



TALBOT COUNTY, MARYLAND

County Council

MINUTES

May 4, 2021

Present – President Chuck F. Callahan, Vice President Pete Lesher, Frank Divilio, Corey W. Pack, Laura Price, County Manager Clay Stamp, and Acting County Attorney Patrick Thomas.

- I. Agenda – The Agenda of Tuesday, May 4, 2021 was brought forward for approval. Mr. Lesher made a motion to amend the agenda to add *An Administrative Resolution to Stay Enforcement of Durational Limits Pertaining to Temporary Signs Related to Elections*; Ms. Price seconded the motion. The Council approved the agenda, as amended, by voting 4 - 0 as follows:

Mr. Callahan – Aye
Mr. Divilio – Aye
Mr. Lesher – Aye
Ms. Price – Aye

Mr. Pack was not online when the vote was taken.

- II. Minutes - Mr. Callahan requested and received unanimous consent for approval of the Minutes of Tuesday, April 13, 2021.
- III. Disbursements – Mr. Callahan requested and received unanimous consent for approval of the Disbursements of Tuesday, May 4, 2021.
- IV. Proclamation: Correctional Officers and Employees Week – May 2 – 8, 2021 - The Clerk read a proclamation into the record which spoke of the professionalism, commitment and dedication exhibited by correctional officers and other employees in the Talbot County Department of Corrections (DOC) to ensuring the safety and security of individuals under their care. The proclamation also spoke of the officers and employees' responsibility for the administration and operation of a variety of programs and services offered to assist those incarcerated. Council discussion ensued with Terry Kokolis, Director, Talbot County Department of Corrections, who expressed his appreciation for Council's recognition of DOC officers and staff. Upon motion by Mr. Pack, seconded by Mr. Divilio, the Council approved the proclamation by voting 5 – 0 as follows:

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

- V. Introduction of Administrative Resolution:

AN ADMINISTRATIVE RESOLUTION TO STAY ENFORCEMENT OF DURATIONAL LIMITS UNDER TALBOT COUNTY CODE SECTION 190-42.4 (A), TABLE V-9(1)(9)(c) PERTAINING TO

TEMPORARY SIGNS RELATED TO ELECTIONS was read into the record by the Clerk and brought forward for introduction. Prior to introduction, Acting County Attorney, Patrick Thomas, stated that the administrative resolution is in response to litigation filed in U.S. District Court regarding durational limits on election signs on private property. He stated that the administrative resolution acknowledges and states that the U.S. District Court has previously held that such limits are unconstitutional and as such, the County is staying enforcement of that section of the County Code. The administrative resolution was introduced by Mr. Callahan, Mr. Divilio, Mr. Leshner, Mr. Pack, and Ms. Price. Upon motion by Mr. Pack, seconded by Mr. Leshner, the Council approved bringing the administrative resolution forward for vote by voting 5 – 0 as follows:

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

The Council approved the Administrative Resolution by voting 5 – 0 as follows:

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

- VI. Presentation of Priority Listing to Maryland Department of Transportation – Ray Clarke, County Engineer; Mike Mertaugh, Assistant County Manager; Micah Risher, Manager, Easton Airport – Mr. Clarke stated that during presentation of the priority listing at the April 27th Council meeting, Brian LeCates, Acting Emergency Services Director, had provided Council with statistical information on accidents at the southern and northern intersections of U.S. Rt. 50 and MD Rt. 322 (Easton Bypass), 2018 to present, which included several recent fatalities at the southern intersection. He stated that at Council’s direction, staff had been requested to revise the priority listing to include those intersections as priority numbers 1a and 1b, respectively, and to incorporate other changes agreed upon by Council at the April 27th meeting into the listing. Upon motion by Ms. Price, seconded by Mr. Divilio, the Council approved the revised Priority Listing to be provided to the Maryland Department of Transportation, as presented, by voting 5 – 0 as follows:

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

- VII. County Manager’s Report:

- A. Request from Department of Public Works – Requested Council approval of the County Engineer’s recommendation to submit a request to the United States Department of Agriculture (USDA) for Obligation of Funds and a Letter of Intent to Meet Conditions for replacement of the belt filter press at the Region II (St. Michaels) Wastewater Treatment Plant); said documents are required to accept a loan from USDA in the sum of \$600,000; said funding will be used for replacement of the belt filter press to be financed through a 30-year loan at an interest rate of 1.75% and paid for by the users of the Region II Sanitary

District. Council discussion ensued with Ray Clarke, County Engineer. Upon motion by Mr. Pack, seconded by Mr. Leshner, the Council approved the submission of the documents as outlined by voting 5 – 0 as follows:

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

VIII. Public Hearings:

Prior to the public hearing on the Constant Yield, as required by State law, Angela Lane, Finance Director, read the following statement into the record:

The County Council, in the FY 2022 Proposed Budget, is proposing to adopt a Real Property Tax rate of 65.29 cents per \$100 of assessed valuation for all properties located outside the incorporated towns. This is 1.57 cents higher than the current real property tax rate. This rate is 2.35 cents higher than the constant yield rate of 62.94 cents, and will generate \$1,131,533 more in property tax revenues in FY 2022 from the unincorporated area of the county. Properties located within the incorporated towns will again be granted a tax rate differential which sets their Real Property Tax rates between 6.01 and 13.3 cents lower than the County rate. The County Real Property Tax rates for properties located within the Towns are higher than the constant yield rate for the Towns. The County Council will not adopt the FY 2022 Tax rate today. The FY 2022 Tax Rate will be adopted as part of the FY 2021 – 2022 Annual Budget and Appropriation Ordinance, currently scheduled for Tuesday, May 18, 2021.

Following the statement by Ms. Lane, a public hearing was held on the Constant Yield and the public was afforded an opportunity to comment on the Constant Yield. No public comment was received.

Bill No. 1473, AN ACT TO ESTABLISH THE 2021-2022 ANNUAL BUDGET AND APPROPRIATION ORDINANCE, was read into the record by the Clerk and brought forward for public hearing. Prior to the public hearing, Angela Lane, Finance Director, and Clay Stamp, County Manager, utilized a PowerPoint presentation to outline the proposed budget for FY2022 which totals \$112,535,000. Ms. Lane stated that the Council received requests for operating and capital items of approximately \$119 million, or \$22.5 million more than the current year's budget. She stated that the FY2022 General Fund Budget of \$112,500,000 is \$15,985,000, or 16.56%, more than the FY2021 Budget; of the approximately \$16 million increase, over \$10 million is for transfer to the Capital Projects Fund and \$4 million is for capital outlay and equipment purchases. Ms. Lane stated that over \$20 million in prior year fund balance was used in order to balance the budget, most of which is going to capital projects and capital outlay equipment which are one-time purchases. She stated that the operating expenses for the County are increasing by 3.86%. She stated that the Budget includes a one cent increase in the Real Property Tax rate above what is allowed under the current Real Property Tax cap as authorized by county voters in November 2020 and that Public Safety is a priority in the FY22 Budget. Mr. Stamp stated that the overarching management strategy in the FY22 Budget is to ensure optimal service to the community while maintaining frugality as well as transparency. He stated that the Budget focuses on three areas: personnel, projects and process, and outlined each. He

stated that, in his opinion, the budget is practical, flexible, and visionary and addresses the five pillars which support the Talbot County community: Public Safety, Health, Infrastructure, Environment, Education, and Economic Stability. Ms. Lane stated that although there is a large increase in the overall budget, the operating budget is increasing by less than 4%. She reiterated that Public Safety is a priority in the budget, and outlined various items included in the Budget which support that priority; she also outlined proposed projects included in the Capital Projects Fund. Members of the public were provided an opportunity to comment on Bill No. 1473. The public hearing on the FY2021-2022 Budget was recessed until 7:00 p.m.

IX. Public Comments: There were no comments from the public.

X. Council Comments:

Mr. Leshner - No comments.

Mr. Pack - No comments.

Mr. Divilio – No comments

Ms. Price - No comments.

Mr. Callahan - Mr. Callahan expressed appreciation to his colleagues for all their hard work on the Budget. He expressed his appreciation to Finance Director, Angela Lane, for all her hard work over the years and stated that he was sorry to see her retire. Mr. Callahan concluded his comments by expressing his appreciation to staff for all their hard work on the Budget.

The Council meeting recessed at 2:47 p.m.

XI. Public Hearing continued:

The Council meeting reconvened at 7:00 p.m. Bill No. 1473 was read into the record by the Clerk brought forward for continuation of the afternoon public hearing. Prior to the public hearing, Finance Director, Angela Lane and County Manager, Clay Stamp, utilized a PowerPoint presentation to provide an overview of the proposed budget for FY2021-2022, as they had done at the 2:00 p.m. public hearing. Members of the public were afforded an opportunity to comment on the legislation. Written comments on the FY22 Budget will be accepted through Noon on Wednesday, May 5, 2021. Bill No. 1473 is eligible for vote on Tuesday, May 18, 2021, a Special Legislative Day. The County's proposed budget for FY2021-2022 may be found on the County website at www.talbotcountymd.gov or by calling the County Manager's Office at 410-770-8010. Following the public hearing, Council members made the following comments:

Mr. Leshner – Mr. Leshner expressed his appreciation to members of the public for their testimony. He stated that the Council had really hoped to have been able to meet in person for the public hearing, but on advice from the County Health Officer, had backed away from doing so. He stated that, in his opinion, the audience was probably smaller because it was not in person, but stated that there were many others listening besides those who chose to speak, and expressed his appreciation to those who went the extra effort to be able to testify. Mr. Leshner stated that, in his opinion, we had heard some important things this evening and he asked that the Council take them into consideration. He stated that the broadband project is funded in the Capital Budget for FY22; the Library is funded, for the most part, as

requested, and although there are some outstanding questions regarding the school budget, there is substantial support for it. He reiterated the County's commitment to Public Safety in the Budget and of what the voters have allowed under the revised Property Tax Cap and that Council has allocated those funds toward improvements in Public Safety, particularly for recruitment and retention and the addition of an additional ambulance unit for Emergency Services. Mr. Leshner concluded his comments by stating that he is looking forward to continuing to work with his colleagues to move these priorities forward.

Mr. Pack - Mr. Pack stated that he had worked with Angela Lane and her staff in the Finance Office through many budgets and, in his opinion, this most recent budget is probably one of the more amenable budget processes that he has gone through, partly due to Ms. Lane's preparation and presentation of the materials, and working closely with Mr. Stamp, and the department heads to make sure that the budget addresses the County's priorities. Mr. Pack stated that he has been saying for many years that the day was going to come when these capital expenditures would have to be met and, in his opinion, that day is here. He stated that although the items outlined by Ms. Lane as Capital Projects do not "continue eating" as operational costs do, the items still desperately need to be addressed by the County to ensure that our buildings are safe, there is adequate space for our public safety officers, and that our roads are safe for our citizens to travel. Mr. Pack expressed his appreciation to the county voters for having voted in November (2020) to allow a modest increase in the Property Tax so that the County can address the capital expenditure items outlined by Ms. Lane. Mr. Pack stated that although he tried to persuade Ms. Lane to stay, this is her final budget and that he wishes her nothing but the best in retirement and her future endeavors. He expressed his appreciation to Talbot County Public Schools Superintendent, Kelly Griffith and her staff for feeding our students through last summer and during the school year, and that, in his opinion, they had done a yeoman's job in coordinating food distribution. He expressed his appreciation to Jan Willis who worked with the County's emergency operations team to address food insecure communities in Talbot County and to Nancy Andrew who served as the County's COVID Recovery Coordinator, and now chairs the COVID Vaccine Equity Task Force to ensure that all citizens in Talbot County have access to the vaccine, regardless of race or the area where they live. Mr. Pack expressed his appreciation to the Emergency Operations Center (EOC) team which met each Wednesday to coordinate efforts to keep the citizens of Talbot County safe, and to Clay Stamp for working with Ms. Lane and her team on his first budget as County Manager and for his efforts thus far to fill the positions of those department heads who are retiring. Mr. Pack expressed condolences to the family of Kelley Cox, who recently passed away, and commended Ms. Cox's commitment to the community, including bringing a school to Tilghman which educated students on marine life; he expressed condolences to the family of former Oxford Town Councilwoman, Carole Abruzzese, whom he stated he had had the pleasure of working with through the years. Mr. Pack concluded his comments by wishing all mothers a Happy Mother's Day and stating that, in his opinion, the presentation on the Budget was well done, and thanked those who took the time to share their opinion with the Council.

Mr. Divilio - Mr. Divilio stated that there are three things that jump out at him when he looks at the Budget and, in his opinion, the Council is taking the right steps to address some

big issues: (1) People – Mr. Divilio stated that the County has great staff in many different departments and there is nothing more expensive for staffing than bad employees who cause good employees to leave, thus requiring multiple replacements. He stated that hiring and training is very expensive, and as we have heard from the Sheriff's Office and Emergency Services, there are some things which will make their lives better, and the Council is addressing those. He stated that keeping employees here longer will not only reduce overhead costs but Talbot County will be a better place to work and to live; (2) Places – Mr. Divilio stated that, in his opinion, the Council is being very strategic in addressing its building projects by trying to combine projects to reduce expenses, looking at different properties, including property the County already owns in order to figure out the most efficient way to implement the projects; and (3) Processes – he stated that the County is looking at trying to use technology – not to replace individuals but to improve processes and thereby make their work lives easier. He stated that none of it comes cheap, and reiterated Mr. Pack's statement that the County has been saving for a good while for the majority of the large projects it is focusing on, reiterating that the projects still required approval of capital enabling legislation. Mr. Divilio expressed appreciation to his colleagues for working to resolve challenges within the County's tight fiscal restraints and stated that, in his opinion, it could not have been accomplished without the knowledge, efficiency and work that Ms. Lane brings to the Finance Department. He stated that Ms. Lane will be greatly missed and hopes she will stay around so that Council will be able to consult with her as needed and, in his opinion, she is leaving big shoes to fill. Mr. Divilio concluded his comments by expressing his appreciation to Ms. Lane for taking the time to educate him on the budget, for her support of the Council, and wished her the best in retirement.

Ms. Price - Ms. Price stated that this is the first time that she can remember that Council comments were longer than the public hearing, in her opinion, due to the fact that the public hearing was virtual and the County Council meeting was not on TV as it was preempted by the Easton Town Council meeting. She encouraged those who were interested to watch the video on MCTV. She stated that she concurred with the statements of her colleagues regarding the Budget. She stated that although, in her opinion, the budget is a very scary high number, it does include capital project items. She stated that the operating budget is not that much higher and noted the comparison of the Budget of her first year on the Council (\$60 plus million) with the proposed Budget for FY22 of well over \$100 million.

Mr. Callahan - Mr. Callahan concurred with the statements of his colleagues and that it had been a pleasure working with them tonight. He expressed his appreciation to Angela Lane for her work with the County over the past 20 years and stated that she had touched the lives of a lot of people and had taught many Council members a lot. He thanked Ms. Lane enough for all her hard work and the leadership she had provided to Council. Mr. Callahan expressed his appreciation to Clay Stamp for his leadership on his first official budget. He reiterated Mr. Pack's statement regarding capital projects, stating that since he has been on the Council, we haven't had the luxury to start thinking about public safety projects: EMS, correctional facilities, and the Sheriff's Office, and that, in his opinion, it is so important that we are now able to concentrate a little bit on that and he is excited to be a part of it. Mr. Callahan commended the Council for their leadership as both he and Mr. Stamp dealt with issues related to the pandemic. He expressed his appreciation to

Cassandra Vanhooser for, in his opinion, the excellent economic summit and stated that economic development in Talbot County is a big revenue driver for the county and Ms. Vanhooser is the backbone of that. Mr. Callahan concluded his comments by expressing condolences to the families of Kelley Cox and Carole Abruzzese.

- XII. Upon motion by Mr. Divilio, the Council voted to adjourn the meeting and to reconvene on Tuesday, May 11, 2021 at 3:00 p.m. for a work session on final Budget deliberations; to convene at 4:00 p.m. in Open Session 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. Callahan – Aye
 Mr. Divilio – Aye
 Mr. Leshner – Aye
 Ms. Price – Aye
 Mr. Pack - Aye

The meeting adjourned at 7:52 p.m.

The transcript of the May 4, 2021 County Council meeting is available for review in the Office of the Talbot County Manager during regular office hours.

XIII. Summary of Closed Session Held on May 4, 2021:

1. Statement of the time, place, and purpose of the closed session:

Time of closed session: 12:30 p.m. to 1:25 p.m. and 3:00 p.m. to 6:10 p.m.
 Place of closed session: Bradley Meeting Room, Courthouse and Via WebEx events (virtual meeting)
 Purpose of the closed session: To consider various matters as set forth in the statement for closing the meeting

2. Record of the vote of each member as to closing the session:

Names of members voting aye: Callahan, Divilio, Leshner, Price
 Members opposed: None
 Abstaining: None
 Absent: Pack (arrived at 12:32 p.m.)

3. Statutory authority to close session and listing of each topic actually discussed, persons present, and each action taken in the session:

Topic description	Statutory authority	Persons present	Action taken
To discuss appointments to various County boards and committees	GP § 3-305 (b) (1)(i)	Chuck Callahan, Frank Divilio, Pete Leshner, Corey Pack, Laura Price, Clay Stamp, Jessica Morris	No action

To discuss personnel matter in Finance Office	GP § 3-305 (b) (1)(i)	Chuck Callahan, Frank Divilio, Pete Leshner, Corey Pack, Laura Price, Clay Stamp, Jessica Morris	Approval to advertise vacancy
To discuss personnel matter in Permits and Inspections	GP § 3-305 (b) (1)(i)	Chuck Callahan, Frank Divilio, Pete Leshner, Corey Pack, Laura Price, Clay Stamp, Jessica Morris	Staff to consult with outside agency on inspection services
To discuss personnel matter in County Attorney's Office	GP § 3-305 (b) (1)(i)	Chuck Callahan, Frank Divilio, Pete Leshner, Corey Pack, Laura Price, Clay Stamp, Jessica Morris	No action
To conduct interviews for Director of Human Resources	GP § 3-305 (b) (1)(i)	Chuck Callahan, Frank Divilio, Pete Leshner, Corey Pack, Laura Price, Clay Stamp	No action
For legal advice on board and committee appointments	GP § 3-305 (b) (7) and (8)	Chuck Callahan, Frank Divilio, Pete Leshner, Corey Pack, Laura Price, Clay Stamp, Jessica Morris, Patrick Thomas	No action
For legal advice on lawsuit involving Talbot County (Robin Ficker v. Talbot County)	GP § 3-305 (b) (7) and (8)	Chuck Callahan, Frank Divilio, Pete Leshner, Corey Pack, Laura Price, Clay Stamp, Jessica Morris, Patrick Thomas, Andrew Meehan	Legal counsel to respond
To discuss public security at the Courthouse	GP § 3-305 (b) (10)	Chuck Callahan, Frank Divilio, Pete Leshner, Corey Pack, Laura Price, Clay Stamp, Jessica Morris, Patrick Thomas, Joe Gamble	No action

CASH STATEMENT 5/04/2021

BALANCE 4/27/2021	42,618,307.26
TOTAL ADP PAYROLL PPE 4/16/2021	(667,285.43)
PENSION DED PPE 4/16/2021	(38,615.40)
DEFERRED COMP DED PPE 4/16/2021	(19,389.32)
DEFERRED COMP PPE 4/16/2021 PLAN 401(A)	(6,725.47)
CIGNA CLAIMS PAID THRU 4/26/2021	(78,989.16)
TC PUBLIC IMPROVEMENT BONDS OF 2010	(902,152.50)
SHERIFF SUMMONS ACCOUNT TRANSFER	(130.00)
USDA/RD QTRLY BOND PYMT #92-16	(16,408.00)
WELLS FARGO GOLF EQUIP LEASE PYMT	(128.00)
RETURNED PAYMENTUS PYMT	(182.50)
DEPOSITS	747,712.88
CHECKS	(491,122.46)
VOIDED CHECK(S) #350215	5,150.00
BALANCE 5/04/2021	<u>41,150,041.90</u>

INVESTMENTS - CERTIFICATES OF DEPOSIT

<u>Certificate Date</u>	<u>Maturity Date</u>	<u>Yield</u>	<u>Amount</u>
PNC-MLGIP INVESTMENTS TOTAL		0.04%	20,500,000.00
BAYVANGUARD BANK			10,174,657.19
TOTAL INVESTED			<u>30,674,657.19</u>
PETTY CASH BALANCE			<u>12,275.00</u>
<u>GRAND TOTAL ALL FUNDS</u>			<u>71,836,974.09</u>