

Minutes of the County Commissioners of Worcester County, Maryland

January 10, 2023

Anthony W. Bertino, Jr., president
Madison J. Bunting, Jr., vice president
Caryn G. Abbott
Theodore J. Elder
Eric J. Fiori
Joseph M. Mitrecic
Diana Purnell

Following a motion by Commissioner Elder, 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) and (7) 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 Weston Young, Deputy Chief Administrative Officer Candace Savage, County Attorney Roscoe Leslie, Public Information Officer Kim Moses, Human Resources Director Stacey Norton; Public Works Director Dallas Baker; Environmental Programs Director Bob Mitchell, Sheriff Matt Crisafulli, and Chief Deputy Nate Passwaters. Topics discussed and actions taken included the following: hiring Thomas Seaton as a landfill operator II, Zachary Parker as a maintenance supervisor and certain personnel matters with human resources; receiving legal advice from counsel; and performing administrative functions, including: an update from the Sheriff's Office, and board appointments.

Following a motion by Commissioner Mitrecic, seconded by Commissioner Purnell, the commissioners unanimously voted to adjourn their closed session at 10:07 a.m.

After the closed session, the commissioners reconvened in open session. Commissioner Bertino called the meeting to order, and following a morning prayer by Snow Hill Mennonite Church Pastor Brian King and pledge of allegiance, announced the topics discussed during the December 20, 2022 afternoon closed session and the January 10, 2023 morning closed session.

The commissioners reviewed and approved the open and closed session minutes of their December 20, 2022 meeting as presented.

The commissioners presented a proclamation recognizing January as Mentoring Month to Tyler Phillips of Big Brothers Big Sisters (BBBS) of the Eastern Shore. Mr. Phillips stressed the need for caring adult mentors to partner with BBBS and invited the public to take part in the next organization's Bowl for Kids' Sake fundraiser on March 19, 2023 at Ocean Lanes in Ocean City from 12:00 – 2:00 p.m.

Finance Officer Phil Thompson provided an overview of the State Department of Assessment and Taxation (SDAT) press release issued December 29, 2022 announcing that

property values rose by 20.6% following the 2023 reassessment of 779,573 residential and commercial properties Statewide in the Group 2 category, which in Worcester County represents 18% of the total assessable base and equates to a 30.8% total value increase. Mr. Thompson stated that this will result in a very modest overall increase of 3.9% or roughly \$6 million in property tax revenues to the County. To clear up any public confusion regarding the wording of this State press release, he advised that the percentage increase noted in the SDAT release is a total value increase, which will either be phased in over a three-year period or limited to a 3% increase per year for those who participate in the Homeowners Tax Credit program. Mr. Thompson stated that the County has the third lowest property tax rate, and this revenue accounts for approximately two-thirds of the overall County budget.

Pursuant to the recommendation of Budget Officer Kim Reynolds and upon a motion by Commissioner Elder, the commissioners unanimously accepted a grant of \$98,417 from the Governor's Office of Crime Control and Prevention to purchase 11 binocular night vision devices for the Sheriff's Office STAR Team.

Pursuant to the recommendation of Public Works Director Dallas Baker and upon a motion by Commissioner Mitrecic, the commissioners voted 6-1, with Commissioner Bertino voting in opposition, to approve the purchase of two 2023 Ford Explorers for two grant-funded Vulnerable Adult Task Force positions in the State's Attorney's Office, one at a cost of \$41,500 from Hertrich Ford of Pocomoke, and one for \$41,720 from Lindsay Ford of Wheaton, Maryland. In response to a question by Commissioner Bunting, State's Attorney Kris Heiser confirmed that if the grant is not renewed, the positions will be eliminated, and the vehicles will be returned to the County's motor pool.

Pursuant to the request of Ms. Heiser and upon a motion by Commissioner Mitrecic, the commissioners voted 6-1, with Commissioner Bunting voting in opposition, to utilize a \$50,000 Maryland Criminal Intelligence Network (MCIN) grant as follows: \$6,000 for overtime involving cases being investigated by the Maryland State Police, and \$44,000 as reimbursement to the General Fund for existing employee salaries.

The commissioners conducted a public hearing on the requested five-year Capital Improvement Plan (CIP) for FY24 - FY28. Budget Officer Kim Reynolds informed the commissioners and the public that the CIP is strictly a planning document the County will use in preparing future operating budgets, anticipating the future financial needs of the County, and identifying possible funding resources. Therefore, a project's inclusion in the CIP does not constitute a guarantee of future approval or funding from the County. She then reviewed the CIP and advised that projects totaling \$208,072,818 are proposed over the five-year period. Of these projects, \$34,585,765 or 16% is proposed to come from the Assigned Funds and \$120,655,353 or 58% from general bond funds. The remaining portion would come from grant funds, state match funds, user fees, assigned funds, private donations and enterprise bonds.

Commissioner Bertino opened the floor to receive public comment.

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

Upon a motion by Commissioner Purnell, the commissioners unanimously adopted Resolution No. 23-01 approving and adopting the Worcester County Five-Year Capital

Improvement Plan FY24 - FY28.

Pursuant to the request of Procurement Officer Nicholas Rice and Environmental Programs Director Bob Mitchell and upon a motion by Commissioner Elder, the commissioners unanimously awarded the best bid of \$1,478,000 for the Coastal Resiliency and Living Shoreline Project at Selsey Road to Shoreline Design.

In a related matter, pursuant to the request of Mr. Rice and Mr. Mitchell and upon a motion by Commissioner Elder, the commissioners unanimously accepted the proposal of \$30,000 from Coastline Design PC for construction inspection services for the Coastal Resiliency and Living Shoreline Project.

At the request of the commissioners, Recreation and Parks Director Kelly Rados provided an update on the synthetic ice rink following its December 2019 acquisition, including revenues, expenditures, usage, and noted that eight to 10 staff are needed to set up and take down the equipment. She also proposed implementing a rental fee for the rink. Ms. Rados confirmed that the rink is a service that Recreation and Parks offers to the community and it does not pay for itself.

Commissioner Bertino noted that the rink was promoted as a moneymaker for the County; however, promises that it would generate revenues of \$60,000 never panned out. In response to a question by Commissioner Bertino, Ms. Rados advised that the rink was set up at two separate locations in 2022. Commissioner Bunting stated that, when the former director had first presented a proposal to purchase the rink, he had told the commissioners that it would make money. Commissioner Mitrecic stated that recreation facilities and equipment were not designed to make money, but rather to provide opportunities to County youth and adults. He noted that, while it would be a disservice to the citizens to eliminate the rink, it would be wise to look at revising the fee structure for some activities and programs to more closely align revenues and expenditures. Commissioners Elder and Purnell concurred, noting that the rink provides area youth with opportunities to skate, and she opposed getting rid of the rink. Commissioner Elder noted that the commissioners should not compare the financials for this program to that of a business; however, he supported looking at opportunities to reduce costs.

Commissioner Abbott noted that there were only two events last year and asked Ms. Rados if she felt that the rink was a good use of manpower and hours. Ms. Rados advised that the longer setup in Snow Hill in December is a good use. She advised that the town operated the rink for half of the time and generated revenue, and the County operated the rink for the second half in conjunction with programs like Skate with Santa, Toys for Tots, and open skating during the Christmas break, which are nice community events for the southern end of the County. She noted that many of the children who participated in these events had never skated before.

Commissioner Fiori agreed that recreation is a service, not a business, but felt that the resources could be better allocated and have a much greater impact. Following some discussion and upon a motion by Commissioner Bunting, the commissioners voted 4-3, with Commissioners Abbott, Bertino, Bunting, and Fiori voting in favor and Commissioners Elder, Mitrecic, and Purnell voting in opposition, to task staff with determining the best course to either sell or donate the rink and determine where the cargo trailer can be used within the County.

At the request of the commissioners, Ms. Rados provided an update on the current status

of the five-year lease between the County and Thrive Engineering, LLC (licensee), which allows the Alyosha catamaran to occupy 64 feet of dock space along the bulkhead from the boat ramp to the Governor's Dock at the West Ocean City (WOC) commercial harbor, at an annual cost of \$8,500 annually, minus \$5,500 for County advertising space on the sails and corporate sponsorships. The agreement includes a clause allowing either party to cancel the agreement with a 90-day notice.

Commissioner Bunting stated that the dock should be available for use by recreational boaters, and allowing this use was wrong. Commissioner Mitrecic stated that he has received no complaints about this use. He stated that it does generate income, which could be used to pay the deficit on the ice rink. Commissioner Elder stated that it would be wrong to break the agreement, but he could support eliminating the County advertising. Commissioner Fiori stated that the Alyosha has affected the flow of the boat ramp and caused a delay in the loading and unloading of boats because there is nowhere to stage their vessels. He stated that the detriment to the boaters far outweighs the \$8,500 lease payment to the County, a payment that is pennies on the dollar when compared with what the owners of the Alyosha would be required to pay if they leased a commercial boat slip that could accommodate this size boat.

In response to a question by Commissioner Purnell, Chief Administrative Officer Weston Young stated that the County could prorate the lease fee if the commissioners opt to cancel the lease.

Upon a motion by Commissioner Bunting, the commissioners voted 5-2, with Commissioners Mitrecic and Purnell voting in opposition, to give Thrive Engineering, LLC, the operator of the Alyosha, the 90-day notice required to cancel the current agreement.

The commissioners reviewed and discussed various board appointments.

Upon a nomination by Commissioner Purnell, the commissioners unanimously agreed to reappoint Gregory Purnell to the Tourism Advisory Committee.

Upon a nomination by Commissioner Abbott, the commissioners unanimously agreed to reappoint Mickey Ashby to the Ethics Board.

Upon nominations by Commissioner Fiori, the commissioners unanimously agreed to reappoint Vonnie Brown and Mary White to the Social Services Board.

Upon nominations by Commissioner Elder, the commissioners unanimously agreed to reappoint Ed Phillips and Allen Hudson to the Agricultural Preservation Advisory Board, Tom Babcock to the Agricultural Reconciliation Board, Mark Bargar to the Building Code Appeals Board, Carl Smith to the Board of Electrical Examiners, George Dix to the Solid Waste Advisory Board, and Commissioner Diana Purnell to the Social Services Board.

Upon a nomination by Commissioner Bunting, the commissioners unanimously agreed to reappoint Eric Gray, Sue Abell-Rodden, and Colonel Doug Dods to the Drug and Alcohol Abuse Council.

The commissioners answered questions from the press, after which they adjourned to meet again on January 17, 2023.

Minutes of the County Commissioners of Worcester County, Maryland

January 17, 2023

Joseph M. Mitrecic, President
Theodore J. Elder, Vice President
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Following a motion by Commissioner Elder, 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) and (7) 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 Weston Young, Deputy Chief Administrative Officer Candace Savage, County Attorney Roscoe Leslie, Public Information Officer Kim Moses, Human Resources Director Stacey Norton, and Lieutenant Bob Trautman. Topics discussed and actions taken included the following: certain personnel matters with human resources; receiving legal advice from counsel; and performing administrative functions, including: an update from the Sheriff's Office, discussing potential board appointments, and receiving an FY23 monthly financial update.

Following a motion by Commissioner Mitrecic, seconded by Commissioner Bunting, the commissioners unanimously voted to adjourn their closed session at 10:02 a.m. to attend the Oath of Office ceremony for the members of the Board of Education.

The commissioners reconvened in open session at 11:30 a.m. Commissioner Bertino called the meeting to order, and following a morning prayer by Davida Washington of Development Review and Permitting and pledge of allegiance, announced the topics discussed during the morning closed session.

Upon a motion by Commissioner Purnell, the commissioners unanimously approved by consent agenda item numbers 1-4 as follows: bid specifications for the rehabilitation of two, single-family homes in the Snow Hill and Pocomoke areas; the low bid of \$32,192 from Atlantic Pumping, Inc. for portable toilet services at various County locations; an application to recertify the Maryland Agricultural Land Preservation Program through June 30, 2028; Maryland Agricultural Land Preservation matching funds of \$75,000 for easement acquisition program.

The Commissioners met with Finance Officer Phil Thompson and Chris Hall of TGM Group, LLC, Certified Public Accountants to review the County's Annual Comprehensive Financial Report (ACFR) for the Fiscal Year ending June 30, 2022. Mr. Thompson stated that this is the most important financial document the County produces each year, and it is placed on file with the federal clearing house, the State of Maryland, and many other entities the County

does business with. He then reviewed the contents of the document and advised that the greatest change in the FY22 report is the impact on the Other Post-Employment Benefits (OPEB) liability for General Government, which decreased by more than \$22.47 million and effectively became an asset totaling \$13.3 million in FY22. Similarly, the OPEB liability for the Board of Education (BOE) decreased from \$427.8 million in FY21 to \$151 million at the end of FY22. The total OPEB liability decreased by almost \$300 million in FY22, making the County's funding goals more realistic and attainable than ever before.

Mr. Thompson then announced that the County was awarded the Certificate of Achievement for Excellence in Financial Reporting for the fourteenth consecutive year by the Government Finance Officers Association (GFOA) of the United States and Canada for its ACFR for FY21. 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, Deputy Chief Administrative Officer Candace Savage, Budget Officer Kim Reynolds, Deputy Finance Officer Jessica Wilson, Tax Manager Michelle Carmean, and Enterprise Fund Controller Barbara Hitch for their contributions to the creation of this document.

Mr. Hall reviewed the Independent Auditors' Report, issuing Worcester County an unmodified opinion, which represents the highest assurance TGM can give. He then reviewed the Independent Auditor's Report and other areas of the ACFR. He commended the County's financial team for the job they do and for partnering with TGM auditors to complete this project. The commissioners thanked Mr. Hall and his team for all their work.

The commissioners met in legislative session.

The commissioners conducted a public hearing on Bill 23-01 (Emergency Services – General Provisions), which was introduced by Commissioners Bertino, Bunting, Abbot, Elder, Fiori, Mitrecic, and Purnell on December 20, 2022. Development Review and Permitting Director Jennifer Keener reviewed the bill, which would amend the Public Safety Article to include a provision for the naming of a private lane and installation of signage when it is to be served by three or more buildable lots, and to clarify the responsible party for any costs associated. Public Hearing on Electrical Standards Bill 23-02

Commissioner Bertino opened the floor to receive public comment.

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

Upon a motion by Commissioner Bunting, the commissioners unanimously adopted Bill 23-01 as presented.

The commissioners conducted a public hearing on Bill 23-02 Electrical Standards, which was introduced by Commissioners Bertino, Bunting, Abbot, Elder, Fiori, Mitrecic, and Purnell on December 20, 2022. Ms. Keener reviewed the bill, which would repeal and reenact this subtitle for consistency with the Maryland Electricians Act as revised and adopted by the Maryland General Assembly during the 2021 and 2022 legislative sessions.

Commissioner Bertino opened the floor to receive public comment.

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

Upon a motion by Commissioner Bunting, the commissioners unanimously adopted Bill 23-02 as presented.

Commissioner Bertino closed the legislative session.

Pursuant to the request of Procurement Officer Nicholas Rice and upon a motion by Commissioner Bunting, the commissioners unanimously awarded the low bid of \$108,247.85 from Lane Enterprises, Inc. for the purchase of corrugated metal and plastic pipe for the Roads Division of Public Works.

Pursuant to the request of Mr. Rice and upon a motion by Commissioner Bunting, the commissioners unanimously authorized the ordering and purchasing of the following vehicles from Hertrich Fleet, the sole bidder: \$30,164 for a compact SUV for Development Review and Permitting; \$48,215 for one ¾-ton 4x4 full-size, double extended cab pickup truck for Emergency Services; \$57,748 for one ¾-ton full-size pickup truck with plow for the Maintenance Division, and \$63,688 for one ¾-ton full-size double/extended cab pickup truck with plow for the Roads Division of Public Works. Mr. Rice stated that each vehicle's pricing came in over the approved budget amount due to supply chain shortages and related issues; however, staff found savings in other areas of their budgets to cover the overages. Commissioner Bertino thanked staff for identifying funds within their departmental budgets to cover these costs.

Pursuant to the recommendation of Chief Administrative Officer Weston Young and upon a motion by Commissioner Mitrecic, the commissioners unanimously agreed to seek support from the other Eastern Shore Code Home Rule Counties for enabling legislation granting the Eastern Shore Code Home Rule Counties the authority to increase the hotel room tax from five percent to a maximum of six percent. Mr. Young stated that a year ago the commissioners endorsed a request from the Ocean City Mayor and Council for this legislation. He advised that since that time, the County was informed that they would need support from the other Eastern Shore Code Home Rule Counties to introduce this legislation. In response to a question by Commissioner Bunting, Mr. Young confirmed that this is strictly enabling legislation, and if passed, it would require a unanimous vote from the commissioners to raise the room tax rate.

The commissioners reviewed and discussed various board appointments.

Upon a nomination by Commissioner Bunting, the commissioners unanimously agreed to reappoint Debbie HILEMAN to the Housing Review Board.

Upon a nomination by Commissioner Fiori, the commissioners unanimously agreed to appoint Ivy Wells to the Local Development Council for the Ocean Downs Casino.

Upon a nomination by Commissioner Abbott, the commissioners unanimously agreed to appoint the 18 youth selected by the Health Department to the Worcester County Youth Council.

Following concerns raised by Commissioner Mitrecic, the commissioners unanimously agreed to send a letter of concern to Representative Andy Harris regarding the seismic testing taking place off the Atlantic Coast, which could be responsible for the growing number of recent whale deaths.

In follow up to their January 10, 2023 discussions about the Alyosha, Commissioner Mitrecic noted that it costs roughly \$7,200 annually to lease a 100-foot boat dock capable of housing up to two vessels at the West Ocean City commercial harbor, so the Alyosha's lease was

considerably higher. He then reviewed the Alyosha's 2022 operations, including its participation in the County's annual Harbor Day at the Docks festival.

The commissioners answered questions from the press, after which they adjourned to meet again on February 7, 2023.