



TALBOT COUNTY, MARYLAND

County Council

MINUTES

December 11, 2018

Present – President Corey W. Pack, Vice President Chuck F. Callahan, Frank Divilio, Pete Leshner, Laura E. Price, County Manager R. Andrew Hollis, County Attorney Anthony Kupersmith. Assistant County Attorney Mary O’Donnell was absent.

- I. Agenda – Mr. Pack requested and received Council’s unanimous consent for approval of the Agenda of Tuesday, December 11, 2018.
- II. Minutes – Mr. Pack requested and received Council’s unanimous consent for approval of the Minutes of Tuesday, November 13, 2018.
- III. Disbursements – Mr. Pack requested and received Council’s unanimous consent for approval of the Disbursements of Tuesday, November 20, 2018; Tuesday, November 27, 2018; Tuesday, December 4, 2018; and Tuesday, December 11, 2018.
- IV. Presentation by the Honorable Stephen H. Kehoe, Judge, Circuit Court for Talbot County - Judge Kehoe introduced himself and extended his congratulations to both the new and returning Council members. He issued an open invitation to tour the Courthouse and to meet with individual Council members with regard to programs offered by the Circuit Court for Talbot County.
- V. Update on Working Waterfront Survey – Miguel Salinas, Assistant Planning Officer, Talbot County Department of Planning and Zoning – Mr. Salinas provided an update on the Working Waterfront Survey conducted by consultant White & Smith, LLC for the villages of Tilghman and Bellevue. He stated that the purpose of the survey was to gain information for the development of a new zoning district, a Working Waterfront Overlay District (WWOD). He stated that the WWOD applies regulatory standards to support maritime commercial and maritime-supported commercial uses in desirable waterfront locations in order to preserve, revitalize, and grow working waterfronts. The survey was distributed via the NextStep190 and village master plan email lists, and advertised on the County website at www.NextStep190.com and in *The Star Democrat*. Mr. Salinas outlined the survey questions and responses of participants. He stated that the consultant had received input from various stakeholders, members of the community, and County staff which, along with several examples of other previously established working waterfront districts on the east coast, was used to provide draft recommendations for the format and location of the proposed new district. Council discussion ensued with Mr. Salinas as various points were brought forward. Legislation to establish a Working Waterfront Overlay District will be provided to Council for their consideration in the near future.
- VI. Presentation of Government Finance Officers Association (GFOA) Award for FY2017 to Talbot County Finance Office – Finance Director, Angela Lane, stated that the Comprehensive Annual Financial Report for Talbot County is required by the Government Finance Officers Association of the United States and Canada in order to participate in their Certificate of Achievement for Excellence in Financial Reporting Program. She stated that reports are submitted to an independent audit review committee for critiquing and that the award indicates that the County’s audited statements provide accurate financial information to citizens and the users of the County’s financial statements. Ms. Lane

stated that it is an honor for the County Finance Department to have received the award again; this is the 17th consecutive year Talbot County has received the award. She expressed her appreciation to TGM Group LLC for making sure that the County meets all the requirements for the program. Council expressed their appreciation to Ms. Lane and her staff for all their hard work. The FY 2016-2017 Comprehensive Financial Report is available on the County's website at www.talbotcountymd.gov.

VII. Introduction of Numbered Resolution:

A RESOLUTION TO APPROVE EXECUTION OF A SIX MONTH OPTION TO LEASE AS WELL AS THE TERMS OF A LONG-TERM LEASE OF A PORTION OF UNIMPROVED LAND AT THE EASTON AIRPORT, DESCRIBED AS “SPOT 50” AND ‘LOWER Ts”, WHICH IS APPROXIMATELY NINETEEN THOUSAND EIGHT HUNDRED AND SIX (19,806) SQUARE FEET, FOR A POSSIBLE TERM OF THIRTY (30) YEARS WITH AN OPTION FOR TWO (2) 5-YEAR RENEWALS, WITH RENT OF NINETEEN THOUSAND EIGHT HUNDRED AND SIX (\$19,806) PER YEAR SUBJECT TO ANNUAL ESCALATION IN AN AMOUNT EQUAL TO THE PERCENTAGE INCREASE IN THE CONSUMER PRICE INDEX AND WITH A REQUIREMENT THAT THE TENANT, SKY HARBOUR ESN, LLC, CONSTRUCT FIVE (5) BOX HANGARS AND EIGHT (8) NESTED T-HANGARS THAT WILL BECOME THE PROPERTY OF EASTON AIRPORT AT THE EXPIRATION OR EARLIER TERMINATION OF THE LEASE was read into the record by the Clerk and brought forward for introduction. Prior to introduction, Neil Szymczak, Regional Director of Operations, Sky Harbour, LLC, briefed the Council on the proposal by his company to lease property at Easton Airport for the construction of 13 hangars, including five 48' x 40' box hangars and eight nested 42' x 39' T-hangars. The resolution was introduced by Mr. Callahan, Mr. Divilio, Mr. Leshner, Mr. Pack, and Ms. Price as Resolution No. 267. A public hearing was scheduled for Tuesday, January 8, 2019 at 6:30 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

VIII. Update by Talbot County Department of Economic Development and Tourism – Cassandra Vanhooser, Talbot County Department of Economic Development and Tourism; Sam Shoge, Economic Development Coordinator, Talbot County Department of Economic Development and Tourism – Ms. Vanhooser highlighted several events of 2018 in which her department had participated including: (1) the designation of 2018 as the Year of Frederick Douglass and the opening of the Frederick Douglass Park on the Tuckahoe on February 14, 2018. She stated that the County had received a grant from the Maryland Heritage Area Authority to be used for planning the infrastructure and interpretative signage at the park; (2) the Maryland Office of Tourism, at their Tourism Summit in November, recognized the FD200 Committee, comprised of 45 groups, including the Talbot County Office of Tourism, and the Governor's African American Commission, for their work in leveraging partnerships to create local and statewide tours highlighting the life of Frederick Douglass. The Talbot County tour can be found at frederickdouglassbirthplace.org; (3) Mr. Shoge briefed the Council on collaborative efforts to revitalize the economy of Tilghman Island, and outlined several ongoing projects. He updated the Council on activities related to several businesses which are hoping to take advantage of the Income and Real Property Tax credits available through the Tilghman Enterprise Zone. The enterprise zone program is a program offered by the State of Maryland which provides Income and Real Property Tax credits to businesses which make substantial renovations to their properties or hire a designated number of employees; (4) Ms. Vanhooser stated that the County had worked with the Town of Easton to assist in their opening of a new 86-plus acre business commerce park at Mistletoe Hall. She stated that her office worked with County Engineer, Ray Clarke, to obtain a \$250,000 Rural Maryland Prosperity Investment Fund Grant, the funding from which will be used for construction of roads in the new

commerce park; (5) Mr. Shoge provided an update on the Property Assessed Clean Energy (PACE) program, stating that the Department of Economic Development and Tourism has been in contact with all the banks in Talbot County to encourage them to participate in the program; (6) Ms. Vanhooser stated that her office has been working with Professor Dale Green on The Hill community project in Easton, anticipated to soon be proven to be the oldest free African American community in the nation; The Hill community recently celebrated its 200th anniversary; (7) Mr. Shoge stated that the County continues to lease space at the Talbot County Business Center which currently has 16 tenants; (8) Ms. Vanhooser stated that Talbot County recently hosted the World Star Boat Races, participated in by sailors from around the world. She stated that the race participants were most appreciative of the hospitality of the Tred Avon Yacht Club, the citizens of Oxford and Talbot County. She stated that her office had received a \$20,000 grant from Maryland Sports which was used as a marketing tool prior to the event to promote Talbot County as a premier boating destination and in so doing, supporting county businesses related to boating; (9) Mr. Shoge stated that the Department of Economic Development and Tourism had recently begun a video series entitled *Made in Talbot County*; a marketing effort to showcase events in Talbot County and items made in Talbot County; (10) Ms. Vanhooser provided the 2017 tourism statistics, stating that tourism revenue for 2017 was \$206 million and that 1,981 individuals are directly employed in the tourism industry in Talbot County; lodging tax of \$1.3 million was paid and 13.3% of the tourism revenue was generated by owners of second homes in Talbot County. Council discussion ensued with Mr. Shoge and Ms. Vanhooser as various matters were brought forward. Ms. Vanhooser concluded her presentation by advising that Jackie Wilson is now the chairperson of the Talbot County Economic Development Commission; Al Silverstein is the retiring chairperson.

IX. County Manager's Report:

- A. Request for Lease Renewal – Requested Council approval to renew the County's lease with Talbot Soil Conservation District and University of Maryland Cooperative Extension – Talbot County, for the space at 28577 Marys Court #1, Easton, in the sum of \$3,247.23 per month for a term of five (5) years. Upon motion by Ms. Price, seconded by Mr. Callahan, the Council approved renewal of the lease by voting 5 – 0 as follows:

Mr. Pack – Aye
Mr. Divilio – Aye
Mr. Callahan – Aye
Ms. Price – Aye
Mr. Leshner - Aye

- B. Bid No. 18-20, FURNISHING AND DELIVERY OF AASHTO M43, SIZE NO. 8 TRIPLE WASHED AGGREGATE – Requested Council approval to award Bid No. 18-20 to the sole bidder, Vulcan Construction Materials, LLC for 4,000 tons of AASHTO M43, Size No. 8 triple washed aggregate in the sum of \$27.30 per ton, delivered, for a total of \$109,200; the stone will be received by May 15, 2019. Upon motion by Ms. Price, seconded by Mr. Callahan, the Council approved the award by voting 5 – 0 as follows:

Mr. Pack – Aye
Mr. Divilio – Aye
Mr. Callahan – Aye
Ms. Price – Aye
Mr. Leshner - Aye

- C. Request from Hog Neck Golf Course – Requested Council approval of the Grounds Superintendent’s recommendation to enter into an equipment lease with Textron Golf, a/k/a/ Horizon Golf at a monthly payment of \$4,220 with an option to purchase the equipment at the end of the lease. Council discussion ensued with Rich Setter, Head Golf Professional, regarding several specific advantages of the lease. Upon motion by Ms. Price, seconded by Mr. Callahan, the Council approved the request by voting 5 – 0 as follows:

Mr. Pack – Aye
Mr. Divilio – Aye
Mr. Callahan – Aye
Ms. Price – Aye
Mr. Leshler - Aye

- D. Bid No. 18-15, TALBOT COUNTY SANITARY DISTRICT - SEPTIC SYSTEM CONNECTIONS TO COUNTY SEWER (3 YEAR CONTRACT) -TALBOT COUNTY, MARYLAND – Requested Council approval to award Bid No. 18-15 to the low bidders, Duvall Brothers, Inc. and EastComm, LTD for work associated with connection of properties to public sewer as designated in Resolution No. 235; costs will be reimbursed through the Bay Restoration Fund. Upon motion by Ms. Price, seconded by Mr. Callahan, the Council approved the awards by voting 5 – 0 as follows:

Mr. Pack – Aye
Mr. Divilio – Aye
Mr. Callahan – Aye
Ms. Price – Aye
Mr. Leshler - Aye

- E. Request from Department of Public Works - Requested Council approval to award services for the decommissioning of the Martingham Treatment Plant lagoons to Barkers Landing Excavation, LLC in the sum of \$31,300; said costs will be billed to the Martingham Operating Budget, not the General Fund. Council discussion ensued with County Engineer, Ray Clarke. Upon motion by Mr. Callahan, seconded by Ms. Price, the Council approved the award by voting 5 – 0 as follows:

Mr. Pack – Aye
Mr. Divilio – Aye
Mr. Callahan – Aye
Ms. Price – Aye
Mr. Leshler - Aye

- F. Tilghman Island Volunteer Fire Department Fire Boat Slip – Tongers Basin – Mr. Hollis commended County Engineer, Ray Clarke, for his efforts in working with the Maryland Department of the Environment and the U.S. Army Corps of Engineers to obtain an emergency dredging permit for Tongers Basin. Mr. Hollis stated that the boat slip used by the Tilghman Island Volunteer Fire Department had silted in and the boat was unable to get out.

- G. Dutchmans Lane Annexation by the Town of Easton – Mr. Hollis stated that the annexation of Dutchmans Lane by the Town of Easton is moving forward. He stated that the previous Council, in anticipation of the annexation, upgraded the road to the Town’s specifications.

- H. Bill Burton Fishing Pier – Mr. Hollis stated that the State owned Bill Burton Fishing Pier, adjacent to the Choptank River Bridge, is closed until further notice due to structural repairs.
- I. Special Legislative Day – Mr. Hollis requested Council approval to declare Tuesday, December 18, 2018 a Special Legislative Day. Upon motion by Mr. Leshner, seconded by Mr. Callahan, the Council approved Tuesday, December 18, 2018 as a Special Legislative Day with Closed Session to begin at 4:30 p.m. and the meeting to begin at 6:00 p.m. by voting 5 – 0 as follows:

Mr. Pack – Aye
Mr. Divilio – Aye
Mr. Callahan – Aye
Ms. Price – Aye
Mr. Leshner - Aye

X. Council Comments:

- Mr. Callahan - Mr. Callahan congratulated his new colleagues on the Council, Mr. Divilio and Mr. Leshner, as well as returning colleagues, Ms. Price and Mr. Pack. He stated that he looked forward to working with them over the next four years. Mr. Callahan congratulated Finance Director, Angela Lane, and her staff, for all their hard work and for achieving the Certificate of Achievement for Excellence in Financial Reporting Program (CAFR) award for the 17th year in a row.
- Mr. Divilio - Mr. Divilio stated that he had enjoyed meeting everyone and working with his colleagues in this first meeting of the new Council. He stated that all the employees he has met so far have been very helpful and have provided helpful information to help make his transition to a Council member much easier. Mr. Divilio concluded his comments by stating that he looked forward to working with everyone over the next four years.
- Mr. Leshner - Mr. Leshner concurred with the comments of Mr. Callahan and Mr. Divilio, stating that he is looking forward to working with this Council and the staff.
- Ms. Price - Ms. Price concurred with Mr. Callahan's comments regarding Ms. Lane, and also commended County Attorney, Anthony Kupersmith for the many hours he works. Ms. Price concluded her comments by congratulating her colleagues on being elected and stated that she looks forward to a fresh start with a new Council.
- Mr. Pack - Mr. Pack outlined the process by which individuals would be appointed to the Short Term Rental Review Board and the Planning Commission. He expressed his appreciation to those individuals who had submitted applications and stated that the names had been made public. He stated that he had asked each Council member to provide the names of their top two candidates for the Short Term Rental Review Board according to the categories outlined in the legislation as follows: Category A – an attorney with experience in real estate; Category B - a representative from the vacation rental management industry; Category C – any member of the community or civic association from a community containing a

short-term rental; and Category D – individuals having knowledge or interest relevant to the Board’s functions. Mr. Pack stated that the Council will be deliberating on the vacancies next week so that hopefully the names of the five-member board will be determined and released to the public. He stated that there were 13 applicants for the Planning Commission vacancy and that he had asked the Council members to provide the names of their top three candidates; deliberations for the Planning Commission vacancy are also scheduled for next week, with the names of the top three candidates to be released at the December 18th Council meeting; interviews will be scheduled for the second week in January. Council discussion ensued.

Upon motion by Mr. Pack, seconded by Mr. Callahan, the Council voted to adjourn and to reconvene on Tuesday, December 18, 2018 at 4:30 p.m. and immediately adjourn into Closed Session for discussion of legal, personnel, and real estate matters as listed on the statement for closing the meeting, and at 6:00 p.m. for the regularly scheduled meeting by voting 5 – 0 as follows:

Mr. Pack – Aye
Mr. Divilio – Aye
Mr. Callahan – Aye
Ms. Price – Aye
Mr. Leshner - Aye

The meeting adjourned at 7:36 p.m.

The transcript of the December 11, 2018 County Council meeting is available for review in the Office of the Talbot County Manager during regular office hours.

- XI. On Tuesday, December 11, 2018, a Closed Session of the Talbot County Council convened at 4:30 p.m. in the County Council Conference Room. Upon motion by Ms. Price, seconded by Mr. Leshner, the Council met in Closed Session by voting 5 – 0 as follows:

Mr. Callahan – Aye
Mr. Divilio – Aye
Mr. Leshner – Aye
Mr. Pack – Aye
Ms. Price – Aye

In accordance with General Provisions Article § 3-305(b)(1)(i)(3)(4)(7)(8)(14) the purpose of the Closed Session was for Legal Advice/Pending Litigation: Legal advice regarding the Open Meetings Act; an update on pending litigation involving L.S. Futures/Ferry Point Marina/Floating Restaurant; legal advice on options and next steps; and an update on litigation involving Bender/Angel enterprises; legal advice on options and next steps; Personnel: to discuss appointments to various County boards and committees, namely Planning Commission and the Short Term Rental Review Board; and to discuss potential continued engagement of outside counsel in Bender/Angel Enterprises; Real Estate: to discuss possible acquisition of property in Easton for a public purpose, namely additional parking for the Talbot County Senior Center on Brookletts Ave.; Business Expansion/Competitive Bidding: to discuss proposals from two businesses for potential expansion in Talbot County, one engaged in providing broadband services and the other providing health and wellness services, and matters directly related to negotiating strategies or the contents of bids or proposals, in both cases, public discussion of which would undermine the potential expansions and/or competitive bidding process; and to discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal in response to an inquiry from a business interested in acquiring certain

County property, public discussion of which would undermine the competitive bidding process. The Closed Session ended at 6:00 p.m.

CASH STATEMENT 11/20/2018

BALANCE 11/13/2018	\$ 13,847,737.47
TOTAL ADP PAYROLL PPE 11/02/2018	(598,506.48)
ELECTION BOARD PPE 11/06/2018	(58,730.46)
DEFERRED COMP DED PPE 11/02/2018	(15,804.04)
PENSION DED PPE 11/02/2018	(36,541.87)
SECU DED PPE 11/02/2018	(3,380.81)
DEFERRED COMP PPE 11/02/2018 PLAN 401(A)	(4,772.78)
FLEX SPENDING BENEFITS PPE 11/02/2018	(3,339.00)
STATE REPORT 10/2018	(306,017.46)
CIGNA CLAIMS THRU 11/13/2018	(81,077.37)
INTEREST ON ACCOUNTS 10/2018	28,873.87
BANK CHARGES 10/2018	(2,459.77)
DEPOSITS	538,467.71
CHECKS	(1,228,099.83)
VOIDED CHECK #(S) 329215, 329216, 329226, 329227, 32985	5,155.62
BALANCE 11/20/2018	<u>12,081,504.80</u>

AIRPORT ACCOUNTS

AIP42	0.00
AIRPORT ACCOUNTS TOTAL BALANCE	<u>0.00</u>

INVESTMENTS – CERTIFICATES OF DEPOSIT

<u>CERTIFICATE DATE</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>AMOUNT</u>
PNC-MLGIP INVESTMENTS TOTAL		2.19%	28,000,000.00
1880 BANK			10,053,098.99

TOTAL INVESTED **\$38,053,098.99**

PETTY CASH BALANCE **\$15,570.00**

GRAND TOTAL ALL FUNDS **\$50,150,173.79**

CASH STATEMENT 11/27/2018

BALANCE 11/20/2018	\$12,081,504.80
ELECTION BOARD PPE 10/23/2018	(3,142.51)

CIGNA CLAIMS THRU 11/19/2018	(47,837.65)
SALES & USE HOG NECK GOLF COURSE DUE 11/20/2018	(1,470.00)
SALES & USE COMMUNITY CENTER DUE 11/20/2018	(281.20)
USDA/RD BIOSOLIDS 4 TH QTR BOND PMT #92-14	(13,086.00)
USDA/RD BIOSOLIDS 4 TH BOND PMT #92-16	(6,626.00)

DEPOSITS	1,039,445.67
CHECKS	(268,411.76)
VOIDED CHECK #(S) 327966	94.87

BALANCE 11/27/2018 **12,780,190.22**

AIRPORT ACCOUNTS

AIP42	0.00
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AIRPORT ACCOUNTS TOTAL BALANCE **0.00**

INVESTMENTS – CERTIFICATES OF DEPOSIT

<u>CERTIFICATE DATE</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>AMOUNT</u>
PNC-MLGIP INVESTMENTS TOTAL		2.20%	28,000,000.00
1880 BANK			10,053,098.99

TOTAL INVESTED **\$38,053,098.99**

PETTY CASH BALANCE **\$15,570.00**

GRAND TOTAL ALL FUNDS **\$ 50,848,859.21**

CASH STATEMENT 12/04/2018

BALANCE 11/27/2018	\$ 12,780,190.22
TOTAL ADP PAYROLL PPE 11/16/2018	(599,513.74)
DEFERRED COMP DED PPE 11/16/2018	(15,804.04)
PENSION DED PPE 11/16/2018	(36,368.35)
SECU DED PPE 11/16/2018	(3,380.81)
DEFERRED COMP PPE 11/16/2018 PLAN 401(A)	(4,694.29)
ELECTION BOARD PPE 10/30/2018	(7,078.00)
CIGNA CLAIMS THRU 11/26/2018	(112,624.75)
POSTAGE WIRE	(3,000.00)
SIMPLIFILE DEPOSIT CORRECTION	(8,640.00)
DEPOSITS	606,280.53
CHECKS	(430,822.72)

BALANCE 12/04/2018 **12,164,544.05**

AIRPORT ACCOUNTS

AIP42 0.00

AIRPORT ACCOUNTS TOTAL BALANCE **0.00**

INVESTMENTS – CERTIFICATES OF DEPOSIT

<u>CERTIFICATE DATE</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>AMOUNT</u>
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PNC-MLGIP INVESTMENTS TOTAL	2.23%		28,000,000.00
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1880 BANK			10,053,098.99
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TOTAL INVESTED **\$38,053,098.99**

PETTY CASH BALANCE **\$15,570.00**

GRAND TOTAL ALL FUNDS **\$50,233,213.04**

CASH STATEMENT 12/11/2018

BALANCE 12/04/2018 \$12,164,544.05

AMENDMENT TO ADP PAYROLL PPE 11/16/2018 (25,177.52)

BOARD OF EDUCATION 11/2018 (4,150,814.00)

ELECTION BOARD PPE 11/6 & 11/13/2018 (8,567.71)

DEFERRED COMP DED PPE 11/30/2018 (1,240.00)

PENSION DED PPE 11/30/2018 (746.69)

CIGNA CLAIMS THRU 12/3/2018 (120,166.92)

DECEMBER 2018 RTIREE HEALTH INS PLAN #727 (28,046.42)

POSTAGE WIRE (3,000.00)

USDA/R MTHLY BOND PYMT #97-08 (1,304.00)

DEPOSITS 9,701,436.58

CHECKS (447,544.62)

BALANCE 12/11/2018 **17,079,372.75**

AIRPORT ACCOUNTS

AIP42 0.00

AIRPORT ACCOUNTS TOTAL BALANCE **0.00**

INVESTMENTS – CERTIFICATES OF DEPOSIT

<u>CERTIFICATE DATE</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>AMOUNT</u>
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Minutes – December 11, 2018

Page | 10

PNC-MLGIP INVESTMENTS TOTAL

2.21%

28,000,000.00

1880 BANK

10,053,098.99

TOTAL INVESTED

\$38,053,098.99

PETTY CASH BALANCE

\$15,570.00

GRAND TOTAL ALL FUNDS

\$ 55,148,041.74