

Minutes of the County Commissioners of Worcester County, Maryland

December 17, 2019

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

Following a motion by Commissioner Nordstrom, 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, and Human Resources Director Stacey Norton. Topics discussed and actions taken included: hiring Karen Zeiler as a Communications Clerk I within Emergency Services; acknowledging the hiring of Ray Jenkins as a Library Services Assistant I and the temporary promotion of Local History Librarian Alec Staley from part-time to full-time within the County Library; receiving legal advice from counsel; and performing administrative functions, including: reviewing personnel changes in the Jail, Library, Environmental Programs, and Shore Spirits Retail Liquor Store in Pocomoke; discussing potential board appointments; and discussing a proposed meeting with the Town of Ocean City to discuss issues of mutual concern.

Following a motion by Commissioner Nordstrom, seconded by Commissioner Church, the Commissioners unanimously voted to adjourn their closed session at 10:04 a.m.

After the closed session, the Commissioners reconvened in open session. Commissioner Mitrecic called the meeting to order, and following a morning prayer by Tara Armstrong 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 December 3, 2019 meeting as presented.

The Commissioners reviewed and discussed various board appointments.

Upon nominations by Commissioner Bunting, the Commissioners unanimously agreed to reappoint Mike Poole to the Worcester County Solid Waste Advisory Committee for an additional four-year term expiring December 31, 2023, to reappoint Dr. William Greer, Richard Collins, Nancy Howard, and Connie Wessels to the Adult Public Guardianship Board for three-year terms each expiring December 31, 2022, and to appoint Windy Phillips as the Board of

Education representative on the Commission for Women for a three-year term expiring December 31, 2022 to replace Julie Phillips whose term expired.

Upon a nomination by Commissioner Elder, the Commissioners unanimously agreed to reappoint Hope Carmean to the Commission for Women for an additional three-year term expiring December 31, 2022.

Upon a nomination by Commissioner Purnell, the Commissioners unanimously agreed to appoint Theophilus Hobbs, IV to Worcester County's Initiative to Preserve Families Board (Local Management Board) for a three-year term expiring December 31, 2022 to replace Ira F. "Buck" Shockley whose term expired.

Pursuant to the request of Housing Program Administrator Jo Ellen Bynum and upon a motion by Commissioner Nordstrom, the Commissioners unanimously authorized Commission President Mitrecic to sign a letter to Cindy Stone, Director of Community Programs for the Maryland Department of Housing and Community Development (DHCD), requesting a waiver to the January 15, 2020 deadline to meet the five percent draw down requirement outlined in the County's new Community Development Block Grant (CDBG) agreement. Ms. Bynum explained that the County received a conditional release of funds from the State on October 31, 2019, and County staff bid the first two projects in November, with said bids expected to be awarded later this morning. However, this does not allow them sufficient time to settle the grant and complete the permitting and construction process prior to the January 15 deadline. Furthermore, she advised that on December 3 the County received program income of \$4,730 from a previous CDBG loan recipient that must be expended on rehabilitation projects before the County may draw down any new grant funds.

Pursuant to the request of Ms. Bynum and upon a motion by Commissioner Purnell, the Commissioners unanimously awarded the low bid for the general rehabilitation of an owner-occupied home in the Berlin area to Shoreman Construction Company, Inc. of Delmar, Maryland at a cost of \$6,400.

Pursuant to the request of Housing Program Administrator Jo Ellen Bynum and upon a motion by Commissioner Elder, the Commissioners unanimously awarded the low bid for the general rehabilitation of a single family home in the Snow Hill area to Allstate Renovation of Trappe, Maryland at a cost of \$16,260.

Human Resources Director Stacey Norton and Technical Services Manager Kelly Henry updated the Commissioners on the success of this year's "Be a Santa to a Senior" program. Ms. Norton noted that this program was conducted in partnership with Home Instead Senior Care, and she thanked Ms. Henry for heading up the program, which resulted in County staff and the public adopting 35 Worcester County senior citizens for Christmas.

The Commissioners conducted a public hearing to receive public comment on the proposed deletion from the Inventory of County Roads of the eastern portion and part of the northeastern portion of Barrett Road in Berlin, which is approximately 0.14 mile in length and bisects the properties of Acorn Berlin Chevy, LLC, also known as I.G. Burton of Berlin, which has been annexed into the Town of Berlin, in the Third Tax District of Worcester County,

Maryland, as shown on Tax Map 25 as Parcel 395 and Parcel 86, Lots 3-13.

Commissioner Mitrecic opened the floor to receive public comment.

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

Upon a motion by Commissioner Church, the Commissioners unanimously adopted Resolution No. 19-38 amending the Inventory of Public Roads of Worcester County, Maryland to delete a portion of Barrett Road in Berlin as proposed.

Pursuant to the recommendation of Public Works Director John Tustin and upon a motion by Commissioner Church, the Commissioners unanimously approved the proposed quitclaim deed between the County Commissioners (Grantors) and Acorn Berlin Chevy, LLC (Grantee), conveying the portion of Barrett Road that was deleted from the Inventory of Public Roads of Worcester County, Maryland by Resolution No. 19-38.

Pursuant to the request of Warden Donna Bounds and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Commission President Mitrecic to sign the Amendment of Solicitation/Modification of Contract between the County Jail and Immigration and Customs Enforcement (ICE) to formally closeout the 2018 contract and to reduce total budgeted funding from ICE to the County by \$125,336.05, for revised total funding of \$5,239,605.28.

Pursuant to the request of Emergency Services Director Billy Birch and upon a motion by Commissioner Nordstrom, the Commissioners unanimously authorized Commission President Mitrecic to sign the Commitment Letter to be signed by the nine Eastern Shore Counties, as requested by the Emergency Number Systems Board (ENSB), agreeing to procure a single source provider to implement Next Generation 9-1-1 services for all nine Eastern Shore counties. Mr. Birch reminded the Commissioners that the cost of the request for proposals along with the ultimate procurement of services are expected to be funded entirely by the ENSB.

Commissioner Bertino requested assurance that a sole-source provider will be responsive to the County in resolving any implementation or operational issues that may occur in real time rather than placing the County on a waiting list behind other potential requesting agencies. Mr. Birch agreed that he will raise that issue with the selected service provider, but he did not expect that to be a problem.

Pursuant to the request of Economic Development Director Kathryn Gordon and upon a motion by Commissioner Elder, the Commissioners unanimously authorized Commission President Mitrecic to sign a letter to Eastern Shore senators and delegates to support the Choptank Electric Cooperative's broadband initiative - the Rural Broadband for the Eastern Shore Act of 2020, which will allow Choptank Electric to provide broadband services through its current infrastructure.

Pursuant to the request of Development Review and Permitting Director Ed Tudor and upon a motion by Commissioner Elder, the Commissioners unanimously agreed to schedule a public hearing on Rezoning Case No. 422 for January 21, 2020. This application was submitted by Attorney Joseph E. Moore, on behalf of M& G Rt. 50 Land, LLC, and seeks to rezone approximately 18.65 acres of land located on the southerly side of U.S. Rt. 50 and northerly side

of MD Rt. 346, west of Berlin, and more specifically identified on Tax Map 20 as Parcels 47 and 318, from A-1 Agricultural District to C-2 General Commercial District. Mr. Tudor advised that the application received a favorable recommendation from the Planning Commission.

Pursuant to the recommendation of Recreation and Parks Director Tom Perlozzo and upon a motion by Commissioner Bertino, the Commissioners unanimously awarded the low bid to Burke Equipment Company of Delmar, Delaware at a cost of \$31,809.44 for the purchase of one Kubota compact tractor with front-end loader for use within Recreation and Parks.

The Commissioners conducted a public hearing on a request to amend the Comprehensive Water and Sewerage Plan submitted by Paul Carlotta to reclassify the sewer planning area for the Mystic Harbour Sanitary Service Area (SSA) for an existing roadside stand and proposed restaurant on a portion of the property of Assateague Farms, LLC designated as proposed Lot 4, located on the east side of Stephen Decatur Highway (MD Rt. 611), south of the Ocean City Municipal Airport and more specifically identified on Tap Map 33 as Parcel 29, proposed Lot 4 from S-3 (planned service within 6-10 years) to S-1 (planned services within two years) to serve an existing roadside stand with seating and the proposed restaurant, which has limits on size imposed by the Board of Zoning Appeals (BZA) on this property. Mr. Mitchell reviewed the request and advised that the Planning Commission found the proposed amendment to be consistent with the County's Comprehensive Development Plan and granted the application a favorable recommendation.

Commissioner Mitrecic opened the floor to receive public comment.

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

Upon a motion by Commissioner Church, the Commissioners unanimously adopted Resolution No. 19-39 amending the Comprehensive Water and Sewerage Plan to reclassify the sewer planning designation for a portion of the Assateague Farms property designated as proposed Lot 4 in the Mystic Harbour Sanitary Service Area (SSA) from S-3 to S-1.

Pursuant to the recommendation of Mr. Perlozzo and upon a motion by Commissioner Bertino, the Commissioners unanimously awarded the low bid that met all specifications for the purchase and installation of athletic field fencing at the Northern Worcester Athletic Complex, John Walter Smith Park, and Showell Park to Long Fence Company of Capital Heights, Maryland at a total combined cost of \$138,120. Mr. Perlozzo explained that Maryland Department of Natural Resources (DNR) Program Open Space (POS) funds will reimburse the County for 90% of project costs.

Pursuant to the recommendation of Mr. Perlozzo and upon a motion by Commissioner Nordstrom, the Commissioners unanimously agreed to waive the standard bid process and accepted the low proposal from Qualite Sports Lighting, LLC of Hillsdale, MI, which was competitively bid through the Interlocal Purchasing System (TIPS) in Pittsburg, Texas for the purchase and installation of soccer field lighting at John Walter Smith Park at a total cost of \$160,710, which includes a 15% discount for ordering before January 15, 2020. Mr. Perlozzo stated that POS funds will reimburse the County for 90% of project costs.

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 purchase of one, new off-road dump truck. Mr. Tustin advised that funds for this purchase are available within the FY20 budget.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously approved the heating, ventilation, and air conditioning (HVAC) loop water treatment service renewal agreement from Condor Technologies at a total annual cost of \$8,547.36 for the following County buildings: Court House; Government Center; Health Department in Snow Hill and Berlin; Branch Libraries in Berlin, Ocean City, Ocean Pines, Snow Hill, and Pocomoke; Tourism; Service Building in Pocomoke; and Senior Center in Ocean City. Mr. Tustin explained that treatment prevents corrosion and biological growth in these HVAC systems. The Commissioners further authorized this request to be approved administratively in the future by the Chief Administrative Officer, as long as the contract does not change substantially.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Elder, the Commissioners unanimously accepted the proposal from Davis, Bowen & Friedel, Inc. of Salisbury, Maryland at a total fixed fee of \$17,500 for professional design services associated with replacing the roofs at Animal Control and the Charles and Martha Fulton Senior Center in Snow Hill. Mr. Tustin stated that funds of \$300,000 are available within the FY20 budget for the Senior Center facility and \$50,000 for the Animal Control building roof replacement projects.

Pursuant to the request of Environmental Programs Director Bob Mitchell and upon a motion by Commissioner Bertino, the Commissioners unanimously approved out-of-state travel for Mr. Mitchell and Natural Resources Planner V Katherine Munson to attend the American Planning Association's National Conference in Houston, Texas from April 25-28, 2020 at a cost to cover registration, flights, lodging and meals. In response to a question by Commissioner Elder, Mr. Mitchell advised that funding is available in the FY20 budget to cover this expense, but he would not know the final cost until arrangements have been made.

The Commissioners met with Assistant Chief Administrative Officer Kelly Shannahan to discuss a proposal to send 16 staff members and County Commissioners to the National Hurricane Conference in Orlando, Florida from April 5-9, 2020. Mr. Shannahan stated that the regular early registration fee is \$375 per person; however, he has negotiated a group discount of \$50 per person, provided at least 10 County staff are registered. Therefore, the estimated cost of registration, travel, lodging, and meals is \$2,100 per person for 2020. Mr. Shannahan stated that funding is available in the Travel and Training Account to allow up to 16 staff and Commissioners to attend the conference, and he presented a proposed list of attendees as recommended by several County department directors.

Following some discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously approved out-of-state travel with funding in the Travel and Training Account to send the proposed list of 16 staff members, including Commissioners Elder and Mitrecic to the 2020 Hurricane Conference.

The Commissioners met with Chief Administrative Officer Harold Higgins to discuss

adopting a resolution to combine the departments of Recreation & Parks, Tourism, and Economic Development into one consolidated department, the Worcester County Department of Recreation, Parks, Tourism, and Economic Development, effective December 30, 2019. Mr. Higgins stated that similar consolidations in other counties have proven to be effective strategies, and this effort will combine a group of talent and resources to provide opportunities for additional services and programs, as well as improve efficiency, effectiveness, and overall operations. He advised that this consolidation includes promoting current Recreation & Parks Director Tom Perlozzo to the position of Director of Recreation, Parks, Tourism, and Economic Development to oversee the following three divisions: Recreation and Parks under the direction of Kelly Rados; Tourism under the direction of Lisa Challenger; and Economic Development under the direction of Kathryn Gordon. Mr. Higgins stated that Mr. Perlozzo is uniquely qualified to lead the consolidated department and coordinate the efforts of these three divisions in concert with each other, based on his past success working for the Town of Ocean City, where he managed eight separate divisions: Recreation, Parks, Public Grounds, Golf Course, Beach Patrol, Special Events, Sponsorships, and Outdoor Advertising.

Commissioner Bertino stated that he feels there has been a headlong rush to make this move without the benefit of an objective assessment to determine the need or the value to taxpayers and with no understanding of the long-term impacts this will have on overall operations, among other concerns. He concluded that for these and other reasons and concerns he is not in favor of this resolution at this time. Commissioner Bunting concurred and expressed concern that the proposed resolution names new positions and, more specifically, that it names the individuals to be appointed to those positions, and for these reasons he could not support the resolution either. In response to a question by Commissioner Bunting, Mr. Higgins confirmed that this is not the first time the Commissioners have consolidated departments.

Following some discussion and upon a motion by Commissioner Nordstrom, the Commissioners voted 4-3, with Commissioners Church, Mitrecic, Nordstrom, and Purnell voting in favor of the motion and Commissioners Bertino, Bunting, and Elder voting in opposition, to adopt Resolution No. 19-40 creating the consolidated Worcester County Department of Recreation, Parks, Tourism, and Economic Development.

The Commissioners reviewed a letter from Ocean City Mayor Rick Meehan requesting a property tax differential in the County's FY21 budget for Ocean City taxpayers who pay County property taxes. Chief Administrative Officer Harold Higgins advised that in accordance with the provisions of Section 6-306(f)(1) of the Tax-Property Article of the Annotated Code of Maryland, a request for property tax setoff must be submitted at least 180 days before the date that the annual County budget is approved. He advised that the request is in good faith, and the Treasurer's Office received the town's FY20 comprehensive annual financial report; however, the County will have to request the town's FY20 financial records.

Following some discussion and upon a motion by Commissioner Church, the Commissioners unanimously authorized Commission President Mitrecic to sign a letter to Mayor Meehan seeking to schedule a meeting between County Administration and town representatives in the near future to discuss the nature of the Ocean City tax differential request, to be sent along with copies of the County's Comprehensive Annual Financial Report (CAFR) for fiscal year ending June 30, 2019 and requesting a copy of the town's FY20 Operating Budget.

Following a motion by Commissioner Nordstrom, seconded by Commissioner Elder, the Commissioners unanimously voted to meet in closed session at 10:53 a.m. in the Commissioners' Conference Room to discuss legal matters permitted under the provisions of Section 3-305(b)(3) 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, and Public Information Officer Kim Moses. Topics discussed and actions taken included receiving a status report on the proposed outdoor sports complex project and considering the acquisition of real property for a public purpose.

Following a motion by Commissioner Bertino, seconded by Commissioner Nordstrom, the Commissioners unanimously voted to adjourn their closed session at 11:12 a.m.

After the closed session, the Commissioners resumed their open session meeting. Commissioner Mitrecic called the meeting to order and announced the topics discussed during the closed session.

The Commissioners met with Finance Officer Phil Thompson and Chris Hall of TGM Group, LLC, Certified Public Accountants to review the County's Comprehensive Annual Financial Report (CAFR) for the Fiscal Year ending June 30, 2019. Mr. Thompson stated that this document, which County and TGM staff spent nearly 1,000 hours preparing, represents the County's fiscal report card, stat sheet, and fiscal state of the County, all in one document, and County staff send the CAFR to more than 100 entities the County does business with, as well as international bond rating firms, Moody's, Fitch, and Standard & Poors, which use this data to assign the County's credit rating, the financial analysts and institutions that currently hold or bid on the County's bond offerings, and most importantly make it available to the public on the County website at www.co.worcester.md.us. Mr. Thompson then announced that the County was awarded the Certificate of Achievement for Excellence in Financial Reporting for the eleventh consecutive year by the Government Finance Officers Association (GFOA) of the United States and Canada for its CAFR for FY18. This award is the highest form of recognition awarded to local governments in the areas of accounting and financial reporting and assures the users of the County's financial statements that the County is complying with the most recent accounting and finance pronouncements in a format that is widely acceptable. He recognized key members of the finance team, Budget Officer Kathy Whited, Assistant Finance Officer Jennifer Swanton, Enterprise Fund Controller Jessica Wilson, and Senior Budget Accountant Kim Reynolds, for the dedication and knowledge they provide and for the support and guidance that Mr. Higgins and the Commissioners have given to staff, noting that it would not be possible to accomplish this without their dedication to excellence in financial reporting.

Mr. Hall reviewed the Independent Auditors' Report, issuing Worcester County an unmodified opinion (previously referred to as a "clean opinion"), which represents the highest assurance TGM can give. He then reviewed the Management's Discussion and Analysis (which provides private citizens with a snapshot of what happened during the current fiscal year along with a comparison to the prior year); Balance Sheet for Governmental Funds, with an Unassigned Fund Balance (\$35,170,276) that varied by only \$16 from FY18, and Cash and

Short-Term Investments (\$48,585,799) that varied by only \$857 from FY18, and also maintained the Assigned Fund Balance (\$18,867,416); General Fund final adopted budget; Statement of Revenues, Expenses, and Changes in Fund Balance - Budget and Actual General Fund, with amendments and final results, property taxes, and local income taxes; Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget and Actual General Fund; and Statistical Section, which shows 10 years worth of trend information. He stated that the CAFR is the most important document the County's financial team produces, and he commended them for the job they do and for partnering with TGM auditors to complete this project. Commissioner Mitrecic thanked Mr. Hall and his team for all their work.

The Commissioners wished everyone a Merry Christmas and happy holidays.

The Commissioners answered questions from the press, after which they adjourned at 11:33 a.m. to meet again on January 7, 2020.