

Minutes of the County Commissioners of Worcester County, Maryland

May 21, 2019

Diana Purnell, President
Joseph M. Mitrecic, Vice President
Anthony W. Bertino, Jr.
Madison J. Bunting, Jr.
James C. Church
Theodore J. Elder
Joshua N. Nordstrom

Following a motion by Commissioner Mitrecic, seconded by Commissioner Bunting, 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 3-305(b)(1), (7), and (8) of the General Provisions (GP) Article of the Annotated Code of Maryland and to perform administrative functions permitted under the provisions of Section GP 3-104. Also present at the closed session were Chief Administrative Officer Harold L. Higgins, Assistant Chief Administrative Officer Kelly Shannahan, County Attorney Maureen Howarth, Public Information Officer Kim Moses, Human Resources Director Stacey Norton; and Sheriff Matt Crisafulli. Topics discussed and actions taken included: hiring Christine Sturm as a part-time, temporary Accounting Intern for the Treasurer's Office, Thomas West as a part-time, temporary Roads Worker II for the Roads Division of Public Works, and Diane Downing as a part-time temporary Office Assistant in County Administration; posting to fill vacancies for a Correctional Officer Trainee at the Jail and an Office Assistant IV in County Administration; discussing personnel matters in the Sheriff's Office; consulting with staff about pending and potential litigation; and performing administrative functions, including considering a request for paid reimbursement for unused leave time for the after hours management of special construction projects; and employee medical leave update.

Following a motion by Commissioner Mitrecic, seconded by Commissioner Bunting, the Commissioners unanimously voted to adjourn their closed session at 10:05 a.m.

After the closed session, the Commissioners reconvened in open session. Commissioner Purnell called the meeting to order, and following a morning prayer by Arlene Page and pledge of allegiance, announced the topics discussed during the morning closed session.

The Commissioners reviewed and approved the open and closed session minutes of their May 7, 2019 meeting as presented.

Pursuant to the written request of Housing Program Administrator Jo Ellen Bynum and upon a motion by Commissioner Bertino, the Commissioners unanimously approved bid specifications to rehabilitate a single-family home in the Berlin area, with funding through the County's current Community Development Block Grant (CDBG).

Pursuant to the request of Information Technology Director Brian Jones and upon a

motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Purnell to sign the Memorandum of Understanding between the Maryland Department of Housing and Community Development (DHCD) and the County Commissioners for funding of up to \$60,000 from DHCD for a State match of up to 50% for the Worcester County Broadband Feasibility Study.

In response to a question by Commissioner Bertino, Mr. Jones stated that the project will commence on June 17, 2019 and would take approximately three months to complete.

Pursuant to the recommendation of County Attorney Maureen Howarth and Public Information Officer Kim Moses and upon a motion by Commissioner Bertino, the Commissioners unanimously approved the proposed Worcester County Social Media Policy, which identifies the purposes of County social media sites, encourages constructive comments on those sites, lists prohibited content and comments, and establishes rules for the removal of content that violates this policy.

Assistant Chief Administrative Officer Kelly Shannahan advised the Commissioners that the County's long-standing policy that the County Commissioners annually approve the number, title, status, and salary of each County-funded position through their approval of the annual County Operating Budget may not have been made clear in the most recently adopted version of the Financial Management Rules and Procedures for County Departments. He, therefore, suggested clarifying language to the policy, which provides that once the budget is approved there are to be no changes to the title, status, number, and salary of each approved position without the Commissioners' express approval. Pursuant to the recommendation of Mr. Shannahan and upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted Resolution No. 19-15 amending Financial Management Rules and Procedures for County Departments to clarify the budget approval and authorization section.

Pursuant to the request of Human Resources Director Stacey Norton and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Worcester County to enter into a Memorandum of Understanding (MOU) at an annual cost of \$600 with the Maryland Association of Counties (MACo), which is entering into a contract with TechNet Joint Venture (TechNet), a salary software provider, to allow Maryland's county governments and Baltimore City to enter data into the TechNet system and retrieve specified salary reports. Ms. Norton advised that the County utilizes this data to compare salaries to other counties, and this MOU will automatically renew each year unless the County terminates the agreement in writing 90 days prior to the start of the new agreement.

Pursuant to the request of Recreation and Parks Director Tom Perlozzo and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the Recreation and Parks Youth and Adult Program Fees, as well as the non-recreation fees for the use of Worcester County Recreation and Parks (WCRP) fields, pavilions, and special events for FY19-FY20.

In response to a question by Commissioner Elder, Mr. Perlozzo stated that several fees have not been updated for a number of years, and the fee increases proposed will help WCRP recoup the actual maintenance costs. For example, he advised that the sport court set up fee

increased from \$0 to \$500 to cover the cost for the 10 staff members needed to assemble the two courts. Chief Administrative Officer Harold Higgins advised that going forward fee schedules for all County departments will be considered during the annual budget process.

The Commissioners met with Mr. Perlozzo to review the proposed Greys Creek Nature Park plan, including the vision, developmental concept, planned activities, budget, and funding, as well as a detailed timeline, for the 572-acre park conveyed by the State to the County in 2006. Mr. Perlozzo advised that WCRP also entered into a Memorandum of Understanding (MOU) in 2014 with the Maryland Coastal Bays Program (MCBP) to cooperatively manage the park. He advised that staff made every effort to address concerns by Hidden Harbor residents during the public comment periods for the draft plan. He concluded that WCRP secured Maryland Department of Natural Resources (DNR) Program Open Space (POS) funds of \$188,345 along with a matching Land and Water Conservation Fund grant of \$188,345, which leaves a 10% or \$37,669 County commitment, most of which will be met through in-kind services to keep projects costs low and reduce expenses to County taxpayers.

Commissioner Mitrecic stated that this is a great project for Worcester County, as it supports active lifestyles and educating the public about protecting and conserving area waterways. In response to a question by Commissioner Bunting, Mr. Perlozzo stated that the MCBP will operate the house on the property as a research center and temporary housing in cooperation with other federal agencies for marsh monitoring and such. He advised that the park's general entrance, parking, and trailhead were moved to a location east of the house to address concerns of Hidden Harbor residents and to control public access. Parks Superintendent Bill Rodriguez confirmed that the park trails will be used for passive recreation only.

Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the plan as presented.

In a related matter, Commissioner Bertino thanked Mr. Perlozzo and his staff for recent improvements to Showell Park. Mr. Rodriguez advised that 80 student volunteers from Stephen Decatur High School (SDHS) helped with the work, and he advised that this is the best time of year to get out and visit Worcester County's parks.

Pursuant to the request of Public Works Director John Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously approved bid specifications for the Newark spray irrigation project. Mr. Tustin stated that a \$1 million grant and a \$1 million loan from the Maryland Department of the Environment (MDE) are available to cover this roughly \$1.6 million project.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Elder, the Commissioners unanimously accepted the proposal from EA Engineering, Science, and Technology of Ocean Pines, Maryland for construction administration and inspection services for the Newark spray irrigation project on a time and materials basis at a total estimated cost of \$189,637.99, which is included in the costs outlined above in the bid package. Mr. Tustin stated that EA Engineering is the design engineer for the project and recently completed similar work for the construction of Cell No. 5 at the Central Landfill in Newark. He concluded that funding for this work is available in the above-referenced MDE grant and loan package.

The Commissioners met with Mr. Tustin to discuss staff's proposed, three-pronged approach to address illegal dumping at the recycling drop-off locations and littering along County roadways. These include an initial, six-month education campaign to encourage positive behavior and to, specifically, discourage illegal dumping by both residents and visitors; stepping up enforcement, to include installing and maintaining video surveillance at the unmanned recycling drop-off locations, and enforcing the existing fine of up to \$500 per civil infraction if two or more items bearing a person's name or other identification are deposited in said litter (constituting prima facie evidence that said person is responsible for the violation), and perhaps even publishing the names of violators as a deterrent; and instituting a litter cleanup program, potentially utilizing inmates from the County Jail and Eastern Correctional Institute (though inmate populations vary widely and are extremely limited). Mr. Tustin reviewed other potential programs as follows: modeling a County "Adopt-A-Highway" program after the former State Highway Administration (SHA) program that was discontinued due to liability, manpower, overtime, and other logistical issues; or developing a request for proposals (RFP) to contract for litter services at an estimated cost of \$1,214 per day, which would equate to an annual cost of \$126,256 per year to collect litter two days per week or \$252,512 for four days per week. Mr. Tustin concluded that education will be key to the County's efforts to succeed in discouraging illegal dumping.

In response to a question by Commissioner Bertino, Mr. Tustin advised that staff will develop a program to place surveillance cameras at the unmanned recycling drop-off locations in Bishopville, Whaleyville, and the WalMart in the Berlin area. He further advised that staff from Sussex County, Delaware have agreed to share information regarding the tools they have been using to run a similar education campaign with great success.

Commissioner Elder stated that illegal dumping is a very serious problem that appears to be growing, and he suggested enlisting the aid of the public schools to send informational materials home in children's backpacks and to educate the children who will in turn educate their parents on the importance of not littering.

Commissioner Purnell urged the County to enlist the help of the business community as well, and in particular those who own rental properties, to discourage the illegal dumping of furniture and other household items.

Commissioner Bunting supported the installation of surveillance cameras, but noted that hiring a contractor to clean up County roads seemed like the least efficient means of addressing the issue, as the crews likely could patrol no more than a mile a day of the 520 miles of County roads.

Following further discussion and upon a motion by Commissioner Elder, the Commissioners unanimously endorsed the three-pronged plan, with an educational component, enforcement component, and to investigate the availability of inmates and County staff for the cleanup component to address the ongoing problem of illegal dumping at the recycling drop-off locations and littering along County roadways. The Commissioners declined to develop an RFP to contract for litter services at this time.

The Commissioners recessed until 11:00 a.m.

The Commissioners met in legislative session.

The Commissioners conducted a public hearing on Bill 19-1 (Revenue - Hotel Rental

Tax), which was introduced by Commissioners Bertino, Bunting, Church, Elder, Mitrecic, Nordstrom, and Purnell on April 16, 2019. Assistant Chief Administrative Officer Kelly Shannahan stated that this bill is enabling legislation, which if passed will take effect on July 5, 2019, allowing the Commissioners to introduce a resolution on July 16 to increase the hotel rental tax from 4.5% to 5% in Worcester County, as permitted by State law, effective January 1, 2020 for which a public hearing could be scheduled for August 20, 2019.

In response to a question by Commissioner Bertino, Mr. Shannahan advised that following the public hearing it would require a majority vote to adopt Bill 19-1 and a unanimous vote to adopt the resolution following a separate public hearing at a later date to adopt a 5% hotel rental tax.

Commissioner Purnell opened the floor to receive public comment.

Ocean City Mayor Rick Meehan thanked the Commissioners and asked them to support the Town of Ocean City's request to increase the hotel rental tax from 4.5% to 5%, which would be the first hotel rental tax increase since 2007. He advised that at that time the country was facing a recession, and the increase from 4% to 4.5% provided the additional revenues that allowed them to double spending for tourism advertising at a time when many other resort towns were scaling back advertising budgets, thus allowing them to move out in front of their competition and maintain tourism revenues. Mayor Meehan advised that the hotel room tax is their second largest source of revenue, generating \$15.6 million last year, and 46% of that revenue went directly toward tourism and economic development events and activities to extend and grow the shoulder seasons. He reviewed tourism cost increases of approximately \$700,000 for providing additional public safety and staffing for special events, the minimum wage bill, sick leave policy, and increased cost due to tourism-related development in West Ocean City (WOC), which benefits the County. He advised that the increase in the hotel rental tax is expected to generate approximately \$700,000 during the second half of FY20, which directly corresponds to the increasing tourism costs in the resort and has been included in the FY20 Ocean City operating budget adopted last night. He concluded that the requested increase is essential to balancing the Town of Ocean City's annual budget, and even with this moderate increase, the County's room tax rate will remain far below what other resort areas are charging. He then referred to the Room Tax and Sales Tax Comparisons sheet of competing resort areas, which he provided to the County, noting that even with the increase to 5% Ocean City would still have a combined room tax and sales tax rate of only 11%, a rate that is well below that of Virginia Beach (14% + \$2.00 per night), Atlantic City, NJ (20.625%), Myrtle Beach (21%), New York City (14.6% + \$3.50 per night), Washington D.C. (20.95%), Philadelphia (15.5%), Annapolis (12%), and Baltimore (14%). He stated that only Rehoboth Beach (8%) is lower, but that rate is anticipated to increase this year as well. In closing, Mayor Meehan confirmed that the Town of Ocean City will dedicate the additional tax revenues to grow tourism and economic development initiatives, and he asked the Commissioners to support this request, which will allow Ocean City to continue to grow and remain competitive.

In response to a question by Commissioner Nordstrom regarding the additional revenues to be generated if the Commissioners increase the current room tax rate from 4.5% to 5% effective January 1, 2020, Mayor Meehan advised that this new rate will generate an additional \$1.7 million in FY21, which will be dedicated to the tourism budget to fund new projects necessary to continue growing the resort's economy. Finance Officer Phil Thompson stated that the increased hotel room tax would generate \$44,000 in additional room tax revenues in the

unincorporated areas of the County for the second half of FY20 and \$88,000 for FY21. Likewise, the increased rate is projected to generate an additional \$17,000 in Pocomoke City, \$1,000 in Snow Hill, and \$3,000 in Berlin in FY21.

Commissioner Mitrecic noted that the room tax is a tax that is passed through to visitors and would not impact County residents and property owners, and he supported the request.

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

Upon a motion by Commissioner Mitrecic, the Commissioners voted 6-0-1, with Commissioner Nordstrom abstaining from the vote, to adopt Bill 19-1 (Revenue - Hotel Rental Tax) as presented.

The Commissioners answered questions from the press, after which they took a brief recess before their budget work session.