



# Commissioners of Leonardtown

---

41660 Courthouse Drive  
P. O. Box 1, Leonardtown, Maryland 20650

301-475-9791 • FAX 301-475-5350  
leonardtown.somd.com

J. HARRY NORRIS  
*Mayor*

LASCHELLE E. MILLER  
*Town Administrator*

## **Commissioners of Leonardtown** **Town Council Meeting Minutes** **May 11, 2009 ~ 4:00 P.M.**

Attendees: Walter Wise, Vice President  
Dan Burris, Councilmember  
Thomas Collier, Councilmember  
Robert Combs, Councilmember  
Leslie E. Roberts, Councilmember

Absent: J. Harry Norris, Mayor

Also in attendance were: Laschelle Miller, Town Administrator; Rebecca Sothoron, Town Treasurer; DeAnn Adler, Plans Reviewer; Teri Dimsey, Recording Secretary; Jackie Post, Fiscal Clerk; Tony Wheatley, Capital Projects Coordinator. A complete list of attendees is on file at the Leonardtown Town Hall.

Councilmember Wise called the regularly scheduled meeting to order at 4:00 p.m. and called for the recitation of the Pledge of Allegiance.

Councilmember Wise proceeded to take up the first item of business.

### **Approval of Minutes:**

The meeting minutes for the April 13, 2009 Town Council meeting were presented for approval.

**Councilmember Roberts moved to approve the April 13, 2009 Town Council meeting minutes; seconded by Councilmember Collier; no further discussion, motion passed unanimously.**

### **Treasurer's Report – Rebecca Sothoron**

Ms. Sothoron reported that during the month \$10,000 was transferred to the checking account. We are 83% through the budget year. An enrollment meeting to discuss the new health insurance plan was held and all of the employees who are affected have completed their enrollment forms. The new plan will take effect June 1, 2009.

Ms. Sothoron provided a description of each of the Budget Amendments presented today for Council's approval:

BJ03-09 – So. MD Heritage Area Grant Award – Brochure  
BJ04-09 – So. MD Heritage Areas Grant Award – Waterfront Festival  
BJ05-09 – Snow Removal  
BJ06-09 – Legal Expense  
BJ07-09 – Emergency Generator Grant

**Councilmember Roberts moved to approve Budget Amendments BJ03-09, BJ04-09, BJ05-09, BJ06-09 and BJ07-09 as presented; seconded by Councilmember Burris, motion passed unanimously.**

Ms. Sothoron introduced Ordinance No. 144 – Adopting the Budget and Setting the Tax Rate for FY 2010 with the tax rate set at .15 cents. This Ordinance will come back before the Council at next month's meeting.

Ms. Sothoron stated that the first budget workshop will be held on Tuesday, May 19 at 4:00 p.m. to discuss the General Fund. If after the budget workshop it dictates that we change the tax rate then it will be changed for the budget ordinance adoption at the June meeting.

#### **Planning Department – DeAnn Adler**

Last month our Planning and Zoning meeting was held on April 20, 2009 at 4:00 pm. Two cases were presented.

**Case # 17-08 St. Mary's Ryken High School** – The school was requesting final site plan approval, which was granted, pending final sign-offs from all regulatory agencies.

**Case #93-08 22699 Washington Street** – Washington Street Partners – This project involves the old Hospice building site. The applicant was requesting Concept Plan Approval for redevelopment and expansion of this site. Concept Plan approval was granted. Several versions of new architectural drawings for the building were presented and two were selected by the P & Z board as most desirable. A final decision on the architecture will be made after getting cost estimates for the two versions.

This month our P & Z meeting will be held on May 18, 2009.

**Case # 14-05 Clark's Rest** – The applicant is requesting a two year extension to the Concept Approval for this project. Their current concept approval will expire in June. Town Council will receive the Planning and Zoning recommendation at their June meeting. The drawings have incorporated changes requested at the time of original concept approval.

**Comprehensive Plan Update:** We are continuing to work with Mr. Redman on the comp. plan update. We held two meetings with the update committee this month. Tony is taking the input from these meetings and putting it into a draft form for the committee to review as we go along.

Also this month I continued working on a project with Larry Eberhard, the 911 addressing technician with the county. The county recently did a town-wide canvass to ensure that every house in the town had a 911 address posted outside on their property somewhere. Houses that didn't were sent a letter informing them about this requirement.

### **Police Report – Deputy Simonds**

Deputy Simonds submitted his report but is unable to attend today's meeting due to his work schedule.

### **Town Administrator's Report – Laschelle Miller**

Resolution 1-09 - To Issue and Sell MD. Economic Development Revenue Bonds to St. Mary's Ryken – A public hearing will be held at 4:15 pm to obtain public comment on this previously discussed transaction. Attached is Resolution 1-09 that will be introduced and action will be requested from the Council. Our bond counsel, Funk and Bolton, prepared the Resolution and the Letter of Intent. All wording is proposed per the Charter requirements according to Lindsey Radar of Funk and Bolton.

Olde Town Pub Liquor License Letter of Support – Olde Town Pub is completing the expansion of its facility and is requesting a letter of support to expand liquor sales to the new section. They have worked with MDIA and the Fire Marshall and are in the process of obtaining final sign offs prior to receiving their U&O from the Town. They are also requesting permission to allow their patrons to take drinks out into the enclosed smoking area behind the restaurant. They have provided building sketches which are attached.

**Councilmember Roberts moved to close the regular meeting and open the Public Hearing on the Proposed Issue of Economic Development Revenue Bonds – St. Mary's Ryken; seconded by Council member Burris, motion passed unanimously.**

Councilmember Wise asked Ms. Miller to brief Council on the next order of business.

Ms. Miller reported that before Council today is Resolution #1-09. This Resolution is to issue and sell Maryland Economic Development Revenue Bonds to St. Mary's Ryken. We discussed this and Mrs. Mary Joy Hurlburt, who is in attendance today, gave a presentation last month; this was discussed and Council agreed to proceed to move forward. A public hearing is scheduled for today at 4:15 p.m. which was advertised in the newspaper on April 23, 2009. We received one letter in response which will be read during the public hearing. Ms. Lindsay Radar and Mr. John Devine, our Bond Counsel, are present today to address any questions.

**Councilmember Wise entertained a motion to close the regular meeting and open the Public Hearing.**

**Councilmember Roberts moved to close the regular meeting and open the Public Hearing; seconded by Councilmember Burris; motion passed unanimously.**

Ms. Miller stated that today's public hearing is for the proposed issuance of Maryland Economic Development Revenue bonds to St. Mary's Ryken. The public hearing was advertised and we did receive one email from Mr. Milhouser stating his concerns. Ms. Miller read the email out loud. This was the only comment we received.

Councilmember Roberts asked Mrs. Hurlburt if St. Mary's Ryken is still owned and operated by a religious order of the Catholic Church or are you a separate entity.

Mrs. Hurlburt responded that we are sponsored by the Serverin Brothers but we do not receive any funding from the Serverin Brothers, we receive absolutely no funding from the Archdiocese of Washington. We are fully accredited by Middle States and are accountable and we are also approved by the State of Maryland.

Councilmember Burris asked Ms. Radar if she would respond to the letter on a legal standpoint.

Ms. Radar remarked that from a legal standpoint there have been a number of challenges over the years from States across America against lending the proceeds of tax exempt bonds to private schools that have affiliation with religious institution. As long as the ability to do so has been upheld in cases across the county, the bond documents and the tax certificates that the school signs at closing will provide, that the schools may not use any of the bond proceeds for any religious uses.

Mr. Devine concurred and noted that state law is clear that you may not incur any monetary liability whatsoever when you issue these bonds. The Town's participation is required merely to extend the tax exemption on the interest that the bank will get on this loan.

Councilmember Collier noted that it is written in the state law that the Town is not obligated to pay back the funds.

Ms. Radar remarked that that is correct. In the resolution, page 3, subsection D, it states "The Bonds and the interest on them (i) are not debts or charges against the general credit or taxing power of the Town within the meaning of any constitutional or charter provision or statutory limitation and (ii) may not give rise to any pecuniary liability of the town. The Bonds are not a pledge of the faith and credit or taxing power of the Town.

Ms. Radar noted that this paragraph is taken directly from Maryland State law. These are referred as conduit bonds and in the event the school were to default in its obligations under the bond documents other investors who may invest in any bonds issued by the town under a conduit bond is not technically the Town's default and should not have any adverse impact if that should occur on the Towns ability to sell bonds for its own purposes.

Councilmember Burris noted that there will be a first mortgage on the property at St. Mary's Ryken.

Ms. Rader responded yes that is correct.

Councilmember Roberts noted that Mr. Milhouser in his letter stated that the Town may be hard pressed to deny any future requests from a religious school no matter how unpopular that school or religion might be. I believe there are two parts to this, one is that this is only the second time we have been asked to do this and the last time was with the hospital which was over eight years ago and the next area is no matter what project comes before us we look at it in terms of will it be good for the Town and make our decisions based on that.

**Councilmember Roberts moved to close the Public Hearing and reopen the regular meeting; Councilmember Burris second, motion passed unanimously.**

Councilmember Wise asked Ms. Miller to proceed.

Ms. Miller read Resolution 1-09 out loud and asked if anyone had any questions.

**Councilmember Roberts moved to accept Resolution #1-09 which authorizes the Town to act as a conduit for this Maryland Economic Development Revenue Bond; Councilmember Burris seconded, no further questions, motion passed unanimously.**

Ms. Miller reported that Old Towne Pub is completing an expansion of their facility and is requesting a letter of support to expand liquor sales to the new section. They are also requesting permission to allow their patrons to take drinks into the enclosed smoking area behind the restaurant. Mr. John McDonald is present today to answer any questions.

Councilmember Burris asked about the status of the permits?

Mr. McDonald responded that there were one or two minor repairs which they have made. They will be inspected and if okay they will be given the final approvals.

Ms. Miller indicated that once they receive notification that the repairs have been made and final approvals issued, then the letter of support can be released.

**Councilmember Burris moved to send a letter of recommendation to the liquor board for approval for offering sales to the new expansion area and to allow beverages in the enclosed smoking outside area pending the final approvals from MDIA, Fire Marshall and the Health Department; Councilmember Combs seconded, no further discussion, motion passed unanimously.**

Ms. Miller reported that the Winery project is moving along very well.

Ms. Miller stated that a group of graduate students from George Washington University for their masters program are doing a case study of tourism and we are providing a tour of the winery, the wharf and downtown Leonardtown. Some of our merchants will be also be participating. They will convene at the Executive Inn and Suites for a panel discussion.

## Council Reports

### Events - Councilmember Burris:

#### Upcoming Events of Interest/Meeting Reminders:

<u>Date</u>	<u>Time</u>	<u>Meeting</u>
Tuesday, May 12	11:30 AM	9 <sup>th</sup> Annual Law Enforcement Appreciation Day @ Leonard Hall Recreation Center
Wednesday, May 13	1:30 PM 5:00 PM	SMC Chamber of Commerce Business Showcase @ Southern MD Higher Education Ctr Closing Reception
Thursday, May 14	11 AM-3 PM	Tourism Day & Festival @ 301 Welcome Center
Thursday, May 21	3-7 PM	EMS for Children Day @ Potomac Building Lawn
Wednesday, May 27	5:30 PM	Chamber Business After Hours @ Greenwell Foundation's Knott Lodge, Hollywood
Saturday, May 23	6PM	Downtown Tunes
Saturday, May 23- Sunday, May 24		Air Expo '09 @ Naval Air Station, Patuxent River
Monday, May 25		Memorial Day Holiday – Town Office closed
Friday, June 5	5-8 PM	First Friday in Leonardtown @ participating Leonardtown businesses
Sunday, June 14	Noon-5 PM	SMC Crab Festival @ St. Mary's County Fairgrounds
Sunday, June 14	6:00 PM	Flag Day Celebration @ Potomac Building Lawn (formerly Governmental Center)
June 28-July 1		MML Annual Convention in Ocean City
Saturday, July 4	5-10 PM	Freedom Fest @ County Fairgrounds
Saturday, July 11	7-8 PM	Evening Concert on the Square - Brass Ensemble
Saturday, July 18	7-8 PM	Evening Concert on the Square - Jazz Ensemble
Saturday, August 8 Town Council Minutes	4 PM-9 PM	Beach Party on the Square May 11, 2009

**Parks – Councilmember Combs:** No report

**Streets and Roads – Councilmember Wise:** No Report

**MML/SMMA – Councilmember Roberts:**

Councilmember Roberts reported the SMMA will have their next meeting on May 20<sup>th</sup>. Also, Tom Collier has agreed to be the flag carrier during the MML Convention.

**Capital Projects – Councilmember Collier:** No Report

**Mayor Norris entertained a motion to adjourn the meeting.**

**Councilmember Burris moved to adjourn the meeting; Councilmember Collier seconded the motion, which passed unanimously. The meeting adjourned at 4:40 p.m.**

Respectfully Submitted:

\_\_\_\_\_  
Teri Dimsey, Recording Secretary

**Approved:**

\_\_\_\_\_  
J. Harry Norris, III, Mayor

\_\_\_\_\_  
Walter Wise, Vice President

\_\_\_\_\_  
Daniel W. Burris, Councilmember

\_\_\_\_\_  
Thomas R. Collier, Councilmember

\_\_\_\_\_  
Robert C. Combs, Councilmember

\_\_\_\_\_  
Leslie E. Roberts, Councilmember