

Town Council Meeting Minutes
April 13, 2020
Virtual Meeting due to Covid 19
Meeting recorded Live on YouTube – Town of Leonardtown Channel

Attendees:

Onsite: Daniel W. Burris, Mayor
J. Maguire Mattingly IV, Vice President
Christy Hollander, Council Member
Hayden T. Hammett, Council Member – arrive onsite 4:15 pm

Virtual: Tyler Alt, Council Member
Mary Maday Slade, Council Member

Also, in attendance were: Laschelle McKay, Town Administrator; Rebecca Sothoron, Treasurer, Will Moorehead, Just Tech, Teri Dimsey, Executive Secretary; A complete list of attendees is on file at the Town Hall. Approximately eight (8) viewers on Town of Leonardtown YouTube Channel.

Mayor Burris announced that due to Covid 19, the Town is holding the Town Council meeting virtually through the Town's YouTube Channel. There is a 30-second delay with the audience so we'll have to take things slow. This is our first virtual meeting so please bear with us.

We have Council Members Mattingly, Hollander and Hammett present and Council Members Alt and Slade are off site signing in virtually.

Mayor Burris asked Councilmember Alt to begin with the invocation and Ms. Dimsey to lead the Pledge of Allegiance.

Mayor Burris stated that there is a Public Hearing at 4:15 p.m. on Ordinance No. 194- Adopting the Budget and Setting the Real Property Tax Rate for FY21

Approval of Minutes

Mayor Burris entertained a motion to approve the minutes.

Councilmember Mattingly moved to approve the Monday, March 9, 2020 minutes as presented; seconded by Councilmember Hollander. Councilmember Alt abstained; motion carried with three in favor.

Treasurers Report – Rebecca Sothoron

Ms. Sothoron reported that there were no transfers to or from the LGIP during the month. The income statement reflects 75% of the budget year. In the last two weeks a lot of things have changed not just for the physical movement of people but you might have heard the Governor and the Comptroller talk about how it's going to affect State revenues and pass-through revenues to municipalities and counties. As the environment has changed, we will receive income tax receipts likely at a lower rate, but also with a deferred timing because now there has been a deferral of the filing date. I would normally expect June to be a big payment and August to be a big payment that would relate to our current fiscal year, that may not happen. We are just going to have to wait and see how that affects the bottom line.

There is also a prediction that Highway User Revenue will obviously be significantly impacted as people are not moving around and buying gasoline. Until the audit is finalized at the end of October it will be hard to predict. We will continue to keep you updated as receipts arrive and if there's any communication from the state level, we will pass that along as well.

The first two budget amendments that are proposed for this FY20 on today's agenda are ultimately to finalize significant changes to the budget the council had already approved in some form. In order for us to stay in compliance with the charter we need to just make sure that the budget document itself is always balanced. Both of these need Council approvals.

Budget Amendment BJ01-20 Sale of Condo Transaction and BJ02-20 Recognize Facade Grant

Budget Amendment number one is to recognize that we sold the final condo in July 2019 and Council agreed to take those proceeds to pay off the remaining debt obligation.

Budget amendment number two is to account for the Community Legacy Facade Grant that was awarded for the current fiscal year in the amount of \$50,000 and if you look at your income statement, you will see that we have had some expenses and there is not a budget appropriation there yet and this effectively recognizes the grant revenue and the appropriation that matches them.

Councilmember Hollander inquired if we had spent the entire amount of grant money?

Ms. McKay stated that all of them are not yet finalized and they have until the end of the fiscal year. We have not rolled out the second round. For round one, we had fourteen projects that were partially funded and about \$185,000 worth of improvements.

Mayor Burris entertained a motion to approve the Budget Amendments.

Councilmember Mattingly moved to approve Budget Amendments. BJ 1-20 and BJ 2-20 as presented, seconded by Councilmember Hollander, no further discussion, motion passed unanimously.

Ms. Sothoron stated that everyone should check out the new glass recycling container which has been placed in the Town parking lot directly across from the Good Earth Natural Food Company. We have gotten the word out and it has been written up in the Beacon. We will monitor usage and they will not pick them up until we let them know it is full.

Councilmember Hollander remarked that her family just used it and it worked great.

Planning & Zoning Report – Laschelle McKay

Ms. McKay reported that no meeting was held last month and no meeting will be held this month but we will have a meeting either live or virtually on Monday, May 18th to hear a case on Meadows at Town Run.

Councilmember Hollander inquired about the status of the connector road from Leonard's Grant to Clark's Rest.

Ms. McKay stated that it is very close. A meeting will take place soon to discuss traffic signs and such but should be scheduled for asphalt soon.

Police Report – Deputy Nelson

Deputy Nelson has submitted a written report for Council's review.

Town Administrator's Report – Laschelle McKay

Ms. McKay reported that last week we submitted the Maryland Heritage Areas Grant for \$100,000 for the paddle boat at the Wharf. The good news is we found out that the total cost of that boat is only \$320,000, which includes an assumable loan. If we get the grant for \$100,000, we would have to come up with \$32,000 cash and then a \$190,000 for the assumable loan. We have submitted that grant last Friday and also finalized the Beacon newsletter. It's at the Printing Press. It is going to be a completely new format with all the new colors and logos. It is going to be a little bit longer this time to include a lot of new information.

Staff have been working from home but they have been staggering their time to also come into the office for several hours and Ms. Page has been answering all the calls and then providing staff members with the information to reply to make sure our residents and businesses are attended to immediately. It seems to be going very well and we appreciate how hard the staff is working to try to coordinate and maintain the needs of the office. Everybody is doing a great job.

We did hear from State Highway on the Route 245 sidewalk project and they have approved what we had sent them in conjunction with DPW for a revised stormwater management because the County Commissioners did not want a big storm water design and management pond in front of the Governmental Center, which was what state highway had proposed. DPW worked with us and we came up with an alternative solution. State Highway has approved that and it has to go back through the plan review again, but hopefully that'll be moving forward again soon.

For the Route 5 widening project, they have been continuing to work through this shutdown, but there have been a lot of delays between the contractor and State Highway and they're now saying, instead of being finished in the fall, it would be in Spring of 2021.

GHD Task Order #18 WWTP Expansion Design

At the February 25, 2020 workshop to review the status and timing of the expansion of the Town's wastewater treatment plant from .68 mgd to 1.0 mgd, GHD was directed to move forward with the design immediately. Additionally, they were asked to evaluate what it would take to process the sludge to produce Class B sludge for more economical disposal. The proposed task order is \$934,774.93 and includes the Class B sludge evaluation, design of the expansion, permit process and production of bid documents.

Ms. Sothoron stated that she did some math for comparison of the percentage of construction cost to the design bid phase and the eligible design for the ENR project, which of course was covered by MDE, was 6.37% and with Task B using a \$12 million dollar construction cost. It was a total of 7.5% of the expansion ENR project.

Councilmember Hollander remarked that percentage wise for her similar company is usually around 10% range for other projects so that 7.5% is not exorbitant and within range, they are also looking at adding a task for producing Class B sludge.

Councilmembers Alt and Slade were asked if they had any questions. They responded No.

Councilmember Hollander asked if they will come back to do a presentation before Council on what their findings were and then move on to Phase B?

Ms. McKay responded that we can certainly ask them to do that.

Councilmember Mattingly moved to approve Task Order #18 with GHD, Inc. for design of an expansion of the Town's wastewater treatment plant in the amount of \$934,774.93, seconded by Councilmember Slade, no further discussion, motion passed unanimously.

Mayor Burris moved on to the next order of business of the Public Hearing on **Ordinance No. 194- Adopting the Budget and Setting the Real Property Tax Rate for FY21 and entertained a motion to close the regular meeting and open the Public Hearing.**

Councilmember Hollander moved to close the regular meeting and open the public hearing, seconded by Councilmember Mattingly.

Ms. McKay stated this meeting is being streamed on YouTube. There is about a 30 second delay. We want to make sure we allow for public comment. Audience members can type in a response and we will read them or they can call in at 301-475-9791. We will have someone answering the calls, we can then put them on speaker and they can give their comment.

Ms. Sothoron reported that Council did meet and agreed to this Recommended Budget document after a significant discussion of a draft document. This meeting was advertised in print and posted on social media and placed on the Town website as well. Also, the recommended utility service charges were posted to the website as well.

Some of the highlights are:

This budget recommends maintaining the current property tax rate of .1266 per \$100 of valuation. The constant yield tax rate as calculated by the state assessment office is .1249. The difference in revenue between .1249 and .1266 is only \$9,000 for the entire fiscal year. A \$300,000 valuation for residential property applied to each at this tax rate is only a difference of about \$5.

We can also just revisit the issue regarding income tax and Highway User Revenues. Obviously, this recommended budget was developed before all of this pandemic happened. We will need to monitor FY20 receipts going forward for FY21 and the same will be true having to monitor the FY21 receipts as they happen.

With Highway User Revenue, generally, we've been in a pattern of allowing the fiscal year to proceed through snow removal stage and then the remainder we will use for road

maintenance in the spring. If we do see a reduction in Highway User Revenues, we have much greater ability to modify the appropriation that would match that. That would happen in Spring of 2021.

Income tax is going to be really a very big moving target and we'll just have to evaluate midway through the year and towards the end of the year recognizing that our rainy-day fund is there for a reason and we may have to use it to balance the budget.

Mayor Burris remarked that the rainy-day fund balance is at 57% for next year rather than the normal 50%.

Ms. Sothoron stated that that is even a moving number because even since our recommended budget there's been some things happen and that that number is moving and until we know if we have revenue shortfalls or expenditure surpluses.

We also have in this recommended budget significant, one-time, capital outlay items. We never want to get into a situation where we are over extending the operating budget and using fund balance to fund the operating budget because those are recurring expenses.

The utility service charges that are recommended will maintain the water and sewer and bay fee at 0% increase. The trash service charges are recommended to increase between 5% and 6% and that's a function of mostly the escalation clause that's in the trash contract for annual CPI.

Mayor Burris asked if we have received any comments or question or calls from the general public?

Ms. McKay stated No we have not.

Mayor Burris noted that we will allow for a longer time period for any comments through YouTube to allow for the time delay or any callers.

There being no comments or calls received, Mayor Burris entertained a motion to close the Public Hearing and open the regular meeting.

Councilmember Mattingly moved to close the Public Hearing and open the regular meeting, seconded by Councilmember Hollander, motion passed.

Ms. McKay reported that we introduced Ordinance No. 194 last month and it is available for approval by Council today.

Mayor Burris entertained a motion to approve Ordinance No. 194.

Councilmember Hollander moved to approve Ordinance No. 194 to adopt the budget and set the real property tax rate for fiscal year 2021, seconded by Councilmember Alt, no further discussion, motion passed unanimously.

Mayor's Report – Mayor Burris

Mayor Burris reminded everyone to continue to wear their masks while going out and about and showed off his bandana from twenty years ago from the Rotary Club rodeo event which has Leonardtown written on it. Everyone stay safe and we hope to see improvements over the next few weeks and a sense of regular order.

He received a letter from Leonardtown High School Sail program and did a budget session with them and the kids were learning how to compromise and they went through the budget motions and came up with how to spend the money.

Events – Tyler Alt

Councilmember Alt reported that in light of Governor Hogan's Executive Orders restricting non-essential travel/activities, our office and the Leonardtown Business Association had to make the difficult decision to cancel all events in Town for April and May. We encouraged the organizers of the events to either reschedule their events or look into creative options.

We are taking the second approach with the Town's Annual Earth Day Celebration. We will of course be cancelling the public and vendor participation and will instead present the programming virtually. We are planning a day of programming to beginning at 10:00 a.m.

We are working through the details for this unprecedented event and will provide more information as soon as possible. For updates and latest information, please visit the event Facebook page: <https://www.facebook.com/events/1368850176627374/>

Ms. McKay noted that Ms. Blackstone our Events Coordinator is working to individually videotape the performers and it will then be streamed on the Town's YouTube channel on Sunday and on the actual Earth Day and the information will be posted on social media.

Upcoming Events:

At this time, we are continuing our plans for the 18th Annual Beach Party event for Saturday, August 8th from 4:00 p.m. – 9:00 p.m.

Community Development and Planning – Hayden Hammett – No report**Utilities – Christy Hollander**

Councilmember Hollander noted that she is keeping an eye on the Route 5 widening project as she can see it from her house. The SMECO building is continuing to move along quickly and the Garvey Center and Library looks great. Thank you to all the businesses that continue to stay open to provide product and services.

SMMA Update – Jay Mattingly

Councilmember Mattingly reported that the next MML meeting to be held this April may be virtual along with the SMMA meeting for May 13th. Thank you to all the office and utility staff and those businesses that are staying open and trying to rearrange to keep their customers and themselves in business. Continue to wear your mask and stay safe.

Mayor Burris noted that the MML Summer Conference scheduled for the end of June may be affected by this pandemic and we should learn more soon whether it will continue or be cancelled and/or held in some sort of fashion to be determined.

Business Development/Retention – Mary Maday Slade

Councilmember Slade reported that she too has been impressed and proud of the small businesses in and around Leonardtown for trying to deal with this situation. The PPP program is huge and helping them get monies from this program but it is not coming in fast enough and they are having to self-fund their businesses. Hoping that when all this is done, we can do some sort of grand re-opening to help create enthusiasm to help these businesses recover.

Mayor Burris also mentioned the bear hunt. The LBA has encouraged all the businesses to put a bear in their windows so that parents and children walking around get out and about and can count all the bears and when this is open, they can go to the participating businesses and they get a small gift for participating.

Mayor Burris entertained a motion to adjourn.

Councilmember Mattingly moved to close the regular meeting at 4:38 p.m.; seconded by Councilmember Hammett, motion passed.

Respectfully Submitted:

Teri P. Dimsey

Approved:

Daniel W. Burris, Mayor

Tyler Alt, Councilmember

Hayden T. Hammett, Councilmember

Christy Hollander, Councilmember

J. Maguire Mattingly IV, Councilmember

Mary Maday Slade, Councilmember