

Minutes of the County Commissioners of Worcester County, Maryland

August 1, 2017

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

Following a motion by Commissioner Bertino, seconded by Commissioner Purnell, 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 Article of the Annotated Code of Maryland and to perform administrative functions. Also present at the closed session were Harold L. Higgins, Chief Administrative Officer; Kelly Shannahan, Assistant Chief Administrative Officer; Maureen Howarth, County Attorney; Kim Moses, Public Information Officer; and Stacey Norton, Human Resources Director. Topics discussed and actions taken included: hiring Kristi Marsh as an Environmental Health Specialist Trainee for Environmental Programs; posting to fill vacancies for a Communications Clerk Trainee in Emergency Services, a Recreation Program Manager II for Recreation and Parks, and a Roads Worker II for the Roads Division of Public Works; acknowledging the hiring of Karen Earp as a full-time Library Services Assistant II and the transfer of Frank DeLucco from Store Manager within the former Department of Liquor Control to Library Assistant I within the Ocean Pines Branch Library; agreeing to pay standard overtime rates for Sheriff's Deputies assigned to private security detail; receiving legal advice from counsel; and performing administrative functions.

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

The Commissioners reviewed and approved the open and closed session minutes of their July 18, 2017 meeting as presented.

The Commissioners met with Economic Development Director Merry Mears, Maryland Stadium Authority (MSA) Senior Project Manager Al Tyler, and Crossroads Consulting Services, LLC Principal Susan Sieger to review and discuss the findings of a Phase II economic analysis to further determine the feasibility of a proposed new outdoor sports field complex in Worcester County. Mr. Tylor advised that, while the Phase 1 study released in February 2017 concluded there is relatively limited market demand for an arena/ice rink in the County, there is market demand here for an outdoor sports field complex that offers a critical mass of multi-purpose, rectangular fields to be used primarily for tournaments, with recreational leagues for secondary purposes. Thus, with the approval of the Commissioners, the MSA proceeded with the

Phase 2 study for the outdoor sports field complex. The Phase 2 study contains an economic and physical programming analysis that profiles 15 comparable outdoor sports facilities in terms of ownership/management structure, building program elements, event activities, financial operations, operating strategies, and estimates the economic impacts in terms of spending, employment, and earnings associated with on-going operations of the complex. He recognized that the County, Ocean City, and Wicomico County work collaboratively through the Mid-Atlantic Amateur Sports Alliance (MAASA) and with Maryland Sports to market and leverage their combined assets to attract visitors for sporting events, especially in non-peak months. He concluded that the study findings support the assertion that an outdoor sports field complex would increase the County's existing ability to host these types of multi-sport, multi-day, State, regional, and national tournaments, and competitions, while supporting the County's overall economic growth initiatives.

Ms. Sieger reviewed a PowerPoint summarizing the economic analysis for the proposed new outdoor sports complex in the County, including the following: driving focus of the study, work plan, programming recommendations, general site requirements, key operational assumptions, estimate of annual tournament activity, financial operations and incremental new economic impacts, other qualitative economic benefits, and potential next steps. The study reviewed developing a minimum of eight tournament-quality, multipurpose, rectangular fields for events such as soccer, lacrosse, and rugby; space to accommodate future expansion; sufficient on-site parking; and supporting infrastructure throughout the complex. General site requirements call for a minimum of 40 acres, with 32 acres for fields and eight acres for parking. Key operation assumptions begin with the County owning and operating the facility through the Department of Recreation and Parks; 4 to 5 new full-time staff to operate and maintain the complex; aggressive marketing; a high-level of quality customer service; optimal operations if there are no other similar, competing facilities in the region; need for hotels to actively support sports tourism initiative; and no major economic fluctuations or acts of nature that could adversely impact project dynamics. Ms. Sieger also reviewed the estimated annual tournament activity in a stabilized year from March 1 to November 30, with approximately 90% of event activity to be new to the County and 75% new to the State. Estimated annual financial operations during a stabilized year would result in an operating deficit of \$136,000 to \$155,000, with expense planning needed to include replacing artificial turf every eight to 15 years. Estimated annual incremental new economic impacts, however, would result in direct spending of \$18.9 to \$23.3 million, indirect spending of \$13.8 to \$17.1 million, 320 to 400 new jobs, total earnings of \$12 to \$14.8 million, local tax revenues of \$446,000 to \$551,000, and State tax revenues of \$1.9 to \$2.4 million. Ms. Sieger also reviewed other qualitative economic benefits and potential next steps in the development planning process. Ms. Sieger concluded that such a complex should be located within 10 miles of a critical mass of supporting infrastructure, such as hotels, restaurants, retail, entertainment, and vehicular access, as are prevalent in the resort town of Ocean City and West Ocean City, which may also result in extended stays.

In response to questions by Commissioner Bunting, Ms. Sieger advised that the study does not include a funding strategy to address the projected \$136,000 annual operating losses of the complex, which could be reduced or eliminated by taking on a private partner and ceding control to allow them to devise strategies, with the end goal to turn a profit. She also confirmed that the projected job creation includes 4 to 5 full-time County employees dedicated to operating and maintaining the sports field complex, with roughly 360 private-sector jobs created to support

the demand for services generated by the complex. With regard to next steps, Mr. Tyler advised that the MSA does not advocate for or against projects, and their sole purpose here today is to inform the Commissioners of the costs and potential benefits of such a project to the County and State. However, if the Commissioners choose to proceed further in this process, the next step would be to undertake a Step II of the Phase II study, which would cost roughly \$400,000, once a suitable property is identified, to develop design plans and do their due diligence, with regard to utilities, traffic, archeological studies, and construction cost estimates. He advised that such a study would not include planning for future capital improvement costs, such as replacing the artificial turf and lighting every eight to 15 years at an average cost of \$500,000 per field.

Commissioner Mitrecic thanked Mr. Tyler and Ms. Sieger for their presentation. He stated that the County's economy is based on agriculture, which continues to grow, and tourism, which is reaching a critical mass, and sports-oriented tourism is the future of tourism. For example, he pointed out that 380 sports teams were attracted to the area for the United States Specialty Sports Association (USSSA) Fastpitch Softball World Series in July, and those players brought their families who stayed in area hotels, ate in area eateries, and shopped in area stores, and many of these people extended their stays to spend a few days enjoying the amenities that are available here. He concluded that he could envision such an endeavor as a public-private partnership, but not solely as a County project. Furthermore, he could not advocate with the MSA for turf fields, which are extremely costly to replace, hold heat, and can reach temperatures that are hot enough to melt the spikes on girls' cleats. In response to a question by Commissioner Mitrecic, Mr. Tyler stated that the County could seek funding from the State or a private entity to help fund a Step II study. He further stated that the final cost would depend upon the site selected and the infrastructure already available to that site.

In response to questions by Commissioner Bertino, Mr. Tyler advised that the current Phase II study is meant to serve only as a high-level planning tool, and the next study would focus on the actual cost to construct such a project, with total project costs likely to range between \$25 to \$30 million, not including land acquisition. Ms. Sieger advised that the State is aware that there are neighboring jurisdictions exploring the feasibility of developing similar projects, and if such projects were developed they would negatively impact the economic viability of such a project in Worcester County. Commissioner Bertino thanked them for the information and reiterated that the Commissioners have made it clear from the start that they were not planning to take this on as a public project.

In response to concerns raised by Commissioner Lockfaw, who pointed out that visitors come from all over the world to witness the annual pony penning in Chincoteague, Ms. Sieger advised that polls indicate that, regardless of where visitors hail from, once here 88% are only willing to travel up to 10 miles for hotels, food, and entertainment.

In response to a question by Commissioner Purnell, Ms. Mears advised that there are great risks associated with such a project, including the possibility that another jurisdiction may develop a similar, competing project; however, due to the proximity to the beach, Worcester County is ideally suited to provide such a complex, and the anticipated annual direct local tax revenues of \$500,000 would more than offset the projected annual losses of \$136,000.

Following much discussion, Commissioner Bunting thanked Mr. Tyler and Ms. Seiger for their presentation.

The Commissioners presented a proclamation to Social Services Director Roberta

Baldwin, Assistant Director Dawn Jones and their team of child welfare professionals in the Child Support Unit to recognize August as National Child Support Awareness Month and to thank them for ensuring that children in Worcester County are provided the financial support they deserve. Ms. Baldwin praised her 10-member staff, who manage 1,600 active child support cases.

Pursuant to the recommendation of Budget Accountant Kim Reynolds and a request from Ms. Baldwin, and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Commission President Bunting to sign the FY18 Maryland Department of Housing and Community Development (DHCD) Rental Allowance Program (RAP) grant application and agreement for a grant of \$40,000.

Pursuant to the request of Health Officer Becky Jones and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Commission President Bunting to sign the FY18 Unified Funding Document (UFD) through the Maryland Department of Health and Mental Hygiene (DHMH), awarding \$7,821,636 to the Health Department as of July 1, 2017. Ms. Jones advised that this represents a decrease in State funding of \$460,014 from FY17.

Pursuant to the request of Ms. Jones and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the lease agreement between the Joan W. Jenkins Foundation, Inc. (lessor) and the County Commissioners of Worcester County, Maryland (lessee) for Health Department addictions and behavioral health services to lease space in the Worcester Addictions Cooperative Services (WACS) Center in West Ocean City for five years beginning June 15, 2017 and ending June 14, 2022, with additional extensions thereafter. The lease cost increased from \$44,592, which has been in place since 2008, to \$51,000 annually and includes a one percent annual escalator cost and automatic renewals for five successive five-year terms for a total of up to 30 years through June 14, 2047, which may be cancelled by either party with ninety days written notice prior to the start of a renewal period.

Commissioner Bunting thanked Health Department officials and Buddy Jenkins, owner of the Joan W. Jenkins Foundation, for their combined efforts to rehabilitate individuals striving to overcome drug and alcohol addictions. Mr. Jenkins advised that the WACS Center is a unique model in the State and credited the success of this 24/7 operation to the inclusion of three programs for all clients within the center as follows: addictions and behavioral health services; a variety of fellowship meetings; and internal boards, committees, projects, and programs that clients serve on, which provides them with a sense of responsibility and establishes a new social structure designed to remove them from prior social settings where relapses are most likely to occur. He stated that more than 50,000 people annually take part in programs at the WACS center. The Commissioners thanked Mr. Jenkins for providing a facility and services that help substance abusers overcome their addictions and go on to lead productive lives.

Pursuant to the recommendation of Budget Officer Kathy Whited and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the State of Maryland Supplemental Lease Agreement to extend the existing lease agreement for space that the State Department of Assessments and Taxation (SDAT) leases

from the County at a cost of \$5,115.24 per month through September 30, 2022. This lease reflects an increase from the prior monthly lease cost of \$4,820.39.

Pursuant to the recommendation of Environmental Programs Director Bob Mitchell and upon a motion by Commissioner Purnell, the Commissioners voted 6-1 with Commissioner Elder voting in opposition, to authorize Commission President Bunting to sign the final Agreement of Sale between Shirley W. Pilchard and Gary Pilchard (Seller) and the County Commissioners of Worcester County, Maryland (Buyer) for the purchase of a Rural Legacy easement at a cost of \$1,707 per acre for a total purchase cost of \$486,341 on approximately 281.94 acres located on the easterly side of Betheden Church Road in Pocomoke. Mr. Mitchell stated that this contract replaces the original Agreement of Sale approved and signed by the Commissioners on November 15, 2016, which could not be fully executed prior to its expiration on July 28, 2017, due to survey work and ownership trust issues.

Commissioner Elder stated that State officials should eliminate this program, as it discriminates against land owners with less acreage, making them ineligible for consideration; eliminates subdivision rights, thereby reducing or eliminating future property tax revenues; and pays huge sums of money to landowners to protect private properties to which the public has no access. He concluded that the public and the County would be better served if these funds were funneled to local jurisdictions through other programs, like the Maryland Department of Natural Resources (DNR) Program Open Space (POS) for the acquisition and development of public parks, or other programs, which provide land that citizens can actually use.

Pursuant to the recommendation of Mr. Mitchell and upon a motion by Commissioner Lockfaw, the Commissioners voted unanimously to renew the Independent Contractor's Agreement between Shockley Environmental Services (Bobby Shockley) and Worcester County for the review and recommendation of approval, denial, or revision of Stormwater Management (SWM) Plans and applications for exceptions and waivers as assigned by the County for a two-year period through June 30, 2019, with the contractor to receive 95% of the SWM fees collected by the County.

Pursuant to the request of County Engineer Bill Bradshaw and upon a motion by Commissioner Elder, the Commissioners unanimously approved Change Order No. 1, with Whiting-Turner, for the Berlin Branch Library construction project for the following four items: remove and replace unsuitable subgrade soils on the project site at an additional cost of \$24,510; install stone outfall protection for stormwater management at an additional cost of \$4,009; a product change for windows and exterior door materials for a cost reduction of \$24,000; and a product change for the security CCTV system for a cost reduction of \$13,450. Mr. Bradshaw advised that these changes will decrease the overall project cost by \$8,931. Commissioner Elder thanked Mr. Bradshaw for identifying cost-savings to reduce project costs.

Pursuant to the recommendation of Development Review and Permitting Director Ed Tudor and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to schedule public hearings on November 7, 2017 for four applications that were submitted on behalf of Mac and Joan Jenkins and three other property owners who submitted applications on the same date by Attorney J. Carroll Holzer to rezone land located on the easterly side of Ayres

Creek, to the south of MD Rt. 376 and west of MD Rt. 611 in the Tenth Tax District of Worcester County, Maryland, from E-1 Estate District to R-1 Rural Residential District as follows. Rezoning Case No. 409 (Mac Dean Jenkins and Joan Jenkins) seeks to rezone approximately 20.1 acres located to the west side of MD Rt. 611, south of MD Rt. 376, and more specifically identified as Lots 1, 2A and 2B of Parcel 338 on Tax Map 33. Rezoning Case No. 410 (Raymond and Jean Shanley) seeks to rezone approximately 5.128 acres of land located to the west of MD Rt. 611, south of MD Rt. 376, and more specifically identified as Lot 2C of Parcel 338 on Tax Map 33. Rezoning Case No. 411 (Donald and Deborah Bounds) seeks to rezone approximately 1.34 acres of land located at the westerly terminus of Raccoon Lane, to the south of MD Rt. 376, and more specifically identified as Parcel 211 on Tax Map 33. Rezoning Case No. 412 (William Waterman, II) seeks to rezone approximately 1.22 acres of land located at the westerly terminus of Raccoon Lane, to the south of MD Rt. 376, and more specifically identified as Parcel 190 on Tax Map 33. Mr. Tudor advised that the four applications received a favorable recommendation from the Planning Commission, and he explained that November 7 is the first available date that all applicants will be available to attend.

The Commissioners met with Public Works Director John Tustin to review the staff request to terminate the lease for the potential Mystic Harbour water tower at the Ocean City Baptist Church (OCBC) property. Mr. Tustin advised that in November 2007 the Commissioners, as the governing body of the Mystic Harbour Sanitary Service Area (SSA), entered into a 99-year lease agreement with the OCBC for a parcel of land behind the White Marlin Mall to be used as a site for a proposed new water tower to serve areas north of U.S. Rt. 50. However, the tower was never constructed. Since that time, the County constructed a waterline interconnection between the Mystic Harbour, The Landings, and Assateague Pointe SSAs, and the next logical project is to provide additional water storage to this area by extending the interconnection to the Riddle Farm SSA, making another 400,000 gallons of stored water available. He concluded that, based on the interconnection projects, there is no longer a need for an additional water tower on the subject property, and he suggested terminating the lease agreement, in accordance with the terms of the agreement, by providing 180 days notice and paying the lease payment for 180 days thereafter at a cost of approximately \$13,926, which would save the County future lease payments.

Commissioner Mitrecic made a motion to terminate the lease, after which Commissioner Bertino made a motion that passed unanimously to table further discussions on Commissioner Mitrecic's motion until Emergency Services Director Fred Webster can advise them whether the County should continue the lease and perhaps utilize this property as an alternate tower site to improve emergency radio communications coverage.

Mr. Tustin met with the Commissioners to review the findings from Whiting-Turner Contracting Company that the County could save \$52,822 in repair and operating costs by removing the two leaking masonry chimneys down to the roofline at the Ocean Pines Branch Library. At their May 16, 2017 meeting, the Commissioners accepted a proposal from Whiting-Turner to provide design phase services for this project.

Upon a motion by Commissioner Lockfaw, the Commissioners unanimously agreed to remove the chimneys.

The Commissioners recessed for five minutes.

The Commissioners met with Emergency Services Director Fred Webster who advised that the project to improve public safety communication needs in the West Ocean City (WOC) area is too far along in the process to amend plans to include the OCBC site, as a potential location for a communications tower. He stated that doing so would require re-engineering plans for the entire system and microwave path from Ocean City to the Maryland State Police (MSP) Barracks in Berlin to the west and to Central Site Lane in the south, causing major project delays and cost escalation and jeopardizing the operational abilities of the entire system as well. However, he thanked them for having the foresight to consider such an option before discontinuing the lease for this site.

Upon a motion by Commissioner Mitrecic, the Commissioners voted unanimously to discontinue the lease with OCBC as recommended by Mr. Tustin.

The Commissioners answered questions from the press, after which they adjourned to meet again on August 15, 2017.