

**THE EIGHTH BIENNIAL UPDATE TO THE FIVE-YEAR PLAN**  
**For**  
**THE DARLINGTON WATER SUPPLY SERVICE DISTRICT**  
**HARFORD COUNTY, MARYLAND**

**Prepared by**  
**MARYLAND ENVIRONMENTAL SERVICE**

**November 2020**

**I. BACKGROUND**

A. The Darlington Water System

The Darlington Water Supply System (the System) serves the community of Darlington, located in northeastern Harford County, Maryland. The System consists of a water treatment plant and distribution system. The system was upgraded in 2003 to replace an outdated system that had been operating since the early 1950's. The system provides potable water to the Darlington community that were serviced by the old system as well as new users. In 1997, the Company's owners, at the request of Harford County, approached the Maryland Environmental Service (MES), and asked MES to form a Service District to provide continuing operation of the System. In 1997 MES formed the Darlington Water Supply Service District (the Service District). The Service District is discussed below in Section II.

The System presently has 105 customer connections including residential units, a school, churches, businesses, fire department, and a post office. The System's main infrastructure includes two wells; one pump house, one hydropneumatic tank, several thousand linear feet of pipe, and water meters for each connection.

The System is described in the Harford County Water and Sewerage Master Plan (the Master Plan) as a community water system lying outside of the Harford County Development Envelope. As such, the Master Plan states that the Darlington water system is "expected to maintain economically viable and physically reliable resources to serve the existing customers," and that "extensive expansion of these systems is not encouraged; however, minor additions to the customer base may be logical and appropriate." The Master Plan also notes that the System does not provide fire flow protection.

## B. The Maryland Environmental Service

The Maryland Environmental Service (MES) is an Independent State agency created by the Maryland General Assembly to provide, among other things, dependable, effective, and efficient water supply services to public and private instrumentalities in compliance with State laws, regulations, and policies governing air, land, and water pollution. The Act giving MES its powers is set forth in the Annotated Code of Maryland, Natural Resources Article, Section 3-101, and subsequent sections.

## II. THE SERVICE DISTRICT

On October 23, 1997, MES created the Service District pursuant to its legal authority set forth in the Annotated Code of Maryland, Natural Resources Article, Section 3-106 (see Attachment A) and MES Board of Directors Resolution No. 97-10-1R (see Attachment B). Pursuant to its authority and the Resolution, MES purchased the assets of the Darlington Water Company.

The physical boundaries of the Service District include all properties that were served by the original water system and any individual piece of property, which is within 50 feet of an existing water main. The Service District may over time be modified and enlarged with the appropriate review and approval, but no alteration to the Service District may diminish the level of service rendered to the Service District. MES' goal in establishing the Service District was to maintain the current distribution system configuration and make necessary improvements to allow providing reliable water service to the system customers.

## III. THE FIVE-YEAR PLAN

Integral to the establishment of the Service District was the preparation of a Five-Year Plan. The original Five-Year Plan prepared in September 1997 is available for review at the Darlington branch of the Harford County Library and at MES headquarters in Millersville, Maryland. MES is required to review, update, and readopt the Five-Year Plan for the Service District biennially. The Five-Year Plan may be updated and readopted by MES only after at least one public hearing, at which time MES shall take the actions necessary to implement the revised Plan.

This document is the Eighth Biennial Revision of the Five-Year Plan (the Revised Plan) for the Service District. The Revised Plan describes current status along with any proposed changes needed to continue providing potable water within the Service District while maintaining consistency with Harford County's Water and Sewer Master Plan.

Specifically, the Present Plan updates the current financial status of System and reiterates the proposed user fee and special assessment, the Capital Improvement Reserve Fund, and the connection fee for new customers.

## **IV. IMPROVEMENTS**

### **A. Completed Improvements to the System**

Upon establishment of the Service District in 1997, MES commenced necessary capital improvements to the System as outlined in the original Five-Year Plan. The initial improvements that were completed in 1998 and 1999 increased overall reliability and performance of the system and included, but not limited to, the following items:

1. The elimination of confined-space entryways at two well houses to allow safe access to subsurface confined areas.
2. The installation of an emergency alarm system for 24-hour notification to reduce operator response time.
3. Installation of mechanical and electrical equipment, such as an emergency generator, compressors, motors, pressure switches, and flow meters.
4. The relocation of a curbside shut-off valve that was located in an abandoned pit.

In addition to making needed repairs, the routine operation and maintenance of the System involves servicing equipment, checking the System components, keeping records and field logs, sampling and analyzing the water, and generating reports for submission to the Maryland Department of the Environment (MDE).

### **B. Distribution System Replacement**

The water system was originally constructed in the 1950's and as a result experienced frequent water main breaks and equipment malfunctions. Utilizing funding from the Maryland Department of the Environment, the entire water system was replaced with new pipes, valves, and other appurtenances in 2003.

The new distribution system provides improved water pressure and supply and eliminated the problem of "red water" stains caused by deteriorated old distribution system piping. Control and flushing valves were installed to allow isolating sections during flushing operations or when repairs have to be made. Air-relief and pressure-reducing valves were also installed to better regulate the pressure throughout the System.

A hydropneumatic tank was installed that holds a full day supply of water along with an emergency generator to provide backup power during outages. Each customer has a water meter and curb-stop valve.

The total capital cost for the 2003 water treatment plant and distribution system improvements was \$1.5 million.

## V. EXPENDITURES, REVENUES, AND CHARGES

The Maryland Environmental Service (MES) purchased the assets of the Darlington Water Company in 1997. The system was established as a separate enterprise fund of the Service, with the acquisition cost being funded through a loan of \$74,500 from other MES resources. The loan was to be repaid in semi-annual installments over a twenty-year period at an interest rate of 6.85%. The revenues from the project were insufficient to repay the loan and as a result, by December 31, 2010 the principal balance of the loan remained at \$74,500 with over \$50,000 in accrued interest.

In addition to the original loan debt, the Darlington Water System operated at a loss for several years after its acquisition by MES in 1997. The revenue from user fees was insufficient to pay for operating expenses. Despite MES' best efforts, the cumulative cash loss had grown and was projected to reach \$220,000 by the end of June 2011. Combining the cumulative cash debt of \$220,000 plus the original \$74,500 loan brought the total debt amount to \$295,000. As part of a special assessment, a rate increase was needed to pay for these debts. The total debt amount was reduced to \$150,000 as a result of MES forgiving the original loan of \$74,500 and through a Harford County Community Development Block Grant of \$75,000. This is shown in Table I.

TABLE I  
**Summary of Outstanding Debt and Proposed Actions**

Item	Amount	Proposed Action
1. Original Purchase Debt	\$ 74,500	MES to forgive \$74,500 debt
2. Cumulative Operating Loss (recovered via a Special Assessment)	\$220,500	\$75,000 paid by Harford Co.
3. Depreciation Charges	<u>NA</u>	Payments to start in year 2025
<b>Total</b>	<b>\$295,000</b>	
<b>Less</b>	<b>\$ 74,500</b>	
<b>Less</b>	<b>\$ 75,000</b>	
<b>Reduced Total</b>	<b>\$150,000 (rounded)</b>	

In 2011 MES revised the rate structure for the customers of the Darlington water system. These new rates were introduced in the last update of this document. These new rates took effect in 2012. Since the new rates were put in place the system is no longer operating at a loss and as of June 30, 2020 the debt has been reduced by \$82,500.

The total invoice billed to the customer each quarter also includes \$2.00 for the Sinking Fund reserve which pays for needed repairs or replacement of equipment, wells, water lines, and meters. The fund is not intended to be used

for larger capital improvement projects. As of June 30, 2020, there was \$12,288.00 in the Sinking Fund reserve account.

A separate fee of \$15.00 is charged quarterly for the Bay Restoration Fund. The Bay Restoration Fund fee is a mandatory State imposed fee paid by all Maryland residents that are connected to a sewer system or served by a septic system. The fee was raised by the state of Maryland from \$7.50 to \$15.00 in July 2012.

The rate increase put in place by MES in 2011 should pay off the \$150,000 debt in 15 years. This increase or special assessment was phased in at \$6 per quarter (\$24 each year). The increase continued until 2016, bringing the fixed amount to \$80.10 per quarter per user. The new rate will continue to pay for the annual operating costs and should retire the debt in 2026. The 15-year debt retirement schedule and payment plan out to year 2026 is shown in Table II.

The rate increase was applied to the "Fixed Base" component of the user rate and is paid by all users. However, the user fee also has a variable charge component which is the amount charged per 1000 gallons of water used. Table II shows the estimated user fee amount based on an "average" amount of water used. Those users that use less water will see user fees lower than what is shown in Table II. This is illustrated in Tables IIIA and IIIB which show the user fees for customers with minimum water use and for those with an average amount of use, respectively. As shown in the tables, customers with minimal water use saw their monthly bill increase from \$22 up to \$32 in five years. The customers that use an average amount of water had their monthly bill go from \$35 to \$45 in five years. It should be noted that the \$ amounts used in Table II for future years are estimates. Dollar amounts have been inserted into the table for years past, where MES has actual data.

## TABLE II Darlington Water System

### Debt Retirement Plan with Five Year Phase In and Reduced Debt

Year	Year (1)	Actual and Estimated Net Debt Amount at end of Year (2)**	No. of Users	Total Debt Payment per Year	Debt Payment per User per Year	Debt Payment per User per Quarter	Total User Fee per Quarter (3)	Actual and Estimated Total Annual Revenue**
0	2011	\$150,000	105	0	\$0	\$0	<b>\$107</b>	\$46,400
1	2012	\$147,500	105	\$2,500	\$24	\$6	<b>\$113</b>	\$46,000
2	2013	\$145,000	105	\$2,500	\$24	\$6	<b>\$113</b>	\$48,500
3	2014	\$140,000	105	\$5,000	\$48	\$12	<b>\$119</b>	\$50,400
4	2015	\$127,000	105	\$10,000	\$95	\$24	<b>\$131</b>	\$54,000
5	2016	\$117,500	105	\$12,500	\$119	\$30	<b>\$137</b>	\$50,256
6	2017	\$105,000	105	\$12,500	\$119	\$30	<b>\$137</b>	\$54,488
7	2018	\$92,500	105	\$12,500	\$119	\$30	<b>\$137</b>	\$55,934
8	2019	\$80,000	105	\$12,500	\$119	\$30	<b>\$137</b>	\$53,632
9	2020	\$67,500	105	\$12,500	\$119	\$30	<b>\$137</b>	\$50,465
10	2021	\$55,000	105	\$12,500	\$119	\$30	<b>\$137</b>	\$57,500
11	2022	\$42,500	105	\$12,500	\$119	\$30	<b>\$137</b>	\$57,500
12	2023	\$30,000	105	\$12,500	\$119	\$30	<b>\$137</b>	\$57,500
13	2024	\$17,500	105	\$12,500	\$119	\$30	<b>\$137</b>	\$57,500
14	2025	\$5,000	105	\$12,500	\$119	\$30	<b>\$137</b>	\$57,500
15	2026	\$0	105	\$5,000	\$48	\$12	<b>\$119</b>	\$50,000
(see note 4)								
	TOTAL			\$150,000				

\* The increase in user fee will be applied to the Quarterly Fixed Charge. This analysis assumes the debt is reduced as per notes below.

\*\*Years 2011 through 2020 are based on actual revenues / expenses. 2021 through 2026 are estimates

Notes:

1. Debt retirement period is based on paying off the debt in 15 years.
2. Total debt amount equals the June 2011 projected \$220,500 cash loss plus the \$74,500 used to purchase the water system for a total debt of \$300,000 less \$150,000 contributions from MES and Harford County to bring the net amount of debt to retire to **\$150,000**. This amount does not include the additional debt incurred due to uncollected system depreciation charges.
3. Current average quarterly user fee is obtained by taking average annual revenues of \$45,000 and dividing by 105 users and 4 to express as per quarter which equals = \$107
4. After the \$150,000 debt is fully retired, the debt payments will be put into an escrow account and used to recover the depreciation costs and fund the CIP Reserve Fund.  
This amount ( \$12,500 per year) after 20 years (year 2045) will amount to \$250,000 which is still far less than the actual amount needed for system replacement but is sufficient for significant repairs

**Table III A- 2011 to 2016 Phased Increase User Fee - Minimum Use**

Assumes \$150,000 in Reduced Debt - Showing **Minimum Use** Amount

Bill Component (Amounts per Quarter)	Initial Year	Five Year Phase in Period				
		Year 1	Year 2	Year 3	Year 4	Year 5
	2011	2012	2013	2014	2015	2016
Fixed Base Amount	\$50.10	\$56.10	\$62.10	\$68.10	\$74.10	\$80.10
Minimum User Variable Charge Amount (1000 gallons) <sup>1</sup>	\$6.78	\$6.78	\$6.78	\$6.78	\$6.78	\$6.78
Sinking Fund	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Bay Restoration Fee <sup>2</sup>	\$7.50	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Quarterly Total	\$66.38	\$79.88	\$85.88	\$91.88	\$97.88	\$103.88
Monthly Amount	\$22.13	\$26.63	\$28.63	\$30.63	\$32.63	\$34.63
Annual % Increase	-	20.3%	7.5%	7.0%	6.5%	6.1%

**Table III B- 2011 to 2016 Phased Increase User Fee - Average Use**

Assumes \$150,000 in Reduced Debt - Showing **Average Use** Amount

Bill Component (Amounts per Quarter)	Initial Year	Five Year Phase in Period				
		Year 1	Year 2	Year 3	Year 4	Year 5
	2011	2012	2013	2014	2015	2016
Fixed Base Amount	\$50.10	\$56.10	\$62.10	\$68.10	\$74.10	\$80.10
Average User Variable Charge Amount (per 1000 gallons) <sup>3</sup>	\$47.10	\$47.10	\$47.10	\$47.10	\$47.10	\$47.10
Sinking Fund	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Bay Restoration Fee <sup>2</sup>	\$7.50	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Quarterly Total	\$106.70	\$120.20	\$126.20	\$132.20	\$138.20	\$144.20
Monthly Amount	\$35.57	\$40.07	\$42.07	\$44.07	\$46.07	\$48.07
Annual % Increase	-	12.7%	5.0%	4.8%	4.5%	4.3%

After the cash debt is paid off in year 15 (see Table II), the increased fee amount of \$30 per quarter will be placed into a Capital Improvement Reserve Fund. This reserve fund will be used to pay for major capital improvements that will be needed in the next 20 to 50 years. The cost to replace the existing system is estimated to be \$1.5 to \$2 million. By applying the \$30 per user per quarter fee, it will accrue \$12,500 per year, \$250,000 in 20 years, and \$625,000 in 50 years. This amount is still inadequate to allow complete replacement of the System in 50 years but should allow all or partial replacement of the most critical System components.

The previously described user rate increase was instituted to pay off the current debt. However, the largest part of the user rate is the “base amount” which pays for the annual operations and maintenance costs. Since these costs increase over time due to inflation and consumer price increases, it was also proposed that the user rate be adjusted annually to account for such increases. The rate will be increased each July in accordance with the change in the Consumer Price Index (CPI)\* from July of the previous year to July of the current year. For example, in the last 10 years the CPI has increased annually from 0.2% to 4.5%. The increase will be applied to the “Fixed Base Amount” component of the user rate.

Table III C shows the adjustment in the fixed based amount based on the CPI from 2016 to 2021.

**Table III C- 2016 to 2021 Consumer Price Index Adjusted User Fee- Average Use Showing Average Use Amount**

Year	2016	2017	2018	2019	2020	2021
Fixed Base Amount	\$85.12	\$86.93	\$87.96	\$90.16	\$90.16	\$91.97
Average User Variable Charge Amount (per 1000 gallons) <sup>3</sup>	\$47.10	\$47.10	\$47.10	\$47.10	\$47.10	\$47.10
Sinking Fund	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00	\$2.00
Bay Restoration Fee <sup>2</sup>	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
Quarterly Total	\$149.22	\$151.03	\$152.06	\$154.26	\$154.26	\$156.07
Monthly Amount	\$49.74	\$50.34	\$50.69	\$51.42	\$51.42	\$52.02
Annual % Increase	-	1.2%	0.7%	1.4%	0.0%	1.2%

<sup>1</sup> This is the minimal amount of usage of 1000 gallons per quarter

<sup>2</sup> This is a fee assessed by the State of Maryland and not under MES control.

<sup>3</sup> This amount is an average across all users. The amount is estimated by taking taking 2010's total revenues of \$46,279 and dividing by 105 users and then 4 to express as per quarter. This gives \$107 per user per quarter. Subtracted from this figure is \$59.60 (sum of base amounts 50.10+2.00+7.50) which gives the average variable charge per user per quarter of \$47.40

## VI. ADDITIONAL CONSIDERATIONS

### A. Fire Suppression Service

The existing System does not include enough storage or large enough pipes to provide for fire protection.



B. Responsibilities of the Customer

The System customers receive quarterly invoices based on water usage. Each customer is responsible for remittance of invoice payment within 30 calendar days of the invoice date. Late payment charges will be assessed in accordance with Maryland Law. It should also be noted that failure to pay water bills could result in service being shut off to the delinquent account, pending receipt of the payment. As stated in the Annotated Code of Maryland, Natural Resources Article, Section 3-108, if a customer has not paid an invoice in full within 60 days of the due date of the invoice, the unpaid bill becomes a lien against the property served. Each customer is responsible for maintenance of the lateral water line serving his or her property. This lateral line includes the length of pipe immediately following the water meter vault up to, and entering, the property being served.

C. New Service Connections

All requested and proposed, connections to the System must be approved by MES. If a property owner wishes to be connected to the System, the owner will be responsible for paying, (1) purchase and installation of a lateral line, shut-off (curb stop) valve, all appurtenances necessary for connection to the main line including a water meter vault and meter, (2) the cost of having a MES Construction Inspector present during the installation of the lateral line and the actual connection to the water system, and (3) a service connection fee for each connection.

MES has increased the connection charge to \$2,000. This connection fee is in line with current service connection fees charged by other county and municipal jurisdictions. The connection fee will be used to pay off existing debt and/or to pay into the sinking fund.

Requests for connections will be reviewed based on the location of the property with respect to the System, the additional demand on the System, and the ability of the System (piping size and capacity) to deliver the requested amount of water.

A request for connection to the Water System may be made by submission of a written request to MES at the following address:

Water and Wastewater Group  
Maryland Environmental Service  
259 Najoles Road  
Millersville, Maryland 21108

Attn: Northern Regional Engineer, Harford County

## Darlington Water System connection request

### D. Water Quality

The plant continues to produce water that complies with all State and Federal water quality regulations. In 2009 in response to customer complaints related to water hardness, MES installed a chemical feed system to add ortho - polyphosphate to the water to prevent scaling and related problems associated with hardness. This has alleviated most of the complaints. A more effective strategy could be implemented but it was determined that the costs were too great. It is important to note that since the Darlington Water System only has 105 customers, it does not allow spreading the cost of improvements over a large customer base. Therefore, as a result MES is trying to be more aggressive with future planning and generating revenue to cover needed improvements before the systems break down.

### E. Water Audit

The MES performed a rudimentary water audit for calendar 2014 to verify the integrity of the new distribution system. A water audit simply compares the amount of water produced at the plant to the amount of water used as recorded by the individual water meters that are located at each customer connection. The results of the audit indicated that there was one major leak, at one specific address, which didn't cause any problems at the water plant. This leak has since been repaired by the customer. When the very high meter readings from the leaking service connection were omitted from the audit calculation it was determined that there was little leaking in the rest of the Darlington water distribution system.

### F. Setting Customer Rates and the Appeal Process

The current user rates were adopted in 2011. Sections 3-108 and 3-128 of the Annotated Code of Maryland, Natural Resources Article, outlines the procedure for setting customer rates and the opportunity for appeal. Section 3-108 (a) specifically discusses the determination of charges and costs, and states that before establishing or adjusting charges in a service district, MES shall publish a notice of the proposed charges and hold a public hearing on the proposed charges. Therefore, customers will receive advance notice of the proposed rate increase and an opportunity to voice their opinions and concerns.

Section 3-128 describes the appeal process which entails arbitration provided by the Public Service Commission.

## Attachment A

Annotated Code of Maryland, Natural Resources Article, Section 3-106

(a) The Director, after consultation with the Secretary of Natural Resources, the Secretary of the Environment, the Director of Planning, and the municipalities affected, shall determine appropriate boundaries for water supply service regions, wastewater purification service regions, and solid waste disposal service regions. Service regions shall be based upon needs set forth in, and provide integration of, approved State-county master plans for water and sewerage or solid waste disposal, adopted pursuant to the Environment Article, but also may take account of other plans and studies.

(b) As soon as possible after the determination of appropriate boundaries, the Director, after consultation with the municipalities affected, shall establish priorities for designating water supply service regions, wastewater purification service regions, and solid waste disposal service regions and formally designate the regions.

(c) Identical service regions need not be designated for water supply, wastewater purification and solid waste disposal projects. No part of the State may be included in more than one of these service regions.

(d) As soon as possible after designation of a service region, the Service shall cause surveys, plans, studies, and estimates to be made, and after consultation with the municipalities located within the service region, prepare a five-year plan for each service region for the most effective and economical means of providing water supply, wastewater purification and solid waste disposal projects. In preparing a five-year plan, the Service shall consider the effects of public versus private ownership of water and wastewater facilities upon the provision of dependable, effective, and efficient water and wastewater services. Except as required by an order of the Secretary of the Environment under § 3-109 or § 3-110 of this subtitle, the five-year plans shall be consistent with the approved county water and sewerage plans adopted in compliance with Title 9 of the Environment Article. The five-year plans shall designate the existing facilities or portions that are to be transferred to the jurisdiction of the Service; improvements to and extension of existing facilities; construction of new water supply, wastewater purification, and solid waste disposal projects; proposed methods of acquisition, ownership, and operation by the Service or by affected municipalities and persons, or both together with anticipated expenditures, sources of revenue, and charges for projects to be levied against municipalities, persons, and property; and related matters the Service finds necessary or convenient.

(e) (1) The Service may adopt a five-year plan only after at least one public hearing in each of the counties affected. At least 60 days before a hearing, the proposed five-year plan shall be submitted for review and comment to each county, to each municipality which owns or operates a public facility affected by the plan, and to the Secretaries of Natural Resources and the Environment and the Director of Planning. A five-year plan can be adopted by the Service only after it is submitted to and approved by resolution of the governing body of each county and after consultation with the governing body of each municipality which owns or operates a public facility affected by the plan, or if the plan is not approved by each of the appropriate governing bodies within 120 days following submission of the plan for approval of the governing bodies, after the plan is approved by joint resolution of the General Assembly. If a joint resolution of the General Assembly approving a five-year plan contains any amendments or modifications to the plan, those amendments and modifications repeal the plan to the extent of any inconsistency. The provisions of this subtitle do not authorize the Service to take any action which would be inconsistent with the amendments or modifications without the approval of the governing body of each county and after consultation with the governing body of each municipality which owns or operates a public facility included within the plan.

(2) Notwithstanding any other provision of this subtitle, if any bonds or notes issued by the Service with respect to a project in a service area are outstanding and unpaid, any 5-year plan, contract, or charges relating to a service district or project may not be amended, terminated, or reduced, as the case may be, without the written consent of the Service, and any 5-year plan, contract, or charges to the service district remain in full force and effect so long as any such bonds or notes remain outstanding and unpaid.

(f) Upon adoption of a five-year plan by the Service, service districts shall be established in the manner and following the schedule set forth in the plan. Immediately thereafter, the Service shall proceed with the acquisition, extension, and construction of facilities set forth in the plan and assume jurisdiction over and provide for the maintenance and operation of water supply, wastewater purification and solid waste disposal projects included in the plan, for those projects within the service region and districts placed under the jurisdiction of the Service by the plan.

(g) The Service may enter into contracts with municipalities and persons within a service district and stipulate the projects to be provided, the amount of compensation for acquiring existing projects, the charges to be apportioned to the municipalities and persons, the manner of repaying the Service for these charges, and the effective date or dates the Service will initiate the provision of projects.

(h) Existing projects providing water supply, wastewater purification and solid waste disposal services, including all rights, easements, laboratory facilities, vehicles, records and all other property, equipment, and furnishings necessary and normally associated with the operation of the facility, shall be transferred to the sole ownership of the Service at the time designated in the five-year plan. Compensation for existing projects may be based on the

original cost of the project minus an allowance for depreciation, or on other terms and conditions satisfactory to the municipality or person transferring the project. All costs and obligations assumed by the Service incidental to the transfer of ownership of an existing project shall be included in the charges apportioned to the service district.

(i) The Service shall review, update, and readopt the five-year plan for each service region biennially after review by the municipalities and persons concerned. The five-year plan may be updated and readopted by the Service only after at least one public hearing in each of the counties affected. Upon updating and readopting, the Service shall take the actions necessary to implement the revised plan.

(j) The Service by formal action, and after consultation with the municipalities affected, may extend the boundaries of service regions or districts, combine two or more service regions or districts or parts thereof and combine, abandon, extend, enlarge, improve, or make any other modification of projects serving one or more service districts, but no change may diminish any existing level of service rendered to the district or districts concerned.

(k) Within a wastewater purification service district, the Service is responsible for the purification and disposal of liquid waste as set forth in the five-year plan, including the residue resulting from purification, that is delivered to the Service projects through the sewer pipes of any municipality or person in the Service district, except that the Service may exclude or require preconditioning of any waste that might otherwise be harmful to structures or purification processes or endanger the health or safety of workers. Within the Service district no municipality or person may discharge liquid waste onto the surface of the ground or into the waterways of the State except through the projects of the Service or of a municipality or person designated by the plan or under reasonable conditions the Service stipulates.

(l) Within a solid waste disposal service district the Service is responsible for the disposal of solid wastes as set forth in the five-year plan. Within the service district no municipality or person may dispose of solid wastes except through the projects of the Service or of a municipality or person designated by the plan, or under reasonable conditions the Service stipulates.

(m) Within a water supply service district, the Service shall be responsible for supply and distribution of water as set forth in the five-year plan.

(n) With the consent of the county or municipal corporation in which a project is to be located, the Service may implement a project not provided for in the five-year plan adopted under this subtitle, service region, or service district established under this section or if no five-year plan, service region, or service district has been established.

