



TALBOT COUNTY, MARYLAND

County Council

MINUTES

May 5, 2015

Present – President Corey W. Pack, Vice President Laura E. Price, Dirck K. Bartlett, Chuck F. Callahan, Jennifer L. Williams, County Manager R. Andrew Hollis, County Attorney Michael Pullen and Staff Attorney Anthony Kupersmith.

- I. Agenda – Mr. Pack requested and received Council’s unanimous consent for approval of the Agenda of Tuesday, May 5, 2015.
- II. Minutes – Mr. Pack requested and received Council’s unanimous consent for approval of the Minutes of April 14, 2015.
- III. Disbursements – Mr. Pack requested and received Council’s unanimous consent for approval of the Disbursements of Tuesday, May 5, 2015.
- IV. Proclamation: Older Americans Month – May 2015 - Prior to presentation of the proclamation, Gary Gunther, Executive Director of Upper Shore Aging, stated that 2015 is the 50th anniversary of the Older Americans Act, instituted in 1965 under former President Lyndon B. Johnson. He stated that the funding allocated to the Older Americans Act has provided for the delivery of a system of services to America’s older adults since its inception. The Clerk then read a proclamation into the record in recognition of May as Older Americans Month. The Proclamation spoke of the contributions of older Americans to their communities and the importance of providing services to older citizens and their caregivers in order to enable older adults to remain healthy and active, so that all ages can benefit from their experiences. Childlene Brooks, Manager of the Talbot County Senior Center, briefed the Council on several events occurring at the Senior Center in recognition of Older Americans Month. Upon motion by Ms. Price, seconded by Mr. Callahan, the Council approved the proclamation by voting 5 – 0 as follows:

Mr. Pack – Aye
Ms. Williams – Aye
Mr. Bartlett – Aye
Ms. Price – Aye
Mr. Callahan - Aye

Ms. Price presented the Proclamation to Mr. Gunther, Ms. Brooks, and representatives of the Talbot County Commission on the Aging in attendance, who accepted on behalf of the organizations in Talbot County which serve the elder population.

- V. Update on Bridge and Culvert Projects and Associated Road Closures – Ray Clarke, County Engineer – Mr. Clarke briefed the Council on several on-going projects in Talbot County which involve road or bridge closures. He stated that his office has received approval from the Maryland Department of the Environment for replacement of the culvert on Goldsborough Neck Road which was washed out earlier this year. He stated that replacement of the culvert will require a full road closure for approximately four weeks; message boards will begin advising travelers of the closure starting Monday, May 18, 2015 or soon thereafter. He stated that his office is in the process of reviewing the bid proposals for the culvert replacement and anticipates making a recommendation to Council for their meeting on May 12, 2015. Mr.

Clarke also briefed the Council on the Dutchmans Lane road widening and sidewalk improvement project, stating that wetland permits have been forwarded to the Maryland Department of the Environment for review and easements had been obtained from 21 of the 23 property owners affected by the project. He stated that work is anticipated to begin in July with that portion of the roadway undergoing improvement closed for approximately four weeks. Mr. Clarke stated that the Dover Bridge Replacement Project is anticipated to be completed in March 2018, with limited closures as work progresses. He stated that the Leeds Creek Bridge Replacement Project, which will utilize \$3,000,000 in federal funding, is anticipated to be bid out in May 2016 and completed within 12 to 14 months; the reopening of the road is anticipated to take place within 9 to 10 months. Council discussion ensued with Mr. Clarke as each project was brought forward. Mr. Hollis commended Mr. Clarke for his hard work to move the project forward as quickly as possible.

VI. Presentation on Rt. 370 (Miles River Neck) Bridge Closure/Detour Route – Brian LeCates, Acting Director, Talbot County Department of Emergency Services – Mr. LeCates briefed the Council on the planned cleaning and repainting project for the Miles River Neck Bridge by the Maryland State Highway Administration (SHA) from July 11 – July 31st. He stated that the bridge will be closed during that timeframe, with variable messaging signs in place announcing the closure; one lane flagging operations will be in place one week prior to and after the closure. A public meeting on the project will be held on Tuesday, May 12, 2015 from 6:30 p.m. to 8:30 p.m. at Easton Middle School. Mr. LeCates stated that once initiated, the project will be on-going 24 hours a day; the project will require emergency services vehicles to utilize a detour route which is estimated to add approximately 10 minutes to the normal response time of 8 minutes for fire calls and an additional 7 minutes to the normal response time of 8 minutes for ambulance calls; a map depicting the area and detour routes was provided. Mr. LeCates emphasized that the area is traditionally one of very low call volume due to its sparse population. He advised the Council that his office will also be making all necessary adjustments for emergency response to the Goldsborough Neck area during the road closure. A public notice has been published in *The Star Democrat* announcing the public meeting and notices have also been forwarded by SHA to affected citizens and emergency services organizations. At Council's request, the SHA public notice will be posted on the County's website.

VII. Public Hearings:

Bill 1302, A BILL TO AMEND BILL NO. 1261 THE 2014-2015 ANNUAL BUDGET AND APPROPRIATION ORDINANCE TO AMEND THE CURRENT EXPENSE BUDGET THROUGH FOURTH QUARTER TRANSFERS AND SUPPLEMENTARY APPROPRIATIONS was read into the record by Mr. Pack and brought forward for public hearing. Prior to the public hearing, Finance Officer, Angela Lane, stated that the proposed legislation would amend the current budget for year ending June 30, 2015. She stated that transfers between agencies of the County government and within the same fund of the current expense budget, can only be made during the last quarter of the fiscal year; the legislation provides for the movement of funds only within the General Fund Budget but does not increase the total current year budget as approved for FY2014-2015. The public was then afforded an opportunity to comment on the legislation. Bill No. 1302 is eligible for vote on Tuesday, May 12, 2015.

Prior to the public hearing on the Constant Yield, Mr. Pack read the following statement of explanation into the record.

The County Council, in the FY2015 Proposed Budget, is proposing to adopt a real property tax rate of 53.6 cents per \$100 of assessed valuation for all properties located outside the incorporated towns. This is .9 cents higher than the current real property tax rate. This rate is .2 cents higher than the constant yield rate of 53.4 cents, and will generate \$90,650 more in property tax revenues in FY 2016 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 6.1 and 13.2 cents lower than the County rate. The County rates within the Towns, except for the Towns of Oxford and Trappe, are more than the constant yield rate for the Towns. The County Council will not adopt the FY 2016 Tax Rate today. The FY 2016 Tax Rate will be adopted as part of the Annual Budget and Appropriation Ordinance scheduled for vote on May 26, 2015.

Following Mr. Pack's remarks, a public hearing was held on the Constant Yield and the public was afforded an opportunity to comment.

Bill No. 1303, AN ACT TO ESTABLISH THE 2015-2016 ANNUAL BUDGET AND APPROPRIATION ORDINANCE, was read into the record by Mr. Pack and brought forward for public hearing. Prior to the public hearing, County Manager, Andy Hollis, stated that the Budget for FY 2016 had been introduced by the Council in the sum of \$78,640,000. He then highlighted portions of the proposed budget, stating that the Council received funding requests of approximately \$83,120,000, or \$8.5 million more than the current fiscal year budget, an 11% increase, with requests for funding 21 new positions. He stated that the FY 2015-2016 Budget as introduced reflects an increase of 5.38% over the FY 2014-2015 budget and strikes a balance between the real needs of the community and maintenance of two of the lowest tax rates in the state: the County Property Tax Rate, which is the lowest in the state and the County Income Tax Rate, which the second lowest in the state. Mr. Hollis stated that the priorities of the Council remain the public safety and health of County citizens, infrastructure (roads, buildings and emergency communications) and public school education through Maintenance of Effort and infrastructure. He cited several examples of how the fiscal challenges of the last few years had led to the development of partnerships between the County and other entities in order to provide funding sources for projects other than County tax dollars, including partnering with the State of Maryland on a statewide radio communications system; leveraging millions of dollars in grant funding to support innovative environmental projects and alternative energy solutions, and working with private foundations and organizations and individuals to provide funding for various programs and equipment. Mr. Hollis stated that over the last few years, the County has approved and spent over \$4.5 million in grant funding from the Bay Restoration Fund for the upgrading of 408 septic systems to enhanced nitrogen removal systems; \$40,000 in grant funding was received from the National Fish and Wildlife Federation for the development of many watershed improvement programs for the municipalities; \$2.1 million in grant funding was received from the Chesapeake Bay Trust Fund for ditch bio-retention systems and related initiatives; and \$220,000 was received through the Governor's Stream Challenge for the planting of 17 acres of trees. He stated that the County is also in the process of applying for a 2016 Chesapeake Bay Trust Fund grant in the sum of \$1,000,000 for the implementation of urban stormwater management projects. He stated that the County Council, just today, had held a ribbon-cutting ceremony for the new bio ditch retention project on Glebe Road, which is a County project in conjunction with several partners, including the Chesapeake Bay Foundation; the Council will continue to review the development project to see how it works in its first year to determine whether to move forward with these types of projects; Mr. Hollis encouraged County citizens to view the progress of the project which is located near the intersection of Glebe Road and Maryland Rt. 370. He stated that in keeping with Council's priority of public safety, the following are included in the proposed FY 2016 Budget: seven full time positions comprising of two additional deputies in the Sheriff's Department; two additional Correctional Office positions; two additional EMT positions; and one additional 911 Dispatch Operator position; full funding for the Volunteer Fire Departments as well as funding toward recruitment and retention; continued funding for maintenance of County roads, including the resurfacing of approximately 43.1 miles of roadway; transfer of \$1million to the Other Post Employment Benefits (OPEB) Trust; and continued funding for major Capital Projects. Mr. Hollis noted that the proposed Budget includes a step increase for full time County employees effective January 1, 2016; benefits for employees will now be reflected in individual department budgets in order to provide a more accurate cost of operation for departments. He stated that the proposed FY 2016 Budget funds Talbot County Public Schools at the required Maintenance of Effort (MOE) level, an increase of \$582,667 from FY 2015; that funding of

pensions for Public School employees has also increased by \$150,321 from FY 2016, and that the Budget reflects an additional \$60,000 in funding for programs not included in MOE. Mr. Hollis emphasized that the County funds over 74% of the base operating budget for Talbot County Public Schools, as well as \$3 million in debt service. He then reviewed the Revenue segment of the proposed budget for FY 2016 which anticipates that Property Tax Revenues and Income Tax Revenues will increase by an estimated \$1.29 million. Mr. Hollis utilized the various charts and graphs in the PowerPoint presentation to outline the sources of revenue for the General Fund, stating that the greatest source of revenue for the County is Property Tax at 44%, followed by Income Tax at 35%, noting that the County is disproportionately reliant on Income Tax revenues since it has a Property Tax cap in place. He reviewed the Expenditures which are primarily focused on Public Safety and Education, and the Fund Balance, or “Rainy Day Fund,” which is projected to have a balance of \$12.3 million as of June 30, 2015; \$1.0 million will be placed in OPEB Trust for Retiree Health Obligations and \$300,000 was used to balance the FY 2016 Budget; the remaining balance of \$11.0 million is available for FY 2017 and beyond if needed. He stated that the Capital Projects Fund includes proposed projects for expansion of the 911 and Operations Centers at a cost of \$2.6 million; \$50,000 for maintenance to public landings; \$100,000 for the Tunis Mills Bridge Landing; \$280,000 for Goldsborough Neck and Airport Road; \$50,000 for a culvert replacement program; \$100,000 for water quality improvement projects; and \$300,000 for development of the County park on Oxford Road. He stated that capital projects for the Talbot County Board of Education include \$200,000 for the funding of one-to-one laptops; approximately \$500,000 for replacement of the Moton Building roof; \$100,000 for portable classrooms at White Marsh Elementary School; and \$80,000 for a feasibility study related to renovation of the Moton Building; total funding for Capital Projects is just over \$4.3 million. He recapped the proposed Budget for FY 2016, reiterating that the Council’s highest priority remains Public Safety staffing and resources. Mr. Hollis presented a slogan and graphic in which pillars represented the various facets comprising a healthy Talbot County community: *Health, Safety and Welfare; Economic Stability; Infrastructure; Education; and Environment and Shoreline Protection*. Mr. Hollis then outlined the pillar to which each County Department was assigned, stating that the Council will utilize the pillars as a tool in future budget years as a means to visualize their funding decisions. The public was then afforded an opportunity to comment on the legislation. The public hearing on Bill No. 1303 will continue at the Easton High School Cafeteria at 7:00 p.m.

VIII. Council Comments:

Ms. Williams - No comments.

Mr. Bartlett - No comments.

Ms. Price - No comments.

Mr. Callahan - No comments.

Mr. Pack - No comments.

The Constant Yield and Bill No. 1303 are eligible for vote on May 26, 2015. Bill No. 1303 is available on the County’s website at www.talbotcountymd.gov or from the County Manager’s Office.

- IX. Upon motion by Mr. Callahan, seconded by Ms. Price, the Council voted to adjourn to Executive Session for discussion of legal, personnel, and real estate matters, and to reconvene at 7:00 p.m. at the Easton High School Cafeteria for a continuation of the public hearing on Bill No. 1303; to reconvene in a work session on Thursday, May 7, 2015 from 3:00 p.m. to 5:00 p.m. in the Wye Oak Room of the Talbot County Community Center to review Chapters 9 and 6 of the Draft Comprehensive Plan; and to reconvene on Tuesday, May 12, 2015 in Executive Session at 12:30 p.m. for discussion of legal, personnel and real estate

matters, followed by the regularly scheduled meeting at 1:30 p.m. and a work session on final budget deliberations immediately following the meeting, by voting 5 - 0 as follows:

Mr. Pack - Aye
Ms. Williams - Aye
Mr. Bartlett - Aye
Ms. Price - Aye
Mr. Callahan - Aye

The meeting adjourned at 2:54 p.m.

- X. The Council meeting reconvened and a continuation of the public hearing on Bill No. 1303 was held at 7:00 p.m. at the Easton High School Cafeteria. Prior to continuation of the public hearing, County Manager, Andy Hollis, outlined the provisions of the County's proposed FY 2016 Budget Ordinance as he had previously done at the 2:00 p.m. public hearing. The public was then afforded an opportunity to comment on the legislation. Written comments on Bill No. 1303 will be accepted until 12:00 Noon on Friday, May 8, 2015. Following the conclusion of the public hearing, Mr. Pack stated that the Council would be holding a work session on Chapters 9 and 6 of the Draft Comprehensive Plan on Thursday, May 7, 2015 from 3:00 p.m. to 5:00 p.m. in the Wye Oak Room at the Talbot County Community Center.

XI. Council Comments:

Mr. Pack - Mr. Pack stated that the Council would be holding a joint dinner meeting with the Board of Education on Monday, June 22, 2015 to discuss various issues facing the two bodies and thanked Superintendent Kelly Griffith for organizing the event. Mr. Pack stated that, in his opinion, if conversations between the Council and the Board of Education take place throughout the year, perhaps some issues can be resolved before the 11th hour in May prior to vote on the budget. He stated that the Council will take all comments on the budget under advisement as it holds final budget deliberations in the next several days. He stated that Mr. Hollis had provided information on revenues and expenditures, but unless \$800,000 is pulled out of the General Fund, there is nowhere else from which to get the funding requested by the Board of Education, nor for repayment on a 30-year, \$3,000,000 loan to which the Chesapeake Bay Foundation would like the County to commit. Mr. Pack concluded his comments by stating that the Council has a lot to consider.

Mr. Bartlett - Mr. Bartlett thanked everyone for attending the public hearing and stated that even though there are some difficult debates, everyone is polite and cordial and, in his opinion, the Council has a good working relationship with County citizens. He stated that the Council has difficult decisions to make, but it is very interesting, in his opinion, to listen to the common threads between many issues and what unites us as a community is on display in these kinds of forums. He stated that, in his opinion, the public hearing process is always somewhat invigorating, offering the Council an opportunity to reconsider its allocations to the budget. He stated that the Council appreciates having a roomful of people and the courtesy afforded to the Council by the speakers. He stated that the Council will wrestle with the issues further until they can do so no longer and then they will move on to next year. Mr. Bartlett concluded his comments by stating that the dialogue and relationship between the Council and the Board of Education is, in his opinion, important, as are the relationships of citizens with the elected School Board, which will result in fewer issues going forward by all working together.

The transcript of the May 5, 2015 County Council meeting is available for review in the Office of the County Manager during regular office hours.

- XI. On Tuesday, May 5, 2015, an Executive Session of the Talbot County Council convened at 12:55 p.m. in the Bradley Meeting Room and the County Council Conference Room. Upon motion by Ms. Price, seconded by Mr. Bartlett, the Council met in Executive Session by voting 5 - 0 as follows:

- Mr. Bartlett – Aye
- Mr. Callahan – Aye
- Mr. Pack – Aye
- Ms. Price – Aye
- Ms. Williams - Aye

In accordance with State Article § 10-508(a)(1)(i)(3)(4)(7)(8) the purpose of the Executive Session was for personnel matters to discuss appointments to various County boards and committees and to discuss filling the vacancy for the Director of the Department of Emergency Services; for a legal/real estate matter for legal advice concerning possible relocation of Memorial Hospital at Easton to County owned property and timetable for same; for a legal matter for legal advice regarding a lawsuit involving the County; and for a real estate matter to discuss the possible disposition of County property. The Executive Session recessed at 1:30 p.m. and reconvened at 3:05 p.m. The Executive Session ended at 3:40 p.m.

- XII. Work Session on Draft Comprehensive Plan – Mary Kay Verdery, Planning Officer; Martin Sokolich, Long Range Planner; Jeremy Rothwell, Planner - The County Council convened for a work session with staff on Monday, May 4, 2015 at 6:00 p.m. in the Bradley Meeting Room to continue review *Chapter 2, Land Use Plan*, and to review *Chapter 9, Community Design and Appearance*, of the Draft Comprehensive Plan as recommended by the Talbot County Planning Commission. Council discussion ensued with staff regarding preservation of farmland in the county, including in the various villages, as outlined in Chapter 2, and staff provided maps of same. Martin Sokolich then provided an overview of Chapter 9, which outlines how implementation of design and subdivision standards is intended to preserve and enhance the appearance and rural character of the county. Council discussion ensued with staff as various topics in Chapters 2 and 9 were brought forward and Council requested that staff add, delete, or change wording within the topics for further consideration and vote. Due to time constraints, review of the remainder of Chapter 9 and review of Chapter 6 will take place at the next scheduled work session on Thursday, May 7, 2015 from 3:00 p.m. to 5:00 p.m. in the Wye Oak Room, Talbot County Community Center, 10028 Ocean Gateway, Easton.

CASH STATEMENT 5/5/2015

BALANCE 4/28/2015	\$22,695,229.90
UHC CLAIMS THRU 4/28/2015	(64,529.67)
BOARD OF EDUCATION 4/2015	(2,878,842.00)
PAYROLL – FD/SS/MS WH 5/1/2015	(2,957.01)
DEFERRED COMP DED	(1,265.00)
MD WH	(572.68)
PENSION DED	(336.00)
DEPOSITS	569,030.47
CHECKS	(661,841.62)
BALANCE 5/5/2015	<u>19,653,916.39</u>

AIRPORT ACCOUNTS

AIP-RUNWAY 4-22 EXTENSION ANALYSIS	--
AIP37	16,762.37
AIP39	73,794.25
AIP40	27,036.21
AIP41	48,989.25

AIRPORT ACCOUNTS TOTAL BALANCE **166,582.08**

INVESTMENTS – CERTIFICATES OF DEPOSIT

<u>CERTIFICATE DATE</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>AMOUNT</u>
PNC-MLGIP INVESTMENTS TOTAL		0.06%	18,000,000.00

TOTAL INVESTED **\$18,000,000.00**

PETTY CASH BALANCE **\$8,570.00**

GRAND TOTAL ALL FUNDS **\$37,829,068.47**