

1. Agenda TC March 2026 Draft

Documents:

[AGENDA TC MARCH 2026 DRAFT.PDF](#)

2. CALL TO ORDER

3. PLEDGE OF ALLEGIANCE

4. PRESENTATIONS

5. PUBLIC COMMENT

6. SPEAKERS

7. APPROVAL OF COUNCIL MEETING MINUTES & CLOSED MINUTES, And Other Related Minutes As Listed:

7.I. 2-2-2026 Town Council Minutes

Documents:

[2-2-2026 TOWN COUNCIL MINUTES.PDF](#)

8. CIVIL AIR PATROL REPORT - Erin Lavelle, 1st Lt.

9. MOUNT AIRY VOLUNTEER FIRE COMPANY REPORT

10. MOUNT AIRY POLICE DEPARTMENT REPORT- Chief Ginevra

11. MAYOR, COUNCIL AND STAFF REPORTS

Mayor's Report- Mayor Hushour

Water and Sewer Commission, Beautification Commission and Inclement Weather Task Force - Councilmember Domotor

Planning Commission - Councilmember Kelly

Streets and Roads Commission, Commission on Aging and Livability and Flat Iron Task Force- Councilmember Munder

Economic Development Commission and Recycling and Sanitation Commission - Council Secretary Evans

Board of Recreation and Parks and Mount Airy Sustainability Commission - Council President Washabaugh

Town Attorney Report

Town Administrator Report

Code Enforcement Report

Zoning Administrator Report

11.I. Zoning Administrator Report January 2026

Documents:

ZONING ADMINISTRATOR REPORT JANUARY 2026.PDF

11.II. Bank Balances 02-27-2026

Documents:

[BANK BALANCES 02-27-2026.PDF](#)

12. NEW BUSINESS

12.I. Town Hall Improvments Phase II

Documents:

[TOWN HALL IMPROVMENTS PHASE II.PDF](#)

12.II. Mt. Airy Apartments PSA With Exhibit For TC Approval 3-2-26

Documents:

[MT. AIRY APARTMENTS PSA WITH EXHIBIT FOR TC APPROVAL 3-2-26.PDF](#)

13. ORDINANCES AND RESOLUTIONS

13.I. Annexation Resolution 2025-47 - Schedule Public Hearing

13.II. Resolution 2026-3

Documents:

[RESOLUTION 2026-3.PDF](#)

13.III. Ordinance 2026-3

Documents:

[ORDINANCE 2026-3.PDF](#)

13.III.i. Five Year Visual Rate Changes

Documents:

[FIVE YEAR VISUAL RATE CHANGES.PDF](#)

13.III.ii. Water Shutoff Hardship Procedure.2025

Documents:

[WATER SHUTOFF HARDSHIP PROCEDURE.2025.PDF](#)

13.IV. Ordinance 2026-4

Documents:

[ORDINANCE 2026-4.PDF](#)

13.V. Ordinance 2026-5

Documents:

[ORDINANCE 2026-5.PDF](#)

13.VI. Resolution 2026-4

Documents:

[RESOLUTION 2026-4.PDF](#)

14. UNFINISHED BUSINESS

15. ADJOURNMENT

LARRY HUSHOUR
Mayor



Council Members
JASON P. EVANS
Secretary

TIM J. WASHABAUGH
Council President

KARL L. MUNDER
SEAN M. KELLY
STEPHEN L. DOMOTOR

TENTATIVE MOUNT AIRY TOWN COUNCIL AGENDA

Meetings are held at Mount Airy Town Hall, 110 S. Main Street, Mount Airy, MD

MARCH 2, 2026

This meeting will be broadcast live on local Channel 23. It can also be viewed live at www.carrollmediacenter.org and on the Town's Facebook page at <https://www.facebook.com/TownofMountAiry/>.

~ Swearing-in of K9 Officer Uri by Mayor Hushour at 7:20 p.m. ~

REGULAR TOWN COUNCIL MEETING – 7:30 p.m.

- **CALL TO ORDER**
- **PLEDGE OF ALLEGIANCE**
- **PRESENTATIONS**
 - Proclamation to recognize National Vietnam War Veterans Day on March 29, 2026 – Mayor Hushour & Town Council
- **PUBLIC COMMENT**
- **SPEAKER(S)**
- **APPROVAL OF COUNCIL MEETING MINUTES & CLOSED MINUTES, and other related minutes as listed:**
 - February 2026 - Town Council Meeting Minutes
 - February 2026 - Closed Meeting Minutes
 - 1) *Statutory Authority to Close Session, General Provisions Article, 3-305(b)(7):* To consult with counsel to obtain legal advice on a legal matter; Subj: Litigation
 - 2) *Statutory Authority to Close Session, General Provisions Article, 3-305(b)(3):* To consider the acquisition of real property for a public purpose and matters directly related thereto; Subj: Land Acquisition

- **CIVIL AIR PATROL REPORT** – Erin Lavelle, 1st Lt.
- **MOUNT AIRY VOLUNTEER FIRE COMPANY REPORT** – M. Heard
- **MOUNT AIRY POLICE DEPARTMENT REPORT** – Chief Ginevra
- **MAYOR, COUNCIL AND STAFF REPORTS** – Highlights/action items only
 - Mayors Report – **MAYOR HUSHOUR**
 - Water & Sewer Commission, Beautification Commission, Inclement Weather Task Force & 250th Semiquincentennial Committee (**COUNCILMEMBER DOMOTOR**)
 - Planning Commission (**COUNCILMEMBER KELLY**)
 - Streets & Roads Commission, Commission on Aging and Livability (COAL) and Flat Iron Task Force (**COUNCILMEMBER MUNDER**)
 - Economic Development Commission and Recycling & Sanitation Commission (**COUNCIL SECRETARY EVANS**)
 - Board of Recreation & Parks and Sustainability Commission (**COUNCIL PRESIDENT WASHABAUGH**)
 - Town Attorney Report (**TOM MCCARRON**)
 - Town Administrator Report
 - Code Enforcement Report
 - Zoning Administrator Report
- **NEW BUSINESS**
 - Recommendation for Approval – Town Hall Improvements Phase II – J. Friedman
 - PSA for Approval – SH Watersville LLC - Mt. Airy Apartments – T. McCarron
 - PWA Cost Estimate for Approval – Southside Plaza – T. McCarron
 - Commission Appointments & Re-appointments – Mayor Hushour
- **ORDINANCES AND RESOLUTIONS**
 - a. **Annexation Resolution 2025-47 – 50.98 acres, more or less, of land located along the north side of Watersville Road – Schedule Public Hearing**
 - b. **Resolution 2026-3 – Establishing and Maintaining a Water and Sewer Reserve Balance of \$4,200,000 - For Adoption**
 - c. **Ordinance 2026-3 – Water & Sewer Rate Increase – For Adoption**
 - d. **Ordinance 2026-4 – *Emergency* Budget Amendment to add \$14,000 from the Sustainable Maryland Action Grant – For Adoption**

- e. **Ordinance 2026-5 – Budget Amendment to Transfer Funding & Expenses Associated with the Police Station Project to a New “Capital Project Fund” (CPF) – For Introduction**
- f. **Resolution 2026-4 – For the Purpose of Establishing the Town’s Available Water and Sewer Capacity Yield from 2026 through 2027 (*Amended from Resolution 2026-2*) – For Adoption**

- **UNFINISHED BUSINESS**

- **POSSIBLE CLOSED MEETING**

- ***STATUTORY AUTHORITY TO CLOSE SESSION, GENERAL PROVISIONS ARTICLE, 3-305(b)(7)***: To consult with counsel to obtain legal advice on a legal matter; Subj: Litigation
- ***STATUTORY AUTHORITY TO CLOSE SESSION, GENERAL PROVISIONS ARTICLE, 3-305(b)(3)***: To consider the acquisition of real property for a public purpose and matters directly related thereto; Subj: Land Acquisition

- **ADJOURNMENT**

The Town will make every effort to provide a reasonable accommodation for the hearing impaired by providing a sign language interpreter. A request for such an accommodation must be made 72 hours in advance of the meeting to facilitate scheduling.

LARRY HUSHOUR
Mayor

TIM J. WASHABAUGH
Council President



Council Members
JASON P. EVANS
Secretary

KARL L. MUNDER
SEAN M. KELLY
STEPHEN L. DOMOTOR

Minutes of the Mount Airy Town Council Meeting February 2, 2026

Attendees: Town Officials: Mayor Hushour, Council Secretary Evans, Councilmember Munder, Councilmember Kelly and Councilmember Domotor

Town Staff: Jared Schumacher - Town Administrator, Holly McCleary - Town Clerk, Barney Quinn - Town Engineer, John Breeding - Director of Planning and Zoning, Tom McCarron -Town Attorney, Michael Ginevra - Chief of Police

1. **CALL TO ORDER AND PLEDGE** – Council Secretary Evans called the Town Council meeting to order and led everyone in the pledge.
2. **PRESENTATIONS** – None
3. **PUBLIC COMMENTS** –
 - Michael Rash
 - Elmer Bailey
4. **SPEAKERS** – None
5. **APPROVAL OF TOWN COUNCIL MEETING MINUTES** –
 - January 2026 Town Council Minutes - MOTION: Council Secretary Evans moved to approve, Councilmember Munder seconded. Vote: All in favor.
 - January 2026 Closed Meeting Minutes – Litigation - MOTION: Council Secretary Evans moved to approve, Councilmember Munder seconded. Vote: All in favor.
 - January 2026 Closed Minutes – Land Acquisition - MOTION: Council Secretary Evans moved to approve, Councilmember Munder seconded. Vote: All in favor.
6. **CIVIL AIR PATROL REPORT** – No report.
7. **MOUNT AIRY VOLUNTEER FIRE COMPANY REPORT** – Matt Heard gave his report.
8. **MOUNT AIRY POLICE DEPARTMENT REPORT** – Chief Ginevra gave the report.
9. **MAYOR, COUNCIL AND STAFF REPORTS** –

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Email: town@mountairymd.gov • Web Page: www.mountairymd.gov

- **Mayor's Report** - See attached.
- **Water and Sewer Commission, Beautification Commission, Inclement Weather Task Force & 250th Semiquincentennial Committee** - Councilmember Domotor gave his report.
- **Planning Commission** - Councilmember Kelly gave his report.
- **Streets and Roads Commission, C.O.A.L. & Flat Iron Task Force** - Councilmember Munder gave his report.
- **Economic Development Commission & Recycling and Sanitation Commission** - Council Secretary Evans gave his report.
- **Board of Recreation & Parks and Sustainability Commission** - No report.
- **Town Attorney** - Tom McCarron gave his report.
- **Town Administrator** - See attached.
- **Zoning Administrator Report** - See attached.
- **Code Enforcement Report** - See attached.

10. NEW BUSINESS –

- **Commission Appointments and Re-appointments** - None

11. ORDINANCES AND RESOLUTIONS –

Ordinance 2026-3 – Water & Sewer Rate Increase – for Introduction – MOTION: Councilmember Domotor moved to introduce, Council Secretary Evans seconded.

Resolution 2026-2 – For the Purpose of establishing the Town's available water and sewer capacity yield from 2026 through 2027 – for Adoption – MOTION: Councilmember Munder moved to adopt, Councilmember Kelly seconded. Vote: Councilmembers Munder, Evans and Kelly – Yea, Councilmember Domotor – Nay.

12. ADJOURNMENT –

Council Secretary Evans moved to adjourn the Town Council meeting following the closed meeting, Councilmember Munder seconded. Vote: All in favor.

Jason Evans, Council Secretary

Prepared by Colleen Reilly

LARRY HUSHOUR
Mayor



Council Members
JASON P. EVANS
Secretary

TIM J. WASHABAUGH
Council President

KARL L. MUNDER
SEAN M. KELLY
STEPHEN L. DOMOTOR

Zoning Administrator Report – January 2026

The Town Zoning Administrator approved 11 permits, which generated \$9,577.70 in revenue for January 2026. Below is a breakdown of the Carroll County Building Permits and the Town of Mount Airy Permits.

<u>Carroll County Building Permits Totals:</u>	<u>6</u>	
New Dwelling Building Permit	-	
New Commercial/Industrial	-	
Existing /Renovations	6	
<u>Town of Mount Airy Permit Totals:</u>	<u>5</u>	
Fence Permit	4	
Banner Permit	1	
Signage Permit	-	
Shed Permit	-	
Zoning/U&O Permit	-	
Driveway Permit	-	
Antenna	-	

2/09/2026 - Prepared and submitted by Debra Clinton

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GENERAL FUND BANK BALANCES: 02/27/26

WATER & SEWER BANK BALANCES: 02/27/26

	Checking	Savings Non-Reserves	Town Reserves		Checking	Savings Non-Reserves	Town Reserves
Operating Funds				Operating Funds			
Checking Account	\$1,212,097.22			Water & Sewer Checking	ACNB 4837		\$756,357.35
Operational Savings			\$103,666.34	Water/Sewer Operational Savings	ACNB 1661		\$12,888.73
Operational Savings			\$1,693,873.26				
American Rescue Plan GF	\$1,183,056.09						
General Reserve Fund			\$388,970.95	Capital Improvement Assessments			\$6,620.91
					ACNB 644		
Streets and Roads Reserve			\$16,033.02	Treatment Plant Expansion Fund			\$18,401.35
Streets & Roads			\$9,936.49		ACNB 80628		\$2,284,535.45
Sidewalk Improvements Fund			\$76,192.75		PNC/MLGIP		
Center Street Improvements Fund				Water System Expansion Fund			\$1,184.70
Public Safety Capital Improvement			\$494,224.19		ACNB 80651		
				Well Exploration & Development Fees			\$149,809.78
Park Reserve Fund			\$253,092.39		ACNB 3244		\$1,352,784.02
			\$273,773.82	TOTAL WATER & SEWER:		\$4,582,562.29	\$3,826,224.94
Capital Improvements Assessments			\$3,834,073.04				
			\$102,094.50				
Planning & Zoning							
Planning & Zoning Filing Fees		\$111,251.19					
Bond Escrow Fund		\$117,562.22					
Mount Airy Police Dept. Adjudicated		\$12,646.24					
Mount Airy Police Dept. Non-Adjudicated		\$0.01					
TOTAL GENERAL FUND:	\$9,882,543.72	\$241,459.66	\$7,245,930.75				



MEMORANDUM

DATE: March 2, 2026

TO: Mayor Larry G. Hushour and Council Members: President Tim J. Washabaugh, Secretary Jason P. Evans, Karl L. Munder, Sean M. Kelly, Stephen L. Domotor

FROM: Barney Quinn
Town Engineer

ISSUE: TOWN HALL IMPROVEMENTS PHASE II

PURPOSE:

Town staff is seeking Council approval of the proposal for 100% design of Town Hall Improvements Phase II from Moseley Designs.

BACKGROUND:

The first floor of Mount Airy's Town Hall is being upgraded to ensure safe entries and exits for visitors, staff, and Commission/Council members. Phase I was completed in Summer 2025 and involved a few upgrades to the lobby area. Phase II requires an architectural design from the Town's consultant. This project will consist of a two-story addition at the rear of the Town Hall Building to include an egress from the Council Room and a potential small storage area.

DISCUSSION:

The Town asked Moseley Designs to provide a 100% design proposal for an addition on the back of Town Hall. Moseley is the architect and design firm currently working with the town on the design of the new police station. The proposal for the Town Hall design costs \$95,504. The FY26 budget has approximately \$24,000 remaining for this project. The other \$71,504 will be taken out of the FY27 budget which has \$384,000 proposed for this project.

RECOMMENDATIONS:

Town staff recommends the Town Council to approve award of the proposal for 100% design of Town Hall Improvements Phase II in the amount of \$95,504 to Moseley Designs.

February 20, 2026 (Revision 1)

RE: Architectural and Engineering Design Services
Town of Mount Airy – Town Hall Stair Addition and Security Improvements
Mount Airy, Maryland

Barney Quinn
Town of Mount Airy,
110 S. Main Street
Mount Airy, Maryland 21771

Dear Mr. Quinn:

Moseley is pleased to offer this proposal for civil, architectural, engineering, and Geotechnical services for the above referenced project.

Project Scope of Work

Our proposal is based on the following Project work and attached Scope of Work document.

The existing building is located at 110 S. Main Street is proposed to have the addition of a new secondary stair added to the rear of the building. Connection point to this new stair to occur at the first floor Town Hall Conference Room. Stair to lead directly to the exterior at the basement level.

The Project will not pursue LEED Certification.

The Work will be procured through competitive bidding and awarded under a single prime stipulated sum construction contract.

Consultants to Moseley

Moseley proposes to provide the architectural, mechanical (HVAC, plumbing, and fire protection), electrical, structural engineering, and security design services with its own staff.

We will engage the following consultants for the Project:

- Adtek Engineers for Civil Engineering and Geotechnical Engineering services.

Proposed Services

Our proposed Basic Services consist of normal architectural; structural engineering; mechanical (HVAC and fire protection) engineering and electrical engineering services for Concept Design/Schematic Design, Design Development/Construction Documents, Bidding, and Construction Phases.

Our services can be summarized as follows:

Concept Design/Schematic Design

1. This process will include:
 - a. Attend kickoff meeting with town representatives to review the project objectives.
 - b. Reviewing owner provided environmental site assessments, surveys and any previously completed studies.
 - c. Confirming the project schedule.
 - d. Establishing Town of Mount Airy and Moseley project contacts and communication procedures.
 - e. Identify town decision makers.
 - f. Discuss budget parameters and current construction market conditions with the town.
 - g. Discuss any prior programming and space study documentation.
 - h. Discuss desired program and staffing for town hall needs.
 - i. Discuss other initial project issues as required.
2. Complete an Existing Conditions Survey by visually observing the site and confirming the existing drawings provided by the town are representative of the existing construction.
 - a. Identify connection point for new stair and impact on existing conditions.
 - b. Identify MEP systems and device locations.
 - c. Identify existing Life Safety device locations.
 - d. Identify unique features.
3. Develop Concept Designs/Schematic Design.
 - e. Prepare one or two design options for stair addition
 - f. Attend one (1) virtual Review meeting and incorporate town comments.
 - g. Initiate topographical and geotechnical survey.
 - h. Prepare 100% Schematic Design Package
 - i. Submit concept Design/Schematic Design to the Town of Mount Airy for review and approval.

Design Development/Construction Document Services

1. Based on the approved Concept Design/Schematic Design package, develop site plans and Construction Drawings to 50%.
2. Conduct one virtual meeting with the Town to verify program compliance
3. Assist with regulatory submission.
4. Conduct one virtual design review meeting to review the 50% Construction Drawings with the town.
5. Incorporate comments from the design review meeting and develop Construction Drawings to 95%.
6. Prepare technical Specifications.
7. Conduct one virtual meeting to review the 95% Construction Drawings with the

- town.
8. Incorporate comments from the design review meeting.
 9. Prepare permit and bidding documents to 100%.
 10. Submit Design Development/Construction Documents to the Town of Mount Airy for review and approval.

Bidding and Construction Contract Award Services

1. Issue necessary working drawings to Town to solicit bids.
2. Respond to pre-bid questions.

Construction Contract Administration Services

1. Review General Contractor's product submittals.
2. Respond to Contractor's RFI's.

Our proposal does not include the following services, but we can provide these services if requested for additional compensation.

- Interior programming modifications other than new stair connection point, removal of windows affected by the new design, etc.
- Plumbing or Acoustic Engineering; Building Commissioning
- Special Use Permits or Site/Building Permit Expediting
- Move management services, special inspection services, or construction testing
- Printing of documents for the town's use.
- See limitations noted in the attached Exhibit B as part of the civil engineering scope of work for this project. Items such as underground utility survey, stormwater management, and erosion and sediment control are excluded. Additional scope can be added if required.
- Expanded bidding and construction contract administration.
- Other services not specifically included in this proposal.

Moseley shall have no responsibility or liability for the discovery, identification, abatement, or removal of asbestos, lead paint, toxic mold, or any other hazardous or regulated substances in relation to the Project, nor does our proposal include any services related to hazardous materials. Separately from this contract, the town shall provide all necessary services related to hazardous materials.

Cost of Services

We propose a lump sum compensation for the services defined above. The lump sum cost of the services for each phase, including our expenses for travel, communication, and reproduction of documents for our own office use, is as follows.

Concept / Schematic Design	\$ 44,303.00
Design Development / Construction Documents	\$ 43,088.00
Bidding	\$ 2,478.00
Construction Phase	\$ 5,635.00
<hr/>	
Total Services	\$ 95,504.00

Refer to the enclosed spreadsheets indicating the basis of these amounts.

The cost of the services is not tied to the construction cost. It is based on the level of effort and professional time required to provide the services.

We will invoice monthly in proportion to the progress of our services. The lump sum amounts will not change unless the Town of Mounty Airy authorizes substantive changes in the Project scope or in the scope or extent of our services, or unless additional construction services are requested by the town. In such cases, adjustments to the cost of services would be as negotiated and mutually agreed by the Town of Mount Airy and Moseley Inc.

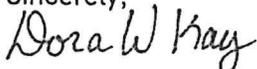
Schedule (Estimate)

We propose the following schedule for the Project which includes allowing one week between phases for approvals. Permit approvals are not accommodated in this schedule but can typically be 2 to 3 months.

Concept / Schematic Design	1.25 months
Owner Approval	1 week
Design Development / Construction Documents	1.75 months
Owner Approval	1 week
Site / Building Permit Approvals	To Be Determined
Bidding	0.75 months
Construction Contract Administration (Estimate)	4.25 Months
<hr/>	
Total (less permit approvals)	8.50 months

If this proposal is satisfactory, please prepare the required documentation for review and execution. As always, we appreciate this opportunity to be of service to the Town of Mount Airy.

Sincerely,



Dora W. Kay, AIA
Vice President

Enclosures:

- Exhibit A – Cost of Services Breakdown
- Exhibit B – Adtek Engineers Scope of Services Proposal

COSTS OF SERVICES
 Mt. Airy, MD Town Hall Stair Addition
 February 20, 2028 (Revision 1)

DESIGN

CONCEPTUAL DESIGN / SCHEMATIC DESIGN												
TASKS	HOURS										TOTAL	
	PRINCIPAL	SENIOR PROJECT MANAGER	PROJECT DESIGNER	INTERIOR DESIGN	SENIOR STRUCT ENGINEER	SENIOR MECHANICAL ENGINEER	PLUMBING / FP ENGINEER	SENIOR ELECTRICAL ENGINEER	CONSTR CONTRACT ADMIN	ADMIN		
Conduct Kickoff Meeting with Town	2.00	4.00									1.00	7.00
Conduct site visit to observe conditions		6.00	6.00		16.00	6.00		6.00				40.00
Develop one or two design options for stair addition		8.00	18.00		2.00	2.00		2.00			1.00	31.00
Review meeting with Town (Zoom Call)		2.00	2.00			2.00		2.00			1.00	9.00
Initiate Survey and Geotech		1.00			1.00							2.00
Prepare 100% SD package	2.00	8.00	32.00	2.00	16.00	6.00	2.00	6.00			1.00	75.00
Receive approval from Town	No Cost											
TOTAL HOURS	4.00	29.00	56.00	2.00	35.00	16.00	2.00	16.00			4.00	164.00
HOURLY RATE	\$ 275.00	\$ 256.00	\$ 128.00	\$ 128.00	\$ 201.00	\$ 225.00	\$ 184.00	\$ 225.00	\$ 192.00	\$ 88.00		
SUBTOTAL - MOSELEY	\$ 1,100.00	\$ 7,424.00	\$ 7,168.00	\$ 256.00	\$ 7,035.00	\$ 3,600.00	\$ 368.00	\$ 3,600.00	\$ -	\$ 352.00		\$ 30,903.00
ADTEK - Topographic Survey												\$ 3,500.00
ADTEK - Geotechnical Survey												\$ 9,900.00
TOTAL CONCEPTUAL / SCHEMATIC DESIGN COST												\$ 44,003.00

DESIGN DEVELOPMENT / CONSTRUCTION DOCUMENTS												
TASKS	HOURS										TOTAL	
	PRINCIPAL	SENIOR PROJECT MANAGER	PROJECT DESIGNER	INTERIOR DESIGN	SENIOR STRUCT ENGINEER	SENIOR MECHANICAL ENGINEER	PLUMBING / FP ENGINEER	SENIOR ELECTRICAL ENGINEER	CONSTR CONTRACT ADMIN	ADMIN		
Prepare site and building plans to 50%	2.00	10.00	16.00	4.00	20.00	12.00		12.00				78.00
Verify program compliance / Meet with Town		8.00				2.00		2.00				12.00
Assist with regulatory submission		1.00			1.00	1.00						3.00
Prepare permit and bidding documents to 100%	2.00	6.00	32.00	4.00	20.00	12.00	4.00	12.00				94.00
Meet with Town (Zoom Call)		3.00				3.00		3.00			1.00	10.00
Receive approval from Town	No Cost											
TOTAL HOURS	4.00	30.00	48.00	8.00	41.00	30.00	4.00	28.00			1.00	195.00
HOURLY RATE	\$ 275.00	\$ 256.00	\$ 128.00	\$ 128.00	\$ 201.00	\$ 225.00	\$ 184.00	\$ 225.00	\$ 192.00	\$ 88.00		
SUBTOTAL - MOSELEY	\$ 1,100.00	\$ 7,680.00	\$ 6,144.00	\$ 1,024.00	\$ 8,241.00	\$ 6,750.00	\$ 736.00	\$ 6,525.00	\$ -	\$ 88.00		\$ 38,288.00
ADTEK - Site Drawings												\$ 4,800.00
TOTAL DESIGN DEVELOPMENT / CONSTRUCTION DOCUMENTS COST												\$ 43,088.00

BIDDING AND CONSTRUCTION CONTRACT ADMINISTRATION

BIDDING												
TASKS	HOURS										TOTAL	
	PRINCIPAL	SENIOR PROJECT MANAGER	PROJECT DESIGNER	INTERIOR DESIGN	SENIOR STRUCT ENGINEER	SENIOR MECHANICAL ENGINEER	PLUMBING / FP ENGINEER	SENIOR ELECTRICAL ENGINEER	CONSTR CONTRACT ADMIN	ADMIN		
Conduct pre-bid conference												
Prepare and issue addenda												
Respond to pre-bid questions		2.00			2.00	2.00		2.00	3.00	1.00		12.00
Receive and review bids												
TOTAL HOURS		2.00			2.00	2.00		2.00	3.00	1.00		12.00
HOURLY RATE	\$ 275.00	\$ 256.00	\$ 128.00	\$ 128.00	\$ 201.00	\$ 225.00	\$ 184.00	\$ 225.00	\$ 192.00	\$ 88.00		
SUBTOTAL - MOSELEY	\$ -	\$ 512.00	\$ -	\$ -	\$ 402.00	\$ 450.00	\$ -	\$ 450.00	\$ 576.00	\$ 88.00		\$ 2,478.00
ADTEK (excluded from this phase)												\$ -
SUBTOTAL COST												\$ 2,478.00

CONSTRUCTION CONTRACT ADMINISTRATION												
TASKS	HOURS										TOTAL	
	PRINCIPAL	SENIOR PROJECT MANAGER	PROJECT DESIGNER	INTERIOR DESIGN	SENIOR STRUCT ENGINEER	SENIOR MECHANICAL ENGINEER	PLUMBING / FP ENGINEER	SENIOR ELECTRICAL ENGINEER	CONSTR CONTRACT ADMIN	ADMIN		
Conduct pre-construction conference (4 month construction estimate)												
Attend construction progress mtgs (CCA 4 visits; Struct 1 visit; MEP 1 visit)												
Respond to Contractor's RFIs		1.00			1.00	2.00		2.00	3.00			9.00
Review Contractor's submittals		4.00		2.00	2.00	2.00	2.00	2.00	3.00	2.00		19.00
Review Contractor's pay requests												
Conduct punchlist												
Backpunch												
Review Contractor's final pay app												
Assemble closeout docs / warranties												
TOTAL HOURS		5.00		2.00	3.00	4.00	2.00	4.00	6.00	2.00		28.00
HOURLY RATE	\$ 275.00	\$ 256.00	\$ 128.00	\$ 128.00	\$ 201.00	\$ 225.00	\$ 184.00	\$ 225.00	\$ 192.00	\$ 88.00		
SUBTOTAL - MOSELEY	\$ -	\$ 1,280.00	\$ -	\$ 256.00	\$ 603.00	\$ 900.00	\$ 368.00	\$ 900.00	\$ 1,152.00	\$ 176.00		\$ 5,635.00
ADTEK (excluded from this phase)												\$ -
SUBTOTAL COST												\$ 5,635.00

TOTAL COST												\$ 95,504.00
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PURCHASE AND SALE AGREEMENT

THIS PURCHASE AND SALE AGREEMENT (this “Agreement”) is made this ____ day of _____, 2026 (“Effective Date”) by and between (i) **SH WATERSVILLE LLC** (“Seller”) and (ii) **TOWN OF MOUNT AIRY**, a municipal corporation organized under the laws of the State of Maryland (the “Purchaser”).

WITNESSETH

RECITALS:

R-1. Seller owns real property located within the Town of Mount Airy, Carroll County, Maryland, containing 5.1812 acres of land, more or less, shown on Tax Map 0600, Grid 017, as Parcel 1487 (Tax Account No. 13-013985), having a street address of 201 Watersville Road, Mount Airy, Maryland 21771, on which is situated a 71-unit apartment complex known as the Mt. Airy Apartments, and being a part of that property conveyed to Seller by Jeanette M. Abell, Successor Trustee of the James E. Abell Family Trust dated June 18, 1987, as amended and restated by the Amended and Restated Revocable Trust Agreement dated August 6, 2020, *etc.* by deed dated May 29, 2024, and recorded among the land records of Carroll County, Maryland at Liber 11255, Folio 262, *etc.* (herein referred to as the "Mt. Airy Apartments Parcel").

R-2. The Purchaser wishes to purchase a portion of the Mt. Airy Apartments Parcel from the Seller, consisting of approximately 0.1515 acres, more or less, adjacent to the Southern boundary of a parcel of property already owned by the Town on which is situated a Town Water Treatment Plant, and to the North of the Mt. Airy Apartment units, as roughly depicted in Exhibit A attached hereto and made a part hereof (hereinafter referred to as “the Property”).

R-3. Seller is willing to sell the Property to Purchaser on the terms and conditions hereinafter specified.

NOW, THEREFORE, in consideration of the mutual covenants herein contained, and for other good and valuable consideration, the receipt of which is hereby acknowledged, the parties hereto, intending to be bound hereby, mutually agree as follows:

Article 1 Purchase of Property

1.1 Purchase. For and in consideration of the Purchase Price, the Seller hereby agrees to sell, and the Purchaser hereby agrees to purchase, the Property.

1.2 Purchase Price. The purchase price to be paid by Purchaser to Seller for the Property shall be the total sum of Ninety Thousand and no/100 Dollars (\$90,000.00) (the “Purchase Price”) which shall be paid as follows:

(a) Within three (3) business days after the Effective Date, the Purchaser shall deposit the sum of Five Thousand and no/100 Dollars (\$5,000.00) (the “Deposit”) with Stoner, Preston & Boswell, Chtd., and/or associated title company, 288 East Main Street, Westminster, MD 21157 (the “Title Company”). The Title Company shall maintain the Deposit in a federally insured

interest bearing escrow account and the interest shall become part of, and be added to, the Deposit; and

(b) The Deposit and the balance of Purchase Price, subject any prorations as set forth herein, shall be paid to the Title Company at Closing for disbursement to Seller upon consummation of the purchase contemplated hereby and otherwise in accordance with this Agreement.

Article 2 Study Period

2.1. Study Period. Purchaser shall have until **sixty (60) days after the Effective Date** ([REDACTED], 2026) (the “Study Period”) to conduct such investigations of the Property, including but not limited to, the physical and environmental conditions thereof, as Purchaser deems necessary or desirable to satisfy itself as to the condition of the Property and the existence or nonexistence or curative action to be taken with respect to any structural or hazardous or toxic substances on or discharged from the Property. If Purchaser fails to notify Seller in writing by 5:00 p.m. of the last day of the Study Period of Purchaser’s termination of this Agreement, then Purchaser shall be deemed to have waived its termination right under the next sentence. If Purchaser, in its sole discretion, determines that it does not desire to acquire the Property and notifies Seller in writing prior to 5:00 p.m. on the last day of the Study Period of Purchaser’s election to terminate this Agreement, this Agreement thereupon shall become void, the Deposit shall be returned to the Purchaser and there shall be no further obligation or liability on either of the parties hereto except for provisions stated to survive termination hereof. During the Study Period, Seller shall permit Purchaser and/or its contractors access to the Property, and so much of the unimproved land of the Mt. Airy Apartments Parcel, and upon written request and Seller’s consent (which may be withheld in Seller’s sole discretion), any interior unit or space, exterior facade or common space of the Mt. Airy Apartments Parcel, as may be required to complete the studies described above, for such purposes during the Study Period. Should Seller require Purchaser to enter into a right of entry agreement for such access, Seller shall promptly prepare same on reasonable terms and shall provide same to Purchaser for review and execution.

Article 3 Legal Description and Plat

Prior to the expiration of the Study Period, Purchaser, at its sole cost and expense, shall engage a surveyor to produce a metes and bounds description and plat for the Property, with said plat showing the location of the Property in relation to the remainder of the Mt. Airy Apartments Parcel, and shall supply same to Seller for review and approval, which shall not be unreasonably withheld by Seller. Upon prior written consent, Seller shall permit Purchaser and/or its surveyors access to the Property, and so much of the Mt. Airy Apartments Parcel for the limited purpose of completing the legal description and plat, during the Study Period set forth above. Should Seller require Purchaser to enter into a right of entry agreement for such access, Seller shall promptly prepare same on reasonable terms and shall provide same to Purchaser for review and execution.

Article 4

Title

4.1 Title. Seller shall not create or permit to be created any lien, easement or other encumbrance on the Property from the Effective Date until Closing, and thereafter until the recording of any post-closing confirmatory deed as may be required. Seller shall not, without the prior written consent of Purchaser (i) enter into any future, or modify any existing, easement, covenant, condition or restriction appertaining to the Property, or (ii) seek any zoning change or other governmental approval with respect to the Property. The delivery of the deed by Seller and the acceptance thereof by Purchaser, shall be deemed the full performance and discharge of every obligation on the part of Seller to be performed hereunder except those obligations, if any, of Seller that are expressly stated in this Agreement to survive Closing.

4.2 Title Review. On or before fifteen (15) days prior to the expiration of the Study Period, Purchaser shall deliver to Seller a title commitment (the "Commitment") to be issued by the Title Company covering the Property, and a survey of the Property (the "Survey"), along with a written notification (the "Objection Notice") setting forth which of the liens, encumbrances and other matters described in the Commitment or on the Survey are unacceptable to Purchaser (the "Unpermitted Matters"). Seller shall then have until the date that is ten (10) days after Seller's receipt of the Objection Notice to notify Purchaser in writing ("Seller's Response Notice") which of the Unpermitted Matters Seller will cure, by removal from the Commitment or by endorsement (which endorsements must be reasonably acceptable to Purchaser). The matters listed in the Commitment or shown on the Survey that are not Unpermitted Matters shall be "Permitted Exceptions." If Seller elects not to cure any of the Unpermitted Matters within the time period described above, Purchaser shall have the option of proceeding with this Agreement without reduction in the Purchase Price, in which case any Unpermitted Matters not so cured shall be deemed additional Permitted Exceptions or terminating this Agreement by written notice to Seller on or before five (5) days following receipt of the Seller's Response Notice, in which event this Agreement shall be deemed terminated and neither party shall have any further obligations or liabilities hereunder. Notwithstanding the foregoing, Seller shall be obligated to pay off on or before the Closing any monetary liens (e.g., mortgages, judgments, mechanic's liens or tax liens) affecting the Property. Seller shall not change the status of title to the Property between the Effective Date and the Closing without notification to the Purchaser prior to Closing identifying Seller's successor and without first providing a copy of this executed Agreement to Seller's successor.

4.3 Lender's Release. Notwithstanding anything herein to the contrary, Seller shall have until 6pm on the Sixtieth (60th) day following the Effective Date to obtain the consent and agreement of the Seller's lender ("Seller's Lender") to release the Property at Closing from any existing mortgage or deed of trust ("SL Consent Period"). Prior to the expiration of the SL Consent Period, Seller shall provide written notice to Purchaser confirming Seller's Lender's consent or refusal thereof. In the event the Seller is unable to obtain such consent and agreement within the SL Consent Period, the Seller may elect to terminate this Agreement by providing written notice to the Purchaser, in which event this Agreement shall terminate, the Title Company shall pay the

Deposit to the Purchaser, and neither Seller or Purchaser shall have any further rights or obligations hereunder, other than pursuant to any provision hereof that expressly survives the termination of this Agreement.

4.4 Title Company. In performing any of its duties under this Agreement, the Title Company shall not be liable for any loss, costs, fee, claim, expense or damage which may be incurred by the parties hereto as a result of serving as the Title Company hereunder, except for any loss, cost or damages arising out of willful acts of malfeasance or gross negligence of the Title Company. Accordingly, the Title Company shall not incur any liability with respect to any action taken or omitted to be taken: (i) in good faith upon advice of its counsel given with respect to any questions relating to the duties and responsibilities of the parties pursuant to this Agreement; or (ii) in reliance upon any document, including any written notice of instruction provided for in this Agreement, not only as to its due execution and the validity and effectiveness of its provisions, but also as to the truth and accuracy of any information contained therein, which purports to have been signed or presented by a proper person or persons and to conform with the provisions of this Agreement. The parties hereto acknowledge and agree that should the Title Company represent either party, the Title Company may continue to do so notwithstanding the execution of this Agreement or any dispute hereunder and that the execution and performance of this Agreement does not constitute a conflict of interest with the Purchaser or the Seller. The Title Company shall rely upon and shall be protected in acting or refraining from acting upon any oral notice, instruction or request furnished hereunder and believed by it to be genuine. The Title Company undertakes to perform only such duties as are expressly set forth herein and shall not be bound in any way by any other agreement of the parties hereto. The parties acknowledge that the Title Company is serving as an escrow agent without compensation and solely as an accommodation to the parties. If the Title Company is in doubt as to its duties or liabilities under the provisions of this Agreement, it may, in its sole discretion, continue to hold the Deposit until the parties mutually agree to disbursement thereof, or until a judgment of a court of competent jurisdiction shall determine the rights of the parties hereto, or the Title Company may deposit such funds with the Clerk of the Circuit Court of Carroll County, Maryland (the "Clerk"), pursuant to interpleader procedure, whereupon after notifying all parties concerned with such action and paying all filing and other costs imposed by the Clerk from the Deposit, all liability on the party of the Title Company shall terminate except to the extent of accounting for any monies theretofore delivered out of escrow.

Article 5 Subdivision

5.1 Subdivision. The Parties acknowledge that in order for the Property to be conveyed and/or a deed to the Property recorded among the Land Records, it may be necessary to obtain approval for a subdivision of the Property from the Mt. Airy Apartments Parcel and the creation of a new legally subdivided lot from the remaining portion of the Mt. Airy Apartments Parcel (the "Subdivision"). As soon as practicable following the Effective Date, the Purchaser shall file all necessary applications and other documentation to obtain the approval of the Subdivision (the "Subdivision Approval") and shall use commercially reasonable efforts and due diligence to obtain the Subdivision Approval prior to Closing at Purchaser's sole cost and expense. If, despite Purchaser's commercially reasonable efforts, the Subdivision has not been approved by twenty (20) days before Closing, or if any governmental authority, including the Planning Commission for the Town of Mount Airy (the "Planning Commission"), responsible for review or approval of

the proposed Subdivision, either denies Subdivision Approval or requires changes to the Subdivision or imposes conditions for Subdivision Approval that are unacceptable to either Party, either Party may terminate this Agreement by written notice to the other party within twenty (20) days before Closing in which event the Deposit shall be returned to the Purchaser and the parties shall be relieved of all liabilities and obligations hereunder. The Purchaser shall keep the Seller apprised of any developments with regard to obtaining the Subdivision Approval and shall provide the Seller with any significant documents and correspondence relating to the Subdivision Approval. The Seller shall cooperate with the Purchaser in obtaining the Subdivision Approval at no cost, expense or liability to the Seller. The provisions of this Section shall survive the Closing for a period of 120 calendar days.

Article 6 Closing

6.1 Closing Date. The sale of the Property to the Purchaser shall be consummated at the offices of the Title Company on or before **thirty (30) days after expiration of Study Period ([REDACTED], 2026).**

6.2 Closing Documents and Delivery of Possession.

(a) Seller' Deliveries. Seller shall deliver to Purchaser (i) a Special Warranty Deed to the Property (exclusive of any covenants or further assurances); (ii) a non-foreign affidavit from Seller certifying that Seller is not a "foreign person," "foreign estate," "foreign corporation" or "foreign partnership" or any other foreign entity as such terms are defined in Section 1445 of the Internal Revenue Code and the income tax regulations promulgated thereunder; (iii) evidence of Seller's authority to perform its obligations under this Agreement, as required by the Title Company; and (iv) if applicable, releases of any mortgages, deeds of trust, tax liens or other liens or encumbrances on the Property, listed on the Commitment and not otherwise a Permitted Exception, amounts for satisfaction of which if not released by the time of Closing shall extend the Closing by a period of ten (10) business days to allow Seller to produce said release(s).

(b) Purchaser Deliveries. Purchaser shall deliver to Seller at Closing the Purchase Price, plus or minus proration as set forth below for taxes.

(c) Joint Deliveries. Seller and Purchaser shall jointly deliver (i) a Settlement Statement, and (ii) all required real estate transfer tax declarations, returns or affidavits.

(d) Delivery of Possession. At the Closing, the Seller shall deliver the Property to the Seller.

Article 7 Proration of Real Estate Taxes

Real estate taxes on the Property are to be adjusted to the date of Closing as set forth in this Section. Real estate taxes, general and special, are to be adjusted according to the most recent certificate of taxes issued by the taxing authority in the jurisdiction in which the Property is situate; provided that the Seller shall be solely responsible for the payment of any interest or penalty

incurred for failure to pay outstanding real estate taxes timely prior to the Closing. If by Closing, Seller shall not have paid the real estate taxes on the Property for FY2025-2026, the amount necessary to pay the outstanding FY2025-2026 real estate taxes on the Mt. Airy Apartments Parcel shall be charged to the Seller on the closing statement. Real estate taxes for FY2025-2026, not including any interest or penalties which shall be the responsibility of Seller, shall be adjusted on the closing statement with a credit to the Seller, and a charge in the same amount to Buyer, for real property taxes on the Mt. Airy Apartments Parcel attributable to the Property, as calculated by square footage, for the period from the date of Closing through June 30, 2026.

Article 8
Closing Costs

8.1 Purchaser shall pay the following expenses incurred in connection with the transactions described herein:

- (i) All closing fees charged by the Title Company;
- (ii) Purchaser's legal fees and expenses;
- (iii) All recordation and transfer taxes, if any, incurred in recording the special warranty deed; and
- (iv) Title insurance premium for Purchaser's title insurance policy and all endorsements.

8.2 The Town shall reimburse Sellers their reasonable attorneys' fees up to Two Thousand Five Hundred and No/100 Dollars (\$2,500.00), based on an hourly rate of \$500.00 per hour and an estimated five billable hours for review documents associated with the sale and closing, and providing other legal advice to Sellers. Sellers shall otherwise pay their legal fees, if any, and expenses incurred in connection with the transactions described herein.

Article 9
"As Is" Sale

PURCHASER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS SET FORTH IN THIS AGREEMENT, SELLER HAS NOT MADE, AND SPECIFICALLY NEGATES AND DISCLAIMS, ANY REPRESENTATIONS, WARRANTIES, COVENANTS OR AGREEMENTS OF ANY KIND OR CHARACTER REGARDING ANY ASPECT OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION: (A) THE VALUE, NATURE, QUALITY OR PHYSICAL CONDITION THEREOF, (B) THE INCOME TO BE DERIVED THEREFROM, (C) THE SUITABILITY OF THE PROPERTY FOR ANY ACTIVITY OR USE WHICH PURCHASER MAY CONDUCT THEREON, (D) THE COMPLIANCE OF THE PROPERTY OR ITS OPERATION WITH ANY LAWS, RULES, ORDINANCES OR REGULATIONS OF ANY APPLICABLE GOVERNMENTAL AUTHORITY OR BODY, (E) THE HABITABILITY, MERCHANTABILITY, MARKETABILITY, PROFITABILITY OR FITNESS FOR A PARTICULAR PURPOSE OF THE PROPERTY, (F) THE CONDITION OF THE PROPERTY (G) THE MANNER, QUALITY, STATE OF REPAIR OR LACK OF REPAIR

OF THE PROPERTY, OR (H) COMPLIANCE OF THE PROPERTY WITH ANY ENVIRONMENTAL PROTECTION, POLLUTION OR LAND USE LAWS, RULES, REGULATIONS, ORDERS OR REQUIREMENTS, INCLUDING THE EXISTENCE THEREIN, THEREON OR THEREUNDER OF HAZARDOUS MATERIALS. ADDITIONALLY, NO PERSON ACTING ON BEHALF OF SELLER IS AUTHORIZED TO MAKE, AND BY EXECUTION HEREOF PURCHASER ACKNOWLEDGES THAT NO PERSON HAS MADE, ANY REPRESENTATION, WARRANTY, COVENANT OR AGREEMENT REGARDING THE PROPERTY OR THE TRANSACTIONS CONTEMPLATED HEREIN. PURCHASER ACKNOWLEDGES THAT, HAVING BEEN GIVEN THE OPPORTUNITY TO INSPECT THE PROPERTY, PURCHASER IS RELYING SOLELY ON ITS OWN INVESTIGATIONS AND NOT ON ANY INFORMATION PROVIDED OR TO BE PROVIDED BY SELLER, OTHER THAN INFORMATION EXPRESSLY REQUIRED TO BE PROVIDED BY SELLER HEREUNDER AND OTHER THAN SELLER' REPRESENTATIONS AND WARRANTIES SET FORTH HEREIN. PURCHASER FURTHER ACKNOWLEDGES AND AGREES THAT, EXCEPT AS EXPRESSLY SET FORTH IN THIS AGREEMENT, TO THE MAXIMUM EXTENT PERMITTED BY LAW THE SALE PROVIDED FOR HEREIN IS MADE ON AN "AS-IS, WHERE-IS" BASIS WITH ALL FAULTS. FURTHERMORE, PURCHASER DOES HEREBY RELEASE AND FOREVER DISCHARGE SELLER, ITS MEMBERS, DIRECTORS, SHAREHOLDERS, OFFICERS, EMPLOYEES, LEGAL REPRESENTATIVES, AGENTS AND ASSIGNS, FROM ANY AND ALL ACTIONS, CAUSES OF ACTION, CLAIMS AND DEMANDS FOR, UPON OR BY REASON OF ANY DAMAGE, LOSS OR INJURY WHICH HERETOFORE HAVE BEEN OR WHICH HEREAFTER MAY BE SUSTAINED BY PURCHASER RESULTING FROM OR ARISING OUT OF THE PRESENCE OF ANY HAZARDOUS MATERIALS OR OTHER ENVIRONMENTAL CONTAMINATION ON OR IN THE VICINITY OF THE PROPERTY, INCLUDING THE SOIL AND/OR GROUNDWATER. THE PROVISIONS OF THIS SECTION SHALL SURVIVE THE CLOSING OR ANY TERMINATION OF THIS AGREEMENT.

AS USED IN THE PRECEDING PARAGRAPH, THE TERM "CONDITION OF THE PROPERTY" MEANS THE FOLLOWING MATTERS: THE QUALITY, NATURE, AND ADEQUACY OF THE PHYSICAL CONDITION OF THE PROPERTY, INCLUDING, WITHOUT LIMITATION, (1) THE QUALITY OF THE DESIGN, LABOR, AND MATERIALS USED TO CONSTRUCT THE IMPROVEMENTS INCLUDED IN THE PROPERTY, THE CONDITION OF THE STRUCTURAL ELEMENTS, SEWERAGE, AND UTILITY COMPONENTS AND SYSTEMS, THE CAPACITY OR AVAILABILITY OF SEWER, WATER, OR OTHER UTILITIES FOR THE PURCHASER'S INTENDED USE, THE GEOLOGY, FLORA, FAUNA, SOILS, SUBSURFACE, GROUNDWATER, LANDSCAPING, AND IRRIGATION OF OR WITH RESPECT TO THE PROPERTY, THE LOCATION OF THE PROPERTY IN OR NEAR ANY SPECIAL TAXING DISTRICT, FLOOD HAZARD ZONE, WETLANDS AREA, PROTECTED HABITAT, GEOLOGICAL FAULT OR SUBSIDENCE ZONE, HAZARDOUS WASTE DISPOSAL OR CLEANUP SITE, OR OTHER SPECIAL AREA, THE EXISTENCE, LOCATION OR CONDITION OR INGRESS, EGRESS, ACCESS AND PARKING, THE PRESENCE OF ANY HAZARDOUS MATERIALS, DANGEROUS OR TOXIC SUBSTANCE, MATERIAL OR WASTE IN, ON, UNDER, OR ABOUT THE PROPERTY, (2) THE COMPLIANCE OR NON-COMPLIANCE OF THE SELLER OR THE OPERATION OF THE PROPERTY OR ANY PART THEREOF IN ACCORDANCE WITH,

AND THE CONTENTS OF, (A) ALL CODES, LAWS, ORDINANCES, REGULATIONS, AGREEMENTS, LICENSES, PERMITS, APPROVALS, AND APPLICATION OF OR WITH ANY GOVERNMENTAL AUTHORITIES ASSERTING JURISDICTION OVER THE PROPERTY, INCLUDING, WITHOUT LIMITATION, THOSE RELATING TO ZONING, BUILDING, PUBLIC WORKS, PARKING, FIRE, AND POLICE ACCESS, HANDICAP ACCESS, LIFE, SAFETY, SUBDIVISION, AND HAZARDOUS MATERIALS, AND (B) ALL AGREEMENTS, COVENANTS, CONDITIONS, RESTRICTIONS (PUBLIC AND PRIVATE), SITE PLANS, BUILDING PLANS, BUILDING PERMITS, AND OTHER INSTRUMENTS AND DOCUMENTS GOVERNING OR AFFECTING THE USE, MANAGEMENT AND OPERATION OF THE PROPERTY.

Article 10
Real Estate Commissions

Each party represents and warrants to the other that no person or entity acting as real estate broker, finder or real estate agent brought about this Agreement. Seller agrees to and does hereby indemnify Purchaser from all loss, damage, cost, or expense (including reasonable attorneys' fees) that Purchaser may suffer as a result of any claim or action brought by any other person or entity acting or allegedly acting on behalf of Seller in connection with this transaction, and Purchaser agrees to and does hereby indemnify and hold Seller harmless from all loss, damage, cost, or expense (including reasonable attorneys' fees) that Seller may suffer as a result of any claim or action brought by any person or entity acting or allegedly acting on behalf of Purchaser in connection with this transaction. The provisions of this Article shall survive Closing.

Article 11
Representations, Warranties and Covenants

11.1 Seller' Representations. Seller hereby represents and warrants to Purchaser as follows:

(a) *Authority.* Seller has the legal power, right and authority to enter into this Agreement and to consummate the transactions contemplated hereby.

(b) *Binding.* The execution of this Agreement by Seller is the duly authorized and legally binding action of Seller, and upon execution hereof, Seller shall be bound by and subject to the terms and provisions of this Agreement. This Agreement, is the legal, valid and binding obligation of Seller, enforceable against Seller in accordance with its terms and does not violate any provision of any agreement or judicial order to which Seller are a party or to which Seller is subject. All documents to be executed by Seller which are to be delivered at Closing, will, at the time of Closing, (i) be duly authorized, executed and delivered by Seller, (ii) be legal, valid and binding obligations of Seller, and (iii) not violate any provision of any agreement or judicial order to which Seller are a party or to which Seller are subject.

(c) *Leases.* From and after the Effective Date, the Seller shall not consent to or enter into any new lease, license or occupancy agreements or amend or modify any lease for the Property without the prior written consent of the Purchaser. There will be no leases, licenses or occupancy agreements that will remain in effect as of the date of closing affecting the Property.

(d) *Service Contracts.* There are no service contracts, management agreements or leasing agreements which presently, and solely affect the Property and not the Mt. Airy Apartments Parcel (the “Service Contracts”). From and after the Effective Date, the Seller shall not consent to or enter into any new Service Contract that solely affects the Property and not the Mt. Airy Apartments Parcel or without the prior written consent of the Purchaser.

(e) *Litigation.* There is no pending, or to the best of Seller’ knowledge, threatened claims, allegations or lawsuits with respect to the Property. Purchaser acknowledges and confirms that it has received noticed of the tragic drowning of Mason Kearns that occurred on July 31, 2025, on, about or adjacent to the Mt. Airy Apartments Parcel and that litigation, claims or lawsuits may ensue against the Seller.

(f) *Condemnation.* To Seller’ knowledge, there are no pending or threatened condemnation or eminent proceeding pertaining to the taking or possible taking of the Property.

11.2 Purchaser’s Representations. Purchaser represents and warrants to Seller that:

(a) Purchaser has the power and authority to execute and deliver this Agreement and to perform its obligations hereunder.

(b) The execution of this Agreement by Purchaser is the duly authorized and legally binding action of Purchaser, and upon execution hereof, Purchaser shall be bound by and subject to the terms and provisions of this Agreement. This Agreement, is the legal, valid and binding obligation of Purchaser, enforceable against Purchaser in accordance with its terms and does not violate any provision of any law, rule, regulation, agreement or judicial order to which Purchaser is a party or to which Purchaser is subject. All documents to be executed by Purchaser which are to be delivered at Closing, will, at the time of Closing, (i) be duly authorized, executed and delivered by Purchaser, (ii) be legal, valid and binding obligations of Purchaser, and (iii) not violate any provision of any law, rule, regulation, agreement or judicial order to which Purchaser is a party or to which Purchaser is subject.

(c) Neither Purchaser nor any person, group, entity or nation that Purchaser is acting, directly or indirectly, for or on behalf of, is named by any Executive Order (including the September 24, 2001, Executive Order Blocking Property and Prohibiting Transactions With Persons Who Commit, Threaten to Commit, or Support Terrorism) or the United States Treasury Department as a terrorist, “Specially Designated National and Blocked Person,” or is otherwise a banned or blocked person, group, entity, or nation pursuant to any law that is enforced or administered by the Office of Foreign Assets Control, and Purchaser is not engaging in this transaction, directly or indirectly, on behalf of, or instigating or facilitating this transaction, directly or indirectly, on behalf of, any such person, group, entity or nation. Purchaser is not engaging in this transaction, directly or indirectly, in violation of any laws relating to drug trafficking, money laundering or predicate crimes to money laundering. None of the funds of Purchaser have been or will be derived from any unlawful activity with the result that the investment of direct or indirect equity owners in Purchaser is prohibited by law or that the transaction or this Agreement is or will be in violation of law. Purchaser has and will continue to implement procedures, and has consistently and will continue to consistently apply those procedures, to ensure the foregoing representations and warranties remain true and correct at all times prior to Closing.

Article 12
Casualty or Condemnation

In the event prior to the Closing of (a) material damage or material casualty to all or any portion of the Property, or (b) a condemnation or other taking of all or any portion of the Property that materially reduces the value of the Property, then Seller shall notify Purchaser in writing of such event, and Purchaser shall have the option, to either: (i) terminate this Agreement in which event neither party shall have any further obligations or liabilities hereunder; or (ii) proceed with the Closing without reduction in the Purchase Price. In this Article 12, the term “material” or “materially” shall mean a thirty (30) percent reduction in the value of the Property. The parties hereto agree that the value of the Property shall equal the Purchase Price.

Article 13
Default/Remedy

13.1 Seller’ Default. In the event of a default by Seller occurring prior to Closing in the performance or observance of any of Seller’ duties or obligations herein and if Seller does not cure within a reasonable time (not to exceed ten (10) days, or, if such default is not curable within ten (10) days, then for such period of time as is needed to cure such violation as long as Seller diligently pursues such cure, but in no event longer than thirty (30) days) then Purchaser, at its option and as its sole remedies, may: terminate this Agreement by written notice to the Seller and receive a full refund of its deposit.

13.2 Purchaser Default. In the event of a default by Purchaser in the performance or observance of any of Purchaser’s duties or obligations herein contained, then Seller may exercise all legal and equitable remedies against Purchaser, including but not limited to forfeiture of the Deposit.

Article 14
Miscellaneous

14.1 Notices. Any notice required or permitted to be given under this Agreement shall be in writing and shall be deemed to have been given (a) on the same date as the date on which such notice is delivered personally or sent by electronic mail, (b) on the date that is three business days after the date on which such notice is deposited in the United States mail, registered or certified mail, postage prepaid, return receipt requested, or (c) on the date that is one business days after the date on which such notice is sent by overnight courier services (such as Federal Express or any other national courier service), and, in each case, addressed as follows:

If to Purchaser: Town of Mount Airy, Maryland
 Jared Schumacher, Town Administrator
 110 S. Main Street
 Mt. Airy, MD 21777
 E-mail: jschumaker@mountairymd.org

With a copy to: Thomas V. McCarron, Esq., Town Attorney

Semmes, Bowen & Semmes
250 West Pratt Street
Suite 1900
Baltimore, MD 21201
E-mail: tmccarron@semmes.com

If to Seller: c/o Murugadoss Ramasamy & Jayabharathi Duraisamy
SH Watersville, LLC
P.O. Box 325
Uwchland, PA 19480

With copy to: Ariel Afrah, Esquire
Afra Law
3701 Old Court Road, Suite 21A
Baltimore, MD 21208
ariel@afrahlaw.com

14.2 Governing Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Maryland.

14.3 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same document.

14.4 Assignment. The terms and conditions of this Agreement shall be binding upon and inure to the benefit of Seller and Purchaser and their respective heirs, executors, administrators, legal representatives, successors and assigns. Purchaser shall be entitled to freely assign its rights hereunder to any person or entity in whole or in part owning or controlling, owned or controlled by, or under common control with Purchaser or its principals; provided, however, the assignor shall not be released from any and all of its obligations hereunder, and shall remain jointly and severally liable with any such assignee, provided further that the assignee of such rights agrees to be fully bound by the terms and conditions of this Agreement as if said assignee were the original signatory hereto and the Escrow Deposit shall continue to be in place pursuant to the terms of this Agreement..

14.5 Interpretation. Notwithstanding any rule of law to the contrary: (i) the fact that this Agreement was prepared by Purchaser's counsel as a matter of convenience shall have no import or significance, and any uncertainty or ambiguity in this Agreement shall not be construed against Purchaser because Purchaser's counsel prepared this Agreement; and (ii) no deletions from prior drafts of this Agreement shall be construed to create the opposite intent of the deleted provisions.

14.6 Entire Agreement. This Agreement constitutes the sole and only agreement of the parties hereto and supersedes any prior understanding or written or oral agreements between the parties respecting the within subject matter, and may be amended only by a written instrument signed by both parties hereto.

14.7 Waiver of Jury Trial. SELLER AND PURCHASER ACKNOWLEDGE AND AGREE THAT THE TIME AND EXPENSE REQUIRED FOR TRIAL BY JURY EXCEED THE TIME AND EXPENSE REQUIRED FOR A BENCH TRIAL AND HEREBY WAIVE, TO THE EXTENT PERMITTED BY LAW, TRIAL BY JURY OF ANY CLAIM OR CAUSE OF ACTION BASED UPON, RELATED TO OR ARISING OUT OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT, INCLUDING CONTRACT CLAIMS, TORT CLAIMS, BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW OR STATUTORY CLAIMS. EACH PARTY RECOGNIZES AND AGREES THAT THE FOREGOING WAIVER CONSTITUTES A MATERIAL INDUCEMENT FOR IT TO ENTER INTO THIS AGREEMENT. EACH PARTY REPRESENTS AND WARRANTS THAT IT HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

14.8 Time. Time is of the essence of this Agreement, provided that if any date upon which some action, notice or response is required of any party hereunder occurs on a weekend or national holiday, such action, notice or response shall not be required until the next succeeding business day.

14.9 Attorneys' Fees. If as a result of a default under this Agreement, either Seller or Purchaser employs an attorney to enforce its rights hereunder, the non-prevailing party in any such action shall reimburse the prevailing party for all reasonable attorneys' fees, court costs and other legal expenses incurred by the prevailing party in connection with the default.

[Signatures appear on next page]

IN WITNESS WHEREOF, this Agreement has been executed under seal by the parties hereto as of the date first above written.

WITNESS:

SELLER:

SH WATERSVILLE LLC

By: _____
Murugadoss Ramasamy, Member

By: _____
Jayabharathi Duraisamy, Member

WITNESS:

PURCHASER:

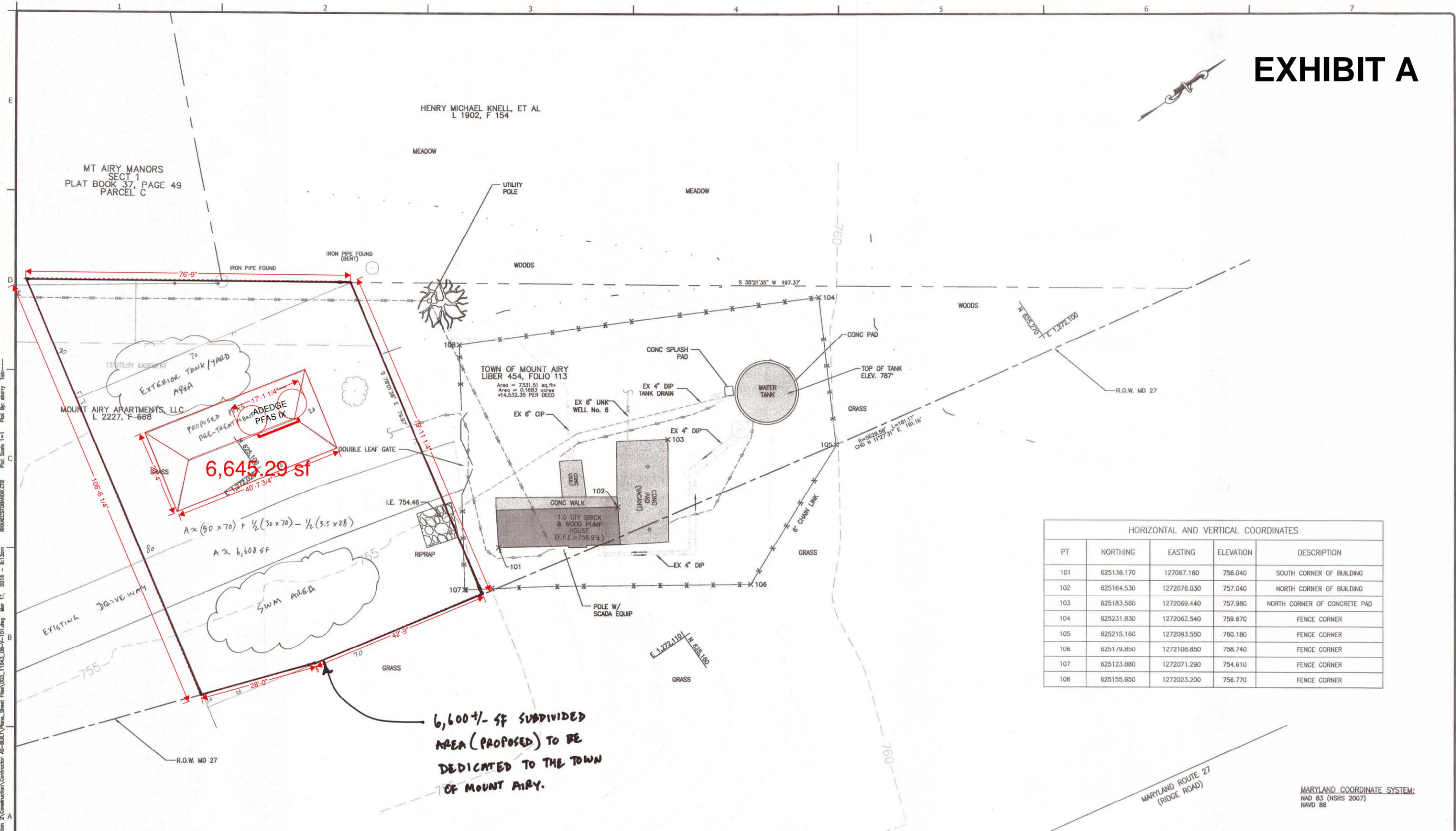
TOWN OF MOUNT AIRY, a municipal corporation organized under the laws of the State of Maryland

By: _____
Larry Hushour, Mayor, the Town of Mount Airy

EXHIBIT A

Description/Depiction of the Property – 0.1515 acres +/-

EXHIBIT A



HORIZONTAL AND VERTICAL COORDINATES				
PT	NORTHING	EASTING	ELEVATION	DESCRIPTION
101	625136.170	127067.160	756.040	SOUTH CORNER OF BUILDING
102	625164.530	1272076.030	757.040	NORTH CORNER OF BUILDING
103	625183.560	1272069.440	757.980	NORTH CORNER OF CONCRETE PAD
104	625231.830	1272062.540	759.670	FENCE CORNER
105	625215.160	1272093.550	760.180	FENCE CORNER
106	625179.850	1272108.850	758.740	FENCE CORNER
107	625123.880	1272071.290	754.610	FENCE CORNER
108	625155.950	1272023.200	756.770	FENCE CORNER

EXISTING SITE PLAN
SCALE: 1" = 10'

AS BUILT

THE ORIGINAL MYLAR HAS BEEN REPLACED WITH THIS AS-BUILT MYLAR

UTILITY LOCATION
BY: A/I/DATA
DATE: MARCH 10, 2013

SURVEY INFORMATION
BY: RUMMEL, KLEPPER & KAHL, LLP.
DATE: MARCH 23, 2013

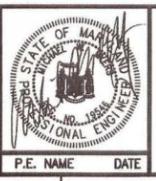
MARYLAND COORDINATE SYSTEM:
NAD 83 (NSRS 2007)
NAVD 88



NO.	REVISION	DATE	BY	APP.
8	SITE / PAVING / ELECTRICAL REV	04/24/15	WJG	JCM
7	MECHANICAL / ELECTRICAL REV	02/05/15	WJG	JCM

NO.	REVISION	DATE	BY	APP.
6	ISSUED FOR CONSTRUCTION - REVISED	01/09/15	WJG	JCM
5	ISSUED FOR PERMIT	11/19/14	WJG	JCM
4	ISSUED FOR CONSTRUCTION	09/19/14	WJG	JCM
3	ADDENDUM NO. 3	08/19/14	WJG	JCM
2	ADDENDUM NO. 2	08/13/14	WJG	JCM
1	ADDENDUM NO. 1	08/05/14	WJG	JCM
0	ISSUED FOR BID	07/22/14	WJG	JCM

MICHAEL W. MYERS, P.E.
DESIGN: WJG, CHECKED: JCM
DRAWN: WJG, CHECKED: JCM
DATE: JULY, 2014, SURVEY DATE: FIELD BOOK



PROFESSIONAL CERTIFICATION
I HEREBY CERTIFY THAT THESE DOCUMENTS WERE PREPARED OR APPROVED BY ME, AND THAT I AM A DULY LICENSED PROFESSIONAL ENGINEER UNDER THE LAWS OF THE STATE OF MARYLAND.
LICENSE NO. 19546
EXPIRATION DATE: 2/18/2016

RUMMEL, KLEPPER & KAHL, LLP
81 MOSHER ST. • BALTIMORE, MARYLAND 21217 • 410.728.2900

CLIENT & PROJECT
TOWN OF MOUNT AIRY
110 SOUTH MAIN STREET
MOUNT AIRY, MARYLAND 21771
WATER STATION No. 2 UPGRADE
MOUNT AIRY, CARROLL COUNTY, MARYLAND
CONTRACT NO. 2014-MA-W-020

TITLE		SCALE		DRG. NO.	
EXISTING SITE PLAN		1" = 10'		V-101	
PROJECT NO.	SHEET NO.	REV.			
11043.08	003 OF 024				

**THE TOWN OF MOUNT AIRY
TOWN COUNCIL RESOLUTION NO. 2026-3**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF MOUNT AIRY
FOR THE PURPOSE OF ESTABLISHING AND MAINTAINING A WATER AND
SEWER RESERVE BALANCE OF \$4,200,000.00.**

WHEREAS, the Mayor, Town Staff (*i.e.*, the Town Administrator, Town Engineer and the Town Finance Department), Town Council and the Town's Water and Sewer Commission have undertaken an extensive and comprehensive review of the Town's water and sewer budgets, recommended and/or needed capital improvements, ongoing and future costs of maintenance and revenues from the water and sewer rates charged to water users in the Town and development impact fees, as well as future deficits between costs associated with operation and capital improvement expenses associated with the operation of the water and sewer system within the Town projected by the Town's Water and Sewer Commission and/or Town Staff; and

WHEREAS, Water operations currently operate at approximately a \$257,000 annual deficit due to a \$140,000 annual increase in sludge hauling, increased chemical, electricity, and maintenance costs, revenue growth not keeping pace with system expenses, historical overestimation of revenue prior to the new meters, no inflationary rate adjustments for several years; and

WHEREAS, as a result, the Town's water and sewer reserve balances have steadily decreased over time and are projected to continue to deplete without increases and/or restructuring of the Town's water and sewer rates in order to maintain the system and to replenish water and sewer reserve balances; and

WHEREAS, industry guidance (*e.g.*, from the Government Finance Officers Association ("GFOA"), Maryland Water Infrastructure Financing Administration ("MWIFA"), Environmental Protection Agency ("EPA"), the Maryland Center for Environmental Training ("MCET"), American Water Works Association ("AWWA")) recommends six months to one year of operating reserves, which for the Town of Mount Airy, the reserve target would be approximately \$4.2 million (based on current year estimates); and

WHEREAS, Ordinance 2026-3 implements a five-year restructuring schedule of the Town's water and sewer rates for the purposes of eliminating the current structural operating deficit, restores reserves to the industry-recommended level, supports long-term capital replacement and reinvestment, updates and corrects the Town's tier structure, aligning heavy users with proportional system impact, corrects tier gaps, adds high-volume usage tiers, moderates increases in rates between usage tiers, ensures affordability and rate stability for residential users, imposes higher proportional contribution with higher end usage, reduces the burden on residential customers and ensures the long-term stability of the Town's water and sewer systems; and

WHEREAS, the purpose of this Resolution is to complement Ordinance 2026-3 by establishing a Town of Mount Airy policy for the review, monitoring and management of municipal reserves dedicated to water and sewer capital and operating expenses, ensuring fiscal responsibility and continuity of essential services; and

WHEREAS, pursuant to the Town Code, Section 38-3, the Town’s Water and Sewer Commission is charged with the responsibility to, among other things, “monitor and report on water and sewer systems' demand and capacity[,] . . . make recommendations for actions by Town staff, the Mayor and Town Council to ensure that citizens have access to essential services without restriction to the greatest degree possible even under adverse weather conditions[]”, to “review and make recommendations upon water and sewer usage rates and overall development fees, including but not limited to water and sewer connection fees, annual assessment fees, water and sewer service fees, impact fees, and temporary surcharges to pay for principal and interest on loans for new water sources or to upgrade or expand water and wastewater treatment facilities”; and

WHEREAS, pursuant to Section 38-4, the Water and Sewer Commission shall “present a timely annual report on actual usage during the previous year ending December 31 and projected usage and capacities for each of the ensuing five years and for 10 years in the future”; and

WHEREAS, on February 4, 2026, the Town’s Water and Sewer Commission unanimously approved and recommended the adoption of this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Mount Airy that the Town hereby:

- A. Rescinds Resolution 2026-6 and replaces same with this Resolution; and
- B. The Town Council resolves to maintain a reserve fund of \$4,200,000 adjusted at the beginning of each fiscal year for inflation for water and sewer capital and operating expenses, and the town further resolves to maintain a minimum balance of \$2,100,000, adjusted at the beginning of each fiscal year for inflation representing one half of the reserve amount; and
- C. Under the direction of the Mayor, the Town Administrator, in consultation with appropriate staff and incorporating the Water and Sewer Commission’s review and recommendations per its duties as set forth in Town Code § 38-3, shall perform the following and provide findings and recommendations in an annual report to the Town Council:
 1. Monitor implementation of the Town’s Multi-Year Water and Sewer Capital Improvement and Operating Plan, and the reserve fund balance.
 - a. If reserves drop below \$4,200,000 but stay at or above \$2,100,000, propose a plan to restore the fund, considering measures such as

expenditure cuts, reprioritizing projects, improving efficiency, and/or increasing revenue.

- b. If reserves drop below \$2,100,000, promptly consider delaying non-essential spending and present a plan to raise the balance to at least \$2,100,000 as soon as is practicable, considering measures such as expenditure cuts, essential project prioritization, efficiency improvements, revenue increases, and/or emergency actions.
2. Monitor consumer price indices, construction costs, and operating trends for water and sewer services and determine if inflation-based changes to the reserve fund balance and/or water and sewer rates are needed for fiscal stability or customer relief.

INTRODUCED:

The 2nd day of March, 2026.

ADOPTED:

This 2nd day of March, 2026 by a vote of _____ in favor and _____ opposed.

ATTEST:

Jason Evans, Secretary

Tim Washabaugh, President of the Council

ATTEST:

Jason Evans, Secretary

Larry Hushour, Mayor

Reviewed and approved as to legal sufficiency
this 2nd day of March, 2026

Thomas V. McCarron, Town Attorney

For:
Introduction: 2/2/26
Public hearing: N/A
Adopted: 3/2/26
Effective: 3/23/26 (upon expiration of 20
calendar days following approval by Mayor or
passage by Council over Mayor's veto by 4/5ths
of the whole Council)

THE TOWN OF MOUNT AIRY, MARYLAND

ORDINANCE NO. 2026-3

**AN ORDINANCE TO AMEND PART II
OF THE CODE OF THE TOWN OF MOUNT AIRY
ENTITLED "GENERAL LEGISLATION,"
CHAPTER 109 ENTITLED "WATER,"
ARTICLE II ENTITLED "WATER AND SEWER
RATES", SECTION 109-22 ENTITLED
"WATER RATE SCHEDULE; METERED SERVICE",
SECTION 109-22.1 ENTITLED "SYSTEM BENEFIT CHARGE"
AND SECTION 109-23 ENTITLED "SEWER RATE SCHEDULE"**

WHEREAS, the Mayor, Town Staff (*i.e.*, the Town Administrator, Town Engineer and the Town Finance Department), Town Council and the Town's Water and Sewer Commission have undertaken an extensive and comprehensive review of the Town's water and sewer budgets, recommended and/or needed capital improvements, ongoing and future costs of maintenance and revenues from the water and sewer rates charged to water users in the Town and development impact fees, as well as future deficits between costs associated with operation and capital improvement expenses associated with the operation of the water and sewer system within the Town projected by the Town's Water and Sewer Commission and/or Town Staff; and

WHEREAS, Water operations currently operate at approximately a \$257,000 annual deficit due to a \$140,000 annual increase in sludge hauling, increased chemical, electricity, and maintenance costs, revenue growth not keeping pace with system expenses, historical overestimation of revenue prior to the new meters, no inflationary rate adjustments for several years; and

WHEREAS, based on capital planning and national standards used by the Government Finance Officers Association ("GFOA"), the Maryland Water Infrastructure Financing Administration ("MWIFA"), the American Water Works Association ("AWWA"), and the Maryland Center for Environmental Training ("MCET"), Mount Airy requires approximately \$1.29 million per year (based on current year estimates) in long-term reinvestment to maintain safe and reliable water and sewer service as follows: water capital – approximately \$700,000 annually (wells, PFAS upgrades, treatment components, water main replacements, storage tank rehabilitation); sewer capital - approximately \$590,000 annually (collection system rehab, pump stations, WWTP equipment replacement)

WHEREAS, current revenues cannot support the needs of the Town’s water and sewer system without a phased rate plan; and

WHEREAS, Industry guidance (GFOA, MWIFA, the Environmental Protection Agency (“EPA”), MCET, AWWA) recommends 6 months to 1 year of operating reserves, which for Mount Airy, the reserve target would be approximately \$4.2 million (based on current year estimates); and

WHEREAS, the current water and sewer tiers within the Town are inconsistent and outdated, including for the following reasons: the 80,000+ gallon tier captured users ranging from 80,000 to over 1,000,000 gallons, and large commercial users are not proportionally contributing to system load; and

WHEREAS, the Town Council has considered long and short-term proposals to raise water and sewer rates, including as proposed in prior ordinances, which the Town Council did not enact because a majority of the Councilmembers did not believe that a short term adjustment to the water and sewer rates would solve the aforementioned structural water and sewer deficits, would require further increases to those rates in the coming years and/or in order to explore a more comprehensive restructuring of the water and sewer rates; and

WHEREAS, the Town Council has expressed an interest in considering a long-term restructuring of the Town’s water and sewer rates; and

WHEREAS, Town Staff reviewed and developed an initial proposal for an ordinance that would restructure the Town’s water and sewer system; and

WHEREAS, at its January 7, 2026 meeting the Town’s Water and Sewer Commission reviewed the existing water and sewer rate structure applicable within the Town limits, and the Town Staff’s proposal for structuring the water and sewer rate system and voted to recommend changes to the rates as proposed herein with an effective date of January 7, 2026; and

WHEREAS, after presentation during the March 2, 2026 meeting and after receiving public comment, the Town Council concluded that a long-term restructuring as proposed in this ordinance is needed to meet the goal of reestablishing a fiscally sound Water and Sewer Fund; and

WHEREAS, this ordinance proposes a five-year rate restructuring schedule for the purposes of eliminating the current structural operating deficit, restoring reserves to the industry-recommended level, supporting long-term capital replacement and reinvestment, updating and correcting the Town’s tier structure, aligning heavy users with proportional system impact, correcting tier gaps, adding high-volume usage tiers, moderating increases in rates between usage tiers, ensuring affordability and rate stability for residential users, imposing higher proportional contribution with higher end usage, reducing the burden on residential customers and ensuring the long-term stability of the Town’s water and sewer systems; and

WHEREAS, enactment of this ordinance is estimated to result in projected excess revenue of approximately \$164,421 in fiscal year 2031 with reserves beginning to rebuild steadily in fiscal year 2029 through fiscal year 2031, thereby enabling ongoing annual reserve contributions, with annual revenue as projected in the following table:

Revenue Forecast Summary (FY26–FY31)

Year	Total Revenue	Expenses	Excess/Deficit	Reserves
FY27	\$3,618,469	\$4,389,982	(\$771,512)	\$2,728,488
FY28	\$4,267,979	\$4,521,681	(\$253,702)	\$2,474,785
FY29	\$4,796,816	\$4,657,331	\$139,484	\$2,614,270
FY30	\$5,026,657	\$4,797,051	\$229,605	\$2,843,875
FY31	\$5,105,384	\$4,940,963	\$164,421	\$3,008,296

; and

WHEREAS, the enactment of this ordinance will result in 17–19% nominal increases in fiscal year 2027 for most residential accounts, no increase exceeding 20% in fiscal year 2027 for residential accounts, and reevaluated adjusted water and sewer rates as follows:

Fiscal Year	Nominal Increase	Actual Bill Impact	Notes
FY27	21%	~17–19% for most residential accounts	Restructured tiers; some impacts over 20% occur in first year only
FY28	19%	~19%	Increased to meet reserve targets
FY29	13%	~13%	Reduced from earlier models; stabilizes fund
FY30	5%	~5%	Normalization period
FY31	3%	~3%	Annual inflationary indexing begins

; and

WHEREAS, this ordinance creates four new high-volume tiers: 40,000-100,000 gallons, 100,001–250,000 gallons, 250,001–1,000,000 gallons, and 1,000,001+ gallons, resulting in proportionally higher rates for higher water and sewer usage; and

WHEREAS, this ordinance corrects the structural deficit by fiscal year 2029, rebuilds reserves to over \$3 million (61% of current annual expenses) by fiscal year 2031, and establishes a sustainable, inflation-matched base going forward; and

WHEREAS, this ordinance includes a one-time restructuring impact in fiscal year 2027, with some increases over 20% decreasing significantly in each of the next four years (fiscal year 2028–fiscal year 2031).

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF MOUNT AIRY:

Section 1. That Chapter 109 of the Code of the Town of Mount Airy is hereby amended to repeal and reenact with amendments Section 109-22 of the Code as follows:

§109-22. Water rate schedule; metered service.

- A. The following rates shall be applied to all water consumed on a quarterly basis effective ~~September 1, 2023~~ upon the start of the June, 2026 water and sewer billing cycle and shall remain in effect through water usage up to the start of the June, 2027 water and sewer billing cycle:
- (1) A flat service fee of ~~\$25.00~~ 30.00 will be charged to each consumer connected to the system.
 - (2) On the first 6,000 gallons consumed, the rate charged will be ~~\$2.50~~ 3.20 for each 1,000 gallons.
 - (3) On the next 6,000 gallons consumed (to a total of 12,000 gallons), the rate charge will be ~~\$4.57~~ 4.33 for each 1,000 gallons.
 - (4) On the next 8,000 gallons consumed (to a total of 20,000 gallons), the rate charge will be ~~\$5.09~~ 5.30 for each 1,000 gallons.
 - (5) On the next 20,000 gallons consumed (to a total of 40,000 gallons), the rate charge will be ~~\$7.00~~ 6.05 for each 1,000 gallons.
 - (6) On the next ~~20,000~~ 60,000 gallons consumed (to a total of ~~60,000~~ 100,000 gallons), the rate charge will be ~~\$7.24~~ 7.70 for each 1,000 gallons.
 - (7) ~~For all gallonage in excess of~~ On the next 60,000 150,000 gallons consumed, ~~(up to a total of 80,000 250,000 gallons),~~ the rate charge shall be ~~\$8.32~~ 9.70 for each 1,000 gallons.
 - (8) ~~For all gallonage in excess of~~ On the next 80,000 750,000 gallons consumed ~~(to a total of 1,000,000 gallons),~~ the rate charge shall be ~~\$9.38~~ 10.70 for each 1,000 gallons.
 - (9) For all gallonage in excess of 1,000,000 gallons consumed, the rate charge shall be \$12.50 for each 1,000 gallons.
- B. ~~The above water rates shall be billed on a quarterly basis to the owner or owners of each property to which water is furnished, without regard to whether the property is owner-occupied or otherwise. The charges shall constitute a lien and bear interest as provided in §109-24. The flat service fee set forth in subsection A.(1) above and the rates set forth in subsection A.(2) through (9) above shall increase annually beginning with water usage up to the start of the June, 2027 water and sewer billing cycle and thereafter as follows:~~

- (1) 19% for water usage up to the start of the June, 2028 water and sewer billing cycle.
- (2) 13% for water usage up to the start of the June, 2029 water and sewer billing cycle.
- (3) 5% for water usage up to the start of the June, 2030 water and sewer billing cycle.
- (4) 3% for water usage beginning with the start of the June, 2030 water and sewer billing cycle, and each year thereafter.

C. The above water rates shall be billed on a quarterly basis to the owner or owners of each property to which water and sewer service is furnished, without regard to whether the property is owner-occupied or otherwise. The charges shall constitute a lien and bear interest as provided in §109-24.

Section 2. That Chapter 109 of the Code of the Town of Mount Airy is hereby amended to repeal and reenact with amendments Section 109-22.1 of the Code as follows:

§109-22.1. System benefit charge.

A. In addition to the water rate charges set forth in § 109.22 of this chapter, there shall also be a system benefit charge which shall be applied to all water consumed on a quarterly basis upon the start of the June, 2026 water and sewer billing cycle and shall remain in effect through water usage up to the start of the June, 2027 water and sewer billing cycle:

- (1) A flat rate of \$~~15~~ 18 will be charged for all water consumed up to 40,000 gallons.
- (2) On each additional ~~23,000~~ 23,000 gallons consumed per quarter above 40,000 gallons, an additional \$~~15~~ 18 will be charged.

B. ~~The above system benefit charge shall be billed on a quarterly basis to the owner or owners of each property to which water is furnished, without regard to whether the property is owner-occupied or otherwise. The charges shall constitute a lien and bear interest as provided in § 109-24.~~ The system benefit charges set forth in subsections A.(1) and A.(2) shall increase annually beginning with water usage up to the start of the June, 2027 water and sewer billing cycle and thereafter as follows:

- (1) 20% for water usage up to the start of the June, 2028 water and sewer billing cycle.
- (2) 19% for water usage up to the start of the June, 2029 water and sewer billing cycle.

(3) 13% for water usage up to the start of the June, 2030 water and sewer billing cycle.

(4) 5% for water usage up to the start of the June, 2031 water and sewer billing cycle.

(5) 3% for water usage beginning with the start of the June, 2031 water and sewer billing cycle, and each year thereafter.

- C. The above system benefit charge shall be billed on a quarterly basis to the owner or owners of each property to which water is furnished, without regard to whether the property is owner-occupied or otherwise. The charges shall constitute a lien and bear interest as provided in § 109-24.

Section 3. That Chapter 109 of the Code of the Town of Mount Airy is hereby amended to repeal and reenact with amendments Section 109-23 of the Code as follows:

§109-23. Sewer rate schedule.

- A. These rates shall be a quarterly charge for sewer use effective ~~September 1, 2023~~ upon the start of the June, 2026 water and sewer billing cycle and shall remain in effect through water usage up to the start of the June, 2027 water and sewer billing cycle:

- (1) A flat service fee of ~~\$28.00~~ 33.60 will be charged to each customer connected to the system.
- (2) For the first 6,000 gallons consumed, the rate chargeable shall be ~~\$3.25~~ 3.55 for each 1,000 gallons.
- (3) On the next ~~14,000~~ 6,000 gallons consumed (to a total of ~~20,000~~ 12,000 gallons), the rate charge shall be ~~\$3.70~~ 4.86 for each 1,000 gallons.
- (4) On the next ~~20,000~~ 8,000 gallons consumed (to a total of ~~40,000~~ 20,000 gallons), the rate charge shall be ~~\$4.75~~ 5.90 for each 1,000 gallons.
- (5) On the next 20,000 gallons consumed (to a total of ~~60,000~~ 40,000 gallons), the rate charge shall be ~~\$5.00~~ 6.79 for each 1,000 gallons.
- (6) On the next ~~20,000~~ 60,000 gallons consumed (to a total of ~~80,000~~ 100,000 gallons), the rate charge shall be ~~\$5.25~~ 8.61 for each 1,000 gallons.
- (7) ~~The rate charge in excess of~~ On the next 80,000 150,000 gallons consumed (to a total of 250,000 gallons), the rate charge shall be \$5.50 10.85 for each 1,000 gallons.

(8) On the next 750,000 gallons consumed (to a total of 1,000,000 gallons), the rate charge shall be \$12.05 for each 1,000 gallons.

(9) For all gallonage in excess of 1,000,000 gallons consumed, the rate charge shall be \$14.15 for each 1,000 gallons.

B. ~~The above sewer rates shall be billed on a quarterly basis to the owner or owners of each property to which water and sewer service is furnished, without regard to whether the property is owner-occupied or otherwise. The charges shall constitute a lien and bear interest as provided in §109-24. The flat service fee set forth in subsection A.(1) above and the rates set forth in subsection A.(2) through (9) above shall increase annually beginning with sewer usage up to the start of the June, 2027 water and sewer billing cycle and thereafter as follows:~~

(1) 19% for sewer usage up to the start of the June, 2028 water and sewer billing cycle.

(2) 13% for sewer usage up to the start of the June, 2029 water and sewer billing cycle.

(3) 5% for sewer usage up to the start of the June, 2030 water and sewer billing cycle.

(4) 3% for sewer usage beginning with the start of the June, 2030 water and sewer billing cycle, and each year thereafter.

C. The above sewer rates shall be billed on a quarterly basis to the owner or owners of each property to which water and sewer service is furnished, without regard to whether the property is owner-occupied or otherwise. The charges shall constitute a lien and bear interest as provided in §109-24.

BE IT ENACTED AND ORDAINED BY THE AUTHORITY AFORESAID, that this Ordinance shall take effect on the 23rd day of March, 2026 (upon expiration of 20 calendar days following approval by Mayor or passage by Council over Mayor's veto by 4/5ths of the whole Council).

Introduced the 2nd day of February, 2026.

Enacted the 2nd day of March, 2026 by a vote of _____ in favor and _____ opposed.

ATTEST:

Jason Evans, Secretary

Tim Washabaugh,
President of the Town Council

Approved this 2nd day of March, 2026.

ATTEST:

Jason Evans, Secretary

Larry Hushour, Mayor

REVIEWED AND APPROVED AS TO LEGAL FORM AND SUFFICIENCY.
this 2nd day of , 2026.

Thomas V. McCarron, Town Attorney

Changes in Total Cost with Proposed Water and Sewer Rate Schedule					
gallons used	FY27	FY28	FY29	FY30	FY31
3,000	\$101.85	\$121.20	\$136.96	\$143.81	\$148.12
6,000	\$122.10	\$145.30	\$164.19	\$172.40	\$177.57
10,000	\$158.86	\$189.04	\$213.62	\$224.30	\$231.03
15,000	\$210.84	\$250.90	\$283.52	\$297.69	\$306.62
20,000	\$266.84	\$317.54	\$358.82	\$376.76	\$388.06
30,000	\$395.24	\$470.34	\$531.48	\$558.05	\$574.79
50,000	\$686.74	\$817.22	\$923.46	\$969.63	\$998.72
75,000	\$1,094.49	\$1,302.44	\$1,471.76	\$1,545.35	\$1,591.71
100,000	\$1,502.24	\$1,787.67	\$2,020.06	\$2,121.07	\$2,184.70
200,000	\$3,557.24	\$4,233.12	\$4,783.42	\$5,022.59	\$5,173.27
500,000	\$10,272.24	\$12,223.97	\$13,813.08	\$14,503.74	\$14,938.85
1,000,000	\$21,647.24	\$25,760.22	\$29,109.04	\$30,564.50	\$31,481.43

Town of Mount Airy

Memorandum

Procedure Manual

Dept/Number: Water and Sewer - 7

Water & Sewer Policy Manual -Hardship Relief and Payment Plan Procedure

1. Purpose

The purpose of this procedure is to establish a uniform process for addressing water and sewer accounts that become delinquent due to temporary financial hardship. This procedure is intended to protect public health, provide reasonable flexibility to customers experiencing hardship, and ensure the continued financial stability of the Town's water and sewer systems.

2. Authority

This procedure is adopted pursuant to the Town's authority to operate, bill for, collect, and enforce water and sewer charges, including the authority to establish payment arrangements and conditions for continued service.

3. Applicability

This procedure applies to all water and sewer customers served by the Town of Mount Airy and to all Town staff responsible for billing, collections, and customer service related to water and sewer accounts.

4. Definitions

Hardship:

A temporary reduction in household income or increase in necessary expenses that affects a customer's ability to pay water and sewer charges when due. Examples include, but are not limited to, furlough, federal or state government shutdowns, major medical expenses, emergency situations, or other verified financial disruptions.

Delinquent Account:

Any water and sewer account with charges that remain unpaid after the stated due date.

Payment Plan:

A written agreement between the Town and the customer that provides for repayment of delinquent charges over a defined period while remaining current on new charges.

5. Request for Hardship Consideration

5.1 A customer with a delinquent account may request hardship consideration by submitting a Hardship Request Form to the Town.

5.2 The customer may be required to provide documentation supporting the hardship or may submit a written self-attestation for short-term hardship.

5.3 Submission of a Hardship Request Form does not guarantee approval and does not suspend enforcement unless and until a payment plan is approved.

6. Payment Plan Options

6.1 Payment plans shall not exceed a total duration of six (6) months from the billing date of the payment to be deferred.

6.2 The Town may approve one of the following payment plan options:

A. Standard Payment Plan

- Duration: Up to one billing quarter (three months).
- Delinquent balance shall be divided into equal monthly payments.
- Customer must pay all new and current bills when due.

B. Extended Payment Plan

- Duration: Up to two billing quarters (six months).
- Delinquent balance shall be divided into equal monthly payments.
- Customer must pay all new and current bills when due.

6.3 Payment amounts may be adjusted within these timeframes to establish reasonable and workable payment terms.

7. Good Faith Down Payment

7.1 A good faith down payment equal to ten percent (10%) of the total delinquent balance is generally required to initiate a payment plan.

7.2 The good faith down payment requirement may be waived on a case-by-case basis for verified hardship, subject to approval by the Town Administrator, Mayor, or designee.

7.3 Approval or waiver of the good faith down payment shall be documented in the customer's account record.

8. Continuation of Service

8.1 Water and sewer service shall not be discontinued for nonpayment while a customer is actively complying with an approved payment plan.

8.2 Compliance includes timely payment of all plan installments and payment of all new water and sewer charges when due.

9. Default on Payment Plan

9.1 A payment plan shall be considered in default if full payment of the delinquent balance is not received by the end of the approved payment plan term or if materially false information was provided.

9.2 Upon default, the Town shall provide written notice and courtesy outreach.

9.3 The customer shall be provided fourteen (14) calendar days to cure the default.

9.4 If the default is not cured, the account shall revert to the Town's standard Water and Sewer Collections/Shutoff Policies and Procedures.

10. Special Circumstances

10.1 Cases involving severe hardship or other exceptional circumstances may be escalated to the Town Administrator, Mayor, or designee for review.

10.2 Any deviation from standard payment terms shall be approved in writing and documented in the account record.

11. Assistance Resources

11.1 Customers approved for a payment plan shall be provided information on available assistance resources, which may include:

- Maryland 211 - Central referral system for utility assistance, emergency aid, and nonprofit resources.
- Mount Airy Net - Local community-based assistance, where eligibility requirements are met.
- Carroll County Health Department / Department of Social Services - Emergency assistance programs and benefit screening.
- Frederick County Health Department / Department of Social Services - Emergency assistance programs for residents on the Frederick County side of Town.
- Local nonprofit, faith-based, or charitable assistance programs commonly used within the region.

11.2 Participation in outside assistance programs does not relieve the customer of responsibility for compliance with the Town's payment plan.

12. Declared Emergencies

12.1 During declared emergencies or widespread economic disruptions, the Town Administrator or Mayor may authorize temporary adjustments to this procedure, including expanded eligibility or modified payment terms.

12.2 Any such adjustments shall be documented and applied consistently.

13. Recordkeeping

13.1 All hardship requests, payment plans, approvals, and related correspondence shall be maintained in the customer's account file in accordance with Town record retention requirements.

14. Review

This procedure shall be reviewed periodically and updated as necessary to reflect changes in law, policy, or administrative practice.

By: _____

Larry Hushour, Mayor

Accepted: _____

Jared Schumacher, Town Administrator

Effective Date: _____

For: Introduction 03/02/2026
Public Hearing N/A
Adoption 03/02/2026
Effective date: 03/02/2026

**THE TOWN OF MOUNT AIRY
ORDINANCE NO. 2026-4**

AN ORDINANCE TO AMEND ORDINANCE 2025-5, WHICH ADOPTED AND APPROVED THE BUDGET FOR THE TOWN OF MOUNT AIRY FOR FISCAL YEAR 2025-2026.

FOR THE PURPOSE OF AMENDING THE BUDGET TO ALLOCATE FUNDING PROVIDED BY A SUSTAINABLE MARYLAND ACTION GRANT FROM THE UNIVERSITY OF MARYLAND IN THE AMOUNT OF \$14,000.

WHEREAS, a grant was applied for and awarded to the Town of Mount Airy to support the Town's National Wildlife Federation (NWF) Community Certification efforts; and

WHEREAS, this initiative will include installing small wildlife habitat gardens in several parks, along with developing outreach and educational materials to encourage residents to participate by creating certified habitats in their own yard and neighborhoods; and

WHEREAS, the Town Council wishes to allocate this funding to Park Enhancements, increasing the budgeted amount from \$30,679 to \$44,679; and

WHEREAS, the Town Council of Mount Airy Adopted Ordinance 2025-5 adopting the Budget for Fiscal Year 2025-2026 for the Town of Mount Airy on May 5, 2025; and

WHEREAS, the Town Council wishes to amend Ordinance 2025-5 as follows:

NOW, THEREFORE, BE IT ENACTED AND ORDAINED BY THE AUTHORITY AFORESAID that the Town of Mount Airy Budget for Fiscal Year 2025-2026 be, and hereby is, amended to add \$14,000 to the General Fund Operating Budget, line item 01-516-5305, Parks Enhancements with \$14,000 in funding coming from the University of Maryland, Sustainable Maryland Action Grant; and that all other provisions of Ordinance 2025-5 shall remain unchanged and as is.

If so desired, that upon the affirmative vote of four members of the Council, the provisions of C2-13(B) of the Charter of the Town of Mount Airy are hereby suspended and this measure is declared to be an emergency measure effective upon approval.

EFFECTIVE DATE: _____

INTRODUCED: This 2nd day of March 2026

ADOPTED: This ___ day of _____ 2026 by a vote of ___ in favor and ___ opposed.

ATTEST:

Jason Evans, Secretary

Tim Washabaugh, President of the Council

ATTEST:

Jason Evans, Secretary

Larry Hushour, Mayor

Reviewed and approved as to legal sufficiency.

This _____ day of _____, 2026

Thomas McCarron, Town Attorney

Doc: 2026-4_EmergencyOrdinanceBudgetAmendment_FY2026_SustainableMarylandActionGrant

For: Introduction: 03/02/2026
Public Hearing N/A
Adoption:
Effective date:

**THE TOWN OF MOUNT AIRY
ORDINANCE NO. 2026-5**

AN ORDINANCE TO AMEND ORDINANCE 2025-5, WHICH ADOPTED AND APPROVED THE BUDGET FOR THE TOWN OF MOUNT AIRY FOR FISCAL YEAR 2025-2026.

FOR THE PURPOSE OF AMENDING THE BUDGET TO TRANSFER THE POLICE STATION PROJECT FROM THE GENERAL FUND BUDGET TO A NEW CAPITAL PROJECT FUND.

WHEREAS, the Police Station project was included in the General Fund budget for Fiscal Year 2025-2026; and

WHEREAS, since the Town is financing this project through a bond, it should be presented in a Capital Project Fund for accurate financial reporting, project tracking, and compliance with governmental accounting standards; and

WHEREAS, this separate Capital Project Fund budget presentation and financial statements presentation is required until the financed construction project is completed and placed in service; and

WHEREAS, this amendment does not increase overall expenditures, but reallocates them to the appropriate fund; and

WHEREAS, the Town Council wishes to transfer all funding and expenses related to the Police Station project to a new Capital Project Fund for proper financial reporting in Fiscal Year 2025-2026, and

WHEREAS, the Town Council of Mount Airy Adopted Ordinance 2025-5 adopting the Budget for Fiscal Year 2025-2026 for the Town of Mount Airy on May 5, 2025; and

WHEREAS, the Town Council wishes to amend Ordinance 2025-5 as follows:

NOW, THEREFORE, BE IT ENACTED AND ORDAINED BY THE AUTHORITY AFORESAID that the Town of Mount Airy Budget for Fiscal Year 2025-2026 be, and hereby is, amended to transfer all related funding and expenses for the Police Station project from the General Fund Operating and Capital Budget to a new Capital Project Fund; and that all other provisions of Ordinance 2025-5 shall remain unchanged and as is.

EFFECTIVE DATE: _____

INTRODUCED: This 2nd day of March 2026

ADOPTED: This ___ day of _____ 2026 by a vote of ___ in favor and ___ opposed.

ATTEST:

Jason Evans, Secretary

Tim Washabaugh, President of the Council

ATTEST:

Jason Evans, Secretary

Larry Hushour, Mayor

Reviewed and approved as to legal sufficiency.

This _____ day of _____, 2026

Thomas McCarron, Town Attorney

Doc: 2026-5_OrdinanceBudgetAmendment_FY2026_PoliceStationProjectCapitalProjectFund

THE TOWN OF MOUNT AIRY, MARYLAND

**TOWN COUNCIL
RESOLUTION NO. 2026-4**

**FOR THE PURPOSE OF ESTABLISHING
THE TOWN'S AVAILABLE WATER AND SEWER
CAPACITY YIELD FROM 2026 THROUGH 2027
PURSUANT TO THE TOWN CODE,
SECTION 109-19.2A and B AND
SECTION 91-6B**

This Resolution No. 2026-4 amends and replaces Resolution No. 2026-2 approved by the Council to correct a clerical error. The methodology to determine the capacity yields is below followed by the net capacity yields.

WHEREAS, the Maryland Department of the Environment issued Water Appropriation and Use Permits to the Town of Mount Airy to allocate water withdrawal limited to a daily average of 927,000 gallons on a yearly basis and a daily average of 1,353,800 gallons for the month of maximum use; and

WHEREAS, the Town of Mount Airy's Adequate Public Facilities Ordinance, section 25-6.A. of the Town Code, permits development without exceeding 88% of the overall water system capacity. The maximum water source allocations by the Town, therefore, cannot exceed 815,760 gallons per day (gpd); and

WHEREAS, the Town of Mount Airy's APFO certification calculations take into account the maximum average daily demand from the last five calendar years which from 2021 through 2025 the maximum average daily demand was in 2025 in the amount of 732,673 gpd. Subtracting this amount reduces the allocable water to 83,087 gpd; and

WHEREAS, the Town of Mount Airy's Planning Commission has approved or conceptually approved "pipeline" and "potential pipeline" development as listed in the APFO calculations the calculated or anticipated additional demands total of 63,815 gpd further reducing the allocable water to 19,272 gpd; and

WHEREAS, the Maryland Department of the Environment issued a State Discharge Permit to the Town of Mount Airy to discharge an annual average flow of 1.2 million gallons per day of treated wastewater from the Mount Airy Wastewater Treatment Plant (WWTP); and

WHEREAS, the Town of Mount Airy's Adequate Public Facilities Ordinance, section 25-6.A. of the Town Code, permits development without exceeding 88% of the overall wastewater (sewer) system capacity. The maximum wastewater (sewer) allocations by the Town, therefore, cannot exceed 1,056,000 gallons per day (gpd); and

WHEREAS, the Town of Mount Airy's APFO certification calculations take into account the WWTP's maximum average daily discharge flow from the last five calendar years which from 2021 through 2025 the maximum average daily discharge flow was in 2021 in the

amount of 769,333 gpd. Subtracting this amount reduces the allocable wastewater (sewer) to 286,667 gpd; and

WHEREAS, the Town of Mount Airy’s Planning Commission has approved or conceptually approved “pipeline” and “potential pipeline” development as listed in the APFO calculations the calculated or anticipated additional discharge flow total of 63,815 gpd further reducing the allocable wastewater (sewer) to 222,852 gpd.

NOW THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE TOWN OF MOUNT AIRY:

Pursuant to the Town Code, Section 109-19.2A and B and Section 91-6B, be it RESOLVED, by the Town Council:

- (1) That the Town will for the period from 2026 through 2027 have available water capacity of 19,272 gpd based on the APFO Water and Sewer System calculations. This 19,272 gpd shall be the Available Water Capacity Yield from 2026 through 2027 which shall be available to be allocated in that time frame in accordance with the Town’s Water and Sewer Allocation Ordinance to “New Demand” as defined therein.
- (2) That the Town will for the period from 2026 through 2027 have available sewer capacity of 222,852 gpd based on the APFO Water and Sewer System calculations. This 222,852 gpd shall be the Available Sewer Capacity Yield from 2026 through 2027 which shall be available to be allocated in that time frame in accordance with the Town’s Water and Sewer Allocation Ordinance to “New Demand” as defined therein.
- (3) That in the first quarter of 2026 the Town anticipates receiving an increase in appropriation from 79,000 gpd to 113,000 gpd from Maryland Department of the Environment (MDE) for permit FR2001G022(03), or well number 9. Once received this 34,000 gpd will add 29,920 gpd (or 88%) to the Available Water Capacity Yield bringing the total from 19,272 gpd to 49,192 gpd.

ADOPTED:

This 2nd day of March, 2026 by a vote of ___ in favor and ___ opposed.

ATTEST:

Jason P. Evans, Secretary

Tim J. Washabaugh, President of the Council

Approved this 2nd day of March, 2026.

ATTEST:

Jason P. Evans , Secretary

Larry G. Hushour, Mayor

Reviewed and approved as to legal sufficiency.
This 2nd day of March, 2026.

Thomas V. McCarron, Town Attorney