

## Minutes of the County Commissioners of Worcester County, Maryland

June 3, 2008

Virgil L. Shockley, President  
Louise L. Gulyas, Vice President  
Judith O. Boggs  
Linda C. Busick  
James C. Church  
Robert L. Cowger, Jr.  
James L. Purnell, Jr.

Following a motion by Commissioner Gulyas, seconded by Commissioner Church, the Commissioners unanimously voted to meet in closed session at 9:00 a.m. in the Commissioners' Conference Room to discuss legal and personnel matters permitted under the provisions of Section 10-508(a)(1), (7) and (8) of the State Government Article of the Annotated Code of Maryland and to perform executive actions. Also present at the closed session were Gerald T. Mason, Chief Administrative Officer; Kelly Shannahan, Assistant Chief Administrative Officer; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; George Bradley, Director of Human Resources; John Tustin, Director of Public Works; and John Ross, Deputy Director of Public Works. Topics discussed and actions taken included: hiring James P. Blades and Franklin L. Baker, II as Maintenance Worker II's within the Roads Division of Public Works and Margaret Ann Morris as Human Resources Specialist within Human Resources; appointing Joseph McDonald to the Housing Review Board; reviewing potential and pending litigation; receiving legal advice from counsel; and performing executive actions.

After the closed session, the Commissioners reconvened in open session. Commissioner Shockley called the meeting to order and announced the topics discussed during the morning closed session.

The Commissioners reviewed and approved the minutes of their May 20, 2008 meeting and their May 21, 2008 budget work session, as presented.

The Commissioners presented a commendation to Michelle Wangel, a ninth grade student at Worcester Preparatory School, for taking first place for her poetry in the National Daughters of the American Revolution Junior American Citizens competition in May.

The Commissioners presented commendations to Snow Hill High School Valedictorian Scott Ryan Baker and Salutatorian Matthew James Freeman and expressed their pride in this accomplishment.

Pursuant to the request of Tourism Director Lisa Challenger and upon a motion by Commissioner Gulyas, the Commissioners unanimously authorized Commission President Shockley to sign a Lower Eastern Shore Heritage Council (LESHC) Mini-Grant Application for

a \$1,000 grant to be used for the production of a visitors' guide entitled *Beach and Beyond Art Guild: Art, Theatre & Galleries*.

Pursuant to the request of Finance Officer Harold Higgins and upon a motion by Commissioner Gulyas, the Commissioners waived a minor technicality and unanimously awarded the low bid for the underground fiber-optic infrastructure network connecting the Worcester County Government Center and the Snow Hill Branch Library to the Sailor Network wireless node located at the Snow Hill water tower to Sure Shot Inc. of Centerville, Maryland in the amount of \$99,935, which includes the base bid and Add Alternates 1, 2 and 3. Mr. Higgins stated that designated funds of \$50,000 in the FY08 Operating Budget were available for the project, along with Enoch Pratt Free Library/Sailor Operations Center (EPFL/SOC) grant funds of \$50,000. In response to a question by Commissioner Gulyas, Information Technology Manager Allan Taylor stated that a signed addendum submitted by Sure Shot, Inc. after the bid deadline was a minor technicality which did not affect the bid.

The Commissioners met with Public Works Director John Tustin to address the written concerns of R. Grant Helvey, Sr. regarding the condition of fences around the wastewater pumping stations and other aesthetic issues regarding County-owned property in Ocean Pines. Mr. Tustin stated that staff is systematically replacing the aged stockade fences around the pump stations, and recommended remanding the issue to the Water and Sewer Advisory Council (WSAC) for the Ocean Pines Service Area for their review and comment. Commissioner Boggs stated that vinyl fences were installed in the Glen Riddle subdivision at a cost substantially lower than that of stockade fencing and directed staff to include this material in their list of options for use in Ocean Pines as well. Following some discussion and upon a motion by Commissioner Boggs, the Commissioners unanimously remanded the matter to the Ocean Pines (WSAC) for their review and recommendation.

Upon a motion by Commissioner Gulyas, the Commissioners unanimously authorized Commission President Shockley to sign a one-year contract to renew a Memorandum of Understanding (MOU) between the Maryland State Department of Assessments and Taxation and Worcester County in which the County provides one Real Property Research Aide within County Administration to maintain accurate assessment records of boat slips and the principal residence status for the Homestead Tax Credit program in and around Ocean City and the rest of Worcester County.

The Commissioners recessed for ten minutes.

The Commissioners held a public hearing to receive comments on the proposed FY08/09 Solid Waste Enterprise Fund Operating Budgets. Chief Administrative Officer Gerald T. Mason stated that the purpose of the public hearing was to receive comments on the proposed budget. He then yielded the floor to Enterprise Fund Controller Jennifer Savage and Public Works Director John Tustin. Ms. Savage presented a PowerPoint presentation and summarized the proposed budget, stating that it had been reduced by approximately \$1 million due to a significant drop in tipping fees for construction debris. She advised that this reduction is

expected to increase the life of Cell 4 from five to seven years, which will significantly decrease the depreciation expense in the budget. She also reviewed other steps Public Works has taken to reduce spending to offset the reduction in revenues. Ms. Savage stated that the only substantial change in the proposed budget is a \$5 increase to the current solid waste tipping fee from \$55 per ton to \$60 per ton for municipal waste. In response to a question by Commissioner Church, Mr. Tustin stated that in light of increasing fuel costs staff has implemented various cost-saving steps to keep these costs within budget.

Commissioner Shockley opened the floor for public comment.

Ellie Diegelman of Ocean City requested the County step up recycling efforts throughout the County. Ms. Savage explained that the towns are responsible for the vast majority of recycling, since they collect their own trash. She advised that a pilot project demonstrated that curbside recycling would be cost-prohibitive to the County due to the cost of collection over such a wide area. Commissioner Shockley stated that the Commissioners support recycling and annually sponsor a tire recycling day, electronics recycling and household hazardous waste recycling.

There being no further public comment, Commissioner Shockley closed the public hearing.

Following some discussion, the Commissioners conceptually approved the proposed budget and agreed to adopt the formal resolution at their next meeting on June 17, 2008.

The Commissioners held a public hearing on the proposed FY08/09 operating budgets, assessments, user charges and other charges for each of the 11 sanitary service areas and sub-areas operated by the Worcester County Department of Public Works, Water & Wastewater Division. Ms. Savage reviewed the County's various service areas. She stated that Edgewater Acres front foot assessment would increase from \$0.045 to \$0.0825 per linear foot per quarter, which would result in an annual increase of \$7.50, from \$9 to \$16.50, for a 50-foot lot. She advised that, although there were slight modifications in the budgets for each service area, the proposed quarterly rates would remain unchanged in the coming year in each of the following service areas: Ocean Pines, Assateague Pointe, Briddletown, The Landings, Lighthouse Sound, Mystic Harbour, Newark (although the EDU charge may be increased if a proposed new water tower is constructed), Riddle Farm, River Run, and West Ocean City. She also advised that the proposed quarterly rates would remain unchanged in the following sub-areas: Oyster Harbor, South Point Village, Sunset Village and Lewis Road.

Commissioner Shockley opened the floor to receive public comment.

There being no public comment, Commissioner Shockley closed the public hearing.

Following some discussion the Commissioners conceptually approved the proposed rates and charges and agreed to adopt the formal resolution at their next meeting on June 17, 2008.

The Commissioners recessed for ten minutes.

Gerald T. Mason, Chief Administrative Officer, reviewed the final FY 2008/2009 Operating Budget for Worcester County, which calls for \$189,526,920 in appropriations for the coming fiscal year. Mr. Mason explained that requested expenditures of \$13,139,663 were cut to balance the budget of which \$2,051,849 (15.6%) was cut from the Board of Education's requests

and \$11,087,814 (84.4%) was cut from the requests from all other departments and agencies. Mr. Mason explained that the budget also includes increased benefit costs, salary increases required to retain high quality employees for both the Board of Education and the County, and annual appropriations to the contingency fund for Other Post Employment Benefits (OPEB) due to new Governmental Accounting Standard Board (GASB) mandates. He further explained that real property tax revenues have increased \$18.7 million due to the State reassessment for FY09. However, the Homestead Credit cap of 3% equates to a revenue reduction of \$10,315,790, which will be passed on to the County's qualified principal resident homeowners effective July 1, 2008. The real property tax rate will remain at \$.70 per \$100 of assessed value (the 2<sup>nd</sup> lowest real property tax rate in the State) and the local piggyback income tax rate will remain at 1.25% (the lowest in the State). Revenue reductions are expected for Income Tax, which is anticipated to decline \$500,000 from the prior budget based on the trend data and the States change to personal exemptions. Revenues for Transfer Tax, Recordation Tax and Interest on Investments are decreased over the prior year by \$2.5 million due to the economic outlook and anticipated market conditions, which is also included. Mr. Mason reviewed the significant projects and programs that the Commissioners were able to fund for the Board of Education as well as County departments and agencies. Upon the conclusion of Mr. Mason's presentation, Commissioner Shockley stated that budgets are the most difficult task the Commissioners face each year. He thanked County staff for their dedicated efforts to prepare the proposed budget. Commissioner Shockley stated that the Commissioners worked hard to develop a sound budget that reflects their commitment to provide for the needs of County employees, from Board of Education staff to Sheriff's Deputies, to Landfill attendants in order to recruit and retain the most qualified staff members. He stated that the Commissioners stuck to their priorities and worked hard to develop a budget that was best for the entire County. Upon a motion by Commissioner Church, the Commissioners unanimously adopted Resolution No 08-8 adopting expense budgets and establishing tax rates for Fiscal Year 2008/2009.

The Commissioners reviewed a memo from Human Resources Director George Bradley recognizing the Commissioners recent decision to adopt the Law Enforcement Officers Pension System (LEOPS), which would allow certified Sheriff's Deputies to retire at age 50 with 25 years of service, and the Correctional Officers Retirement System (CORS), which would allow Correctional Officers at the Worcester County Jail to retire at age 55 with 25 years of service, as compared to the current retirement plan for County employees, which allows retirement at age 62 with 30 years of service. Mr. Mason stated that funding for both plans totaling \$750,000 was included in the FY09 Operating Budget and would serve as an excellent tool to attract and retain qualified law enforcement and correctional officers. Upon a motion by Commissioner Church, the Commissioners unanimously adopted Resolution No. 08-9 to withdraw the Sheriff and certified Sheriff's Deputies from the Maryland State Retirement and Pension System Contributory Pension Plan and transfer those certified officers to the LEOPS of the State Retirement and Pension System of Maryland on July 1, 2008; and Resolution No. 08-10 to withdraw Correctional Officers from the Maryland State Retirement and Pension System Contributory Pension Plan and transfer those officers to the CORS of the State Retirement and Pension System of Maryland on July 1, 2008.

The Commissioners answered questions from the press, after which they adjourned for lunch at Ocean City Elementary School (OCES) with Ed Cashman, Regional Director of the U.S. Department of Education. Commissioner Gulyas informed those in attendance at the meeting that OCES is the first school in the State to achieve 100 percent proficiency in mathematics and reading, as measured by the 2007 Maryland School Assessment (MSA).

The board adjourned to meet again on June 17, 2008.