds and Notes.

4 SECTION 17. In addition to the insertions and variations prescribed by this Ordinance,
5 the Mayor is hereby authorized to make such further modifications in such forms as will not alter
6 the substance of such forms. In connection with the issuance of any 2012 Series Bonds or
7 Notes pursuant to this Ordinance, the City is hereby authorized to enter into one or more
8 agreements as the Mayor shall deem necessary or appropriate for the issuance, sale, delivery
9 or security of such 2012 Series Bonds and Notes, which may include (without limitation) (i)
10 underwriting, purchase or placement agreements for 2012 Series Bonds or Notes sold at private
11 (negotiated) sale in accordance with the provisions of this Ordinance; (ii) trust agreements with
12 commercial banks or trust companies providing for the issuance and security of such 2012
13 Series Bonds and Notes; (iii) any dealer, remarketing or similar agreements providing for the
14 placement or remarketing of 2012 Series Bonds or Notes; (iv) agreements providing for any
15 credit or liquidity facilities supporting any 2012 Series Bonds or Notes; (v) agreements with
16 commercial banks or trust companies providing for the deposit of proceeds of any 2012 Series
17 Bonds or Notes; (vi) agreements with fiscal agents providing for the issuance of 2012 Series
18 Bonds or Notes, their authentication, registration, verification of amounts and earnings set aside
19 to pay the Refunded Bonds or payment or other similar services; (vii) Loan agreements,
20 financing documents and similar agreements and documents in connection with the issuance of
21 Notes; and (viii) continuing disclosure agreements, including any such agreements required to
22 enable the underwriters of any 2012 Series Bonds and Notes to meet the requirements of
23 paragraph (b)(5) of Rule 15c2-12 promulgated by the United States Securities and Exchange
24 Commission. Each such agreement shall be in such form as shall be determined by the Mayor
25 by executive order. The execution and delivery of each such agreement by the Mayor shall be
26 conclusive evidence of the approval of the form of such agreement on behalf of the City.

27 SECTION 18. The Mayor and the Finance Director shall be the officers of the City
28 responsible for the issuance of the 2012 Series Bonds within the meaning of the "Arbitrage
29 Regulations" (defined herein).

30 The Mayor and the Finance Director shall also be the officers of the City responsible for
31 the execution and delivery (on the date of issuance of the 2012 Series Bonds) of a certificate of
32 the City (the "Tax and Section 148 Certificate") which complies with the requirements of Section
33 148 of the Internal Revenue Code of 1986, as amended ("Section 148"), and the applicable
34 regulations thereunder (the "Arbitrage Regulations"), and such officials are hereby authorized

1 and directed to execute the Tax and Section 148 Certificate and to deliver the same to Bond
2 Counsel on the date of the issuance of the 2012 Series Bonds.

3 The City shall set forth in the Tax and Section 148 Certificate its reasonable
4 expectations as to relevant facts, estimates and circumstances relating to the use of the
5 proceeds of the 2012 Series Bonds, or of any moneys, securities or other obligations to the
6 credit of any account of the City which may be deemed to be proceeds of the 2012 Series
7 Bonds pursuant to Section 148 or the Arbitrage Regulations (collectively, "2012 Series Bond
8 Proceeds"). The City covenants with each of the holders of any of the 2012 Series Bonds that
9 the facts, estimates and circumstances set forth in the Tax and Section 148 Certificate will be
10 based on the City's reasonable expectations on the date of issuance of the 2012 Series Bonds
11 and will be, to the best of the certifying officials' knowledge, true and correct as of that date.

12 In the event that 2012 Series Bonds are issued pursuant to this Ordinance with the
13 expectation that interest on such 2012 Series Bonds be excludable from gross income for
14 federal income tax purposes, the City covenants with each of the registered owners of any of
15 the 2012 Series Bonds that it will not make, or (to the extent that it exercises control or direction)
16 permit to be made, any use of the 2012 Series Bond Proceeds which would cause the 2012
17 Series Bonds to be "arbitrage bonds" within the meaning of Section 148 and the Arbitrage
18 Regulations. The City further solemnly covenants that it will comply with Section 148 and the
19 regulations thereunder which are applicable to the 2012 Series Bonds on the date of issuance
20 of the 2012 Series Bonds and which may subsequently lawfully be made applicable to the 2012
21 Series Bonds as long as the 2012 Series Bonds remain outstanding and unpaid. The Mayor,
22 City Manager, and the Finance Director are hereby authorized and directed to prepare or cause
23 to be prepared and to execute, respectively, any certification, opinion or other document,
24 including, without limitation, the Tax and Section 148 Certificate, which may be required to
25 assure that the 2012 Series Bonds will not be deemed to be "arbitrage bonds" within the
26 meaning of Section 148 and the regulations thereunder.

27 The City further covenants with each of the registered owners of any of the 2012 Series
28 Bonds (i) that it will not take any action or (to the extent that it exercises control or direction)
29 permit any action to be taken that would cause the 2012 Series Bonds or a portion of the 2012
30 Series Bonds to be "federally guaranteed" within the meaning of Section 149(b) of the Internal
31 Revenue Code of 1986, as amended, and (ii) that it will not make, or (to the extent that it
32 exercises control or direction) permit to be made, any use of the proceeds of the 2012 Series
33 Bonds or a portion of such proceeds that would cause the 2012 Series Bonds or a portion of the

1 2012 Series Bonds to be “private activity bonds” within the meaning of Section 141 of the
2 Internal Revenue Code of 1986, as amended.

3 In the event that the 2012 Series Bonds are being issued hereunder with the expectation
4 that interest on such 2012 Series Bonds will be exempt from federal income taxation, the Mayor
5 may make such covenants or agreements in connection with the issuance of such 2012 Series
6 Bonds as he shall deem advisable in order to assure the registered owners of such 2012 Series
7 Bonds that interest thereon shall be and remain excludable from gross income for federal
8 income tax purposes and such covenants or agreements shall be binding on the City so long as
9 the observance by the City of any such covenants or agreements is necessary in connection
10 with the maintenance of the exclusion of the interest on such 2012 Series Bonds from gross
11 income for federal income tax purposes. The foregoing covenants or agreements may include
12 such covenants or agreements on behalf of the City regarding compliance with the provisions of
13 the Internal Revenue Code of 1986, as amended, as the Mayor shall deem advisable in order to
14 assure the registered owners of the 2012 Series Bonds that the interest thereon is and shall
15 remain excludable from gross income for federal income tax purposes, including (without
16 limitation) covenants or agreements relating to the investment of 2012 Series Bond Proceeds,
17 the payment of certain earnings resulting from such investment to the United States, limitations
18 on the times within which, and the purposes for which, 2012 Series Bond Proceeds may be
19 expended, or the use of specified procedures for accounting for and segregating 2012 Series
20 Bond Proceeds. Any covenant or agreement made by the Mayor pursuant to this paragraph
21 may be set forth in or authorized by the Tax and Section 148 Certificate or an order executed by
22 the Mayor.

23 SECTION 19. The Mayor or his designee is expressly authorized to approve the form
24 of, and execute and deliver and on behalf of the City, a continuing disclosure agreement to
25 assist bidders in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

26 SECTION 20. The City is hereby authorized to issue and reissue the Notes from time
27 to time, provided, however, that at no time shall the aggregate principal amount of Notes
28 outstanding exceed the aggregate principal amount of Notes authorized to be issued hereby.
29 Any such Notes issued or reissued pursuant to this Ordinance shall be for the purposes set forth
30 herein, shall be repaid within one (1) year of the date of any advance or delivery of the Notes
31 and shall otherwise comply with the provisions herein. Not more than 30 and not less than 15
32 days prior to the date established by the Mayor for the sale of any Notes, the Mayor shall give to
33 the members of the City Council written notice at the location which City Council customarily
34 receives notices regarding City Council matters, of the date established for the sale of such

1 Notes, the estimated aggregate principal amount of such Notes, the purpose for which the
2 Notes are being issued, the estimated dates on which such Notes mature and the estimated
3 amount maturing on such date and any applicable redemption provisions pertaining to the
4 Notes. The failure of the Mayor to give such notice, or any defect in such notice, shall not affect
5 the validity of the Notes, the sale of the Notes or any proceedings relating thereto.

6 SECTION 21. This Ordinance shall take effect from the date of its approval by the
7 Mayor, on or following the date of its final adoption and, thereafter, within not more than three
8 calendar days of such approval, notice of the adoption of this Ordinance shall be duly given by
9 publication of the title hereof at least once in "The Capital," or another newspaper published and
10 of general circulation in the City.

11
12
13
14
15

ADOPTED this _____ day of _____, _____.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY _____

Regina C. Watkins-Eldridge, MMC, City
Clerk

Joshua J. Cohen, Mayor

16
17
18
19
20
21

EXPLANATION

CAPITAL LETTERS indicate matter added to existing law.

[brackets] indicate matter stricken from existing law.

Underlining indicates amendments.

1
2
3
4
5
6
7

**CITY COUNCIL OF THE
City of Annapolis**

Resolution No. R-2-12

Introduced by: Alderman Arnett and Mayor Cohen

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
2/13/12			5/14/12
Referred to	Referral Date	Meeting Date	Action Taken
Finance	2/13/12		

8
9
10 **A RESOLUTION** concerning

11 **City Water Treatment Plant**

12 **FOR** the purpose of expressing the sense of the City Council to select the City-only alternative
13 for construction of a new water treatment capacity.

14
15 **WHEREAS,** the Council requested a study of the feasibility of Anne Arundel County ("the
16 County") supplying water to the City of Annapolis ("the City") in lieu of building
17 a new City-owned and operated water treatment plant; and

18
19 **WHEREAS,** the City hired a multi-national engineering firm, Atkins, to complete the
20 feasibility study ("the Study") attached to this resolution; and

21
22 **WHEREAS,** the Study concludes that the life cycle costs of the City option (Option 1) and
23 the County options (Options 2 & 3) are essentially equal (within the margin of
24 error of the analysis); and

25
26 **WHEREAS,** there are other important factors to consider in evaluating the alternatives,
27 including the risk of schedule delay, potential loss of reciprocity and emergency
28 capacity, potential future issues regarding water quality and service
29 dependability, and potential service area differences; and

30
31 **WHEREAS,** this proposed Resolution seeks Council support to select Option 1, New City
32 Water Treatment Plant/Separate Facilities, for construction of new water
33 treatment capacity.

34
35 **NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that it supports
36 the recommendation for the City to construct a new, City-owned and operated water treatment
37 plant.

1
2
3
4
5
6
7
8

AND, BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL that this resolution shall take effect from the date of adoption.

ADOPTED this _____ day of _____, _____.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

9
10
11
12
13
14

EXPLANATION

CAPITAL LETTERS indicate matter added to existing law.
[brackets] indicate matter stricken from existing law.
Underlining indicates amendments.

Policy Report

R-2-12

City Water Treatment Plant

The proposed resolution would express the sense of the City Council to select the City-only alternative for construction of a new water treatment capacity. The City contracted with the multi-national engineering firm of Atkins to conduct a feasibility study of the City's options for a new water treatment plant. Atkins concluded that the life cycle costs of the City independently pursuing a new water treatment plant, when compared to the option of partnering with Anne Arundel County, would be within the margin of error of their analysis.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at JCCowles@annapolis.gov or 410.263.1184.

Feasibility Study

To:	City of Annapolis		
From:	Bob Nelson, Brian Balchunas	Email:	
Phone:	301-210-6800	Date:	11 Jan 2012
Ref:	100023456	cc:	Anne Arundel County DPW
Subject:	City of Annapolis and Anne Arundel County--Feasibility Study		

1. Introduction

Both the City of Annapolis (City) and Anne Arundel County (County) are about to undertake capital improvements at their respective water treatment plants—the City of Annapolis WTP and the County’s Broad Creek II (BCII) WTP. The City expressed interest in first exploring the feasibility of a joint water treatment plant, located at the BC II WTP site. Four meetings have been held (Appendix A – presentations, Appendix B – minutes), and one technical memorandum has been issued (Appendix C). The purpose of this feasibility study is to perform a financial analysis of life cycle costs, including construction and operation & maintenance costs, for the options developed. It includes an outline of the assumptions made and a presentation of results, as well as cost factors that could impact the results..

The study does not consider other potential economic or non-economic impacts, nor does it provide recommendations. Rather, it is being completed to provide the leadership of both the City and County with an objective financial analysis to be used in combination with other considerations to make a decision.

2. Options

Three different, build-out scenarios were developed, in order to meet the combined City/County maximum day water demands. These options are shown on Figures 1 through 4 with the estimated maximum day water demand (separate County and City for Option 1, combined City/County for Options 2 and 3). These figures assume that the County would send 2-mgd, maximum day, to other pressure zones by 2025, and 4-mgd by 2040.

- **Option 1 (Baseline)** - Immediate (on-line 2015) construction of a new, 8-mgd WTP at the existing City WTP and a 4 mgd expansion at the County’s BC II WTP (8 mgd, total). Construction of a new, 5 mgd WTP at Withernsea (on-line 2018), with an expansion to 7.5 mgd (on-line 2025) and an expansion to 12.5 mgd (on-line 2035).
- **Option 2** - Immediate (on-line 2015) construction of a 9.88 mgd expansion at the County’s BC II WTP (13.88 mgd, total), with City/County interconnection. Immediate construction of a new, 5 mgd WTP at Withernsea (on-line 2015), with an expansion to 7.5 mgd (on-line 2022). Three-mgd expansion of BC II (on-line 2027). Withernsea expanded to 12.5 mgd (on-line 2035).
- **Option 3** - Immediate (on-line 2015) construction of a 13.33 mgd expansion at the County’s BC II WTP (17.33 mgd, total), with City/County interconnection. Construction of a new, 5 mgd WTP at Withernsea (on-line 2020), with an expansion to 7.5 mgd (on-line 2027) and another expansion (to 12.5 mgd – on-line 2035).

Figure 1. Option 1 – Baseline Water Demands vs. Capacity (City)

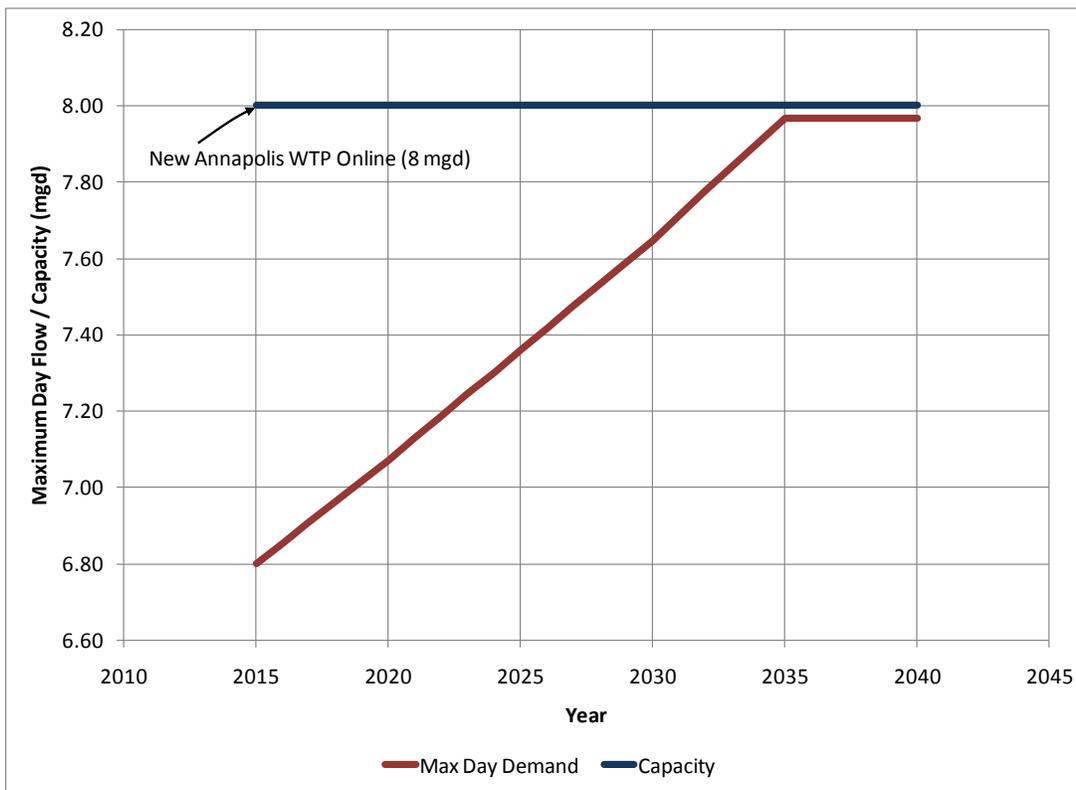


Figure 2. Option 1 – Baseline Water Demands vs. Capacity (County)

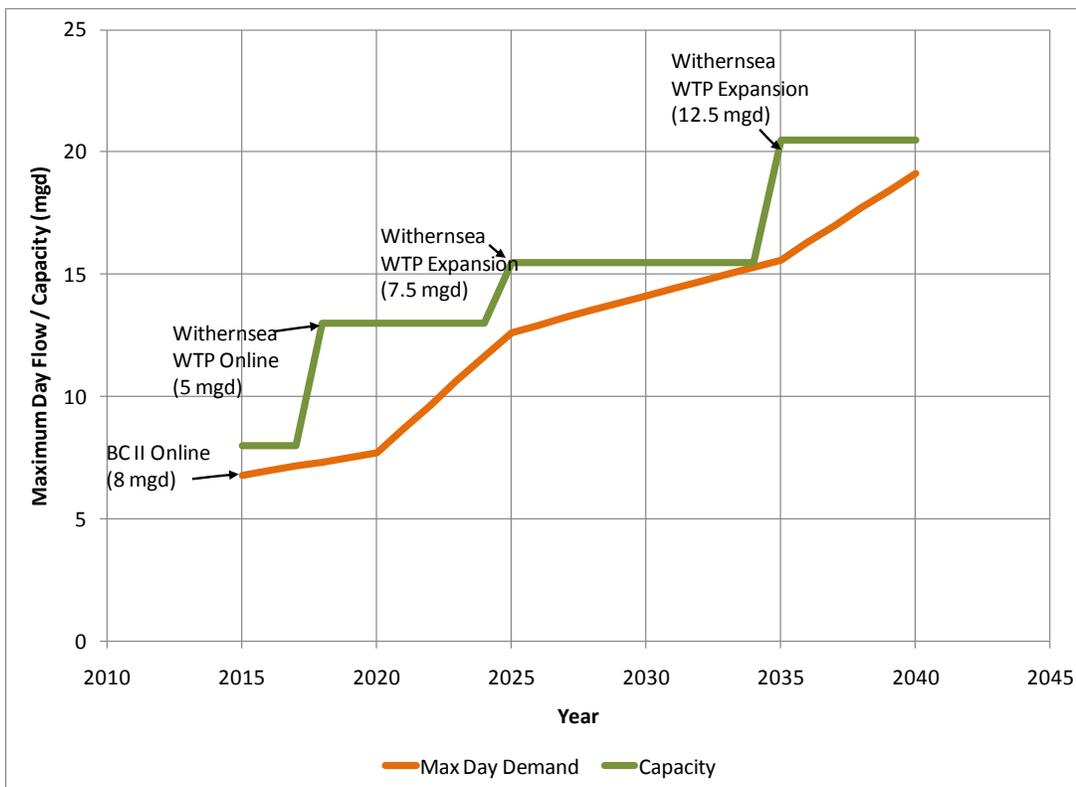


Figure 3. Option 2 – Combined City/Water Demands vs. Capacity

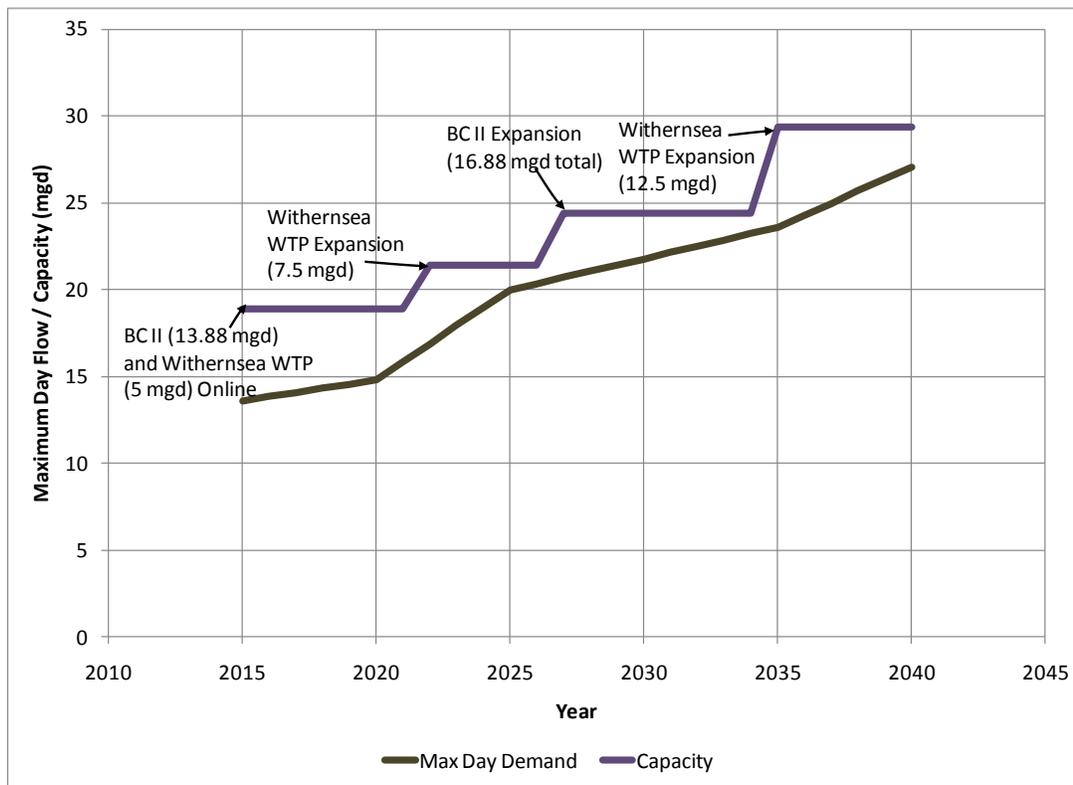
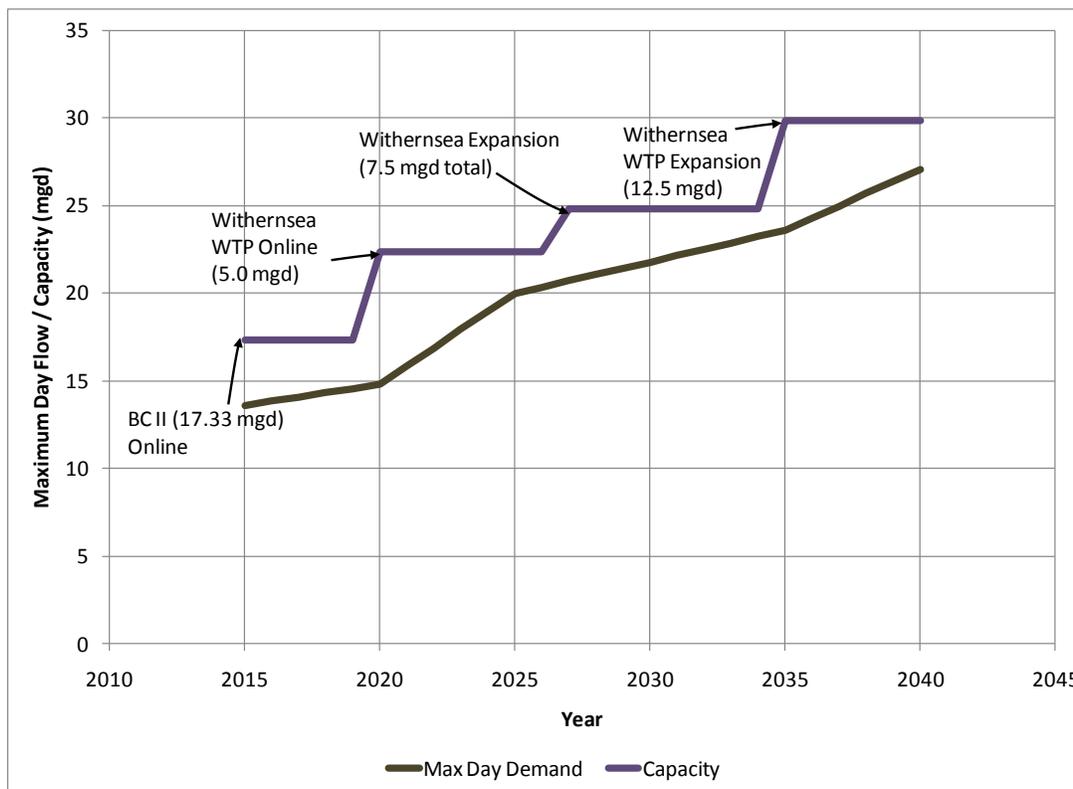


Figure 4. Option 3 – Combined City/Water Demands vs. Capacity



3. Total Project Construction Costs

Total project construction costs were calculated for all options. These costs were based on previous work completed. Specifically, total project costs were based on:

- New 8-mgd City WTP: Facility Plan completed by Hazen and Sawyer in 2010, modified to reflect 8-mgd capacity vs. 10-mgd previously projected
- New finished water pumping station for City: Facility Plan completed by Hazen and Sawyer in 2010
- BC II WTP expansion to 8 mgd: Construction document opinion-of-construction-cost, completed by Atkins.
- BC II WTP expansion to 13.88 mgd: Construction document opinion-of-construction-cost, completed by Atkins, escalated with modified equipment, structural, sitework and other costs to facilitate larger expansion.
- BC II WTP expansion to 17.33 mgd: Construction document opinion-of-construction-cost, completed by Atkins, escalated with modified equipment, structural, sitework and other costs to facilitate larger expansion.
- Withersea 5-mgd WTP treatment plan: Anne Arundel County CIP
- Withersea expansion to 7.5 mgd: \$4/gallon, based on previous County water treatment plant expansions
- Withersea expansion to 12.5 mgd: \$4/gallon, based on previous County water treatment plant expansions
- New 3-mgd WTP at Broad Creek I site: \$4/gallon, based on previous County water treatment plant expansions
- Pipelines between City of Annapolis WTP and BC II WTP sites: Unit-cost estimate, based on Atkins previous experience.

All total project construction costs included the following assumptions:

- Contractor overhead and profit: 15%
- Contingency: 25%
- Engineering, legal, and administration: 21%

Two different methods were investigated for allocation of capital costs between the City and County, as described below.

- Method 1
 - Determine net value of existing, 4-mgd BC II WTP and all County and City wells
 - Add to total construction costs for expansion
 - Appropriate total costs based on allocated flows
- Method 2
 - Neglect value of existing facilities
 - Appropriate total costs based on allocated flows for expansion (treatment plant only)

As discussed in Workshop No. 4, Method 1 resulted in disproportionate costs to the County. All project construction costs were appropriated based on Method 2. Total project construction costs allocated to the City and County are presented in Table 1 below

Table 1. Total Project Cost Allocation (2011 dollars)

Option	City	County
1: Baseline	<ul style="list-style-type: none"> New City WTP (8-mgd City capacity): \$37.6 million New finished water pumping station: \$3.9 million 	<ul style="list-style-type: none"> BC II expansion (8-mgd County capacity): \$16.8 million Withernsea WTP (5-mgd County capacity): \$55 million Withernsea WTP expansion (additional 2.5-mgd County capacity): \$10 million Withernsea WTP expansion (additional 5-mgd County capacity): \$20 million
2: BC II to 13.88 mgd, initially	<ul style="list-style-type: none"> BC II expansion (7.2-mgd City capacity): \$25.2 million BC I or II (0.8-mgd City capacity): \$3.2 million New finished water pumping station: \$3.9 million 	<ul style="list-style-type: none"> BC II expansion (6.7-mgd County capacity): \$9.5 million Withernsea WTP (5-mgd County capacity): \$55 million BC I or II (2.2-mgd County Capacity): \$8.8 million Withernsea WTP expansion (additional 2.5-mgd County capacity): \$10 million Withernsea WTP expansion (additional 5-mgd County capacity): \$20 million
3: BC II to 17.33 mgd	<ul style="list-style-type: none"> BC II expansion (8-mgd City capacity): \$24.8 million New finished water pumping station: \$3.9 million 	<ul style="list-style-type: none"> BC II expansion (9.3-mgd County capacity): \$16.4 million Withernsea WTP (5-mgd County capacity): \$55 million Withernsea WTP expansion (additional 2.5-mgd County capacity): \$10 million Withernsea WTP expansion (additional 5-mgd County capacity): \$20 million

Summaries of Total Project Costs are provided in Appendix D.

4. Operations and Maintenance Costs

Operations and maintenance (O&M) costs were based on projected costs for both the City and County, using information provided by both parties. The following assumptions were used:

- All options utilized the same costs for power and chemicals.
- Differential operating costs for the Withernsea WTP were not considered, as it is not known what proportion of flow would be treated by Broad Creek II and Withernsea.
- Administration and overhead costs were included based on information provided by the City and County. These costs are escalated for inflation only, not based on total plant flow.
- O&M costs for Option 1 were based on current operating costs for the County on a dollar per 1,000 gallon basis, and City-estimated operating costs taking into account that City O&M requirements would be reduced with a new modern water treatment plant.

- O&M costs for Options 2 and 3 were based on current operating costs for the County, with no flow-based escalation in administrative or overhead costs.

O&M costs for Option 1 are provided in Table 2 below.

Table 2. Option 1 - Operations and Maintenance Costs

Category	City Total (Annapolis WTP)		County Total (BCII WTP)	
	4.1 mgd (current ADF)	\$/1,000 gal	3.15 mgd (current ADF)	\$/1,000 gal
Labor (inc. Benefits)	\$ 397,000	\$ 0.27	\$ 335,000	\$ 0.29
Chemical	\$ 77,000	\$ 0.05	\$ 59,000	\$ 0.05
Electrical	\$ 405,000	\$ 0.27	\$ 311,000	\$ 0.27
Maintenance	\$ 105,000	\$ 0.07	\$ 91,000	\$ 0.17
Other	\$ 97,000	\$ 0.06	\$ 92,000	\$ 0.08
Subtotal	\$ 1,081,000	\$ 0.72	\$ 888,000	\$ 0.77
Overhead/Admin*	\$ 163,000	\$ 0.11	\$ 440,000	\$ 0.38
Total – Option 1	\$ 1,244,000	\$ 0.83	\$ 1,328,000	\$ 1.15

* Overhead/Admin costs only escalated with inflation, not with flow

O&M costs for Options 2 and 3 are provided in Table 3, as follows:

Table 3. Options 2 and 3 – Operations and Maintenance Costs

Category	City + County Total (BCII WTP)	
	7.25 mgd (total current ADF)	\$/1,000 gal
Labor (inc. Benefits)	\$ 771,000	\$ 0.29
Chemical	\$ 136,000	\$ 0.05
Electrical	\$ 716,000	\$ 0.27
Maintenance	\$ 209,000	\$ 0.17
Other	\$ 212,000	\$ 0.08
Subtotal	\$ 2,044,000	\$ 0.77
Overhead/Admin*	\$ 440,000	\$ 0.17
Total – Options 2 and 3	\$ 2,484,000	\$ 0.94
County (3.15 mgd)	\$ 1,080,000	\$ 0.94
City Adders		
Electrical (pump from BCII)	\$ 75,000	\$ 0.05
Administrative*	\$ 46,000	\$ 0.03
City (4.1 mgd)	\$ 1,525,000	\$ 1.02

* Overhead/Admin costs only escalated with inflation, not with flow

Summaries of O&M costs provided by the City and County are provided in Appendix E.

5. Life-Cycle-Cost Analysis

A 50-yr life-cycle-cost analysis was completed for all options to provide a comparison of both City and County costs. The following assumptions were used to complete the analysis:

- Inflation – 3% per year
- Construction-cost escalation – 4% per year (based on historical ENR data)
- Discount rate – 3.8%
- City financing
 - 92% low-interest loan, 30-year term, 1.35% interest rate
 - 8% conventional financing, 30-year term, 4.5% interest rate
- County financing
 - Conventional, 30-year term, 4.3% interest rate (3-yr average)
- O&M costs associated with administration and overhead are not a function of flow
- All other O&M costs were flow-proportioned based on projected average daily flows. Flows were left constant after 2040.
- No additional construction costs beyond 2040 were included.

Results of the 50-yr life-cycle analysis are provided in Table 4 as follows:

Table 4. 50-yr Life-Cycle Analysis

Option	Construction (\$1,000/yr)	O&M (\$1,000/yr)	Total (\$1,000/yr)	Total (\$ million)
City				
1 – Baseline	\$ 810	\$ 1,250	\$ 2,060	\$ 103
2 – BC II to 13.88 mgd	\$ 680	\$ 1,470	\$ 2,150	\$ 107
3 – BC II to 17.32 mgd	\$ 560	\$ 1,470	\$ 2,030	\$ 102
County				
1 – Baseline	\$ 3,110	\$ 1,910	\$ 5,020	\$ 251
2 – BC II to 13.88 mgd	\$ 3,170	\$ 1,740	\$ 4,910	\$ 246
3 – BC II to 17.32 mgd	\$ 3,130	\$ 1,740	\$ 4,870	\$ 243

6. Discussion and Conclusions

In terms of total life-cycle costs, Option 3 is the least expensive for both the City and County. However, the relative difference equates to approximately \$30,000 per year (likely within the error of the analysis) for the City and \$150,000 per year for the County to the baseline option (Option 1).

From the City’s perspective:

- Options 2 and 3 result in a significant reduction in project construction costs. These reductions are offset by an increase in O&M costs.
- To take advantage of low-interest financing from the State, the City must be under contract with a builder by November, 2012. Options 2 and 3 will pose more risk to the funding schedule.

From the County’s perspective:

- There is some near-term financial benefit to defrayed project construction costs for the Withernsea WTP with Option 3. However, all project construction costs are paid over the life of the analysis, so there is not a significant difference in annual costs.
- There is a reduction in O&M costs, as the administrative costs currently borne solely by the County would be shared with the City.

Other factors that could influence the financial analysis:

- Administrative costs for both parties increase at a rate higher than the assumed three percent per year inflation. An additional 1% escalation in administrative costs for both parties (over inflation) would lower the life-cycle difference between Option 1 and 3 to \$0.5 million (from \$1 million given in Table 4 above).
- Administrative costs for the County increase with the inclusion of the City into the Broad Creek service area. An increase of 25% would result in Option 1 having the lowest life-cycle cost for the City by approximately \$1 million over Option 3. This would also lower the life-cycle cost difference between Options 1 and 3 for the County from approximately \$8 million to \$5 million.
- Water demands are not as currently projected. Lower water demands could allow for the County to further delay the Withernsea WTP for Option 3, resulting in a greater net cost differential. This deferral would have no affect on the City life-cycle costs.
- MDE permits future withdrawals in the Patuxent aquifer only, which may increase County electrical costs for pumping water to the Broad Creek II WTP. This could increase O&M costs for all County options and lower the life-cycle cost difference between Option 1 and Option 3 for the City.
- Electrical and or chemical costs increase more than the assumed three percent per year inflation. As both the City and County would realize this increase, net impact should be minimal.
- Capital costs continue to remain low and escalate at less than four percent per year. A decrease in capital cost escalation to three percent would have minimal impact on the life-cycle cost analysis.
- Unforeseen difficulties with interconnection of Annapolis WTP and BC II WTP could increase the capital cost for Options 2 and 3 and make these options less advantageous.
- Unforeseen issues with expansion of BC II to 17.33 mgd could increase the capital cost for Options 2 and 3 and make these options less advantageous.
- Higher Withernsea WTP O&M costs could add further advantages to the County for Option 3, as that option defers construction of the Withernsea WTP the longest. There would be no impact to the City.
- Requirement for redundancy of raw and finished water lines across Route 50. An increase of 50 percent for this cost would result in a nearly identical life-cycle cost to the City for Options 1 and 3.

Other factors to consider under Options 2 and 3, that are not part of this financial analysis:

- Higher potential for schedule delay with added risks to City's MDE low interest funding
- Higher potential for schedule delay with increased potential for mechanical/structural failure at the existing WTP
- Loss of reciprocity and emergency capacity
- Potential future disputes regarding quality and service dependability
- Potential service areas differences

Appendix A

Workshop Presentation Materials

**Annapolis Water Supply Feasibility Study
Workshop No. 2**

November 04, 2011



Plan Design Enable

Agenda

- Final TM1
- Draft TM2
- Key Decisions to be made
- Additional information required
- Schedule and subsequent work

2

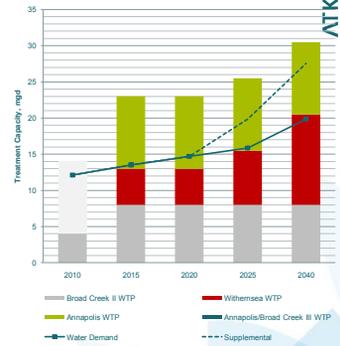
Final TM1

- Max day peaking factors
 - City – 1.6
 - County – 2.0
- County maintains 8-mgd to supplement other pressure zones (4-mgd by 2025, 4-mgd by 2040)
- Three options:
 - Option 1 – Separate Systems
 - Option 2 – Expand BC II to 13.88 mgd
 - Option 3 – Expand BC II to 17.33 mgd
- County update on GAP for BC II?

3

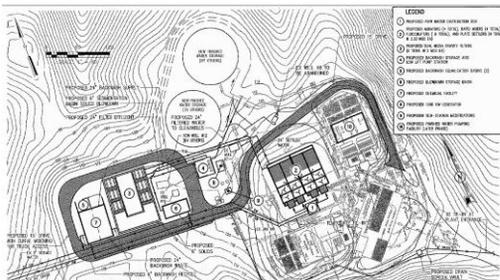
Option 1

- City builds, operates and maintains new 8-mgd WTP
- County continues with 4-mgd expansion to BC II
- County continues with plans for Witherensea WTP (6-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



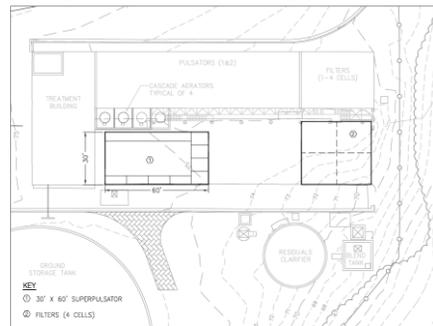
4

Annapolis WTP – Proposed Site Layout



5

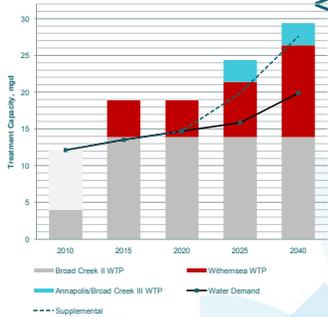
4 mgd Expansion BC II WTP Layout



6

Option 2

- Expand BC II immediately to 13.88 mgd
 - Plate settlers in existing clarifiers
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- 3-mgd BC III (at BC I site) in 2025
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



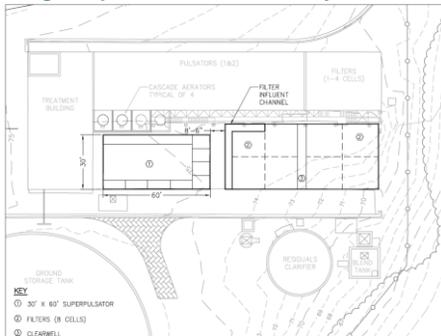
ATKINS

36-inch-double-barrel interconnection (Options 2 and 3)



ATKINS

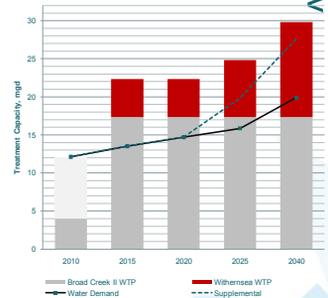
9.88 mgd Expansion BC II WTP Layout



ATKINS

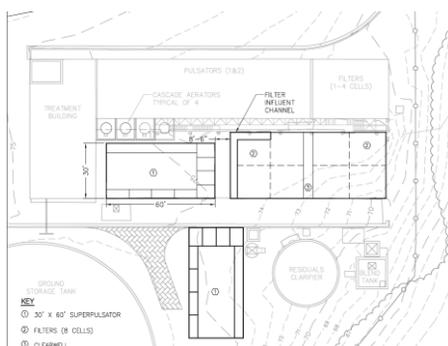
Option 3

- Expand BC II immediately to 17.33 mgd
 - Plate settlers in existing clarifiers
 - Fourth clarifier
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



ATKINS

13.33 mgd Expansion BC II WTP Layout



ATKINS

Witherensea WTP

- All options include Witherensea at:
 - 5-mgd in 2015
 - 7.5-mgd in 2025
 - 12.5-mgd in 2040
- As no difference or escalation in planned capacity, does not need to be included in analysis.
- Only consider Annapolis and BC costs

ATKINS

Capital Costs

ATKINS

- Assumptions
 - Planning level estimates
 - Use same overhead structures for all cost estimates:
 - 15% contractor OH&P
 - 25% contingency
 - 21% engineering, administrative, legal, etc
 - Annapolis WTP costs based on H&S report with reduction to 8-mgd
 - Broad Creek II costs based on design to date, plus additional equipment/concrete/site/piping costs for different expansion options

13

Capital Costs (in 2011 dollars)

ATKINS

- Annapolis WTP (8 mgd): \$37.6 million
- Broad Creek II WTP (to 8 mgd): \$16.8 million
- Annapolis to Broad Creek Pipelines: \$4.8 million
- Broad Creek II WTP (to 13.88 mgd): \$29.9 million
- Broad Creek II WTP (to 17.33 mgd): \$36.4 million
- Broad Creek III WTP (3 mgd): \$12.0 million

14

O&M Costs (in 2011 dollars)

ATKINS

	Annapolis WTP (4.1 mgd)		Broad Creek II WTP (3.05 mgd)	
	\$	\$/1,000 gallons	\$	\$/1,000 gallons
Labor and Burden	\$397,022	0.27	\$110,577	0.10
Maintenance	\$152,570	0.10	\$33,000	0.03
Chemicals	\$128,500	0.09	\$88,673	0.08
Electrical	\$473,121	0.32	\$351,396	0.32
Contract Services	\$54,050	0.04	\$4,000	0.004
Total	\$1,205,263	0.81	\$587,646	0.53

15

Key Decisions

ATKINS

- Approach for expansion is acceptable
- Concurrence on capital costs / approach
- Concurrence on O&M costs / approach

16

Additional Data Required for Financial Model

ATKINS

- Financing plan (cash/debt ratio) – City and County
- Estimated interest rates based on current bond rates – City and County
- Debt term – City and County
- Coverage factor on existing debt?
- Asset value of existing Broad Creek II WTP
- Conference call with financial analyst?

17

Schedule / Next Step

ATKINS

- Finalize TM No. 2 – week of 11/7
- Complete financial model
 - 3 weeks after receipt of all data
- Workshop No. 3
- Draft/Final Feasibility Reports

18

**Annapolis Water Supply Feasibility Study
Workshop No. 3**

December 1, 2011



Plan Design Enable

Agenda

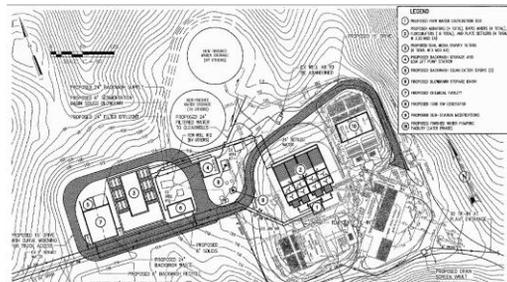
- Gross level financial analysis
- O&M costs
- Remaining value of existing facilities
- Gross level sensitivity analysis
- Potential financing
- Outstanding data needs

Option 1

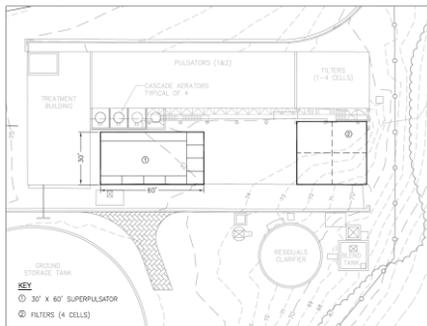
- City builds, operates and maintains new 8-mgd WTP
- County continues with 4-mgd expansion to BC II
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



Annapolis WTP – Proposed Site Layout

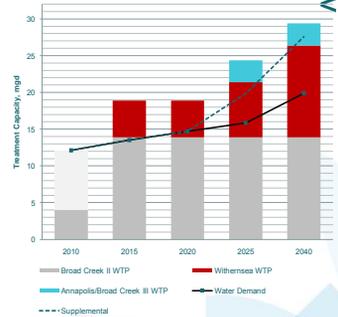


4 mgd Expansion BC II WTP Layout



Option 2

- Expand BC II immediately to 13.88 mgd
 - Plate settlers in existing clarifiers
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- 3-mgd BC III (at BC I site) in 2025
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))

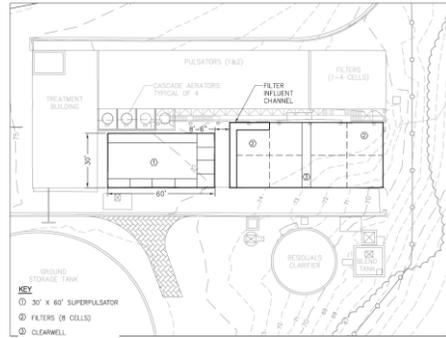


36-inch-double-barrel interconnection (Options 2 and 3)



ATKINS

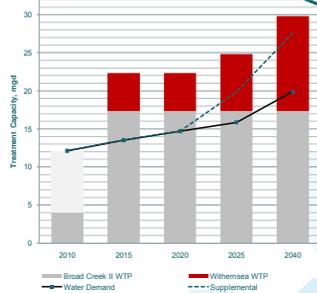
9.88 mgd Expansion BC II WTP Layout



ATKINS

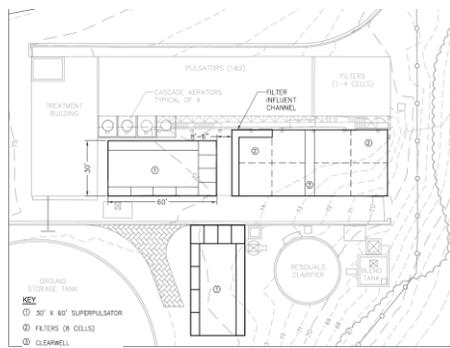
Option 3

- Expand BC II immediately to 17.33 mgd
 - Plate settlers in existing clarifiers
 - Fourth clarifier
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



ATKINS

13.33 mgd Expansion BC II WTP Layout



ATKINS

Gross Level Financial Analysis

- Assumptions
 - Compare Option 1 (separate systems) to Option 3 (17.33 mgd at Broad Creek II)
 - Capital expenditures at same periods. Costs based on information presented in Workshop No. 2
 - No difference in remaining value of existing facilities
 - Operating costs similar on per volume basis (discuss further with next agenda item)
 - City obtains low interest loan for their entire capital commitment
- Based on assumptions, gross level analysis washes out to capital cost only

ATKINS

Differential Capital Cost (\$ million)

Option	City	County
Option 1	\$37.6	\$16.8
Option 2	\$41.2	\$16.8

$\Delta \$24.4$ (between City costs of Option 1 and 2)
 $\Delta \$13.2$ (between County costs of Option 1 and 2)
 ~ \$400,000/year assuming 1.35% interest rate and 30 year term

ATKINS

O&M Costs (in 2011 dollars)

ATKINS

	Annapolis WTP (4.1 mgd)	Broad Creek II WTP (3.05 mgd)
	\$/1,000 gallons	\$/1,000 gallons
Operations Excluding Chem/Elec	0.27	0.14 – 0.29
Chemicals	0.09	0.08
Electrical	0.32	0.32
Maintenance/Other/Administrative	0.22	0.00 – 0.46
Total	0.90	0.54 – 1.15

Are we comparing "apples to apples"?

13

Remaining Value of Existing Facilities

ATKINS

- **City**
 - Wells ('03 and '10) - \$2.8 million
 - Onsite Water Storage ('10) - \$3.1 million
 - Did not include assets such as vehicles
 - Everything else fully depreciated
- **County**
 - Treatment Plant ('95) - \$3.8 million
 - Water Storage ('98) - \$0.4 million
 - New Wells ('00) - \$1.0 million
 - Everything else fully depreciated

What should be included?

14

Gross Level Sensitivity Analysis

ATKINS

- Framed in terms of net cost to City
- O&M
 - Costs at upper range (\$1.15/1,000 gallons) – additional \$0.25/1,000 gallons
 - Reduces overall cost to breakeven
 - Similar deduct for other direction
- Net difference of remaining value of existing facilities
 - \$2.5 million to County
 - Reduces overall cost advantage for combined facilities to \$325,000/year
- Additional capital costs – redundant pipelines
 - \$5.0 million additional capital
 - Reduces overall cost advantage for combined facilities to \$250,000/year
- Similar add/deduct for differences in capital (\$150 K/year per \$5 million in capital)

15

Potential Financing

ATKINS

- How capital costs split?
- How operational costs split?
- What information is needed to make a decision/establish financing?

16

Additional Data Needs

ATKINS

- Comparable City/County O&M costs
- County bond rates/terms
- County Cash/debt ratios
- County Coverage factors

17

**Annapolis Water Supply Feasibility Study
Workshop No. 4**

December 12, 2011

Plan Design Enable



Agenda

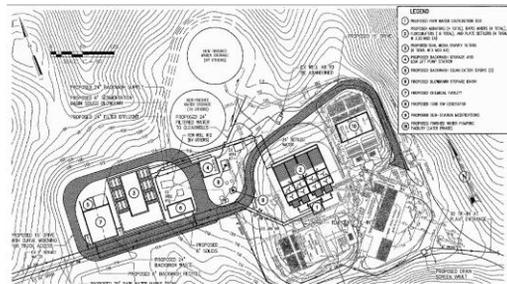
- Review Options
- Cost Allocation of Existing Facilities
- Valuation Methods
- Sensitivity Analysis

Option 1

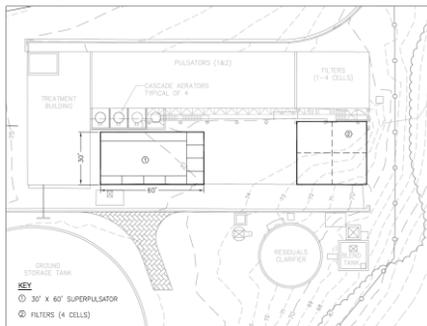
- City builds, operates and maintains new 8-mgd WTP
- County continues with 4-mgd expansion to BC II
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



Annapolis WTP – Proposed Site Layout

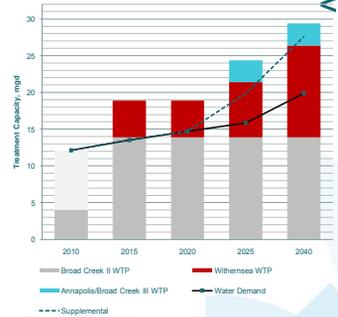


4 mgd Expansion BC II WTP Layout



Option 2

- Expand BC II immediately to 13.88 mgd
 - Plate settlers in existing clarifiers
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- 3-mgd BC III (at BC I site) in 2025
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



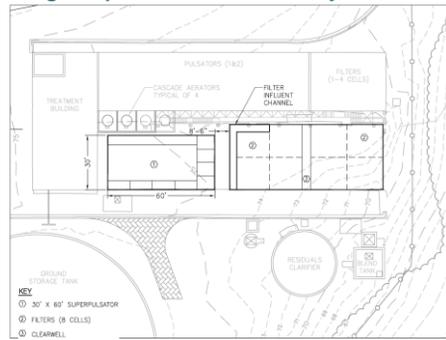
36-inch-double-barrel interconnection (Options 2 and 3)



ATKINS

7

9.88 mgd Expansion BC II WTP Layout

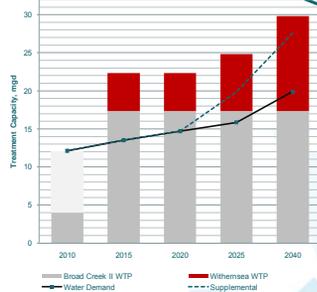


ATKINS

8

Option 3

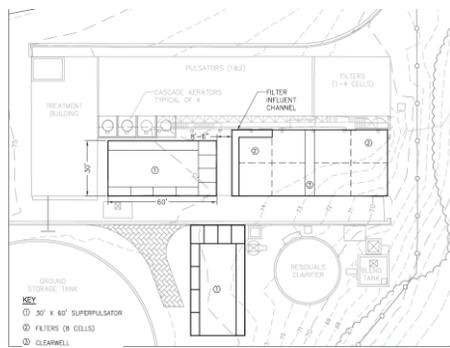
- Expand BC II immediately to 17.33 mgd
 - Plate settlers in existing clarifiers
 - Fourth clarifier
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



ATKINS

9

13.33 mgd Expansion BC II WTP Layout



ATKINS

10

Cost Allocation of Existing Facilities

- City and County wells valued at "reproduction" cost – initial cost escalated to current value:
 - County Wells 1-5: \$2.6 million
 - City Wells 10-14: \$3.4 million
- Broad Creek WTP valued at reproduction cost, then depreciated:
 - Current value: \$6.2 million
- Net transfer to County: \$5.4 million

ATKINS

11

Capital Cost Appropriation (Method1)

- Net value of existing 4 mgd WTP and Wells: \$5.4 million
- Add to total construction cost for expansion
- Appropriate total costs based on allocated flows

Option	Transfer	Total Capital (2011)	City	County
Option 2 (2013)	\$5.4 million	\$34.7 million	\$20.8 million (7.2 mgd)	\$19.3 million (total) \$13.9 million (net) (6.7 mgd)
Option 2 (2025)	--	\$12 million	\$3.2 million (8.0 mgd)	\$8.8 million (8.9 mgd)
Option 3 (2013)	\$5.4 million	\$41.2 million	\$21.5 million (8.0 mgd)	\$25.0 million (total) \$19.6 million (net) (9.3 mgd)

ATKINS

12

Present Value Summary (Method 1)

ATKINS

- 3% inflation, 4.5% discount rate
- Equal O&M Costs, except additional cost for pumping back to City

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,240	\$2,010	\$1,920
-Capital	\$1,080	\$730	\$640
-O&M	\$1,160	\$1,280	\$1,280
TOTAL (\$ million)	\$62.8	\$56.1	\$53.6
County (\$1,000/yr)	\$2,250	\$2,400	\$2,390
-Capital	\$870	\$1,020	\$1,010
-O&M	\$1,380	\$1,380	\$1,380
TOTAL (\$ million)	\$63.0	\$67.3	\$67.1

13

Capital Cost Appropriation (Method 2)

ATKINS

- Neglect value of existing facilities
- Appropriate total costs based on allocated flows for expansion

Option	Total Capital (2011)	City	County
Option 2 (2013)	\$34.7 million	\$25.2 million (7.2 mgd)	\$9.5 million (2.7 mgd expansion, 6.7 mgd total)
Option 2 (2025)	\$12 million	\$3.2 million (0.8 mgd expansion, 8.0 mgd total)	\$8.8 million (2.2 mgd expansion, 8.9 mgd)
Option 3 (2013)	\$41.2 million	\$24.8 million (8.0 mgd)	\$16.4 million (5.4 mgd expansion, 9.3 mgd total)

14

Present Value Summary (Method 2)

ATKINS

- 3% inflation, 4.5% discount rate
- Equal O&M Costs, except additional cost for pumping back to City

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,230	\$2,110
-Capital	\$1,080	\$860	\$730
-O&M	\$1,250	\$1,370	\$1,370
TOTAL (\$ million)	\$62.8	\$59.8	\$56.3
County (\$1,000/yr)	\$2,360	\$2,280	\$2,340
-Capital	\$870	\$790	\$840
-O&M	\$1,490	\$1,490	\$1,490
TOTAL (\$ million)	\$63.0	\$60.9	\$62.4

15

Sensitivity Analysis (Method 2)

ATKINS

- Reduce County O&M Costs \$0.10/1,000 gallon (to \$0.79/1,000 gallons)

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,090	\$1,960
-Capital	\$1,080	\$860	\$730
-O&M	\$1,250	\$1,230	\$1,230
TOTAL (\$ million)	\$62.8	\$56.0	\$52.5
County (\$1,000/yr)	\$2,190	\$2,120	\$2,170
-Capital	\$870	\$790	\$840
-O&M	\$1,320	\$1,320	\$1,320
TOTAL (\$ million)	\$58.7	\$56.6	\$58.1

16

Present Value Summary (Method 2)

ATKINS

- 3% inflation, 4.5% discount rate
- Equal O&M Costs, except additional cost for pumping back to City

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,230	\$2,110
-Capital	\$1,080	\$860	\$730
-O&M	\$1,250	\$1,370	\$1,370
TOTAL (\$ million)	\$62.8	\$59.8	\$56.3
County (\$1,000/yr)	\$2,360	\$2,280	\$2,340
-Capital	\$870	\$790	\$840
-O&M	\$1,490	\$1,490	\$1,490
TOTAL (\$ million)	\$63.0	\$60.9	\$62.4

17

Sensitivity Analysis (Method 2)

ATKINS

- Increase County O&M Costs \$0.10/1,000 gallon (to \$0.99/1,000 gallons)

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,380	\$2,250
-Capital	\$1,080	\$860	\$730
-O&M	\$1,250	\$1,520	\$1,520
TOTAL (\$ million)	\$62.8	\$63.6	\$60.1
County (\$1,000/yr)	\$2,520	\$2,450	\$2,500
-Capital	\$870	\$790	\$840
-O&M	\$1,660	\$1,660	\$1,660
TOTAL (\$ million)	\$67.3	\$65.3	\$66.7

18

Sensitivity Analysis (Method 2)

ATKINS

- Decrease Capital Cost 10% (exclusive of Option 1)

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,150	\$2,040
-Capital	\$1,080	\$770	\$660
-O&M	\$1,250	\$1,370	\$1,370
TOTAL (\$ million)	\$62.8	\$57.4	\$54.2
County (\$1,000/yr)	\$2,360	\$2,200	\$2,250
-Capital	\$870	\$710	\$760
-O&M	\$1,490	\$1,490	\$1,490
TOTAL (\$ million)	\$63.0	\$58.7	\$60.0

19

Present Value Summary (Method 2)

ATKINS

- 3% inflation, 4.5% discount rate
- Equal O&M Costs, except additional cost for pumping back to City

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,230	\$2,110
-Capital	\$1,080	\$860	\$730
-O&M	\$1,250	\$1,370	\$1,370
TOTAL (\$ million)	\$62.8	\$59.8	\$56.3
County (\$1,000/yr)	\$2,360	\$2,280	\$2,340
-Capital	\$870	\$790	\$840
-O&M	\$1,490	\$1,490	\$1,490
TOTAL (\$ million)	\$63.0	\$60.9	\$62.4

20

Sensitivity Analysis (Method 2)

ATKINS

- Increase Capital Cost 10% (exclusive of Option 1)

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,320	\$2,180
-Capital	\$1,080	\$950	\$810
-O&M	\$1,250	\$1,370	\$1,370
TOTAL (\$ million)	\$62.8	\$62.2	\$58.4
County (\$1,000/yr)	\$2,360	\$2,360	\$2,420
-Capital	\$870	\$870	\$930
-O&M	\$1,490	\$1,490	\$1,490
TOTAL (\$ million)	\$63.0	\$63.1	\$64.8

21

Appendix B

Workshop Meeting Minutes

Meeting notes

Project:	Annapolis Water Supply Feasibility Study		
Subject:	Meeting 1—Design Criteria Review		
Date and time:	10 October 2011	Meeting no:	1
Meeting place:	AA County Offices	Minutes by:	Bob Nelson
Present:	David Jarrell Thora Burkhardt Michael Wojton Chris Phipps Bruce Wright Matt Mirenyi Eddie Cope Brian Balchunas Bob Nelson	Representing:	City of Annapolis Anne Arundel County Atkins

Note – action items italicized

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
1-1	<p>Technical Memorandum 1</p> <ul style="list-style-type: none"> Design criteria for treatment facilities should be based on meeting the combined maximum daily demands for the Broad Creek zone (15-mgd, using a 2.5 maximum-daily-to-average-annual peaking factor); the City of Annapolis (8-mgd); plus an additional 8-mgd to supplement other interconnected County zones. Based on historical data, maximum-daily-to-average-annual peaking factor for County pressure zone 210 will be reviewed. The peaking factor may be reduced, but should be no less than 2.0. At a peaking factor of 2.0, buildout water demand is reduced from 15-mgd to 12-mgd. Assumed phasing for treatment of 8-mgd supplemental demand: 4-mgd by 2025; additional 4-mgd by 2035. <i>Atkins to revise Technical Memorandum 1 to reflect additional 8-mgd demand, revised peaking factor, and assumed phasing.</i> <p>Discussion</p> <ul style="list-style-type: none"> County’s future Northeast WTP does not impact Feasibility Study. Considerations at Northeast include potential failure of 72-inch water main under the harbor near the Key Bridge. It also provides replaces several smaller planned facilities from the <i>2007 Master Plan</i>. County’s future Withernsea WTP would provide reliability and redundancy for pressure zone 210 south of South River, as well as other portions of the distribution system. 		<i>Atkins</i>

NOTE TO RECIPIENTS:

These meeting notes record Atkins understanding of the meeting and intended actions arising there from. Your agreement that the notes form a true record of the discussion will be assumed unless comments are received in writing within five days of receipt.

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
	south of South River. Londontowne (south side of South River) has inquired about annexation.		
2-1	<p>Status of Data Needs</p> <p>Data received to date was discussed.</p> <ul style="list-style-type: none"> • Capital costs of existing facilities <ul style="list-style-type: none"> ○ County –Leslie Campbell (Finance) has been contacted and is assembling facilities costs. Costs should be forthcoming by Friday, October 14. • Operations and maintenance costs <ul style="list-style-type: none"> ○ City – Provide breakdown of water supply and treatment facilities “Supplies”, in order to estimate “Chemicals.” (Subsequent to meeting, City estimated percentage of chemical costs to be 67-percent.) ○ County labor costs do not include benefits. <i>Atkins to add.</i> <p>Discussion</p> <ul style="list-style-type: none"> • Discussed varying iron levels in the Magothy and LPAT aquifers for the City and County. No action required. 	October 28	<p>County (Leslie Campbell)</p> <p>City (Thora Burkhardt, Michael Wojton)</p> <p>Atkins</p>
3-1	<p>Buy-in Regarding Treatment Process Options</p> <ul style="list-style-type: none"> • No comments regarding the three options presented in Technical Memorandum 1 • Atkins presented a sketch showing total maximum treatment capacity at existing Broad Creek II WTP is about 17.33 mgd, using existing Broad Creek II technologies (Pulsators and Greenleaf Filters). <i>Atkins to check space reserved for recycling/residuals handling, as well as compliance with 4-log virus inactivation/removal. Assuming space is available to treat the 17.33 mgd, this will replace the Broad Creek II Option 3 (16 mgd) and will not require pilot testing.</i> <p>Discussion</p> <ul style="list-style-type: none"> • Costs for re-design of Broad Creek II WTP for Option 3 must be added. • City’s loan conditions require construction contract by November 2012. 		Atkins
4-1	<p>Technical Memorandum 2 and Next Meeting</p> <p>Next meeting scheduled for 9:00 a.m., Friday, November 4. <i>Technical Memorandum 2 (draft) routed to attendees by Friday, October 28</i></p>		Atkins

Meeting notes

Project:	Annapolis Water Supply Feasibility Study		
Subject:	Meeting 2—Costs		
Date and time:	4 November 2011	Meeting no:	2
Meeting place:	AA County Offices	Minutes by:	Bob Nelson
Present:	David Jarrell Thora Burkhardt Michael Wojton Jim FitzGerald Ron Bowen Chris Phipps Bruce Wright Eddie Cope Brian Balchunas Bob Nelson	Representing:	City of Annapolis Anne Arundel County Atkins

Note – action items italicized

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
1-1	<p>Finalize Technical Memorandum 1</p> <ul style="list-style-type: none"> • Question arose regarding whether MDE will appropriate additional groundwater withdrawals near Broad Creek. • Question arose regarding future Withernsea WTP. If expansion schedule is exactly the same for all options, why not delete from feasibility study? • Are future City annexations double-counted, with respect to water demand? • <i>Include IDI's proposal in TM1 appendix.</i> • <i>Atkins to revise TM1 if necessary, to reflect answers to above issues.</i> <p>Discussion</p> <ul style="list-style-type: none"> • County believes MDE will appropriate additional groundwater from the Patuxent aquifer. • Do not reveal County's 2.0 peaking factor (cited in TM1) to MDE. • <i>Delete Withernsea WTP expansion options.</i> 		Atkins
2-1	<p>Draft of Technical Memorandum 2</p> <ul style="list-style-type: none"> • Capital costs <ul style="list-style-type: none"> ○ <i>Atkins to determine whether City finished water storage tanks can be fed by gravity from Broad Creek II (BC II) WTP. (Following the meeting, it was</i> 		Atkins

NOTE TO RECIPIENTS:

These meeting notes record Atkins understanding of the meeting and intended actions arising there from. Your agreement that the notes form a true record of the discussion will be assumed unless comments are received in writing within five days of receipt.

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
	<p>determined that a gravity interconnection is not possible. BC II is 30 feet higher than City of Annapolis WTP.)</p> <ul style="list-style-type: none"> Operations and maintenance costs <ul style="list-style-type: none"> Delete historical O&M costs for City of Annapolis County labor costs do not include benefits. (Following the meeting, it was determined that fringe benefits increase labor by 1.45.) <p>Discussion</p> <ul style="list-style-type: none"> Discussed contingencies, and whether contingencies should be identical. Discussed Count’s O&M costs, by line item. County labor costs do not include any “supervision.” County to add some pro-rata supervisory costs. (Following the meeting, Leslie Campbell reviewed Eddie Cope’s original O&M estimate and thought it didn’t represent actual costs. Leslie is reviewing O&M costs further.) Discussed finished water storage. Should capital/O&M costs for storage be included in feasibility study? Consensus was “no.” 		<p>Atkins</p> <p>County</p>
3-1	<p>Key Decisions</p> <ul style="list-style-type: none"> Omit Withernsea WTP from feasibility study options. Do not include costs for storage and distribution in feasibility study options. Wait for Leslie’s input regarding County’s costs to finalize TM2. <p>Discussion</p>		
4-1	<p>Additional Info Required for Financial Model</p> <ul style="list-style-type: none"> Financing plans (cash/debt ratios) Interest rates Debt terms Coverage factors Asset value of BCII 		<p>City/County</p> <p>City/County</p> <p>City/County</p> <p>City/County</p> <p>County</p>
5-1	<p>Schedule and Subsequent Work/Next Meeting</p> <p>Tentative schedule for next meeting is 9:00 a.m., Friday, December 1.</p>		Atkins

Meeting notes

Project:	Annapolis Water Supply Feasibility Study		
Subject:	Meeting Number 3		
Date and time:	1 December 2011	Meeting no:	3
Meeting place:	AA County Offices	Minutes by:	Bob Nelson
Present:	David Jarrell Thora Burkhardt Michael Wojton Ron Bowen Chris Phipps Bruce Wright Eddie Cope Leslie Campbell Brian Balchunas Bob Nelson Karyn Keese (phone)	Representing:	City of Annapolis City of Annapolis City of Annapolis Anne Arundel County Anne Arundel County Anne Arundel County Anne Arundel County Anne Arundel County Atkins Atkins Atkins

Note – action items italicized

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
1	<p>Review Gross Financial Analysis (Option 1 and 3)</p> <p>Discussion</p> <ul style="list-style-type: none"> If there is no difference in remaining value of existing facilities, and operating costs are assumed similar (per-volume basis), on a gross level, analysis could be reduced to capital costs only. Differential capital cost adder (between Option 1 and Option 3) would be approximately \$13.2 million, to City. (about \$530,000 per year with assumed MDE loan funding) 		
2	<p>Actual O&M Costs to Utilize</p> <p>Discussion</p> <ul style="list-style-type: none"> Preliminary County's O&M costs were disaggregated by utility (water versus wastewater) and treatment plant (Broad Creek II versus the other plants). Based on preliminary analysis, range of possible O&M costs (\$0.54/1,000 gallons to \$1.15/1,000 gallons) is still relatively wide. <p><i>Leslie C. and Thora B. will work on County's O&M costs to assure that they correctly compare with the City's O&M costs.</i></p>	12/9/11	City/County

NOTE TO RECIPIENTS:

These meeting notes record Atkins understanding of the meeting and intended actions arising there from. Your agreement that the notes form a true record of the discussion will be assumed unless comments are received in writing within five days of receipt.

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
------	----------------------	----------	-------------

3 Remaining Value of Existing Facilities (Depreciation)

Discussion

- Both City and County use 50-year depreciation.
- It was agreed that the City’s water tank should not be included in the value of existing facilities for the City. Only the value of the wells and the water appropriation will be considered.

4 Gross Level Sensitivity Analysis

Discussion

- It appears that for this preliminary analysis, O&M costs would be about the same. At the upper range of the County’s O&M estimate (\$1.15/1,000 gallons, City would be paying \$0.25/1,000 gallons more (~ \$400,000 per year) for Options 2 and 3.
- If net difference for remaining facility’s were \$2.5 million in County’s favor, it would reduce the overall cost advantage for combined facilities by \$100,000 per year.
- There will be some differences in capital costs, depending upon the City’s level of redundancy with raw and finished water interconnections under Highway 50; or whether a new, low-pressure pump station and interconnection is preferable to using a high-pressure interconnection on Nichols Road (where City and County water mains are in close proximity). If City spent \$5 million dollars on redundancy, it would reduce the overall cost advantage for combined facilities by \$200,000 per year.

5 Potential Financing

Discussion

- Discussions centered on possible City financing the differential of the capital cost for Option 3 (versus the County’s original cost for planned 4MGD upgrade) using MDE low interest loan.
- Under the scenario above, County would get benefit of additional 1.3 mgd of treatment capacity above current plan for 8 mgd.
- Capital costs could also be split based on total capacity for each system. Chris Phipps asked how economy of scale could be factored in. Bruce Wright noted that considering plant increase from 4 mgd to 17.33 mgd, with approximately 60% of capacity going to City and 40% going to County, cost split presented appeared reasonable.

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
	<ul style="list-style-type: none"> O&M costs split would likely be based on percentage of flow. Determining which costs should be included in O&M would not be as simple as at the wastewater treatment plant, as these plants have their own cost center. The same approach may need to be taken for the water plants. <i>Thora Burkhardt and Leslie Campbell to discuss cost split during the week of 12/5.</i> 		
6	<p>Outstanding Data Needs</p> <p>Discussion</p> <ul style="list-style-type: none"> The following information was provided: <ul style="list-style-type: none"> County uses general obligation bonds, with 30 year terms. The 3-year average rate is 4.8%. To finalize the financial analysis, the following additional information is required: <ul style="list-style-type: none"> <i>Comparable City/County O&M costs.</i> <i>County's cash/debt ratios, coverage rates (from Financial Department)</i> 	<p>12/9/11</p> <p>12/9/11</p>	<p>City/County</p> <p>County</p>

Schedule for next meeting is 12:00 PM, Monday, December 12. Additional financial information will be presented.

Appendix C

Technical Memorandum No. 1

Technical Memorandum 1

To:	City of Annapolis		
From:	Bob Nelson, Karthik Manchala	Email:	
Phone:	301-210-6800	Date:	09-20-2011
Ref:	100023456	cc:	Anne Arundel County DPW
Subject:	Annapolis Water Treatment Plant (WTP) and Broad Creek WTP – Design Criteria		

1.1. Background

The existing Annapolis Water Treatment Plant (WTP) provides drinking water to the City of Annapolis (City). The plant was constructed in 1933, and has been modified several times. Raw water is currently provided by eight wells, located near the treatment plant. Wells are screened in the Magothy, Lower Patapsco (LPAT), and Upper Patapsco (UPAT) aquifers. The water treatment process is designed for iron removal and includes tray-type (cascade) aerators, lime and alum addition, incidental mixing in the flocculation-basin influent channel, walking-beam flocculation, rectangular clarifiers with tube settlers, and dual-media filters. The City recently constructed two, 1-million-gallon, finished water storage tanks at the plant. According to the City's October 2009 Facility Plan Report (Hazen and Sawyer), there were no treatment performance issues, and the plant is in compliance with all applicable County and Federal regulations. The Annapolis WTP serves the City of Annapolis pressure zone 173.

Broad Creek II WTP is owned and operated by Anne Arundel County (AACo). The plant was constructed in 1989, and was designed to treat an average flow of 4 mgd. Raw water to the plant is provided by wells screened in the LPAT, UPAT, and Patuxent (PTX) aquifers. The treatment process, designed for iron removal, includes cascade aerations, lime and polymer addition, vertical-shaft flocculation, pulsating-sludge-blanket ("Pulsator") clarifiers, and self-backwashing, vacuum-controlled ("Greenleaf") filters. The plant serves the Broad Creek pressure zone 210.

The plants are approximately ½-mile apart. The City's distribution system and AAcCo's distribution system are currently interconnected at two locations. The interconnections have never been used. The City's Facility Plan Report recommended that the City build a new, 10-mgd water treatment plant, adjacent to the existing 10-mgd (nominal) plant. Estimated Phase I costs were \$50,100,000. Recently, Atkins completed design or a 4-mgd expansion of Broad Creek II WTP. Estimated costs were \$9,200,000. The City is interested in exploring the feasibility of a joint water treatment plant. The purpose of this memorandum is to establish water demand projections for both entities, design criteria, and determine strategies to accommodate the future demands.

Once agreement is reached regarding these matters, Atkins will produce a feasibility study. The objectives of feasibility study are two-fold:

- Determine 20-year strategy for meeting City's and County's water demands.
- Develop 50-year life-cycle costs for strategies identified herein. Based on cost-sharing allocation scenarios provided by the City and AAcCo, Atkins will generate respective costs-per-thousand-gallons, for each entity.

1.2. Review of Existing Information

A review of the existing information was performed. These documents include:

- *2007 Master Plan for Water Supply & Sewerage Systems* (AACo, amended February 2010)
- *Facility Plan Report, City of Annapolis, Maryland, Annapolis Water Treatment Plant Evaluation* (Hazen and Sawyer, October 2009)
- *Annapolis Comprehensive Plan* (City of Annapolis, October 2009)
- City of Annapolis amendments to *2007 Master Plan for Water Supply & Sewerage Systems* (June 2011)

Information from the above documents—including population and water demand projections—is presented below.

Water Demand Projections

Maximum day and peak hour water demands were estimated using the peaking factors and average flow. Figure 1 and Figure 2 show the average daily, maximum daily, and peak hourly water demand projections, for Broad Creek and City of Annapolis pressure zones.

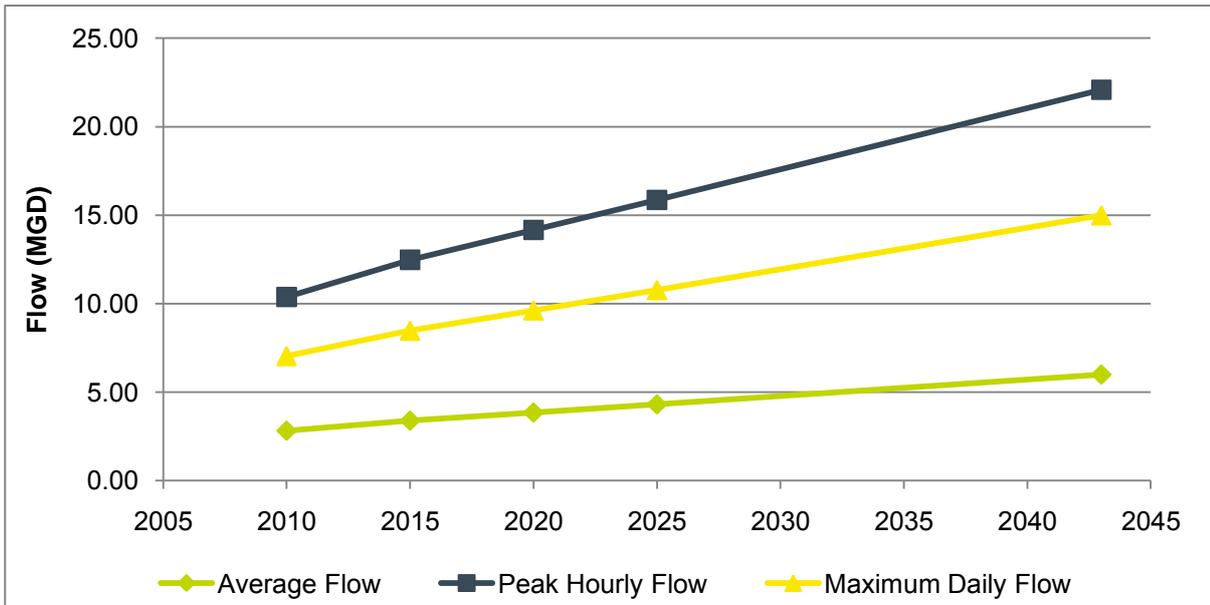


Figure 1. Flow Projection – Broad Creek Pressure Zone

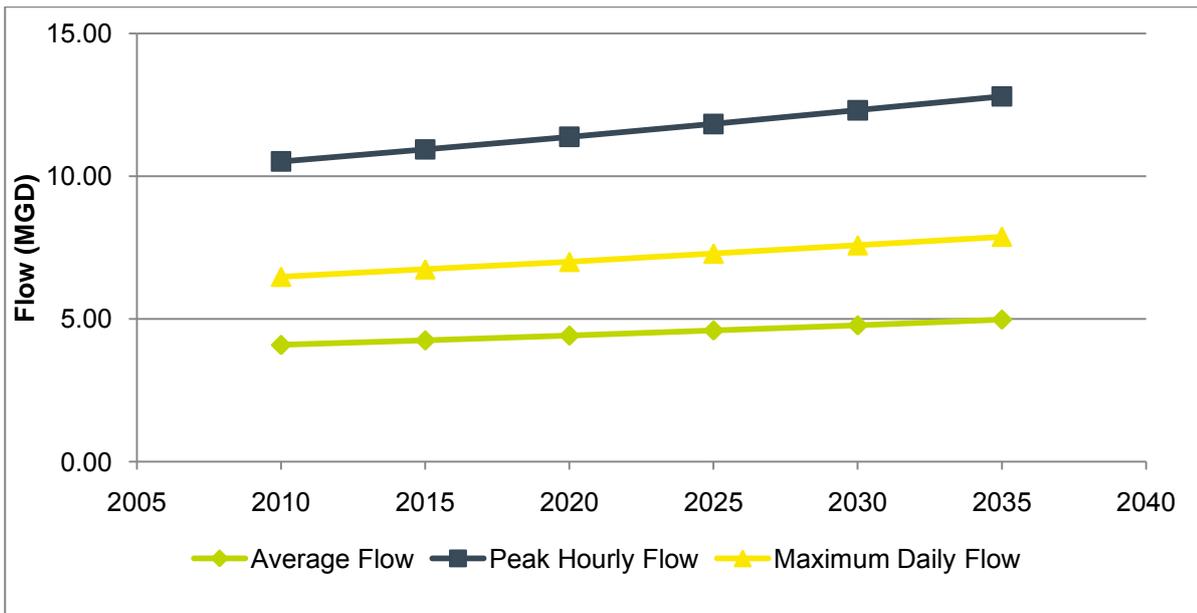


Figure 2. Flow Projection – City of Annapolis Pressure Zone

1.3. Design Criteria

Both the City and County water demand projections assume average flow per equivalent dwelling unit (EDU) is 250 gallons. The City’s projected maximum-daily-to-average-annual peaking factor is 1.6. The County’s projected maximum-daily-to-average-annual peaking factor for Broad Creek zone is 2.5.

Based on these assumptions, the City projects an 8-mgd, maximum day water demand in Year 2035. This quantity of treated water is assumed to be sufficient for population increases within the 173 zone, plus future redevelopment and annexations.

Similarly, the County projects a 15-mgd, maximum day water demand for the Broad Creek zone in Year 2043. Per the County’s 2007 Master Plan, this quantity of treated water is sufficient for population increases within the Broad Creek zone, plus Annapolis Neck. However, the 2007 Master Plan also identifies an additional 8-mgd to be sent from the Broad Creek zone to the Glen Burnie low zone. Capacity increases per the 2007 Master Plan are identified in Table 1.

Table 1. 2007 Master Plan Broad Creek Treatment Capacities

Water Supply Source	2010 Production	2015 Production	2020 Production	2025 Production	2030 Production	2035 Production	2040 Production	Ultimate Production
Broad Creek I&II	4.0	4.0	4.0	0.0	0.0	0.0	0.0	0.0
Broad Creek III	0.0	7.8	7.8	15.5	15.5	15.5	15.5	15.5
Witherensea	5.0	5.0	5.0	5.0	5.0	5.0	7.5	7.5
<i>Total</i>	<i>9.0</i>	<i>16.8</i>	<i>16.8</i>	<i>20.5</i>	<i>20.5</i>	<i>20.5</i>	<i>23.0</i>	<i>23.0</i>

Since release of the 2007 Master Plan, timing for capacity improvements has changed. The County is currently still relying on Broad Creek II WTP to supply all water to the Broad Creek zone, with emergency use of Broad Creek I, if needed. Maximum day flows in 2009-2011 were approximately 5.5 mgd. As stated previously, Broad Creek II is planned for expansion to 8-mgd, with construction completion in 2013. The 5-mgd Witherensea WTP is in the planning stages, with completion expected by 2015. Broad Creek III is not currently in the 2012-2016 CIP. Current known planned facilities for the Broad Creek zone are identified in Table 2.

Table 2. Current Planned Broad Creek Treatment Capacities

Water Supply Source	2010 Production	2015 Production	2020 Production	2025 Production
Broad Creek I&II	6.0	8.0	8.0	8.0
Broad Creek III	0.0	0.0	0.0	0.0
Witherensea	0.0	5.0	5.0	7.5
<i>Total</i>	<i>6.0</i>	<i>13.0</i>	<i>13.0</i>	<i>15.5</i>

The County is also planning for construction of the 6.0-mgd Northeast WTP to serve the Glen Burnie low zone. It is assumed that this treatment plant replaces the 2.3-mgd Marley Creek WTP identified in the 2007 Master Plan, thus supplying an addition 3.7-mgd to the Glen Burnie low zone. As needs for the Glen Burnie low zone may have changed since the 2007 Master Plan was completed, design criteria for treatment facilities have been developed based on meeting the combined maximum daily demands for the Broad Creek zone (15-mgd) and the City of Annapolis (8-mgd) only.

For purposes of this technical memorandum, it is assumed that no technical or regulatory hurdles constrain treatment plant location. Potential hurdles include: groundwater appropriations, future well-field locations, site size, storage and distribution issues.

The following options for meeting combined maximum daily demands are illustrated in the graphs below. All three options provide at least 23 mgd (15-mgd to the Broad Creek pressure zone and 8-mgd to City), the currently-projected, combined maximum-day water demands shown in Figures 1 and 2, above. If the City and County agree, these options will be developed further in the next phase of this feasibility study.

- **Option 1 (Baseline)-** Immediate construction of a new, 8-mgd WTP at the existing City WTP and a 4-mgd expansion at the County’s Broad Creek II WTP (8-mgd, total). Construction of a new, 5-mgd WTP at Withernsea by 2015, with an expansion to 7.5-mgd by 2025.
- **Option 2-** Immediate construction of an 8-mgd expansion at the County’s Broad Creek II WTP (12-mgd, total). Construction of a new, 5-mgd WTP at Withernsea by 2015, with an expansion to 7.5-mgd by 2020. Construction of new, 4-mgd WTP at either the current Annapolis WTP site or at the abandoned Broad Creek I WTP site, by Year 2025.
- **Option 3-** Immediate construction of a 12-mgd expansion at the County’s Broad Creek II WTP (16-mgd, total—pending piloting. Piloting is required in order for IDI—the existing clarifier manufacturer—to confirm higher loading rates.). Construction of a new, 5-mgd WTP at Withernsea by 2015, with an expansion to 7.5-mgd by 2025.

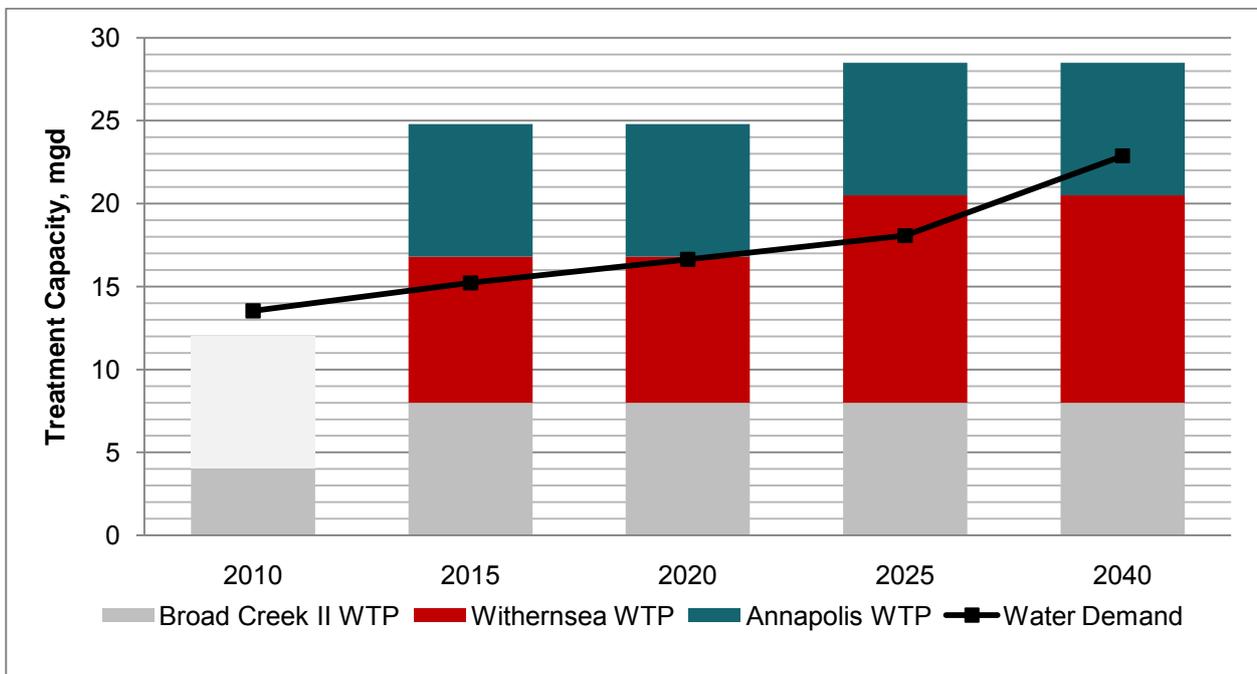


Figure 3. Option 1

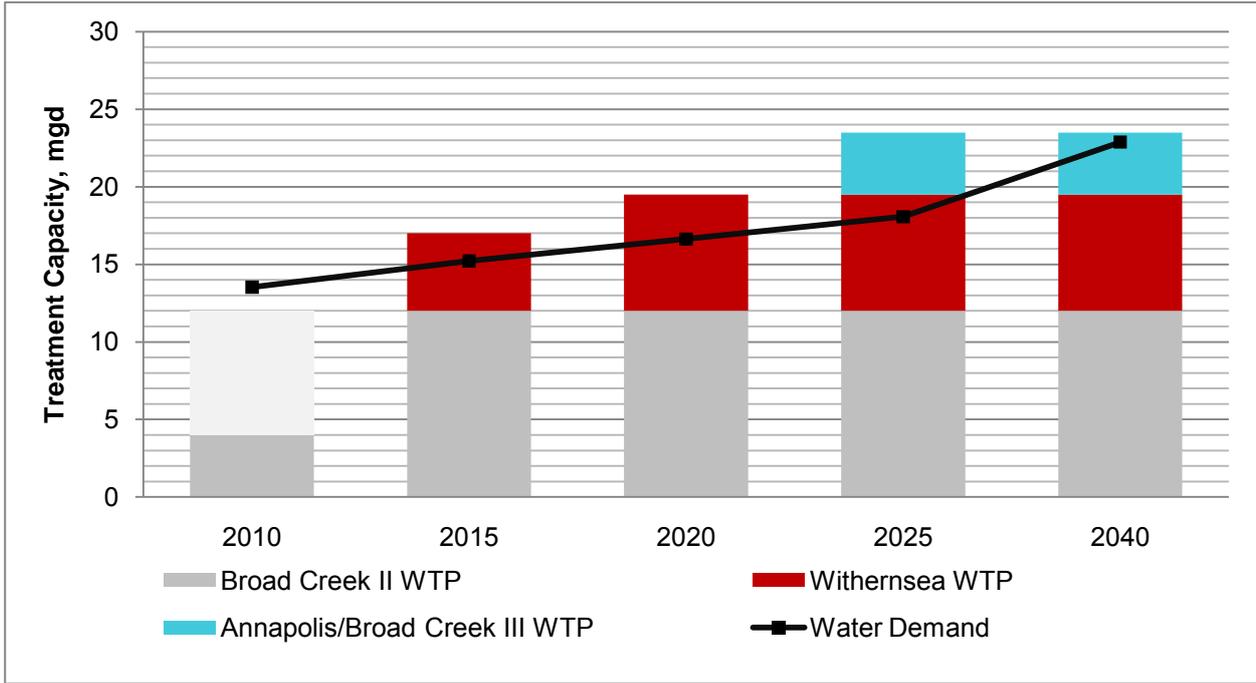


Figure 4. Option 2

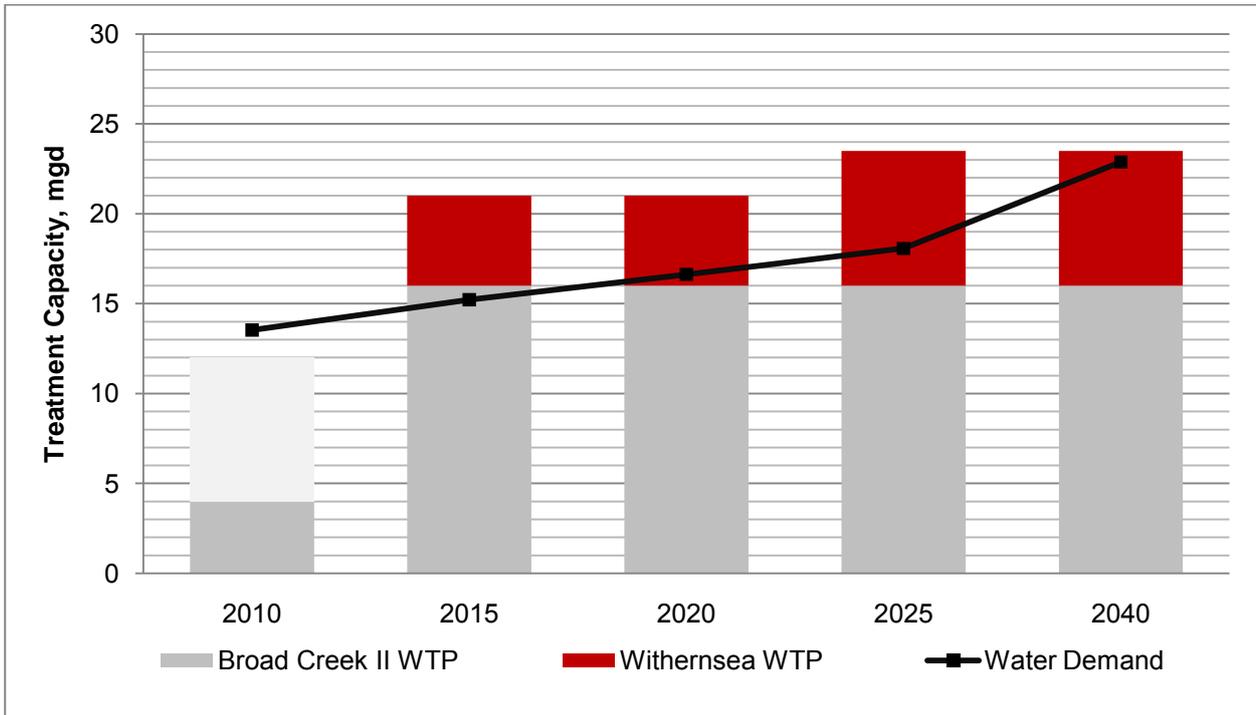


Figure 5. Option 3

Appendix D

Total Project Cost Summary Sheets

OPINION OF PROBABLE CONSTRUCTION COST

Client: City of Annapolis
Project: Annapolis 8 mgd WTP - H&S Estimate
Facility: Annapolis WTP - Use Same Assumptions as Others
Location: Annapolis, MD

Document: Opinion of Probable Construction Cost
Compiled by: KRM
Date: 10/21/2011

DESCRIPTION	COST
Contractor	\$ 21,000,000
Subtotal 1	\$ 21,000,000
Overhead and Profit 15% of subtotal 1	\$ 3,150,000
Subtotal 2	\$ 24,150,000
Contingency 25% of subtotal 2	\$ 6,037,500
Subtotal 3	\$ 30,187,500
Engin/Legal/Misc 21% of subtotal 3	\$ 6,339,400
TOTAL PROJECT COSTS (WTP ONLY)	\$ 36,526,900
Escalation 3% of subtotal 3	\$ 1,095,807
TOTAL PROJECT COSTS	\$ 37,622,707

OPINION OF PROBABLE CONSTRUCTION COST

Client: City of Annapolis
Project: Annapolis 8 mgd WTP - H&S Estimate
Facility: Annapolis FWPS - Use Same Assumptions as Others
Location: Annapolis, MD

Document: Opinion of Probable Construction Cost
Compiled by: KRM
Date: 10/21/2011

DESCRIPTION	COST
Contractor	\$ 2,190,000
Subtotal 1	\$ 2,190,000
Overhead and Profit 15% of subtotal 1	\$ 328,500
Subtotal 2	\$ 2,518,500
Contingency 25% of subtotal 2	\$ 629,700
Subtotal 3	\$ 3,148,200
Engin/Legal/Misc 21% of subtotal 3	\$ 661,200
TOTAL PROJECT COSTS (WTP ONLY)	\$ 3,809,400
Escalation 3% of subtotal 3	\$ 114,282
TOTAL PROJECT COSTS	\$ 3,923,682

OPINION OF PROBABLE CONSTRUCTION COST

Client: Anne Arundel County Department of Public Works
Project: Broad Creek II WTP Expansion
Facility: 8-mgd to County
Location: Annapolis, MD

Document: Opinion of Probable Construction Cost
Compiled by: KRM/RMN
Date: 7/1/2010

DESCRIPTION	COST
Contractor	
Division 1 : General Requirements	\$ 490,000
Division 2 : Civil	\$ 540,300
Division 3 : Concrete	\$ 946,700
Division 4 : Masonry	\$ 18,200
Division 5 : Metals	\$ 92,400
Division 6 : Woods and Plastics	\$ -
Division 7 : Thermal and Moisture Protection	\$ 11,900
Division 8 : Doors and Windows	\$ 9,400
Division 9 : Finishes	\$ 70,000
Division 10 : Specialties	\$ -
Division 11 : Equipment	\$ 2,196,100
Division 13 : Specialty Construction	\$ 453,400
Division 14 : Conveying Equipment	\$ 30,000
Division 15 : Mechanical	\$ 321,500
Division 16 : Electrical 15% of Div-1 to Div-15	\$ 777,000
Subtotal 1	\$ 5,956,900
Labor 8% of subtotal 1	\$ 476,600
Material 15% of subtotal 1	\$ 893,500
Overhead and Profit 15% of subtotal 1	\$ 893,500
Subtotal 2	\$ 7,327,000
Contingency 25% of subtotal 2	\$ 1,831,800
Subtotal 3	\$ 9,158,800
Engin/Legal/Misc 21% of subtotal 3	\$ 1,923,400
TOTAL PROJECT COSTS (WTP ONLY)	\$ 11,082,200
Wells and Raw Water Pipelines Total Project Cost (includes mark-ups)	\$ 5,700,000
TOTAL PROJECT COSTS	\$ 16,782,200

OPINION OF PROBABLE CONSTRUCTION COST

Client: City of Annapolis in Conjunction with AA Co DPW
Project: Broad Creek II WTP Expansion to 13.88 mgd
Facility: 7.2 mgd to City of Annapolis, 6.7 mgd to County
Location: Annapolis, MD

Document: Opinion of Probable Construction Cost
Compiled by: KRM
Date: 10/21/2011

DESCRIPTION	COST
Contractor	
Division 1 : General Requirements	\$ 500,000
Division 2 : Civil	\$ 1,013,100
Division 3 : Concrete	\$ 2,700,300
Division 4 : Masonry	\$ 36,400
Division 5 : Metals	\$ 164,700
Division 6 : Woods and Plastics	\$ -
Division 7 : Thermal and Moisture Protection	\$ 23,800
Division 8 : Doors and Windows	\$ 15,000
Division 9 : Finishes	\$ 90,000
Division 10 : Specialties	\$ -
Division 11 : Equipment	\$ 4,153,200
Division 13 : Specialty Construction	\$ 680,100
Division 14 : Conveying Equipment	\$ 40,000
Division 15 : Mechanical	\$ 1,898,500
Division 16 : Electrical 15% of Div-1 to Div-15	\$ 1,697,300
Subtotal 1	\$ 13,012,400
Labor 8% of subtotal 1	\$ 1,041,000
Material 15% of subtotal 1	\$ 1,951,900
Overhead and Profit 15% of subtotal 1	\$ 1,951,900
Subtotal 2	\$ 16,005,300
Contingency 25% of subtotal 2	\$ 4,001,400
Subtotal 3	\$ 20,006,700
Engin/Legal/Misc 21% of subtotal 3	\$ 4,201,500
TOTAL PROJECT COSTS (WTP ONLY)	\$ 24,208,200
Wells and Raw Water Pipelines Total Project Cost (includes mark-ups)	\$ 5,700,000
TOTAL PROJECT COSTS	\$ 29,908,200

OPINION OF PROBABLE CONSTRUCTION COST

Client: City of Annapolis in Conjunction with AA Co DPW
Project: Broad Creek II WTP Expansion to 17.33 mgd
Facility: 8 mgd to City of Annapolis, 9.33 mgd to County
Location: Annapolis, MD

Document: Opinion of Probable Construction Cost
Compiled by: KRM
Date: 10/21/2011

DESCRIPTION	COST
Contractor	
Division 1 : General Requirements	\$ 600,000
Division 2 : Civil	\$ 1,275,200
Division 3 : Concrete	\$ 3,278,000
Division 4 : Masonry	\$ 36,400
Division 5 : Metals	\$ 214,000
Division 6 : Woods and Plastics	\$ -
Division 7 : Thermal and Moisture Protection	\$ 35,700
Division 8 : Doors and Windows	\$ 18,800
Division 9 : Finishes	\$ 100,000
Division 10 : Specialties	\$ -
Division 11 : Equipment	\$ 5,422,200
Division 13 : Specialty Construction	\$ 906,800
Division 14 : Conveying Equipment	\$ 50,000
Division 15 : Mechanical	\$ 2,398,400
Division 16 : Electrical 15% of Div-1 to Div-15	\$ 2,150,300
Subtotal 1	\$ 16,485,800
Labor 8% of subtotal 1	\$ 1,318,900
Material 15% of subtotal 1	\$ 2,472,900
Overhead and Profit 15% of subtotal 1	\$ 2,472,900
Subtotal 2	\$ 20,277,600
Contingency 25% of subtotal 2	\$ 5,069,400
Subtotal 3	\$ 25,347,000
Engin/Legal/Misc 21% of subtotal 3	\$ 5,322,900
TOTAL PROJECT COSTS (WTP ONLY)	\$ 30,669,900
Wells and Raw Water Pipelines Total Project Cost (includes mark-ups)	\$ 5,700,000
TOTAL PROJECT COSTS	\$ 36,369,900

Appendix E

O&M Costs Provided by City and County

CITY OF ANNAPOLIS NEW WATER PLANT O&M COSTS

POSITION	STATUS	ANNUAL SALARY	DUTIES
Superintendent	Full Time	\$101,642.00	Performs responsible supervisory work in the operation and maintenance of water treatment plant. Operates water treatment plant .
Water Plant Operator IV	Full Time	\$54,530.00	Operates, maintains, and monitors water treatment plant. Calibrates some/all of the process control monitoring systems. Calibrates laboratory equipment Possesses a Class IV Water Certification.
Water Plant Technician I	Full Time	\$40,832.00	Operates, maintains, and monitors water treatment plant. Calibrates some/all of the process control monitoring systems. Calibrates laboratory equipment Conducts general housekeeping, building and ground maintenance. Possesses a Temporary Certificate.
Utility Mechanic II	Full Time	\$47,186.00	Performs maintenance on all of water treatment plant equipment.
Office Associate	4 hrs/week	\$4,083.00	Performs clerical duties at the direction of Superintendent
Subtotal		\$248,273.00	
Overtime		\$31,530.67	Line item in FY 12 budget is 12.7% of the salaries of overtime eligible employees
Benefits		\$106,605.20	Line Item in FY'12 budget is 38.1 % of salaries and overtime.
Subtotal		\$386,408.87	
Contractual Operations Assistance	25 days/yr	\$7,613.00	Provides a Class IV certified operator for fill in during emergencies and unanticipated leave. Assumes 8 hr. days at \$43.50/ hr.

Instrument Technician Services	5 days/yr	\$3,000.00	Provides instrument technician services for repair and calibration of plant instrumentation. Assumes 8 hr. days at \$75.00/ hr
--------------------------------	-----------	------------	--------------------------------------------------------------------------------------------------------------------------------

TOTAL		\$397,021.87	
--------------	--	---------------------	--

REVISED LINE ITEMS

LINE ITEM	FY'12 BUDGET	NEW WTP BUDGET	DESCRIPTION
6600 Supplies	\$42,934.00	\$43,000.00	Supplies other than chemicals
7720 Building & Grounds R&M	\$65,600.00	\$35,000.00	Mowing, alarm system, building repairs
7750 Equipment R&M	\$86,970.00	\$70,000.00	Electrical & mechanical repair of equipment, new equipment
7996 Contract Services	\$54,050.00	\$54,050.00	Maintenance agreements, cell phone service, water testing
TOTAL	\$249,554.00	\$202,050.00	

ANNE ARUNDEL COUNTY BROAD CREEK II O&M COSTS

Estimated production: 1,150,000 kGal per year

ADF 3.15 MGD

Line Item	Description	Water FY 11 actuals)	BC II Proportion	\$/1,000 gal	SOURCE
4013 (excl. elec and chem)	Water Fac. Ops.	3,723,000	335,070	0.291	FY11 Actual BU 4013 less elec & chem
4057	Elec & Inst Maint	1,010,000	90,900	0.079	FY11 year-end 2,526,580 x 40%
4015	Emerg. Services	750,000	67,500	0.059	FY11 year-end 1,502,654 x 50%
4044, 4051	Tech admin & Safety	269,834	24,285	0.021	FY11 year-end tech Admin & Safety (477,095 + 197,489) x 40%
	subtotal	<u>5,752,834</u>	<u>517,755</u>	<u>0.45</u>	
BU 4013 Electricity		3,459,106	311,320	0.271	
BU 4013 Chemicals		654,191	58,877	0.051	
	subtotal	<u>4,113,297</u>	<u>370,197</u>	<u>0.32</u>	
	total variable	<u>9,866,131</u>	<u>887,952</u>	<u>0.77</u>	
407,140,724,073	F & A includes pro rata	3,392,417	305,318		FY11 year-end F/A 8,481,043 x 40%
4060	Oper Admin	1,170,154	105,314		FY11 year-end 2,340,308 x 50%
4018	Water admin	313,000	28,170		FY11 Actual salaries
	Total mostly fixed	<u>4,875,571</u>	<u>438,801</u>		
			1,326,753		

FISCAL IMPACT NOTE

Legislation No: R-2-12

First Reader Date: 2/13/12

Note Date: 2/22/12

Legislation Title: **City Water Treatment Plant**

Description: For the purpose of expressing the sense of the City Council to select the City-only alternative for construction of a new water treatment capacity.

Analysis of Fiscal Impact: This legislation expresses the City Council support of a new water treatment plant constructed by the City as opposed to two other options which would involve partnering with Anne Arundel County. According to a feasibility study performed by a multi-national engineering firm, Atkins, the difference in fiscal impact is insignificant and within the margin of error of the analysis.

1 CITY COUNCIL OF THE
2 City of Annapolis

3
4 Ordinance No. O-26-11

5 Introduced by: Alderwoman Finlayson, Alderman Silverman and Mayor Cohen
6
7

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	120 Day Rule
9/12/11			1/10/12
Referred to	Referral Date	Meeting Date	Action Taken
Housing and Human Welfare	9/12/11		
Public Safety	9/12/11		

8
9 A **ORDINANCE** concerning

10 Alarm System Registration

11 **FOR** the purpose of establishing a registration requirement for alarm systems.

12 **BY** repealing and re-enacting with amendments the following portions of the Code of the
13 City of Annapolis, 2011 Edition
14 Section 10.06
15

16 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
17 **COUNCIL** that the Code of the City of Annapolis shall be amended to read as follows:

18 **Chapter 10.06 – FALSE ALARMS.**

19
20 **10.06.010 - Definitions.**

21 A. False alarm. Any communication generated by or as a result of an alarm system or
22 telecommunication that results in a response and investigation by the City's Fire/EMS or Police
23 Departments which reveals no evidence or indication of a health or safety risk or other actual
24 hazard. False alarms shall not include signals found to be activated by unusually severe
25 weather conditions or other causes that are identified by the Fire/EMS or Police Departments to
26 be beyond the control of the user.

27 B. User. An owner or lessee of an any alarm system; an owner or lessee of a any dwelling unit,
28 place of business, or other premises that has been equipped with an alarm system; an
29 individual who initiates a telecommunication.
30

31
32 **10.06.020 - Limit on number of false alarms—Fines for excessive false alarms.**

33 If two false alarms occur within a 365-day period, then for all subsequent false alarms that occur
34 thereafter in the same period the user will be assessed a civil fine as established by resolution
35 of the City Council.
36
37

1 **10.06.025 Registration.**

2
3 A. Requirement – As of January 1, 2012, an alarm user may not allow an alarm system to emit
4 an alarm signal unless the system is registered with the Police Department in accordance with
5 this section.

6
7 B. Initial Registration – An alarm user shall register an alarm system by completing and
8 submitting to the Police Department an application form provided by the Police Department. The
9 alarm user shall notify the Police Department within seven (7) days of any change in the
10 information supplied on the application form including, but not limited to, the alarm user's
11 address and telephone number.

12
13 C. Renewals – Every alarm user shall renew an alarm system registration annually between
14 December 1 and December 31, starting with the calendar year 2011, regardless of when the
15 initial registration was completed.

16
17 D. Penalty – A penalty will not be imposed for the first violation of subsection A of this section.
18 A second or subsequent violation of subsection A is hereby declared a municipal infraction
19 punishable by a fine of one hundred dollars (100.00). Each day a violation continues is hereby
20 deemed a separate offense.

21
22 **10.06.030 - Appeals.**

23 Any user aggrieved by the assessment of a fine may appeal to a board established by the
24 Fire/EMS and Police Departments within 15 days of the notice of a fine's assessment. The
25 board shall conduct an administrative hearing thereon either in person or by mail, and, in the
26 event that it determines that the false alarm was activated or initiated by causes beyond the
27 control of the user or other extenuating circumstances, the board may abrogate the fine.

28
29 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
30 **ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the date of its passage.

31
32 **ADOPTED** this _____ day of _____, _____.

33
34 ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

35
36
37 **EXPLANATION:**

38 Highlighting indicates matter added to existing law.
39 ~~Strikeout indicates matter deleted from existing law.~~
40 Underlining indicates amendments.
41

FISCAL IMPACT NOTE

Legislation No: O-26-11

First Reader Date: 9-12-11

Note Date: 10-3-11

Legislation Title: Alarm System Registration

Description: For the purpose of establishing a registration requirement for alarm systems.

Analysis of Fiscal Impact:

This legislation requires Police Department staff time to register alarm users' alarm systems, maintain records, and levy municipal infraction fines on alarm users who fail to register their systems as required by this legislation. It is expected that this will place an additional burden on the Police Department in personnel costs, supplies, and computer time, but due to the lack of information on the number of alarms to be covered, the fiscal impact is unknown at this time.

Policy Report

Ordinance O-26-11

Alarm System Registration

The proposed ordinance establishes a registration requirement for alarm systems.

As of January 1, 2012, an alarm user would be prohibited from allowing an alarm system to emit an alarm signal unless the system has been registered with the Police Department. An alarm user would register an alarm system by completing and submitting an application form to the Police Department. The alarm user would be required to notify the Police Department within seven (7) days of any change in the information supplied on the application form including, but not limited to, the alarm user's address and telephone number. Every alarm user would also be required to renew an alarm system registration annually between December 1 and December 31, starting with the calendar year 2011, regardless of when the initial registration was completed.

For questions, please contact Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at JCCowles@annapolis.gov or 410.263.1184.



City of Annapolis City Council
Standing Committee Referral Action Report

Date: 10/17/11

To: Jessica Cowles,
City of Annapolis Office of Law,
Legislative and Policy Analyst

The Public Safety Committee has reviewed G-26-11 and has taken the following action:

Favorable

Favorable with amendments

Unfavorable

No Action

Other

Comments:

Roll Call Vote:

Ald. Finlayson, Chair yes

Ald. Paone yes

Ald. Silverman yes

Meeting Date 10/17/11

Signature of Chair Sheila M. Finlayson



City of Annapolis City Council
Committee & Commission Referral Action Report

Date: 12/05/11

To: Jessica Cowles,
City of Annapolis Office of Law,
Legislative and Policy Analyst

The Housing and Human Welfare Committee has reviewed 0-26-11 and
has taken the following action:

Favorable

Favorable with amendments

Unfavorable

No Action

Other

Comments: *to inquire about the need for 10.06.025
Section C. Renewals*

Roll Call Vote:

Ald. Kirby, Chair YES Ald. Hoyle YES Ald. Silverman YES

Meeting Date 12/5/11

Signature of Chair *Kenneth A Kirby*

**CITY COUNCIL OF THE
City of Annapolis**

Resolution No. R-45-11

Introduced by: Mayor Cohen and Alderwoman Hoyle

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	180 Day Rule
7/25/11			N/A
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't Planning Commission	7/25/11 7/25/11		Travels with O-38-11 and R-47-11

A RESOLUTION concerning

Annexation Plan – Hayes Property

FOR the purpose of adopting an annexation plan for the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

WHEREAS, on January 14, 2011, K. Hovnanian Homes of Maryland, L.L.C., Hogan Holding Company, LC, James J. Blackwell, Roxanne Winn, and Buckley W. Hayes (collectively, "Petitioners") submitted a Petition for Annexation to the City of Annapolis for 7.374 acres of property known as the Hayes Property, which Petition for Annexation shall be addressed by the City Council in a Resolution forthcoming after the Annexation Plan is ratified; and

WHEREAS, the Petitioners proposed that the Hayes Property be zoned upon annexation within the R3 – General Residence District and within the R1-B – Single-Family Residence District, which zoning shall be addressed by the City Council in an Ordinance forthcoming after the Annexation Plan is ratified; and

WHEREAS, as required by § 19 (o) of Article 23A of the Annotated Code of Maryland, an annexation plan shall be adopted by the City Council in connection with the annexation of the Hayes Property; and

WHEREAS, on ____, 2011, the City Council conducted a public hearing on the proposed annexation of the Hayes Property, at which time the annexation plan was open to public review and discussion, which annexation plan had been provided to Anne Arundel County and to the Maryland Department of Planning at least thirty (30) days prior to the public hearing; and

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31

WHEREAS, having considered the proposed annexation, the proposed zoning, the testimony and evidence presented thereon, the reports and recommendations of the Planning Commission and the Department of Planning and Zoning, and the information and opinions provided by other persons, departments, and agencies, having weighed the information, and having completed and finalized the annexation plan so as to appropriately plan for the incorporation into and the potential development of the Hayes Property within the City, the Council now adopts an annexation plan for the Hayes Property.

NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL that the Annexation Plan for the Hayes Property attached hereto be, and it is hereby, adopted.

AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL that this Resolution shall take effect on the date of adoption, and that all parties to the Annexation Plan shall cooperatively endeavor to ratify the Annexation Plan in as prompt a manner as is possible.

ADOPTED this _____ day of _____, 2011.

ATTEST: THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

EXPLANATION:
Highlighting indicates matter added to existing law.
~~Strikeout indicates matter deleted from existing law.~~
Underlining indicates amendments.

ANNEXATION PLAN

THIS ANNEXATION PLAN (the "Plan") is made this _____ day of _____, 2011, by and between THE CITY OF ANNAPOLIS, MARYLAND, a municipal corporation of the State of Maryland (the "City"), and K. HOVNANIAN HOMES OF MARYLAND, L.L.C., HOGAN HOLDING COMPANY, LC, JAMES J. BLACKWELL, ROXANNE WINN, and BUCKLEY W. HAYES (collectively, "Petitioners").

Recitals

- A. WHEREAS, on January 14, 2011, the Petitioners filed with the City a Petition for Annexation (the "Petition"), which Petition the Office of the City Clerk determined to have satisfied all laws and regulations pertaining to the preparation, execution, notification, and filing thereof codified within the Code of the City of Annapolis (the "City Code") and within the Annotated Code of Maryland (the "State Code");
- B. WHEREAS, the properties proposed for annexation in the Petition are fully and accurately identified in the Petition and its supporting exhibits, are contiguous to and adjoin the existing corporate boundary of the City, collectively contain 7.374 acres, more or less, and are known as the Hayes Property (the "Property");
- C. WHEREAS, as described in detail in the Petition, the owners of the various parcels comprising the Property are James J. Blackwell, Roxanne Winn, and Buckley W. Hayes. Hogan Holding Company, LC is the contract purchaser of the Property. K. Hovnanian Homes of Maryland, L.L.C. is the holder of a right to purchase Hogan Holding Company, LC's contract rights in the Property. Hogan Holding Company, LC and K. Hovnanian Homes of Maryland, L.L.C. are collectively referred to herein in the singular as "Petitioner";
- D. WHEREAS, in accordance with § 19 (o) of Article 23A of the State Code, which requires that an annexation plan shall be adopted by the City Council of the City of Annapolis (the "Council") in connection with the annexation of the Property, this annexation plan was prepared and was open to public review and discussion at the Council's public hearing on the proposed annexation of the Property, and had been provided to Anne Arundel County and to the Maryland Department of Planning at least thirty (30) days prior to the Council's public hearing;
- E. WHEREAS, the Property was included within Growth Area "A" in the 2009 Annapolis Comprehensive Plan, which designated the area as eligible for annexation and appropriate for establishing a logical boundary for the City's jurisdictional limits; and

F. WHEREAS, the City and the Petitioners desire to appropriately plan for the incorporation into and the potential development of the Property within the City of Annapolis; and

G. WHEREAS, the City and the Petitioners voluntarily enter into this Plan to ensure such circumstances and to fulfill the requirements of § 19 (o) of Article 23A of the State Code, and the parties hereto covenant that they have the full right, power, and authority to enter into, carry out, perform, and execute this Plan.

NOW, THEREFORE, in consideration of the mutual interests, covenants, promises, agreements, and undertakings set forth herein, including the preceding Recitals, the accuracy and sufficiency of which is expressly acknowledged, the City and the Petitioners mutually agree as follows:

1. Conceptual Plan of Development. The City and the Petitioner contemplate that development of the Property shall generally take the form illustrated on the conceptual site plan identified as “Conceptual Site Plan #1”, prepared by Bay Engineering, Inc., dated July, 2010, and attached hereto as Exhibit “A”. The City and the Petitioner acknowledge that changes to this layout may be made as part of the application, approval, and permitting processes. The City and the Petitioner further acknowledge that, in accordance with § 9 (c) (1) of Article 23A of the State Code, for a period of five years following the annexation of the Property, the City may not permit development of the Property for land uses substantially different than the use authorized, or at a substantially higher, not to exceed 50%, density than could be granted for the proposed development, in accordance with the zoning classification of Anne Arundel County applicable at the time of the annexation without the express approval of Anne Arundel County.
2. Provision of Public Services. The City shall not be obligated to provide public services, including but not limited to street maintenance, snow removal, solid waste removal (refuse, yard waste recycling, recycling), on the Property unless the Property is properly permitted for and developed with a public roadway for which the City has accepted a fee simple deed for the right-of-way ownership, and the City shall not be obligated to provide such public services on any existing or subsequently developed private rights-of-way, easements, and/or driveways.
3. Infrastructure Fees and Facilities. The Petitioner shall be solely and jointly and severally responsible for all costs associated with the extension of utility mains, the water distribution system, the wastewater collection system, tap fees, connection charges, capital facility fees, capital assessment charges, and construction inspection fees. The parties acknowledge that, while preliminary studies indicate that water and sewer facilities will be adequate for development of the Property and that sewer service can be handled by gravity flow, Petitioner shall comply with all applicable City laws related to the adequacy of public facilities in connection with the development of the Property.
4. Facilities Improvements and Ownership. The Petitioner shall pay and shall be solely and jointly and severally responsible for the payment of all costs associated with the construction

of internal roadways, curb and gutters, sidewalks, street lighting, storm drain systems and stormwater management facilities and shall be the owner of all such internal facilities. Stormwater management facilities shall be owned, inspected, maintained, repaired, and replaced by the Petitioner in accordance with City and State requirements. Petitioner shall be solely responsible for paying for all costs associated with any capacity increase to existing roadways should said increase be required by the City, County, or State. The City and other applicable agencies shall review and approve all infrastructure for compliance with applicable requirements.

5. Traffic Signs and Signals. The Petitioner shall solely pay and be jointly and severally responsible for the payment of all costs associated with traffic signs and/or signals which may be required in connection with the development of the Property. The City and other applicable agencies shall review and approve all such traffic-related improvements for compliance with applicable requirements.
6. Infrastructure Bond. The Petitioner, to the satisfaction of the City, shall jointly and severally bond all infrastructure improvements for the full cost of the improvements so that, in the event that the Petitioner cannot complete the work for any reason, the City will have the financial resources to do so. Once the infrastructure has been finally accepted by the City, after the requirements of the City and all other applicable agencies have been fulfilled, the bond may, in the City's discretion, be reduced to a one-year maintenance bond at ten percent (10%) of the full bond. The Petitioner shall jointly and severally guarantee all costs of infrastructure improvements which exceed the amount of bond coverage.
7. Infrastructure Inspection, Maintenance, Repair and Replacement. The City shall not be responsible for infrastructure inspection, maintenance, repair or replacement during construction, including snow removal and solid waste removal (refuse, yard waste recycling, recycling), water distribution and wastewater collection systems operations and maintenance, pump station operations and maintenance, and road repairs and operation. If the rights-of-way are to be public, which shall occur in the City's sole discretion, the City's responsibility for inspection, maintenance, repair or replacement of such infrastructure facilities shall not be activated until the City's final and complete infrastructure inspection and approval, acceptance of deeds or other instruments of conveyance, and final release of maintenance bond. The City shall not be responsible for infrastructure inspection, maintenance repair or replacement during or after construction if the rights-of-way remain private.
8. Natural Features. The City and the Petitioners acknowledge that the Property contains significant steep slopes toward the southern and southeastern property boundaries and the parties further recognize that, due to the slopes' environmental significance to Church Creek, it may not be suitable for buildings and/or utilities to be constructed in these areas. Petitioner shall undertake or cause or allow to be caused minimal disturbance to these features, and shall utilize superior sediment control measures in the development process, and shall comply with all applicable City and State Critical Areas laws and regulations.
9. Binding Effect. The terms, conditions, and provisions of this Plan shall be deemed as covenants running with the Property and shall be binding upon and shall inure to the benefit

of the parties hereto, any successor municipal authorities of the City, successor owners of record of the Property, and their respective heirs, personal representatives, successors, grantees, and assigns. It is expressly understood and agreed by the parties that the benefits, rights, duties, and obligations hereunder are conferred and imposed upon the parties only upon and contingent upon the City's annexation of the Property. It is further expressly understood and agreed that the Petitioner may assign its benefits, rights, duties, and obligations hereunder either as part of the conveyance of the Property as an entirety or severally as part of the conveyances of portions of the Property, that any such conveyance or assignment is permissible without the consent of the City, any of its elected official, employees, or agents, that the obligations and responsibilities expressed in this Plan shall be binding upon and applicable to the owner of the Property as may exist from time to time, and that such owner of the Property shall undertake, perform, or otherwise meet each obligation or responsibility when the same may arise. No provision of this Plan shall create any third party beneficiary rights or other rights in any person or entity not a party hereto.

At such time as K. Hovnanian Homes of Maryland ("Hovnanian"), or any of its affiliated entities, acquires title to the Property, Hovnanian (or its affiliated entity, as the case may be) shall be the sole party that the City shall require to perform hereunder. Hovnanian, or the Petitioners, may assign their respective rights arising out of the Property, however, prior to such assignment, if done prior to the development of the Property contemplated herein, the City must consent to the assignment, which consent shall not be unreasonably withheld.

10. Cooperation of Parties. The parties shall take all reasonable actions and do all things reasonably necessary or appropriate to carry out and to expedite the terms and provisions of this Plan and to generally enable the parties' compliance with the terms and provisions of this Plan.
11. Recordation. This Plan shall be recorded among the Land Records of Anne Arundel County by and at the expense of the Petitioner, following which the Petitioner shall provide the original of the recorded Plan to the City.
12. Modification of Plan. No portion of this Plan shall be amended, waived, modified, discharged, or terminated except by an instrument in writing signed by all parties hereto or their successors, grantees, or assigns and witnessed and notarized.
13. Headings. Descriptive headings herein are for convenience only and shall not control or affect the meaning or construction of any provision of this Plan.
14. Severability. In the event that any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed as if such invalid, illegal, or unenforceable provision had never been herein contained.
15. Enforceability. This Plan shall be specifically enforceable in any court of competent jurisdiction by any of the parties hereto by any appropriate action or suit at law or in equity to

secure the performance of the covenants herein contained. Venue for all actions arising from this Plan shall be the Courts of Anne Arundel County, Maryland. In any such action, the parties waive their right, if any, to trial by jury.

IN WITNESS WHEREOF, the parties have executed and sealed this Plan as of the day and year first above written.

SIGNATURE PAGES FOLLOW

ATTEST:

THE CITY OF ANNAPOLIS

Regina Watkins-Eldridge, City Clerk

By: _____
Joshua J. Cohen, (Seal)
Mayor of the City of Annapolis

Approved as to form and legal sufficiency:

Karen Hardwick, Esq., City Attorney

State of Maryland, Anne Arundel County, to wit:

I hereby certify that on this _____ day of _____, 2011 before me, a notary public, in and for the State and County aforesaid, did personally appear, Joshua J. Cohen, Mayor of the City of Annapolis, Maryland, who acknowledged that he is authorized to execute this Annexation Plan on behalf of the City of Annapolis, and being authorized to do so, executed the foregoing instrument for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My commission expires: _____

Witness:

K. Hovnanian Homes of Maryland, L.L.C.
A Maryland limited liability company

By: _____
A. Hugo DeCesaris, (Seal)
Region President

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared A. Hugo DeCesaris, Region President of K. Hovnanian Homes of Maryland, L.L.C., and acknowledged that, being authorized to so do, he has executed this Annexation Plan as the act and deed of K. Hovnanian Homes of Maryland, L.L.C. for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

Hogan Holding Company, LC
A Maryland limited company

By: _____
Timothy S. Hogan, (Seal)
Member

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared Timothy S. Hogan, Member of Hogan Holding Company, LC, and he acknowledged that, being authorized to so do, he has executed this Annexation Plan as the act and deed of Hogan Holding Company, LC for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

James J. Blackwell (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared James J. Blackwell, and he acknowledged that he has executed this Annexation Plan as his act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

Roxanne Winn (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared Roxanne Winn, and she acknowledged that she has executed this Annexation Plan as her act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

1 Witness:

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

_____ Buckley W. Hayes (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared Buckley W. Hayes, and he acknowledged that he has executed this Annexation Plan as his act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

FISCAL IMPACT NOTE

Legislation No: R-45-11

First Reader Date: 07-25-11

Note Date: 01-23-12

Legislation Title: Annexation Plan – Hayes Property

Description:

For the purpose of adopting an annexation plan for the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

Analysis of Fiscal Impact:

For your consideration, attached is the fiscal impact analysis for the proposed Hayes annexation. The data used to prepare this analysis is provided in, and follows, the detail provided by Westholm and Associates for the petitioners which is part of section J of the petition.

In general, the attached analysis uses the same assumptions, however when preparing the City analysis, several variances arise. The first is that total revenues do not agree. There is a revenue variance of approximately \$5,800, \$113.4K vs. 107.6K, the majority of which is a difference in the compilation of real estate taxes. The second difference is that the City analysis includes a separate line number totaling \$2K for snow and ice since this account is historically under budgeted. The last variance is that the petitioners' use a \$204.97 credit per household, totaling \$9,633.59, for indirect charges. However, this credit was excluded in the City analysis since it does not incorporate the full extent of direct / indirect charge backs and is not consistent with the allocation methodology currently used. Using this amount as presented would understate the cost of providing City services.

Based on the attached analysis, the City will benefit from a \$13,000 positive cash flow using constant dollars using the FY 2010 tax rate. However, pending the adopted tax rate for FY 2013, and recognizing an average 12% decline in property values, by using FY 2013 values and assumptions currently available, this will directly impact the outcomes outlined in this analysis. For example, when applying an average 12% decline in assessed values which may be greater for townhouses, and keeping all other factors equal, including the tax rate, there is an approximate \$6,000 decrease in tax revenues for this project, thereby bringing the cash flow benefit to \$7,000.

Finally, this analysis does not take into consideration the impact of the City's enterprise Funds. Arguably, enterprise funds should be self sufficient via the associated fee

schedules; however, consideration should be given to any additional capitalization costs that this project will have on providing City services. As this analysis reflects, the cash flow benefits to the city are essentially at a breakeven point, however, any additional capitalization cost specifically attributable to this project will impact the cash flow projections as presented.

City of Annapolis
Hayes Property Annexation Analysis
January 2012

ppd by: BTM

	<i>Fiscal Year 2010 Assessment & Tax Rate Data</i>			<i>Fiscal Year 2013 Assessment & Tax Rate Data</i>		
	Incremental Increase	Average Tax Bill	Average Assessment	Average Assessment@ 88%	Average Tax Bill	Total Tax Bill
	\$					
Based on 47 Townhouses						
<u>Long - Term Revenues</u>						
Total RE Taxes (Land Only)	4,373.26					
RE Taxes; full value						
14 units @ 2,037 sq ft/	27,206.17	1,943.30	366,659.97	322,660.78	1,806.90	25,296.60
27 units @ 1,907 sq ft/	49,120.51	1,819.28	343,260.03	302,068.82	1,691.59	45,672.81
6 units @ Moderate Priced	7,314.00	1,219.00	230,000.00	202,400.00	1,133.44	6,800.64
	<u>83,640.68</u>					<u>77,770.05</u>
State Income						
Full Market (41) @ 450.69	18,478.29					18,478.29
MPDU (6) @ 300.46	1,802.76					1,802.76
	<u>20,281.05</u>					<u>20,281.05</u>
Cable TV Franchise Fees						
	2,100.36					2,100.36
Highway Taxes						
	319.24					319.24
Electricity, Gas, Telephone and Fuel Oil Taxes						
	1,242.92					1,242.92
Use of Money						
	0.00					0.00
	<u>3,662.52</u>					<u>3,662.52</u>
Total Additional Revenues	<u>107,584.25</u>					<u>101,713.62</u>
<u>Associated Incremental Expenses</u>						
Police	20,249.48					20,249.48
Fire Department	23,977.99					23,977.99
Parks and Recreation	5,957.25					5,957.25
Public Works						
Roads	6,382.60					6,382.60
Other Divisions	1,993.27					1,993.27
Snow and Ice	2,000.00					2,000.00
DNEP	2,881.10					2,881.10
Transportation	0.00					0.00
Mayor	3,149.47					3,149.47
Finance	6,622.30					6,622.30
Human Resources	1,556.17					1,556.17
Planning and Zoning	2,730.70					2,730.70
Central Services	3,524.06					3,524.06
Debt Service	13,643.63					13,643.63
Total Incremental Expenditures	<u>94,668.02</u>					<u>94,668.02</u>
Net: Positive <Negative> City Cash Flow	<u>12,916.23</u>					<u>7,045.60</u>

Policy Report

Resolution R-45-11

Annexation Plan – Hayes Property

The proposed resolution R-45-11 has an annexation plan attached for the Hayes Property. The Hayes Property is contiguous to the existing boundary of the City and located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

In January 2011, K. Hovnanian Homes of Maryland, L.L.C., Hogan Holding Company, LC, James J. Blackwell, Roxanne Winn, and Buckley W. Hayes (the "Petitioners") submitted a Petition for Annexation to the City of Annapolis for 7.374 acres of property known as the Hayes Property. The Petitioners proposed that the Hayes Property be zoned upon annexation within the R3 – General Residence District and within the R1-B – Single-Family Residence District, addressed in proposed ordinance O-38-11.

As required by § 19 (o) of Article 23A of the Annotated Code of Maryland, the adoption of the annexation plan through R-45-11 is necessary before consideration of O-38-11 and companion resolution R-47-11 that accomplishes the annexation of the Hayes Property into the City of Annapolis.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at 410.263.1184 or JCCowles@annapolis.gov.



City of Annapolis City Council
Standing Committee Referral Action Report

Date: 2/14/12

To: Jessica Cowles,
City of Annapolis Office of Law,
Legislative and Policy Analyst

The Rules and City Government Committee has reviewed R-45-11 and
has taken the following action:

Favorable

Favorable with amendments attached

Unfavorable

No Action

Other

Comments:

Roll Call Vote:

Ald. Israel, Chair yes

Ald. Hoyle N/A

Ald. Arnett yes

Meeting Date 2/14/12

Signature of Chair Richard Israel

CITY COUNCIL OF THE
City of Annapolis
Resolution No. R-45-11

Introduced by: Mayor Cohen and Alderwoman Hoyle

Table with 4 columns: First Reading, Public Hearing, Fiscal Impact Note, 180 Day Rule. It contains dates and references to other resolutions like R-47-11 and O-38-11.

Comment: Petitioners #1, 1/12/12.
Comment:
Deleted: Travels with O-38-11 and R-47-11

A RESOLUTION concerning
Annexation Plan – Hayes Property

FOR the purpose of adopting an annexation plan for the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City’s jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

WHEREAS, on January 14, 2011, K. Hovnanian Homes of Maryland, L.L.C., Hogan Holding Company, LC, James J. Blackwell, Roxanne Winn, and Buckley W. Hayes submitted a Petition for Annexation to the City of Annapolis for 7.374 acres of property known as the Hayes Property, which Petition for Annexation shall be addressed by the City Council in Resolution No. R-47-11 after the Annexation Plan is ratified; and

Comment: Planning Commission / Department of Planning and Zoning (“PC”) #1, 1/12/12: PC proposed removing K. Hovnanian and Hogan Holding Company, LC from “Petitioners” identification.
Petitioners suggest their proposal at Petitioners #2 is preferable.
Petitioners also delete the “Petitioners” identification, add the annexation resolution number, and edit associated text here.

WHEREAS, the annexation proposal was that the Hayes Property be zoned upon annexation within the R3 – General Residence District and within the R1-B – Single-Family Residence District, with the zoning classifications to be addressed by the City Council in Ordinance No. O-38-11 after the Annexation Plan is ratified; and

Deleted: (collectively, “Petitioners”)
Deleted: a
Deleted: forthcoming
Deleted: Petitioners proposed

WHEREAS, on October 28, 2011, Petitioner K. Hovnanian Homes of Maryland, L.L.C. withdrew itself as a Petitioner, while the remaining four Petitioners, Hogan Holding Company, LC, James J. Blackwell, Roxanne Winn, and Buckley W. Hayes (collectively, “Petitioners”), continue to pursue annexation; and

Comment: PC #2, 1/12/12: PC proposed showing original zoning request at R4.
Petitioners suggest their proposal at Petitioners #3 is preferable.
Petitioners also add the zoning ordinance number and edit associated text here.

WHEREAS, following the Planning Commission’s review of and recommendations regarding the proposed annexation and the conceptual plan of development, and so as to better protect the slopes on the eastern portion of the Hayes Property, Petitioners have modified the conceptual plan of development and a portion of the zoning proposal from R3 - General Residence District to R4 - General Residence District; and

Deleted: which
Deleted: shall
Deleted: an
Deleted: forthcoming
Comment: Petitioners #2, 1/12/12.
Comment: Petitioners #3, 1/12/12.

{Hyatt Files\H7548\0001\00176869.DOC}

1
2 **WHEREAS,** as required by § 19 (o) of Article 23A of the Annotated Code of Maryland, an
3 annexation plan shall be adopted by the City Council in connection with the
4 annexation of the Hayes Property; and

5
6 **WHEREAS,** following the City Council's adoption of this Resolution and the attached
7 Annexation Plan, the City Council will conduct a public hearing on the proposed
8 annexation of the Hayes Property, at which time the annexation plan will be open
9 to public review and discussion, which annexation plan will have been provided
10 to Anne Arundel County and to the Maryland Department of Planning at least
11 thirty (30) days prior to the public hearing; and

12
13 **WHEREAS,** having considered the proposed annexation, the proposed zoning, the testimony
14 and evidence presented thereon, the reports and recommendations of the
15 Planning Commission and the Department of Planning and Zoning, and the
16 information and opinions provided by other persons, departments, and agencies,
17 having weighed the information, and having completed and finalized the
18 annexation plan so as to appropriately plan for the incorporation into and the
19 potential development of the Hayes Property within the City, the Council now
20 adopts an annexation plan for the Hayes Property; and

21
22 **WHEREAS,** the obligations of the parties hereto set forth herein are contingent upon the
23 adoption of an annexation resolution and shall be void in the event the City
24 Council fails to effect such annexation or such annexation is invalidated by
25 referendum or otherwise.

26
27
28 **NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that the
29 Annexation Plan for the Hayes Property attached hereto be, and it is hereby, adopted.

30
31 **AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that this Resolution
32 shall take effect on the date of adoption, and that all parties to the Annexation Plan shall
33 cooperatively endeavor to ratify the Annexation Plan in as prompt a manner as is possible.

34
35 **ADOPTED** this ____ day of _____, 2012.

36
ATTEST: THE ANNAPOLIS CITY COUNCIL

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

Comment: PC #3, 1/12/12: PC proposed a new Whereas clause following, with citation to State Code, Art. 23A, § 19 (b) and (n).

Petitioners believe citation to subsection (b) would be erroneous (annexation initiated by legislative body as opposed to petition) and that citation to subsection (n) is covered at R-47-11, page 8, 1st and 2nd paragraphs.

Comment: Petitioners #4, 1/12/12 (all changes in paragraph).

Deleted: on _____, 2011

Deleted: conducted

Deleted: was

Deleted: had

Deleted: .

Comment: PC #4, 1/12/12.

Deleted: ¶

Comment: Petitioners #5, 1/12/12.

Deleted: 2011

Deleted: ¶

EXPLANATION:
Highlighting indicates matter added to existing law.
~~Strikeout indicates matter deleted from existing law.~~
Underlining indicates amendments.

ANNEXATION PLAN

THIS ANNEXATION PLAN (the "Plan") is made this _____ day of _____, 2012, by and between THE CITY OF ANNAPOLIS, MARYLAND, a municipal corporation of the State of Maryland (the "City"), and HOGAN HOLDING COMPANY, LC, JAMES J. BLACKWELL, ROXANNE WINN, and BUCKLEY W. HAYES (collectively, "Petitioners").

Comment: Petitioners #6, 1/12/12.
Deleted: 2011
Comment: Petitioners #7, 1/12/12: deletion of K. Hovnanian.
PC #5, 1/12/12: deletion of K. Hovnanian and Hogan Holding Company, LC.
Petitioners believe Hogan Holding Company, LC should remain.
Deleted: K. HOVNIANIAN HOMES OF MARYLAND, L.L.C.,

Recitals

- A. WHEREAS, on January 14, 2011, the Petitioners filed with the City a Petition for Annexation (the "Petition"), which Petition the Office of the City Clerk determined to have satisfied all laws and regulations pertaining to the preparation, execution, notification, and filing thereof codified within the Code of the City of Annapolis (the "City Code") and within the Annotated Code of Maryland (the "State Code");
- B. WHEREAS, the properties proposed for annexation in the Petition are fully and accurately identified in the Petition and its supporting exhibits, are contiguous to and adjoin the existing corporate boundary of the City, collectively contain 7.374 acres, more or less, and are known as the Hayes Property (the "Property");
- C. WHEREAS, as described in detail in the Petition, the owners of the various parcels comprising the Property are James J. Blackwell, Roxanne Winn, and Buckley W. Hayes. Hogan Holding Company, LC is the contract purchaser of the Property. Hogan Holding Company, LC is referred to herein in the singular as "Petitioner";
- D. WHEREAS, in accordance with § 19 (o) of Article 23A of the State Code, which requires that an annexation plan shall be adopted by the City Council of the City of Annapolis (the "Council") in connection with the annexation of the Property, this annexation plan was prepared and adopted following a public hearing, and shall be open to public review and discussion at the Council's public hearing on the proposed annexation of the Property, and shall have been provided to Anne Arundel County and to the Maryland Department of Planning at least thirty (30) days prior to the Council's public hearing on the annexation;
- E. WHEREAS, the Property was included within Growth Area "A" in the 2009 Annapolis Comprehensive Plan, which designated the area as eligible for annexation and appropriate for establishing a logical boundary for the City's jurisdictional limits; and
- F. WHEREAS, the City and the Petitioners desire to appropriately plan for the incorporation into and the potential development of the Property within the City of Annapolis; and

Comment: Petitioners #8, 1/12/12: deletion of K. Hovnanian.
PC #6, 1/12/12: deletion of K. Hovnanian and Hogan Holding Company, LC.
Petitioners believe Hogan Holding Company, LC should remain.
Deleted: K. Hovnanian Homes of Maryland, L.L.C. is the holder of a right to purchase Hogan Holding Company, LC's contract rights in the Property.
Deleted: and K. Hovnanian Homes of Maryland, L.L.C. are collectively
Deleted: was
Deleted: had
Comment: Petitioners #9, 1/12/12: changes clarify that adoption of annexation plan precedes public hearing on annexation resolution.
PC #7, 1/12/12: changes clarify that adoption of annexation plan precedes public hearing on annexation resolution, but arguably misrepresents that annexation plan had been provided to County, State agencies 30 days prior to annexation plan's adoption.
Petitioners believe edits in **Petitioners #9** are preferable.

G. WHEREAS, the City and the Petitioners voluntarily enter into this Plan to ensure such circumstances and to fulfill the requirements of § 19 (o) of Article 23A of the State Code, and the parties hereto covenant that they have the full right, power, and authority to enter into, carry out, perform, and execute this Plan.

NOW, THEREFORE, in consideration of the mutual interests, covenants, promises, agreements, and undertakings set forth herein, including the preceding Recitals, the accuracy and sufficiency of which is expressly acknowledged, the City and the Petitioners mutually agree as follows:

1. Conceptual Plan of Development. The City and the Petitioner contemplate that development of the Property shall generally take the form illustrated on the conceptual site plan identified as “Conceptual Site Plan”, prepared by Bay Engineering, Inc., dated November, 2011, and attached hereto as Exhibit “A”. The City and the Petitioner acknowledge that changes to this layout may be made as part of the application, approval, and permitting processes. The City and the Petitioner further acknowledge that, in accordance with § 9 (c) (1) of Article 23A of the State Code, for a period of five years following the annexation of the Property, the City may not permit development of the Property for land uses substantially different than the use authorized, or at a substantially higher, not to exceed 50%, density than could be granted for the proposed development, in accordance with the zoning classification of Anne Arundel County applicable at the time of the annexation without the express approval of Anne Arundel County.
2. Conservation Easement Area. The “Conceptual Site Plan” at Exhibit “A” depicts a Conservation Easement for areas of the site that are in steep slopes. The demarcation of the upper boundaries of the Conservation Easement area is approximate and shall be adjusted during the development review process to include all areas of steep slopes.
3. Restrictions on Site Development. Development of the site is subject to the following restrictions:
 - a. The maximum number of dwelling units shall not exceed 159.
 - b. The maximum lot coverage shall be 45% for structures and parking.
 - c. The maximum structural height shall be 55 feet if all setbacks are increased by one foot for each foot of height in excess of 40 feet.
 - d. Access to the site shall be from the existing easement at the intersection of Dorsey Drive and Old Solomons Island Road and the existing right-of-way for Neal Street.
 - e. Development of the site shall only proceed if it is in compliance with any and all applicable provisions of the City’s Adequate Public Facilities laws regarding the preparation of traffic impact analyses.
 - f. Development of the site shall be designed to provide appropriate screening and buffering between the site and adjacent residences, which screening and buffering may require plantings, fencing, or similar features.
 - g. Any development design for the site shall be in harmony with the character of the surrounding neighborhood and the Comprehensive Plan and shall achieve a maximum of compatibility, safety, efficiency, and attractiveness.

Comment: PC #8, 1/12/12: PC's changes reference the November, 2011 plan which was presented to the PC during its consideration of the annexation.

Petitioners #10, 1/12/12: deleted reference to older plan (“#1”).

Deleted: #1

Deleted: July, 2010

Comment: PC #9, 1/12/12: recommended addition of Conservation Easement language.

Petitioners #11, 1/12/12: edits to PC's language discuss the City's discretion during development review to make minor exclusions of steep slope areas from the Conservation Easement areas (see paragraph 11, as renumbered herein, regarding minimal steep slope disturbance).

Formatted: Bullets and Numbering

Deleted: The “Conceptual Site Plan” at Exhibit “A” depicts a Conservation Easement area for areas of the site that are suspected to include steep slopes. The demarcation of the upper boundaries of the Conservation Easement area is approximate and shall be adjusted during the development review process. It is understood by the Petitioner and by the City that the Conservation Easement area shall include the majority of the steep slopes on the site, and that minor areas of steep slopes on the site may be excluded from the Conservation Easement area if such exclusions are determined to be appropriate by the City during the development review process. Within the Conservation Easement area, the only uses that shall be allowed are passive recreation uses, such as a walking path, existing utilities, or a stormwater outfall.

Formatted: Bullets and Numbering

Comment: PC #10, 1/12/12: recommended addition of development restrictions language at subsections a. through d.

Petitioners #12, Part 1, 1/12/12: Edits to PC's language clarify that the restrictions apply site-wide.

- h. Any development applications pertaining to the site shall proceed in accordance with all applicable notice requirements in the Annapolis City Code, which notice requirements generally require (i) that the developer must post notice on the property that is the subject of an application at least fifteen days prior to a decision on the application and in a manner prescribed by the Planning and Zoning Director, (ii) that written notification must be mailed to all property owners within two hundred feet of the property boundary – regardless of whether such property owners reside within the City of Annapolis or within Anne Arundel County – not less than fifteen days prior to the date of hearing on the application, and (iii) that notice of the application and any required public hearings at which the application will be considered must be published in a newspaper of general circulation in the City no fewer than once each week for two successive weeks, with the first notice of the hearing at least fifteen days before the hearing.
- i. Public housing, as owned and operated by The Housing Authority of the City of Annapolis, shall be prohibited.
- j. There shall be some recognition on the Property regarding its historical heritage and relationship to the Dorsey Heights community.
- k. Prior to submitting any site plan approval to the City of Annapolis, the Property owner (or contract purchaser, as the case may be) shall invite members of the Dorsey Heights community, with appropriate city staff in attendance to a meeting for the purposes of discussing the proposed site development plan.
- l. If permitted by the City, a walking path shall be installed within the Conservation Easement Area, as part of the site plan, which will be available for the use of the neighboring community.
- m. In the event the Property is approved for apartment dwellings, the amenities within an apartment community (including, to the extent installed, a fitness center, meeting room, pool, business center, cyber cafe, etc.) shall be available for use by the Dorsey Heights residents at a fair market value.
- n. Chapter 20.30 of the City Code applies to any development on this Property.
- o. The project shall be a planned development subject to planned development procedures as outlined in Chapter 21.24, “Procedures for Planned Developments.

Comment: Petitioners #12, Part 2, 1/31/12: Petitioners added subsections e. through h. in response to concerns raised by Dorsey Heights residents at the January 23, 2012, public hearing before the City Council.

Formatted: Bullets and Numbering

4. Provision of Public Services. The City shall not be obligated to provide public services, including but not limited to, street maintenance, snow removal, solid waste removal (refuse, yard waste recycling, recycling), to the Property unless the Property is properly permitted for and developed with a public roadway for which the City has accepted a fee simple deed for the right-of-way ownership, and the City shall not be obligated to provide such public services on any existing or subsequently developed private rights-of-way, easements, and/or driveways.

Formatted: Bullets and Numbering

Comment: Department of Public Works (“DPW”) #1, 1/12/12.

Deleted: on

5. Infrastructure Fees and Facilities. The Petitioner shall be solely and jointly and severally responsible for all costs, including but not limited to all engineering and construction costs, associated with the extension of utility mains, the water distribution system, the wastewater collection system, wastewater pumping stations, water booster stations, tap fees, connection charges, capital facility fees, capital assessment charges, and construction inspection fees. The parties acknowledge that, while preliminary studies indicate that water and sewer

Comment: DPW #2, 1/12/12 (all changes in paragraph).

Formatted: Bullets and Numbering

facilities will be adequate for development of the Property and that sewer service can and should be handled by gravity flow, Petitioner shall comply with all applicable City laws and policies related to the adequacy of public facilities in connection with the development of the Property. The Petitioner shall be required to connect to both the City’s water distribution and wastewater collection system located near the intersection of Old Solomons Island Road and Neal Street. Where applicable, all work shall be in accordance with the City of Annapolis Standard Specifications and Details. The City, and other applicable agencies, will review and approve all infrastructure for compliance with all applicable requirements.

6. Facilities Improvements and Ownership. The Petitioner shall pay and shall be solely and jointly and severally responsible for all costs, including, but not limited to all engineering and construction costs, associated with the construction of internal roadways, curb and gutters, sidewalks, street lighting, storm drain systems and stormwater management facilities, and shall be the owner of all such internal facilities, unless one or more of such facilities are made public and the same are accepted by the City. Stormwater management facilities shall be owned, inspected, maintained, repaired, and replaced by the Petitioner in accordance with City and State requirements. Petitioner shall be solely responsible for paying for all costs, including right-of-way acquisition costs, associated with any capacity increase, alignment change and/or any alignment change to new or existing roadways should said increase be required by the City, County, or State. Where applicable, all work shall be in accordance with City of Annapolis Standard Specifications and Details. The City and other applicable agencies shall review and approve all infrastructure and facilities for compliance with applicable requirements.

Comment: DPW #3, 1/12/12 (all changes in paragraph, with the exception of Petitioners #13 below).

Formatted: Bullets and Numbering

Deleted: the payment of

Comment: Petitioners #13, 1/12/12: addition clarifies that roadway ownership is in the discretion of the City during development review, as is reflected in paragraphs 4, 7, and 10 (as renumbered herein).

7. Street Lights. The Petitioner shall be responsible for the installation of street lighting for the property. All street lights require approval by the City of Annapolis, for style, type and luminosity. If the roadways are to be owned by the City of Annapolis, the street light must be selected from the models offered for lease by BGE, and street lighting maintenance will be by lease arrangement between BGE and the City of Annapolis. If the roadways are to remain private, the petitioner may select lighting from another source provided it is approved by the City of Annapolis for style, type and luminosity. The Petitioner shall pay for all costs associated with street lighting until the release of the maintenance bond and the conveyance and acceptance of the road rights-of-way by either the Homeowners Association or the City of Annapolis. Additionally, the Petitioner shall prepay, to the City or the Homeowners Association, as appropriate, for an additional one year of energy costs immediately prior to the release of the Maintenance Bond.

Comment: DPW #4, 1/12/12 (new paragraph).

Formatted: Bullets and Numbering

8. Traffic Signs and Signals. The Petitioner shall solely pay and be jointly and severally responsible for all costs associated with traffic signs and/or signals which may be required in connection with the development of the Property. The City and other applicable agencies shall review and approve all such traffic-related improvements for compliance with applicable requirements. Access to the site shall be as noted on the Conceptual Site Plan.

Comment: DPW #5, 1/12/12 (all changes in paragraph).

Formatted: Bullets and Numbering

Deleted: the payment of

9. Infrastructure (“Performance”) Bond. The Petitioner, in a format to be provided by the City and to the satisfaction of the City, shall jointly and severally bond all infrastructure and facility improvements for the full cost of the improvements so that, in the event that the

Comment: DPW #6, 1/12/12 (all changes in paragraph).

Formatted: Bullets and Numbering

Petitioner cannot complete the work for any reason, the City will have the financial resources to do so. Once the infrastructure and facilities have been conditionally accepted by the City, and after all requirements of the City and all other applicable agencies have been fulfilled, the bond may, in the City's sole discretion, be reduced to a one-year maintenance bond at a minimum of ten percent (10%) of the full bond. The Petitioner shall jointly and severally guarantee all costs of infrastructure improvements which exceed the amount of bond coverage.

- Deleted: has
- Deleted: finally
- Deleted: the

10. Infrastructure Inspection, Maintenance, Repair and Replacement. The City shall not be responsible for infrastructure or facilities operational inspection, maintenance, repair or replacement during construction, including snow removal and solid waste removal (i.e., refuse, yard waste, and recycling collection), water distribution and wastewater collection systems operations and maintenance, pump station operations and maintenance, and road repairs and operation. If the rights-of-way are to be owned by the City, which shall occur in the City's sole discretion, the City's responsibility for inspection, maintenance, repair or replacement of such infrastructure or facilities shall not be activated until the City's final and complete infrastructure inspection and approval, acceptance of deeds or other instruments of conveyance, and final release of maintenance bond. The City shall not be responsible for infrastructure or facilities operational inspection, maintenance repair or replacement during or after construction if the rights-of-way remain private.

- Comment: DPW #7, 1/12/12 (all changes in paragraph).
- Formatted: Bullets and Numbering
- Deleted: recycling
- Deleted: public

11. Natural Features. The City and the Petitioners acknowledge that the Property contains significant steep slopes toward the southern and southeastern property boundaries and the parties further recognize that, due to the slopes' environmental significance to Church Creek, it may not be suitable for buildings and/or utilities to be constructed in these areas. This general area of the site shall be placed in a Conservation Easement area as discussed in Paragraph 2 above. Petitioner shall undertake or cause or allow to be caused minimal disturbance to these features, and shall utilize sediment control measures, approved by the Anne Arundel Soil Conservation District, in the development process, and shall comply with all applicable City and State Critical Areas laws and regulations.

- Comment: PC #11, 1/12/12: recommended addition of Conservation Easement area language, Soil Conservation District, and other changes.
- Petitioners #14, 1/12/12: edits to PC's language clarify that the Conservation Easement area shall be established in accordance with paragraph 2 above.
- Formatted: Bullets and Numbering
- Deleted: superior
- Formatted: Bullets and Numbering

12. Binding Effect. The terms, conditions, and provisions of this Plan shall be deemed as covenants running with the Property and shall be binding upon and shall inure to the benefit of the parties hereto, any successor municipal authorities of the City, successor owners of record of the Property, and their respective heirs, personal representatives, successors, grantees, and assigns. It is expressly understood and agreed by the parties that the benefits, rights, duties, and obligations hereunder are conferred and imposed upon the parties only upon and contingent upon the City's annexation of the Property. It is further expressly understood and agreed that the Petitioner may assign its benefits, rights, duties, and obligations hereunder either as part of the conveyance of the Property as an entirety or severally as part of the conveyances of portions of the Property, that any such conveyance or assignment is permissible without the consent of the City, any of its elected official, employees, or agents, that the obligations and responsibilities expressed in this Plan shall be binding upon and applicable to the owner of the Property as may exist from time to time, and that such owner of the Property shall undertake, perform, or otherwise meet each obligation

or responsibility when the same may arise. No provision of this Plan shall create any third party beneficiary rights or other rights in any person or entity not a party hereto.

At such time as Hogan Holding Company, LC (“Hogan”), or any of its affiliated entities, acquires title to the Property, Hogan (or its affiliated entity, as the case may be) shall be the sole party that the City shall require to perform hereunder. Hogan, or the Petitioners, may assign their respective rights arising out of the Property, however, prior to such assignment, if done prior to the development of the Property contemplated herein, the City must consent to the assignment, which consent shall not be unreasonably withheld.

Comment: Petitioners #15, 1/12/12: edits replace K. Hovnanian with Hogan Holding Company, LC, a Petitioner and the contract purchaser of the annexation property.

Deleted: K. Hovnanian Homes of Maryland

Deleted: Hovnanian

Deleted: Hovnanian

Deleted: Hovnanian

Formatted: Bullets and Numbering

13. Cooperation of Parties. The parties shall take all reasonable actions and do all things reasonably necessary or appropriate to carry out and to expedite the terms and provisions of this Plan and to generally enable the parties' compliance with the terms and provisions of this Plan.

14. Recordation. This Plan shall be recorded among the Land Records of Anne Arundel County by and at the expense of the Petitioner, following which the Petitioner shall provide the original of the recorded Plan to the City.

Formatted: Bullets and Numbering

15. Modification of Plan. No portion of this Plan shall be amended, waived, modified, discharged, or terminated except by an instrument in writing signed by all parties hereto or their successors, grantees, or assigns and witnessed and notarized.

Formatted: Bullets and Numbering

16. Headings. Descriptive headings herein are for convenience only and shall not control or affect the meaning or construction of any provision of this Plan.

Formatted: Bullets and Numbering

17. Severability. In the event that any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed as if such invalid, illegal, or unenforceable provision had never been herein contained.

Formatted: Bullets and Numbering

18. Enforceability. This Plan shall be specifically enforceable in any court of competent jurisdiction by any of the parties hereto by any appropriate action or suit at law or in equity to secure the performance of the covenants herein contained. Venue for all actions arising from this Plan shall be the Courts of Anne Arundel County, Maryland. In any such action, the parties waive their right, if any, to trial by jury.

Formatted: Bullets and Numbering

IN WITNESS WHEREOF, the parties have executed and sealed this Plan as of the day and year first above written.

SIGNATURE PAGES FOLLOW

ATTEST:

THE CITY OF ANNAPOLIS

Regina Watkins-Eldridge, City Clerk

By: _____
Joshua J. Cohen, (Seal)
Mayor of the City of Annapolis

Approved as to form and legal sufficiency:

Karen Hardwick, Esq., City Attorney

State of Maryland, Anne Arundel County, to wit:

I hereby certify that on this _____ day of _____, 2012 before me, a notary public, in and for the State and County aforesaid, did personally appear, Joshua J. Cohen, Mayor of the City of Annapolis, Maryland, who acknowledged that he is authorized to execute this Annexation Plan on behalf of the City of Annapolis, and being authorized to do so, executed the foregoing instrument for the purposes therein contained.

Comment: Petitioners #16, 1/12/12.
Deleted: 2011

Witness my hand and notarial seal.

Notary Public

My commission expires: _____

Witness:

Formatted: Strikethrough

~~K. Hovnanian Homes of Maryland, L.L.C.~~
~~A Maryland limited liability company~~

By: _____
A. Hugo DeCesaris, _____ (Seal)
Region President

STATE OF _____, _____ COUNTY, TO WIT:

_____, I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared A. Hugo DeCesaris, Region President of K. Hovnanian Homes of Maryland, L.L.C., and acknowledged that, being authorized to so do, he has executed this Annexation Plan as the act and deed of K. Hovnanian Homes of Maryland, L.L.C. for the purposes therein contained.

_____, Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Comment: Petitioners #17, 1/12/12.

Witness:

Hogan Holding Company, LC
A Maryland limited company

By:

Timothy S. Hogan, (Seal)
Member

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do
hereby certify that on this _____ day of _____, 2012,
before me personally appeared Timothy S. Hogan, Member of Hogan Holding Company, LC,
and he acknowledged that, being authorized to so do, he has executed this Annexation Plan as
the act and deed of Hogan Holding Company, LC for the purposes therein contained.

Comment: Petitioners #18, 1/12/12.

Deleted: 2011

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

James J. Blackwell

(Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2012 before me personally appeared James J. Blackwell, and he acknowledged that he has executed this Annexation Plan as his act and deed for the purposes therein contained.

Comment: Petitioners #19, 1/12/12.

Deleted: 2011

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

Roxanne Winn (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2012, before me personally appeared Roxanne Winn, and she acknowledged that she has executed this Annexation Plan as her act and deed for the purposes therein contained.

Comment: Petitioners #20, 1/12/12.

Deleted: 2011

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

1 Witness:

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21

Buckley W. Hayes (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2012 before me personally appeared Buckley W. Hayes, and he acknowledged that he has executed this Annexation Plan as his act and deed for the purposes therein contained.

Comment: Petitioners #21, 1/12/12.
Deleted: 2011

Witness my hand and notarial seal.

Notary Public
My Commission Expires: _____



City of Annapolis
Committee Referral Action

Date: 12/15/11
To: Gina Watkins-Eldridge, City Clerk
From: Jacquelyn Rouse, Planning Administrator

The Planning Commission has reviewed R-45-11; R-47-11 and O-38-11 and has taken the following action:

FAVORABLE WITH AMENDMENTS

Meeting Date: 12/15/11

The recommendation is attached

City of



Annapolis

PLANNING COMMISSION
(410) 263-7961
MUNICIPAL BUILDING
ANNAPOLIS, MARYLAND 21401

December 15, 2011

MEMORANDUM

To: Annapolis City Council
From: Planning Commission
**Re: Findings for the Hayes Property Annexation - Resolution R-45-11: Annexation Plan;
R-47-11: Annexation Resolution of Approval and Ordinance O-38-11: Designation of
Zoning**

SUMMARY

The property proposed for annexation is a 7.4 acre parcel of land. The property is located near the intersection of Forest drive and Old Solomons Island Road. It consists of 7 parcels accessed by a utility easement from Dorsey Drive; Neal Street, an unimproved right of way; and an unimproved extension of Dorsey Drive.

The impetus for annexation is the applicant's desire to develop the property. The petitioner has stated that public water and sewer are not available to the site from Anne Arundel County and that annexation would allow for the extension of these services from areas presently served by the City. No plans for the development of the property have been submitted to the City to date. A Concept Plan, required under state law as a component of the Annexation Plan has been submitted.

The applicant initially requested R3, General residence district zoning and subsequently revised the request to R4, General residence district zoning. Both allow the development of multi-family residential uses, including townhouses and apartments. The R4 zoning allows a greater number of dwelling units per acre and has less restrictive bulk requirements.

On November 17, 2011, the Planning Commission held its regularly scheduled meeting and heard the proposed petition for annexation, approval of an annexation plan and concept plan for the property and the designation of the zoning classification for the property after annexation, being properly advertised in accordance with the Annapolis City Code.

STAFF RECOMMENDATION

At the meeting referenced above, the Planning staff presented their analysis of the annexation petition, annexation plan and concept plan and designation of zoning classification with recommended conditions in a report dated November 9, 2011 and an addendum to the staff report dated November 17, 2011...

Staff presented a revised recommendation for an alternative concept plan and amendments to the Annexation Plan (R-45-11) as well as to the zoning designation (O-38-11). These amendments would

allow R4, General Residence District zoning of the portion of the property for which R3 zoning had been requested with the following additional restrictions:

- maximum lot coverage of 45% for structures and parking;
- maximum height of 55 feet if all setbacks are increased by one foot for each foot of height in excess of 40 feet;
- maximum number of 158 dwelling units for the R4 portion of the site.
- a conservation easement on the portion of the site with steep slopes with only the stormwater outfall, existing utilities and passive recreation uses, such as a walking path, allowed.

These recommendations were in addition to the revisions to R-45-11 identified in the staff report. The Department of Public Works recommended revisions to the Annexation Plan to address the following issues. The proposed development does not include any public roads, street lights, street maintenance, trash and snow removal – this will all be privately maintained through a homeowners’ association. The revisions clarify that the property owners are responsible for all costs associated with these improvements and that where applicable, all work shall be in accordance with the City of Annapolis Standard Specifications and Details; specify that the Petitioner shall be required to connect to both the City’s water distribution and wastewater collection system located near the intersection of Old Solomons Island Road and Neal Street; specify that if any intersection improvements are required in conjunction with the proposed development that they are the responsibility of the petitioner;

The annexation petition was evaluated by the appropriate reviewing agencies, including the Departments of Neighborhood and Environmental Programs, Fire, Police, Public Works, Transportation, Recreation and Parks whose comments are included in the analysis component of the staff report. The Finance department also reviewed the Fiscal Impact Analysis. Both Anne Arundel County and the Maryland Department of Planning were asked to comment on the annexation request. All comments received were included as an attachment to the staff report. The property to be annexed is largely undeveloped and currently has minimal impact on municipal services. However, development of the portion of the property that is not characterized by steep slopes is anticipated. The result of annexation is that land becomes incorporated into the City and, therefore, subject to the same opportunities and constraints as all other such incorporated land. Issues associated with the impact on services, such as school capacity, traffic impact, provision of fire, police and municipal services will be addressed through the development review process.

APPLICANT’S PRESENTATION

The applicant presented testimony with regard to the annexation’s compliance with applicable code requirements of city and State law. .

PUBLIC HEARING AND DELIBERATION

In accordance with the Annapolis City Code, a public hearing was held and the public was invited to comment on the proposed annexation. A number of residents of nearby communities spoke. They expressed concerns such as tax increases, traffic effects and related issues.

After the close of the public hearing on November 17, 2011, the Planning Commission asked questions of staff and the applicant and entered into deliberations. Much of the Commission’s deliberation centered on the steep slopes and environmental sensitivity of a large portion of the property. The Planning Commission requested that staff incorporate all of the above-referenced recommendations into a revised R-45-11 including a revised concept plan and tabled the application until the meeting of December 1, 2011.

At the December 1, 2001 meeting, the Planning Commission reviewed the revised R-45-11 and the revised Concept Plan. The Planning Commission determined that they concurred with the staff's recommendations with respect to the particular characteristics of the site. The revisions to the Concept plan would provide for some development on the buildable portion of the property and protection of the portion of the property that is environmentally sensitive.

RECOMMENDATION

The Planning Commission is required by state law to evaluate the proposed zoning designations of annexed property and its compliance with the general development plan of the City.

The Hayes property was reviewed for compliance with the 2009 Annapolis Comprehensive Plan. The property is designated "Residential" on the City's Proposed Land Use Map and is located adjacent to the Outer West Street Opportunity Area and is also within a Municipal Growth Area.

As required by Article 23A, Section 9 of State law, annexation cannot permit development of the annexed land for land uses substantially different than the use authorized, or at a substantially higher, not to exceed 50%, density than could be granted for the proposed development, in accordance with the zoning classification of the county applicable at the time of the annexation without the express approval of the board of county commissioners or county council of the county in which the municipality is located. The proposed zoning complies with this requirement.

In conjunction with the recommended zoning designation, the 2009 Annapolis Comprehensive Plan should be amended to reflect the inclusion of the properties in the City boundaries. Based on the above recommendations, it can be concluded that "the annexation is in conformance with the plans of the general development of the City and of the County".

The Planning Commission, by a vote of 4-0 with two abstentions, recommends approval of the petition, subject to:

- The revisions to R-45-11 recommended in the staff report. The revised version of R-45-11 and the Concept Plan are attachments to the addendum to the staff report dated November 23, 2011.
- Appropriate amendments to R-47-11 and O-38-11, including an amendment to the 2009 Annapolis Comprehensive Plan should also be made as determined necessary by the Office of Law in order to reflect the amendments to R-45-11.

Adopted this 15th day of December, 2011



David DiQuinzio, Chair

**CITY COUNCIL OF THE
City of Annapolis**

Resolution No. R-45-11

Introduced by: Mayor Cohen and Alderwoman Hoyle

Comment: PLANNING COMMISSION RECOMMENDED REVISIONS – TRACK CHANGES VERSION

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	180 Day Rule
7/25/11			N/A
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't Planning Commission	7/25/11 7/25/11		Travels with O-38-11 and R-47-11

A RESOLUTION concerning

Annexation Plan – Hayes Property

FOR the purpose of adopting an annexation plan for the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

WHEREAS, on January 14, 2011, K. Hovnanian Homes of Maryland, L.L.C., Hogan Holding Company, LC, James J. Blackwell, Roxanne Winn, and Buckley W. Hayes (collectively, "Petitioners") submitted a Petition for Annexation to the City of Annapolis for 7.374 acres of property known as the Hayes Property, which Petition for Annexation shall be addressed by the City Council in a Resolution forthcoming after the Annexation Plan is ratified; and

Comment: Parties to the Annexation Plan are limited to the property owners and The City. Under Article 23A, petitioners for an annexation are required to be property owners.

WHEREAS, the Petitioners proposed that the Hayes Property be zoned upon annexation within the R3 – General Residence District and within the R1-B – Single-Family Residence District, which zoning shall be addressed by the City Council in an Ordinance forthcoming after the Annexation Plan is ratified; and

Comment: R4

WHEREAS, as required by § 19 (o) of Article 23A of the Annotated Code of Maryland, an annexation plan shall be adopted by the City Council in connection with the annexation of the Hayes Property; and

Comment: **WHEREAS**, pursuant to the authority contained in Article 23A of the Annotated Code of Maryland, Sections 19(b) and (n), the property owners and the city Council have agreed that the following conditions and circumstances will apply to the annexation proceedings and to the Annexation Area.

WHEREAS, on ____, 2011, the City Council conducted a public hearing on the proposed annexation of the Hayes Property, at which time the annexation plan was open to public review and discussion, which annexation plan had been provided to Anne Arundel County and to the Maryland Department of Planning at least thirty (30) days prior to the public hearing; and

1
2 **WHEREAS,** having considered the proposed annexation, the proposed zoning, the testimony
3 and evidence presented thereon, the reports and recommendations of the
4 Planning Commission and the Department of Planning and Zoning, and the
5 information and opinions provided by other persons, departments, and agencies,
6 having weighed the information, and having completed and finalized the
7 annexation plan so as to appropriately plan for the incorporation into and the
8 potential development of the Hayes Property within the City, the Council now
9 adopts an annexation plan for the Hayes Property.

Comment: WHEREAS, The obligations of the parties hereto set forth herein are contingent upon the adoption of an Annexation Resolution R-47-11 and shall be void in the event the City Council fails to effect such annexation or such annexation is invalidated by referendum or otherwise.

10
11
12
13 **NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that the
14 Annexation Plan for the Hayes Property attached hereto be, and it is hereby, adopted.

15
16 **AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that this Resolution
17 shall take effect on the date of adoption, and that all parties to the Annexation Plan shall
18 cooperatively endeavor to ratify the Annexation Plan in as prompt a manner as is possible.
19

20
21
22 **ADOPTED** this ____ day of _____, 2011.
23

24
ATTEST: THE ANNAPOLIS CITY COUNCIL

Regina C. Watkins-Eldridge, MMC, City Clerk

BY _____
Joshua J. Cohen, Mayor

25
26
27 **EXPLANATION:**
28 Highlighting indicates matter added to existing law.
29 ~~Strikeout indicates matter deleted from existing law.~~
30 Underlining indicates amendments.
31
32
33
34
35

ANNEXATION PLAN

THIS ANNEXATION PLAN (the "Plan") is made this _____ day of _____, 2011, by and between THE CITY OF ANNAPOLIS, MARYLAND, a municipal corporation of the State of Maryland (the "City"), and K. HOVNANIAN HOMES OF MARYLAND, L.L.C., HOGAN HOLDING COMPANY, LC, JAMES J. BLACKWELL, ROXANNE WINN, and BUCKLEY W. HAYES (collectively, "Petitioners").

Comment: The Annexation Plan is an agreement between the property owners and the City. The developer is not a party to this agreement

Recitals

- A. WHEREAS, on January 14, 2011, the Petitioners filed with the City a Petition for Annexation (the "Petition"), which Petition the Office of the City Clerk determined to have satisfied all laws and regulations pertaining to the preparation, execution, notification, and filing thereof codified within the Code of the City of Annapolis (the "City Code") and within the Annotated Code of Maryland (the "State Code");
- B. WHEREAS, the properties proposed for annexation in the Petition are fully and accurately identified in the Petition and its supporting exhibits, are contiguous to and adjoin the existing corporate boundary of the City, collectively contain 7.374 acres, more or less, and are known as the Hayes Property (the "Property");
- C. WHEREAS, as described in detail in the Petition, the owners of the various parcels comprising the Property are James J. Blackwell, Roxanne Winn, and Buckley W. Hayes. Hogan Holding Company, LC is the contract purchaser of the Property. K. Hovnanian Homes of Maryland, L.L.C. is the holder of a right to purchase Hogan Holding Company, LC's contract rights in the Property. Hogan Holding Company, LC and K. Hovnanian Homes of Maryland, L.L.C. are collectively referred to herein in the singular as "Petitioner";
- D. WHEREAS, in accordance with § 19 (o) of Article 23A of the State Code, which requires that an annexation plan shall be adopted by the City Council of the City of Annapolis (the "Council") in connection with the annexation of the Property, this annexation plan was prepared and was open to public review and discussion at the Council's public hearing on the proposed annexation of the Property, and had been provided to Anne Arundel County and to the Maryland Department of Planning at least thirty (30) days prior to the Council's public hearing;
- E. WHEREAS, the Property was included within Growth Area "A" in the 2009 Annapolis Comprehensive Plan, which designated the area as eligible for annexation and appropriate for establishing a logical boundary for the City's jurisdictional limits; and

Comment: The Annexation Plan is an agreement between the property owners and the City. The developer is not a party to this agreement

Comment: Separate public hearing required.

F. WHEREAS, the City and the Petitioners desire to appropriately plan for the incorporation into and the potential development of the Property within the City of Annapolis; and

G. WHEREAS, the City and the Petitioners voluntarily enter into this Plan to ensure such circumstances and to fulfill the requirements of § 19 (o) of Article 23A of the State Code, and the parties hereto covenant that they have the full right, power, and authority to enter into, carry out, perform, and execute this Plan.

NOW, THEREFORE, in consideration of the mutual interests, covenants, promises, agreements, and undertakings set forth herein, including the preceding Recitals, the accuracy and sufficiency of which is expressly acknowledged, the City and the Petitioners mutually agree as follows:

1. Conceptual Plan of Development. The City and the Petitioner contemplate that development of the Property shall generally take the form illustrated on the conceptual site plan identified as "Conceptual Site Plan #1", prepared by Bay Engineering, Inc., dated July, 2010, and attached hereto as Exhibit "A". The City and the Petitioner acknowledge that changes to this layout may be made as part of the application, approval, and permitting processes. The City and the Petitioner further acknowledge that, in accordance with § 9 (c) (1) of Article 23A of the State Code, for a period of five years following the annexation of the Property, the City may not permit development of the Property for land uses substantially different than the use authorized, or at a substantially higher, not to exceed 50%, density than could be granted for the proposed development, in accordance with the zoning classification of Anne Arundel County applicable at the time of the annexation without the express approval of Anne Arundel County.

Comment: Change date

2.
3.

Comment: The Concept Site Plan includes a Conservation Easement for all areas of the site that are in steep slopes. Within the Conservation Easement, the only uses that shall be allowed are passive recreation uses, such as a walking path, existing utilities and a stormwater outfall.

4. Provision of Public Services. The City shall not be obligated to provide public services, including, but not limited to, street maintenance, snow removal, solid waste removal (refuse, yard waste recycling, recycling), to the Property unless the Property is properly permitted for and developed with a public roadway for which the City has accepted a fee simple deed for the right-of-way ownership, and the City shall not be obligated to provide such public services on any existing or subsequently developed private rights-of-way, easements, and/or driveways.

Formatted: Bullets and Numbering

5. Infrastructure Fees and Facilities. The Petitioner shall be solely and jointly and severally responsible for all costs, including but not limited to all engineering and construction costs, associated with the extension of utility mains, the water distribution system, the wastewater collection system, wastewater pumping stations, water booster stations, tap fees, connection charges, capital facility fees, capital assessment charges, and construction inspection fees. The parties acknowledge that, while preliminary studies indicate that water and sewer facilities will be adequate for development of the Property and that sewer service can and should be handled by gravity flow, Petitioner shall comply with all applicable City laws and policies related to the adequacy of public facilities in connection with the development of the Property. The Petitioner shall be required to connect to both the City's water distribution and wastewater collection system located near the intersection of Old Solomons Island Road and Neal Street. Where applicable, all work shall be in accordance with the City of Annapolis Standard Specifications

Comment: Developable Area of the Site is identified on the Concept Plan. Development is subject to the following restrictions: The maximum number of dwelling units shall not exceed 158. The maximum lot coverage shall be 45% for structures and parking. The maximum height shall be 55 feet if all setbacks are increased by one foot for each foot of height in excess of 40 feet. Access to the site shall be from the existing easement at the intersection of Dorsey Drive and Old Solomons Island Road and the existing row Neal Street.

Formatted: Bullets and Numbering

Deleted: on

Deleted: ¶

Deleted:

and Details. The City, and other applicable agencies, will review and approve all infrastructure for compliance with all applicable requirements.

Deleted: sha

6. Facilities Improvements and Ownership. The Petitioner shall pay and shall be solely and jointly and severally responsible for all costs, including, but not limited to all engineering and construction costs, associated with the construction of internal roadways, curb and gutters, sidewalks, street lighting, storm drain systems and stormwater management facilities, and shall be the owner of all such internal facilities. Stormwater management facilities shall be owned, inspected, maintained, repaired, and replaced by the Petitioner in accordance with City and State requirements. Petitioner shall be solely responsible for paying for all costs, including right-of-way acquisition costs, associated with any capacity increase, alignment change and/or any alignment change to new or existing roadways should said increase be required by the City, County, or State. Where applicable, all work shall be in accordance with City of Annapolis Standard Specifications and Details. The City and other applicable agencies shall review and approve all infrastructure and facilities for compliance with applicable requirements.

Comment: Bullets and Numbering

Deleted: the payment of

Deleted:

Inserted: of

Deleted:

Deleted: the

Deleted:

Deleted:

7. Street Lights. The Petitioner shall be responsible for the installation of street lighting for the property. All street lights require approval by the City of Annapolis, for style, type and luminosity. If the roadways are to be owned by the City of Annapolis, the street light must be selected from the models offered for lease by BGE, and street lighting maintenance will be by lease arrangement between BGE and the City of Annapolis. If the roadways are to remain private, the petitioner may select lighting from another source provide it is approved by the City of Annapolis for style, type and luminosity. The Petitioner shall pay for all costs associated with street lighting until the release of the maintenance bond and the conveyance and acceptance of the road rights of way by either the Home Owners Association or the City of Annapolis. Additionally, the Petitioner shall prepay, to the City or the Home Owners Association, as appropriate, for an additional one year of energy costs immediately prior to the release of the Maintenance Bond.

Comment: Bullets and Numbering

Deleted: must be

Deleted: ed,

Inserted: ed, by the City of Annapolis, for style, type and luminosity. If the roadways are to be owned by the City of Annapolis, then the street light must be selected from the models offered for lease by BGE

Deleted: then

Deleted: then

Deleted: the

Deleted:

Deleted: may be

Deleted:

Inserted:

Comment: Bullets and Numbering

Formatted: Bullets and Numbering

Deleted: the payment of

8. Traffic Signs and Signals. The Petitioner shall solely pay and be jointly and severally responsible for all costs associated with traffic signs and/or signals which may be required in connection with the development of the Property. The City and other applicable agencies shall review and approve all such traffic-related improvements for compliance with applicable requirements.

Comment: Access to the site shall be as noted on the Concept Plan

Formatted: Bullets and Numbering

9. Infrastructure (“Performance”) Bond. The Petitioner, in a format to be provided by the City and to the satisfaction of the City, shall jointly and severally bond all infrastructure and facility improvements for the full cost of the improvements so that, in the event that the Petitioner cannot complete the work for any reason, the City will have the financial resources to do so. Once the infrastructure and facilities have been conditionally accepted by the City, and after all requirements of the City and all other applicable agencies have been fulfilled, the bond may, in the City’s sole discretion, be reduced to a one-year maintenance bond at a minimum of ten percent (10%) of the full bond. The Petitioner shall jointly and severally guarantee all costs of infrastructure improvements which exceed the amount of bond coverage.

Deleted: has

Deleted: finally

Deleted: the

Comment: I don't understand what this means

10. Infrastructure Inspection, Maintenance, Repair and Replacement. The City shall not be responsible for infrastructure or facilities operational inspection, maintenance, repair or replacement during construction, including snow removal and solid waste removal (i.e., refuse, yard waste, and recycling collection), water distribution and wastewater collection systems operations and maintenance, pump station operations and maintenance, and road repairs and operation. If the rights-of-way are to be owned by the City, which shall occur in the City's sole discretion, the City's responsibility for inspection, maintenance, repair or replacement of such infrastructure or facilities shall not be activated until the City's final and complete infrastructure inspection and approval, acceptance of deeds or other instruments of conveyance, and final release of maintenance bond. The City shall not be responsible for infrastructure or facilities operational inspection, maintenance repair or replacement during or after construction if the rights-of-way remain private.

Formatted: Bullets and Numbering

Deleted: recycling

Deleted: public

11. Natural Features. The City and the Petitioners acknowledge that the Property contains significant steep slopes toward the southern and southeastern property boundaries and the parties further recognize that, due to the slopes' environmental significance to Church Creek, it may not be suitable for buildings and/or utilities to be constructed in these areas. Petitioner shall undertake or cause or allow to be caused minimal disturbance to these features, and shall utilize sediment control measures, approved by the Anne Arundel Soil Conservation District, in the development process, and shall comply with all applicable City and State Critical Areas laws and regulations.

Formatted: Bullets and Numbering

Comment: This area of the site shall be placed in a Conservation Easement as delineated on the Concept Plan and subject to the restrictions shown on the Concept Plan.

Deleted: superior

12. Binding Effect. The terms, conditions, and provisions of this Plan shall be deemed as covenants running with the Property and shall be binding upon and shall inure to the benefit of the parties hereto, any successor municipal authorities of the City, successor owners of record of the Property, and their respective heirs, personal representatives, successors, grantees, and assigns. It is expressly understood and agreed by the parties that the benefits, rights, duties, and obligations hereunder are conferred and imposed upon the parties only upon and contingent upon the City's annexation of the Property. It is further expressly understood and agreed that the Petitioner may assign its benefits, rights, duties, and obligations hereunder either as part of the conveyance of the Property as an entirety or severally as part of the conveyances of portions of the Property, that any such conveyance or assignment is permissible without the consent of the City, any of its elected official, employees, or agents, that the obligations and responsibilities expressed in this Plan shall be binding upon and applicable to the owner of the Property as may exist from time to time, and that such owner of the Property shall undertake, perform, or otherwise meet each obligation or responsibility when the same may arise. No provision of this Plan shall create any third party beneficiary rights or other rights in any person or entity not a party hereto.

Formatted: Bullets and Numbering

At such time as K. Hovnanian Homes of Maryland ("Hovnanian"), or any of its affiliated entities, acquires title to the Property, Hovnanian (or its affiliated entity, as the case may be) shall be the sole party that the City shall require to perform hereunder. Hovnanian, or the Petitioners, may assign their respective rights arising out of the Property, however, prior to such assignment, if done prior to the development of the Property contemplated herein, the City must consent to the assignment, which consent shall not be unreasonably withheld.

Comment: Delete all references not to property owners

- | 13. Cooperation of Parties. The parties shall take all reasonable actions and do all things reasonably necessary or appropriate to carry out and to expedite the terms and provisions of this Plan and to generally enable the parties' compliance with the terms and provisions of this Plan. Formatted: Bullets and Numbering

- | 14. Recordation. This Plan shall be recorded among the Land Records of Anne Arundel County by and at the expense of the Petitioner, following which the Petitioner shall provide the original of the recorded Plan to the City. Formatted: Bullets and Numbering

- | 15. Modification of Plan. No portion of this Plan shall be amended, waived, modified, discharged, or terminated except by an instrument in writing signed by all parties hereto or their successors, grantees, or assigns and witnessed and notarized. Formatted: Bullets and Numbering
Comment: And recorded in the Land Records of Anne Arundel County

- | 16. Headings. Descriptive headings herein are for convenience only and shall not control or affect the meaning or construction of any provision of this Plan. Formatted: Bullets and Numbering

- | 17. Severability. In the event that any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed as if such invalid, illegal, or unenforceable provision had never been herein contained. Formatted: Bullets and Numbering

- | 18. Enforceability. This Plan shall be specifically enforceable in any court of competent jurisdiction by any of the parties hereto by any appropriate action or suit at law or in equity to secure the performance of the covenants herein contained. Venue for all actions arising from this Plan shall be the Courts of Anne Arundel County, Maryland. In any such action, the parties waive their right, if any, to trial by jury. Formatted: Bullets and Numbering

IN WITNESS WHEREOF, the parties have executed and sealed this Plan as of the day and year first above written.

SIGNATURE PAGES FOLLOW

Witness:

K. Hovnanian Homes of Maryland, L.L.C.
A Maryland limited liability company

By: _____
A. Hugo DeCesaris, (Seal)
Region President

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared A. Hugo DeCesaris, Region President of K. Hovnanian Homes of Maryland, L.L.C., and acknowledged that, being authorized to so do, he has executed this Annexation Plan as the act and deed of K. Hovnanian Homes of Maryland, L.L.C. for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

Hogan Holding Company, LC
A Maryland limited company

By: _____
Timothy S. Hogan, (Seal)
Member

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared Timothy S. Hogan, Member of Hogan Holding Company, LC, and he acknowledged that, being authorized to so do, he has executed this Annexation Plan as the act and deed of Hogan Holding Company, LC for the purposes therein contained.

Witness my hand and notarial seal.

Deleted: ATTEST:
THE CITY OF ANNAPOLIS
By:
Regina Watkins-Eldridge, City Clerk
Joshua J. Cohen, (Seal)
Mayor of the City of Annapolis
Approved as to form and legal sufficiency:
Karen Hardwick, Esq., City Attorney
State of Maryland, Anne Arundel County, to wit:
I hereby certify that on this ___ day of _____, 2011 before me, a notary public, in and for the State and County aforesaid, did personally appear, Joshua J. Cohen, Mayor of the City of Annapolis, Maryland, who acknowledged that he is authorized to execute this Annexation Plan on behalf of the City of Annapolis, and being authorized to do so, executed the foregoing instrument for the purposes therein contained.
Witness my hand and notarial seal.

Notary Public
My commission expires: _____
Page Break
Deleted: Page Break

Notary Public

My Commission Expires: _____

Witness:

James J. Blackwell (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared James J. Blackwell, and he acknowledged that he has executed this Annexation Plan as his act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

Roxanne Winn (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared Roxanne Winn, and she acknowledged that she has executed this Annexation Plan as her act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

1 Witness:
2
3
4

5 _____
6 Buckley W. Hayes (Seal)
7

8
9 STATE OF _____, _____ COUNTY, TO WIT:
10

11 I, the undersigned, Notary Public in and for the State of _____, do
12 hereby certify that on this _____ day of _____, 2011
13 before me personally appeared Buckley W. Hayes, and he acknowledged that he has executed
14 this Annexation Plan as his act and deed for the purposes therein contained.
15

16 **Witness** my hand and notarial seal.
17

18 _____
19 Notary Public
20 My Commission Expires: _____
21



City of Annapolis

DEPARTMENT OF PLANNING AND ZONING

145 Gorman Street, 3rd Floor, Annapolis, Maryland 21401

Annapolis 410-263-7961 • FAX 410-263-1129 • TDD 410-263-7943

JON ARASON, AICP
DIRECTOR

November 23, 2011

To: Planning Commission

From: Jon L. Arason, AICP
Planning and Zoning Director

Re: Addendum to Staff Report: Hayes Property Annexation
File No. ANX2011-001

SUMMARY

At the November 17, 2011 Planning Commission public hearing on the Hayes Property annexation, staff presented a revised recommendation for an alternative concept plan and amendments to the Annexation Plan (R-45-11) as well as to the zoning designation (O-38-11) These amendments would allow R4, General Residence District zoning of the portion of the property for which R3 zoning had been requested with the following additional restrictions:

- maximum lot coverage of 45% for structures and parking;
- maximum height of 55 feet if all setbacks are increased by one foot for each foot of height in excess of 40 feet;
- maximum number of 158 dwelling units for the R4 portion of the site.
- a conservation easement on the portion of the site with steep slopes with only the stormwater outfall, existing utilities and passive recreation uses, such as a walking path, allowed.

These recommendations were in addition to the revisions to R-45-11 recommended in the staff report and requested by the Department of Public Works.

Planning Commission requested that staff incorporate all of the above-referenced recommendations into a revised R-45-11 including a revised concept plan. Attached are both an edited version of R-45-11 showing all the recommended revisions in Track Changes format and a version with Changes Accepted.

Report Prepared by

Jacquelyn M. Rouse
Jacquelyn M. Rouse, AICP
Planning Administrator

CITY COUNCIL OF THE
City of Annapolis

Resolution No. R-45-11
PLANNING COMMISSION REVISIONS

Introduced by: Mayor Cohen and Alderwoman Hoyle

LEGISLATIVE HISTORY			
First Reading 7/25/11	Public Hearing	Fiscal Impact Note	180 Day Rule N/A
Referred to Rules and City Gov't Planning Commission	Referral Date 7/25/11 7/25/11	Meeting Date	Action Taken Travels with O-38-11 and R-47-11

A RESOLUTION concerning

Annexation Plan – Hayes Property

FOR the purpose of adopting an annexation plan for the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

WHEREAS, on January 14, 2011, **James J. Blackwell, Roxanne Winn, and Buckley W. Hayes (collectively, "Petitioners")** submitted a Petition for Annexation to the City of Annapolis for 7.374 acres of property known as the Hayes Property, which Petition for Annexation shall be addressed by the City Council in a Resolution forthcoming after the Annexation Plan is ratified; and

WHEREAS, the Petitioners proposed that the Hayes Property be zoned upon annexation within the **R4-** General Residence District and within the **R1-B - Single-Family Residence District**, which zoning shall be addressed by the City Council in an Ordinance forthcoming after the Annexation Plan is ratified; and

WHEREAS, as required by § 19 (o) of Article 23A of the Annotated Code of Maryland, an annexation plan shall be adopted by the City Council in connection with the annexation of the Hayes Property; and

WHEREAS, pursuant to the authority pursuant to the authority contained in Article 23A of the Annotated Code of Maryland, Sections 19(b) and (n), the property owners and the city Council have agreed that the following conditions and circumstances will apply to the annexation proceedings and to the Annexation Plan

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38
39
40
41
42
43

WHEREAS, on ____, 2011, the City Council conducted a public hearing on the proposed annexation of the Hayes Property, at which time the annexation plan was open to public review and discussion, which annexation plan had been provided to Anne Arundel County and to the Maryland Department of Planning at least thirty (30) days prior to the public hearing; and

WHEREAS, having considered the proposed annexation, the proposed zoning, the testimony and evidence presented thereon, the reports and recommendations of the Planning Commission and the Department of Planning and Zoning, and the information and opinions provided by other persons, departments, and agencies, having weighed the information, and having completed and finalized the annexation plan so as to appropriately plan for the incorporation into and the potential development of the Hayes Property within the City, the Council now adopts an annexation plan for the Hayes Property; and

WHEREAS, the obligations of the parties hereto set forth herein are contingent upon the adoption of an Annexation Resolution R-47-11 and shall be void in the event the City Council fails to effect such annexation or such annexation is invalidated by referendum or otherwise.

NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL that the Annexation Plan for the Hayes Property attached hereto be, and it is hereby, adopted.

AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL that this Resolution shall take effect on the date of adoption, and that all parties to the Annexation Plan shall cooperatively endeavor to ratify the Annexation Plan in as prompt a manner as is possible.

ADOPTED this ____ day of _____, 2011.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

EXPLANATION:
~~Highlighting indicates matter added to existing law.~~
~~Strikeout indicates matter deleted from existing law.~~
Underlining indicates amendments.

ANNEXATION PLAN

THIS ANNEXATION PLAN (the "Plan") is made this _____ day of _____, 2011, by and between THE CITY OF ANNAPOLIS, MARYLAND, a municipal corporation of the State of Maryland (the "City"), and **JAMES J. BLACKWELL, ROXANNE WINN, and BUCKLEY W. HAYES** (collectively, "Petitioners").

Recitals

- A. WHEREAS, on January 14, 2011, the Petitioners filed with the City a Petition for Annexation (the "Petition"), which Petition the Office of the City Clerk determined to have satisfied all laws and regulations pertaining to the preparation, execution, notification, and filing thereof codified within the Code of the City of Annapolis (the "City Code") and within the Annotated Code of Maryland (the "State Code");
- B. WHEREAS, the properties proposed for annexation in the Petition are fully and accurately identified in the Petition and its supporting exhibits, are contiguous to and adjoin the existing corporate boundary of the City, collectively contain 7.374 acres, more or less, and are known as the Hayes Property (the "Property");
- C. WHEREAS, as described in detail in the Petition, the owners of the various parcels comprising the Property are James J. Blackwell, Roxanne Winn, and Buckley W. Hayes and are collectively referred to herein in the singular as "Petitioner".
- D. WHEREAS, in accordance with § 19 (o) of Article 23A of the State Code, which requires that an annexation plan shall be adopted by the City Council of the City of Annapolis (the "Council") in connection with the annexation of the Property, this annexation plan was prepared and was open to public review and discussion at the Council's public hearing and had been provided to Anne Arundel County and to the Maryland Department of Planning at least thirty (30) days prior to the Council's public hearing;
- E. WHEREAS, the Property was included within Growth Area "A" in the 2009 Annapolis Comprehensive Plan, which designated the area as eligible for annexation and appropriate for establishing a logical boundary for the City's jurisdictional limits; and
- F. WHEREAS, the City and the Petitioners desire to appropriately plan for the incorporation into and the potential development of the Property within the City of Annapolis; and
- G. WHEREAS, the City and the Petitioners voluntarily enter into this Plan to ensure such circumstances and to fulfill the requirements of § 19 (o) of Article 23A of the State Code, and the parties hereto covenant that they have the full right, power, and authority to enter into, carry out, perform, and execute this Plan.

NOW, THEREFORE, in consideration of the mutual interests, covenants, promises, agreements, and undertakings set forth herein, including the preceding Recitals, the accuracy

and sufficiency of which is expressly acknowledged, the City and the Petitioners mutually agree as follows:

1. Conceptual Plan of Development. The City and the Petitioner contemplate that development of the Property shall generally take the form illustrated on the conceptual site plan identified as "Conceptual Site Plan", prepared by Bay Engineering, Inc., dated **November, 2011** and attached hereto as Exhibit "A". The City and the Petitioner acknowledge that changes to this layout may be made as part of the application, approval, and permitting processes. The City and the Petitioner further acknowledge that, in accordance with § 9 (c) (1) of Article 23A of the State Code, for a period of five years following the annexation of the Property, the City may not permit development of the Property for land uses substantially different than the use authorized, or at a substantially higher, not to exceed 50%, density than could be granted for the proposed development, in accordance with the zoning classification of Anne Arundel County applicable at the time of the annexation without the express approval of Anne Arundel County.

2. Conservation Easement. The Conceptual Site Plan includes a Conservation Easement for all areas of the site that are in steep slopes. The demarcation of the upper boundary of the Conservation Easement is approximate and shall be adjusted during the development review process to include all areas of the site with steep slopes. Within the Conservation Easement, the only uses that shall be allowed are passive recreation uses, such as a walking path, existing utilities and a stormwater outfall.

3. Developable Area. A Developable Area of the Site is identified on the Conceptual Site Plan. Development is subject to the following restrictions:

- a. The maximum number of dwelling units shall not exceed 159.
- b. The maximum lot coverage shall be 45% for structures and parking.
- c. The maximum height shall be 55 feet if all setbacks are increased by one foot for each foot of height in excess of 40 feet.
- d. Access to the site shall be from the existing easement at the intersection of Dorsey Drive and Old Solomons Island Road and the existing row Neal Street.

4. Provision of Public Services. The City shall not be obligated to provide public services, including, but not limited to, street maintenance, snow removal, solid waste removal (refuse, yard waste recycling, recycling), to the Property unless the Property is properly permitted for and developed with a public roadway for which the City has accepted a fee simple deed for the right-of-way ownership, and the City shall not be obligated to provide such public services on any existing or subsequently developed private rights-of-way, easements, and/or driveways.

5. Infrastructure Fees and Facilities. The Petitioner shall be solely and jointly and severally responsible for all costs, including but not limited to all engineering and construction costs, associated with the extension of utility mains, the water distribution system, the wastewater collection system, wastewater pumping stations, water booster stations, tap fees, connection charges, capital facility fees, capital assessment charges, and construction inspection fees. The parties acknowledge that, while preliminary studies indicate that water and sewer facilities will be adequate for development of the Property and that sewer service can and should be handled by gravity flow, Petitioner shall comply with all applicable City laws and policies related to the adequacy of public facilities in connection with the development of the Property. The Petitioner shall be required to connect to both the City's water distribution and wastewater collection system located near the intersection of Old Solomons Island Road and Neal Street.

Where applicable, all work shall be in accordance with the City of Annapolis Standard Specifications and Details. The City, and other applicable agencies, will review and approve all infrastructure for compliance with all applicable requirements.

6. Facilities Improvements and Ownership. The Petitioner shall pay and shall be solely and jointly and severally responsible for all costs, including, but not limited to all engineering and construction costs, associated with the construction of internal roadways, curb and gutters, sidewalks, street lighting, storm drain systems and stormwater management facilities, and shall be the owner of all such internal facilities. Stormwater management facilities shall be owned, inspected, maintained, repaired, and replaced by the Petitioner in accordance with City and State requirements. Petitioner shall be solely responsible for paying for all costs, including right-of-way acquisition costs, associated with any capacity increase, alignment change and/or any alignment change to new or existing roadways should said increase be required by the City, County, or State. Where applicable, all work shall be in accordance with City of Annapolis Standard Specifications and Details. The City and other applicable agencies shall review and approve all infrastructure and facilities for compliance with applicable requirements.

7. Street Lights. The Petitioner shall be responsible for the installation of street lighting for the property. All street lights require approval by the City of Annapolis, for style, type and luminosity. If the roadways are to be owned by the City of Annapolis, the street light must be selected from the models offered for lease by BGE, and street lighting maintenance will be by lease arrangement between BGE and the City of Annapolis. If the roadways are to remain private, the petitioner may select lighting from another source provide it is approved by the City of Annapolis for style, type and luminosity. The Petitioner shall pay for all costs associated with street lighting until the release of the maintenance bond and the conveyance and acceptance of the road rights of way by either the Home Owners Association or the City of Annapolis. Additionally, the Petitioner shall prepay, to the City or the Home Owners Association, as appropriate, for an additional one year of energy costs immediately prior to the release of the Maintenance Bond.

8. Traffic Signs and Signals. The Petitioner shall solely pay and be jointly and severally responsible for all costs associated with traffic signs and/or signals which may be required in connection with the development of the Property. The City and other applicable agencies shall review and approve all such traffic-related improvements for compliance with applicable requirements. Access to the site shall be as noted on the Conceptual Site Plan.

9. Infrastructure ("Performance") Bond. The Petitioner, in a format to be provided by the City and to the satisfaction of the City, shall jointly and severally bond all infrastructure and facility improvements for the full cost of the improvements so that, in the event that the Petitioner cannot complete the work for any reason, the City will have the financial resources to do so. Once the infrastructure and facilities have been conditionally accepted by the City, and after all requirements of the City and all other applicable agencies have been fulfilled, the bond may, in the City's sole discretion, be reduced to a one-year maintenance bond at a minimum of ten percent (10%) of the full bond. The Petitioner shall jointly and severally guarantee all costs of infrastructure improvements which exceed the amount of bond coverage.

10. Infrastructure Inspection, Maintenance, Repair and Replacement. The City shall not be responsible for infrastructure or facilities operational inspection, maintenance, repair or replacement during construction, including snow removal and solid waste removal (i.e., refuse, yard waste, and recycling collection), water distribution and wastewater collection systems operations and maintenance, pump station operations and maintenance, and road repairs and operation. If the rights-of-way are to be owned by the City, which shall occur in the City's sole discretion, the City's responsibility for inspection, maintenance, repair or replacement of such infrastructure or facilities shall not be activated until the City's final and complete infrastructure inspection and approval, acceptance of deeds or other instruments of conveyance, and final release of maintenance bond. The City shall not be responsible for infrastructure or facilities operational inspection, maintenance repair or replacement during or after construction if the rights-of-way remain private.

11. Natural Features. The City and the Petitioners acknowledge that the Property contains significant steep slopes toward the southern and southeastern property boundaries and the parties further recognize that, due to the slopes' environmental significance to Church Creek, it may not be suitable for buildings and/or utilities to be constructed in these areas. This area of the site shall be placed in a Conservation Easement as delineated on the Concept Plan and subject to the restrictions shown on the Concept Plan.

Petitioner shall undertake or cause or allow to be caused minimal disturbance to these features, and shall utilize sediment control measures, approved by the Anne Arundel Soil Conservation District, in the development process, and shall comply with all applicable City and State Critical Areas laws and regulations.

13. Binding Effect. The terms, conditions, and provisions of this Plan shall be deemed as covenants running with the Property and shall be binding upon and shall inure to the benefit of the parties hereto, any successor municipal authorities of the City, successor owners of record of the Property, and their respective heirs, personal representatives, successors, grantees, and assigns. It is expressly understood and agreed by the parties that the benefits, rights, duties, and obligations hereunder are conferred and imposed upon the parties only upon and contingent upon the City's annexation of the Property. It is further expressly understood and agreed that the Petitioner may assign its benefits, rights, duties, and obligations hereunder either as part of the conveyance of the Property as an entirety or severally as part of the conveyances of portions of the Property, that any such conveyance or assignment is permissible without the consent of the City, any of its elected official, employees, or agents, that the obligations and responsibilities expressed in this Plan shall be binding upon and applicable to the owner of the Property as may exist from time to time, and that such owner of the Property shall undertake, perform, or otherwise meet each obligation or responsibility when the same may arise. No provision of this Plan shall create any third party beneficiary rights or other rights in any person or entity not a party hereto.

13. Cooperation of Parties. The parties shall take all reasonable actions and do all things reasonably necessary or appropriate to carry out and to expedite the terms and provisions of this Plan and to generally enable the parties' compliance with the terms and provisions of this Plan.

14. Recordation. This Plan shall be recorded among the Land Records of Anne Arundel County by and at the expense of the Petitioner, following which the Petitioner shall provide the original of the recorded Plan to the City.

15 Modification of Plan. No portion of this Plan shall be amended, waived, modified, discharged, or terminated except by an instrument in writing signed by all parties hereto or their successors, grantees, or assigns and witnessed and notarized.

16. Headings. Descriptive headings herein are for convenience only and shall not control or affect the meaning or construction of any provision of this Plan.

17. Severability. In the event that any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed as if such invalid, illegal, or unenforceable provision had never been herein contained.

19. Enforceability. This Plan shall be specifically enforceable in any court of competent jurisdiction by any of the parties hereto by any appropriate action or suit at law or in equity to secure the performance of the covenants herein contained. Venue for all actions arising from this Plan shall be the Courts of Anne Arundel County, Maryland. In any such action, the parties waive their right, if any, to trial by jury.

IN WITNESS WHEREOF, the parties have executed and sealed this Plan as of the day and year first above written.

ATTEST:

THE CITY OF ANNAPOLIS

By:

Regina Watkins-Eldridge, City Clerk

Joshua J. Cohen, (Seal)
Mayor of the City of Annapolis

Approved as to form and legal sufficiency:

Karen Hardwick, Esq., City Attorney

State of Maryland, Anne Arundel County, to wit:

I hereby certify that on this _____ day of _____, 2011 before me, a notary public, in and for the State and County aforesaid, did personally appear, Joshua J. Cohen, Mayor of the City of Annapolis, Maryland, who acknowledged that he is authorized to execute this Annexation Plan on behalf of the City of Annapolis, and being authorized to do so, executed the foregoing instrument for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My commission expires: _____

Witness:

James J. Blackwell (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared James J. Blackwell, and he acknowledged that he has executed this Annexation Plan as his act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

Roxanne Winn (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared Roxanne Winn, and she acknowledged that she has executed this Annexation Plan as her act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

1 Witness:

2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

Buckley W. Hayes

(Seal)

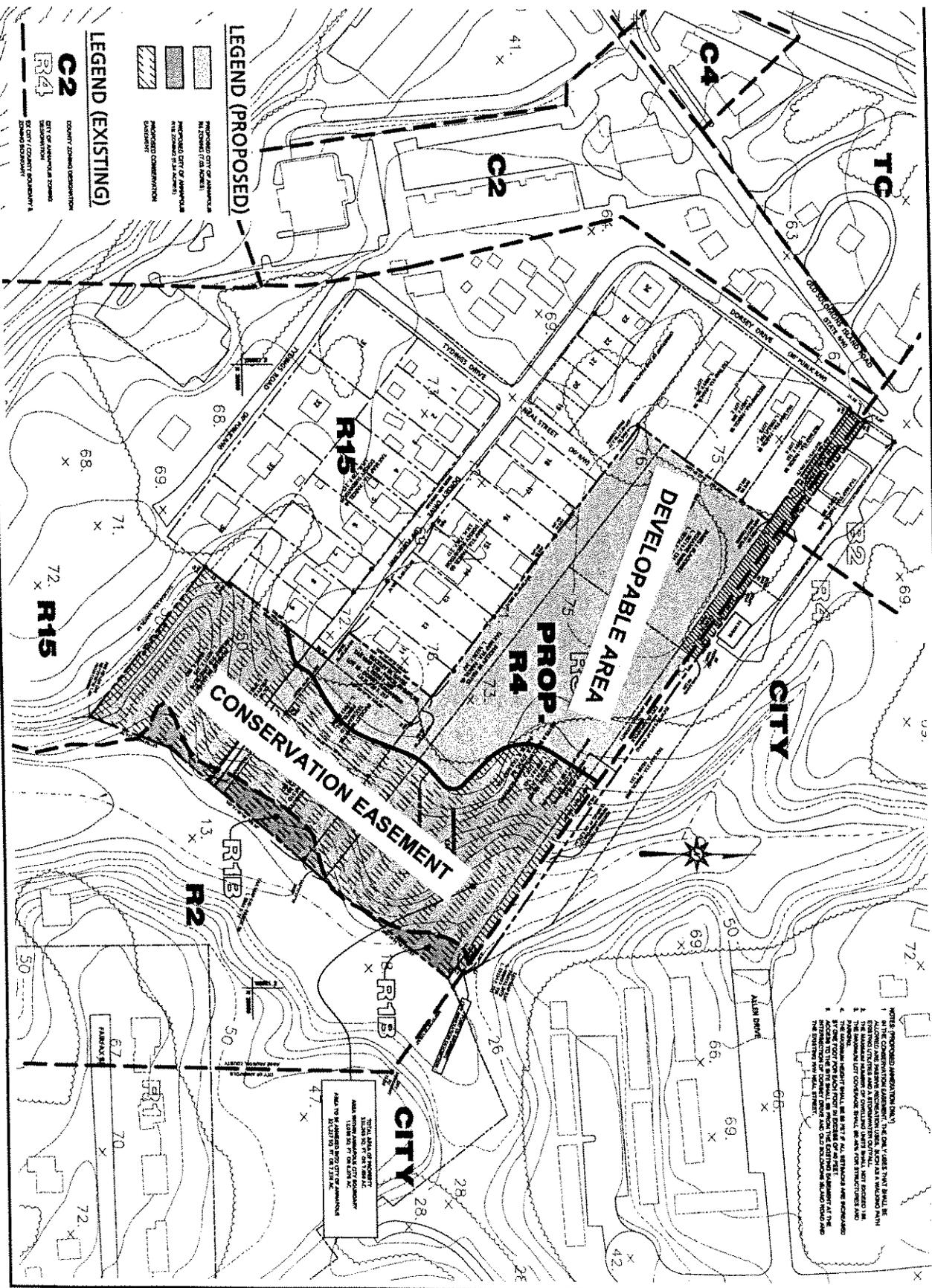
STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared Buckley W. Hayes, and he acknowledged that he has executed this Annexation Plan as his act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____



LEGEND (EXISTING)

C2 COUNTY ZONING DISTRICT
CITY OF ANNAPOLIS ZONING DISTRICT

R4 COUNTY ZONING DISTRICT
CITY OF ANNAPOLIS ZONING DISTRICT

LEGEND (PROPOSED)

PROPOSED CITY OF ANNAPOLIS ZONING DISTRICT (C2)

PROPOSED CITY OF ANNAPOLIS ZONING DISTRICT (R4)

PROPOSED COUNTY ZONING DISTRICT (R15)

PROPOSED COUNTY ZONING DISTRICT (R1B)

PROPOSED COUNTY ZONING DISTRICT (R2)

NOTES: PROPOSED ZONING DISTRICTS: THE CITY OF ANNAPOLIS SHALL BE ALLOWED TO REZONE THE PROPOSED DEVELOPABLE AREA AS A RESIDENTIAL MEDIUM DENSITY ZONING DISTRICT (R4) AND THE PROPOSED CONSERVATION EASEMENT SHALL BE REZONED TO A RESIDENTIAL MEDIUM DENSITY ZONING DISTRICT (R4). THE PROPOSED CONSERVATION EASEMENT SHALL BE REZONED TO A RESIDENTIAL MEDIUM DENSITY ZONING DISTRICT (R4). THE PROPOSED CONSERVATION EASEMENT SHALL BE REZONED TO A RESIDENTIAL MEDIUM DENSITY ZONING DISTRICT (R4). THE PROPOSED CONSERVATION EASEMENT SHALL BE REZONED TO A RESIDENTIAL MEDIUM DENSITY ZONING DISTRICT (R4).

THE CITY OF ANNAPOLIS HAS REVIEWED THIS CONCEPTUAL SITE PLAN AND HAS DETERMINED THAT THE PROPOSED DEVELOPABLE AREA IS SUITABLE FOR REZONING TO A RESIDENTIAL MEDIUM DENSITY ZONING DISTRICT (R4).

CONCEPTUAL SITE PLAN

November, 2011

EXHIBIT A

<p>ZONING SITE PLAN SKETCH FOR THE HAYES PROPERTY TAX MAP 81A, BLOCK 24, PARCELS 6, 8 AND 45 TAX MAP 81B, BLOCK 10, PARCELS 30, 31, 32, 33, 34, 35, 36, 37, 38, 39, 40, 41, 42, 43, 44, 45, 46, 47, 48, 49, 50, 51, 52, 53, 54, 55, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65, 66, 67, 68, 69, 70, 71, 72, 73, 74, 75, 76, 77, 78, 79, 80, 81, 82, 83, 84, 85, 86, 87, 88, 89, 90, 91, 92, 93, 94, 95, 96, 97, 98, 99, 100</p>		<p>Bay Engineering Inc. 100 Annapolis Avenue, Suite 110 Annapolis, Maryland 21401 410.427.8200 www.bayengineering.com</p>	<p>Revisions</p> <table border="1"> <thead> <tr> <th>Rev #</th> <th>By</th> <th>Date</th> <th>Description</th> </tr> </thead> <tbody> <tr> <td>1</td> <td>TR</td> <td>3.26.11</td> <td>REVISE CITY ZONING BOUNDARY CITY SITE</td> </tr> </tbody> </table>		Rev #	By	Date	Description	1	TR	3.26.11	REVISE CITY ZONING BOUNDARY CITY SITE
Rev #	By		Date	Description								
1	TR	3.26.11	REVISE CITY ZONING BOUNDARY CITY SITE									
<p>DATE: 11/15/11 SCALE: AS SHOWN DRAWN BY: TR CHECKED BY: TR APPROVED BY: TR</p>		<p>DATE: 11/15/11 SCALE: AS SHOWN DRAWN BY: TR CHECKED BY: TR APPROVED BY: TR</p>										

Client File: F:\110-3873-110\000\0000\Hayes Property\Drawing Files\Exhibit\EXHIBIT-CONCEPT SITE PLAN.dwg



City of Annapolis
DEPARTMENT OF PLANNING AND ZONING

145 Gorman Street, 3rd Floor, Annapolis, Maryland 21401
Annapolis 410-263-7961 • FAX 410-263-1129 • TDD 410-263-7943

JON ARASON, AICP
DIRECTOR

November 17, 2011

To: Planning Commission

From: Jon L. Arason, AICP
Planning and Zoning Director

Re: Addendum to Staff Report: Hayes Property Annexation
File No. ANX2011-001

DISCUSSION

In 2006, when the Article 23A of the Annotated Code of Maryland was amended with regard to annexation, several significant changes were made to the annexation process:

- The language regarding development of the annexed land was changed to state that an annexation could not permit land uses *substantially* different than the use authorized, or at a substantially higher, not to exceed 50%, density than could be granted for the proposed development, in accordance with the zoning classification of the county applicable at the time of the annexation. prior to this the zoning designation was required to comply with the land use designation in the county master plan or area plan regardless of whether the county had enacted zoning in compliance with the master plan.
- A new requirement was added which required the City to adopt an annexation plan 30 days prior to approval of the annexation itself. The annexation plan must contain among other items, a description of the land use pattern proposed for the area to be annexed.

The Hayes Property is the first annexation moving forward thru the process that will meet these requirements. In the staff report, we identified several issues related to the concept plan submitted with the annexation petition - proposed development in an area of the site with steep slopes and large trees; connectivity to the adjacent residential community; inadequate on-street parking and the lack of provision of a usable common open space area. We recommended an alternative concept plan and amendments to the Annexation Plan.

Recent discussions with the petitioners regarding the development constraints have led us to re-think the overall concept plan. The petitioner asked if we would consider R4, General Residence District zoning which would allow significantly higher density -25 units per acre, but has no height limit and no lot coverage limitations.

The zoning designations initially requested were R3, General Residence District for the major portion of the site (7.03 acres) currently zoned R15, under the County zoning and R1B, Single-family Residence District for a narrow strip of land (.34 acres) at the bottom of the steep slopes currently zoned R2, under County zoning.

Staff reviewed that option as well as the County R15 zoning which is the existing zoning. Under the County regulations, R15 zoning allows a net density of 15 units per acre, but also requires maximum lot coverage of 45% for structures and parking and a maximum height of 55 feet if all setbacks are increased by one foot for each foot of height in excess of 40 feet. The City R4 zoning allows 25 units per acre (as opposed to the 12 units per acre allowed under R3), has no height or lot coverage limitations.

However, thru the Annexation Plan, the City can place additional stipulations on site development. Of paramount consideration is protection of the environmentally sensitive portion of the property which is actually approximately 5 acres leaving about 2.2 acres as developable. Staff is recommending that portion of the property be placed in a conservation easement with only the stormwater outfall, existing utilities and passive recreation uses, such as a walking path, allowed.

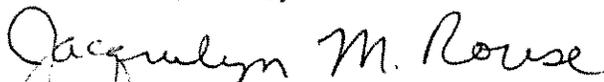
Secondly is the density discrepancy between the City under R4 zoning which would allow 180 units and the County R15 which allows 105 units. With the 50 percent density increase allowed by state law, a total of 158 units could be allowed. This issue would be addressed thru a restriction in the Annexation Agreement which limits the total number of units to be developed to 158.

In order to address the height and lot coverage issue, the Annexation Plan would also stipulate that a maximum lot coverage of 45% for structures and parking and a maximum height of 55 feet if all setbacks are increased by one foot for each foot of height in excess of 40 feet.

RECOMMENDATION

With these additional amendments to the Annexation Plan (R-45-11) requiring a conservation easement with only the stormwater outfall, existing utilities and passive recreation uses allowed; limiting height, lot coverage and total number of dwelling units, as specified above, and all necessary revisions to the concept plan, staff is recommending R4, General Residence District zoning for the 7.03 acre portion of the site for which R3 zoning had been requested under O-38-11. This would be in addition to all other recommendations for changes to the Annexation Plan as identified in the staff report dated November 9, 2011.

Report Prepared by



Jacquelyn M. Rouse, AICP
Planning Administrator



City of Annapolis

DEPARTMENT OF PLANNING AND ZONING

145 Gorman Street, 3rd Floor, Annapolis, Maryland 21401

Annapolis 410-263-7961 • FAX 410-263-1129 • MD Relay (711)

JON ARASON, AICP
DIRECTOR

November 9, 2011

To: Planning Commission

From: Jon L. Arason, ^{JA}AICP
Planning and Zoning Director

Re: Hayes Property Annexation
File No. ANX2011-001

Petitioners: Hogan Holding Company, LC; James J. Blackwell; Roxanne Winn; Buckley W. Hayes

Location: Located on the southeast side of Dorsey drive at near the intersection of Dorsey Drive and Old Solomons Island and identified as Anne Arundel County Tax Map 51A, Parcels 6, 8, 45, and Tax Map 51D, Parcels 60, 392, and 70 and a portion of Dorsey Drive ROW

Parcel Size: 7.374 acres, more or less

Existing Zoning: Anne Arundel County, R15, Residential District and R2, Residential District

Requested Zoning: City of Annapolis, R3, General Residence District and R1B, Single-Family Residence District

Existing Land Use: Undeveloped

Proposed Land Use: Townhouse Residential Development

Attachments: Vicinity Map

R-45-11 Annexation Plan

R-47-11 Annexation Resolution

O-38-11 Zoning Designation

Recommended Concept Plan

Interagency Review Comments

SITE DESCRIPTION AND BACKGROUND

The property proposed for annexation is an approximately 7.4 acre parcel of land. The property consists of 7 parcels accessed by a utility easement from Dorsey Drive, a unimproved right of way, Neal street and an unimproved extension of Dorsey Drive.

The impetus for annexation is the petitioner's desire to redevelop the site. Public water and sewer are not available to the properties from the County. Annexation would allow for the extension of services. No plans for the development of the property have been submitted to the City to date. However, a Concept Site Plan has been submitted in conjunction with an Annexation Plan which would specify all terms of development of the site.

The petitioners are requesting high density residential zoning for the majority of the site with the section of a small strip of land along the southeast boundary of the property for which low density residential zoning is requested. The zoning designations are consistent with the existing zoning designations for this property in Anne Arundel County.

ANNEXATION PLAN

An Annexation Plan as required by Article 23A was submitted in conjunction with the Annexation Petition. Under state law, a municipal governing body must prepare, adopt and make available to the public a plan detailing (1) the proposed land use or uses in the area to be annexed, (2) available land that could be used for anticipated public facilities that may be needed, (3) a schedule for extending municipal services to the area to be annexed, and (4) anticipated means of financing the extension of services. The plan must be provided at least 30 days prior to holding the public hearing required by law for an annexation to the county in which the municipality is located as well as to the Maryland Department of Planning and any regional and state planning agencies having jurisdiction within the county. The Annexation Plan has been reviewed by the Office of Law for compliance with these requirements.

The annexation petition has also been reviewed by all City agencies, including the Departments of Public Works, Neighborhood and Environmental Programs, Fire, Police, Transportation, Recreation and Parks and Finance. Comments were also requested from Anne Arundel County and the Maryland Department of Planning. The agency review comments are attached.

During the agency review process, several issues were identified with regard to the Concept Site Plan submitted with the petition. These included proposed development in an area of the site with steep slopes and large trees; connectivity to the adjacent residential community; inadequate on-street parking and the lack of provision of a usable common open space area. Although this is a concept plan, all of these issues had been more adequately addressed in an earlier version of the concept plan reviewed by the City prior to the submittal of the petition. Staff is recommending that the this plan identified in the attachments as the Recommended Concept Plan Revised in Accordance with Agency Review Comments be utilized as the required concept plan exhibit in conjunction with the Annexation Plan - R-45-11.

With regard to the Annexation Plan, there are also a number of revisions to this recommended by the Department of Public Works. As part of the Interagency Review Comments attachment, an annotated version of R-45-11 is included with the Public Works comments. The proposed development does not include any public roads, street lights, street maintenance, trash and snow removal - this will all be privately maintained through a homeowners's association. The revisions clarify that the property owners are responsible for all costs associated with these improvements and that where applicable, all work shall be in accordance with the City of Annapolis Standard Specifications and Details; specify that the Petitioner shall be required to connect to both the City's water distribution and wastewater collection system located near the intersection of Old Solomons Island Road and Neal Street; specify

that if any intersection improvements are required in conjunction with the proposed development that they are the responsibility of the petitioner;

R-45-11 should be amended in accordance with the annotated version included in the Interagency Review Comments attachment.

ANNEXATION REQUIREMENTS

Annexation is a process whereby a land area adjacent to a municipality is incorporated into that municipality. This area, once annexed, is entitled to all benefits common to the annexing municipality including community identity, political representation and community services. In return, the annexed land is placed on the municipal tax roles and becomes subject to the regulations, policies and decision-making processes of the municipality. The State legislation governing annexation is found in Article 23A, Section 19 of the Code of Maryland. In order for a municipality to consider annexation, the property must meet the following criteria:

1. The property to be annexed must be contiguous and adjoining to the existing corporate area of the annexing municipality.
2. Annexation of property may not create any unincorporated area which is bounded on all sides by real property presently within, or as a result of the proposed annexation, the corporate limits of the municipality.
3. A petition for annexation shall have the support of at least twenty-five percent of eligible voters residing in the area to be annexed, and of the owners of at least twenty-five percent of the assessed valuation of real property located in the area to be annexed.

The annexation petition was submitted to the City on January 13, 2011, reviewed by the City Clerk and determined to be in compliance with the above referenced criteria. Subsequently, the annexation petition was scheduled by the City Clerk for a preliminary review before the City Council in order that they might review the petition and request additional information from the petitioners. A first reader was held on July 25, 2011 and the annexation petition, annexation plan and ordinance were referred by the City Council to the Planning Commission.

In addition to these basic requirements, the City of Annapolis has established policies and regulations governing the annexation of land. Chapter 2.52 of the City Code establishes findings that must be made in order for an annexation to be acted upon favorable.

These findings are:

- A. The annexation will enhance and will not be detrimental to or endanger the public health, safety, morals, convenience or general welfare of the citizens of the area proposed to be annexed or the surrounding areas of the City and of the County.
- B. The annexation will not be injurious to the use and enjoyment of other property in the immediate vicinity nor substantially diminish and impair property values within the neighborhood.

C. The annexation is in conformance with the plans of the general development of the City and of the County.

D. Acceptable and reasonable steps are being or will be taken to provide adequate municipal services.

E. The annexation will not precipitate environmental degradation.

The annexation will generate revenue at least equal to the anticipated cost of providing municipal services.

These findings have been addressed by the applicant in their annexation petition and evaluated by the appropriate reviewing agencies whose comments are included in the attachments. The city Council makes the determination as to compliance with the findings mandated under chapter 2.52 in accordance with the recommendations of the appropriate city and county agencies.

This property to be annexed is undeveloped and currently does not have any impact on services. However, development of the property is anticipated. The result of annexation is that land becomes incorporated into the City and, therefore, subject to the same opportunities and constraints as all other such incorporated land. Issues associated with the impact on services, such as school capacity, traffic impact, provision of fire, police and municipal services will be addressed through the development review process.

LAND USE AND ZONING

The Planning Commission is required by state law to evaluate the proposed zoning designations of annexed property and its compliance with the general development plan of the City.

The Hayes property was reviewed for compliance with the 2009 Annapolis Comprehensive Plan. The property is designated "Residential" on the City's Proposed Land Use Map and is located adjacent to the Outer West Street Opportunity Area. The purpose of the opportunity area designation is to encourage intensification of development and transformation to a more urban character in the event of redevelopment opportunities. Located adjacent to the opportunity area, the property should contribute to the successful transformation of the opportunity area as it redevelops over time. The applicant has requested R3 and R1B zoning and is proposing a multi-family residential project on the site. The land use proposed for the property is therefore consistent with the Comprehensive Plan.

This area is also within a Municipal Growth Area identified in the Comprehensive Plan as the 90 acre Growth Area A. Annexation of this property is therefore consistent with the Annapolis Comprehensive Plan, specifically policy 1.1 of the Municipal Growth Chapter:

The City will plan for the annexation of the two "Growth Areas" that are specifically recommended in this Chapter, subject to appropriate annexation procedures. The two growth areas are part of Annapolis' planned Opportunity Areas. The planned annexations promote this Plan's development goals and contribute to rationalizing the city-county boundary.

The development proposal associated with the annexation of the property anticipates constructing 40 townhouses and two single family dwellings. The entirety of Growth Area "A" is projected to absorb up to 270 residential units and 100,000 s.f. of commercial development, well above what is projected for this property.

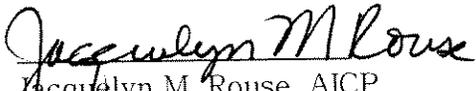
As required by Article 23A, Section 9 of State law, annexation cannot permit development of the annexed land for land uses substantially different than the use authorized, or at a substantially higher, not to exceed 50%, density than could be granted for the proposed development, in accordance with the zoning classification of the county applicable at the time of the annexation without the express approval of the board of county commissioners or county council of the county in which the municipality is located. The proposed zoning complies with this requirement.

In conjunction with the recommended zoning designation, the 2009 Annapolis Comprehensive Plan should be amended to reflect the inclusion of the properties in the City boundaries. Based on the above recommendations, it can be concluded that "the annexation is in conformance with the plans of the general development of the City and of the County".

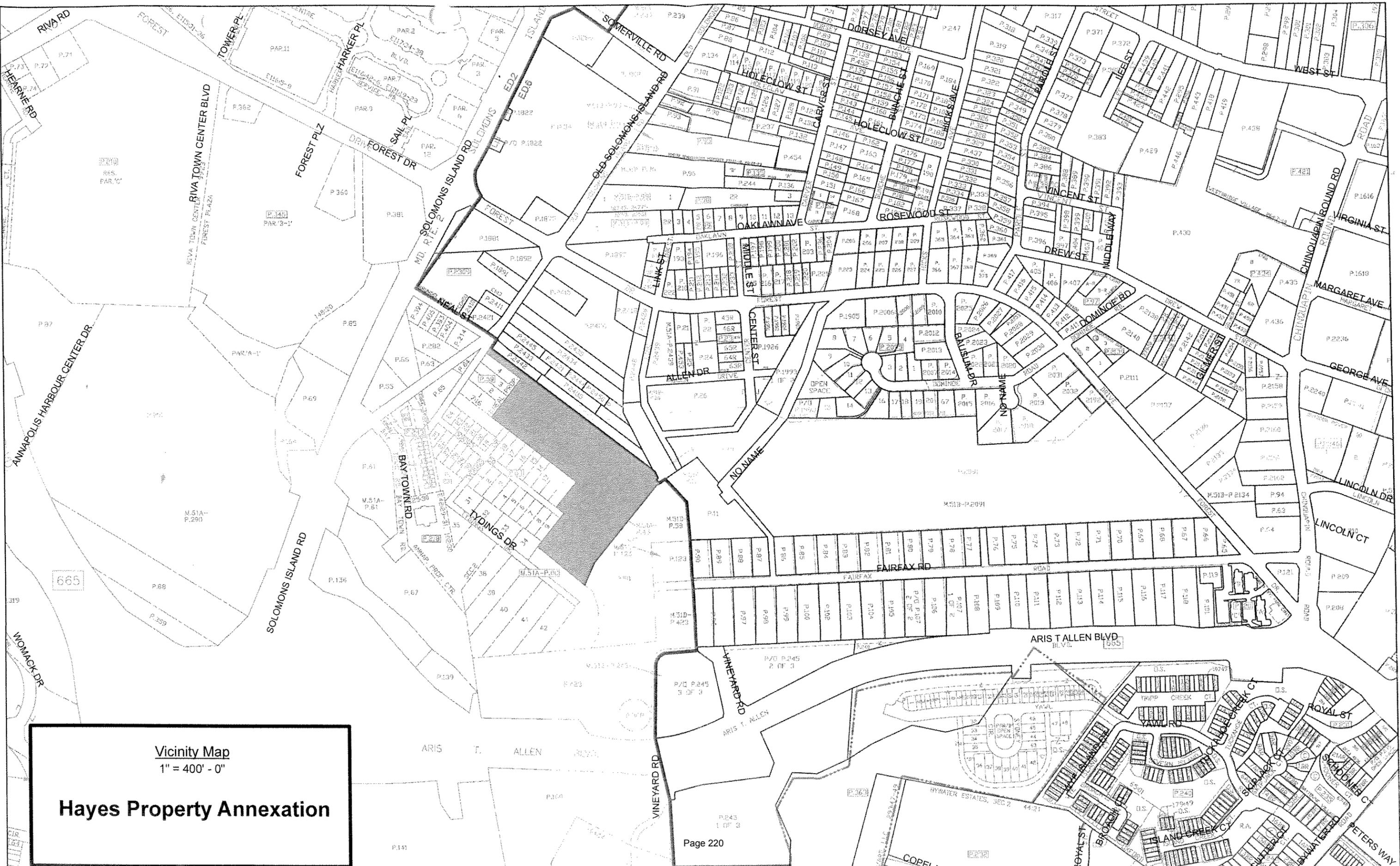
STATE PLANNING

The Maryland Department of Planning reviewed the annexation petition and noted that the parcel was eligible for inclusion in the PFA, Priority Funding Area. The PFA designation was created in 1997 as part of the implementation of the "Smart Growth" Areas Act. The City will need to apply for inclusion after the annexation is approved.

Report Prepared by


Jacquelyn M. Rouse, AICP
Planning Administrator

VICINITY MAP



Vicinity Map
1" = 400' - 0"

Hayes Property Annexation

**R-45-11 Annexation Plan
R-47-11 Resolution of Approval
O-38-11 Zoning Designation**

**CITY COUNCIL OF THE
City of Annapolis**

Resolution No. R-47-11

Introduced by: Mayor Cohen and Alderwoman Hoyle

LEGISLATIVE HISTORY			
First Reading 7/25/11	Public Hearing	Fiscal Impact Note	180 Day Rule N/A
Referred to Rules and City Gov't Planning Commission	Referral Date 7/25/11 7/25/11	Meeting Date	Action Taken Travels with O-38-11 and R-45-11

A RESOLUTION concerning

Annexation of Hayes Property

FOR the purpose of annexing into the boundaries of the City of Annapolis 7.374 acres of property known as the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

WHEREAS, on January 14, 2011, K. Hovnanian Homes of Maryland, L.L.C., Hogan Holding Company, LC, James J. Blackwell, Roxanne Winn, and Buckley W. Hayes (collectively, "Petitioners") submitted a Petition for Annexation to the City of Annapolis for 7.374 acres of property known as the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive; and

WHEREAS, as required by § 19 (c) of Article 23A of the Annotated Code of Maryland, the consent to the annexation has been obtained by the Petitioners from not less than twenty-five percent (25%) of the persons who reside in the area to be annexed and who are registered as voters in Anne Arundel County elections, and from the owners of not less than twenty-five percent (25%) of the assessed valuation of the real property located in the area to be annexed; and

WHEREAS, on February 14, 2011, the Annapolis City Council conducted a preliminary review of the Petition for Annexation as required by Section 2.52.040 of the Code of the City of Annapolis and the Petition was referred to the Departments of Finance, Public Works, Planning and Zoning, and Neighborhood and Environmental Programs to provide the necessary information for proper consideration of the Petition; and

1 **WHEREAS,** on _____, 2011, the Annapolis City Council conducted a public hearing on the
2 proposed annexation, at which time the Council heard a staff report presented by
3 the Director of Planning and Zoning, received the Findings of Fact from the
4 Planning Commission dated _____, 2011, and received the Memorandum from
5 the Director of Planning and Zoning to the Planning Commission dated _____,
6 2011, and during which public hearing testimony was taken from counsel
7 appearing on Petitioners' behalf, and from members of the general public, who
8 were afforded the opportunity to offer testimony and documentary evidence,
9 which was submitted and received; and

10 **WHEREAS,** as required by § 19 (o) of Article 23A of the Annotated Code of Maryland, the
11 annexation plan associated with the annexation of the Hayes Property, which
12 annexation plan is being addressed by the City Council in Resolution No. R-45-
13 11, was open to public review and discussion at the above-referenced public
14 hearing held on _____, 2011 by the City Council, which annexation plan had been
15 provided to Anne Arundel County and to the Maryland Department of Planning at
16 least thirty (30) days prior to the public hearing; and

17 **WHEREAS,** the Hayes Property was included within Growth Area "A" in the 2009 Annapolis
18 Comprehensive Plan, which designated the area as eligible for annexation and
19 appropriate for establishing a logical boundary for the City's jurisdictional limits;
20 and

21 **WHEREAS,** the Hayes Property is designated as suitable for "Residential – High Density" and
22 "Residential – Low Density" uses, as illustrated in the Anne Arundel County
23 General Development Plan, dated April 2009 and adopted by Anne Arundel
24 County in Bill No. 64-09, and the Hayes Property is zoned R15 – Residential
25 District and R2 – Residential District, as shown on the Zoning Map for the
26 Second Assessment District; and

27 **WHEREAS,** Petitioners request that upon annexation the existing R15 portion of the Hayes
28 Property be zoned within the R3 – General Residence District, and the existing
29 R2 portion of the Hayes Property be zoned within the R1-B – Single-Family
30 Residence District, which request is being addressed by the City Council in
31 Ordinance No. O-38-11.

32 **NOW THEREFORE BE IT RESOLVED** this _____ day of _____, 2011, by the Annapolis
33 City Council that the hereinafter described property be, and it is hereby, annexed
34 to the lands and properties heretofore included within the boundaries of the City
35 of Annapolis, and it hereafter shall be generally subject to the provisions of the
36 Charter and Code of the City of Annapolis said property being more particularly
37 described as follows:

38
39
40
41
42
43
44
45
46
47
48
49
50
51
**METES AND BOUNDS DESCRIPTION
TO ACCOMPANY THE
HAYES PROPERTY ANNEXATION
INTO THE CITY OF ANNAPOLIS**

**DESCRIPTION OF 7.374 ACRES OF LAND TO BE ANNEXED
INTO THE CITY OF ANNAPOLIS
SECOND ASSESSMENT DISTRICT**

ANNE ARUNDEL COUNTY, MARYLAND

Beginning for the same at a point on the N53°37'20"W 1601.86' line of the City of Annapolis Boundary-Description, Dated October 23, 2003, said point being a distant N53°37'20"W 178.82' from monument no. 12258 found at the beginning of said line. Said point also being in the S33°36'16"W 16.70' line of Lot 2 of the plat entitled 'Hayes & Blackwell/Winn Properties', as recorded in plat book 279, page 44 of the land records of Anne Arundel County, Maryland. Thence from said point so fixed the following 19 courses and distances describing this Property to be annexed into the City of Annapolis, Maryland, with all bearings being related to Annapolis City Grid North. Leaving said Annapolis City Boundary line, and with said plat as now surveyed

- 1) S35°56'09"W 12.92'
- 2) S54°03'51"E 20.58'
- 3) S38°16'56"W 227.41' to a point at the beginning of the first or S41°46'19"W 39.69' line of the deed dated June 14th, 2007, as conveyed by Winifred L. Miller, individually and as Personal Representative of the Estate of John W. Prann to Buckley W. Hayes as recorded in liber 19236, folio 247 of the land records of Anne Arundel County, Maryland, thence with said first line as now surveyed
- 4) S42°11'17"W 39.69' to a point at the beginning of the S48°24'W 150.09' line of the deed dated January 16th, 2004, as conveyed by Mary Walker, by Robert S. Walker, Attorney in Fact, by Virtue of Power of Attorney, to Buckley William Hayes, as recorded in liber 14475, folio 667 of the land records of Anne Arundel County, Maryland, thence with said line as now surveyed
- 5) S40°31'40"W 150.12' to a point at the beginning of the S48°24'00"W 100.29' line of the deed dated September 2nd, 2004 as conveyed by Arundel Builders, Inc. to Buckley William Hayes, and being recorded in liber 15371, folio 179 of the land records of Anne Arundel County, Maryland, thence with said line as now surveyed
- 6) S40°31'40"W 100.29', and continuing with said conveyance
- 7) S21°00'46"W 124.76'
- 8) N51°29'55"W 278.65' to a pipe found (passing over a pipe found 1.43' from the beginning of this line)
- 9) N38°29'00"E 38.97' to a pipe found
- 10) N51°31'00"W 4.52', thence with the first line of said conveyance and also with the eastern line of Lot 9 of the subdivision plat for William E. Dorsey, and recorded in liber 729, folio 217 of the land records of Anne Arundel County, Maryland, thence with the same as now surveyed
- 11) N38°26'23"E 150.00' to a point on the south side of Dorsey Drive, a 30' wide County right-of-way, thence crossing the end of the County portion of Dorsey Drive
- 12) N38°26'23"E 30.13' to a point on the north side of Dorsey Drive being the point of beginning of the parcel of land conveyed by Sandra Brown, Personal Representative of the Estate of Virginia C. Hillary to Buckley William Hayes, by the deed dated October 21st, 2005, and being recorded in liber 17033, folio 189 of the land records of Anne Arundel County, Maryland, said point being a distant N51°31'30"W 100.04' from a pipe found at the beginning of the fourth line of said deed, thence leaving said conveyance and with the north side of said Dorsey Drive,
- 13) N51°31'30"W 50.00', thence leaving said Dorsey Drive with the division line of lot 10 and lot 11 of the above mentioned subdivision plat for William E. Dorsey,
- 14) N38°26'23"E 150.04' to a point being a distant N51°35'04"W 50.00' from an iron pipe found at the northeast corner of Lot 10 of said plat, thence with the rear line of Lot 11 through

- 1 Lot 18 and Neal Street, and also with part of the northern outline of a parcel of land with
2 unknown ownership,
3 15) N51°35'04"W 502.12' to a point on the rear of Lot 1 of the plat entitled Property of Daniel
4 Neal, and being recorded in plat book 7, page 16 of the land records of Anne Arundel
5 County, Maryland, thence with part of the rear line of said Lot 1, and all of the rear line of
6 Lot 2 through Lot 4,
7 16) N35°45'27"E 231.43' (passing over a pipe found at 181.38' from the beginning of this line) to
8 the southeast corner of Lot 4 as shown on said plat, thence continuing with Lot 4 and
9 also with the southern line of a 30' right of way as shown on said plat,
10 17) N54°19'51"W 199.79' (passing over a pipe found at 0.50' from the beginning of this line) to a
11 pipe found on the eastern side of Dorsey Drive, a 30' wide County right-of-way, thence
12 with the same
13 18) N35°49'22"E 21.56' to intersect the City of Annapolis Boundary Line, thence leaving said
14 Dorsey Drive and with the said City of Annapolis Boundary Line
15 19) S53°37'20"E 999.88' to the point of beginning.

16
17 **Containing 321,227 square feet or 7.374 acres of land.**

18
19 **Being all of that land conveyed by Christopher L. Beard, Trustee to Buckley W. Hayes**
20 **by the deed dated June 26th, 2007 and being recorded in liber 19256, folio 682. All of that land**
21 **conveyed by Arundel Builders, Inc. to Buckley William Hayes by the deed dated September**
22 **2nd, 2004, and being recorded in liber 15371, folio 179 of the land records of Anne Arundel**
23 **County, Maryland (Parcel 70). All of that land conveyed by Mary Walker, by Robert S. Walker,**
24 **Attorney in Fact, by Virtue of Power of Attorney to Buckley William Hayes by the deed dated**
25 **January 16th, 2004, and being recorded in liber 14475, folio 667 of the land records of Anne**
26 **Arundel County, Maryland (Parcel 391). All of that land conveyed by Sandra Brown, Personal**
27 **Representative of the Estate of Virginia C. Hillary, deceased, duly appointed in Estate No.**
28 **14529 of the Orphans Court for Anne Arundel County, Maryland to Buckley William Hayes by**
29 **the deed dated October 21st, 2005, and being recorded in liber 17033, folio 189 of the land**
30 **records of Anne Arundel County, Maryland (Parcel 392). All of that land conveyed by Winifred L.**
31 **Miller, individually and as Personal Representative of the Estate of John W. Prann to Buckley**
32 **W. Hayes, by the deed dated June 14th, 2007 and being recorded in liber 19236, folio 243 of**
33 **the land records of Anne Arundel County, Maryland (Parcel 60, Lot 10). All of that land**
34 **conveyed by Winifred L. Miller, individually and as Personal Representative of the Estate of**
35 **John W. Prann to Buckley W. Hayes, by the deed dated June 14th, 2007, as recorded in liber**
36 **19236, folio 247 of the land records of Anne Arundel County, Maryland (Parcel 45). All of that**
37 **land conveyed by Christopher L. Beard, Trustee, to James J. Blackwell and Roxanne Winn by**
38 **the deed dated January 9th, 2007, and being recorded in liber 18714, folio 137 of the land**
39 **records of Anne Arundel County, Maryland (Parcel 6). Part of that property conveyed by**
40 **Christopher L. Beard, Trustee, to Buckley W. Hayes by the deed dated January 9th, 2007, and**
41 **being recorded in liber 18714, folio 142 of the land records of Anne Arundel County, Maryland**
42 **(Parcel 8).**

43
44 **CONTAINING 7.374 acres within the bounds of this description, according to a survey and plat**
45 **by Bay Engineering Inc., dated December, 2010.**

46
47 **AND BE IT FURTHER RESOLVED** this ____ day of _____, 2011, by the Annapolis City
48 Council that the following metes and bounds description shall constitute the boundaries of the
49 City of Annapolis after annexation:
50
51

Revised City of Annapolis Boundary Description

1 ...Line of said conveyance and running along the southerly right-of-way line for Maryland Route
2 665 as shown on SRC Plats #52195 and #50406, and referring to City of Annapolis Grid the
3 following course and distance; North 01 degrees 56 minutes 52 seconds west 5.87 feet to a
4 point on the 8th or South 02 degrees 16 minutes 55 seconds East, 30.84 feet line of that parcel
5 of land described in the conveyance from Edith C. Daniels, widow, and Blanche Whitley,
6 (formerly Blanche McFadden) to Arundel Land & Development Co., Inc. by deed dated March
7 17, 1988 and recorded among the Land Records of Anne Arundel County, Maryland in Liber
8 4567 at Folio 396; thence running along the 9th, 1st, 2nd, 3rd and part of the 4th lines of the
9 above mentioned conveyance and referring to City of Annapolis Grid system, South 36 degrees
10 13 minutes 55 seconds West, 272.91 feet; thence South 75 degrees 47 minutes 25 seconds
11 West, 163.69 feet, thence North 77 degrees 15 minutes 25 seconds West, 156.01 feet; thence
12 South 67 degrees 44 minutes 05 seconds West 210.09 feet; thence South 55 degrees 27
13 minutes 05 seconds West, 141.23 feet to a point on the 5th line of that parcel of land described
14 in the conveyance from Ruth Bryant and Albert Bryant, her husband to Alfred J. Daniels and
15 Edith D. Daniels, his wife, and Blanche McFadden, widow, by deed dated August 8, 1960,
16 recorded among the Land Records of Anne Arundel County, Maryland, in Liber 1413 at Folio
17 142; thence South 07 degrees 18 minutes 30 seconds West 16.52 feet; thence south 68
18 degrees 16 minutes 20 seconds west 147.50 feet; thence north 88 degrees 56 minutes 40
19 seconds west 127.00 feet; thence south 29 degrees 31 minutes 10 seconds west 168.64 feet;
20 thence south 17 degrees 25 minutes 50 seconds east 227.10 feet; thence south 5 degrees 30
21 minutes 10 seconds west 115.48 feet; thence north 89 degrees 44 minutes 10 seconds west
22 568.38 feet; thence north 2 degrees 06 minutes 20 seconds west 1084.71 feet; thence north 87
23 degrees 45 minutes 25 seconds east 200.06 feet to a concrete monument number 12229;
24 thence north 2 degrees 34 minutes 30 seconds west 500 feet to a concrete monument number
25 12231; thence continuing north 2 degrees 34 minutes 30 seconds west 222.64 feet to the site of
26 a proposed concrete monument at coordinate point number 12258; thence Leaving Monument
27 12258,
28
29 N53°37'20"W 178.82'
30 S35°56'09"W 12.92'
31 S54°03'51"E 20.58'
32 S38°16'56"W 227.41'
33 S42°11'17"W 39.69'
34 S40°31'40"W 150.12'
35 S40°31'40"W 100.29'
36 S21°00'46"W 124.76'
37 N51°29'55"W 278.65' to a pipe found (passing over a pipe found 1.43' from the beginning of this
38 line)
39 N38°29'00"E 38.97' to a pipe found
40 N51°31'00"W 4.52'
41 N38°26'23"E 150.00' to a point on the south side of Dorsey Drive, a 30' wide County right-of-
42 way, thence crossing the end of the County portion of Dorsey Drive
43 N38°26'23"E 30.13', with the north side of said Dorsey Drive
44 N51°31'30"W 50.00', thence leaving said Dorsey Drive
45 N38°26'23"E 150.04'
46 N51°35'04"W 502.12'
47 N35°45'27"E 231.43' (passing over a pipe found at 181.38' from the beginning of this line)
48 N54°19'51"W 199.79' (passing over a pipe found at 0.50' from the beginning of this line)
49 to a pipe found on the eastern side of Dorsey Drive, a 30' wide County right-of-way, thence with
50 the same

1 N35°49'22"E 21.56' to the City of Annapolis Boundary Line, thence with the said City of
2 Annapolis Boundary Line
3 N53°37'20"W 423.16' to proposed Monument 12259;
4
5 thence north 37 degrees 09 minutes 15 seconds east 576.24 feet to the intersection of the
6 northwestern most side of Forest Drive with said boundary line; thence running with said side of
7 Forest Drive and the interchange of Forest Drive with Maryland Route Number 2 shown on state
8 roads commission Plat Number 9922 with a curve to the right having a radius of 102.00 feet on
9 an arc of 149.16 feet; said arc having a chord of north 16 degrees 40 minutes 30 seconds west
10 139.70 feet to the southeasternmost right-of-way line of Maryland Route Number 2; thence
11 leaving said interchange and Forest Drive and running with said right-of-way north 26 degrees
12 32 minutes 30 seconds east 120.94 feet to a concrete monument, south 61 degrees 05 minutes
13 40 seconds east 39.70 feet to a concrete monument, north 26 degrees 35 minutes 50 seconds
14 east 48.67 feet to a concrete monument, north 62 degrees 59 minutes 40 seconds west 39.86
15 feet to a concrete monument, north 26 degrees 41 minutes 50 seconds east 100.33 feet to a
16 concrete monument, south 62 degrees 59 minutes 40 seconds east 14.81 feet to a concrete
17 monument, north 26 degrees 06 minutes 50 seconds east 48.35 feet to a concrete monument,
18 north 60 degrees 06 minutes 40 seconds west 14.68 feet to a concrete monument, and north 26
19 degrees 32 minutes 30 seconds east 388.53 feet, north 26 degrees 32 minutes 30 seconds
20 East 50.13 feet to an iron pipe at the interchange of Route Number 2 with Somerville Road
21 shown on Maryland State Roads Commission Plat Number 9921 revised September 24, 1952;
22 thence running with said interchange north 56 degrees 32 minutes 30 seconds east 140.0 feet
23 to an iron pipe set on the southwesternmost side of Somerville Road; thence leaving said
24 Maryland Route Number 2 and running with said side of Somerville Road south 54 degrees 45
25 minutes 20 seconds east 205.73 feet to intersect the north 37 degrees 09 minutes 15 seconds
26 east 1897.77 feet Annapolis city boundary line; thence running with said line-crossing
27 Somerville Road-north 37 degrees 09 minutes 15 seconds east 356.89 feet to Coordinate Point
28 No. 12260, now occupied by an iron fence post at the southwest corner of the wire fence
29 enclosure on land leased by the Chesapeake and Potomac Telephone Company; thence with
30 the rear fence of said enclosure and continuing part of the easterly line of property belonging to
31 Arthur M. Benchoff and wife, north 30 degrees 22 minutes 55 seconds east 494.65 feet to
32 coordinate point number 12261 on the south side of the Defense Highway, thence crossing said
33 highway north 60 degrees 14 minutes 10 seconds east 140.46 feet to the northwest corner of
34 the Defense Highway and Hudson Street, being coordinate point number 12262; thence with the
35 west side of Hudson Street north 17 degrees 32 minutes 55 seconds east 125 feet to the
36 coordinate point number 12263; thence north 23 degrees 19 minutes 55 seconds east 171.0
37 feet to the division line between lots 28 and 29, Plat No.2, "Loretta Heights" as recorded in the
38 Land Records of Anne Arundel County in Plat Book 20, page 39; thence binding along said
39 division North 66 degrees 40 minutes 05 seconds west -142.89 feet to the division line between
40 lots 21-24 and 29-32; thence binding along said last mentioned division line North 23 degrees
41 19 minutes 55 seconds east-300 feet to the division line between lots 32 and 33; thence binding
42 along the last mentioned division line south 66 degrees 40 minutes 05 seconds east-142.89
43 feet to the westerly side of said Hudson Street; thence binding along said westerly side south 23
44 degrees 19 minutes 55 seconds west-225 feet to a coordinate point number 12264; thence
45 leaving the west side of Hudson Street and running south 71 degrees 30 minutes 40 seconds
46 east 30.11 feet to the east side of Hudson Street; thence with the east side of Hudson Street
47 north 23 degrees 19 minutes 55 seconds east 62.19 feet to the northwesternmost corner of the
48 conveyance from James Vouzikas and Ellen Vouzikas, his wife, to Alexander J. Vouzikas by
49 deed dated December 14, 1972, and recorded among the land records of Anne Arundel County
50 in Liber GTC 916, folio 33; thence running with the lines of said conveyance, as now surveyed,
51 south 71 degrees 08 minutes 05 seconds east 168.46 feet; thence south 17 degrees 32 minutes

1 55 seconds west 60.87 feet to intersect the south 71 degrees 30 minutes 40 seconds east
2 956.66 foot line of the Annapolis city boundary line; thence with part of said line south 71
3 degrees 30 minutes 40 seconds east 136.75 feet to point in the common boundary of James A.
4 and Ruth Day-2622/757, James A. Day-3659/859 and West Capital Associates Limited
5 Partnership-3309/406; thence running with the common boundaries between West Capital
6 Associates Limited Partnership and the combined properties of: James A. and Ruth Day, E. L.
7 Gardner, Inc., Henry J. and Jewell P. Carl, Kent J. McNew, and John E. Wenger, North 38
8 degrees 23 minutes 14 seconds East 1291.42 feet to the common corner between West Capital
9 Associates Limited Partnership, West Hudson Street Limited Partnership and John E. Wenger,
10 thence binding on the common boundary between John E. Wenger and West Hudson Street
11 Limited Partnership; thence, North 25 degrees 16 minutes 51 seconds West 134.98 feet to the
12 end thereof on the south side of Hudson Street, thence binding on the south side of said street,
13 the following two, courses and distances, viz: 4.86 feet along the arc of a curve to the right
14 having a radius of 1115.92 feet and a chord bearing North 58 degrees 47 minutes 00 seconds
15 East 4.86 feet and, thence; North 58 degrees 54 minutes 29 seconds East 170.22 feet thence
16 leaving Hudson Street and running with the common boundary between West Hudson Street
17 Limited Partnership and Annapolis Business Plaza (recorded among the Plat Records of Anne
18 Arundel County, Maryland in Plat Book 39 at Pages 8 and 9); South 42 degrees 33 minutes 16
19 seconds East 645.35 feet to the southeast end thereof at the division line between City of
20 Annapolis and Anne Arundel County as aforesaid;

21
22 I hereby certify that the above metes and bounds description accurately reflects the boundaries
23 of the property being contemplated for annexation.
24
25

26
27 _____
28 David Jarrell, P.E.
29 Director, Public Works
30 City of Annapolis

31 **AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that the Annapolis
32 City Council has considered the standards for the approval of the annexation request as set
33 forth in Sections 2.52.060 and 2.52.070 of the Code of the City of Annapolis and, based on the
34 analyses contained in the Memorandum from the Director of Planning and Zoning to the
35 Planning Commission dated _____, 2011 (copy attached), and the Fiscal Impact Note by the
36 Director of Finance dated _____, 2011 (copy attached), finds as follows:
37

- 38 1. The annexation will enhance and will not be detrimental to or endanger the public
39 health, safety, morals, convenience or general welfare of the citizens of the area
40 proposed to be annexed or of the surrounding areas of the City and of the County; and
- 41
42 2. The annexation will not be injurious to the use and enjoyment of other property in the
43 immediate vicinity nor substantially diminish and impair property values within the
44 neighborhood; and
- 45
46 3. The annexation is in conformance with the plans of general development of the City
47 and of the County; and
- 48
49 4. Acceptable and reasonable steps are being or will be taken to provide adequate
50 municipal services; and
- 51

1 5. The annexation will not precipitate environmental degradation; and

2
3 6. The annexation will generate revenue at least equal to the anticipated cost of
4 providing municipal services.

5
6 **AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that the annexed
7 property will be placed upon the tax rolls of the City of Annapolis immediately upon the effective
8 date of this annexation, and the owner(s) thereof shall be liable for real estate taxes as provided
9 by Maryland law levied for the fiscal year during which this Resolution is effective, prorated from
10 the effective date.

11
12 **AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that the annexed
13 property shall become part of Ward Three of the City of Annapolis.

14
15 **AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that the 2009
16 Annapolis Comprehensive Plan shall be amended to reflect the annexation of the Hayes
17 Property and the zoning classifications as designated by Ordinance No. O-38-11.

18
19 **AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that this Resolution
20 shall become effective upon the forty-fifth (45th) day following the date of its passage, provided
21 no Petition for Referendum has been properly filed according to law, and provided the Council
22 adopts Resolution No. R-47-11.

23
24
25 **ADOPTED** this _____ day of _____, _____.

26
27
28
29
30
31
32
33
34
ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY _____

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

EXPLANATION:
Highlighting indicates matter added to existing law.
~~Strikeout indicates matter deleted from existing law.~~
Underlining indicates amendments.

1st READER

CITY COUNCIL OF THE
City of Annapolis

Resolution No. R-45-11

Introduced by: Mayor Cohen and Alderwoman Hoyle

LEGISLATIVE HISTORY			
First Reading 7/25/11	Public Hearing	Fiscal Impact Note	180 Day Rule N/A
Referred to Rules and City Gov't Planning Commission	Referral Date 7/25/11 7/25/11	Meeting Date	Action Taken Travels with O-38-11 and R-47-11

A RESOLUTION concerning

Annexation Plan – Hayes Property

FOR the purpose of adopting an annexation plan for the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

WHEREAS, on January 14, 2011, K. Hovnanian Homes of Maryland, L.L.C., Hogan Holding Company, LC, James J. Blackwell, Roxanne Winn, and Buckley W. Hayes (collectively, "Petitioners") submitted a Petition for Annexation to the City of Annapolis for 7.374 acres of property known as the Hayes Property, which Petition for Annexation shall be addressed by the City Council in a Resolution forthcoming after the Annexation Plan is ratified; and

WHEREAS, the Petitioners proposed that the Hayes Property be zoned upon annexation within the R3 – General Residence District and within the R1-B – Single-Family Residence District, which zoning shall be addressed by the City Council in an Ordinance forthcoming after the Annexation Plan is ratified; and

WHEREAS, as required by § 19 (o) of Article 23A of the Annotated Code of Maryland, an annexation plan shall be adopted by the City Council in connection with the annexation of the Hayes Property; and

WHEREAS, on _____, 2011, the City Council conducted a public hearing on the proposed annexation of the Hayes Property, at which time the annexation plan was open to public review and discussion, which annexation plan had been provided to Anne Arundel County and to the Maryland Department of Planning at least thirty (30) days prior to the public hearing; and

1 **WHEREAS,** having considered the proposed annexation, the proposed zoning, the testimony
2 and evidence presented thereon, the reports and recommendations of the
3 Planning Commission and the Department of Planning and Zoning, and the
4 information and opinions provided by other persons, departments, and agencies,
5 having weighed the information, and having completed and finalized the
6 annexation plan so as to appropriately plan for the incorporation into and the
7 potential development of the Hayes Property within the City, the Council now
8 adopts an annexation plan for the Hayes Property.
9

10 **NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that the
11 Annexation Plan for the Hayes Property attached hereto be, and it is hereby, adopted.
12

13 **AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that this Resolution
14 shall take effect on the date of adoption, and that all parties to the Annexation Plan shall
15 cooperatively endeavor to ratify the Annexation Plan in as prompt a manner as is possible.
16

17 **ADOPTED** this ____ day of _____, 2011.
18
19

20 **ATTEST:** THE ANNAPOLIS CITY COUNCIL

BY _____
Regina C. Watkins-Eldridge, MMC, City Clerk Joshua J. Cohen, Mayor

21
22
23
24
25
26
27
28
29
30
31

EXPLANATION:
~~Highlighting indicates matter added to existing law.~~
~~Strikeout indicates matter deleted from existing law.~~
Underlining indicates amendments.

ANNEXATION PLAN

THIS ANNEXATION PLAN (the "Plan") is made this _____ day of _____, 2011, by and between THE CITY OF ANNAPOLIS, MARYLAND, a municipal corporation of the State of Maryland (the "City"), and K. HOVNANIAN HOMES OF MARYLAND, L.L.C., HOGAN HOLDING COMPANY, LC, JAMES J. BLACKWELL, ROXANNE WINN, and BUCKLEY W. HAYES (collectively, "Petitioners").

Recitals

- A. WHEREAS, on January 14, 2011, the Petitioners filed with the City a Petition for Annexation (the "Petition"), which Petition the Office of the City Clerk determined to have satisfied all laws and regulations pertaining to the preparation, execution, notification, and filing thereof codified within the Code of the City of Annapolis (the "City Code") and within the Annotated Code of Maryland (the "State Code");
- B. WHEREAS, the properties proposed for annexation in the Petition are fully and accurately identified in the Petition and its supporting exhibits, are contiguous to and adjoin the existing corporate boundary of the City, collectively contain 7.374 acres, more or less, and are known as the Hayes Property (the "Property");
- C. WHEREAS, as described in detail in the Petition, the owners of the various parcels comprising the Property are James J. Blackwell, Roxanne Winn, and Buckley W. Hayes. Hogan Holding Company, LC is the contract purchaser of the Property. K. Hovnanian Homes of Maryland, L.L.C. is the holder of a right to purchase Hogan Holding Company, LC's contract rights in the Property. Hogan Holding Company, LC and K. Hovnanian Homes of Maryland, L.L.C. are collectively referred to herein in the singular as "Petitioner";
- D. WHEREAS, in accordance with § 19 (o) of Article 23A of the State Code, which requires that an annexation plan shall be adopted by the City Council of the City of Annapolis (the "Council") in connection with the annexation of the Property, this annexation plan was prepared and was open to public review and discussion at the Council's public hearing on the proposed annexation of the Property, and had been provided to Anne Arundel County and to the Maryland Department of Planning at least thirty (30) days prior to the Council's public hearing;
- E. WHEREAS, the Property was included within Growth Area "A" in the 2009 Annapolis Comprehensive Plan, which designated the area as eligible for annexation and appropriate for establishing a logical boundary for the City's jurisdictional limits; and

*Winn
Blackwell
and
Hayes
are Petitioners*

F. WHEREAS, the City and the Petitioners desire to appropriately plan for the incorporation into and the potential development of the Property within the City of Annapolis; and

G. WHEREAS, the City and the Petitioners voluntarily enter into this Plan to ensure such circumstances and to fulfill the requirements of § 19 (o) of Article 23A of the State Code, and the parties hereto covenant that they have the full right, power, and authority to enter into, carry out, perform, and execute this Plan.

NOW, THEREFORE, in consideration of the mutual interests, covenants, promises, agreements, and undertakings set forth herein, including the preceding Recitals, the accuracy and sufficiency of which is expressly acknowledged, the City and the Petitioners mutually agree as follows:

1. Conceptual Plan of Development. The City and the Petitioner contemplate that development of the Property shall generally take the form illustrated on the conceptual site plan identified as "Conceptual Site Plan #1", prepared by Bay Engineering, Inc., dated July, 2010, and attached hereto as Exhibit "A". The City and the Petitioner acknowledge that changes to this layout may be made as part of the application, approval, and permitting processes. The City and the Petitioner further acknowledge that, in accordance with § 9 (c) (1) of Article 23A of the State Code, for a period of five years following the annexation of the Property, the City may not permit development of the Property for land uses substantially different than the use authorized, or at a substantially higher, not to exceed 50%, density than could be granted for the proposed development, in accordance with the zoning classification of Anne Arundel County applicable at the time of the annexation without the express approval of Anne Arundel County. change
to
one
2. Provision of Public Services. The City shall not be obligated to provide public services, including but not limited to street maintenance, snow removal, solid waste removal (refuse, yard waste recycling, recycling), on the Property unless the Property is properly permitted for and developed with a public roadway for which the City has accepted a fee simple deed for the right-of-way ownership, and the City shall not be obligated to provide such public services on any existing or subsequently developed private rights-of-way, easements, and/or driveways.
3. Infrastructure Fees and Facilities. The Petitioner shall be solely and jointly and severally responsible for all costs associated with the extension of utility mains, the water distribution system, the wastewater collection system, tap fees, connection charges, capital facility fees, capital assessment charges, and construction inspection fees. The parties acknowledge that, while preliminary studies indicate that water and sewer facilities will be adequate for development of the Property and that sewer service can be handled by gravity flow, Petitioner shall comply with all applicable City laws related to the adequacy of public facilities in connection with the development of the Property.
4. Facilities Improvements and Ownership. The Petitioner shall pay and shall be solely and jointly and severally responsible for the payment of all costs associated with the construction

of internal roadways, curb and gutters, sidewalks, street lighting, storm drain systems and stormwater management facilities and shall be the owner of all such internal facilities. Stormwater management facilities shall be owned, inspected, maintained, repaired, and replaced by the Petitioner in accordance with City and State requirements. Petitioner shall be solely responsible for paying for all costs associated with any capacity increase to existing roadways should said increase be required by the City, County, or State. The City and other applicable agencies shall review and approve all infrastructure for compliance with applicable requirements.

5. Traffic Signs and Signals. The Petitioner shall solely pay and be jointly and severally responsible for the payment of all costs associated with traffic signs and/or signals which may be required in connection with the development of the Property. The City and other applicable agencies shall review and approve all such traffic-related improvements for compliance with applicable requirements.
6. Infrastructure Bond. The Petitioner, to the satisfaction of the City, shall jointly and severally bond all infrastructure improvements for the full cost of the improvements so that, in the event that the Petitioner cannot complete the work for any reason, the City will have the financial resources to do so. Once the infrastructure has been finally accepted by the City, after the requirements of the City and all other applicable agencies have been fulfilled, the bond may, in the City's discretion, be reduced to a one-year maintenance bond at ten percent (10%) of the full bond. The Petitioner shall jointly and severally guarantee all costs of infrastructure improvements which exceed the amount of bond coverage.
7. Infrastructure Inspection, Maintenance, Repair and Replacement. The City shall not be responsible for infrastructure inspection, maintenance, repair or replacement during construction, including snow removal and solid waste removal (refuse, yard waste recycling, recycling), water distribution and wastewater collection systems operations and maintenance, pump station operations and maintenance, and road repairs and operation. If the rights-of-way are to be public, which shall occur in the City's sole discretion, the City's responsibility for inspection, maintenance, repair or replacement of such infrastructure facilities shall not be activated until the City's final and complete infrastructure inspection and approval, acceptance of deeds or other instruments of conveyance, and final release of maintenance bond. The City shall not be responsible for infrastructure inspection, maintenance repair or replacement during or after construction if the rights-of-way remain private.
8. Natural Features. The City and the Petitioners acknowledge that the Property contains significant steep slopes toward the southern and southeastern property boundaries and the parties further recognize that, due to the slopes' environmental significance to Church Creek, it may not be suitable for buildings and/or utilities to be constructed in these areas. Petitioner shall undertake or cause or allow to be caused minimal disturbance to these features, and shall utilize superior sediment control measures in the development process, and shall comply with all applicable City and State Critical Areas laws and regulations.
9. Binding Effect. The terms, conditions, and provisions of this Plan shall be deemed as covenants running with the Property and shall be binding upon and shall inure to the benefit

of the parties hereto, any successor municipal authorities of the City, successor owners of record of the Property, and their respective heirs, personal representatives, successors, grantees, and assigns. It is expressly understood and agreed by the parties that the benefits, rights, duties, and obligations hereunder are conferred and imposed upon the parties only upon and contingent upon the City's annexation of the Property. It is further expressly understood and agreed that the Petitioner may assign its benefits, rights, duties, and obligations hereunder either as part of the conveyance of the Property as an entirety or severally as part of the conveyances of portions of the Property, that any such conveyance or assignment is permissible without the consent of the City, any of its elected official, employees, or agents, that the obligations and responsibilities expressed in this Plan shall be binding upon and applicable to the owner of the Property as may exist from time to time, and that such owner of the Property shall undertake, perform, or otherwise meet each obligation or responsibility when the same may arise. No provision of this Plan shall create any third party beneficiary rights or other rights in any person or entity not a party hereto.

At such time as K. Hovnanian Homes of Maryland ("Hovnanian"), or any of its affiliated entities, acquires title to the Property, Hovnanian (or its affiliated entity, as the case may be) shall be the sole party that the City shall require to perform hereunder. Hovnanian, or the Petitioners, may assign their respective rights arising out of the Property, however, prior to such assignment, if done prior to the development of the Property contemplated herein, the City must consent to the assignment, which consent shall not be unreasonably withheld.

10. Cooperation of Parties. The parties shall take all reasonable actions and do all things reasonably necessary or appropriate to carry out and to expedite the terms and provisions of this Plan and to generally enable the parties' compliance with the terms and provisions of this Plan.
11. Recordation. This Plan shall be recorded among the Land Records of Anne Arundel County by and at the expense of the Petitioner, following which the Petitioner shall provide the original of the recorded Plan to the City.
12. Modification of Plan. No portion of this Plan shall be amended, waived, modified, discharged, or terminated except by an instrument in writing signed by all parties hereto or their successors, grantees, or assigns and witnessed and notarized.
13. Headings. Descriptive headings herein are for convenience only and shall not control or affect the meaning or construction of any provision of this Plan.
14. Severability. In the event that any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed as if such invalid, illegal, or unenforceable provision had never been herein contained.
15. Enforceability. This Plan shall be specifically enforceable in any court of competent jurisdiction by any of the parties hereto by any appropriate action or suit at law or in equity to

secure the performance of the covenants herein contained. Venue for all actions arising from this Plan shall be the Courts of Anne Arundel County, Maryland. In any such action, the parties waive their right, if any, to trial by jury.

IN WITNESS WHEREOF, the parties have executed and sealed this Plan as of the day and year first above written.

SIGNATURE PAGES FOLLOW

311

THE CITY OF ANNAPOLIS

ATTEST:

Regina Watkins-Eldridge, City Clerk

By: _____ (Seal)
Joshua J. Cohen,
Mayor of the City of Annapolis

Approved as to form and legal sufficiency:

Karen Hardwick, Esq., City Attorney

State of Maryland, Anne Arundel County, to wit:

I hereby certify that on this _____ day of _____, 2011 before me, a notary public, in and for the State and County aforesaid, did personally appear, Joshua J. Cohen, Mayor of the City of Annapolis, Maryland, who acknowledged that he is authorized to execute this Annexation Plan on behalf of the City of Annapolis, and being authorized to do so, executed the foregoing instrument for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My commission expires: _____

Witness:

K. Hovnanian Homes of Maryland, L.L.C.
A Maryland limited liability company

By: _____
A. Hugo DeCesaris, (Seal)
Region President

STATE OF _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____ do hereby certify that on this _____ day of _____, 2011 before me personally appeared A. Hugo DeCesaris, Region President of K. Hovnanian Homes of Maryland, L.L.C., and acknowledged that, being authorized to so do, he has executed this Annexation Plan as the act and deed of K. Hovnanian Homes of Maryland, L.L.C. for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

Hogan Holding Company, LC
A Maryland limited company

By: _____
Timothy S. Hogan, (Seal)
Member

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared Timothy S. Hogan, Member of Hogan Holding Company, LC, and he acknowledged that, being authorized to so do, he has executed this Annexation Plan as the act and deed of Hogan Holding Company, LC for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

James J. Blackwell (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared James J. Blackwell, and he acknowledged that he has executed this Annexation Plan as his act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

Roxanne Winn (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared Roxanne Winn, and she acknowledged that she has executed this Annexation Plan as her act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

1 Witness:
2
3
4
5
6

_____ Buckley W. Hayes (Seal)

7
8
9 STATE OF _____, _____ COUNTY, TO WIT:
10

11 I, the undersigned, Notary Public in and for the State of _____, do
12 hereby certify that on this _____ day of _____, 2011
13 before me personally appeared Buckley W. Hayes, and he acknowledged that he has executed
14 this Annexation Plan as his act and deed for the purposes therein contained.
15

16 **Witness** my hand and notarial seal.
17

18 _____
19 Notary Public

20 My Commission Expires: _____
21

**CITY COUNCIL OF THE
City of Annapolis**

Ordinance No. O-38-11

Introduced by: Mayor Cohen and Alderwoman Hoyle

LEGISLATIVE HISTORY			
First Reading 7/25/11	Public Hearing	Fiscal Impact Note	180 Day Rule N/A
Referred to Rules and City Gov't Planning Commission	Referral Date 7/25/11 7/25/11	Meeting Date	Action Taken Travels with R-45-11 and R-47-11

A ORDINANCE concerning

Zoning of Annexed Land – Hayes Property

FOR the purpose of establishing zoning classifications of R3 – General Residence District and R1-B – Single-Family Residence District for 7.374 acres of property known as the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

WHEREAS, on January 14, 2011, K. Hovnanian Homes of Maryland, L.L.C., Hogan Holding Company, LC, James J. Blackwell, Roxanne Winn, and Buckley W. Hayes (collectively, "Petitioners") submitted a Petition for Annexation to the City of Annapolis for 7.374 acres of property known as the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive, which Petition is being addressed by the City Council in Resolution No. R-47-11; and

WHEREAS, the Petitioners have proposed, should the Hayes Property be annexed into the City, that the existing R15 portion of the Hayes Property be zoned within the R3 – General Residence District, and that the existing R2 portion of the Hayes Property be zoned within the R1-B – Single-Family Residence District; and

WHEREAS, on _____, 2011, the Annapolis City Council conducted a public hearing on the zoning classifications proposed in connection with the annexation, at which time the Council heard a staff report presented by the Director of Planning and Zoning, received the Findings of Fact from the Planning Commission dated _____, 2011, and received the Memorandum from the Director of Planning and Zoning to the Planning Commission dated _____, 2011; and

1
2 **WHEREAS,** having considered the annexation and the proposed zoning classifications, the
3 testimony and evidence presented, and the report and recommendations of the
4 Planning Commission and the Department of Planning and Zoning, and having
5 weighed the evidence and judged the credibility of witnesses appearing before it,
6 the City Council makes the following findings of fact:
7

8 1. In conformance with the laws of the State of Maryland and the City of Annapolis, the
9 Hayes Property was annexed into the City of Annapolis *via* Resolution No. R-47-11,
10 adopted on _____, 2011. The Hayes Property is designated as suitable for "Residential –
11 High Density" and "Residential – Low Density" uses, as illustrated in the Anne Arundel
12 County General Development Plan, dated April 2009 and adopted by Anne Arundel
13 County in Bill No. 64-09, and the Hayes Property is zoned R15 – Residential District and
14 R2 – Residential District, as shown on the Zoning Map for the Second Assessment
15 District; and
16

17 2. Reclassification of the Hayes Property from Anne Arundel County Zoning Districts
18 R15 and R2 to City of Annapolis Zoning Districts R3 – General Residence District and
19 R1-B – Single-Family Residence District is in conformance with the provisions of § 9 (c)
20 of Article 23A of the Annotated Code of Maryland, with Chapter 5 – Municipal Growth
21 and Community Facilities of the 2009 Annapolis Comprehensive Plan, and with the
22 surrounding uses and zoning districts. The City's Department of Planning and Zoning
23 and Planning Commission have recommended the zoning classifications of R3 and R1-B
24 as being in the public interest.
25
26

27 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL**
28 that the zoning requests contained within the Petition for Annexation for the Hayes Property,
29 earlier annexed, be, and the same hereby are, approved and granted, such that the County-
30 zoned R15 portion of the Hayes Property is classified within the City's R3 – General Residence
31 District, and such that the County-zoned R2 portion of the Hayes Property is classified within the
32 City's R1-B – Single-Family Residence District.
33

34 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS**
35 **CITY COUNCIL** that the boundary lines for the R3 – General Residence District and the R1-B –
36 Single-Family Residence District upon and within the Hayes Property, as illustrated on the
37 "Zoning Site Plan", dated December, 2010, prepared by Bay Engineering Inc., and included as
38 Exhibit "H" to the Petition for Annexation for the Hayes Property, which Zoning Site Plan is
39 attached hereto, are adopted herewith.
40

41 **SECTION III: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS**
42 **CITY COUNCIL** that this Ordinance shall become effective upon the forty-fifth (45th) day
43 following the passage of Resolution No. R-47-11, provided no Petition for Referendum
44 regarding Resolution No. R-47-11 has been properly filed according to law.
45

46 **ADOPTED** this _____ day of _____, _____.
47

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY _____

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

1
2
3
4
5
6
7

EXPLANATION:
Highlighting indicates matter added to existing law.
~~Strikeout indicates matter deleted from existing law.~~
Underlining indicates amendments.

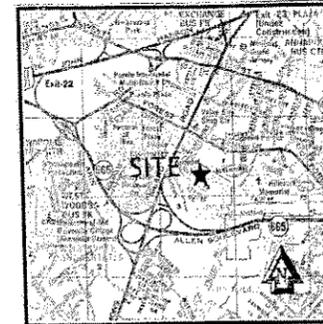
**RECOMMENDED
CONCEPT PLAN**

**REVISED IN ACCORDANCE
WITH
AGENCY REVIEW COMMENTS**

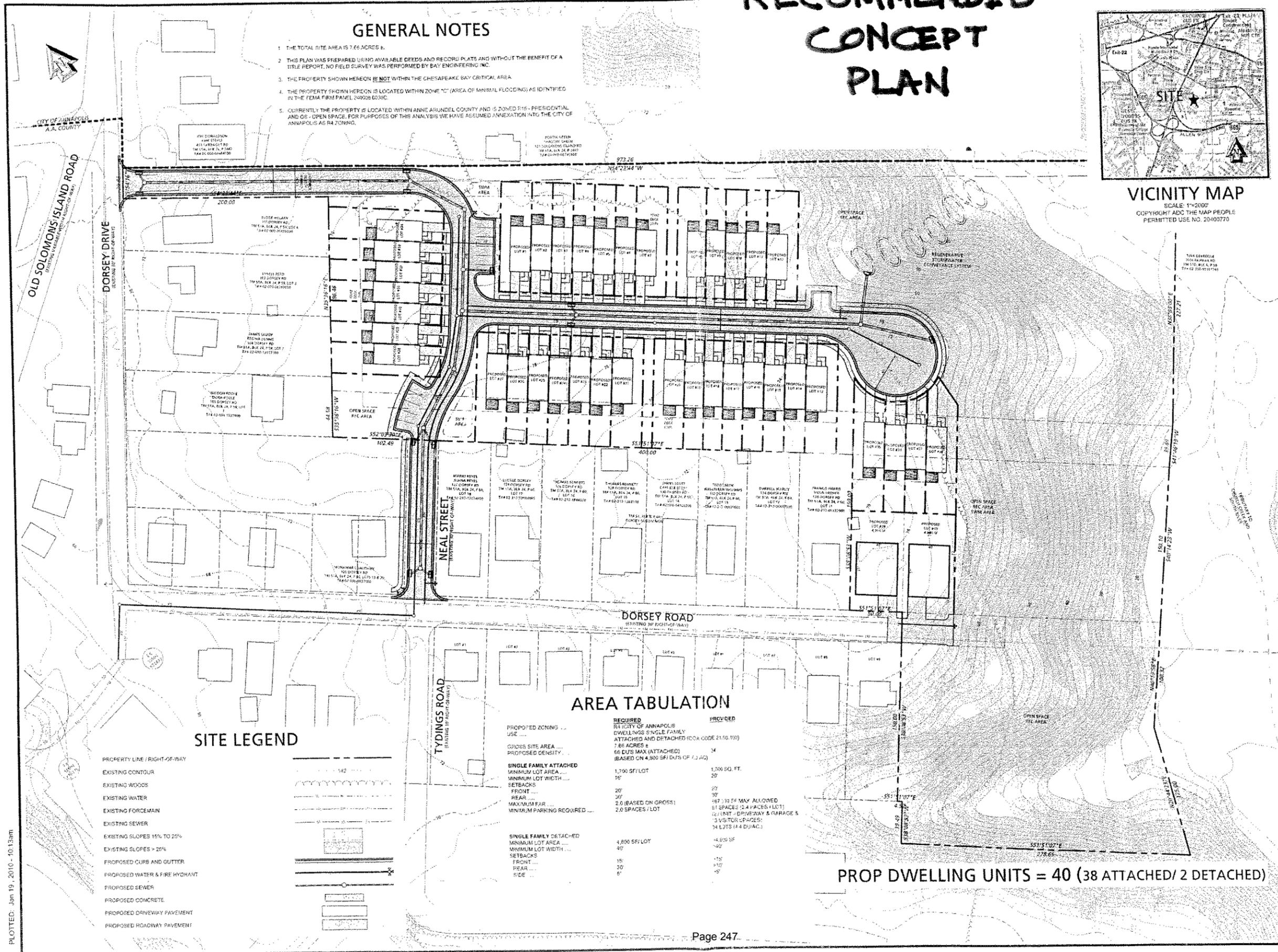
RECOMMENDED CONCEPT PLAN

GENERAL NOTES

1. THE TOTAL SITE AREA IS 7.66 ACRES ±.
2. THIS PLAN WAS PREPARED USING AVAILABLE DEEDS AND RECORD PLATS AND WITHOUT THE BENEFIT OF A TITLE REPORT. NO FIELD SURVEY WAS PERFORMED BY BAY ENGINEERING INC.
3. THE PROPERTY SHOWN HEREON IS NOT WITHIN THE CHESAPEAKE BAY CRITICAL AREA.
4. THE PROPERTY SHOWN HEREON IS LOCATED WITHIN ZONE "C" (AREA OF MINIMAL FLOODING) AS IDENTIFIED IN THE FEMA FIRM PANEL 240908 6038C.
5. CURRENTLY THE PROPERTY IS LOCATED WITHIN ANNE ARUNDEL COUNTY AND IS ZONED R1F - RESIDENTIAL AND OS - OPEN SPACE. FOR PURPOSES OF THIS ANALYSIS WE HAVE ASSUMED ANNEXATION INTO THE CITY OF ANNAPOLIS AS R4 ZONING.



VICINITY MAP
SCALE: 1"=200'
COPYRIGHT: ADC THE MAP PEOPLE
PERMITTED USE NO. 20400770



SITE LEGEND

- PROPERTY LINE / RIGHT-OF-WAY
- EXISTING CONTOUR
- EXISTING WOODS
- EXISTING WATER
- EXISTING FORCEMAIN
- EXISTING SEWER
- EXISTING SLOPES 15% TO 25%
- EXISTING SLOPES > 25%
- PROPOSED CURB AND GUTTER
- PROPOSED WATER & FIRE HYDRANT
- PROPOSED SEWER
- PROPOSED CONCRETE
- PROPOSED DRIVEWAY PAVEMENT
- PROPOSED ROADWAY PAVEMENT

AREA TABULATION

PROPOSED ZONING USE	REQUIRED	PROVIDED
GROSS SITE AREA	7.66 ACRES ±	34
PROPOSED DENSITY	60 DUS MAX (ATTACHED) (BASED ON 4,800 SF/DUS OF R4 ZONING)	40
SINGLE FAMILY ATTACHED		
MINIMUM LOT AREA	1,700 SF/LOT	1,700 SQ. FT.
MINIMUM LOT WIDTH	16'	20'
SETBACKS		
FRONT	20'	30'
REAR	30'	30'
MAXIMUM FUR	2.0 (BASED ON GROSS)	1.67 (30 SF MAX ALLOWED)
MINIMUM PARKING REQUIRED	2.0 SPACES / LOT	12 (1 UNIT - DRIVEWAY & GARAGE & 1 VISITOR SPACES; 24 LOTS @ 4 DUS/LOT)
SINGLE FAMILY DETACHED		
MINIMUM LOT AREA	4,800 SF/LOT	4,800 SF
MINIMUM LOT WIDTH	40'	40'
SETBACKS		
FRONT	15'	15'
REAR	30'	30'
SIDE	5'	5'

PROP DWELLING UNITS = 40 (38 ATTACHED/ 2 DETACHED)

Revisions

Rev. #	By	Date	Description

Copyright © 2009
Bay Engineering Inc.
Annapolis, Maryland 21401
410.807.0262
www.bayengineering.com

Bay Engineering Inc.
Engineers, Architects, Surveyors, Planners
190 Alpha Circle Drive, Suite 175
Annapolis, Maryland 21401
410.807.0262
www.bayengineering.com

Date: DECEMBER, 2009
Job Number: 09-2005
Scale: 1"=40'
Drawn By: L.S.
Approved By: T. SCHILMAN

Folder Reference: KOCH HAYES PROPERTY, ANNAPOLIS, OLD SOLOMONS ISLAND ROAD

CONCEPTUAL SITE PLAN (22' WIDE TOWNHOMES)
SKETCH FOR THE
HAYES PROPERTY
TAX MAP 51A, BLOCK 24, PARCELS 6, 8, AND 45
TAX MAP 51D, BLOCK 10, PARCELS 60, LOT 10
TAX MAP 51D, BLOCK 8, PARCELS 70, 381, AND 382
SOUTH RIVER ROAD, DORSEY ROAD, TYDINGS DRIVE
SECOND DISTRICT, ANNE ARUNDEL COUNTY, ZONED

Author: Larry Schilman
Date: 2/21/10
License No.: 18853
Expiration Date:

Sheet No. 1 OF 1

INTERAGENCY REVIEW COMMENTS



City of Annapolis

DEPARTMENT OF PLANNING AND ZONING

145 Gorman Street, 3rd Floor, Annapolis, Maryland 21401

Annapolis 410-263-7961 • FAX 410-263-1129 • TDD 410-263-7943

JON ARASON, AICP
DIRECTOR

August 2, 2011

MEMORANDUM

To: Bruce Miller, Director of Finance
David Jarrell, Director of Public Works
Maria Broadbent, Director of Neighborhood and Environmental Programs
Chief David L. Stokes, Sr., Fire Department
Chief Michael Pristoop, Police Department
LeeAnn Plummer, Director of Recreation and Parks
Richard Newell, Director of Transportation
Larry Tom, Planning and Zoning Officer, Anne Arundel County
Douglas L. Hart, Acting Health Officer, Anne Arundel County
Richard Hall, Secretary of the Maryland Department of Planning
Virginia Burke, Chief of Comprehensive Planning

From: Jacquelyn M. Rouse, Planning Administrator

Re: Hayes Property

Location: Old Solomons Island Road

Enclosed for your review is annexation request received for processing by the City of Annapolis. Copies of the legislation introduced by the City Council relative to the annexation are included in your review packet – they are R-47-11 for approval of the annexation. R-45-11 for the Annexation Plan (this replaces the Outline for Extension of Services and the Public Facilities Agreement) and O-38-11 which designates the zoning of the property.

The 7.34 +/- acre property consists of several parcels of land located off of Old Solomons Island Road near its intersection with Forest Drive. The proposed zoning is R3, General Residence District and R1B, Single-family Residence District.

The proposed development of the property is a multi-family residential project as is shown on the Conceptual Site Plan and discussed in the Fiscal Impact Analysis.

The Planning and Zoning Department requests any comments you may have pertaining to the annexation petition. For those agencies providing services to this area, please indicate, where applicable, what impacts, if any, this annexation and its proposed development will have on the provision of those services. (Please provide comments relative to Title 22, Adequate Public Facilities)

Please also indicate any additional requirements and or conditions you would recommend be placed upon the annexation relative to the provision of services to the annexed area or to the future development of the site.

I would appreciate your written comments no later than August 23, 2011. Should you have any questions or require any information or clarification, please call me at 410/263-7961 ext.7794 or email at jmr@annapolis.gov.

DEPARTMENT OF PUBLIC WORKS COMMENTS

Water and Sewer Comments for Alternate Plan titled "Conceptual Site Plan (22'Wide Townhomes) Sketch for the Hayes Property" dated December, 2009 are as follows:

1. Water and Sewer services from the County on Dorsey Road and Dorsey Drive through Neal Street (existing paper Right of Way) are not acceptable. Water and Sewer Service shall be from the City at the intersection of Old Solomon's Island Road, Neal Street (paved road) and Dorsey Drive.
2. Comments in 9/14/11 Attachment also apply to the Alternate Plan.



City of Annapolis
DEPARTMENT OF PUBLIC WORKS

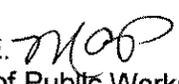
145 Gorman Street, 2nd Floor, Annapolis, Maryland 21401-2517
pubworks@annapolis.gov • www.annapolis.gov
Annapolis 410-263-7949 • FAX 410-263-3322

September 14, 2011

MEMORANDUM

TO: Jacquelyn Rouse
Planning Administrator

VIA: David Jarrell, P.E. 
Director of Public Works

FROM: Marcia Patrick, P.E. 
Assistant Director of Public Works

RE: Hayes Annexation
Public Works Comments

Thank you for the opportunity to provide additional comments on the proposed Hayes Annexation. These comments provide additional information and clarification to comments that have been previously submitted.

Perimeter Roadway Improvements

The development of this property may create unacceptable intersections with Dorsey Road, owned by Anne Arundel County, and Old Solomons Island Road, owned by the Maryland State Highway Administration. Prior to development, the Petitioner or his successor, must obtain permits from the appropriate agencies, who will determine if access will be permitted and what improvements shall be made to the intersections to permit access. The Petitioner, or his successor, shall make, at their sole expense, all improvements required by these agencies including acquiring the necessary rights of way, as may be necessary to make these improvements.

Sewer

It is in the best interest of both the developer and the City to have the site served with gravity sewer on Old Solomon's Island Road. The Department of Public Works' standards relative to preferred criteria used to determine the ability to provide gravity sewer service is as follows:

Preferred criteria	Allowable criteria (w/justification)
Min. sewer main slope - .005 ft/ft (1/2%)	Min. sewer main slope - .0045 ft/ft
Min. sewer main depth – 5 feet	Min. sewer main depth – 3 feet
Min. sewer lateral slope - .02 ft/ft (2%)	Min. sewer lateral slope - .01 ft/ft (1%)
Lateral depth at property line – 4 feet	Lateral depth at property line – 3 feet
Max. Sewer main/manhole depth – 10 feet	Max. Sewer manhole depth w/o int. platform – 15 feet
Min. sewer manhole depth – 5 feet	Min. sewer main depth – 3 feet

In order to meet Adequate Public Facilities (APF) approval, the developer is to design a gravity sewer system to the preferred criteria, above, or provide an alternatives analysis in the engineering report that demonstrates that the preferred criteria cannot be met and evaluates and presents alternative options.

Based on a preliminary review of Bay Engineering's Conceptual Site Plan #1, dated July, 2010, it appears that it is feasible to provide gravity sewer service to the first floor of all of the units. However, service to basements by gravity appears to be impossible, at least for some portion of the units. The APF engineering report will need to address these limitations.

Water

It is the best interest of both the developer and the City to have the site served with water having adequate static water pressure. After further review of industry criteria used to evaluate adequate static water pressure (Ten State Standards - minimum static pressure of 35 psi at the street), the Department of Public Works has modified its' preferred criteria used to assess adequate static water pressure as follows:

Preferred criteria
Max. Elev. @ street edge in front of property – El. 77

In order to meet APF approval, the developer must meet the preferred criteria as indicated above, or provide an alternatives analysis evaluating options in the engineering report that demonstrates that the preferred criteria cannot be met.

Based on a preliminary review of Bay Engineering's Conceptual Site Plan #1, dated July, 2010, it appears that it is feasible to provide adequate static water pressure to some portion of the development, but not others. The APF engineering report will need to address these limitations.

Financial Analysis for Annexation with regard to Water and Sewer Utilities

Included within the fiscal analysis for water and sewer, the petitioner will include an analysis of the operating, maintenance and Capital Reserve Costs (OM&C) for any mechanical and/or electrical systems required for the annex area, including, but not limited to, sewage pump stations and water booster pump stations.

Hayes Annexation
Page 3 of 3

The fiscal analysis shall include, but not be limited to, the projected operating and maintenance costs based on the City of Annapolis, Department of Public Works current expenditure, that expenditure not to be obtained from the Budget but rather from figures provided by the Department of Public Works. Capital Reserve Costs will be based on pump and all other mechanical and electrical equipment replacement (exclusive of pipes and valves) every 20 years and complete replacement of the facility every 60 years.

With direction and guidance from the Department of Public Works, the petitioner shall calculate the revenue generated by the annex area into the Sewer and Water Enterprise Fund, and compare it to the total expenses (including mechanical and/or electrical systems OM&C) and determine if the revenue generated by the annex area is greater than the total OM&C expenses for the annex area.

DAJ/MAP/TKB/SMB

PUBLIC WORKS REVISIONS - ANNEXATION PLAN

THIS ANNEXATION PLAN (the "Plan") is made this _____ day of _____, 2011, by and between THE CITY OF ANNAPOLIS, MARYLAND, a municipal corporation of the State of Maryland (the "City"), and K. HOVNANIAN HOMES OF MARYLAND, L.L.C., HOGAN HOLDING COMPANY, LC, JAMES J. BLACKWELL, ROXANNE WINN, and BUCKLEY W. HAYES (collectively, "Petitioners").

Recitals

- A. WHEREAS, on January 14, 2011, the Petitioners filed with the City a Petition for Annexation (the "Petition"), which Petition the Office of the City Clerk determined to have satisfied all laws and regulations pertaining to the preparation, execution, notification, and filing thereof codified within the Code of the City of Annapolis (the "City Code") and within the Annotated Code of Maryland (the "State Code");
- B. WHEREAS, the properties proposed for annexation in the Petition are fully and accurately identified in the Petition and its supporting exhibits, are contiguous to and adjoin the existing corporate boundary of the City, collectively contain 7.374 acres, more or less, and are known as the Hayes Property (the "Property");
- C. WHEREAS, as described in detail in the Petition, the owners of the various parcels comprising the Property are James J. Blackwell, Roxanne Winn, and Buckley W. Hayes. Hogan Holding Company, LC is the contract purchaser of the Property. K. Hovnanian Homes of Maryland, L.L.C. is the holder of a right to purchase Hogan Holding Company, LC's contract rights in the Property. Hogan Holding Company, LC and K. Hovnanian Homes of Maryland, L.L.C. are collectively referred to herein in the singular as "Petitioner";
- D. WHEREAS, in accordance with § 19 (o) of Article 23A of the State Code, which requires that an annexation plan shall be adopted by the City Council of the City of Annapolis (the "Council") in connection with the annexation of the Property, this annexation plan was prepared and was open to public review and discussion at the Council's public hearing on the proposed annexation of the Property, and had been provided to Anne Arundel County and to the Maryland Department of Planning at least thirty (30) days prior to the Council's public hearing;
- E. WHEREAS, the Property was included within Growth Area "A" in the 2009 Annapolis Comprehensive Plan, which designated the area as eligible for annexation and appropriate for establishing a logical boundary for the City's jurisdictional limits; and

Comment: Petitioners include only property owners

- F. WHEREAS, the City and the Petitioners desire to appropriately plan for the incorporation into and the potential development of the Property within the City of Annapolis; and
- G. WHEREAS, the City and the Petitioners voluntarily enter into this Plan to ensure such circumstances and to fulfill the requirements of § 19 (o) of Article 23A of the State Code, and the parties hereto covenant that they have the full right, power, and authority to enter into, carry out, perform, and execute this Plan.

NOW, THEREFORE, in consideration of the mutual interests, covenants, promises, agreements, and undertakings set forth herein, including the preceding Recitals, the accuracy and sufficiency of which is expressly acknowledged, the City and the Petitioners mutually agree as follows:

1. Conceptual Plan of Development. The City and the Petitioner contemplate that development of the Property shall generally take the form illustrated on the conceptual site plan identified as "Conceptual Site Plan #1", prepared by Bay Engineering, Inc., dated July, 2010, and attached hereto as Exhibit "A". The City and the Petitioner acknowledge that changes to this layout may be made as part of the application, approval, and permitting processes. The City and the Petitioner further acknowledge that, in accordance with § 9 (c) (1) of Article 23A of the State Code, for a period of five years following the annexation of the Property, the City may not permit development of the Property for land uses substantially different than the use authorized, or at a substantially higher, not to exceed 50%, density than could be granted for the proposed development, in accordance with the zoning classification of Anne Arundel County applicable at the time of the annexation without the express approval of Anne Arundel County.
2. Provision of Public Services. The City shall not be obligated to provide public services, including, but not limited to, street maintenance, snow removal, solid waste removal (refuse, yard waste recycling, recycling), ~~to the Property unless the Property is properly permitted for and developed with a public roadway for which the City has accepted a fee simple deed for the right-of-way ownership, and the City shall not be obligated to provide such public services on any existing or subsequently developed private rights-of-way, easements, and/or driveways.~~
3. Infrastructure Fees and Facilities. The Petitioner shall be solely and jointly and severally responsible for all costs, including but not limited to all engineering and construction costs, associated with the extension of utility mains, the water distribution system, the wastewater collection system, wastewater pumping stations, water booster stations, tap fees, connection charges, capital facility fees, capital assessment charges, and construction inspection fees. The parties acknowledge that, while preliminary studies indicate that water and sewer facilities will be adequate for development of the Property and that sewer service can and should be handled by gravity flow, Petitioner shall comply with all applicable City laws and policies related to the adequacy of public facilities in connection with the development of the Property. The Petitioner shall be required to connect to both the City's water distribution and wastewater collection system located near the intersection of Old Solomons Island Road

Comment: Revised Concept Plan to be substituted

Deleted: on

and Neal Street. Where applicable, all work shall be in accordance with the City of Annapolis Standard Specifications and Details. The City, and other applicable agencies, will review and approve all infrastructure for compliance with all applicable requirements.

Deleted:
Deleted: sha

4. Facilities Improvements and Ownership. The Petitioner shall pay and shall be solely and jointly and severally responsible for all costs, including, but not limited to all engineering and construction costs, associated with the construction of internal roadways, curb and gutters, sidewalks, street lighting, storm drain systems and stormwater management facilities, and shall be the owner of all such internal facilities. Stormwater management facilities shall be owned, inspected, maintained, repaired, and replaced by the Petitioner in accordance with City and State requirements. Petitioner shall be solely responsible for paying for all costs, including right-of-way acquisition costs, associated with any capacity increase, alignment change and/or any alignment change to new or existing roadways should said increase be required by the City, County, or State. Where applicable, all work shall be in accordance with City of Annapolis Standard Specifications and Details. The City and other applicable agencies shall review and approve all infrastructure and facilities for compliance with applicable requirements.

Deleted: the payment of

Deleted:
Inserted: of
Deleted:
Deleted: the
Deleted:
Deleted:

5. Street Lights. The Petitioner shall be responsible for the installation of street lighting for the property. All street lights require approval by the City of Annapolis, for style, type and luminosity. If the roadways are to be owned by the City of Annapolis, the street light must be selected from the models offered for lease by BGE, and street lighting maintenance will be by lease arrangement between BGE and the City of Annapolis. If the roadways are to remain private, the petitioner may select lighting from another source provide it is approved by the City of Annapolis for style, type and luminosity. The Petitioner shall pay for all costs associated with street lighting until the release of the maintenance bond and the conveyance and acceptance of the road rights of way by either the Home Owners Association or the City of Annapolis. Additionally, the Petitioner shall prepay, to the City or the Home Owners Association, as appropriate, for an additional one year of energy costs immediately prior to the release of the Maintenance Bond.

Formatted: Bullets and Numbering
Deleted: must be
Deleted: ed,
Inserted: ed, by the City of Annapolis, for style, type and luminosity. If the roadways are to be owned by the City of Annapolis, then the street light must be selected from the models offered for lease by BGE
Deleted: then
Deleted: then
Deleted: the
Deleted:
Deleted: may be
Deleted:
Inserted:
Formatted: Bullets and Numbering
Deleted: the payment of

6. Traffic Signs and Signals. The Petitioner shall solely pay and be jointly and severally responsible for all costs associated with traffic signs and/or signals which may be required in connection with the development of the Property. The City and other applicable agencies shall review and approve all such traffic-related improvements for compliance with applicable requirements.

7. Infrastructure ("Performance") Bond. The Petitioner, in a format to be provided by the City and to the satisfaction of the City, shall jointly and severally bond all infrastructure and facility improvements for the full cost of the improvements so that, in the event that the Petitioner cannot complete the work for any reason, the City will have the financial resources to do so. Once the infrastructure and facilities have been conditionally accepted by the City, and after all requirements of the City and all other applicable agencies have been fulfilled, the bond may, in the City's sole discretion, be reduced to a one-year maintenance bond at a minimum of ten percent (10%) of the full bond. The Petitioner shall jointly and severally

Formatted: Bullets and Numbering
Deleted: has
Deleted: finally
Deleted: the

guarantee all costs of infrastructure improvements which exceed the amount of bond coverage.

Comment: I don't understand what this means

Formatted: Bullets and Numbering

8. Infrastructure Inspection, Maintenance, Repair and Replacement. The City shall not be responsible for infrastructure or facilities operational inspection, maintenance, repair or replacement during construction, including snow removal and solid waste removal (i.e., refuse, yard waste, and recycling collection), water distribution and wastewater collection systems operations and maintenance, pump station operations and maintenance, and road repairs and operation. If the rights-of-way are to be owned by the City, which shall occur in the City's sole discretion, the City's responsibility for inspection, maintenance, repair or replacement of such infrastructure or facilities shall not be activated until the City's final and complete infrastructure inspection and approval, acceptance of deeds or other instruments of conveyance, and final release of maintenance bond. The City shall not be responsible for infrastructure or facilities operational inspection, maintenance repair or replacement during or after construction if the rights-of-way remain private.

Deleted: recycling

Deleted: public

Comment: I am not really happy with this.

Formatted: Bullets and Numbering

9. Natural Features. The City and the Petitioners acknowledge that the Property contains significant steep slopes toward the southern and southeastern property boundaries and the parties further recognize that, due to the slopes' environmental significance to Church Creek, it may not be suitable for buildings and/or utilities to be constructed in these areas. Petitioner shall undertake or cause or allow to be caused minimal disturbance to these features, and shall utilize sediment control measures, approved by the Anne Arundel Soil Conservation District, in the development process, and shall comply with all applicable City and State Critical Areas laws and regulations.

Deleted: superior

10. Binding Effect. The terms, conditions, and provisions of this Plan shall be deemed as covenants running with the Property and shall be binding upon and shall inure to the benefit of the parties hereto, any successor municipal authorities of the City, successor owners of record of the Property, and their respective heirs, personal representatives, successors, grantees, and assigns. It is expressly understood and agreed by the parties that the benefits, rights, duties, and obligations hereunder are conferred and imposed upon the parties only upon and contingent upon the City's annexation of the Property. It is further expressly understood and agreed that the Petitioner may assign its benefits, rights, duties, and obligations hereunder either as part of the conveyance of the Property as an entirety or severally as part of the conveyances of portions of the Property, that any such conveyance or assignment is permissible without the consent of the City, any of its elected official, employees, or agents, that the obligations and responsibilities expressed in this Plan shall be binding upon and applicable to the owner of the Property as may exist from time to time, and that such owner of the Property shall undertake, perform, or otherwise meet each obligation or responsibility when the same may arise. No provision of this Plan shall create any third party beneficiary rights or other rights in any person or entity not a party hereto.

Formatted: Bullets and Numbering

At such time as K. Hovnanian Homes of Maryland ("Hovnanian"), or any of its affiliated entities, acquires title to the Property, Hovnanian (or its affiliated entity, as the case may be) shall be the sole party that the City shall require to perform hereunder. Hovnanian, or the Petitioners, may assign their respective rights arising out of the Property, however, prior to

such assignment, if done prior to the development of the Property contemplated herein, the City must consent to the assignment, which consent shall not be unreasonably withheld.

- 11. Cooperation of Parties. The parties shall take all reasonable actions and do all things reasonably necessary or appropriate to carry out and to expedite the terms and provisions of this Plan and to generally enable the parties' compliance with the terms and provisions of this Plan. Formatted: Bullets and Numbering

- 12. Recordation. This Plan shall be recorded among the Land Records of Anne Arundel County by and at the expense of the Petitioner, following which the Petitioner shall provide the original of the recorded Plan to the City. Formatted: Bullets and Numbering

- 13. Modification of Plan. No portion of this Plan shall be amended, waived, modified, discharged, or terminated except by an instrument in writing signed by all parties hereto or their successors, grantees, or assigns and witnessed and notarized. Formatted: Bullets and Numbering

- 14. Headings. Descriptive headings herein are for convenience only and shall not control or affect the meaning or construction of any provision of this Plan. Formatted: Bullets and Numbering

- 15. Severability. In the event that any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed as if such invalid, illegal, or unenforceable provision had never been herein contained. Formatted: Bullets and Numbering

- 16. Enforceability. This Plan shall be specifically enforceable in any court of competent jurisdiction by any of the parties hereto by any appropriate action or suit at law or in equity to secure the performance of the covenants herein contained. Venue for all actions arising from this Plan shall be the Courts of Anne Arundel County, Maryland. In any such action, the parties waive their right, if any, to trial by jury. Formatted: Bullets and Numbering

IN WITNESS WHEREOF, the parties have executed and sealed this Plan as of the day and year first above written.

SIGNATURE PAGES FOLLOW



City of Annapolis

Department of Neighborhood & Environmental Programs

160 Duke of Gloucester Street
Annapolis, MD 21401-2517

mbroadbent@annapolis.gov 410-263-7946 Fax 410-263-9158 TDD 410-263-7943 • www.annapolis.gov

DATE: September 16, 2011
TO: Jacquelyn Rouse, Planning Administrator, Department of Planning and Zoning
FROM: Maria Broadbent, Director, Neighborhood and Environmental Programs 
RE: Hayes Property

Following are the Department of Neighborhood & Environmental Programs preliminary review comments to the submittal package dated August 2, 2011.

HAVE CONSULTANT TEAM PROVIDE WRITTEN RESPONSE TO THE FOLLOWING COMMENTS ON AN ITEM TO ITEM BASIS:

- A. **Standard Comments - Note: Some comments may not be applicable to your project as it is now proposed.**
- A1. Contractor shall not start any construction work or equipment before 7:00 a.m. and must finish no later than dusk. No outside Sunday work.
 - A2. All damage to City property, Old Solomons Island Road and property of others, during construction shall be total responsibility of owner/developer for replacement and repair costs, NOT CITY.
 - A3. During site work and construction, contractors shall maintain roadways free of mud, dirt, debris, and shall broom clean at the end of each work day as required.
 - A4. Must provide traffic control details related to blocking of any streets or sidewalks, contact engineering at 410-263-7949.
 - A5. Burning and burying of materials on site is prohibited.
 - A6. Record plat will need to be fully executed and recorded prior to any permit issuance.
 - A7. All contractors, subcontractors, electrical, mechanical, gas, plumbing and utility contractors shall be Maryland State Licensed. Gas, electric, utility, and plumbing contractors shall also carry a City of Annapolis license.

To: Jacquelyn M. Rouse
Re: Hayes Property
Page: 2

- A8. All work must meet building codes, fire codes, mechanical/electrical, structural, plumbing and energy codes, chemical pretreatment, Maryland safety glazing laws, disability codes and any and all City ordinances.
- A9. Separate permits will be required for building, street opening, signage, fuel tanks, curb cuts, fencing, and demolition. Do not submit for the building permit until you have received site plan, landscape and related approvals from Planning & Zoning.
- A10. Building permit submittal must consist of the following:
1. Building permit application.

Six complete sets of Architectural, Mechanical, Electrical, Structural, Plumbing, and site plans. All drawings must be signed, sealed and dated.
- A11. Construction drawings must be signed, sealed and dated by a licensed Maryland architect. Structural, mechanical, electrical, gas, plumbing and site drawings must be signed, sealed, and dated by a licensed Maryland engineer.
- A12. All letters of credit or surety bonds (to City format) are required to be submitted to the Department of Public Works in full amount for the entire project, (not in phases) prior to issuance of any permit. Matt Sebastian, Stormwater Management Engineer, 410-263-7949 will determine the final dollar amount required prior to submittal.
- A13. Prior to the release of any surety at completion of construction, the Design Engineer shall provide reproducible certified Mylar AS-BUILTS of stormwater management facilities and public improvements. Also, PRIOR to surety release, the owner shall provide to the City of Annapolis reproducible Mylar drawings showing RECORDED Utility EASEMENTS and RIGHT OF WAY (R.O.W.).
- A14. All landscape drawings are to be reviewed and approved by the Department of Planning & Zoning. A letter of credit or surety bond may be required. Planning & Zoning will establish the dollar value and will administer the surety. Landscape bonds ONLY shall be coordinated with Thomas Smith, Department of Planning & Zoning, 410-263-7961.
- A15. Contact "Miss Utility" at 1-800-257-7777 at least five (5) days in advance of any excavation (if applicable)
- A16. Any re-location to existing power poles, above and underground wiring and utilities, fire hydrants, manholes, inlets, etc., shall be responsibility of owner/developer, NOT CITY. All new power lines, telephone lines and cable TV lines shall be underground. Any issues concerning overhead power lines shall be coordinated with Clint Pratt, 410-263-7946.

To: Jacquelyn M. Rouse
Re: Hayes Property
Page: 3

- A17. Coordinate any proposed transformers, generators and condensers with Clint Pratt, 410-263-7946.
- A18. All existing street lights, fire hydrants, water lines, sewer lines, storm lines, gas lines, meters, cleanouts shall be inspected, evaluated and refurbished as required to meet City Standards and applicable Codes. All sewer and storm lines shall be cleaned out as required and made operational. All costs are the responsibility of the applicant.
- A19. All costs to bring in water and sewer to the building shall be responsibility of others and NOT THE CITY.
- A20. The water meter, vault size and location shall be verified. All costs to upgrade water meters, related piping and appurtenances will be the responsibility of others and **not** the City. Coordinate connection fees with John Quigley, 410-263-7946. Coordinate meter, vault size and pressure with Public Works Utilities at 410-263-7967.
- A21. Fire hydrant location to meet City Standards. Coordinate with Mike Bunker at 410-263-7970. The amount of fire hydrants shall be determined by Chief Stokes at the Fire Department, 410-263-7975.
- A22. Where scheduled, all blow-offs shall be installed as fire hydrants. Coordinate with Mike Bunker, 410-263-7967.
- A23. Building drain and sanitary sewer piping below grade shall be cast iron bell and spigot service weight or greater, cast iron pipe with long term fittings (minimum service weight) or PVC schedule 40 pressure pipe with long term fittings (no cellular core piping). Water service piping below grade shall be ductile iron Class 52 for 4" or greater and copper "L" tubing for 3" and below. For stormwater piping, contact Matt Sebastian at 410-263-7949.
- A24. Show sizes and types of material for sanitary sewer piping and water lines.
- A25. Provide and show all sewer lateral and cleanouts. Cleanouts located in traffic areas shall have traffic bearing covers. Provide clean-out at property line.
- A26. Verify "sewer capacity" to serve the proposed building. Any sewer upgrading that may be required offsite shall be the responsibility of the owner, NOT CITY. Coordinate with Sam Brice, 410-263-7949.
- A27. Verify "water capacity" and pressure to serve the proposed building. Any water line upgrading that may be required offsite shall be the responsibility of the owner, NOT CITY. Booster pumps are NOT recommended. If for some reason they need to be installed, then the pumps are the responsibility of others, NOT CITY, for all repair, maintenance and replacement. Coordinate with Sam Brice, 410-263-7949.

To: Jacquelyn M. Rouse
Re: Hayes Property
Page: 4

- A28. If there any existing wells or septic systems on site, they must be abandoned per Anne Arundel County Health Department standards.
- A29. Clarify any existing utility easements and rights of ways.
- A30. No building construction may encroach upon any utility or landscape easements, any City, State and County Rights-of-Way, or the property of others.
- A31. Clarify any requirements for new above or below ground fuel tanks and removal of existing tanks with Steve Andrews, 410-263-7970. Provide certification from any Maryland Geo-Technical Engineer that on-site tests were made, and that there is no evidence of any existing fuel tank leakage or any underground/above ground soil contamination. Also, verify "fill" conditions or abandoned dumps. Complete and return site characterization checklist.
- A32. Provide handicap ramps at all roadway intersections at sidewalks and at all handicap parking spaces. Building shall be required to meet American's Disability Act (ADA) requirements for public and private use.
- A33. Assure that all curbs, gutters, roadway and sidewalk details meet City standards. Coordinate with Engineering & Construction, 410-263-7949.
- A34. All roadway and driveway entrances into project site and all curbs and gutters shall meet City standards. Show detail between new paving and existing paving. Coordinate with Rodger McAlister, 410-263-7949.
- A35. All sidewalks within entire project site and along all the roadways shall be responsibility of owners, NOT CITY, for repair/replacement and maintenance costs, including snow and ice removal.
- A36. If applicable, parking spaces for disabled shall be located at building entrance. Provide signs, curb ramps, logos, etc. The side-by-side spaces shall be minimum 8' wide, plus 5' access aisle, plus 8' wide. Single spaces shall be minimum 13' wide. Provide parking spaces for disabled at any elevator (if applicable).
- A37. Provide and show development roadway lights with engineered photometric analysis. Lights shall be black fiberglass 14' tall. Post top shall be of colonial or traditionaire style with 150 watt sodium vapor. Coordinate with DPW Engineering at 410-263-7949.
- A38. Coordinate any street signs, stop signs, etc. with Roger McAlister at Engineering & Construction, 410-263-7949. If required, they are to be furnished and installed by owner and meet City standards.

To: Jacquelyn M. Rouse
Re: Hayes Property
Page: 5

- A39. Stormwater Management comments by Matt Sebastian, 410-263-7949 to follow as drawings develop. Coordinate any requirements for a stormwater management maintenance agreement. Do not discharge stormwater onto abutting neighbor's properties. If there are any wet stormwater management ponds proposed for this site, they must be enclosed by a minimum 4' reinforced high fence with a locking gate. The pond and any stormwater management related appurtenances above and below ground, fencing and gate, shall be owned and maintained (including grass cutting) by the owners, NOT CITY. If there will be any wet stormwater management ponds or sediment traps during construction (even on a temporary basis), they shall be enclosed by a minimum 4' high fence (reinforced) similar to a snow fence or chain link. Provide signage to read: DANGER KEEP OUT on fence.
- A40. Do not discharge the rain leaders onto entrance sidewalks used by the public or at entrance doors. If applicable, discharge under the walks to face of curb. Show on drawings.
- A41. Each building shall have an address number that is visible from the fronting street. Lettering (numbers) shall not be less than 6 inches tall for commercial structures. All numbers shall be installed PRIOR TO FINAL BUILDING INSPECTION. Comply with Code Section 17.12.055. Street names and house numbers shall be coordinated with Shawn Wampler, 410-263-7945.
- A42. All tree conservation issues must be coordinated with Jan van Zutphen at 410-263-7946 and comply with State Forest Conservation Act. In addition, comply with any wildlife preservation requirements.
- A43. All trees, landscaping and green areas for the entire site, including any planting along all the roadways, sidewalks or landscape buffers shall be the responsibility of the owners, NOT CITY. There shall be no landscaping at any intersection that impacts vehicle sight visibility.
- A44. Critical areas review will be necessary within the 1000 foot Critical Area Boundary. Confirm on site plan and with Cynthia Gudenius of Planning and Zoning at 410-263-7961.
- A45. Any open space, critical area buffers, landscape buffers, conservation easements, access easements, stormwater management devices above and below ground, etc., shall be clearly delineated on the record plat and site plans indicating actual ownership, Maintenance responsibilities, level of any encroachment such as fences, sheds, etc. All ownership and maintenance shall be responsibility of others, NOT CITY.
- A46. Any fencing proposed shall be shown. This requires a separate permit and abutting owners sign-off if over 4' high. Barbed wire or similar materials are prohibited.
- A47. Comments to follow (if any) from Utilities Mike Bunker and PWS Bob Couchenour, 410-263-7967 and/or Fire Department.

To: Jacquelyn M. Rouse
Re: Hayes Property
Page: 6

B. Building and Construction Comments. There are no construction drawings submitted. The following are general comments. Specific comments will follow after review by the Plans Reviewer, Barbara Norman.

- B1. All construction must meet the International Building Code 2009 Edition, Green Building Standards Annapolis City Code 17.14, International Mechanical Code 2009 Edition, National Electrical Code 2008 Edition (NFPA 70), National Standard Plumbing Code Illustrated 2009 Edition, and International Fuel Gas Code 2009 Edition.
- B2. Provide grab bars at all water closets, tubs and showers and shall comply with ADA regulations for accessibility.
- B3. Provide gong alarms, flashing signals, etc., to comply with ADA laws, including the sight and hearing impaired.
- B4. Provide hardwired interconnected smoke detectors, all levels by code.
- B5. All sidewalks, handrails, base paving and roadway lights shall be installed prior to occupancy.
- B6. All toilet rooms, dryers and fuel fired appliances shall be exhausted to outside, NOT ATTIC.
- B7. If required, sprinklers will be at all levels and spaces, including appropriate water meter and back-flow preventer. Provide alarm gongs sounding upon water flow.
- B8. The mechanical systems shall be designed or evaluated for proper ventilated air to comply with 2009 International Mechanical Code for its intended use. All fuel fired appliance shall have combustion air and venting. Will there be any fuel fired appliances in the attic?
- B9. Sound testing will be required at the project completion for all exterior mounted generators and HVAC equipment to assure compliance with State requirements.
- B10. Provide and show minimum 15' wide easements for water, sewer mains and fire hydrants to be deeded over to the City. The stormwater management system shall be the responsibility of the owners.
- B11. Show location of installed water meters inside the sidewalks in front of building. Provide a back-flow preventer on the domestic water service at the meter yoke. Contact Mike Bunker for any questions at 410-263-7967. A backwater valve may be required. Coordinate with John Quigley at 410-263-7946. All costs associated with bringing water and sewer to the building is at the expense of the developers, not the city.

To: Jacquelyn M. Rouse
Re: Hayes Property
Page: 7

B12. Industrial Pretreatment may be required. Contact Jeanna Beard at 410-263-7946 for conditions and specifications.

C. Capital Facility Charges and Water and Sewer Connection Charges. Paid prior to the issuance of permit.

A. Capital Facility Assessment.

1. Water: \$900 x 1 units = \$900
2. Sewer: \$1,800 x 1 units = \$1,800

B. Connection Charge for building (one time charge).

1. Water: Based on 2" = \$4,100 per connection
2. Sewer: Based 6 " or less = \$2,800 per connection

A. Sewer backwater valve will be required. Please contact the Plumbing Inspector John Quigley at 410-263-7946

3. Sprinkler line = \$110 per inch. Backflow preventer will be required.

C. Annual assessment charge:

1. Water at \$50 per unit per year = \$100
2. Sewer at \$50 per unit per year = \$100

D. Contacts:

Acting Chief Code Official		
& Plumbing Inspector:	John Quigley	410-263-7946
Electrical Inspector:	Clint Pratt	410-263-7946
Pretreatment Inspector:	Jeanna Beard	410-263-7946
Mechanical Inspector:	Joe Krasnodemski	410-263-7946
Tanks:	Steve Andrews	410-263-7946
Stormwater Management Engineer:	Matt Sebastian	410-263-7949
Paving, curb, gutter, sidewalk, some utilities and all sidewalk and road blocking permits, Public Works Inspector:	Roger McAlister	410-263-7949
Environmental/Trees:	Jan van Zutphen	410-263-7946
Public Works Utilities:	Mike Bunker	410-263-7970
Public Works Services:	Bob Couchenour	410-263-7967
Fire Marshal's Office:	Captain Bowes	410-263-7975
Critical Areas:	Cynthia Gudenius	410-263-7946

MTB:lmf

Department OF Neighborhood and Environmental Programs Comments

Project must comply with Green Building Standards, City Code 17.14; minimize cut and fill on wooded slopes; include landscape buffers between new and existing development.

The Forest Conservation Act applies to this project.

A dense vegetative buffer needs to be created between the proposed houses and the adjacent residential properties.

I would recommend not building on the slope and keep the existing vegetation.



City of Annapolis
Department of Neighborhood & Environmental Programs
160 Duke of Gloucester Street
Annapolis, MD 21401-2517

DNEP@annapolis.gov • 410-263-7946 • Fax 410-263-9158 • TDD use MD Relay or 711 • www.annapolis.gov

August 16, 2011

To: Jacquelyn M. Rouse, Planning Administrator

From: Robert W. Savidge, Environmental Compliance Inspector

Re: Hayes Property

My comments on the Hayes Property annexation request are as follows:

1. The City has a goal to achieve a 50% forest canopy cover by 2030. All efforts should be made to preserve the existing tree canopy and to expand the total canopy. There are some very large canopy trees on the eastern side of the site at the top of the steep slope that should be preserved. One solution is to leave the trees, clear out the trash and invasive species, and make the area into a community park or open space area.
2. The coastal plain outfall (regenerative stormwater system) is a great addition; however, its impact should be kept out of the wetlands. In addition, explore ways of using a larger infiltration wetland at the top of the coastal plain outfall so that you can reduce the size and impact of the step pools on the steep slope.
3. Consider setting aside some of the existing land for use by the community. Some ideas might include general open space, a community center, a community garden/agriculture plot utilizing existing agricultural land (this could be leased out to residents or neighbors), a community park, a pool, or some other type of community asset.
4. It is recommended that you seek feedback from the surrounding community to determine what type of development they would prefer to take place on this piece of property.
5. Due to the large trees on the eastern side of the site, and to avoid the significant grading that would be required to install a retaining wall in the rear of these homes, I recommend removing homes C38 through C47 to allow space for a community park/open space. This would also serve to reduce the amount of stormwater runoff leaving the site. See environmental policy 2.1 in the Comprehensive Plan.
6. It is recommended that development be concentrated on the open fields rather than the forested areas.
7. It is recommended that the community be held responsible for managing invasive species that may take root at the forest edge along side the coastal plain outfall.
8. It is recommended that an invasive species management plan be submitted and implemented on the remaining surrounding forests (100' of the forested buffer) before the project is completed, per environmental policy 2.4 in the Comprehensive Plan.
9. A portion of the open space on the property should be turned over to the Annapolis Conservancy Board in the form of conservation easements, to be managed by the home owners association. All easements should be contiguous with existing forest stands and not fragmented.
10. Consider using permeable pavers or "grass pave" for any driveways and visitor/overflow parking spaces.



ANNAPOLIS FIRE DEPARTMENT
Fire Marshal's Office

*1790 FOREST DRIVE
ANNAPOLIS, MARYLAND 21401*



410-263-7975

FAX: 410-268-1846

October 11, 2011

To: Jacquelyn Rouse

From: B/C John Menassa

Subj: Hayes Annexation Project

The proposed buildings at the Hayes annexation project include single family homes in a town home configuration. These residential structures are required to have a fire sprinkler system installed during construction by city code section 17.12.010.

The adequate facilities section of the city code, 22.12.030 gives an exemption to proposed projects that include a sprinkler system.

The Hayes annexation project is deemed to have adequate facilities.

POLICE DEPARTMENT



199 TAYLOR AVENUE
ANNAPOLIS, MARYLAND 21401

To: Jacquelyn Rouse
Planning Administrator

From: Michael M. Pristoop
Chief of Police

Date: August 9, 2011

Subject: Annexation into the City of Annapolis 7.66 acres known as the Hayes Property

Adequate Public Facilities Review

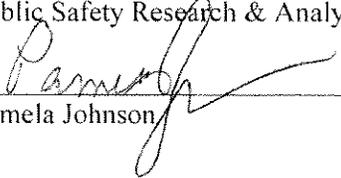
With respect to the above captioned matter, staff reviewed the proposal and made the following observations: There are no additional comments of conditions we would impose from a law enforcement perspective, with respect to this request under the APFO.

Staff reviewed the population in the immediate area and citywide to determine if our current staffing was adequate to provide police protection to this project. Based on our ratio of officers to the population we fall within acceptable range for staffing.

We are satisfied that response times to calls for service will fall into the acceptable range. There would be no significant increase in the population in and around the area, any increase would be transient, which should not adversely impact response times. The proposal is not anticipated to impact traffic congestion in the public streets.

Based on the above criteria, it was determined that staffing is adequate, police response times would reasonably fall into the norm for response times.

Public Safety Research & Analysis:



Pamela Johnson

Approved by:



Michael M. Pristoop
Chief of Police



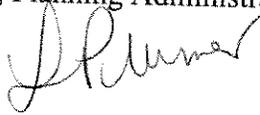
annapolis

recreation & parks

Healthy Living Starts Here.

LeeAnn Plumer, CPRP
Recreation and Parks Director

410-263-7958 Phone
410-626-9731 Fax

TO: Jacquelyn Rouse, Planning Administrator
FROM: LeeAnn Plumer 
DATE: August 15, 2011
RE: Annexation / APF Review for Hayes Property

The Department of Recreation and Parks has no comments pertaining to the annexation request of the Hayes Property.

With respect to the proposed development of this parcel, the multi-family units would require adequate public recreational facilities and open space for the 47 units. In accordance with Chapter 22, Section 06.020 of the Adequate Public Facilities ordinance pertaining to recreation and open space, the development would require a minimum of 23,700 sq feet of dedicated recreation or open space. No dedicated recreation amenities or open space is currently shown on the proposed drawings dated June 9, 2011. In lieu of this land requirement, a fee may be assessed in the amount of \$11,750 to support these additional multi-family units.

When more detailed site plans are submitted for further review, the Department of Recreation Parks would be interested in a second analysis to determine if these requirements have been met.



ANNE
ARUNDEL
COUNTY

M A R Y L A N D
County Executive John R. Leopold

2664 RIVA ROAD, P.O. BOX 6675
ANNAPOLIS, MARYLAND 21401
OFFICE OF PLANNING AND ZONING

September 19, 2011

Ms. Jacquelyn Rouse
Planning Administrator
City of Annapolis
Department of Planning and Zoning
145 Gorman Street, 3rd Floor
Annapolis, MD 21401

RE: Dee Property Annexation

Dear Ms. Rouse:

Thank you for the opportunity to comment on the annexation request made to the City of Annapolis by the owners of the Hayes Property, located near Neal Street and Dorsey Drive.

While the City of Annapolis' 2009 Comprehensive Plan designates this property as part of the City's Municipal Growth Boundary, Anne Arundel County is opposed to this annexation. In these economic times, all governmental jurisdictions are striving to maintain its revenue sources. This annexation jeopardizes that by removing nearly eight acres from the Anne Arundel tax base. For this reason, we are opposed to this annexation request.

Please feel free to contact me if you would like to discuss this further.

Sincerely,

A handwritten signature in cursive script that reads "Larry R. Tom".

Larry R. Tom
Planning and Zoning Officer



M A R Y L A N D

County Executive John R. Leopold

Department of Health
J. Howard Beard Health Services Building
3 Harry S. Truman Parkway
Annapolis, MD 21401
Phone 410-222-7193 Fax 410-222-7479
Maryland Relay (TTY users): 1-800-735-2258
www.aahealth.org

Douglas L. Hart
Acting Health Officer

MEMORANDUM

TO: Jacquelyn M. Rouse, Planning Administrator
City of Annapolis Department of Planning and Zoning

THRU: Kerry Topovski, Director *KT.*
Bureau of Environmental Health

FROM: Douglas L. Hart, Acting Health Officer *DH*
Anne Arundel County Department of Health

DATE: August 18, 2011

RE: Hayes Property, Annexation to City of Annapolis

This office has reviewed the annexation request for the referenced property. The subject property will be served by public water and public sewer. The Department of Health has no objection to the annexation request to the City of Annapolis. If you have questions, please contact Bill Deck Sanitary Engineering Program Manager at 410-222-7359.



Maryland Department of Planning

Martin O'Malley
Governor
Anthony G. Brown
Lt. Governor

Richard Eberhart Hall
Secretary
Matthew J. Power
Deputy Secretary

September 6, 2011

Jacquelyn M. Rouse, Planner
Annapolis Dept of Planning and Zoning
145 Gorman Street
Annapolis, MD 21401

Subject: Hayes Annexation

Dear Ms. Rouse: *Jacquelyn*

Thank you for providing the Maryland Department of Planning with information pertaining to the Hayes annexation. We reviewed this information from a state perspective and offer the following comments for your consideration.

Land annexed into the City does not automatically become a PFA, however the Finance and Procurement Article §5-7B-02 offers the opportunity for annexed land to become a Priority Funding Area. We recommend that the City look at this annexation and all future annexations in the context of the Finance and Procurement Article §5-7B-02 to determine eligibility for State funding of growth related projects.

As you are aware, Article 23A specifies that the new zoning for the annexed land cannot be substantially different from the land use recommended for the property in the County Comprehensive Plan, without the express consent of the County Commissioners. Therefore, we recommend that the City coordinate with the County Commissioners to determine if a waiver will be necessary.

Enclosed you will find important information concerning post annexation notification and participation in the census bureau's Boundary and Annexation Survey. Annapolis should follow the appropriate procedures so that the annexed property is legally established as part of the City.

In you have any questions or if we can be of further assistance, please contact me at (410) 767-4553, or our regional planner, Michael Paone, at (410) 767-4554.

Sincerely,

Peter Conrad
Director, Local Government Assistance

Enclosure
cc: Michael Paone, MDP



City of Annapolis
DEPARTMENT OF PLANNING AND ZONING

145 Gorman Street, 3rd Floor, Annapolis, Maryland 21401

Chartered 1708 Annapolis 410-263-7961 • FAX 410-263-1129 • MD Relay (711)

JON ARASON, AICP
DIRECTOR

MEMORANDUM

TO: Jacquelyn Rouse, AICP, Planning Administrator

FROM: Virginia Burke, AICP, Chief of Comprehensive Planning
Sally Nash, AICP, Senior Planner

RE: Hayes Property Annexation Request—Compliance with the Comprehensive Plan

DATE: August 23, 2011

Thank you for the opportunity to review the Hayes Property Annexation Request for compliance with the 2009 *Annapolis Comprehensive Plan*. The parcels that make up the “Hayes Property” are referred to here as “the property.”

Land Use: The property is designated “Residential” on the City’s Proposed Land Use Map and is located adjacent to the Outer West Street Opportunity Area. The purpose of the opportunity area designation is to encourage intensification of development and transformation to a more urban character in the event of redevelopment opportunities. Located adjacent to the opportunity area, the property should contribute to the successful transformation of the opportunity area as it redevelops over time. The applicant has requested R3 and R1B zoning and is proposing a multi-family residential project on the site. The land use proposed for the property is therefore consistent with the Comprehensive Plan.

Transportation: The development of this property should accommodate two transportation principles to the greatest extent possible. First, sidewalks should be constructed as a component of site development, acknowledging that walkways are an important part of the transportation mix. Second, the property should not be developed as an enclosed “pod”, but if possible should connect to adjacent streets, Dorsey Road in particular, to provide some measure of redundancy.

Municipal Growth: The 7.34 acre Hayes Property is located inside the 90-acre “Growth Area A.” The growth area is identified in the Comprehensive Plan as suitable for the expansion of municipal boundaries. Annexation of this property is therefore consistent with the *Annapolis Comprehensive Plan*, specifically policy 1.1 of the Municipal Growth Chapter:

The City will plan for the annexation of the two “Growth Areas” that are specifically recommended in this Chapter, subject to appropriate annexation procedures. The two growth areas are part of Annapolis’ planned Opportunity Areas. The planned annexations promote this Plan’s development goals and contribute to rationalizing the

city-county boundary.

The development proposal associated with the annexation of the property anticipates constructing 47 townhouses. The entirety of Growth Area "A" is projected to absorb up to 270 residential units and 100,000 s.f. of commercial development, well above what is projected for this property. Since the projection was completed in 2009, one other annexation was proposed within this growth area (the Dee Property), which would incorporate 36,770 s.f. of existing commercial space into the City. To date, the Dee Property annexation has not been approved.

Water Resources: The City has sufficient capacity in its water and wastewater systems to absorb the new demand for water and sewer service that this annexation will bring. The Department of Public Works review will provide the more detailed look at this topic.



City of Annapolis
DEPARTMENT OF PLANNING AND ZONING

145 Gorman Street, 3rd Floor, Annapolis, Maryland 21401
Annapolis 410-263-7961 • FAX 410-263-1129 • TDD 410-263-7943

JON ARASON, AICP
DIRECTOR

November 23, 2011

To: Planning Commission

From: Jon L. Arason, AICP
Planning and Zoning Director

Re: Addendum to Staff Report: Hayes Property Annexation
File No. ANX2011-001

SUMMARY

At the November 17, 2011 Planning Commission public hearing on the Hayes Property annexation, staff presented a revised recommendation for an alternative concept plan and amendments to the Annexation Plan (R-45-11) as well as to the zoning designation (O-38-11) These amendments would allow R4, General Residence District zoning of the portion of the property for which R3 zoning had been requested with the following additional restrictions:

- maximum lot coverage of 45% for structures and parking;
- maximum height of 55 feet if all setbacks are increased by one foot for each foot of height in excess of 40 feet;
- maximum number of 158 dwelling units for the R4 portion of the site.
- a conservation easement on the portion of the site with steep slopes with only the stormwater outfall, existing utilities and passive recreation uses, such as a walking path, allowed.

These recommendations were in addition to the revisions to R-45-11 recommended in the staff report and requested by the Department of Public Works.

Planning Commission requested that staff incorporate all of the above-referenced recommendations into a revised R-45-11 including a revised concept plan. Attached are both an edited version of R-45-11 showing all the recommended revisions in Track Changes format and a version with Changes Accepted.

Report Prepared by

Jacquelyn M. Rouse
Jacquelyn M. Rouse, AICP
Planning Administrator

**CITY COUNCIL OF THE
City of Annapolis**

**Resolution No. R-45-11
PLANNING COMMISSION REVISIONS**

Introduced by: Mayor Cohen and Alderwoman Hoyle

LEGISLATIVE HISTORY			
First Reading 7/25/11	Public Hearing	Fiscal Impact Note	180 Day Rule N/A
Referred to Rules and City Gov't Planning Commission	Referral Date 7/25/11 7/25/11	Meeting Date	Action Taken Travels with O-38-11 and R-47-11

A RESOLUTION concerning

Annexation Plan – Hayes Property

FOR the purpose of adopting an annexation plan for the Hayes Property, which property is contiguous to the existing boundary of the City and which property is generally located south of the City's jurisdictional boundary and to the east of Old Solomons Island Road and Dorsey Drive.

WHEREAS, on January 14, 2011, **James J. Blackwell, Roxanne Winn, and Buckley W. Hayes (collectively, "Petitioners")** submitted a Petition for Annexation to the City of Annapolis for 7.374 acres of property known as the Hayes Property, which Petition for Annexation shall be addressed by the City Council in a Resolution forthcoming after the Annexation Plan is ratified; and

WHEREAS, the Petitioners proposed that the Hayes Property be zoned upon annexation within the **R4-** General Residence District and within the **R1-B – Single-Family Residence District**, which zoning shall be addressed by the City Council in an Ordinance forthcoming after the Annexation Plan is ratified; and

WHEREAS, as required by § 19 (o) of Article 23A of the Annotated Code of Maryland, an annexation plan shall be adopted by the City Council in connection with the annexation of the Hayes Property; and

WHEREAS, pursuant to the authority pursuant to the authority contained in Article 23A of the Annotated Code of Maryland, Sections 19(b) and (n), the property owners and the city Council have agreed that the following conditions and circumstances will apply to the annexation proceedings and to the Annexation Plan

1
2 **WHEREAS,** on _____, 2011, the City Council conducted a public hearing on the proposed
3 annexation of the Hayes Property, at which time the annexation plan was open to
4 public review and discussion, which annexation plan had been provided to Anne
5 Arundel County and to the Maryland Department of Planning at least thirty (30)
6 days prior to the public hearing; and
7

8 **WHEREAS,** having considered the proposed annexation, the proposed zoning, the testimony
9 and evidence presented thereon, the reports and recommendations of the
10 Planning Commission and the Department of Planning and Zoning, and the
11 information and opinions provided by other persons, departments, and agencies,
12 having weighed the information, and having completed and finalized the
13 annexation plan so as to appropriately plan for the incorporation into and the
14 potential development of the Hayes Property within the City, the Council now
15 adopts an annexation plan for the Hayes Property; and
16

17 **WHEREAS,** the obligations of the parties hereto set forth herein are contingent upon the
18 adoption of an Annexation Resolution R-47-11 and shall be void in the
19 event the City Council fails to effect such annexation or such annexation is
20 invalidated by referendum or otherwise.
21

22
23 NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL that the
24 Annexation Plan for the Hayes Property attached hereto be, and it is hereby, adopted.
25

26 AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL that this Resolution
27 shall take effect on the date of adoption, and that all parties to the Annexation Plan shall
28 cooperatively endeavor to ratify the Annexation Plan in as prompt a manner as is possible.
29

30 ADOPTED this _____ day of _____, 2011.
31

32
ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

EXPLANATION:

Highlighting indicates matter added to existing law.
Strikeout indicates matter deleted from existing law.
Underlining indicates amendments.

ANNEXATION PLAN

THIS ANNEXATION PLAN (the "Plan") is made this _____ day of _____, 2011, by and between THE CITY OF ANNAPOLIS, MARYLAND, a municipal corporation of the State of Maryland (the "City"), and **JAMES J. BLACKWELL, ROXANNE WINN, and BUCKLEY W. HAYES (collectively, "Petitioners")**.

Recitals

- A. WHEREAS, on January 14, 2011, the Petitioners filed with the City a Petition for Annexation (the "Petition"), which Petition the Office of the City Clerk determined to have satisfied all laws and regulations pertaining to the preparation, execution, notification, and filing thereof codified within the Code of the City of Annapolis (the "City Code") and within the Annotated Code of Maryland (the "State Code");
- B. WHEREAS, the properties proposed for annexation in the Petition are fully and accurately identified in the Petition and its supporting exhibits, are contiguous to and adjoin the existing corporate boundary of the City, collectively contain 7.374 acres, more or less, and are known as the Hayes Property (the "Property");
- C. **WHEREAS, as described in detail in the Petition, the owners of the various parcels comprising the Property are James J. Blackwell, Roxanne Winn, and Buckley W. Hayes and are collectively referred to herein in the singular as "Petitioner".**
- D. **WHEREAS, in accordance with § 19 (o) of Article 23A of the State Code, which requires that an annexation plan shall be adopted by the City Council of the City of Annapolis (the "Council") in connection with the annexation of the Property, this annexation plan was prepared and was open to public review and discussion at the Council's public hearing and had been provided to Anne Arundel County and to the Maryland Department of Planning at least thirty (30) days prior to the Council's public hearing;**
- E. WHEREAS, the Property was included within Growth Area "A" in the 2009 Annapolis Comprehensive Plan, which designated the area as eligible for annexation and appropriate for establishing a logical boundary for the City's jurisdictional limits; and
- F. WHEREAS, the City and the Petitioners desire to appropriately plan for the incorporation into and the potential development of the Property within the City of Annapolis; and
- G. WHEREAS, the City and the Petitioners voluntarily enter into this Plan to ensure such circumstances and to fulfill the requirements of § 19 (o) of Article 23A of the State Code, and the parties hereto covenant that they have the full right, power, and authority to enter into, carry out, perform, and execute this Plan.

NOW, THEREFORE, in consideration of the mutual interests, covenants, promises, agreements, and undertakings set forth herein, including the preceding Recitals, the accuracy

and sufficiency of which is expressly acknowledged, the City and the Petitioners mutually agree as follows:

1. Conceptual Plan of Development. The City and the Petitioner contemplate that development of the Property shall generally take the form illustrated on the conceptual site plan identified as "Conceptual Site Plan", prepared by Bay Engineering, Inc., dated **November, 2011** and attached hereto as Exhibit "A". The City and the Petitioner acknowledge that changes to this layout may be made as part of the application, approval, and permitting processes. The City and the Petitioner further acknowledge that, in accordance with § 9 (c) (1) of Article 23A of the State Code, for a period of five years following the annexation of the Property, the City may not permit development of the Property for land uses substantially different than the use authorized, or at a substantially higher, not to exceed 50%, density than could be granted for the proposed development, in accordance with the zoning classification of Anne Arundel County applicable at the time of the annexation without the express approval of Anne Arundel County.

2. Conservation Easement. The Conceptual Site Plan includes a Conservation Easement for all areas of the site that are in steep slopes. The demarcation of the upper boundary of the Conservation Easement is approximate and shall be adjusted during the development review process to include all areas of the site with steep slopes. Within the Conservation Easement, the only uses that shall be allowed are passive recreation uses, such as a walking path, existing utilities and a stormwater outfall.

3. Developable Area. A Developable Area of the Site is identified on the Conceptual Site Plan. Development is subject to the following restrictions:

- a. The maximum number of dwelling units shall not exceed 159.
- b. The maximum lot coverage shall be 45% for structures and parking.
- c. The maximum height shall be 55 feet if all setbacks are increased by one foot for each foot of height in excess of 40 feet.
- d. Access to the site shall be from the existing easement at the intersection of Dorsey Drive and Old Solomons Island Road and the existing row Neal Street.

4. Provision of Public Services. The City shall not be obligated to provide public services, including, but not limited to, street maintenance, snow removal, solid waste removal (refuse, yard waste recycling, recycling), to the Property unless the Property is properly permitted for and developed with a public roadway for which the City has accepted a fee simple deed for the right-of-way ownership, and the City shall not be obligated to provide such public services on any existing or subsequently developed private rights-of-way, easements, and/or driveways.

5. Infrastructure Fees and Facilities. The Petitioner shall be solely and jointly and severally responsible for all costs, including but not limited to all engineering and construction costs, associated with the extension of utility mains, the water distribution system, the wastewater collection system, wastewater pumping stations, water booster stations, tap fees, connection charges, capital facility fees, capital assessment charges, and construction inspection fees. The parties acknowledge that, while preliminary studies indicate that water and sewer facilities will be adequate for development of the Property and that sewer service can and should be handled by gravity flow, Petitioner shall comply with all applicable City laws and policies related to the adequacy of public facilities in connection with the development of the Property. The Petitioner shall be required to connect to both the City's water distribution and wastewater collection system located near the intersection of Old Solomons Island Road and Neal Street.

Where applicable, all work shall be in accordance with the City of Annapolis Standard Specifications and Details. The City, and other applicable agencies, will review and approve all infrastructure for compliance with all applicable requirements.

6. Facilities Improvements and Ownership. The Petitioner shall pay and shall be solely and jointly and severally responsible for all costs, including, but not limited to all engineering and construction costs, associated with the construction of internal roadways, curb and gutters, sidewalks, street lighting, storm drain systems and stormwater management facilities, and shall be the owner of all such internal facilities. Stormwater management facilities shall be owned, inspected, maintained, repaired, and replaced by the Petitioner in accordance with City and State requirements. Petitioner shall be solely responsible for paying for all costs, including right-of-way acquisition costs, associated with any capacity increase, alignment change and/or any alignment change to new or existing roadways should said increase be required by the City, County, or State. Where applicable, all work shall be in accordance with City of Annapolis Standard Specifications and Details. The City and other applicable agencies shall review and approve all infrastructure and facilities for compliance with applicable requirements.

7. Street Lights. The Petitioner shall be responsible for the installation of street lighting for the property. All street lights require approval by the City of Annapolis, for style, type and luminosity. If the roadways are to be owned by the City of Annapolis, the street light must be selected from the models offered for lease by BGE, and street lighting maintenance will be by lease arrangement between BGE and the City of Annapolis. If the roadways are to remain private, the petitioner may select lighting from another source provide it is approved by the City of Annapolis for style, type and luminosity. The Petitioner shall pay for all costs associated with street lighting until the release of the maintenance bond and the conveyance and acceptance of the road rights of way by either the Home Owners Association or the City of Annapolis. Additionally, the Petitioner shall prepay, to the City or the Home Owners Association, as appropriate, for an additional one year of energy costs immediately prior to the release of the Maintenance Bond.

8. Traffic Signs and Signals. The Petitioner shall solely pay and be jointly and severally responsible for all costs associated with traffic signs and/or signals which may be required in connection with the development of the Property. The City and other applicable agencies shall review and approve all such traffic-related improvements for compliance with applicable requirements. Access to the site shall be as noted on the Conceptual Site Plan.

9. Infrastructure ("Performance") Bond. The Petitioner, in a format to be provided by the City and to the satisfaction of the City, shall jointly and severally bond all infrastructure and facility improvements for the full cost of the improvements so that, in the event that the Petitioner cannot complete the work for any reason, the City will have the financial resources to do so. Once the infrastructure and facilities have been conditionally accepted by the City, and after all requirements of the City and all other applicable agencies have been fulfilled, the bond may, in the City's sole discretion, be reduced to a one-year maintenance bond at a minimum of ten percent (10%) of the full bond. The Petitioner shall jointly and severally guarantee all costs of infrastructure improvements which exceed the amount of bond coverage.

10. Infrastructure Inspection, Maintenance, Repair and Replacement. The City shall not be responsible for infrastructure or facilities operational inspection, maintenance, repair or replacement during construction, including snow removal and solid waste removal (i.e., refuse, yard waste, and recycling collection), water distribution and wastewater collection systems operations and maintenance, pump station operations and maintenance, and road repairs and operation. If the rights-of-way are to be owned by the City, which shall occur in the City's sole discretion, the City's responsibility for inspection, maintenance, repair or replacement of such infrastructure or facilities shall not be activated until the City's final and complete infrastructure inspection and approval, acceptance of deeds or other instruments of conveyance, and final release of maintenance bond. The City shall not be responsible for infrastructure or facilities operational inspection, maintenance repair or replacement during or after construction if the rights-of-way remain private.

11. Natural Features. The City and the Petitioners acknowledge that the Property contains significant steep slopes toward the southern and southeastern property boundaries and the parties further recognize that, due to the slopes' environmental significance to Church Creek, it may not be suitable for buildings and/or utilities to be constructed in these areas. This area of the site shall be placed in a Conservation Easement as delineated on the Concept Plan and subject to the restrictions shown on the Concept Plan.

Petitioner shall undertake or cause or allow to be caused minimal disturbance to these features, and shall utilize sediment control measures, approved by the Anne Arundel Soil Conservation District, in the development process, and shall comply with all applicable City and State Critical Areas laws and regulations.

13. Binding Effect. The terms, conditions, and provisions of this Plan shall be deemed as covenants running with the Property and shall be binding upon and shall inure to the benefit of the parties hereto, any successor municipal authorities of the City, successor owners of record of the Property, and their respective heirs, personal representatives, successors, grantees, and assigns. It is expressly understood and agreed by the parties that the benefits, rights, duties, and obligations hereunder are conferred and imposed upon the parties only upon and contingent upon the City's annexation of the Property. It is further expressly understood and agreed that the Petitioner may assign its benefits, rights, duties, and obligations hereunder either as part of the conveyance of the Property as an entirety or severally as part of the conveyances of portions of the Property, that any such conveyance or assignment is permissible without the consent of the City, any of its elected official, employees, or agents, that the obligations and responsibilities expressed in this Plan shall be binding upon and applicable to the owner of the Property as may exist from time to time, and that such owner of the Property shall undertake, perform, or otherwise meet each obligation or responsibility when the same may arise. No provision of this Plan shall create any third party beneficiary rights or other rights in any person or entity not a party hereto.

13. Cooperation of Parties. The parties shall take all reasonable actions and do all things reasonably necessary or appropriate to carry out and to expedite the terms and provisions of this Plan and to generally enable the parties' compliance with the terms and provisions of this Plan.

14. Recordation. This Plan shall be recorded among the Land Records of Anne Arundel County by and at the expense of the Petitioner, following which the Petitioner shall provide the original of the recorded Plan to the City.

15 Modification of Plan. No portion of this Plan shall be amended, waived, modified, discharged, or terminated except by an instrument in writing signed by all parties hereto or their successors, grantees, or assigns and witnessed and notarized.

16. Headings. Descriptive headings herein are for convenience only and shall not control or affect the meaning or construction of any provision of this Plan.

17. Severability. In the event that any one or more of the provisions contained in this Plan shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions hereof, and this Plan shall be construed as if such invalid, illegal, or unenforceable provision had never been herein contained.

19. Enforceability. This Plan shall be specifically enforceable in any court of competent jurisdiction by any of the parties hereto by any appropriate action or suit at law or in equity to secure the performance of the covenants herein contained. Venue for all actions arising from this Plan shall be the Courts of Anne Arundel County, Maryland. In any such action, the parties waive their right, if any, to trial by jury.

IN WITNESS WHEREOF, the parties have executed and sealed this Plan as of the day and year first above written.

ATTEST:

THE CITY OF ANNAPOLIS

By:

Regina Watkins-Eldridge, City Clerk

Joshua J. Cohen, (Seal)
Mayor of the City of Annapolis

Approved as to form and legal sufficiency:

Karen Hardwick, Esq., City Attorney

State of Maryland, Anne Arundel County, to wit:

I hereby certify that on this _____ day of _____, 2011 before me, a notary public, in and for the State and County aforesaid, did personally appear, Joshua J. Cohen, Mayor of the City of Annapolis, Maryland, who acknowledged that he is authorized to execute this Annexation Plan on behalf of the City of Annapolis, and being authorized to do so, executed the foregoing instrument for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My commission expires: _____

Witness:

James J. Blackwell (Seal)

STATE OF _____, _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared James J. Blackwell, and he acknowledged that he has executed this Annexation Plan as his act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

Witness:

_____ Roxanne Winn (Seal)

STATE OF _____ COUNTY, TO WIT:

I, the undersigned, Notary Public in and for the State of _____, do hereby certify that on this _____ day of _____, 2011 before me personally appeared Roxanne Winn, and she acknowledged that she has executed this Annexation Plan as her act and deed for the purposes therein contained.

Witness my hand and notarial seal.

Notary Public

My Commission Expires: _____

1 Witness:
2
3
4

5 _____
6 Buckley W. Hayes

7 (Seal)
8
9

10 STATE OF _____, _____ COUNTY, TO WIT:

11 I, the undersigned, Notary Public in and for the State of _____, do
12 hereby certify that on this _____ day of _____, 2011
13 before me personally appeared Buckley W. Hayes, and he acknowledged that he has executed
14 this Annexation Plan as his act and deed for the purposes therein contained.
15

16 Witness my hand and notarial seal.
17

18 _____
19 Notary Public

20 My Commission Expires: _____
21
22
23

1
2
3
4
5
6
7

**CITY COUNCIL OF THE
City of Annapolis**

Resolution No. R-2-12

Introduced by: Alderman Arnett and Mayor Cohen

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
2/13/12			5/14/12
Referred to	Referral Date	Meeting Date	Action Taken
Finance	2/13/12		

8
9
10 **A RESOLUTION** concerning

11 **City Water Treatment Plant**

12 **FOR** the purpose of expressing the sense of the City Council to select the City-only alternative
13 for construction of a new water treatment capacity.

14
15 **WHEREAS,** the Council requested a study of the feasibility of Anne Arundel County ("the
16 County") supplying water to the City of Annapolis ("the City") in lieu of building
17 a new City-owned and operated water treatment plant; and

18
19 **WHEREAS,** the City hired a multi-national engineering firm, Atkins, to complete the
20 feasibility study ("the Study") attached to this resolution; and

21
22 **WHEREAS,** the Study concludes that the life cycle costs of the City option (Option 1) and
23 the County options (Options 2 & 3) are essentially equal (within the margin of
24 error of the analysis); and

25
26 **WHEREAS,** there are other important factors to consider in evaluating the alternatives,
27 including the risk of schedule delay, potential loss of reciprocity and emergency
28 capacity, potential future issues regarding water quality and service
29 dependability, and potential service area differences; and

30
31 **WHEREAS,** this proposed Resolution seeks Council support to select Option 1, New City
32 Water Treatment Plant/Separate Facilities, for construction of new water
33 treatment capacity.

34
35 **NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that it supports
36 the recommendation for the City to construct a new, City-owned and operated water treatment
37 plant.

1
2
3
4
5
6
7
8

AND, BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL that this resolution shall take effect from the date of adoption.

ADOPTED this _____ day of _____, _____.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

9
10
11
12
13
14

EXPLANATION

CAPITAL LETTERS indicate matter added to existing law.
[brackets] indicate matter stricken from existing law.
Underlining indicates amendments.

Feasibility Study

To:	City of Annapolis		
From:	Bob Nelson, Brian Balchunas	Email:	
Phone:	301-210-6800	Date:	11 Jan 2012
Ref:	100023456	cc:	Anne Arundel County DPW
Subject:	City of Annapolis and Anne Arundel County--Feasibility Study		

1. Introduction

Both the City of Annapolis (City) and Anne Arundel County (County) are about to undertake capital improvements at their respective water treatment plants—the City of Annapolis WTP and the County’s Broad Creek II (BCII) WTP. The City expressed interest in first exploring the feasibility of a joint water treatment plant, located at the BC II WTP site. Four meetings have been held (Appendix A – presentations, Appendix B – minutes), and one technical memorandum has been issued (Appendix C). The purpose of this feasibility study is to perform a financial analysis of life cycle costs, including construction and operation & maintenance costs, for the options developed. It includes an outline of the assumptions made and a presentation of results, as well as cost factors that could impact the results..

The study does not consider other potential economic or non-economic impacts, nor does it provide recommendations. Rather, it is being completed to provide the leadership of both the City and County with an objective financial analysis to be used in combination with other considerations to make a decision.

2. Options

Three different, build-out scenarios were developed, in order to meet the combined City/County maximum day water demands. These options are shown on Figures 1 through 4 with the estimated maximum day water demand (separate County and City for Option 1, combined City/County for Options 2 and 3). These figures assume that the County would send 2-mgd, maximum day, to other pressure zones by 2025, and 4-mgd by 2040.

- **Option 1 (Baseline)** - Immediate (on-line 2015) construction of a new, 8-mgd WTP at the existing City WTP and a 4 mgd expansion at the County’s BC II WTP (8 mgd, total). Construction of a new, 5 mgd WTP at Withernsea (on-line 2018), with an expansion to 7.5 mgd (on-line 2025) and an expansion to 12.5 mgd (on-line 2035).
- **Option 2** - Immediate (on-line 2015) construction of a 9.88 mgd expansion at the County’s BC II WTP (13.88 mgd, total), with City/County interconnection. Immediate construction of a new, 5 mgd WTP at Withernsea (on-line 2015), with an expansion to 7.5 mgd (on-line 2022). Three-mgd expansion of BC II (on-line 2027). Withernsea expanded to 12.5 mgd (on-line 2035).
- **Option 3** - Immediate (on-line 2015) construction of a 13.33 mgd expansion at the County’s BC II WTP (17.33 mgd, total), with City/County interconnection. Construction of a new, 5 mgd WTP at Withernsea (on-line 2020), with an expansion to 7.5 mgd (on-line 2027) and another expansion (to 12.5 mgd – on-line 2035).

Figure 1. Option 1 – Baseline Water Demands vs. Capacity (City)

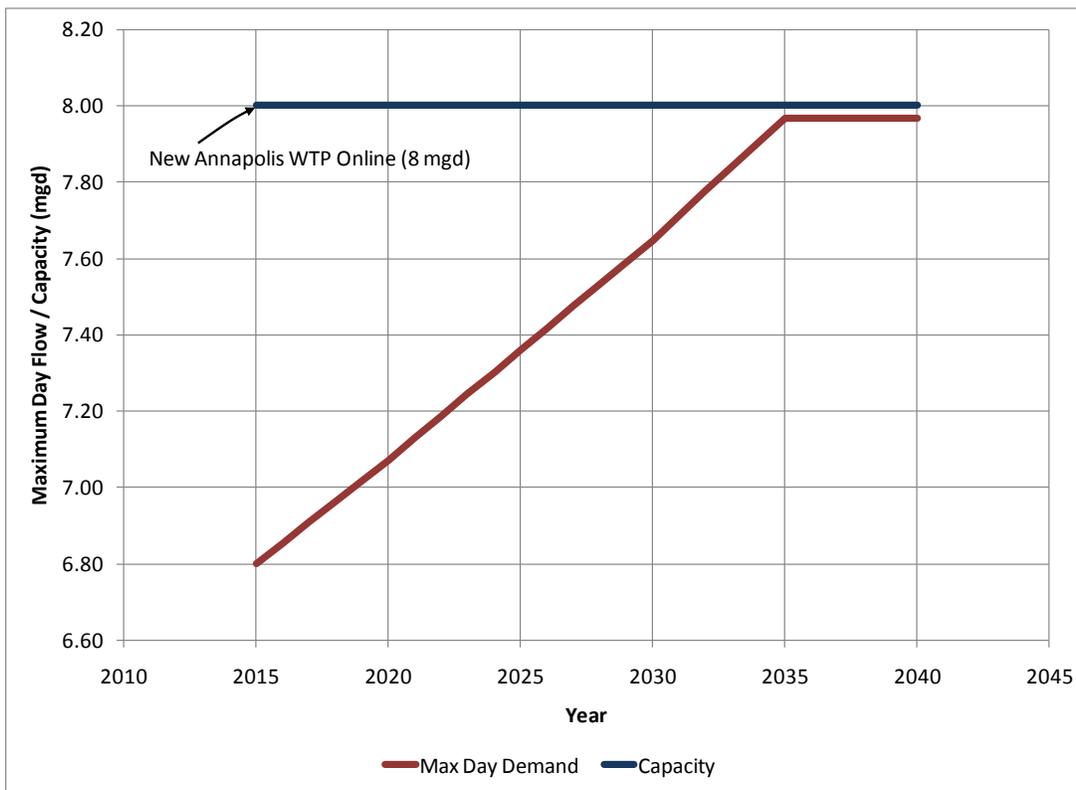


Figure 2. Option 1 – Baseline Water Demands vs. Capacity (County)

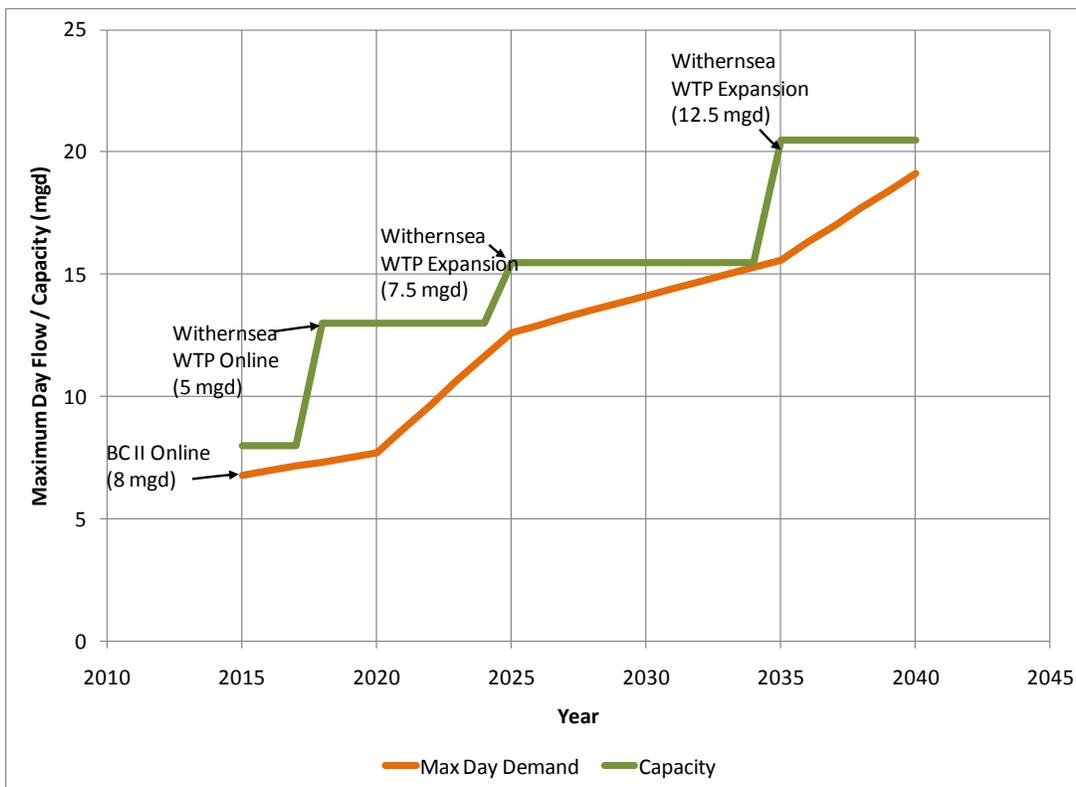


Figure 3. Option 2 – Combined City/Water Demands vs. Capacity

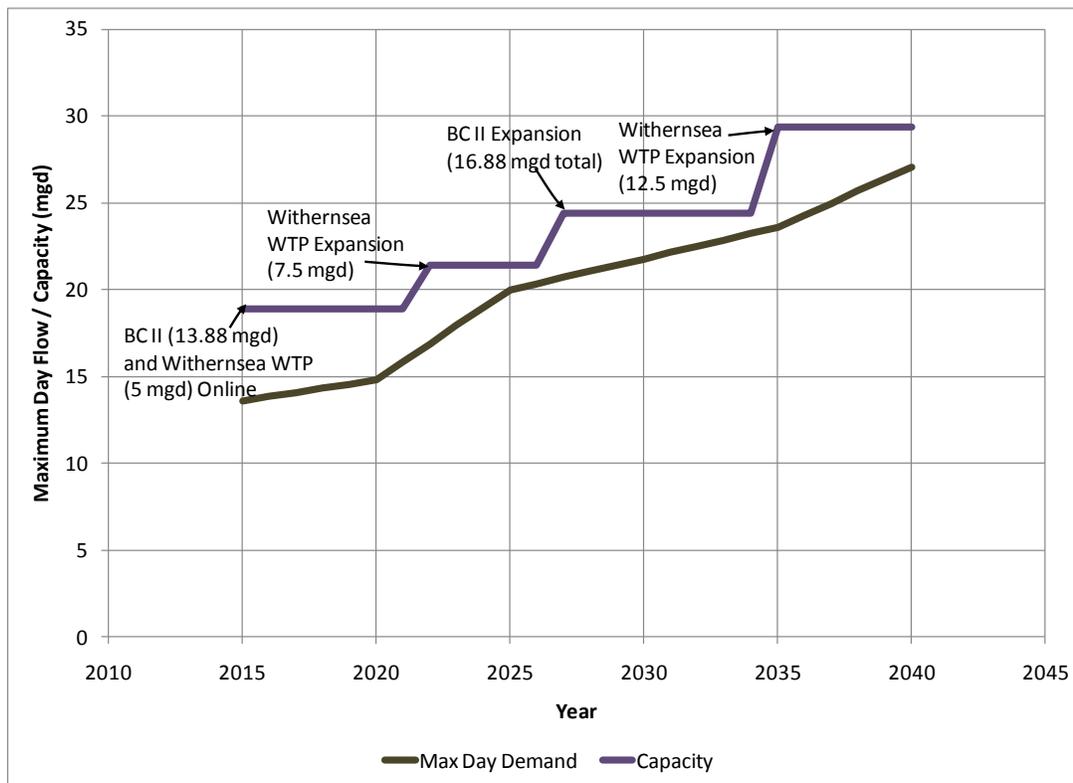
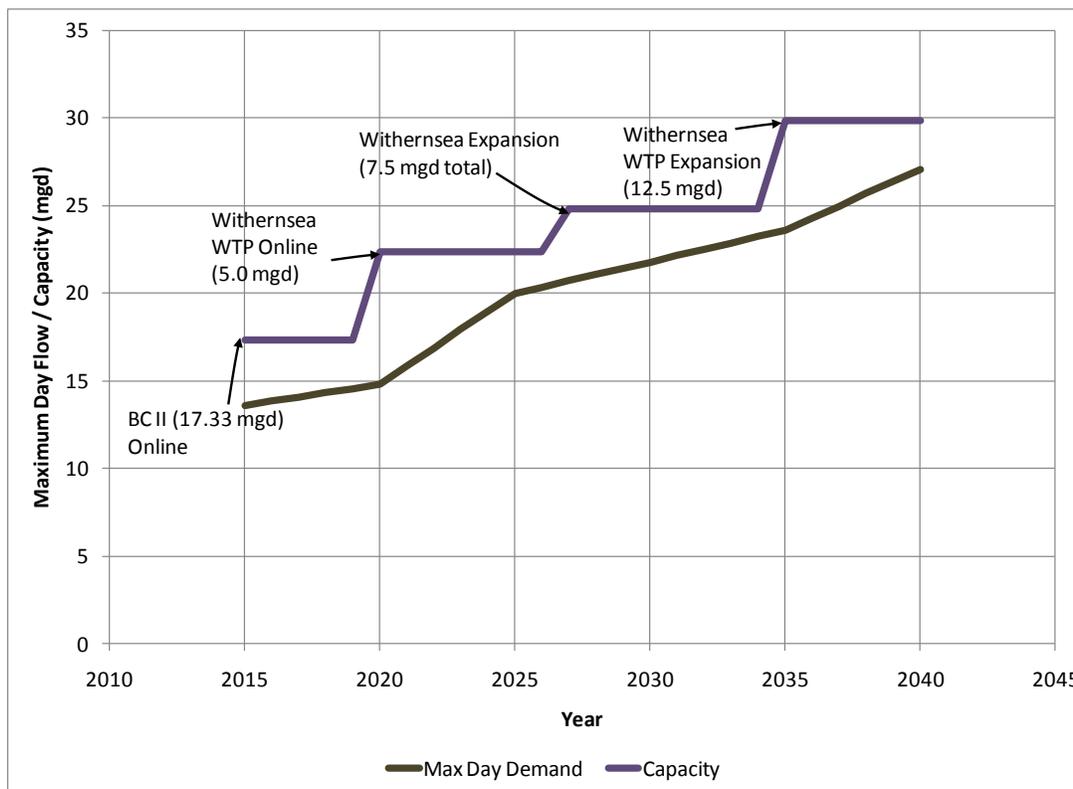


Figure 4. Option 3 – Combined City/Water Demands vs. Capacity



3. Total Project Construction Costs

Total project construction costs were calculated for all options. These costs were based on previous work completed. Specifically, total project costs were based on:

- New 8-mgd City WTP: Facility Plan completed by Hazen and Sawyer in 2010, modified to reflect 8-mgd capacity vs. 10-mgd previously projected
- New finished water pumping station for City: Facility Plan completed by Hazen and Sawyer in 2010
- BC II WTP expansion to 8 mgd: Construction document opinion-of-construction-cost, completed by Atkins.
- BC II WTP expansion to 13.88 mgd: Construction document opinion-of-construction-cost, completed by Atkins, escalated with modified equipment, structural, sitework and other costs to facilitate larger expansion.
- BC II WTP expansion to 17.33 mgd: Construction document opinion-of-construction-cost, completed by Atkins, escalated with modified equipment, structural, sitework and other costs to facilitate larger expansion.
- Withersea 5-mgd WTP treatment plan: Anne Arundel County CIP
- Withersea expansion to 7.5 mgd: \$4/gallon, based on previous County water treatment plant expansions
- Withersea expansion to 12.5 mgd: \$4/gallon, based on previous County water treatment plant expansions
- New 3-mgd WTP at Broad Creek I site: \$4/gallon, based on previous County water treatment plant expansions
- Pipelines between City of Annapolis WTP and BC II WTP sites: Unit-cost estimate, based on Atkins previous experience.

All total project construction costs included the following assumptions:

- Contractor overhead and profit: 15%
- Contingency: 25%
- Engineering, legal, and administration: 21%

Two different methods were investigated for allocation of capital costs between the City and County, as described below.

- Method 1
 - Determine net value of existing, 4-mgd BC II WTP and all County and City wells
 - Add to total construction costs for expansion
 - Appropriate total costs based on allocated flows
- Method 2
 - Neglect value of existing facilities
 - Appropriate total costs based on allocated flows for expansion (treatment plant only)

As discussed in Workshop No. 4, Method 1 resulted in disproportionate costs to the County. All project construction costs were appropriated based on Method 2. Total project construction costs allocated to the City and County are presented in Table 1 below

Table 1. Total Project Cost Allocation (2011 dollars)

Option	City	County
1: Baseline	<ul style="list-style-type: none"> New City WTP (8-mgd City capacity): \$37.6 million New finished water pumping station: \$3.9 million 	<ul style="list-style-type: none"> BC II expansion (8-mgd County capacity): \$16.8 million Withernsea WTP (5-mgd County capacity): \$55 million Withernsea WTP expansion (additional 2.5-mgd County capacity): \$10 million Withernsea WTP expansion (additional 5-mgd County capacity): \$20 million
2: BC II to 13.88 mgd, initially	<ul style="list-style-type: none"> BC II expansion (7.2-mgd City capacity): \$25.2 million BC I or II (0.8-mgd City capacity): \$3.2 million New finished water pumping station: \$3.9 million 	<ul style="list-style-type: none"> BC II expansion (6.7-mgd County capacity): \$9.5 million Withernsea WTP (5-mgd County capacity): \$55 million BC I or II (2.2-mgd County Capacity): \$8.8 million Withernsea WTP expansion (additional 2.5-mgd County capacity): \$10 million Withernsea WTP expansion (additional 5-mgd County capacity): \$20 million
3: BC II to 17.33 mgd	<ul style="list-style-type: none"> BC II expansion (8-mgd City capacity): \$24.8 million New finished water pumping station: \$3.9 million 	<ul style="list-style-type: none"> BC II expansion (9.3-mgd County capacity): \$16.4 million Withernsea WTP (5-mgd County capacity): \$55 million Withernsea WTP expansion (additional 2.5-mgd County capacity): \$10 million Withernsea WTP expansion (additional 5-mgd County capacity): \$20 million

Summaries of Total Project Costs are provided in Appendix D.

4. Operations and Maintenance Costs

Operations and maintenance (O&M) costs were based on projected costs for both the City and County, using information provided by both parties. The following assumptions were used:

- All options utilized the same costs for power and chemicals.
- Differential operating costs for the Withernsea WTP were not considered, as it is not known what proportion of flow would be treated by Broad Creek II and Withernsea.
- Administration and overhead costs were included based on information provided by the City and County. These costs are escalated for inflation only, not based on total plant flow.
- O&M costs for Option 1 were based on current operating costs for the County on a dollar per 1,000 gallon basis, and City-estimated operating costs taking into account that City O&M requirements would be reduced with a new modern water treatment plant.

- O&M costs for Options 2 and 3 were based on current operating costs for the County, with no flow-based escalation in administrative or overhead costs.

O&M costs for Option 1 are provided in Table 2 below.

Table 2. Option 1 - Operations and Maintenance Costs

Category	City Total (Annapolis WTP)		County Total (BCII WTP)	
	4.1 mgd (current ADF)	\$/1,000 gal	3.15 mgd (current ADF)	\$/1,000 gal
Labor (inc. Benefits)	\$ 397,000	\$ 0.27	\$ 335,000	\$ 0.29
Chemical	\$ 77,000	\$ 0.05	\$ 59,000	\$ 0.05
Electrical	\$ 405,000	\$ 0.27	\$ 311,000	\$ 0.27
Maintenance	\$ 105,000	\$ 0.07	\$ 91,000	\$ 0.17
Other	\$ 97,000	\$ 0.06	\$ 92,000	\$ 0.08
Subtotal	\$ 1,081,000	\$ 0.72	\$ 888,000	\$ 0.77
Overhead/Admin*	\$ 163,000	\$ 0.11	\$ 440,000	\$ 0.38
Total – Option 1	\$ 1,244,000	\$ 0.83	\$ 1,328,000	\$ 1.15

* Overhead/Admin costs only escalated with inflation, not with flow

O&M costs for Options 2 and 3 are provided in Table 3, as follows:

Table 3. Options 2 and 3 – Operations and Maintenance Costs

Category	City + County Total (BCII WTP)	
	7.25 mgd (total current ADF)	\$/1,000 gal
Labor (inc. Benefits)	\$ 771,000	\$ 0.29
Chemical	\$ 136,000	\$ 0.05
Electrical	\$ 716,000	\$ 0.27
Maintenance	\$ 209,000	\$ 0.17
Other	\$ 212,000	\$ 0.08
Subtotal	\$ 2,044,000	\$ 0.77
Overhead/Admin*	\$ 440,000	\$ 0.17
Total – Options 2 and 3	\$ 2,484,000	\$ 0.94
County (3.15 mgd)	\$ 1,080,000	\$ 0.94
City Adders		
Electrical (pump from BCII)	\$ 75,000	\$ 0.05
Administrative*	\$ 46,000	\$ 0.03
City (4.1 mgd)	\$ 1,525,000	\$ 1.02

* Overhead/Admin costs only escalated with inflation, not with flow

Summaries of O&M costs provided by the City and County are provided in Appendix E.

5. Life-Cycle-Cost Analysis

A 50-yr life-cycle-cost analysis was completed for all options to provide a comparison of both City and County costs. The following assumptions were used to complete the analysis:

- Inflation – 3% per year
- Construction-cost escalation – 4% per year (based on historical ENR data)
- Discount rate – 3.8%
- City financing
 - 92% low-interest loan, 30-year term, 1.35% interest rate
 - 8% conventional financing, 30-year term, 4.5% interest rate
- County financing
 - Conventional, 30-year term, 4.3% interest rate (3-yr average)
- O&M costs associated with administration and overhead are not a function of flow
- All other O&M costs were flow-proportioned based on projected average daily flows. Flows were left constant after 2040.
- No additional construction costs beyond 2040 were included.

Results of the 50-yr life-cycle analysis are provided in Table 4 as follows:

Table 4. 50-yr Life-Cycle Analysis

Option	Construction (\$1,000/yr)	O&M (\$1,000/yr)	Total (\$1,000/yr)	Total (\$ million)
City				
1 – Baseline	\$ 810	\$ 1,250	\$ 2,060	\$ 103
2 – BC II to 13.88 mgd	\$ 680	\$ 1,470	\$ 2,150	\$ 107
3 – BC II to 17.32 mgd	\$ 560	\$ 1,470	\$ 2,030	\$ 102
County				
1 – Baseline	\$ 3,110	\$ 1,910	\$ 5,020	\$ 251
2 – BC II to 13.88 mgd	\$ 3,170	\$ 1,740	\$ 4,910	\$ 246
3 – BC II to 17.32 mgd	\$ 3,130	\$ 1,740	\$ 4,870	\$ 243

6. Discussion and Conclusions

In terms of total life-cycle costs, Option 3 is the least expensive for both the City and County. However, the relative difference equates to approximately \$30,000 per year (likely within the error of the analysis) for the City and \$150,000 per year for the County to the baseline option (Option 1).

From the City’s perspective:

- Options 2 and 3 result in a significant reduction in project construction costs. These reductions are offset by an increase in O&M costs.
- To take advantage of low-interest financing from the State, the City must be under contract with a builder by November, 2012. Options 2 and 3 will pose more risk to the funding schedule.

From the County’s perspective:

- There is some near-term financial benefit to defrayed project construction costs for the Withernsea WTP with Option 3. However, all project construction costs are paid over the life of the analysis, so there is not a significant difference in annual costs.
- There is a reduction in O&M costs, as the administrative costs currently borne solely by the County would be shared with the City.

Other factors that could influence the financial analysis:

- Administrative costs for both parties increase at a rate higher than the assumed three percent per year inflation. An additional 1% escalation in administrative costs for both parties (over inflation) would lower the life-cycle difference between Option 1 and 3 to \$0.5 million (from \$1 million given in Table 4 above).
- Administrative costs for the County increase with the inclusion of the City into the Broad Creek service area. An increase of 25% would result in Option 1 having the lowest life-cycle cost for the City by approximately \$1 million over Option 3. This would also lower the life-cycle cost difference between Options 1 and 3 for the County from approximately \$8 million to \$5 million.
- Water demands are not as currently projected. Lower water demands could allow for the County to further delay the Withernsea WTP for Option 3, resulting in a greater net cost differential. This deferral would have no affect on the City life-cycle costs.
- MDE permits future withdrawals in the Patuxent aquifer only, which may increase County electrical costs for pumping water to the Broad Creek II WTP. This could increase O&M costs for all County options and lower the life-cycle cost difference between Option 1 and Option 3 for the City.
- Electrical and or chemical costs increase more than the assumed three percent per year inflation. As both the City and County would realize this increase, net impact should be minimal.
- Capital costs continue to remain low and escalate at less than four percent per year. A decrease in capital cost escalation to three percent would have minimal impact on the life-cycle cost analysis.
- Unforeseen difficulties with interconnection of Annapolis WTP and BC II WTP could increase the capital cost for Options 2 and 3 and make these options less advantageous.
- Unforeseen issues with expansion of BC II to 17.33 mgd could increase the capital cost for Options 2 and 3 and make these options less advantageous.
- Higher Withernsea WTP O&M costs could add further advantages to the County for Option 3, as that option defers construction of the Withernsea WTP the longest. There would be no impact to the City.
- Requirement for redundancy of raw and finished water lines across Route 50. An increase of 50 percent for this cost would result in a nearly identical life-cycle cost to the City for Options 1 and 3.

Other factors to consider under Options 2 and 3, that are not part of this financial analysis:

- Higher potential for schedule delay with added risks to City's MDE low interest funding
- Higher potential for schedule delay with increased potential for mechanical/structural failure at the existing WTP
- Loss of reciprocity and emergency capacity
- Potential future disputes regarding quality and service dependability
- Potential service areas differences

Appendix A

Workshop Presentation Materials

**Annapolis Water Supply Feasibility Study
Workshop No. 2**

November 04, 2011



Plan Design Enable

Agenda

- Final TM1
- Draft TM2
- Key Decisions to be made
- Additional information required
- Schedule and subsequent work

2

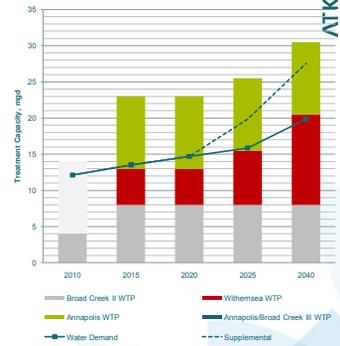
Final TM1

- Max day peaking factors
 - City – 1.6
 - County – 2.0
- County maintains 8-mgd to supplement other pressure zones (4-mgd by 2025, 4-mgd by 2040)
- Three options:
 - Option 1 – Separate Systems
 - Option 2 – Expand BC II to 13.88 mgd
 - Option 3 – Expand BC II to 17.33 mgd
- County update on GAP for BC II?

3

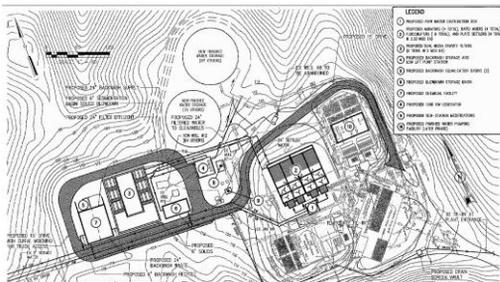
Option 1

- City builds, operates and maintains new 8-mgd WTP
- County continues with 4-mgd expansion to BC II
- County continues with plans for Withersensea WTP (6-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



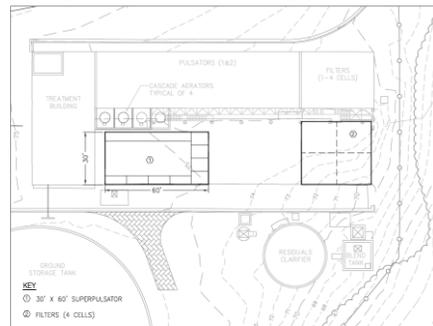
4

Annapolis WTP – Proposed Site Layout



5

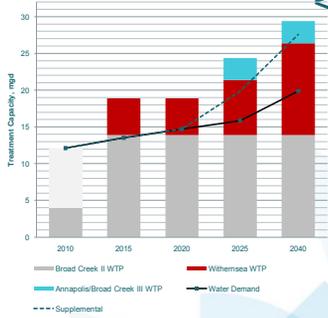
4 mgd Expansion BC II WTP Layout



6

Option 2

- Expand BC II immediately to 13.88 mgd
 - Plate settlers in existing clarifiers
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- 3-mgd BC III (at BC I site) in 2025
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



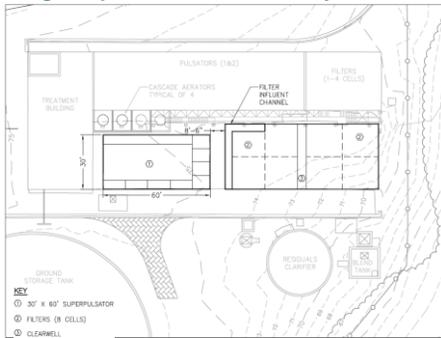
ATKINS

36-inch-double-barrel interconnection (Options 2 and 3)



ATKINS

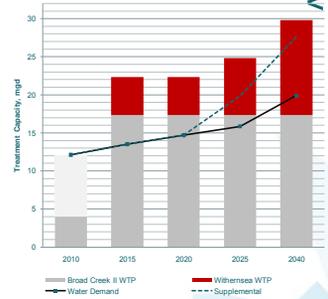
9.88 mgd Expansion BC II WTP Layout



ATKINS

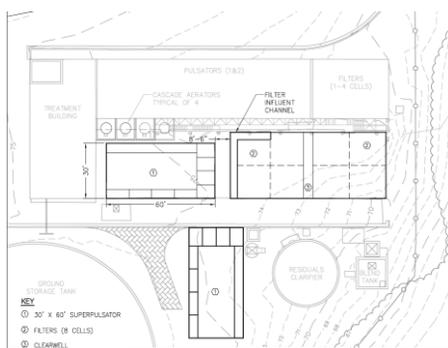
Option 3

- Expand BC II immediately to 17.33 mgd
 - Plate settlers in existing clarifiers
 - Fourth clarifier
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



ATKINS

13.33 mgd Expansion BC II WTP Layout



ATKINS

Witherensea WTP

- All options include Witherensea at:
 - 5-mgd in 2015
 - 7.5-mgd in 2025
 - 12.5-mgd in 2040
- As no difference or escalation in planned capacity, does not need to be included in analysis.
- Only consider Annapolis and BC costs

ATKINS

Capital Costs

ATKINS

- Assumptions
 - Planning level estimates
 - Use same overhead structures for all cost estimates:
 - 15% contractor OH&P
 - 25% contingency
 - 21% engineering, administrative, legal, etc
 - Annapolis WTP costs based on H&S report with reduction to 8-mgd
 - Broad Creek II costs based on design to date, plus additional equipment/concrete/site/piping costs for different expansion options

13

Capital Costs (in 2011 dollars)

ATKINS

- Annapolis WTP (8 mgd): \$37.6 million
- Broad Creek II WTP (to 8 mgd): \$16.8 million
- Annapolis to Broad Creek Pipelines: \$4.8 million
- Broad Creek II WTP (to 13.88 mgd): \$29.9 million
- Broad Creek II WTP (to 17.33 mgd): \$36.4 million
- Broad Creek III WTP (3 mgd): \$12.0 million

14

O&M Costs (in 2011 dollars)

ATKINS

	Annapolis WTP (4.1 mgd)		Broad Creek II WTP (3.05 mgd)	
	\$	\$/1,000 gallons	\$	\$/1,000 gallons
Labor and Burden	\$397,022	0.27	\$110,577	0.10
Maintenance	\$152,570	0.10	\$33,000	0.03
Chemicals	\$128,500	0.09	\$88,673	0.08
Electrical	\$473,121	0.32	\$351,396	0.32
Contract Services	\$54,050	0.04	\$4,000	0.004
Total	\$1,205,263	0.81	\$587,646	0.53

15

Key Decisions

ATKINS

- Approach for expansion is acceptable
- Concurrence on capital costs / approach
- Concurrence on O&M costs / approach

16

Additional Data Required for Financial Model

ATKINS

- Financing plan (cash/debt ratio) – City and County
- Estimated interest rates based on current bond rates – City and County
- Debt term – City and County
- Coverage factor on existing debt?
- Asset value of existing Broad Creek II WTP
- Conference call with financial analyst?

17

Schedule / Next Step

ATKINS

- Finalize TM No. 2 – week of 11/7
- Complete financial model
 - 3 weeks after receipt of all data
- Workshop No. 3
- Draft/Final Feasibility Reports

18

**Annapolis Water Supply Feasibility Study
Workshop No. 3**

December 1, 2011



Plan Design Enable

Agenda

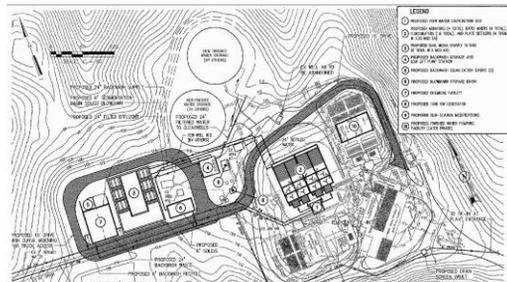
- Gross level financial analysis
- O&M costs
- Remaining value of existing facilities
- Gross level sensitivity analysis
- Potential financing
- Outstanding data needs

Option 1

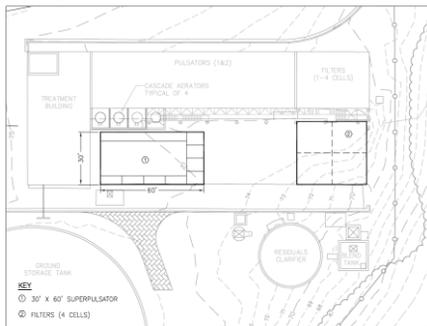
- City builds, operates and maintains new 8-mgd WTP
- County continues with 4-mgd expansion to BC II
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



Annapolis WTP – Proposed Site Layout

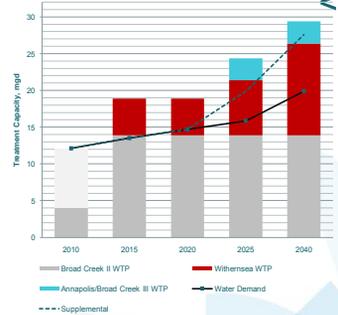


4 mgd Expansion BC II WTP Layout



Option 2

- Expand BC II immediately to 13.88 mgd
 - Plate settlers in existing clarifiers
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- 3-mgd BC III (at BC I site) in 2025
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))

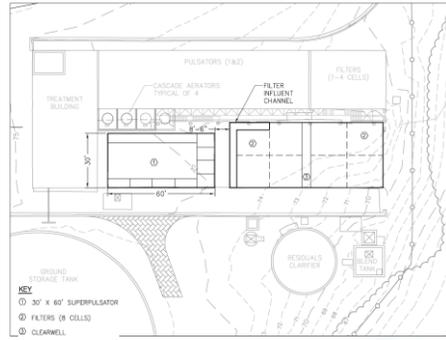


36-inch-double-barrel interconnection (Options 2 and 3)



ATKINS

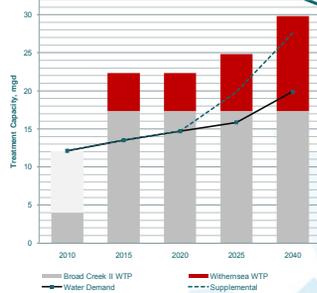
9.88 mgd Expansion BC II WTP Layout



ATKINS

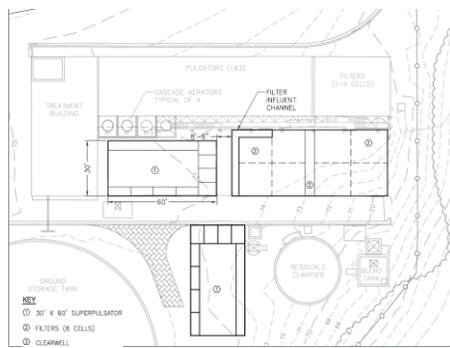
Option 3

- Expand BC II immediately to 17.33 mgd
 - Plate settlers in existing clarifiers
 - Fourth clarifier
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



ATKINS

13.33 mgd Expansion BC II WTP Layout



ATKINS

Gross Level Financial Analysis

- Assumptions
 - Compare Option 1 (separate systems) to Option 3 (17.33 mgd at Broad Creek II)
 - Capital expenditures at same periods. Costs based on information presented in Workshop No. 2
 - No difference in remaining value of existing facilities
 - Operating costs similar on per volume basis (discuss further with next agenda item)
 - City obtains low interest loan for their entire capital commitment
- Based on assumptions, gross level analysis washes out to capital cost only

ATKINS

Differential Capital Cost (\$ million)

Option	City	County
Option 1	\$37.6	\$16.8
Option 2		\$41.2



ATKINS

O&M Costs (in 2011 dollars)

ATKINS

	Annapolis WTP (4.1 mgd)	Broad Creek II WTP (3.05 mgd)
	\$/1,000 gallons	\$/1,000 gallons
Operations Excluding Chem/Elec	0.27	0.14 – 0.29
Chemicals	0.09	0.08
Electrical	0.32	0.32
Maintenance/Other/Administrative	0.22	0.00 – 0.46
Total	0.90	0.54 – 1.15

Are we comparing "apples to apples"?

13

Remaining Value of Existing Facilities

ATKINS

- **City**
 - Wells ('03 and '10) - \$2.8 million
 - Onsite Water Storage ('10) - \$3.1 million
 - Did not include assets such as vehicles
 - Everything else fully depreciated
- **County**
 - Treatment Plant ('95) - \$3.8 million
 - Water Storage ('98) - \$0.4 million
 - New Wells ('00) - \$1.0 million
 - Everything else fully depreciated

What should be included?

14

Gross Level Sensitivity Analysis

ATKINS

- Framed in terms of net cost to City
- O&M
 - Costs at upper range (\$1.15/1,000 gallons) – additional \$0.25/1,000 gallons
 - Reduces overall cost to breakeven
 - Similar deduct for other direction
- Net difference of remaining value of existing facilities
 - \$2.5 million to County
 - Reduces overall cost advantage for combined facilities to \$325,000/year
- Additional capital costs – redundant pipelines
 - \$5.0 million additional capital
 - Reduces overall cost advantage for combined facilities to \$250,000/year
- Similar add/deduct for differences in capital (\$150 K/year per \$5 million in capital)

15

Potential Financing

ATKINS

- How capital costs split?
- How operational costs split?
- What information is needed to make a decision/establish financing?

16

Additional Data Needs

ATKINS

- Comparable City/County O&M costs
- County bond rates/terms
- County Cash/debt ratios
- County Coverage factors

17

**Annapolis Water Supply Feasibility Study
Workshop No. 4**

December 12, 2011

Plan Design Enable

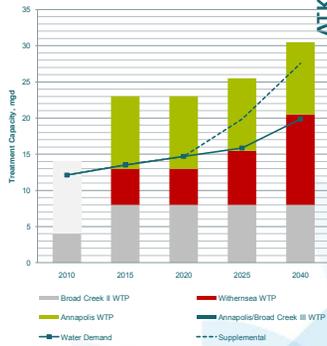


Agenda

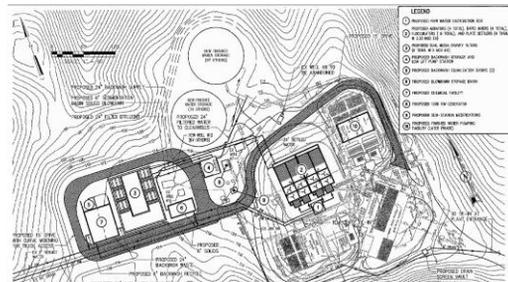
- Review Options
- Cost Allocation of Existing Facilities
- Valuation Methods
- Sensitivity Analysis

Option 1

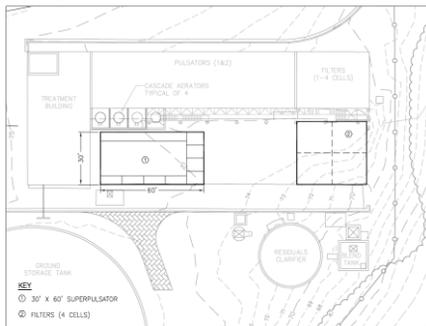
- City builds, operates and maintains new 8-mgd WTP
- County continues with 4-mgd expansion to BC II
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



Annapolis WTP – Proposed Site Layout

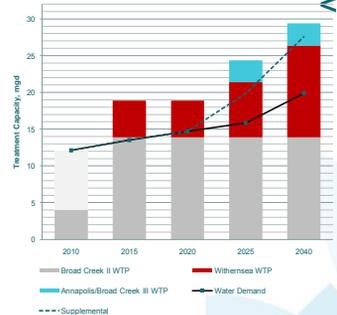


4 mgd Expansion BC II WTP Layout



Option 2

- Expand BC II immediately to 13.88 mgd
 - Plate settlers in existing clarifiers
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- 3-mgd BC III (at BC I site) in 2025
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



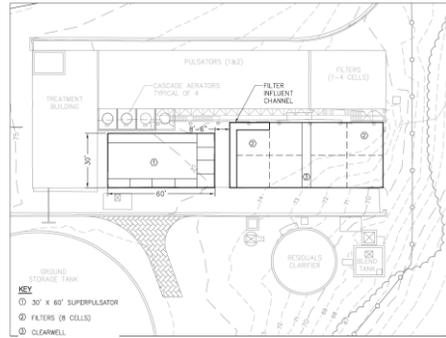
36-inch-double-barrel interconnection (Options 2 and 3)



ATKINS

7

9.88 mgd Expansion BC II WTP Layout

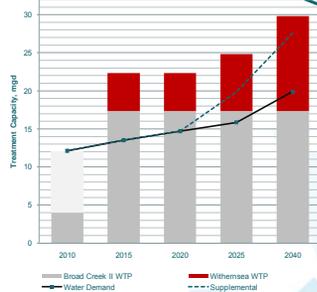


ATKINS

8

Option 3

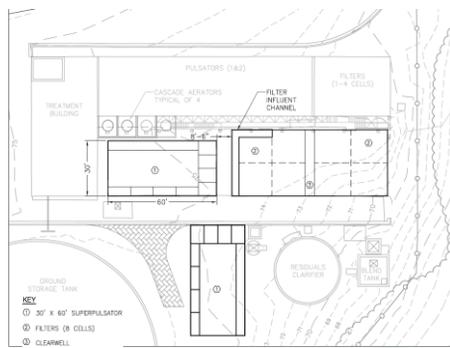
- Expand BC II immediately to 17.33 mgd
 - Plate settlers in existing clarifiers
 - Fourth clarifier
 - Additional filters
 - Upsize piping as required
- Double barrel crossing (36-inch) of Route 50
- County continues with plans for Witherensea WTP (5-mgd by 2015, 7.5-mgd by 2025, 12.5 mgd by 2040 (assumed))



ATKINS

9

13.33 mgd Expansion BC II WTP Layout



ATKINS

10

Cost Allocation of Existing Facilities

- City and County wells valued at "reproduction" cost – initial cost escalated to current value:
 - County Wells 1-5: \$2.6 million
 - City Wells 10-14: \$3.4 million
- Broad Creek WTP valued at reproduction cost, then depreciated:
 - Current value: \$6.2 million
- Net transfer to County: \$5.4 million

ATKINS

11

Capital Cost Appropriation (Method 1)

- Net value of existing 4 mgd WTP and Wells: \$5.4 million
- Add to total construction cost for expansion
- Appropriate total costs based on allocated flows

Option	Transfer	Total Capital (2011)	City	County
Option 2 (2013)	\$5.4 million	\$34.7 million	\$20.8 million (7.2 mgd)	\$19.3 million (total) \$13.9 million (net) (6.7 mgd)
Option 2 (2025)	--	\$12 million	\$3.2 million (8.0 mgd)	\$8.8 million (8.9 mgd)
Option 3 (2013)	\$5.4 million	\$41.2 million	\$21.5 million (8.0 mgd)	\$25.0 million (total) \$19.6 million (net) (9.3 mgd)

ATKINS

12

Present Value Summary (Method 1)

ATKINS

- 3% inflation, 4.5% discount rate
- Equal O&M Costs, except additional cost for pumping back to City

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,240	\$2,010	\$1,920
-Capital	\$1,080	\$730	\$640
-O&M	\$1,160	\$1,280	\$1,280
TOTAL (\$ million)	\$62.8	\$56.1	\$53.6
County (\$1,000/yr)	\$2,250	\$2,400	\$2,390
-Capital	\$870	\$1,020	\$1,010
-O&M	\$1,380	\$1,380	\$1,380
TOTAL (\$ million)	\$63.0	\$67.3	\$67.1

13

Capital Cost Appropriation (Method 2)

ATKINS

- Neglect value of existing facilities
- Appropriate total costs based on allocated flows for expansion

Option	Total Capital (2011)	City	County
Option 2 (2013)	\$34.7 million	\$25.2 million (7.2 mgd)	\$9.5 million (2.7 mgd expansion, 6.7 mgd total)
Option 2 (2025)	\$12 million	\$3.2 million (0.8 mgd expansion, 8.0 mgd total)	\$8.8 million (2.2 mgd expansion, 8.9 mgd)
Option 3 (2013)	\$41.2 million	\$24.8 million (8.0 mgd)	\$16.4 million (5.4 mgd expansion, 9.3 mgd total)

14

Present Value Summary (Method 2)

ATKINS

- 3% inflation, 4.5% discount rate
- Equal O&M Costs, except additional cost for pumping back to City

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,230	\$2,110
-Capital	\$1,080	\$860	\$730
-O&M	\$1,250	\$1,370	\$1,370
TOTAL (\$ million)	\$62.8	\$59.8	\$56.3
County (\$1,000/yr)	\$2,360	\$2,280	\$2,340
-Capital	\$870	\$790	\$840
-O&M	\$1,490	\$1,490	\$1,490
TOTAL (\$ million)	\$63.0	\$60.9	\$62.4

15

Sensitivity Analysis (Method 2)

ATKINS

- Reduce County O&M Costs \$0.10/1,000 gallon (to \$0.79/1,000 gallons)

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,090	\$1,960
-Capital	\$1,080	\$860	\$730
-O&M	\$1,250	\$1,230	\$1,230
TOTAL (\$ million)	\$62.8	\$56.0	\$52.5
County (\$1,000/yr)	\$2,190	\$2,120	\$2,170
-Capital	\$870	\$790	\$840
-O&M	\$1,320	\$1,320	\$1,320
TOTAL (\$ million)	\$58.7	\$56.6	\$58.1

16

Present Value Summary (Method 2)

ATKINS

- 3% inflation, 4.5% discount rate
- Equal O&M Costs, except additional cost for pumping back to City

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,230	\$2,110
-Capital	\$1,080	\$860	\$730
-O&M	\$1,250	\$1,370	\$1,370
TOTAL (\$ million)	\$62.8	\$59.8	\$56.3
County (\$1,000/yr)	\$2,360	\$2,280	\$2,340
-Capital	\$870	\$790	\$840
-O&M	\$1,490	\$1,490	\$1,490
TOTAL (\$ million)	\$63.0	\$60.9	\$62.4

17

Sensitivity Analysis (Method 2)

ATKINS

- Increase County O&M Costs \$0.10/1,000 gallon (to \$0.99/1,000 gallons)

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,380	\$2,250
-Capital	\$1,080	\$860	\$730
-O&M	\$1,250	\$1,520	\$1,520
TOTAL (\$ million)	\$62.8	\$63.6	\$60.1
County (\$1,000/yr)	\$2,520	\$2,450	\$2,500
-Capital	\$870	\$790	\$840
-O&M	\$1,660	\$1,660	\$1,660
TOTAL (\$ million)	\$67.3	\$65.3	\$66.7

18

Sensitivity Analysis (Method 2)

ATKINS

- Decrease Capital Cost 10% (exclusive of Option 1)

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,150	\$2,040
-Capital	\$1,080	\$770	\$660
-O&M	\$1,250	\$1,370	\$1,370
TOTAL (\$ million)	\$62.8	\$57.4	\$54.2
County (\$1,000/yr)	\$2,360	\$2,200	\$2,250
-Capital	\$870	\$710	\$760
-O&M	\$1,490	\$1,490	\$1,490
TOTAL (\$ million)	\$63.0	\$58.7	\$60.0

19

Present Value Summary (Method 2)

ATKINS

- 3% inflation, 4.5% discount rate
- Equal O&M Costs, except additional cost for pumping back to City

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,230	\$2,110
-Capital	\$1,080	\$860	\$730
-O&M	\$1,250	\$1,370	\$1,370
TOTAL (\$ million)	\$62.8	\$59.8	\$56.3
County (\$1,000/yr)	\$2,360	\$2,280	\$2,340
-Capital	\$870	\$790	\$840
-O&M	\$1,490	\$1,490	\$1,490
TOTAL (\$ million)	\$63.0	\$60.9	\$62.4

20

Sensitivity Analysis (Method 2)

ATKINS

- Increase Capital Cost 10% (exclusive of Option 1)

Avg. Annual PV	Option 1	Option 2	Option 3
City (\$1,000/yr)	\$2,330	\$2,320	\$2,180
-Capital	\$1,080	\$950	\$810
-O&M	\$1,250	\$1,370	\$1,370
TOTAL (\$ million)	\$62.8	\$62.2	\$58.4
County (\$1,000/yr)	\$2,360	\$2,360	\$2,420
-Capital	\$870	\$870	\$930
-O&M	\$1,490	\$1,490	\$1,490
TOTAL (\$ million)	\$63.0	\$63.1	\$64.8

21

Appendix B

Workshop Meeting Minutes

Meeting notes

Project:	Annapolis Water Supply Feasibility Study		
Subject:	Meeting 1—Design Criteria Review		
Date and time:	10 October 2011	Meeting no:	1
Meeting place:	AA County Offices	Minutes by:	Bob Nelson
Present:	David Jarrell Thora Burkhardt Michael Wojton Chris Phipps Bruce Wright Matt Mirenyi Eddie Cope Brian Balchunas Bob Nelson	Representing:	City of Annapolis Anne Arundel County Atkins

Note – action items italicized

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
1-1	<p>Technical Memorandum 1</p> <ul style="list-style-type: none"> Design criteria for treatment facilities should be based on meeting the combined maximum daily demands for the Broad Creek zone (15-mgd, using a 2.5 maximum-daily-to-average-annual peaking factor); the City of Annapolis (8-mgd); plus an additional 8-mgd to supplement other interconnected County zones. Based on historical data, maximum-daily-to-average-annual peaking factor for County pressure zone 210 will be reviewed. The peaking factor may be reduced, but should be no less than 2.0. At a peaking factor of 2.0, buildout water demand is reduced from 15-mgd to 12-mgd. Assumed phasing for treatment of 8-mgd supplemental demand: 4-mgd by 2025; additional 4-mgd by 2035. <i>Atkins to revise Technical Memorandum 1 to reflect additional 8-mgd demand, revised peaking factor, and assumed phasing.</i> <p>Discussion</p> <ul style="list-style-type: none"> County’s future Northeast WTP does not impact Feasibility Study. Considerations at Northeast include potential failure of 72-inch water main under the harbor near the Key Bridge. It also provides replaces several smaller planned facilities from the <i>2007 Master Plan</i>. County’s future Withernsea WTP would provide reliability and redundancy for pressure zone 210 south of South River, as well as other portions of the distribution system. 		<i>Atkins</i>

NOTE TO RECIPIENTS:

These meeting notes record Atkins understanding of the meeting and intended actions arising there from. Your agreement that the notes form a true record of the discussion will be assumed unless comments are received in writing within five days of receipt.

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
	south of South River. Londontowne (south side of South River) has inquired about annexation.		
2-1	<p>Status of Data Needs</p> <p>Data received to date was discussed.</p> <ul style="list-style-type: none"> • Capital costs of existing facilities <ul style="list-style-type: none"> ○ County –Leslie Campbell (Finance) has been contacted and is assembling facilities costs. Costs should be forthcoming by Friday, October 14. • Operations and maintenance costs <ul style="list-style-type: none"> ○ City – Provide breakdown of water supply and treatment facilities “Supplies”, in order to estimate “Chemicals.” (Subsequent to meeting, City estimated percentage of chemical costs to be 67-percent.) ○ County labor costs do not include benefits. <i>Atkins to add.</i> <p>Discussion</p> <ul style="list-style-type: none"> • Discussed varying iron levels in the Magothy and LPAT aquifers for the City and County. No action required. 	October 28	<p>County (Leslie Campbell)</p> <p>City (Thora Burkhardt, Michael Wojton)</p> <p>Atkins</p>
3-1	<p>Buy-in Regarding Treatment Process Options</p> <ul style="list-style-type: none"> • No comments regarding the three options presented in Technical Memorandum 1 • Atkins presented a sketch showing total maximum treatment capacity at existing Broad Creek II WTP is about 17.33 mgd, using existing Broad Creek II technologies (Pulsators and Greenleaf Filters). <i>Atkins to check space reserved for recycling/residuals handling, as well as compliance with 4-log virus inactivation/removal. Assuming space is available to treat the 17.33 mgd, this will replace the Broad Creek II Option 3 (16 mgd) and will not require pilot testing.</i> <p>Discussion</p> <ul style="list-style-type: none"> • Costs for re-design of Broad Creek II WTP for Option 3 must be added. • City’s loan conditions require construction contract by November 2012. 		Atkins
4-1	<p>Technical Memorandum 2 and Next Meeting</p> <p>Next meeting scheduled for 9:00 a.m., Friday, November 4. <i>Technical Memorandum 2 (draft) routed to attendees by Friday, October 28</i></p>		Atkins

Meeting notes

Project:	Annapolis Water Supply Feasibility Study		
Subject:	Meeting 2—Costs		
Date and time:	4 November 2011	Meeting no:	2
Meeting place:	AA County Offices	Minutes by:	Bob Nelson
Present:	David Jarrell Thora Burkhardt Michael Wojton Jim FitzGerald Ron Bowen Chris Phipps Bruce Wright Eddie Cope Brian Balchunas Bob Nelson	Representing:	City of Annapolis Anne Arundel County Atkins

Note – action items italicized

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
1-1	<p>Finalize Technical Memorandum 1</p> <ul style="list-style-type: none"> • Question arose regarding whether MDE will appropriate additional groundwater withdrawals near Broad Creek. • Question arose regarding future Withernsea WTP. If expansion schedule is exactly the same for all options, why not delete from feasibility study? • Are future City annexations double-counted, with respect to water demand? • <i>Include IDI's proposal in TM1 appendix.</i> • <i>Atkins to revise TM1 if necessary, to reflect answers to above issues.</i> <p>Discussion</p> <ul style="list-style-type: none"> • County believes MDE will appropriate additional groundwater from the Patuxent aquifer. • Do not reveal County's 2.0 peaking factor (cited in TM1) to MDE. • <i>Delete Withernsea WTP expansion options.</i> 		Atkins
2-1	<p>Draft of Technical Memorandum 2</p> <ul style="list-style-type: none"> • Capital costs <ul style="list-style-type: none"> ○ <i>Atkins to determine whether City finished water storage tanks can be fed by gravity from Broad Creek II (BC II) WTP. (Following the meeting, it was</i> 		Atkins

NOTE TO RECIPIENTS:

These meeting notes record Atkins understanding of the meeting and intended actions arising there from. Your agreement that the notes form a true record of the discussion will be assumed unless comments are received in writing within five days of receipt.

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
	<p>determined that a gravity interconnection is not possible. BC II is 30 feet higher than City of Annapolis WTP.)</p> <ul style="list-style-type: none"> • Operations and maintenance costs <ul style="list-style-type: none"> ○ <i>Delete historical O&M costs for City of Annapolis</i> ○ County labor costs do not include benefits. (Following the meeting, it was determined that fringe benefits increase labor by 1.45.) <p>Discussion</p> <ul style="list-style-type: none"> • Discussed contingencies, and whether contingencies should be identical. • Discussed Count’s O&M costs, by line item. County labor costs do not include any “supervision.” County to add some pro-rata supervisory costs. (Following the meeting, Leslie Campbell reviewed Eddie Cope’s original O&M estimate and thought it didn’t represent actual costs. Leslie is reviewing O&M costs further.) • Discussed finished water storage. Should capital/O&M costs for storage be included in feasibility study? Consensus was “no.” 		<p><i>Atkins</i></p> <p><i>County</i></p>
3-1	<p>Key Decisions</p> <ul style="list-style-type: none"> • Omit Withernsea WTP from feasibility study options. • Do not include costs for storage and distribution in feasibility study options. • Wait for Leslie’s input regarding County’s costs to finalize TM2. <p>Discussion</p>		
4-1	<p>Additional Info Required for Financial Model</p> <ul style="list-style-type: none"> • <i>Financing plans (cash/debt ratios)</i> • <i>Interest rates</i> • <i>Debt terms</i> • <i>Coverage factors</i> • <i>Asset value of BCII</i> 		<p><i>City/County</i></p> <p><i>City/County</i></p> <p><i>City/County</i></p> <p><i>City/County</i></p> <p><i>County</i></p>
5-1	<p>Schedule and Subsequent Work/Next Meeting</p> <p>Tentative schedule for next meeting is 9:00 a.m., Friday, December 1.</p>		<i>Atkins</i>

Meeting notes

Project:	Annapolis Water Supply Feasibility Study		
Subject:	Meeting Number 3		
Date and time:	1 December 2011	Meeting no:	3
Meeting place:	AA County Offices	Minutes by:	Bob Nelson
Present:	David Jarrell Thora Burkhardt Michael Wojton Ron Bowen Chris Phipps Bruce Wright Eddie Cope Leslie Campbell Brian Balchunas Bob Nelson Karyn Keese (phone)	Representing:	City of Annapolis City of Annapolis City of Annapolis Anne Arundel County Anne Arundel County Anne Arundel County Anne Arundel County Anne Arundel County Atkins Atkins Atkins

Note – action items italicized

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
1	<p>Review Gross Financial Analysis (Option 1 and 3)</p> <p>Discussion</p> <ul style="list-style-type: none"> If there is no difference in remaining value of existing facilities, and operating costs are assumed similar (per-volume basis), on a gross level, analysis could be reduced to capital costs only. Differential capital cost adder (between Option 1 and Option 3) would be approximately \$13.2 million, to City. (about \$530,000 per year with assumed MDE loan funding) 		
2	<p>Actual O&M Costs to Utilize</p> <p>Discussion</p> <ul style="list-style-type: none"> Preliminary County's O&M costs were disaggregated by utility (water versus wastewater) and treatment plant (Broad Creek II versus the other plants). Based on preliminary analysis, range of possible O&M costs (\$0.54/1,000 gallons to \$1.15/1,000 gallons) is still relatively wide. <p><i>Leslie C. and Thora B. will work on County's O&M costs to assure that they correctly compare with the City's O&M costs.</i></p>	12/9/11	City/County

NOTE TO RECIPIENTS:

These meeting notes record Atkins understanding of the meeting and intended actions arising there from. Your agreement that the notes form a true record of the discussion will be assumed unless comments are received in writing within five days of receipt.

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
------	----------------------	----------	-------------

3 Remaining Value of Existing Facilities (Depreciation)

Discussion

- Both City and County use 50-year depreciation.
- It was agreed that the City’s water tank should not be included in the value of existing facilities for the City. Only the value of the wells and the water appropriation will be considered.

4 Gross Level Sensitivity Analysis

Discussion

- It appears that for this preliminary analysis, O&M costs would be about the same. At the upper range of the County’s O&M estimate (\$1.15/1,000 gallons, City would be paying \$0.25/1,000 gallons more (~ \$400,000 per year) for Options 2 and 3.
- If net difference for remaining facility’s were \$2.5 million in County’s favor, it would reduce the overall cost advantage for combined facilities by \$100,000 per year.
- There will be some differences in capital costs, depending upon the City’s level of redundancy with raw and finished water interconnections under Highway 50; or whether a new, low-pressure pump station and interconnection is preferable to using a high-pressure interconnection on Nichols Road (where City and County water mains are in close proximity). If City spent \$5 million dollars on redundancy, it would reduce the overall cost advantage for combined facilities by \$200,000 per year.

5 Potential Financing

Discussion

- Discussions centered on possible City financing the differential of the capital cost for Option 3 (versus the County’s original cost for planned 4MGD upgrade) using MDE low interest loan.
- Under the scenario above, County would get benefit of additional 1.3 mgd of treatment capacity above current plan for 8 mgd.
- Capital costs could also be split based on total capacity for each system. Chris Phipps asked how economy of scale could be factored in. Bruce Wright noted that considering plant increase from 4 mgd to 17.33 mgd, with approximately 60% of capacity going to City and 40% going to County, cost split presented appeared reasonable.

ITEM	DESCRIPTION & ACTION	DEADLINE	RESPONSIBLE
	<ul style="list-style-type: none"> O&M costs split would likely be based on percentage of flow. Determining which costs should be included in O&M would not be as simple as at the wastewater treatment plant, as these plants have their own cost center. The same approach may need to be taken for the water plants. <i>Thora Burkhardt and Leslie Campbell to discuss cost split during the week of 12/5.</i> 		
6	<p>Outstanding Data Needs</p> <p>Discussion</p> <ul style="list-style-type: none"> The following information was provided: <ul style="list-style-type: none"> County uses general obligation bonds, with 30 year terms. The 3-year average rate is 4.8%. To finalize the financial analysis, the following additional information is required: <ul style="list-style-type: none"> <i>Comparable City/County O&M costs.</i> <i>County's cash/debt ratios, coverage rates (from Financial Department)</i> 	<p>12/9/11</p> <p>12/9/11</p>	<p>City/County</p> <p>County</p>

Schedule for next meeting is 12:00 PM, Monday, December 12. Additional financial information will be presented.

Appendix C

Technical Memorandum No. 1

Technical Memorandum 1

To:	City of Annapolis		
From:	Bob Nelson, Karthik Manchala	Email:	
Phone:	301-210-6800	Date:	09-20-2011
Ref:	100023456	cc:	Anne Arundel County DPW
Subject:	Annapolis Water Treatment Plant (WTP) and Broad Creek WTP – Design Criteria		

1.1. Background

The existing Annapolis Water Treatment Plant (WTP) provides drinking water to the City of Annapolis (City). The plant was constructed in 1933, and has been modified several times. Raw water is currently provided by eight wells, located near the treatment plant. Wells are screened in the Magothy, Lower Patapsco (LPAT), and Upper Patapsco (UPAT) aquifers. The water treatment process is designed for iron removal and includes tray-type (cascade) aerators, lime and alum addition, incidental mixing in the flocculation-basin influent channel, walking-beam flocculation, rectangular clarifiers with tube settlers, and dual-media filters. The City recently constructed two, 1-million-gallon, finished water storage tanks at the plant. According to the City's October 2009 Facility Plan Report (Hazen and Sawyer), there were no treatment performance issues, and the plant is in compliance with all applicable County and Federal regulations. The Annapolis WTP serves the City of Annapolis pressure zone 173.

Broad Creek II WTP is owned and operated by Anne Arundel County (AACo). The plant was constructed in 1989, and was designed to treat an average flow of 4 mgd. Raw water to the plant is provided by wells screened in the LPAT, UPAT, and Patuxent (PTX) aquifers. The treatment process, designed for iron removal, includes cascade aerations, lime and polymer addition, vertical-shaft flocculation, pulsating-sludge-blanket ("Pulsator") clarifiers, and self-backwashing, vacuum-controlled ("Greenleaf") filters. The plant serves the Broad Creek pressure zone 210.

The plants are approximately ½-mile apart. The City's distribution system and AACO's distribution system are currently interconnected at two locations. The interconnections have never been used. The City's Facility Plan Report recommended that the City build a new, 10-mgd water treatment plant, adjacent to the existing 10-mgd (nominal) plant. Estimated Phase I costs were \$50,100,000. Recently, Atkins completed design or a 4-mgd expansion of Broad Creek II WTP. Estimated costs were \$9,200,000. The City is interested in exploring the feasibility of a joint water treatment plant. The purpose of this memorandum is to establish water demand projections for both entities, design criteria, and determine strategies to accommodate the future demands.

Once agreement is reached regarding these matters, Atkins will produce a feasibility study. The objectives of feasibility study are two-fold:

- Determine 20-year strategy for meeting City's and County's water demands.
- Develop 50-year life-cycle costs for strategies identified herein. Based on cost-sharing allocation scenarios provided by the City and AACO, Atkins will generate respective costs-per-thousand-gallons, for each entity.

1.2. Review of Existing Information

A review of the existing information was performed. These documents include:

- *2007 Master Plan for Water Supply & Sewerage Systems* (AACo, amended February 2010)
- *Facility Plan Report, City of Annapolis, Maryland, Annapolis Water Treatment Plant Evaluation* (Hazen and Sawyer, October 2009)
- *Annapolis Comprehensive Plan* (City of Annapolis, October 2009)
- City of Annapolis amendments to *2007 Master Plan for Water Supply & Sewerage Systems* (June 2011)

Information from the above documents—including population and water demand projections—is presented below.

Water Demand Projections

Maximum day and peak hour water demands were estimated using the peaking factors and average flow. Figure 1 and Figure 2 show the average daily, maximum daily, and peak hourly water demand projections, for Broad Creek and City of Annapolis pressure zones.

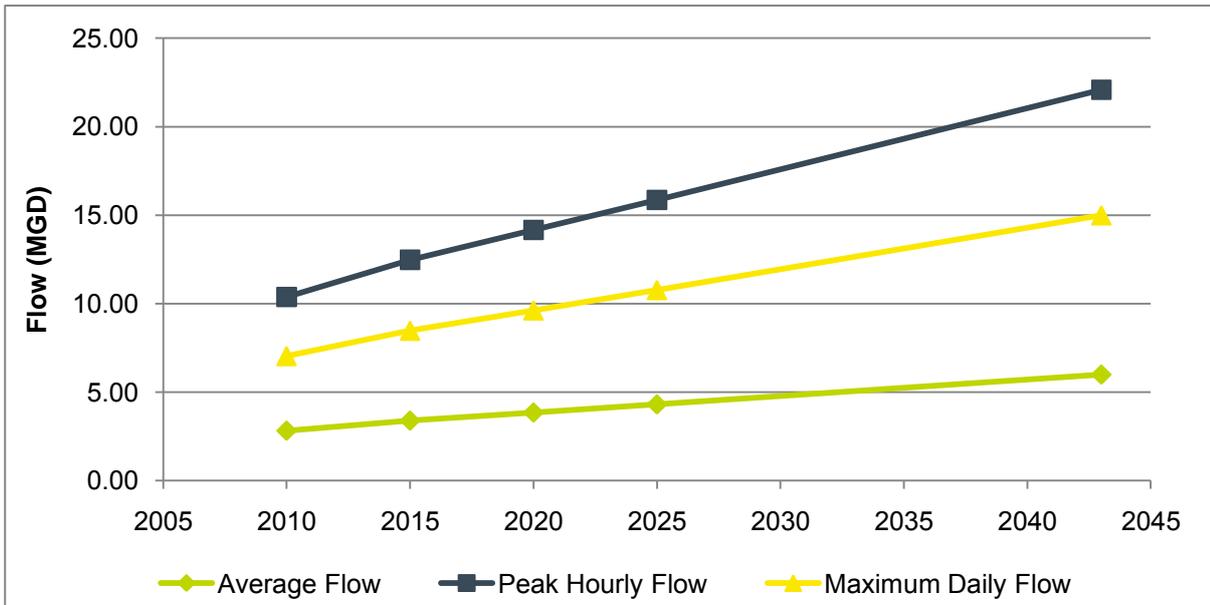


Figure 1. Flow Projection – Broad Creek Pressure Zone

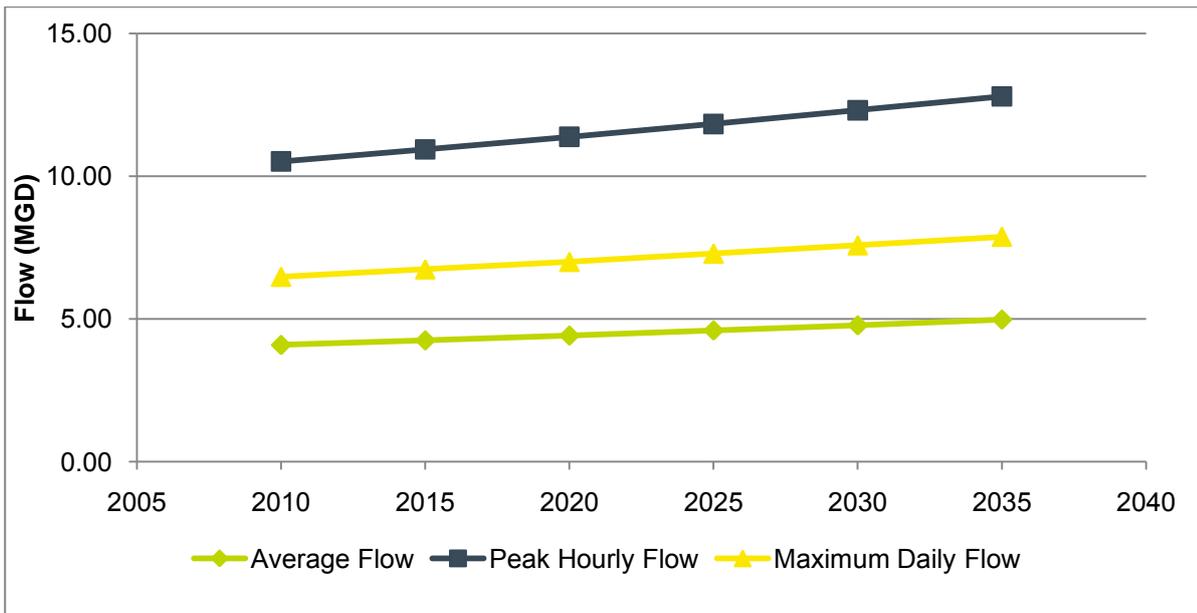


Figure 2. Flow Projection – City of Annapolis Pressure Zone

1.3. Design Criteria

Both the City and County water demand projections assume average flow per equivalent dwelling unit (EDU) is 250 gallons. The City’s projected maximum-daily-to-average-annual peaking factor is 1.6. The County’s projected maximum-daily-to-average-annual peaking factor for Broad Creek zone is 2.5.

Based on these assumptions, the City projects an 8-mgd, maximum day water demand in Year 2035. This quantity of treated water is assumed to be sufficient for population increases within the 173 zone, plus future redevelopment and annexations.

Similarly, the County projects a 15-mgd, maximum day water demand for the Broad Creek zone in Year 2043. Per the County’s 2007 Master Plan, this quantity of treated water is sufficient for population increases within the Broad Creek zone, plus Annapolis Neck. However, the 2007 Master Plan also identifies an additional 8-mgd to be sent from the Broad Creek zone to the Glen Burnie low zone. Capacity increases per the 2007 Master Plan are identified in Table 1.

Table 1. 2007 Master Plan Broad Creek Treatment Capacities

Water Supply Source	2010 Production	2015 Production	2020 Production	2025 Production	2030 Production	2035 Production	2040 Production	Ultimate Production
Broad Creek I&II	4.0	4.0	4.0	0.0	0.0	0.0	0.0	0.0
Broad Creek III	0.0	7.8	7.8	15.5	15.5	15.5	15.5	15.5
Witherensea	5.0	5.0	5.0	5.0	5.0	5.0	7.5	7.5
<i>Total</i>	<i>9.0</i>	<i>16.8</i>	<i>16.8</i>	<i>20.5</i>	<i>20.5</i>	<i>20.5</i>	<i>23.0</i>	<i>23.0</i>

Since release of the 2007 Master Plan, timing for capacity improvements has changed. The County is currently still relying on Broad Creek II WTP to supply all water to the Broad Creek zone, with emergency use of Broad Creek I, if needed. Maximum day flows in 2009-2011 were approximately 5.5 mgd. As stated previously, Broad Creek II is planned for expansion to 8-mgd, with construction completion in 2013. The 5-mgd Witherensea WTP is in the planning stages, with completion expected by 2015. Broad Creek III is not currently in the 2012-2016 CIP. Current known planned facilities for the Broad Creek zone are identified in Table 2.

Table 2. Current Planned Broad Creek Treatment Capacities

Water Supply Source	2010 Production	2015 Production	2020 Production	2025 Production
Broad Creek I&II	6.0	8.0	8.0	8.0
Broad Creek III	0.0	0.0	0.0	0.0
Witherensea	0.0	5.0	5.0	7.5
<i>Total</i>	<i>6.0</i>	<i>13.0</i>	<i>13.0</i>	<i>15.5</i>

The County is also planning for construction of the 6.0-mgd Northeast WTP to serve the Glen Burnie low zone. It is assumed that this treatment plant replaces the 2.3-mgd Marley Creek WTP identified in the 2007 Master Plan, thus supplying an addition 3.7-mgd to the Glen Burnie low zone. As needs for the Glen Burnie low zone may have changed since the 2007 Master Plan was completed, design criteria for treatment facilities have been developed based on meeting the combined maximum daily demands for the Broad Creek zone (15-mgd) and the City of Annapolis (8-mgd) only.

For purposes of this technical memorandum, it is assumed that no technical or regulatory hurdles constrain treatment plant location. Potential hurdles include: groundwater appropriations, future well-field locations, site size, storage and distribution issues.

The following options for meeting combined maximum daily demands are illustrated in the graphs below. All three options provide at least 23 mgd (15-mgd to the Broad Creek pressure zone and 8-mgd to City), the currently-projected, combined maximum-day water demands shown in Figures 1 and 2, above. If the City and County agree, these options will be developed further in the next phase of this feasibility study.

- **Option 1 (Baseline)-** Immediate construction of a new, 8-mgd WTP at the existing City WTP and a 4-mgd expansion at the County’s Broad Creek II WTP (8-mgd, total). Construction of a new, 5-mgd WTP at Withernsea by 2015, with an expansion to 7.5-mgd by 2025.
- **Option 2-** Immediate construction of an 8-mgd expansion at the County’s Broad Creek II WTP (12-mgd, total). Construction of a new, 5-mgd WTP at Withernsea by 2015, with an expansion to 7.5-mgd by 2020. Construction of new, 4-mgd WTP at either the current Annapolis WTP site or at the abandoned Broad Creek I WTP site, by Year 2025.
- **Option 3-** Immediate construction of a 12-mgd expansion at the County’s Broad Creek II WTP (16-mgd, total—pending piloting. Piloting is required in order for IDI—the existing clarifier manufacturer—to confirm higher loading rates.). Construction of a new, 5-mgd WTP at Withernsea by 2015, with an expansion to 7.5-mgd by 2025.

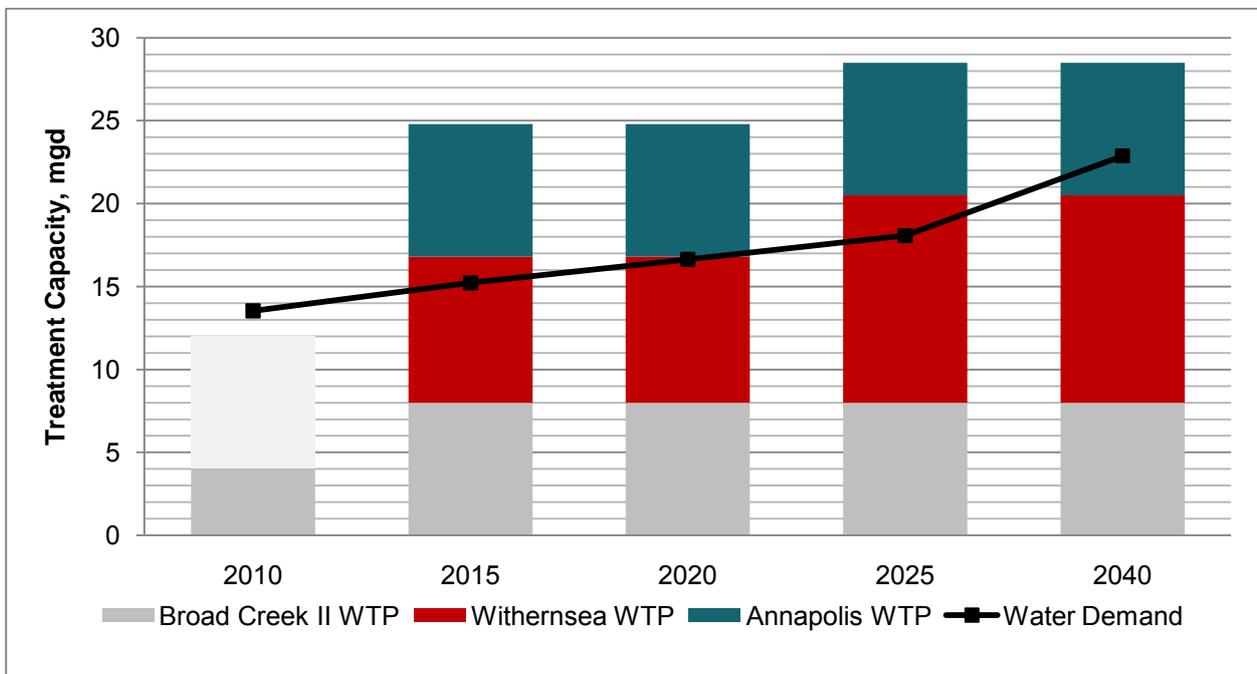


Figure 3. Option 1

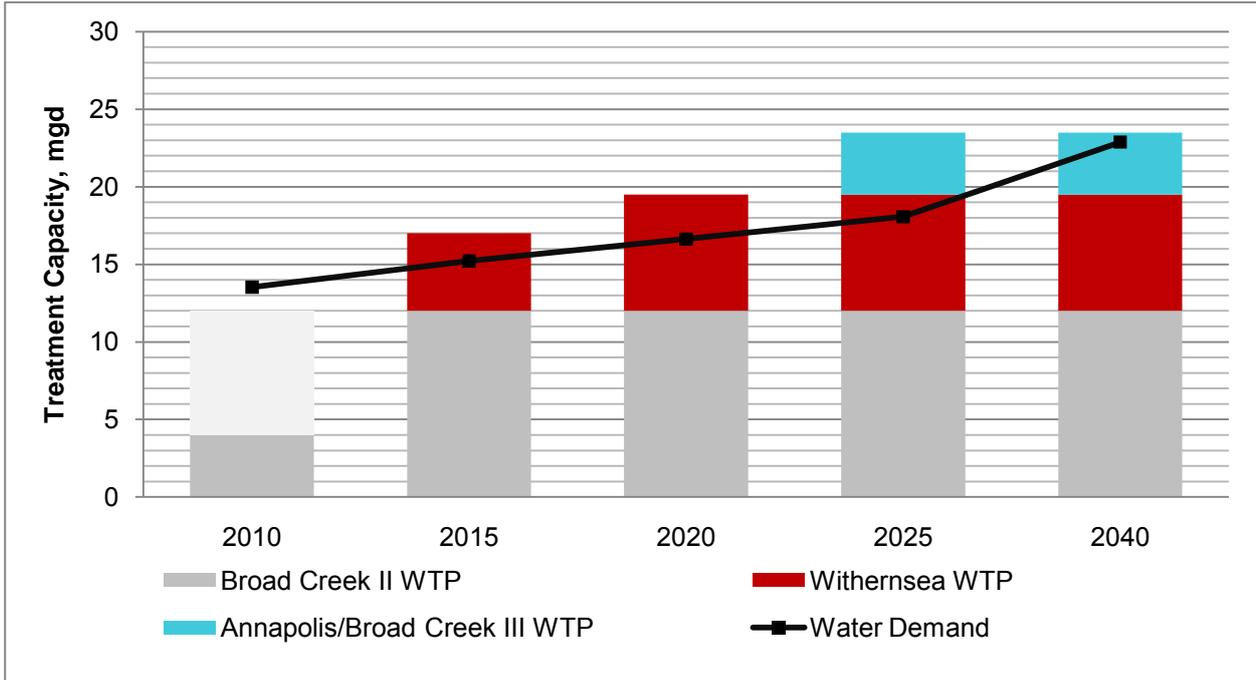


Figure 4. Option 2

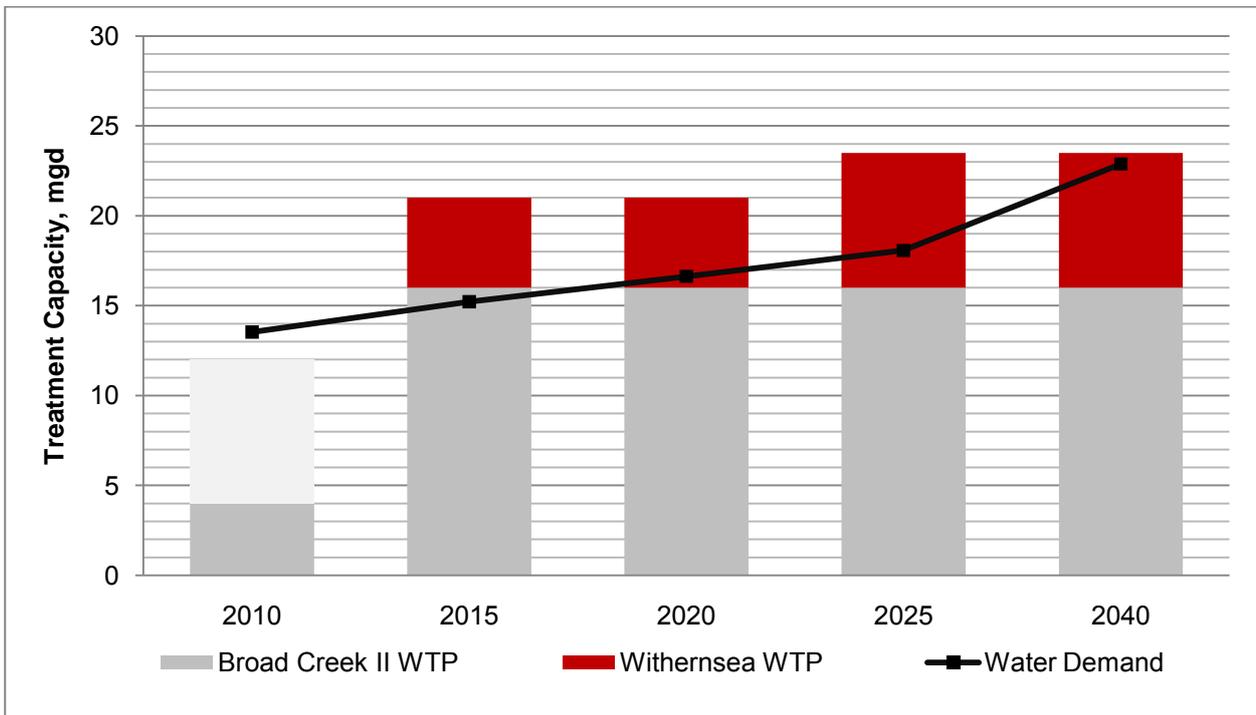


Figure 5. Option 3

Appendix D

Total Project Cost Summary Sheets

OPINION OF PROBABLE CONSTRUCTION COST

Client: City of Annapolis
Project: Annapolis 8 mgd WTP - H&S Estimate
Facility: Annapolis WTP - Use Same Assumptions as Others
Location: Annapolis, MD

Document: Opinion of Probable Construction Cost
Compiled by: KRM
Date: 10/21/2011

DESCRIPTION	COST
Contractor	\$ 21,000,000
Subtotal 1	\$ 21,000,000
Overhead and Profit 15% of subtotal 1	\$ 3,150,000
Subtotal 2	\$ 24,150,000
Contingency 25% of subtotal 2	\$ 6,037,500
Subtotal 3	\$ 30,187,500
Engin/Legal/Misc 21% of subtotal 3	\$ 6,339,400
TOTAL PROJECT COSTS (WTP ONLY)	\$ 36,526,900
Escalation 3% of subtotal 3	\$ 1,095,807
TOTAL PROJECT COSTS	\$ 37,622,707

OPINION OF PROBABLE CONSTRUCTION COST

Client: City of Annapolis
Project: Annapolis 8 mgd WTP - H&S Estimate
Facility: Annapolis FWPS - Use Same Assumptions as Others
Location: Annapolis, MD

Document: Opinion of Probable Construction Cost
Compiled by: KRM
Date: 10/21/2011

DESCRIPTION	COST
Contractor	\$ 2,190,000
Subtotal 1	\$ 2,190,000
Overhead and Profit 15% of subtotal 1	\$ 328,500
Subtotal 2	\$ 2,518,500
Contingency 25% of subtotal 2	\$ 629,700
Subtotal 3	\$ 3,148,200
Engin/Legal/Misc 21% of subtotal 3	\$ 661,200
TOTAL PROJECT COSTS (WTP ONLY)	\$ 3,809,400
Escalation 3% of subtotal 3	\$ 114,282
TOTAL PROJECT COSTS	\$ 3,923,682

OPINION OF PROBABLE CONSTRUCTION COST

Client: Anne Arundel County Department of Public Works
Project: Broad Creek II WTP Expansion
Facility: 8-mgd to County
Location: Annapolis, MD

Document: Opinion of Probable Construction Cost
Compiled by: KRM/RMN
Date: 7/1/2010

DESCRIPTION	COST
Contractor	
Division 1 : General Requirements	\$ 490,000
Division 2 : Civil	\$ 540,300
Division 3 : Concrete	\$ 946,700
Division 4 : Masonry	\$ 18,200
Division 5 : Metals	\$ 92,400
Division 6 : Woods and Plastics	\$ -
Division 7 : Thermal and Moisture Protection	\$ 11,900
Division 8 : Doors and Windows	\$ 9,400
Division 9 : Finishes	\$ 70,000
Division 10 : Specialties	\$ -
Division 11 : Equipment	\$ 2,196,100
Division 13 : Specialty Construction	\$ 453,400
Division 14 : Conveying Equipment	\$ 30,000
Division 15 : Mechanical	\$ 321,500
Division 16 : Electrical 15% of Div-1 to Div-15	\$ 777,000
Subtotal 1	\$ 5,956,900
Labor 8% of subtotal 1	\$ 476,600
Material 15% of subtotal 1	\$ 893,500
Overhead and Profit 15% of subtotal 1	\$ 893,500
Subtotal 2	\$ 7,327,000
Contingency 25% of subtotal 2	\$ 1,831,800
Subtotal 3	\$ 9,158,800
Engin/Legal/Misc 21% of subtotal 3	\$ 1,923,400
TOTAL PROJECT COSTS (WTP ONLY)	\$ 11,082,200
Wells and Raw Water Pipelines Total Project Cost (includes mark-ups)	\$ 5,700,000
TOTAL PROJECT COSTS	\$ 16,782,200

OPINION OF PROBABLE CONSTRUCTION COST

Client: City of Annapolis in Conjunction with AA Co DPW
Project: Broad Creek II WTP Expansion to 13.88 mgd
Facility: 7.2 mgd to City of Annapolis, 6.7 mgd to County
Location: Annapolis, MD

Document: Opinion of Probable Construction Cost
Compiled by: KRM
Date: 10/21/2011

DESCRIPTION	COST
Contractor	
Division 1 : General Requirements	\$ 500,000
Division 2 : Civil	\$ 1,013,100
Division 3 : Concrete	\$ 2,700,300
Division 4 : Masonry	\$ 36,400
Division 5 : Metals	\$ 164,700
Division 6 : Woods and Plastics	\$ -
Division 7 : Thermal and Moisture Protection	\$ 23,800
Division 8 : Doors and Windows	\$ 15,000
Division 9 : Finishes	\$ 90,000
Division 10 : Specialties	\$ -
Division 11 : Equipment	\$ 4,153,200
Division 13 : Specialty Construction	\$ 680,100
Division 14 : Conveying Equipment	\$ 40,000
Division 15 : Mechanical	\$ 1,898,500
Division 16 : Electrical 15% of Div-1 to Div-15	\$ 1,697,300
Subtotal 1	\$ 13,012,400
Labor 8% of subtotal 1	\$ 1,041,000
Material 15% of subtotal 1	\$ 1,951,900
Overhead and Profit 15% of subtotal 1	\$ 1,951,900
Subtotal 2	\$ 16,005,300
Contingency 25% of subtotal 2	\$ 4,001,400
Subtotal 3	\$ 20,006,700
Engin/Legal/Misc 21% of subtotal 3	\$ 4,201,500
TOTAL PROJECT COSTS (WTP ONLY)	\$ 24,208,200
Wells and Raw Water Pipelines Total Project Cost (includes mark-ups)	\$ 5,700,000
TOTAL PROJECT COSTS	\$ 29,908,200

OPINION OF PROBABLE CONSTRUCTION COST

Client: City of Annapolis in Conjunction with AA Co DPW
Project: Broad Creek II WTP Expansion to 17.33 mgd
Facility: 8 mgd to City of Annapolis, 9.33 mgd to County
Location: Annapolis, MD

Document: Opinion of Probable Construction Cost
Compiled by: KRM
Date: 10/21/2011

DESCRIPTION	COST
Contractor	
Division 1 : General Requirements	\$ 600,000
Division 2 : Civil	\$ 1,275,200
Division 3 : Concrete	\$ 3,278,000
Division 4 : Masonry	\$ 36,400
Division 5 : Metals	\$ 214,000
Division 6 : Woods and Plastics	\$ -
Division 7 : Thermal and Moisture Protection	\$ 35,700
Division 8 : Doors and Windows	\$ 18,800
Division 9 : Finishes	\$ 100,000
Division 10 : Specialties	\$ -
Division 11 : Equipment	\$ 5,422,200
Division 13 : Specialty Construction	\$ 906,800
Division 14 : Conveying Equipment	\$ 50,000
Division 15 : Mechanical	\$ 2,398,400
Division 16 : Electrical 15% of Div-1 to Div-15	\$ 2,150,300
Subtotal 1	\$ 16,485,800
Labor 8% of subtotal 1	\$ 1,318,900
Material 15% of subtotal 1	\$ 2,472,900
Overhead and Profit 15% of subtotal 1	\$ 2,472,900
Subtotal 2	\$ 20,277,600
Contingency 25% of subtotal 2	\$ 5,069,400
Subtotal 3	\$ 25,347,000
Engin/Legal/Misc 21% of subtotal 3	\$ 5,322,900
TOTAL PROJECT COSTS (WTP ONLY)	\$ 30,669,900
Wells and Raw Water Pipelines Total Project Cost (includes mark-ups)	\$ 5,700,000
TOTAL PROJECT COSTS	\$ 36,369,900

Appendix E

O&M Costs Provided by City and County

CITY OF ANNAPOLIS NEW WATER PLANT O&M COSTS

POSITION	STATUS	ANNUAL SALARY	DUTIES
Superintendent	Full Time	\$101,642.00	Performs responsible supervisory work in the operation and maintenance of water treatment plant. Operates water treatment plant .
Water Plant Operator IV	Full Time	\$54,530.00	Operates, maintains, and monitors water treatment plant. Calibrates some/all of the process control monitoring systems. Calibrates laboratory equipment Possesses a Class IV Water Certification.
Water Plant Technician I	Full Time	\$40,832.00	Operates, maintains, and monitors water treatment plant. Calibrates some/all of the process control monitoring systems. Calibrates laboratory equipment Conducts general housekeeping, building and ground maintenance. Possesses a Temporary Certificate.
Utility Mechanic II	Full Time	\$47,186.00	Performs maintenance on all of water treatment plant equipment.
Office Associate	4 hrs/week	\$4,083.00	Performs clerical duties at the direction of Superintendent
Subtotal		\$248,273.00	
Overtime		\$31,530.67	Line item in FY 12 budget is 12.7% of the salaries of overtime eligible employees
Benefits		\$106,605.20	Line Item in FY'12 budget is 38.1 % of salaries and overtime.
Subtotal		\$386,408.87	
Contractual Operations Assistance	25 days/yr	\$7,613.00	Provides a Class IV certified operator for fill in during emergencies and unanticipated leave. Assumes 8 hr. days at \$43.50/ hr.

Instrument Technician Services	5 days/yr	\$3,000.00	Provides instrument technician services for repair and calibration of plant instrumentation. Assumes 8 hr. days at \$75.00/ hr
--------------------------------	-----------	------------	--------------------------------------------------------------------------------------------------------------------------------

TOTAL		\$397,021.87	
--------------	--	---------------------	--

REVISED LINE ITEMS

LINE ITEM	FY'12 BUDGET	NEW WTP BUDGET	DESCRIPTION
6600 Supplies	\$42,934.00	\$43,000.00	Supplies other than chemicals
7720 Building & Grounds R&M	\$65,600.00	\$35,000.00	Mowing, alarm system, building repairs
7750 Equipment R&M	\$86,970.00	\$70,000.00	Electrical & mechanical repair of equipment, new equipment
7996 Contract Services	\$54,050.00	\$54,050.00	Maintenance agreements, cell phone service, water testing
TOTAL	\$249,554.00	\$202,050.00	

FISCAL IMPACT NOTE

Legislation No: R-2-12

First Reader Date: 2/13/12

Note Date: 2/22/12

Legislation Title: **City Water Treatment Plant**

Description: For the purpose of expressing the sense of the City Council to select the City-only alternative for construction of a new water treatment capacity.

Analysis of Fiscal Impact: This legislation expresses the City Council support of a new water treatment plant constructed by the City as opposed to two other options which would involve partnering with Anne Arundel County. According to a feasibility study performed by a multi-national engineering firm, Atkins, the difference in fiscal impact is insignificant and within the margin of error of the analysis.

Policy Report

R-2-12

City Water Treatment Plant

The proposed resolution would express the sense of the City Council to select the City-only alternative for construction of a new water treatment capacity. The City contracted with the multi-national engineering firm of Atkins to conduct a feasibility study of the City's options for a new water treatment plant. Atkins concluded that the life cycle costs of the City independently pursuing a new water treatment plant, when compared to the option of partnering with Anne Arundel County, would be within the margin of error of their analysis.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at JCCowles@annapolis.gov or 410.263.1184.

1
2
3
4
5
6
7

**CITY COUNCIL OF THE
City of Annapolis**

Ordinance No. O-7-12

Introduced by: Alderwoman Finlayson and Alderman Arnett

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	180 Day Rule
Referred to	Referral Date	Meeting Date	Action Taken
2/27/12			8/24/12
Rules and City Gov't	2/27/12		
Planning Commission	2/27/12		

8
9 **A ORDINANCE** concerning

10 **Variances for Subdivisions**

11 **FOR** the purpose of moving the authority for granting subdivision variances from the Planning
12 Commission to the Board of Appeals to comply with the Annotated Code of Maryland
13 and a recent court decision; and all matters relating to variances for subdivisions.

14
15 **BY** repealing the following portions of the Code of the City of Annapolis, 2011 Edition:
16 Section 20.32.010
17 Section 20.32.020
18 Section 20.32.040
19 Section 20.32.050

20
21 **BY** repealing, renumbering, and re-enacting with amendments the following portions of the
22 Code of the City of Annapolis, 2011 Edition:
23 Section 20.32.030 to Section 20.32.010
24 Section 20.32.060 to Section 20.32.020
25 Section 20.32.080 to Section 20.32.030
26 Section 20.32.090 to Section 20.32.040
27 Section 20.32.100 to Section 20.32.050

28
29 **BY** repealing and re-enacting with amendments the following portions of the Code of the
30 City of Annapolis, 2011 Edition:
31 Section 21.08.040
32 Section 21.54.180

33
34
35 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
36 **COUNCIL** that the Code of the City of Annapolis shall read as follows:
37

1 **CHAPTER 20.32 – VARIANCES**
2

3 **[20.32.010 Planning Commission authority--Generally.**

4 The Planning Commission after a public hearing, may determine and vary the regulations of this
5 title where the commission makes findings of fact in accordance with the standards prescribed
6 in this chapter and further finds that, while extraordinary hardship may result from strict
7 compliance with this title, the variance authorized will not have the effect of nullifying the intent
8 and purpose of the comprehensive master plan, adopted land use plans for the area, or this
9 title.]
10

11
12 **[20.32.020 Planning Commission--Planned communities.**

13 The standards and requirements of this title may be modified as approved by the Planning
14 Commission in conjunction with the review of either the preliminary or final plats in the case of a
15 plan and program for a complete community or a neighborhood unit which, in the judgment of
16 the commission, provide adequate public spaces and improvements for the circulation,
17 recreation, light, air and service needs of the tract when fully developed and populated, and
18 which also provide covenants or other legal provisions as will assure conformity to and
19 achievement of the plan.]
20

21
22 **[20.32.030] 20.32.010 Application.**

23 An application for a variance shall be filed with the Planning and Zoning Director in the form and
24 accompanied by the information required by the director [who shall submit a written report and
25 recommendation to the Planning Commission.] FOLLOWING THE PROCESS IDENTIFIED IN
26 SECTIONS 21.28.020B AND 21.28.030 AND SHALL PROVIDE ADEQUATE EVIDENCE THAT
27 THE PROPOSED VARIANCE WILL CONFORM TO THE STANDARDS SET FORTH IN
28 TITLE 20.
29

30
31 **[20.32.040 Review by commission.**

32 A. A variance application, when complete, shall be placed upon the agenda of the Planning
33 Commission for consideration at its regular monthly meeting. The agenda shall be published in
34 a newspaper of general circulation in the City at least seven days prior to the meeting. The
35 applicant shall post a sign on the property for which the variance is being sought at least fifteen
36 days prior to the meeting. At this meeting the commission may accept whatever evidence and
37 testimony it judges to be relevant to the proper consideration of the case. The applicant shall be
38 responsible for the removal of the sign within seven days following the meeting.

39 B. At the meeting a report and recommendation from the Planning and Zoning Director shall be
40 received and the director shall be available to respond to inquiries from the members of the
41 Planning Commission.]
42

43
44 **[20.32.050 Commission findings and action.**

45 Within thirty days after the commission has completed its review of the application, but in no
46 case longer than ninety days after placing the application on the agenda of the commission, the
47 commission shall make written findings of fact.]
48

49
50 **[20.32.060] 20.32.020 Required findings.**

1 The [Planning Commission] BOARD OF APPEALS shall not vary the regulations of this title
2 unless findings are made based upon the evidence presented in each specific case that:
3 A. Because of the particular physical surroundings, shape or topographical conditions of the
4 specific project involved, a particular hardship to the owner would result as distinguished from a
5 mere inconvenience if the strict letter of the regulations were to be carried out;
6 B. The conditions upon which the petition for a variance is based are unique to the property for
7 which the variance is sought;
8 C. The purpose of the variance is not based exclusively upon a desire to increase financial gain;
9 D. The alleged difficulty or hardship is caused by this title and has not been created by any
10 persons presently having an interest in the property;
11 E. The granting of the variance will not be detrimental to the public welfare or injurious to other
12 property or improvements in the neighborhood in which the property is located;
13 F. The proposed variance will not impair an adequate supply of light and air to adjacent
14 property, or substantially increase the congestion of the public streets, or increase the danger of
15 fire, or endanger the public safety, or substantially diminish or impair property values within the
16 neighborhood;
17 G. With respect to proposed lots comprised of land which, as of January 1, 1981, was
18 unimproved by buildings or structures, the proposed variance will not authorize lot areas or lot
19 widths which are less than eighty percent of those required by the applicable zoning regulations
20 of the City. With respect to other proposed lots, the proposed variance may authorize any lot
21 areas or lot widths complying with subsections A through F of this section.
22
23

24 **[20.32.080] 20.32.030 Commission action.**

25 Prior to the granting of any variance, the [Planning Commission] BOARD OF APPEALS shall
26 stipulate conditions and restrictions as in their judgment will secure substantially the objectives
27 of the standards or requirements so varied or modified. In all cases in which variances are
28 granted, the [commission] BOARD shall require evidence and guarantees as it may deem
29 necessary as proof that the conditions stipulated in connection with the variance are being and
30 will be satisfied. No variance shall be granted under this chapter except by the affirmative vote
31 of a majority of all members of the [commission] BOARD.
32
33

34 **[20.32.090] 20.32.040 Resubmittal after denial.**

35 No application for a variance which has been denied by the [Planning Commission] BOARD OF
36 APPEALS shall be resubmitted for a period of one year from the date of the order of denial,
37 except on the grounds of new evidence or proof of change of conditions found to be valid by the
38 [Planning Commission] BOARD OF APPEALS.
39
40

41 **[20.32.100] 20.32.050 Appeals.**

42 Appeals from decisions of the [Planning Commission] BOARD OF APPEALS under this chapter
43 shall be made to the Circuit Court of Maryland for Anne Arundel County pursuant to Maryland
44 Rules, Title 7, Chapter 200, or its successors.
45

46 **Chapter 21.08 – DECISION MAKING BODIES AND OFFICIALS**

47
48 **21.08.040 - Board of Appeals.**

- 1 A. Establishment. The Board of Appeals is established pursuant to and has the authority to
2 execute all of the powers granted to Boards of Appeals by Article 66B of the Annotated Code of
3 Maryland.
- 4 B. Membership. The Board of Appeals shall consist of five members who shall be residents and
5 registered voters of the City of Annapolis and who shall serve without compensation. The
6 regular members and one alternate member shall be appointed by the Mayor and confirmed by
7 the City Council and be removable for cause, upon written charges, and after public hearing.
8 When an alternate member is absent, the Mayor with the confirmation of the City Council may
9 designate a temporary alternate.
- 10 C. Term. The term of office of each member of the Board of Appeals shall be for three years, as
11 provided in Article 66B of the Annotated Code of Maryland. Vacancies shall be filled for the
12 unexpired term of any member whose term becomes vacant.
- 13 D. Rules. The Board of Appeals shall adopt rules in accordance with the provisions of this
14 section and in accordance with the provisions of Article 66B of the Annotated Code of Maryland.
15 The Board shall adopt and amend rules as follows:
- 16 1. After a public session to consider the proposed rules or amendments, the Board shall
17 adopt and periodically amend rules of practice and procedure.
- 18 2. The Board shall give reasonable notice of the date, time, and place of the public
19 session and the category of rule or amendment to be considered at the session.
- 20 3. After approval by the Board, the rules of the Board of Appeals shall be published and
21 shall be available to the public through the Department of Planning and Zoning.
- 22 E. Duties. The Board of Appeals shall have the following powers and duties:
- 23 1. To hear and decide appeals, pursuant to the provisions of Zoning Code Chapter
24 21.30 where it is alleged there is error in any order, requirement, decision or
25 determination made by an administrative official or body in the enforcement of: (a) this
26 Zoning Code; or (b) any ordinance adopted pursuant to this Zoning Code.
- 27 2. To hear and decide applications for special exceptions pursuant to Chapter 21.26 of
28 this Zoning Code.
- 29 3. To hear and decide applications for variances from the terms of this Zoning Code,
30 pursuant to the provisions of Chapter 21.28 AND FROM THE TERMS OF TITLE 20 -
31 SUBDIVISIONS, PURSUANT TO THE PROVISIONS OF CHAPTER 20.32.
- 32 4. To hear and decide applications for zoning district boundary adjustments pursuant to
33 the provisions of Zoning Code Chapter 21.20
- 34 5. To hear and decide applications for physical alteration of a nonconforming use
35 pursuant to the provisions of Chapter 21.68
- 36 6. To hear and decide all matters referred to it or upon which it is required to decide by
37 this Zoning Code, and as prescribed by Article 66B of the Annotated Code of Maryland.
- 38 F. Tolling of Approvals. Approvals granted by the Board of Appeals pursuant to Section
39 21.08.040E of this Code and extensions thereof which are active and valid as of December 31,
40 2010, shall be tolled until June 30, 2012, so that all such approvals and extensions shall expire
41 on, or any applicable extension request shall have been requested by, June 30, 2012.
- 42 G. Meetings. The meetings of the Board of Appeals shall be held at the call of the chair and at
43 other time determined by the Board. The Board shall provide public notice of any meeting by
44 publication in at least one newspaper of general circulation in the City not less than seven days
45 prior to the meeting. The chair or the acting chair may administer oaths and compel the
46 attendance of witnesses. All meetings shall be open to the public. The Board shall make a
47 transcript of all proceedings, showing the vote of each member on each question, or the
48 member's absence or failure to vote. The board shall immediately file the transcript of its
49 proceedings in the Office of Planning and Zoning. Each transcript shall be a public record. If a
50 recording or a transcript of a recording is not prepared in the normal course of the Board's

1 proceedings, the party who requests a copy of the recording or its transcript shall pay the cost of
2 preparing the recording or transcript.
3

4

5 **CHAPTER 21.54 – CRITICAL AREA OVERLAY**

6 **21.54.180 Variances in conjunction with subdivisions.**

7 A. In accordance with the regulations of Chapter 20, Subdivisions, if a subdivision requires
8 approval by the Planning Commission, the authority to approve a variance to the critical area
9 requirements shall be that of the [Planning Commission] BOARD OF APPEALS. The [Planning
10 Commission] BOARD OF APPEALS in considering the variance shall apply the standards or
11 conditions of review specified under Section 21.54.160.

12 B. Appeals from decisions of the [Planning Commission] BOARD OF APPEALS under Section
13 21.54.180 shall be made to the Circuit Court for Anne Arundel County.
14

15

16 **SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
17 **ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the date of its passage.
18

19 **ADOPTED** this _____ day of _____, _____.
20

21

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

22

23

24

EXPLANATION

CAPITAL LETTERS indicate matter added to existing law.

26

[brackets] indicate matter stricken from existing law.

27

Underlining indicates amendments.

28

29



Hiring Approval Request Form

HR Control Number: HR-46-12

Transaction Type. Check only one transaction type. All applicable sections must be completed.

<input type="checkbox"/> Create a new position.	<input checked="" type="checkbox"/> Fill a vacant position.	<input type="checkbox"/> Promotion
<input type="checkbox"/> Reclassification (<input type="checkbox"/> Vacant <input type="checkbox"/> Incumbent)	<input type="checkbox"/> Reappointment / Reinstatement	<input type="checkbox"/> Other:

2 - Position Information.

Department Name: TRANSPORTATION		Department Number: 23
Department Contact: RICHARD A. NEWELL		Contact Phone: 410-263-7964
Position Title: PARKING ENFORCEMENT OFFICER		Job Class Code: 4011
Number Needed: ONE (1)	Rate / Range of Pay: A04 26671.93 - 42675.20	Benefits? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Type: <input checked="" type="checkbox"/> Civil Service <input type="checkbox"/> Exempt Service/Appointed <input type="checkbox"/> Contractual <input type="checkbox"/> Seasonal/Temporary		
Status: <input checked="" type="checkbox"/> Full-time or <input type="checkbox"/> Part-time		
Is the anticipated salary cost in excess of previously budgeted amount? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Current position costs: Salary \$ 31196.06	+ Cost of fringe benefits: \$ 11854.50	= Total Compensation: \$ 43050.56
Anticipated position costs: Salary \$ 26671.93	+ Cost of fringe benefits: \$ 10135.33	= Total Compensation: \$ 36807.26

3 - REQUIRED - Justification. Check all appropriate reasons.

<input type="checkbox"/> Mandated by law	<input checked="" type="checkbox"/> Vacancy will cause higher overtime expenditure	<input type="checkbox"/> Critical to public safety
<input checked="" type="checkbox"/> Revenue generator	<input type="checkbox"/> Critical function for department	<input type="checkbox"/> Other, please explain:

Please attach justification of critical need(s) or reason(s) checked above. Include an explanation of funding source for any increase in cost; also include information about mandate(s), revenue generated, or potential increased overtime expenses.

Salary shown is for one (1) full-time parking enforcement officer at pay grade A04-01. Overtime costs will be reduced when this position is filled.

Please explain how this position fits into the departmental structure and what activities will be affected by not filling the position.

Lost of revenues from on-street parking and additional overtime costs incurred.

[Handwritten Signature]
Signature of Department Director:

02/21/12
Date:

4 - Finance / Budget Information.

Does this affect the budgeted 2.8 million savings? Yes No

If yes, please provide an explanation.

Replacement of Jessica Phillips
 Reduced salary by 2.85K

Budgeted: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No	%FTE: _____	Account Code(s) or GL Account(s)

5 - REQUIRED Signatures.		Approved / Denied	Date
Finance Director:	<i>Bruce Miller</i>	Appvo BTD	2/21/12
Human Resources Director:	<i>Paul M. Bennett</i>	Approved PMR	2/21/12
City Manager:	<i>Steve Merrill</i>	<i>A</i>	2/21/12
Mayor:	<i>Paul</i>	<i>A</i>	2.21.12
Finance Committee Chairperson:	<i>Ross H. Bennett</i>		
City Council:			



Chartered 1708

Joshua J. Cohen, Mayor
City of Annapolis
160 Duke of Gloucester Street
Annapolis, Maryland 21401

February 15, 2012

To: Alderpersons, City Of Annapolis
From: Mayor Joshua J. Cohen 
Re: Planning Commission Appointment

I respectfully submit for your approval the appointment of Mr. David Iams to the Planning Commission. Mr. Iams is a resident of Ward 7 and this appointment fills a vacancy on the Commission. His resume is attached.

David Iams
18-11 Silverwood Circle
Annapolis, MD 21401
(410) 212-2945
davidiams@gmail.com

Thank You.

JJC/hrr

Reviewed by: <u>Economic Matters</u>
<input checked="" type="checkbox"/> Favorable <input type="checkbox"/> Unfavorable
<u><i>Frederick M. Paine</i></u> <u>2/15/12</u>
Committee Chair Date

January 27, 2012

To whom it may concern,

I am thrilled by the prospect of serving on the city planning commission. I feel that I could bring a unique perspective to this role and look forward to learning and making a difference in shaping the future of Annapolis.

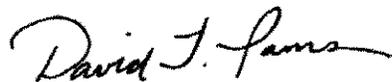
I believe that the city needs to grow, but this growth needs to be done honestly and "smartly". Due diligence is absolutely necessary. I am willing to put my own desires aside, listen, and work on behalf of the entire city as we move forward.

I love my community as is evidenced by my volunteer work for both a member of the friends of Quiet Waters Park board (I currently serve as president) as well as serving on the board for the condominium where I live (Fairwinds Condominium of Annapolis, which is comprised of 364 condominiums and 24 townhouses). My interests are not only focused on Ward 7 but also on how all development affects business and quality of life throughout the city. As someone who also volunteers at a friend's store downtown, I understand how development can affect small business owners in both positive and negative ways.

My volunteer experience has resulted in me receiving numerous Quiet Waters Park awards, the County's Ron Blake Outstanding Volunteer award, as well as executive citations from County Executives Janet Owens and John Leopold.

Thank you for this opportunity.

Sincerely,

A handwritten signature in black ink that reads "David T. Iams". The signature is written in a cursive, flowing style.

David T. Iams
443-949-9709
410-212-2945
davidiams@gmail.com

David T. Iams

18-11 Silverwood Circle
Annapolis, MD 21401
E-mail: davidiams@gmail.com

(443) 949-9709 - Home
(410) 212-2945 - Mobile
(412) 254-4267 - Other

Profile

Self-motivated, energetic professional with extensive operational and administrative management experience in for-profit and non-profit sectors. Particularly skilled in all aspects of scientific conference management. Excellent verbal and written communication skills. Extensive experience working with government agencies, executive level industry, and academia. Strengths and areas of expertise include:

- Strategic and tactical planning
 - Secured multiple government funding awards
 - Team building and creating a results-oriented work culture
 - Operations management
 - Partnerships and alliances
 - Corporate communications
 - Conference development and management
 - Public speaking in both national and international arenas
 - Ability to bridge excellent relationships with high profile individuals
 - High degree of loyalty to employer - honest, professional, and confidential
-

Professional Experience

Optoelectronics Industry Development Association

1997 – Present

Washington, DC

Director of Communications and Business Development

- Produce 4-5 technology forums per year (all logistics including speaker recruitment, team building and supervision, volunteer relations, sponsorship, facilities, hosting, and marketing).
- Create event literature, from marketing material to program books and conference proceedings.
- Manage multiple administrative functions: employee supervision, benefits, contract negotiations, budgeting, and membership services.
- Coordinate office and facility needs - reduced office/rental expenses by 66% (\$180K per year).
- Serve as primary interface with President, Board of Directors, and association membership.
- Liaise between program coordinators and technology experts from industry, academia, and government.
- Establish partnerships with industry (including non-profits), government, and academia through sponsorships and grants.
- Representation of organization at national and international speaking engagements, conferences, and trade shows.
- Design, launch, and maintain multiple corporate websites.
- Manage all corporate communications (branding, press releases, E-mail marketing campaigns, blogs, social networking, newsletters, and trademark acquisition).
- Responsible for project management with the following initiatives:
 - PTAP (Photonics Technology Access Program) – a collaboration with academia, industry, and government agencies designed to promote optoelectronics and improve the U.S. workforce.
 - JOP (Joint Optoelectronics Project) – an exchange program which provided pre-commercial prototype devices to U.S. based academics from Japanese manufacturers.
 - IOA (International Optoelectronics Association) – a coalition of international optoelectronics associations.

David T. Iams

Page 2

Cigna Special Marketing Division

1993 – 1996

Pittsburgh, PA

Disability Claims Analyst

- Analyzed and investigated data to ensure accurate interpretation and administration of long term disability claims.
- Researched and adhered to numerous state and federal regulations, legalities, and timing standards in order to avoid potential fines, penalties, and lawsuits.
- Reduced reserves through fraud detection/resolution and aggressive follow-up of health/income.
- Conducted medical training seminars.
- Assisted in the establishment of procedural guidelines.
- Implemented an electronic funds transfer system.

Mellon Bank

Pittsburgh, PA

1991 – 1993

Consumer Loan Adjustor

- Serviced and collected payments for delinquent installment loans and personal credit lines.
- Researched and analyzed delinquent accounts, resolved discrepancies.
- Followed status and applicability of bankruptcies and insurance claims.
- Ensured compliance with Fair Debt practices.

Education

University of Pittsburgh, Pittsburgh, PA

- Bachelor of Arts – Communications

Proficiencies

- Microsoft Office 2003-2007 (MS Word, MS Excel, MS PowerPoint, MS Outlook, MS Publisher)
- HTML, CSS, Adobe PhotoShop, ImageReady, Various WYSIWYG Editors and Content Management Solutions. Blogging and social networking technologies

Additional Experience and Volunteer Activities

- Assisted in the start-up and growth of a thriving pet services business, including branding and marketing. Created and maintain corporate website.
- Board of Directors member and volunteer for a large for a large community park. Responsibilities include event and volunteer coordination as well as assistance with fundraising efforts.
- Serve in various roles on the Board of Directors for a 388-unit condominium development. Responsible for enforcement of covenants, compliance to applicable guidelines and laws, and annual budgeting.
- Volunteer and mentor. Provide assistance with various recreational activities for mentally and physically challenged individuals.
- Multiple volunteer awards received.