

DEEP CREEK DISPATCH

Winter, 2000

Newsletter of the
Property Owners' Association
of Deep Creek Lake, Incorporated

Lake Sale to State

On January 28, Maryland Governor Parris Glendening announced that final agreement had been reached with GPU Energy for the purchase of Deep Creek Lake. The transaction provides for the purchase of substantially all of the holdings of GPU Energy, rather than just the area of land occupied by the Lake and buffer and safety strips, as originally announced.

For your information: the spillway at the Deep Creek dam has an elevation of 2462 feet. That contour line defines the *lake*. The contour line at 2466 feet defines the *buffer strip*. A point 25 feet horizontal from that line defines the *safety strip*.

The transaction will take place in two stages. On or before February 25, the State will conclude the purchase of the 4400 acre lake and buffer and safety strips for a purchase price of \$7.8 million. The agreement also provides that the state will make an immediate deposit of \$300,000 towards the purchase of the remaining lands between the safety strip and lakefront property lines for a purchase price of \$9.8 million, with closing to take place on or before April 30, 2000. The second part of this transaction is subject to the approval of a supplemental appropriation by the General Assembly of Maryland. The total area of this land is about 600 acres. Thus the State is paying about \$16,000 per acre, or 38 to 40 cents per square foot. In separate appraisals, the State had the total property appraised at \$18.9 and \$20 million, so the price of \$17.6 million appears reasonable.

Once the second transaction is concluded, the land purchased by the State in the second portion of the transaction will be surveyed and property owners will have a two-year period within which to buy the additional land between their property lines and the safety strip at the state's average cost per square foot, plus a small administrative charge. It is estimated that this will result in a purchase price of approximately 38 cents per square foot.

Should an adjacent property owner not wish to purchase the land, the State will retain ownership. The price that adjacent property owners will pay will vary depending on the amount of land between their property and the safety strip. When the property is conveyed by the State to an adjacent property owner, there will be an easement imposed which will preclude the construction of any permanent improvements on the additional land, or the use of this additional land for development calculations.

The entire transaction is subject to the approval of the Maryland Board of Public Works, a three-member board that consists of the Governor, the Comptroller, and the State Treasurer. It is scheduled to be considered by the Board on February 9, 2000. Funding for the purchase of the Lake and buffer strip is already contained in the State's budget, and a supplemental appropriation will be required to conclude the purchase of the additional land. Before the settlement, the Garrett County Commissioners must also approve the purchase.

Your POA had long urged state officials to buy "the whole thing." It now appears they are planning to do so, and have agreed on a price, and a procedure. The details of the scenic easement are not yet available. The Lake will be considered a State Park. There exists a draft revision to the Lake Management Plan, but the details are not yet available.

A Zoning Change?

In the Fall issue of the Dispatch we had an article about a possible campground on Sand Flat Road. The Zoning Board of Appeals voted 3 to 2 to grant a special exception. However, a group of lake area residents have filed an appeal in the Circuit Court. The appeal is based on a change in the information advertised before the hearing, and what was presented at the hearing. Some informed observers believe that the decision of the Zoning Board of Appeals will be overturned. Meanwhile, another group of lake residents made a formal request to the County Plan-

ning Office to change the lake Zoning Ordinance to no longer permit campgrounds in lake residential, even by special exception. The Zoning Commission held a hearing Jan. 5, 2000 about the issue. A number of lake residents spoke in favor of the change. The Zoning Commission was to make a recommendation to the County Commissioners Jan. 26, 2000. The County Commissioners will then hold a public hearing. Watch the Republican, and the Dispatch for notice of this hearing, and please try to attend.

Power Plant Sold

At long last, the actual sale of the Deep Creek power plant, announced almost two years ago actually happened. This fall, title of the property changed hands from GPU to Sithe Energy for a reported price of \$10.3 million.

Lake Water Levels

In the fall issue of the Dispatch we alerted you to a meeting called by the Maryland Department of the Environment about the “rule bands.” Basically these rules state the required minimum and maximum lake levels at the end of each month. The American White Water Association had requested a higher level at the start of the summer season, and a slightly lower level by the end of summer. Your POA opposed these changes. Fortunately, before the meeting the two sides agreed to agree. The consensus of most of those members of the audience speaking at the meeting was that the rule bands should remain the same, and that the white water folks would like existing weekday white water releases changed to Saturday. The water use permit requires that water be released to maintain the temperature at a maximum of 20C for the protection of a trout species introduced to the Youghioghny River. This seems to provide top priority for water use to fish, which was not popular with white water enthusiasts or lake property owners. There were few fish advocates present.

Since that meeting, the water use permit, which had been issued to GPU and was set to expire should GPU sell the dam and power plant, was reissued to Sithe Energy. We have been assured that the terms are the same and that it will expire in 2006, although we have as yet, been unable to obtain a copy of this document.

A working group has been established to consider possible changes to the water use permit. Your POA president Roger Titus is a member of that

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group, as is POA board member Ed King who is representing the Deep Creek Lake Advisory Board.

Your response to our request to attend that meeting was appreciated and very helpful. The white water folks had good representation and so did lake property owners. We hope lake property owners will be able to share the waters of Deep Creek Lake with Sithe Energy and the white water enthusiasts to the mutual benefit of all.

Membership

It is time once again to pay your POA membership dues. For calendar year 2000, dues remain at \$30 for the year. Last year we had a record number of members. Let’s do even better in the coming year. Please complete the membership form included in this mailing and mail with your check for \$30 to POA, P.O. Box 816, McHenry, MD 21541.