

Minutes of the County Commissioners of Worcester County, Maryland

January 6, 2015

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

Following a motion by Commissioner Bertino, seconded by Commissioner Lockfaw, 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and George Bradley, Human Resources Director. Topics discussed and actions taken included: filling critical vacant positions, including hiring Vincent Esposito, Connor Hudson, Katelyn Selby and Joshua Pruitt as Communications Clerk Trainees within Emergency Services; denying a request to fill a vacant Landfill Operator II position within the Solid Waste Division of Public Works; acknowledging the hiring of Larry Hall as a part-time, fill-in School Crossing Guard within the Sheriff's Office; appointing Alan Hudson and reappointing Ed Phillips to the Agricultural Preservation Advisory Board; appointing Tom Babcock and reappointing Dean Ennis to the Agricultural Reconciliation Board; appointing Mickey Ashby and Faith Mumford to the Ethics Board; reappointing Eloise Henry Gordy and Andrea Watkins to the Initiative to Preserve Families Board (Local Management Board); appointing Nancy Howard to the Shoreline Commission; reappointing James Rosenberg to the Solid Waste Advisory Committee; reappointing James Spicknall to the Water and Sewer Advisory Council for the Ocean Pines Service Area; appointing Hope Carmean to the Commission for Women; 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 minutes of their December 16, 2014 meeting as presented.

The Commissioners presented a proclamation recognizing January as National Mentoring Month to Samantha Hill of Big Brothers/Big Sisters (BBBS) and encouraged mentoring partnerships, like BBBS, which help children build confidence, gain knowledge and develop the

strength of character needed to succeed both in and out of the classroom. They recognized that young people with mentors are more likely to have higher school attendance, greater self-esteem and are more likely to pursue higher education, and they encouraged area residents to consider becoming mentors.

Public Works Director John Tustin and Darl Kolar and Laura Oakes of EA Engineering, Science, and Technology, Inc. PBC, provided the Commissioners with an overview of the Worcester County Solid Waste Program. Also in attendance at the meeting were Solid Waste Manager Mike Mitchell and Recycling Manager Ron Taylor. The update included information regarding program goals, background, daily operations and reporting requirements, regulatory involvement, environmental compliance regarding landfill gas, air permitting and groundwater monitoring, the new leachate storage tank, recycling facility and cost savings approaches.

In response to questions by Commissioner Bertino, Mr. Kolar stated that EA Engineering meets with Maryland Department of the Environment (MDE) staff regularly, and it is his hope that the new State administration will seek to work cooperatively with Maryland jurisdictions to seek compliance, as opposed to issuing heavy fines for minor violations. With regard to groundwater monitoring wells, Mr. Tustin stated that the County budgets \$50,000 annually to monitor groundwater at the Central Landfill in Newark in accordance with MDE monitoring requirements. In response to questions by Commissioner Mitrecic, Mr. Kolar stated that materials from the dredging of federal navigation waters off the coast of Ocean City, Maryland could potentially be used as cover at the Central Landfill, subject to meeting MDE requirements, such as dewatering to reduce moisture content. Mr. Tustin stated that dredge materials recovered from the Ocean City Harbor were mixed with clean earth from the Langmaid Road Borrow Pit and are currently being used as cover at the Central Landfill. Commissioner Mitrecic stated that the Ocean City dredging project will be ongoing over the course of the next decade and suggested County staff meet to discuss pursuing the use of the dredge material at the Central Landfill. In response to a question by Commissioner Bunting, Mr. Kolar stated that, with the closing of the Berlin Rubble Fill, the site is no longer permitted to receive construction debris. Mr. Tustin stated that the County has two years to complete the cap and closure project, but that yard waste is still permitted at the site, and staff is working to identify a suitable area at the current site to continue providing this service to the public once the cap and closure project begins.

In a related matter, Mr. Tustin stated that all required permits pertaining to the construction of Cell 5 have been submitted to MDE for approval, with a public hearing to take place in spring 2015 and construction anticipated to begin in fall 2015.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the proposals from EA Engineering for Groundwater Monitoring and Analytical Services at the Central Landfill Facility for the calendar years 2015-2016 at a lump sum cost of \$88,100.86, and Groundwater Monitoring and Analytical Services for six Shallow Wells (recently installed as directed by MDE) at the Central Landfill Facility for the calendar years 2015-2016 at a lump sum cost of \$16,772.06. In response to a question by Commissioner Bertino, Mr. Tustin stated that the County's history with a particular contractor does not preclude them from seeking competitive bids in most instances, but that in meeting regulatory requirements at the Central Landfill, he recommended retaining EA

Engineering, which has an extensive working knowledge of Landfill operations. He advised that he feels confident EA Engineering is providing the best service and fair pricing. Assistant Chief Administrative Officer Kelly Shannahan stated that EA Engineering's current proposal is nearly \$2,000 less than their current contract for these same services for the calendar years 2013-2014. Commissioner Lockfaw questioned whether the County was being fair to other potential bidders by failing to place this work out to bid. Commissioner Mitrecic stated that sometimes specific expertise, as in this case, is critical to success and unwise to bid. Following some discussion, Mr. Tustin agreed that, when it is time to renew this contract, he would provide the Commissioners with a price comparison of groundwater monitoring and analytical services in nearby jurisdictions to assure the County continues to receive the most competitive pricing and expert service possible.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously awarded the low bid for the purchase of corrugated metal pipe to be utilized by the Roads Division of Public Works to Lane Enterprises, Inc. of Bealeton, Virginia at a total delivered price of \$22,177.28.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously awarded the low bid for the purchase of one 2016 International Model 7300 with Godwin Body Dump Truck for use within the Water and Wastewater Division of Public Works to Barr International, Inc. of Salisbury, Maryland at a total delivered price of \$91,710.74. Mr. Tustin stated that, while all vehicle bids did not meet all of the technical specifications listed in the bid packet, the low bid from Barr International met the intended needs of the Water and Wastewater Division at the lowest price.

Commissioner Bertino commended Water and Wastewater staff for responding promptly to a request from an Ocean Pines resident to repair a sewer backup and for returning the next day to assure that the repair had resolved the issue.

The Commissioners agreed to postpone discussions on the request for Injection Well Relocation on the VanVonno Property in the Mystic Harbour Service Area at the request of the VanVonno's attorney, Hugh Cropper, who was scheduled to be in court this morning and would therefore be unable to attend the Commissioners' meeting.

The Commissioners met with Development Review and Permitting Director Ed Tudor to discuss the Town of Pocomoke City's proposed Annexation Resolution A-14-01. Mr. Tudor informed the Commissioners that, by virtue of the above-referenced Annexation Resolution, the Town of Pocomoke City is proposing to annex approximately 10.01 acres located on the westerly side of U.S. Rt. 13 to the south of its junction with Old Virginia Road and identified on Tax Map 92 as Parcel 30, which is presently occupied by Shore Disposal, Inc./Waste Management facilities. Mr. Tudor stated that the property proposed for annexation is zoned C-2 General Commercial District, and the town is proposing to rezone the property to B-2 Commercial zoning upon annexation, which will not allow uses substantially different than the County's Comprehensive Plan and with existing zoning and land use in the area. He advised that, while some of the town's documents refer to the property as Parcels 33 and 122, the Annexation Plat

and Legal Description show it to be Parcels 30 and 122, and the State Department of Assessment records refer to the property as Parcel 30, apparently having combined the two properties. He stated that the proposed annexation is consistent with the land uses recommended by the Comprehensive Plan and with existing zoning and land use in the area; therefore, no further action is required on the part of the County Commissioners. Following some discussion, the Commissioners unanimously agreed to send a letter to the Town of Pocomoke City concurring with the rezoning upon annexation of the subject property.

The Commissioners met with Economic Development Director Bill Badger to discuss the close-out of the Maryland Community Development Block Grant (CDBG) Grantee-Employer Agreement between the County Commissioners of Worcester County, Maryland (Grantee) and Hardwire, LLC (Employer), since all the terms and conditions of the October 26, 2006 grant have been satisfactorily completed. Mr. Badger stated that the County received a \$450,000 CDBG from the Maryland Department of Housing and Community Development (DHCD) in March 2004 to acquire and demolish the then vacant, 117,000-square-foot Campbell Soup industrial building, situated on a 9.6-acre industrial site located at 1947 Clark Avenue in Pocomoke City. Mr. Badger stated that the grant between the County and DHCD was amended in October 2006 to permit the property to be transferred to Hardwire, LLC, an employer that agreed to develop the property to manufacture military defense products for governmental and commercial use. Following some discussion and upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized Commission President Bunting to sign a letter formally acknowledging the termination of the Grantee-Employer Agreement and authorizing Assistant Chief Administrative Officer Kelly Shannahan, in his capacity as a trustee, to sign the Release of Deed of Trust.

The Commissioners met with Environmental Programs Director Bob Mitchell to review a request to reallocate Equivalent Dwelling Units (EDUs) within the Pines Plaza Commercial Sanitary Service Area (SSA). Mr. Mitchell stated that, with the passage of Resolution No. 13-22 on November 5, 2013, the Pines Plaza Shopping Center was allocated 64 EDUs of the total 125 EDUs, with property owners to connect to the new water and sewer system upon completion. In that resolution, the proposed construction costs for the Phase One improvements were paid by the County General Fund and were to be repaid by the benefitting property owners upon connection. Mr. Mitchell stated that the Pines Plaza Shopping Center has since been sold, and the new property owner has requested the number of EDUs be reduced from 64 EDUs to the 24 EDUs currently being utilizing plus one additional EDU for a planned expansion of an existing tenant to bring the total to 25 EDUs. This would leave 39 EDUs to be made available to other users within the Pines Plaza Commercial SSA on a first-come, first-serve basis. Mr. Mitchell advised that on February 18, 2014 the County Commissioners conceptually approved the potential EDU allocation, with the understanding that a formal request would be forthcoming in open session after ownership of the property was transferred. Mr. Mitchell suggested that any approved reduction should be conditioned upon receipt of the balance of the \$132,500 up front local share of construction costs for the allotted 25 EDUs. In response to a question by Commissioner Bertino, Mr. Mitchell stated that the new owner recently paid all outstanding operation and maintenance costs, but that to date they still have not paid the up front local cost of construction.

He stated that the County could discontinue water and wastewater services for nonpayment. County Attorney Sonny Bloxom stated that the County could send a letter advising the property owner that the outstanding balance must be paid in full within 30 days or a lien would be placed on the property. Commissioner Elder stated that turning off the water would punish the tenants who are paying their bills rather than the property owner who is in arrears; therefore, he favored placing a lien on the property if the owner fails to pay the up front local share within 30 days. In response to a question by Commissioner Mitrecic, Mr. Mitchell stated that property owners preparing to open a new drug store in the SSA have already paid their EDU costs.

Following some discussion and upon a motion by Commissioner Bertino, the Commissioners conditionally approved the requested reduction to 25 EDUs, with the remaining 39 EDUs to be reallocated for use by other commercial property owners in the service area, contingent upon payment in full of the local construction cost share within 30 days, with failure to do so resulting in the placement of a lien against the property and that property to be sold at the next County Tax Sale. Mr. Bloxom further suggested the letter be copied to the tenants of the Pines Plaza Shopping Center.

Pursuant to the recommendation of Mr. Mitchell and upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized Commission President Bunting to sign two revised Agreements of Sale for the purchase of two Conservation Reserve Enhancement Program (CREP) easements at no cost to the County as follows: to extend the agreement of sale with Billie Jackson Richardson to March 31, 2015, and to extend the agreement of sale with David M. Bradford and Nancy K. Bradford to April 30, 2015 due to delays in State processing.

The Commissioners reviewed a letter from Jordan R. Loran, P.E., Director of Engineering and Construction for the Maryland Department of Natural Resources (DNR) advising that, in accordance with the joint agreement and financing plan for the Ocean City Beach Replenishment and Hurricane Protection Project dated January 8, 1987 and amended June 13, 1990, the total Annual Maintenance Fund Contribution payment due December 15, 2014 to DNR from Worcester County amounts to \$137,546.47. The reduced contribution of \$250,000 was further reduced by interest of \$112,453.53 that accrued in the Maintenance Fund from October 1, 2011 to September 30, 2014. Mr. Loran advised in his letter that the reduced annual contribution amount is due to two factors: 100% of the cost of the recent beach nourishment project, completed December 2013, was covered by the federal government because of damage Hurricane Sandy caused to the beach; and the current balance of the Maintenance Fund is sufficiently close to the fund cap contained in the financing agreement between the State, Town of Ocean City and Worcester County to allow the partners a reduced contribution for the current fiscal year.

The Commissioners met with Budget Accountant Kim Watts to review the requested five-year Capital Improvement Plan (CIP) FY16 - FY20. Ms. Watts advised the Commissioners that projects totaling \$105,636,416 are proposed over the five-year period. She stated that, of the proposed projects, \$12,265,000 or 11.61% is proposed to be funded by the General Fund and \$56,260,374 or 53.26% from bond funds. The remaining portion would be funded by user fees, grant funds, State match funds, State loans, enterprise fund bonds or a local bank loan. Chief Administrative Officer Harold Higgins reminded the Commissioners that the CIP is strictly a

planning document, and a project's inclusion in the CIP does not constitute funding approval. Rather, each project will be considered and if approved would be refined as details come to light and as projected revenues are known. Priority projects would be given approval to move forward with more detailed planning. He further advised that he instructed the department heads to estimate costs for CIP purposes based upon a worst case scenario. In response to a question by Commissioner Bunting, Mr. Higgins explained that the intent of the CIP is to provide the Commissioners with advance notice about long-range issues that could affect the County financially. In response to questions by Commissioner Bertino, Mr. Higgins advised that the County's financial team works with department heads to develop cost estimates for projects included in the CIP. Commissioner Bertino questioned why the cost of the Showell Elementary School (SES) feasibility study had increased from \$660,000 to \$770,000. Mr. Higgins explained that delaying the project is estimated by the Board of Education (BOE) to cause the total cost to increase. Commissioner Mitrecic confirmed his understanding that these are only estimates and are subject to change based on economic conditions, such as fluctuating fuel costs. Upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to schedule a public hearing to receive public comment on the requested five-year CIP FY16 - FY20 on February 3, 2015.

The Commissioners reviewed a letter from Tom Kline, President of Maryland Senior Citizens Hall of Fame (MSCHF), Inc. of Towson, Maryland, soliciting nominations for the annual GERI Award, which recognizes those over 65 who have made outstanding volunteer contributions affecting the lives of Marylanders. The Commissioners agreed to submit a nominee whose contributions to Worcester County have had a positive impact on area residents and visitors alike.

The Commissioners answered questions from the press, after which they adjourned to meet again on January 20, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

January 20, 2015

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

Following a motion by Commissioner Lockfaw, seconded by Commissioner Mitrecic, the Commissioners unanimously voted to meet in closed session at 10:10 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; George Bradley, Human Resources Director; and Ed Tudor, Development Review and Permitting Director. Topics discussed and actions taken included: filling critical vacant positions, including hiring Travis Timmons as a Vehicle and Equipment Mechanic I within the Roads Division of Public Works and transferring Ethan Shockley from Maintenance Worker I in Public Works to Correctional Officer Trainee within the County Jail; appointing Connie Wessels and reappointing Jack Ferry, Dean Perdue and Debbie Ritter to the Adult Public Guardianship Board; appointing Kelley Gravenor to the Agricultural Preservation Advisory Board; appointing Pete Buesgens as the Shelter Representative, James Hamilton as the Chairman, and Charlene Sharpe as the Media Representative, and reappointing Fred Webster as the Information Coordinator for the Local Emergency Planning Committee; appointing Scott Tingle to the Housing Review Board; reappointing Ira F. "Buck" Shockley to the Local Management Board (Initiative to Preserve Families); appointing Granville Jones to the Solid Waste Advisory Committee; and reappointing Richard Jendrek to the Water and Sewer Advisory Council for the Mystic Harbour Service Area; 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 their attendance at the swearing-in ceremony for the Board of Education members earlier that morning. He then reviewed the topics discussed during the morning closed session.

The Commissioners reviewed and approved the minutes of their January 6, 2015 meeting as presented.

Pursuant to the request of Budget Accountant Kim Watts and upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized Commission President

Bunting to sign the Emergency Solutions Grant Program (ESGP) Agreement with the Maryland Department of Housing and Community Development (DHCD) to provide funding for the Samaritan Shelter in the amount of \$30,000 and Diakonia in the amount of \$97,750 for general maintenance and operating costs, transition to permanent housing funds, wages and benefits for case management staff, homeless prevention, rapid rehousing, and administrative costs for the period from October 1, 2014 through September 30, 2016.

The Commissioners reviewed a request from Ms. Watts to reinstate an updated version of the Nonprofit Grant Application for the upcoming FY16 budget. Ms. Watts stated that the new application would be available on the County website at www.co.worcester.md.us as a Portable Document Format (PDF). In response to a question by Commissioner Bertino, Ms. Watts stated that the new application requires more detail from the nonprofit organizations outlining strategies for achieving program goals and objectives, as well as how grant funds would help them meet these objectives. Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the request as presented.

Pursuant to the request of Tourism Director Lisa Challenger and upon a motion by Commissioner Church, the Commissioners unanimously authorized Commission President Bunting to sign the FY15 County Cooperative Marketing Grant Agreement between the Maryland Department of Business and Economic Development (DBED) Maryland Tourism Development Board (MTDB) and the County Commissioners of Worcester County, Maryland for a grant of \$116,794. In response to a question by Commissioner Bertino, Ms. Challenger advised that this year's grant award dipped from the \$168,655 awarded to the County in FY14. In response to a question by Commissioner Elder, Ms. Challenger stated that all grant monies spent on advertising either directly or indirectly benefit the resort town of Ocean City. However, she advised that, because Ocean City also receives a MTDB grant, these funds will not be used to provide direct advertising to the resort, but will benefit other areas of the County.

Pursuant to the request of Recreation and Parks Director Paige Hurley and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the proposed Recreation Program Fee Schedule for Recreation and Parks for FY15/16, which takes effect June 1, 2015 for the summer camp programs, and July 1, 2015 for all other programs and includes a \$5 increase in most youth and adult program fees for the coming fiscal year. Mr. Hurley advised that this is the first fee increase since 2012, and even after the increases, the fees remain among the lowest on the shore. He stated that County programs continue to be offered at a reasonable price for all citizens. In response to a question by Commissioner Bertino, Mr. Hurley stated that program fees do not cover the full cost of operations, and he agreed to provide the Commissioners with a report on the amount of funding the fee increases are projected to generate.

The Commissioners met with Mr. Hurley to review the proposed Non-Program Fee Schedule, which he proposed to take effect immediately as follows: fee increase from \$5 to \$15 per field for setup and lining of softball/baseball fields; fee increase from \$25 to \$50 per field for initial field setup and lining of multi-purpose fields; and implementation of a policy requiring a County employee to act as a site coordinator for all events involving four or more teams. Mr.

Hurley stated that in 2014 there were several occasions in which users left the fields in deplorable conditions, thus forfeiting their refundable deposits. He advised that requiring a site coordinator to be onsite to police waste disposal on the part of the users would result in cleaner fields and consequently the return of the users \$200 refundable deposit. He advised that Wicomico County requires a site coordinator to be present for large events, and Ocean City is considering following suit. In response to a question by Commissioner Mitrecic, Mr. Hurley advised that it takes staff members approximately one hour to set up and line a baseball field and four and one-half hours to set up and line each multipurpose field. In response to a question by Commissioner Bunting, Mr. Hurley explained that site coordinators would be part-time employees. Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the Non-Program Fee Schedule as presented. They also directed the Recreation Advisory Board to consider proposing an increased fee for the deposit, since \$200 would not cover the cost of clean up. Mr. Hurley explained that he hoped the site coordinators would help to resolve that problem.

The Commissioners met with Public Works Deputy Director John Ross to discuss a request from Hugh Cropper, attorney for the VanVonno family, to relocate 18 Mystic Harbour Wastewater Treatment Plant (WWTP) shallow water injection wells from a public easement on the VanVonno property to the WWTP property. The VanVonno property is located at 2006 Pony Island Lane in Berlin and is identified on Tax Map 27 as Parcel 691, Lot 440A. Mr. Ross stated that, while they have continued to reduce the volume of effluent sent to the island, the Mystic Harbour WWTP continues to average a disposal rate of 50,500 gallons per day (gpd) in the wells and on peak days that volume rises as high as 73,600 gpd, which represents 20 to 30 percent of the total approved disposal volume. For this reason, they cannot eliminate the wells on the island and still retain the WWTP's permitted disposal capacity of 250,000 gpd. He then reviewed the findings of a 2012 study conducted by J.W. Salm Engineering that concluded that relocation of the wells is possible by installing 27 new wells on the WWTP property to achieve the needed disposal capacity at a cost of approximately \$260,000. The study concluded that, with the new wells and the 120,000 gpd of capacity in the peninsula wells, the disposal field would achieve the disposal capacity. Mr. Ross stated that, from an operational perspective, County staff could support such an effort provided the disposal capacity is not adversely affected. He reviewed the benefits of this option, which include more operator friendly wells in a convenient location, elimination of the long force main crossing the tidal marsh, and the County would no longer be required to maintain the oyster shell road crossing the marsh. However, Mr. Ross stated that there are some concerns, including determining whether there are any individual water wells in the area that would need to be abandoned; determining if the new location for the injection wells would have any negative impact on the current Mystic Harbour water supply wells; and identifying a source of funding for the project. Mr. Ross concluded that, if the Commissioners are inclined to relocate the wells, the next step would be to seek concept approval from the Maryland Department of the Environment (MDE) and conduct an additional hydrologic study.

Mr. Cropper stated that the VanVonnos understood that a public easement containing injection wells was located on a portion of the property before they purchased it in 2005; however, they had no idea of the hardship they would face between the wells malfunctioning and County staff entering their property to perform well maintenance. He stated that issues with the

wells caused effluent to back up on the VanVonnos' property and into the tidal marsh, creating a host of environmental concerns. He stated that County staff have done a great job of resolving the problems, but that this has caused not only an extreme hardship on the VanVonnos but that it has reduced the value of their property, making it unmarketable. Therefore, he asked the Commissioners to relocate the wells and noted that his clients would be willing to make a financial contribution to the project. He suggested putting the project out to bid to determine the cost.

Commissioner Church stated that he visited the site and was disturbed by the extent of the effluent overflow issue and impressed by the patience of the VanVonno family in their efforts to resolve the situation. He stated that this is an environmental issue that needs to be addressed now or the problem will become worse. In response to a question by Commissioner Elder, Mr. Ross stated he hopes to know by next month if the County will receive a low interest loan from the United States Department of Agriculture (USDA) to begin the project to develop spray irrigation at the Eagles Landing Golf Course for land disposal of treated effluent from the WWTP, with construction to begin following the golfing season. However, if they are not able to make this window, construction could not begin until the close of the golf season in 2016. Commissioner Lockfaw stated that he appreciates the family's continued cooperation and stated that it is time for the County to take steps to permanently resolve the situation.

In response to a question by Commissioner Bunting, Mr. Ross stated that the County currently achieves roughly 5,000 gpd of disposal per well on the island, and that it would take a total of 27 injection wells at the WWTP site to replace this capacity. Mr. Higgins advised that project costs are based on 2012 estimates and would need to be updated.

In response to a question by Commissioner Bertino, Mr. Ross stated that the next step would be to determine the cost of contracting with an outside agency to update the study and to receive MDE approval to move forward on the project. He explained that the study would require far more time than staff could dedicate to such a project, but that John Salm could likely update the 2012 study perhaps for around \$10,000. Following much discussion and upon a motion by Commissioner Lockfaw, the Commissioners unanimously directed Mr. Ross to obtain a proposal from Mr. Salm to update the 2012 study for their consideration within the next 30 days.

The Commissioners recessed until noon.

Pursuant to the request of Economic Development Director Bill Badger and upon a motion by Commissioner Bertino, the Commissioners unanimously approved out-of-state travel for Mr. Badger to represent Worcester County at the Great American Outdoor Show in Harrisburg, Pennsylvania from February 7-15, 2015 at a cost of approximately \$500. Mr. Badger explained that he planned to attend the event for only one day to market the Pocomoke Industrial Park at the Greater Ocean City Chamber of Commerce booth and to vendors in attendance.

Pursuant to the request of Mr. Badger and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved out-of-state travel for Mr. Badger to attend the International Council for Shopping Centers (ICSC) Global Real Estate Convention (RECON) in Las Vegas from May 17-20, 2015 at a total cost of \$2,490, which is available in his budget. Mr. Badger stated that his efforts will concentrate on attracting large retail development in the

vicinity of the Riddle Farm Sanitary Service Area (SSA).

The Commissioners met with Mr. Badger to discuss the proposal from MuniCap, Inc. of Columbia, Maryland to complete a Phase II Financial Plan Analysis study related to the financing of water and sewer improvements in the Riddle Farm Sanitary Service Area (SSA) at a cost not to exceed \$10,000. In 2014 the Commissioners approved a proposal from MuniCap to complete a Phase I study on the feasibility of providing a creative financing strategy that included a possible Tax Increment Financing (TIF) program in the U.S. Rt. 50 commercial corridor, which would allow Worcester County to borrow against the future increased value of a property to make public improvements. Mr. Badger stated that the cost per equivalent dwelling unit (EDU) of sewer service is extremely high in the Riddle Farm SSA, with Goody Taylor to collect \$23,535 for each of the 247 available EDUs, and this high EDU cost affects their lease rates and the ability to locate restaurants and retail stores in and around the Super WalMart in the U.S. Rt. 50 commercial corridor. He stated that the Phase II study could look at the options available to the County, which include continuing to offer EDUs at the full purchase price, implementing tax increment financing, or creating a special tax arrangement for a designated area.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously accepted the proposal from MuniCap for Phase II services for a Financial Plan Analysis as recommended by staff and at a cost not to exceed \$10,000.

Pursuant to the recommendation of Mr. Badger and upon a motion by Commissioner Elder, the Commissioners unanimously accepted the proposal from Stone Consulting, Inc. of Warren, Pennsylvania to complete Phase II services for the Worcester County Excursion Train Feasibility Study between Berlin and Snow Hill, which will include a detailed business plan and an economic impact analysis that includes financial information on infrastructure improvements and track conditions at a total cost of \$20,781, with additional site meetings at a cost of \$3,007.

The Commissioners met with Mr. Badger to discuss interest by Hat Trick Consultants (HTC) of Texas who have proposed a 6,200-seat arena outside Ocean City to attract a minor league ice hockey franchise. Mr. Badger advised that the proposed arena would serve as a multipurpose facility, thereby attracting professional sports franchises, concerts, high school and college basketball teams, lacrosse tournaments, conventions, boxing matches, horseback riding events, business meetings and other sporting events. Mr. Badger stated that the findings of an HTC feasibility study suggest the venue could attract 125 events and more than 400,000 attendees per year, generating 100 full-time jobs, and resulting in a direct economic impact to the County of \$19 million. He stated that in late 2014 the HTC team presented the study to community stakeholders and government leaders, which included Commissioner Church. Mr. Badger recommended that, since the results look promising, the next step should be to ask the Maryland Stadium Authority (MSA) to conduct a study to validate the HTC study findings and consider the impact such a facility could have on surrounding MSA investments, including the Roland E Powell Convention Center in Ocean City and the Wicomico Youth and Civic Center in Salisbury.

Commissioner Church stated that he was impressed by the HTC presentation and would like the Commissioners to take steps necessary to determine if this is a viable option for

Worcester County. In response to a question by Commissioner Lockfaw, Mr. Badger advised that HTC has proposed the arena in the greater West Ocean City area and would need 10 to 12 acres of land to accommodate such a facility. Commissioner Lockfaw stated that this is all well and good, but that Economic Development has been tasked with promoting business Countywide and he would like to see proposals that include developing the South end of the County. However, he stated that he would support moving forward with the proposed study. Commissioner Purnell stated that the County is in no position to provide any financial assistance to HTC to develop the arena beyond the normal tax incentives that may be available through the State. Mr. Badger assured her that Economic Development would help facilitate any tax incentives that may be available based on where HTC decides to locate the proposed facility, but that he made it very clear to the developers that County funds would not be available to build this \$40 million facility. Commissioner Mitrecic stated that he believes they are specifically interested in placing the arena near Ocean City to attract the largest volume of attendance possible. He expressed concern that the southern end of the County does not have the hotel rooms needed at this time to accommodate the number of visitors that such a site would attract. Commissioner Mitrecic made a motion to proceed with the proposed MSA study, but later withdrew his motion, as it did not appear there were enough votes to pass.

Commissioners Bertino and Lockfaw both stated that they would like HTC to present their proposal and the findings of their study at a future Commissioners' meeting before they take any further action on this request. Commissioner Bunting stated that it should be made clear that the County will not be a major financial stakeholder in the construction or operation of the proposed arena.

Following much discussion and upon a motion by Commissioner Elder, the Commissioners voted 4-3, with Commissioners Elder, Bunting, Mitrecic and Church voting in favor of the motion and Commissioners Bertino, Lockfaw and Purnell voting in opposition to send a letter to the State requesting the MSA conduct a study to consider the merits of the project and how it may affect MSA venues in the area. Upon a motion by Commissioner Mitrecic, the Commissioners voted unanimously to invite HTC to discuss the proposed project and the findings of their study at a future meeting, at which the MSA would also be invited and could provide a better estimate of the cost of their study.

The Commissioners answered questions from the press, after which they adjourned for lunch.

After lunch, the Commissioners reconvened in open session.

Commissioner Elder was absent from the afternoon open session meeting.

The Commissioners met with Department of Liquor Control (DLC) Director Bobby Cowger to discuss the proposed seasonal closing of the Shore Spirits retail liquor store and wholesale operations at 16th Street in Ocean City effective immediately and reopening May 1, 2015. Mr. Cowger advised that the store has a projected total net loss of \$57,371.24 from January through April, and closing the location would save the DLC an estimated \$22,000 after paying

the lease amount of \$30,112 and other miscellaneous fixed costs. He suggested furloughing the remaining BesTemp employees from the Northern and Gold Coast locations and relocating the DLC employees from 16th Street to these locations through April. In response to questions by Commissioner Bertino, Mr. Cowger advised that the inventory would remain on the premises, since the site is secured. He further advised that the County is entering into the second year of a 10-year lease at this location.

Upon a motion by Commissioner Church, the Commissioners voted 5-1, with Commissioner Mitrecic voting in opposition, to approve the proposal as presented. Commissioner Mitrecic stated that he could not vote for the proposal as he felt that the Commissioners were simply prolonging the continuation of an operation that has outlived its useful life.

Pursuant to the recommendation of Development Review and Permitting Director Ed Tudor and upon a motion by Commissioner Lockfaw, the Commissioners unanimously agreed to send a letter to the U.S. Census Bureau asking them to align the Census Blocks with the boundaries of the Ocean Pines subdivision. Mr. Tudor explained that a better alignment would allow the County to complete more precise population analysis for election purposes following the next Census and for other statistical analysis as well. He stated that he does not see any downside to starting this conversation with the Bureau on this matter. In response to a question by Commissioner Bertino, Mr. Tudor stated that the Bureau routinely amends the boundaries surrounding each of the towns based upon annexations. He further advised that until now the County has never asked the Bureau to amend their Census Block boundaries for Ocean Pines.

Pursuant to the recommendation of Public Works Deputy Director John Ross and upon a motion by Commissioner Lockfaw, the Commissioners unanimously awarded the low bid for the provision of portable restroom services to Atlantic Pumping, Inc. of Bishopville for a period of two years through January 31, 2017 at a total cost of \$36,000 as follows: \$12,600 for Part A, which includes the Worcester County boat landings, Homeowner Convenience Centers and firing range; and \$23,400 for Part B, which includes all passive and active recreational parks.

Pursuant to the recommendation of Mr. Ross and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved bid specifications for general refuse collection services to be provided to 22 County facilities for a period of two years from March 1, 2015 to February 28, 2017.

Pursuant to the recommendation of Mr. Ross and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved bid specifications for pest control services for a period of two years through March 2017 at the Health Department, Commission on Aging, Library, Radio Tower, Fire Training Center, Courthouse, Government Center, Jail, Animal Control, Public Works Solid Waste and Recycling Divisions and Roads Division, Board of Elections, Recreation and Parks, Tourism, Economic Development, Isle of Wight, and State's Attorney's Offices.

The Commissioners met with Mr. Ross to consider a proposal from John Salm of J.W.

Salm Engineering to investigate the possibility of providing public water to Ocean Downs from the Riddle Farm Sanitary Service Area (SSA). Mr. Ross stated that a significant part of any potential agreement would include the Ocean Downs Casino turning over their water supply system to the County as part of or in place of the equity buy-in process. He stated that the potential benefits include the following: water quality in the Ocean Downs system is excellent and could be used to reduce operating costs in the Riddle Farm water system; could help stabilize rates in the Riddle Farm water system; and could provide additional water resources to help meet the future needs of planned commercial development on the south side of U.S. Rt. 50. He stated however that it would be important to determine the long-term capacity of the water supply to provide additional service beyond the Ocean Downs site. In response to a question by Commissioner Mitrecic, Mr. Ross stated that the benefit to Ocean Downs would be relinquishing their responsibility for maintaining their existing water system. Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners approved the proposal from Mr. Salm to perform the engineering and hydrogeologic study for a public water system expansion in the Ocean Downs service area at a not to exceed cost of \$14,745, with half of the cost to be paid by Ocean Downs.

The Commissioners met with Chief Administrative Officer Harold Higgins to review a detailed analysis of the County's General Fund debt, which includes total outstanding debt of \$102,921,291 as of July 1, 2014, and consists of the following bond/loan balances: Refunding/Ocean City Elementary School (OCES, 2004) with a current balance of \$2,030,000; Refunding/Worcester Technical High School (2007) with a current balance of \$18,870,000; Pocomoke High School (2008) with a current balance of \$25,335,000; refunding Courthouse, Senior Center and OCES (2013) with a current balance of \$7,416,093; funding CORS Pension Plan (Taxable, 2013) with a current balance of \$4,595,000; Snow Hill High School (2014) with a current balance of \$43,000,000; and Water Quality Maryland Department of the Environment (MDE) Loan (2008) with a current balance of \$1,675,198. Mr. Higgins advised that the County's outstanding debt is currently below the established debt capacity limit of \$150,615,000 (based on 1% of assessed value) by \$47,600,000. He advised that the total annual debt service for 2015 is \$13,521,802, while the County's established annual debt service limit is \$17,115,000 (based on 10% of revenues), which would allow just under \$3.6 million in annual debt to be added without exceeding the County's established annual debt service limit. He advised that the interest and debt service payments would need to be adjusted for any additional debt incurred and concluded that adding a requested \$50 million debt for construction of Showell Elementary School (SES) would cause the County to exceed its overall debt limit.

The Commissioners answered questions from the press, after which they adjourned to meet in closed session.

Following a motion by Commissioner Mitrecic, seconded by Commissioner Lockfaw, with Commissioner Elder absent, the Commissioners unanimously voted to meet in closed session at 1:50 p.m. in the Commissioners' Conference Room to discuss legal matters permitted under the provisions of Section 3-305(b)(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; Sonny Bloxom, County Attorney; and Kim Moses, Public Information Officer. Topics discussed and actions taken included: consulting with counsel to obtain legal advice; and performing administrative functions.

After the closed session, the Commissioners adjourned to meet again on February 3, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

February 3, 2015

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

Following a motion by Commissioner Mitrecic, seconded by Commissioner Church, with Commissioner Lockfaw absent, 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and George Bradley, Human Resources Director. Topics discussed and actions taken included: filling critical vacant positions, including promoting Richard Harmon from Recycle Worker II to Recycle Worker III and Ed Buchanan from Recycle Worker I to Recycle Worker II, eliminating the vacant Utility Mechanic position and denying the request to advertise to fill the vacant Recycle Worker I position within the Solid Waste Division; agreeing to advertise to fill one vacant Maintenance Worker I position within the Maintenance Division of Public Works; reappointing Colonel Doug Dods, Sue Abell-Rodden, and Tracy Tilghman to the Drug and Alcohol Abuse Council; appointing Carol Ann Beres to the Water and Sewer Advisory Council for the Mystic Harbour Service Area; receiving legal advice from counsel; and performing administrative functions.

Commissioner Lockfaw was absent from the meeting.

After the closed session, the Commissioners reconvened in open session. Commissioner Bunting called the meeting to order and announced the topics discussed during the January 20, 2015 afternoon closed session and on the February 3, 2015 morning closed session.

The Commissioners reviewed and approved the minutes of their January 20, 2015 meeting as presented.

The Commissioners presented a proclamation recognizing February as Black History Month and spotlighted the contributions being made by African Americans today that contribute to the outstanding quality of life in Worcester County.

The Commissioners presented a proclamation recognizing February as National Canned

Food Month to Volunteer Services Manager Kelly Brinkley and Maryland Food Bank (MFB) Executive Director Jennifer Small and urged all who are able to donate canned meat and ready to eat meals to help the MFB feed the hungry. Ms. Small advised that Worcester County has the fourth highest food insecurity rate on the Eastern Shore, behind Somerset, Wicomico and Dorchester Counties. She thanked County employees and the public for participating in a recent County food drive which resulted in the donation of more than 1,200 pounds of food, the equivalent of nearly 1,000 meals, to the MFB.

The Commissioners presented a commendation to Billy and Madlyn Carder, the fourth annual Hal Glick Distinguished Service Award winners, for their discreet, behind the scenes method of helping people and meeting needs in the community for the past 35 years.

Health Officer Debbie Goeller and Deputy Health Officer Dr. Andrea Mathias presented a PowerPoint outlining preparedness measures taken by the Worcester County Health Department to respond in the event of a potential Ebola outbreak, which included an update on Ebola in Maryland and throughout the United States; the public health role and actions to address Ebola; and the surveillance process for travelers returning from affected countries.

The Commissioners met with Ms. Goeller and Dr. Mathias to review and discuss a proposed Memorandum of Understanding (MOU) between the County Commissioners of Worcester County, Maryland, Worcester County Health Department and Royal Plus, Inc., which would allow the WCHD to execute a Biohazard Remediation Services contract for Ebola Virus Disease (EVD) with Royal Plus in the event of an outbreak in Worcester County. In response to a question by Commissioner Mitrecic, Ms. Goeller stated that Royal Plus is the only company in the area that is qualified and willing to provide cleanup services in the event of an Ebola outbreak. In response to a question by Commissioner Bertino, Ms. Goeller stated that the MOU is not a sole source contract, and other organizations qualified to perform such cleanups could also enter into an MOU with the County. She stated, however, that not a lot of companies are willing to take on this task. County Attorney Sonny Bloxom stated that there is no flat fee for cleanup, but rather Royal Plus would provide the County with cost estimates for cleanup services on a case-by-case basis. Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the MOU as presented.

The Commissioners commended Ms. Goeller and her staff for the WCHD having received national accreditation through the Public Health Accreditation Board (PHAB). Ms. Goeller advised that the Health Department is one of only two health departments in Maryland to earn accreditation and only one of 60 accredited health departments nationwide.

The Commissioners met with Budget Accountant Kim Watts to review the requested five-year Capital Improvement Plan (CIP) FY16 - FY20. Ms. Watts advised the Commissioners that projects totaling \$105,636,416 are proposed over the five-year period. She stated that, of the proposed projects, \$12,265,000 or 11.61% is proposed to be funded by the General Fund and \$56,260,374 or 53.26% from bond funds. The remaining portion would be funded by user fees,

grant funds, state match funds, designated funds, local bank loans or enterprise fund bonds. Chief Administrative Officer Harold Higgins 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 to identify possible funding resources; therefore, a project's inclusion in the CIP does not constitute a guarantee of funding from the County. Ms. Watts stated that the CIP projects and estimated costs include, but are not limited to, the following: \$10.47 million for General Government Facilities, including a tax software upgrade, 800 MHZ radio system and a new Berlin Branch Library; \$27.2 million for several Public Works, Water and Wastewater and Solid Waste projects; \$2.3 million for Recreation and Parks for Showell Park land acquisition and development; \$10 million for Public Safety for the Jail Improvement Project; \$53.1 million for Public Schools, which includes \$49.6 million to replace Showell Elementary School (SES) and \$9.2 million for a Stephen Decatur Middle School (SDMS) addition; and \$2.5 million for Wor-Wic Community College (WWCC), including \$423,905 for renovations to the Academic and Administrative Building, Maner Technology Center (AAB/MTC) and \$2.1 million for a New Academic Building. Ms. Watts stated that a recent update on the SES replacement project increased the requested funding to \$51.6 million in the CIP.

At the request of Mr. Bertino, Mr. Higgins agreed to provide the Commissioners with a breakdown of how funding for WWCC projects is shared between Wicomico and Worcester Counties. In response to questions by Commissioner Bertino, Finance Officer Phil Thompson advised that the existing tax software in the Treasurer's Office is 20 years old, and the new software should remain relevant for at least 10 years. Emergency Services Director Fred Webster stated that the 800 MHZ Radio System Enhancement could be installed and operational within 18 months from the time of purchase. He stated that grant funds are not available for this purchase. Public Works Director John Tustin stated that he does not anticipate the County will receive additional funds from the State for road paving projects. Recreation and Parks Director Paige Hurley stated that the purchase of additional land to expand the Showell Park would be contingent upon the availability of Maryland Department of Natural Resources (DNR) Program Open Space (POS) funds. Joe Price, Facilities Manager for the Board of Education (BOE), stated that the State is projected to provide \$4.1 million for the SES replacement project, and these funds are based on the State formula for class sizes.

Commissioner Bunting opened the floor to receive public comment.

Grant Helvey of Ocean Pines stated he was alarmed by the increase in costs to build a new SES and stressed the importance that the County build a school the taxpayers can afford. He also opposed the Showell Park Land Acquisition project and stated that, based on the County's Parks and Recreation Plan, additional parklands are unneeded, since Worcester County already exceeds the State land acquisition goal of 30 acres of parkland for every 1,000 citizens. He stated that there are more than adequate parklands available to meet the needs of residents and visitors through 2025.

Carol Frazier of Ocean Pines also expressed concerns about the cost to replace SES and urged the Commissioners to strive to reduce construction costs, to conduct a study to determine the feasibility of declining State funding and building the school to County rather than State specifications, and to consider maintaining what they have by renovating the existing, 38-year-old facility rather than building a new school.

Kellee Kennett of Ocean Pines urged the Commissioners to focus on funding needed services and to do so within their means rather than imposing higher taxes on County residents to fund wish list items. She stated that the costs currently being proposed for a new SES are grossly over-inflated, noting that the average cost to replace an elementary school in Maryland is \$241.30 per square foot, with a new elementary school in our area estimated to cost \$17.5 million, while the estimated cost to construct a new SES is \$51 million, which would put costs closer to \$500 per square foot. She stated that she is currently renovating a home built in 1898 and urged the Commissioners to follow her example by opting to renovate SES rather than spend money the County does not have to build a new school. She also urged the Commissioners to scrap plans to build a new Berlin Branch Library, stating that Berlin residents could drive to the Ocean Pines Branch Library instead.

There being no further public comments, Commissioner Bunting closed the public hearing.

Commissioner Bunting reminded those in attendance that the CIP is only a planning document, and as such some projects may not receive funding approval while others may be approved at reduced costs.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted Resolution No. 15-1 approving and adopting the Worcester County Five-Year Capital Improvement Plan - FY 2016 to FY 2020, including the amended proposal for SES, which increased the project cost to \$51.6 million, but decreased the total cost of projects included in the five-year CIP to \$84.8 million, since \$28.6 million of the SES and SDMS projects would be funded beyond the five-year CIP horizon.

Atlantic General Hospital (AGH) President and Chief Executive Officer Michael Franklin met with the Commissioners to discuss the 2015 AGH Annual Report and AGH's Strategic Initiatives for Worcester County. Mr. Franklin presented a PowerPoint, which covered AGH's mission, 2020 Strategic Vision; 2011-2015 Strategic Plan; Pioneers in Health Literacy Improvement; Hospitals' Path to the Future, including care coordination and reducing potentially avoidable hospital utilization; Financial Overview - Assessments, Medicare Waiver & the Health Services Cost Review Commission (HSCRC); Efficiency & Innovation; Community Impact; State Assessments, Maryland Waiver Performance Dashboard; Quality & Patient Safety; Outcomes in Medication Safety Events Category C & D; Access to Primary & Specialty Care, including Cancer Care Services; Information Exchange; Meaningful Use Milestones; Digital Connectivity Strategic Initiative; Providers Expanding the Applications of Virtual Care; the Population Health Management Challenge; Medicare Waiver & the HSCRC; Top 10 Most Costly Conditions - Adults; Medicare to Become Majority of Volume by 2022; Community Alignment Strategic Initiatives; Delmarva Health Network; Where the Medicare ACOs Are; and AGH Hospital & Health System Vision. Mr. Franklin requested the County's continued support of AGH's infrastructure, particularly as it pertains to digital connectivity. He stated that having access to Maryland Broadband is key to helping AGH provide primary care in the remote southern areas of the County through telemedicine.

Commissioner Bunting thanked Mr. Franklin and the AGH staff for their focus on preventative medicine and for their continued commitment to meeting the growing health needs of Worcester County and the surrounding areas.

The Commissioners recessed for 10 minutes, after which they reconvened in open session at 12:10 p.m.

Pursuant to the recommendation of Public Works Director John Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously awarded the bid for the replacement of the chiller at the Berlin Health Facility to Wilfre Co., Inc. of Hebron, Maryland at a total installed cost of \$54,344. Mr. Tustin advised that the low bid from Joseph M. Zimmer, Inc. was \$444 lower, but the York model chiller they proposed did not meet all of the bid specifications. He further advised that funds to replace the chiller were approved and included in the Unassigned Fund Balance.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously approved bid specifications to reconstruct the double boat ramp at the Cedar Hall Landing. Mr. Tustin explained that this project was bid in 2012, but was unable to be approved as sufficient funds were not available at that time. He stated that all regulatory permits have been acquired, and project funding is now available through a combination of Maryland Department of Natural Resources (DNR) Waterway Improvement Grants totaling \$196,329 and County Assigned Funds in the amount of \$99,000. In response to a question by Commissioner Bunting, Mr. Tustin stated that the Cedar Hall Boat Ramp provides the closest public access to the Chesapeake Bay and therefore receives significant use.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved bid specifications for the purchase and application of bituminous concrete (blacktop) to resurface approximately 9.14 miles of County roadway, with project funding available through a combination of a one-time State Highway Administration (SHA) Grant in the amount of \$252,726 and County Designated Funds in the Unassigned Fund Balance of \$500,000. In response to a question by Mr. Bunting, Mr. Tustin stated that each ton of asphalt overlay is budgeted at approximately \$80 and can cover approximately 12 square yards at 1.5 inches of thickness. He stated that if the cost of bituminous concrete comes in lower than budgeted the County will be able to complete more resurfacing projects without incurring any additional costs.

The Commissioners met with Mr. Tustin to review the results of Household Hazardous Waste (HHW) and Electronics Recycling (E-Cycle) Collection Day on Saturday, October 11, 2014. Mr. Tustin advised that the community response to this event was down by about 20% from the prior year due to inclement weather. He stated that 439 vehicles participated in the event, of which 136 had HHW products, 138 brought in electronics, and 165 brought in both. He stated further that the total weight of electronics collected was 7.72 tons or 15,440 pounds, and the total weight of HHW collected was 10.74 tons or 21,476 pounds. In response to a question by Commissioner Mitrecic, Mr. Tustin advised that the County currently pays \$0.25 per pound to have the electronics recycled. Commissioner Mitrecic suggested that there may be some who would be willing to buy or take the old electronics at no cost to the County to harvest components with some value.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to waive the standard bid process and accepted the State bid price from Curtis Engine of Baltimore, Maryland to provide and install a 50 kilowatt (KW) emergency generator at Pump Station 5 in West Ocean City at a purchase cost of \$16,161. Mr. Tustin stated that additional funds in the amount of \$2,500 will be required to install a new automatic transfer switch and \$1,000 for a noise attenuating muffler, since the generator will be located in a residential area. He advised that funds are available in the system reserves for this emergency replacement.

Public Works Director John Tustin provided the Commissioners with a proposal from J.W. Salm Engineering for services to initiate relocation of the groundwater injection wells at the Mystic Harbour Wastewater Treatment Plant (WWTP), as requested by the Commissioners at their January 20, 2015 meeting. Mr. Tustin stated that the proposal is divided into two tasks as follows: \$26,300 to perform the hydrogeological testing and modeling, with the results to be used to apply to the Maryland Department of the Environment (MDE) for a revision to the Groundwater Discharge Permit; and \$18,000 for design drawings, to be prepared after the Discharge Permit is modified, that show the revised injection well field layout, well construction details, piping interconnections and controls, after which an application will be made for the required MDE construction permit. Mr. Tustin stated that the original \$260,000 estimate to relocate the wells included sufficient funds to cover the cost of these services. However, he recommended a cost sharing agreement be developed with the property owner before any work begins, which will allow the County to budget for the Mystic Harbour Sanitary Service Area's share. In response to a question by Commissioner Bertino, Mr. Tustin stated that the wells were repaired in 2008 and have operated without incident since that time. Commissioner Church respectfully disagreed. He stated that the VanVonno family did not install the wells, they are not responsible for maintaining the wells and had no role in the malfunction of the wells; therefore, they should not be held responsible for any portion of the cost to relocate the wells. Attorney Hugh Cropper stated that the VanVonno family paid all costs associated with the study completed by Mr. Salm in 2012, which established the \$260,000 cost estimate to move the wells, and they are not in a position to pay a substantial share of that cost at this time. He stated that the report indicated that the wells were near the end of their useful life and should not be the VanVonnos' responsibility to replace. Following some discussion, and upon a motion by Commissioner Church, the Commissioners unanimously agreed to await a recommendation from the Water and Sewer Committee, which meets Thursday, February 5, 2015, before discussing the matter further.

The Commissioners met with Katherine Munson, Planner IV within Environmental Programs, to review two Rural Legacy Area (RLA) Expansion Grant Applications for the Dividing Creek RLA and the Coastal Bays RLA. Ms. Munson explained that, because the County has two RLAs, they are required to indicate which area is preferred for the funding applications. She further advised that in past years they have always alternated preference between the two areas, and this year's application process follows that same pattern, with the Dividing Creek RLA receiving priority. Ms. Munson pointed out that the Dividing Creek RLA application requests an ultimate expansion of 4,650 acres east of the existing boundary and includes prime agricultural

soils and other natural resources and connects to the RLA to the Nassawango Creek Preserve. She stated that the County has had only limited landowner interest in the existing area on the Worcester County side, and this proposed expansion is driven solely by landowner interest in the program. She concluded that no County matching funds are required.

In response to a question by Commissioner Bertino, Ms. Munson stated that funding for the RLA is derived from Agricultural Land Transfer Tax (ALTT) funds originating from the sale of properties in Maryland, and if the County does not participate in this program the State will allocate these monies to other counties for their RLA programs. In response to a question by Commissioner Elder, Ms. Munson stated that the County has protected 9,000 acres in the Coastal Bays RLA, with a 10-year goal of protecting another 4,000 acres, and has protected 1,000 acres in the Dividing Creek RLA, with a 10-year goal of protecting another 2,400 acres. She stated that the RLA easement does not alter the currently permitted uses, so these lands can continue to be used for agriculture and timber harvesting purposes. In response to a question by Commissioner Bunting, Ms. Munson stated that properties considered for inclusion in the RLAs go through two separate appraisals, which take into account the development potential for the properties in establishing the value of the easement. She urged the Commissioners to support this worthwhile program and pointed out that, if the Commissioners decline to participate, these ALTT funds will simply be allocated elsewhere in the State.

Following some discussion and upon a motion by Commissioner Church, the Commissioners voted 4-2, with Commissioners Bertino and Elder voting in opposition, to authorize Commission President Bunting to sign two Rural Legacy Area (RLA) grant applications for FY16, including an \$800,000 grant request for the Coastal Bays RLA and a \$2.97 million grant request for the Dividing Creek RLA, for a total of \$3.77 million in RLA grant requests, stating a preference for the Dividing Creek RLA. Commissioner Elder stated that he would prefer if the County and State could use the funds for other purposes.

Pursuant to the request of Emergency Services Director Fred Webster and upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted the proposed Worcester County Government Information Technology (IT) Policy. Mr. Webster stated that not only does the new IT policy meet the requirements of the Maryland State Police Computer Security Division, who regularly inspect the Sheriff's Office, Emergency Services and State's Attorney's Offices due to the County's connection to the Maryland Electronic Telecommunications Enforcement Resources System (METERS), but in today's world, with computer technology advancements and security breaches, it is essential to have a comprehensive IT policy in place.

Pursuant to the request of Fire Marshal Jeff McMahon and upon a motion by Commissioner Bertino, the Commissioners unanimously approved out-of-state travel for Deputy Fire Marshals Rob Korb, Jr. and Chris Vieira who have been selected to attend the Weapons of Mass Destruction (WMD) Radiological/Nuclear Course for Hazardous Material Technicians at the Nevada National Security Site from February 23-26, 2015. Mr. McMahon stated that there is no cost to the County, as the entire training, including course curriculum, meals, travel and lodging are to be covered by Federal Emergency Management Agency (FEMA) and Homeland Security funding.

The Commissioners answered questions from the press, after which they recessed for lunch.

The Commissioners reconvened at 2:00 p.m. to attend G-402 Incident Command System Overview for Executives and Elected Officials in the Emergency Operations Center (EOC) in Emergency Services.

Following their training session, the Commissioners adjourned to meet again on February 17, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

February 19, 2015¹

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

Following a motion by Commissioner Lockfaw, 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 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and George Bradley, Human Resources Director. Topics discussed and actions taken included: filling critical vacant positions; including agreeing to fill one vacant Building Inspector II position with a part-time, contractual Building Inspector II for Development Review and Permitting, and acknowledging the hiring of Ivan Barkley as a part-time Sheriff's Deputy; appointing Molly Hilligos to the Tourism Advisory Committee and reappointing George Dix to the Solid Waste Advisory Committee; receiving legal advice from counsel; and performing administrative functions.

Commissioner Lockfaw left at the conclusion of the closed session meeting.

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 minutes of their February 3, 2015 meeting as presented.

The Commissioners presented a commendation to Beth Gismondi following 18 years of service to the community as a member of the Worcester County Board of Zoning Appeals. The Commissioners recognized Ms. Gismondi for her willingness to assist others, her initiative to educate herself on various land use issues, and her tenacity to understand the whole picture by conducting site visits, implementing regulations, and listening to testimony, as part of her evaluation of an application prior to rendering a decision and for being highly diligent and

¹ Meeting postponed from February 17, 2015 due to snow

consistent to uphold the criteria set forth in the Zoning Ordinance when evaluating applications for special exceptions, variances and appeals.

The Commissioners met with Development Review and Permitting Director Ed Tudor to discuss the Town of Berlin's proposed Annexation Resolution No. 2014-06. Mr. Tudor informed the Commissioners that the Town of Berlin is proposing to annex approximately 90.5 acres of property located on the east side of Seahawk Road and south of U.S. Rt. 50 near Berlin and more specifically identified on Tax Map 25 as Parcel 91. Mr. Tudor stated that the land is currently zoned A-1 Agricultural, and the town proposes to zone the property R-4 Residential District, with a permitted density of one residential unit per 5,000 square feet of lot area (8.7 dwelling units per acre for a maximum of 788 residential units). He advised that the property is adjacent to and opposite from other properties already included within the municipal boundaries of Berlin. This property as well as those located on adjacent and nearby properties are identified in the 2006 Worcester County Comprehensive Plan as being within the Commercial Center Land Use Category. This category designates sufficient area to provide for the needs of business, light industry and other compatible uses; while the proposed R-4 annexation would permit a wide variety of residential unit types, including two-family dwellings, townhouse dwellings and multifamily dwellings and does not appear to permit commercial uses. Furthermore, the property is also shown to be within Growth Area 1 of the Berlin Comprehensive Plan, which envisions a mixed use development including residential, commercial and retail uses. Mr. Tudor stated that, because of the maximum potential density on the property, staff had concerns regarding traffic and pedestrian safety, particularly in light of the schools located on the opposite side of Seahawk Road. He stated that town officials and the applicant, Blair Rinnier of Rinnier Development Company, along with his attorney, Mark Cropper have been responsive to all staff's concerns and have committed to address these concerns by widening Seahawk Road in the vicinity of the development and implementing other roadway improvements as well.

Mr. Tudor stated that the uses permitted by the proposed R-4 zoning are substantially different than those allowed by the County's current A-1 zoning, both in terms of types of uses permitted and density. He explained that, pursuant to the provisions of Article 23A of the Annotated Code of Maryland, the annexed land cannot allow uses substantially different than those in the zoning category of the County for a period of five years after the annexation, unless the County consents to the proposed rezoning upon annexation. Mr. Tudor informed them that the proposed annexation is consistent with its recommendations relative to growth in areas adjacent to existing municipalities and established growth areas. He concluded that the Commissioners have three options: concur with the town's proposed zoning classification upon annexation, subject to the terms of the current Annexation and Development Agreement; concur with the town's proposed zoning classification upon annexation with additional or different requirements beyond those currently proposed in the Annexation and Development Agreement; or choose to not concur with the town's proposed rezoning upon annexation, which would then prohibit the town from allowing the development of the property as now proposed for a period of five years.

In response to a question by Commissioner Mitrecic, Mr. Tudor stated that the area proposed for annexation is in the Berlin Fire Company (BFC) service area. A memo from BFC President David A. Fitzgerald to the Commissioners states that the town reduced funding to the

fire, rescue and emergency medical services by almost \$1.2 million in the last three years; therefore, the BFC has been unable to complete two capital projects that directly relate to this annexation area. Furthermore, the proposed development would result in an increased call volume, and the BFC is concerned that the lost grant funds from the County for providing coverage to this area would not be replaced by the town. Therefore, he respectfully requested the Commissioners delay any decision on rezoning until the town or the developer addresses the fire company's concerns. In response to a question by Commissioner Bertino, Mr. Cropper stated that it would be premature to enter into discussions with the BFC at this stage, but that they will address these concerns in the future. Commissioner Elder expressed concern regarding the findings of the traffic study completed by The Traffic Group, which concluded that an additional 513 cars would be added to the roadways in question during peak travel times. He stated that this figure appears to be extremely conservative given the number of residential units to be constructed. In response to his concerns, Mr Cropper stated that the original plans for the residential units were reduced from 900 to 788 units, so the estimate for peak traffic hours has actually decreased slightly. He stated that the State Highway Administration (SHA) gave the intersection at U.S. Rt. 50 and Seahawk Road a C rating, which is better than the required D rating. In response to an additional question by Commissioner Bertino, Dave Englehardt stated that it is his understanding that the Berlin Town Council is in favor of the proposed annexation.

Following some discussion and upon a motion by Commissioner Church, the Commissioners voted unanimously to concur with the Town's proposed zoning classification upon annexation subject to the terms of the current Annexation and Development Agreement.

The Commissioners met with Finance Officer Phil Thompson and Assistant Finance Officer Jennifer Swanton to receive an update on the County's revenue projections for FY15 - FY17 as of February 17, 2015. Mr. Thompson reviewed a PowerPoint as follows: State Department of Assessments and Taxation (SDAT) assessment cycles and effective dates, with Ocean City representing 60% of the County's total assessable base; Worcester County Assessable Tax Base, which shows a \$5.46 billion assessment decline from \$20.25 billion in FY09 to an estimated \$14.79 billion in FY16, with an anticipated increase to \$15.06 billion in FY17; General Fund Revenue History, with revenues anticipated to dip from \$178 million in FY15 to \$177.9 million in FY16, which includes \$6.4 million and \$10.5 million in budget stabilization funds in FY15 and FY16 and dipping to \$169.1 million in FY17, once budget stabilization funds are exhausted; Major Revenues, with property, income and other taxes comprising \$155.3 million or 91% of the total revenue (with property taxes having been severely affected by declining assessments); Revenue History, which includes a property tax increase in FY13 to stabilize revenues and a decrease in the Homestead tax credit from \$10.2 million in FY09 to \$2.4 million in FY14, and a transfer from budget stabilization funds in FY15 to provide a balanced budget; and Revenue Projections, which include a decrease in Ocean City assessments effective July 1, 2015, resulting in a net property tax loss of \$1.4 million for FY16 based on current State estimates.

Mr. Thompson concluded that the County has lost over \$40 million in property tax revenues due to declining assessments since FY09; however, assessments appear to have stabilized and may begin to increase again in future. He also concluded that, based on current revenue projections, the County will need to fill an \$8.7 million decline in total revenues in

FY17, after exhausting the budget stabilization funds. In closing, Mr. Thompson stated that the bottom of the revenue trough, which was previously estimated to occur in FY15 is now estimated to occur in FY16. In response to a question by Commissioner Church, Mr. Thompson stated that there may be opportunities for the Commissioners to cut expenditures in FY16 to avoid exhausting all budget stabilization funds. In response to a question by Commissioner Elder, Ms. Swanton stated that the proposed State budget bill for FY16 would divert a portion of the Local Impact Grant (LIG) funds, from the County to the Education Trust Fund. She stated that for Worcester County this would equate to a loss of roughly \$300,000 annually and would affect the County's ability to cover the debt payment for the new Worcester Technical High School (WTHS). Following some discussion, Commissioner Bunting thanked Mr. Thompson and Ms. Swanton for providing this update.

The Commissioners met in legislative session.

The Commissioners met with Environmental Programs Director Bob Mitchell to review a text amendment application submitted by Mark Cropper seeking to amend the Natural Resources Article to add an additional land use within the Resource Conservation Area (RCA) of the Atlantic Coastal Bays Critical Area. This would add a new paragraph (8) to Subsection NR 3-108(d) to permit the following activities within the RCA: construction of a private dock or pier for non-motorized watercraft, permit pervious storage structure not to exceed 20,000 square feet, and allow for passive recreational areas, such as walking, hiking, bicycle paths and trails, wildlife observation areas and picnic areas. Mr. Mitchell stated that County and Maryland Critical Areas Commission (CAC) staff reviewed the text amendment and amended the original language, which meets the applicant's needs while also satisfying the intentions of the RCA. He concluded that County staff gives a favorable recommendation to the bill. Commissioner Elder expressed concern regarding the maximum amount of pervious service to be permitted, which equates to almost ½ acre of area. In response, Mr. Mitchell stated that the proposed maximum allowable pervious storage mirrors that of Delaware law.

Following some discussion, Commissioners Bertino, Bunting, Church, Mitrecic and Purnell introduced the aforementioned legislation as Bill 15-1 and agreed to schedule a public hearing on March 17, 2015 to receive comments on the bill.

Commissioner Bunting closed the legislative session.

The Commissioners met with Human Resources Director George Bradley to review proposed changes to the Worcester County Government Personnel Rules & Regulations to comply with legislation previously passed by the Maryland General Assembly and entitled Pregnancy Accommodations and Leave. Upon a motion by Commissioner Church, the Commissioners conceptually approved the proposed addition of Section 6.16 Pregnancy Accommodations and Leave to the Worcester County Personnel Rules & Regulations and agreed to formally adopt the amendment after posting for 15 days. Mr. Bradley stated that, specifically, this change outlines the requirements of both the employer and employee concerning reasonable accommodation for the employee due to a disability during pregnancy or child birth.

Pursuant to the request of Housing Program Administrator Jo Ellen Bynum and upon a motion by Commissioner Purnell, the Commissioners unanimously approved bid specifications

for the demolition and replacement of a home in the Stockton area, which is to be funded through the State Special Loans STAR Program, which offers replacement home funding in cases where the existing home is structurally unsound and therefore ineligible for rehabilitation funding. In response to a question by Commissioner Bertino, Ms. Bynum stated that the homeowners will need to secure alternate housing during the course of this project.

Pursuant to the request of Public Works Director John Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to schedule the next E-Cycle and Household Hazardous Waste Collection Day for Saturday, April 18, 2015 from 10:00 a.m. to 2:00 p.m. at the Park and Ride in West Ocean City. The County, in cooperation with the Maryland Department of the Environment (MDE) and Maryland Environmental Service (MES), sponsors this program. Mr. Tustin advised that the County-incurred expense for this event is approximately \$20,000 and is available in the FY15 budget.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized staff from the Solid Waste and Recycling Division of Public Works to participate at no cost in the 31st Annual Home, Condo and Outdoor Show from March 20-22 at the Roland E. Powell Convention Center in Ocean City to provide a booth to encourage residents and visitors to recycle. Mr. Tustin stated that this would be the fifth consecutive year that the County maintains a booth at this event to tout the importance of recycling and to highlight County recycling efforts to date. He advised that give-away items at the booth will include pencils, frisbees, post-it-notes and cups, all of which are made from recycled materials.

The Commissioners met with Mr. Tustin to discuss truck traffic on Old Virginia Road. Mr. Tustin stated that, at the request of Commissioner Lockfaw, County staff examined his concerns regarding excessive truck traffic on Old Virginia Road in Pocomoke. He stated that, though this was once a State-maintained artery, it was not designed for the larger trucks traveling on this County roadway. Following some discussion and upon a motion by Commissioner Elder, the Commissioners unanimously adopted Resolution No. 15-2 prohibiting through truck traffic on Old Virginia Road in the Pocomoke Area of Worcester County and to post "No Thru Trucks 15,000 pounds or greater" on Old Virginia Road from the Pocomoke Beltway south to U.S. Rt. 13.

Mr. Tustin updated the Commissioners on the findings of a structural evaluation completed by Gannett Fleming, Inc. for the 2013/2014 bridge inspection cycle, with several bridges meeting the requirements for bridge replacement under the State Highway Administration (SHA) Federal Bridge Program. He stated that State aid projects are funded with 80% State funds and 20% County funds. However, for a bridge to qualify for this program, it must receive a Bridge Safety Rating (BSR) of 50 or below. He also explained that a new vehicle load rating analysis was required to be completed on all bridges, which resulted in the BSR for six of the County's 32 bridges dropping significantly, with 17 of these bridges showing no structural defects. He stated that, while staff was surprised by the decreased BSR of five of the bridges, there are no significant safety issues with them that cannot be addressed through

standard maintenance at this time, and they are not expected to fail within the next five years. He also advised that Bridge WO-202 Bayside over Tanhouse Creek should be repaired as well, but with a 52.3 BSR it does not currently meet the minimum safety requirements to qualify for State funding. He stated that the County has never seen a drastic drop like this one, but assured the Commissioners that it does not reflect that these bridges are deficient, but rather that the new standards are more stringent. He advised that the Five-Mile Branch bridge over Koonfoot Branch and Cedar Lane bridge over Liberty Town Branch are scheduled to be replaced next year. Mr. Tustin also reviewed bridge funding, stating that the County currently has an unobligated balance of \$1,141,923 in FY15 in the State Aid Program, which if unchanged over the next four years will grow by \$155,852 per year for a four-year total of \$623,408, creating a balance of \$1,765,331. The State cost for the bridge replacements is estimated at \$3,544,540.80, and with only \$1.7 million available in State aid unobligated funds by 2019 this would create a shortfall of \$1,779,209.80. In closing, he stated that the County will continue to maintain all bridges to safe standards and will monitor and prioritize bridge replacement projects and keep the Commissioners apprised of any changes.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Bertino, the Commissioners awarded the low bid for refuse collection from 22 County facilities located throughout Worcester County for a period of two years through February 28, 2017 at a total annual cost of \$23,530.04 to Bennett Waste of Fruitland, Maryland.

Chief Administrative Officer Harold Higgins thanked Mr. Tustin and his staff for their diligence in maintaining the safety and accessibility of County roadways and County facilities following the recent snow storm. Commissioner Bertino concurred and stated that staff did an outstanding job. Mr. Tustin stated that it was a team effort. He praised Roads Superintendent Frank Adkins, who was in attendance at the meeting, and his staff for their diligence to maintain public safety on County Roadways, Maintenance for assuring the safety of staff and the public when accessing County parking lots and buildings and Water and Wastewater for keeping operations going without disruption.

The Commissioners met with Mr. Tustin to discuss the water service line replacement project in Ocean Pines. Mr. Tustin stated that on December 16, 2014 the Commissioners authorized the waiving of bids and accepted the negotiated price for 47 water service line replacements from WM Water and Sewer LLC (WM) of Ocean View, Delaware. He stated that since then WM has nearly completed the service lines identified and their performance has been very satisfactory. Therefore he proposed assigning them additional lines to replace. Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously accepted the proposal from WM to complete Phase 2 of the Water Service Line Replacement Project in Ocean Pines, which includes installing an additional 35 short side service lines at a cost of \$550 each and 36 long side service lines at a cost of \$900 each for a total cost of \$51,650 for this phase of the work.

In response to a question by Commissioner Bertino, Mr. Tustin stated that the work would begin immediately.

The Commissioners met with Public Works Deputy Director John Tustin and Enterprise Fund Controller Jessica Ramsay to discuss a request from attorney Raymond D. Coates, Jr. for a further reduction of the water and wastewater bill for the property located at 50 Abbysshire Lane in Ocean Pines. Ms. Ramsay reviewed the background leading to this request. She stated that the meter at the property in question was read as part of the normal reading cycle on November 24, 2014 and was flagged as a high user account. Therefore, the meter was reread before bills were sent out on December 18, 2014. She stated that the meter was then read again at the request of the homeowner on January 20, 2015 and at the request of Mr. Coates on January 23, 2015. She stated that all of the meter readings were consistent, but during rereading on January 20, 2015 the meter was noted as turning, an indication that water was in fact passing through the meter. Because of the excessive usage, the meter was tested at no cost to the homeowner and shown to be measuring water use accurately. Therefore the case was reviewed by the Grievance Committee which recommended an adjustment be made in accordance with Category 2 of the County adjustment policy for water leaks, which states that if a leak results in water entering the sewer the rate may be adjusted by decreasing the cost per 1,000 gallons (tier) to a level below the conservation rate. Therefore, the customers water and sewer bill was reduced from \$3,389.76 to the current amount owed of \$2,196.76, and she recommended that further reductions not be considered.

In response to a question by Mr. Higgins, Ms. Ramsay stated that, while the County does not normally set up payment plans for water and sewer bills, they make an exception in instances with exceptionally high bills such as this. Commissioner Bunting stated that, though he feels sympathetic for the homeowner, the water was processed through the sewer plant, resulting in a cost that must either be paid by the homeowner or absorbed by other users in the service area. In response to a question by Commissioner Bunting, Mr. Tustin stated that a leak the size of a pinhole could result in water losses of 75,000 gallons per month. He stated that silent leaks in the home, which is only one of many possible explanations for the water loss in this case, occur frequently. However, the onus is on the homeowner to identify and repair such leaks.

In response to a question by Commissioner Elder, Mr. Ross stated that the meter used is a mechanical, positive-displacement meter, with a chamber, and these types of units are very reliable. Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously declined to further decrease this bill.

The Commissioners met with Mr. Tustin to continue discussion of the requested relocation of the Mystic Harbour wastewater injection wells from the VanVonno property to the Mystic Harbour Wastewater Treatment Plant (WWTP) property. The Commissioners previously discussed the situation at their February 3, 2015 meeting, at which time they agreed to await a recommendation from the Water and Sewer Committee before considering options for relocating the wells in question. Mr. Tustin stated that the committee discussed the option of relocating the six wells next to the VanVonno property home than all 18 wells located on their property, which would reduce the cost from an estimated \$260,000 to just \$27,000 for well relocation and abandonment, \$3,000 to update the site survey and mapping, an estimated cost of \$2,000 for piping, and another \$3,000 in contingency to account for possible fluctuations in piping costs for a total project cost of approximately \$35,000. He stated that this alternative was favorable to relocating all 18 wells because it is significantly less costly and requires less effort from a

regulatory standpoint, which according to the Maryland Department of the Environment (MDE) would require the County to provide justification of replacement capacity, and not a detailed study. He stated that justification could be cited in a letter justifying the elimination of the six injection wells, with the related capacity recovered by drilling new wells within the current disposal area west of the VanVonno property and providing historical data that shows the County could recover at least the same capacity. Commissioner Bunting stated that, because Hugh Cropper, attorney for the VanVonnos, stated previously that his clients would agreed to pay the cost to relocate the wells at no cost to the County, this option was by far the most economical for them.

Following some discussion and upon a motion by Commissioner Bertino, the Commissioners voted 6-1, with Commissioner Church voting in opposition, to approve the relocation of these six wells as proposed at no cost to the County and directed staff to draft a Memorandum of Understanding (MOU) between the County and the VanVonnos whereby the County will agree to coordinate the work subject to reimbursement by the VanVonnos. Commissioner Church stated that he voted in opposition to the motion because he felt that the County, rather than the VanVonnos, should pay to replace the wells.

The Commissioners met with Environmental Programs Director Bob Mitchell to discuss a letter from Spiro Buas, owner of the Pines Mini Plaza property, requesting a reallocation of his current assessment of three equivalent dwelling units (EDUs) of water and sewer capacity to two EDUs, with the one remaining EDU to be made available to other users within the Pines Plaza Commercial Sanitary Service Area on a first-come, first-served basis. Mr. Mitchell stated that Mr. Buas has paid \$10,000 of the \$10,600 payment for the two EDUs and asked for a six-month period to connect and redevelop the site. In conclusion, Mr. Mitchell recommended the Commissioners consider approving this reallocation based on the following four conditions. 1 - The owner should come current with the up-front construction charges for the two EDUs today, which were specified to be repaid by an up-front local share (one-time payment) and were borrowed from the General Fund, and with an additional payment of \$600 to be submitted to cover these charges. 2 - All charges will stay on their account until the demolition/connections are made, and at that time the \$5,300 construction charges for the third EDU will be removed. 3 - The owner will continue to be responsible for the quarterly charges on the EDUs. 4 - The owner adheres to the requested six-month time frame for redevelopment, and if he fails to obtain and execute a demolition permit by that time he will hook up immediately and be assessed the full three EDUs. Following some discussion and upon a motion by Commissioner Bertino, the Commissioners approve the request subject to the four requirements proposed by staff.

Pursuant to the recommendation of Mr. Mitchell and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Environmental Programs to continue the delegation of erosion and sediment control enforcement authority from the State through June 30, 2017. Mr. Mitchell stated that the Maryland Department of the Environment (MDE) reviewed and approved staff's application for Environmental Programs to continue serving in this capacity based on their efforts to take a more proactive approach to addressing problems and for revising the County's Erosion and Sediment Control Ordinance to reflect updates by the State in 2011.

The Commissioners met with Mr. Mitchell to discuss proposed State legislation that would negatively impact local farmers. Mr. Mitchell stated that Governor Larry Hogan withdrew the Phosphorus Management Tool (PMT) regulations before final publication in the Maryland Registry in January 2015. However, Senator Paul Pinsky of Prince Georges County has introduced Senate Bill 257 - Agricultural - Nutrient Management - PMT, which would reenact those regulations, and the hearing on this bill is scheduled for February 24, 2015 in Annapolis. Mr. Mitchell stated that this legislation could have a major impact on agricultural operations in Worcester County that produce and/or utilize poultry manure. Mr. Mitchell stated that this bill could require farmers to reduce or eliminate the application of phosphorus on their fields, even if the crops planted in those fields need supplemental phosphorus to grow. Furthermore on farms where organic sources of nutrients, such as animal manure containing both phosphorus and nitrogen, have been applied the farmers will be required to purchase inorganic commercial fertilizer to provide the nitrogen previously provided by the manure. He stated that this could result in an estimated cost of \$10,000 per every 100 acres of land. He further stated that the legislation again raises concerns about the sustainability of adequate State financial assistance to farmers reflected in the State budget. The economic report for the PMT never quantified the amount of phosphorus this regulation would prevent from reaching the bay, and the fact that the infrastructure on the ground does not currently exist that could transition to the timeline in the regulation without considerable economic hardship on the shore agricultural community. Commissioner Bunting stated that hard science supports the fact that Eastern Shore farmers are doing a good job with nutrient management to protect the bay, and he strongly urged his fellow Commissioners to oppose this bill. Upon a motion by Commissioner Elder, the Commissioners unanimously agreed to send a letter opposing Senate Bill 257.

The Commissioners met with Mr. Higgins to review Senate Bill 57 and House Bill 72 - Budget Reconciliation and Financing Act (BRFA) of 2015. Mr. Higgins stated that Section 11(a) and (b) would divert a portion of the Local Impact Grant (LIG) funds to the Education Trust Fund instead of the counties where casinos are located. Mr. Higgins stated that the proposed legislation would allocate \$4,073,965 to the Education Trust Fund in FY15 that otherwise would have been allocated to the LIG. The legislation also includes a similar allocation for FY16 totaling \$3,887,697. Subsequently, the proposed legislation would result in an estimated reduction of LIG revenues of \$298,584 and \$284,951 for fiscal years 2015 and 2016, respectively to Ocean City, Ocean Pines, Berlin and Worcester County. Mr. Higgins advised that if the legislation is passed as submitted projected County funding of \$179,150 in FY15 and \$170,971 in FY16 would be redirected to the State Education Trust Fund for Statewide distribution, with little or none of these funds being allocated to Worcester County. He pointed out that the Education Trust Fund already receives 28% of the video lottery terminal revenues. Therefore he strongly recommended opposing Section 11 of the BRFA bill. Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to send a letter to the State legislature opposing Section 11 of the Budget Reconciliation and Financing Act of 2015.

The Commissioners met with Mr. Higgins to discuss Senate Bill 523 and House Bill 689 Worcester County - Alcoholic Beverages - Craft Distillery License, which would establish a

Class 9 Craft Distillery License in Worcester County. Mr. Higgins explained that the holder of a Class 9 license would be able to establish and operate a plant for distilling and bottling brandy, rum, whiskey, alcohol and neutral spirits under certain circumstances, and this license would only be issued to a holder of a Class D beer, wine and liquor license. He stated that at this point the proposed legislation would only affect Seacrets in Ocean City and if passed would allow them to relocate their craft distillery operation from Delaware to Worcester County.

Commissioner Mitrecic stated that if this legislation is adopted the Seacrets distillery would be relocated from Delaware to Maryland, bringing 40 full-time jobs to Worcester County and generating additional tax revenue. Commissioner Church concurred, stating that this would be a plus for the County. In response to a question by Commissioner Bertino, Commissioner Mitrecic stated that the legislation could not result in the proliferation of distilleries in Worcester County, as those holding a Class D license currently do not have the space and likely lack the capital needed to undertake such a costly venture. Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to send a letter to the State legislature supporting the proposed legislation.

The Commissioners met with County Attorney Sonny Bloxom to review House Bill 113 - Local Government Tort Claims Act, which would raise the liability limit for local governments for an individual claim from \$200,000 to \$500,000 and raise the total limit from \$500,000 to \$1 million. Mr. Bloxom stated that this legislation would increase the County's exposure for tort claims, both monetarily and in frequency, and would also raise the County's insurance rates, since the insurance company would be required to cover the increase in exposure. Therefore he urged the Commissioners to vigorously oppose this bill in concert with the Maryland Association of Counties (MACo) and the other counties. Upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to send a letter to the State legislature opposing the bill and asking them to vote against it based on the hardship that its passage would impose on Maryland counties.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously directed staff to present them with a proposal for providing video recordings of their public meetings for review at their next meeting on March 3, 2015.

The Commissioners answered questions from the press, after which they adjourned to meet again on March 3, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

March 3, 2015

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

Following a motion by Commissioner Mitrecic, seconded by Commissioner Bertino, 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and George Bradley, Human Resources Director. Topics discussed and actions taken included: filling critical vacant positions, including hiring Barry J. Morton as a Maintenance Worker I within the Maintenance Division of Public Works and Gary Millhoff as a part-time, contractual Building, Housing and Zoning Inspector II within Development Review and Permitting; acknowledging the hiring of Lauren Bourdon as an Assistant State's Attorney within the State's Attorney's Office; instituting an immediate hiring freeze on all but public safety personnel; 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 minutes of their February 19, 2015 meeting as presented.

The Commissioners presented a proclamation recognizing March as Women's History Month to Commission for Women Chair Eloise Henry-Gordy and other members. Ms. Henry-Gordy invited the Commissioners to attend the Women's History Month luncheon on March 18, 2015 at the Clarion Resort Fontainebleau Hotel in Ocean City.

The Commissioners presented a proclamation recognizing March 8-14, 2015 as Girl Scouting Week and March 12 as Girl Scouts of the USA Day to Girl Scout Leader Anna Foulz to mark the 103rd anniversary of this organization, which inspires millions of members each year to experience greater opportunities in the fields of math, science, sports and technology.

Pursuant to the request of Worcester County Economic Development (WCED) Director Bill Badger and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign a Memorandum of Understanding (MOU) between the County Commissioners of Worcester County, Maryland and Anne Arundel Economic Development Corporation (AAEDC), with AAEDC to provide the County with administrative funds in the amount of \$17,010 to cover the cost of one part-time Administrative Assistant position within WCED during FY15. Mr. Badger explained that AAEDC, in partnership with WCED, serves as a Fund Manager and oversees distribution of \$4.1 million annually in Small and Minority Owned Business grant funds from the Maryland Department of Business and Economic Development, with Worcester County small and minority owned businesses eligible to receive a share of \$500,000 annually in business loans and equity investments managed by WCED. The revenues for this grant program are generated from 1.5% of all Maryland casino yearly proceeds, as required by State law. Mr. Badger advised that the State should reimburse AAEDC for the administrative costs paid to WCED after July 1, 2015, but if they fail to do so WCED will be required to repay the funds to AAEDC.

Pursuant to the recommendation of Recreation Superintendent Lisa Gebhardt and the written recommendation of Recreation and Parks Director Paige Hurley and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign an MOU between the County Commissioners of Worcester County, Maryland and the Worcester County Swim Fund (WCSF), to extend the existing partnership between Worcester County Recreation and Parks and the WCSF for an additional three to five years, with the WCSF to provide an annual grant in the amount of \$542.50 to the County, to be used to subsidize \$9.00 of the \$18.00 financial aid price for swim lessons for each student and adult who wants to participate in County swim programs and qualifies for financial assistance. Program participants would then make up the difference and would each be responsible for paying \$9 of the financial aid cost for swim lessons. The goal of the partnership is to ensure that every child and adult in Worcester County has the opportunity to learn to swim.

Pursuant to the recommendation of Emergency Services Director Fred Webster and upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized Commission President Bunting to sign the Medical Director's Agreement between the County Commissioners of Worcester County, Maryland, a political subdivision of the State of Maryland, and William Todd, M.D. (Physician), with the physician to serve as the Worcester County Emergency Medical Services Medical Director (EMS-MD), in accordance with the Code of Maryland Regulations (COMAR), Title 30, Subtitle 02.02(3), for an additional period of five years beginning March 3, 2015. Mr. Webster explained that the County has been designated as the Jurisdictional Emergency Medical Services Operational Program (Program) by the Emergency Medical Services Board of the State of Maryland and as a Public Safety Answering Point - 911 Center by the Emergency Numbers Systems Board (ENSB) and performs emergency medical dispatch in accordance with national standards. As such, the County is required to maintain a written agreement with an EMS-MD who serves as a medical ombudsman and is responsible for the overall quality of patient care provided by the Program. He concluded that Dr. Todd has served as the Program's Medical Director for the past five years at no cost to the County.

The Commissioners met with Environmental Programs Director Bob Mitchell to review Enhanced Phosphorus Management Tool (PMT) regulations recently proposed by Governor Larry Hogan as part of a broader "Maryland Agricultural Phosphorus Initiative," which is to be published in the Maryland Register sometime after April 2015 and is intended to further Maryland efforts to improve water quality, strengthen the agricultural industry, and bolster rural economies. Mr. Mitchell stated that Governor Hogan's proposal differs from former Governor Martin O'Malley's administration's proposal on four main points. These include providing farmers with another year to implement the PMT; providing assurances that commitments will be made on alternative uses of manure; banning phosphorus on fields with the highest phosphorus levels immediately; and providing full information Statewide on soil phosphorus conditions. Mr. Mitchell expressed concern that the Lower Eastern Shore may have an estimated 50,000 tons of manure slated for application on fields that may fall in a category that requires their immediate ban from additional phosphorus applications, and this would entail that roughly half of that amount (25,000 tons or 1,200 individual deliveries of manure) will need to be relocated to fields that have yet to be identified throughout the State that could accept the manure. Furthermore, there would be a lack of necessary available phosphorus for new crops on fields with high soil phosphorus levels. In response to concerns raised by Commissioner Church, Mr. Mitchell stated that the Worcester County Farm Bureau and the Delmarva Poultry Industry largely support Governor Hogan's PMT regulations, but that they share the County's concerns. Following some discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Commission President Bunting to sign a letter that supports Governor Hogan's efforts to develop an equitable PMT while also noting their concerns regarding the ban on application of additional phosphorus this year, as to enact an outright ban would require the State to step forward with cost share assistance to farmers to relocate and ensure adequate fields can be found to receive manure.

The Commissioners met with Mr. Mitchell to review and discuss Senate Bill 533/House Bill 886 - The Bay Tax Equity Act, which would establish a certain chicken manure pollution fee payable to the Comptroller by imposing a \$0.05 fee per chicken provided to each local poultry farmer in the State of Maryland, ostensibly for pollution caused by chicken manure. Commissioner Bunting stated that this legislation would devastate the poultry industry on which the local economy is significantly dependent. Following some discussion and upon a motion by Commissioner Church, the Commissioners unanimously agreed to send a letter opposing SB533/HB 886 - Bay Tax Equity Act.

The Commissioners met with representatives from the towns of Pocomoke City, Snow Hill and Berlin, as well as the Ocean Pines Association (OPA) regarding their Fiscal Year 2016 grant requests from the County.

The Commissioners met with Pocomoke City Mayor Bruce Morrison and Council members Rob Clarke, Diane Downing, George Tasker and Dale Trotter. Mayor Morrison thanked the Commissioners for their ongoing support of Pocomoke City and the nonprofit organizations serving their residents, and advised that the town does not support HB 690 - Property Tax Fairness Act of 2015 (Strengthening Maryland Municipalities), which would require specified counties to grant property tax setoffs to municipal corporations within the

county. He stated that, in light of continued declines in County revenues, their requests for County support for the coming year are in only two major categories: continuing categorical funding, and special projects and services which have regional benefit and interest. He asked for continued categorical funding and pass-through grants as follows: \$450,000 for Economic Development; Liquor License Fees; 50% of the profits from the Pocomoke Dispensary; 15% credit against tipping fees for recycling efforts; financial corporation tax loss payment; support for the city's ambulance services based on the County formula; fire department funding; and marketing/promotional assistance of \$4,500. He further advised that grant requests also included special projects, which have regional benefit and interest as follows: reconsider the County funding formula for ambulance reimbursement to increase the mileage reimbursement rate from \$0.60 per mile to \$1.50 per mile, which more accurately reflects the actual cost of operating in ambulance, as Pocomoke's newest ambulance cost \$170,000, uses more expensive diesel fuel, and their ambulances cover more mileage per run than any other municipality; industrial development in the form of continued support for construction of a new shell building in the industrial park; tourism and cultural attractions, including the MarVa Theater, Delmarva Discovery Center (DDC), Sturgis One-Room African-American School House, and Costen House; and operating fund assistance to the DDC. Mayor Morrison announced that Pocomoke Town Manager Russ Blake will retire in June 2015 after 40 years of service to the community.

The Commissioners met with Snow Hill Mayor Charles Dorman who expressed his appreciation for the Commissioners' past support. Mayor Dorman asked the County to award the town an unrestricted grant in the amount of \$600,000 to help maintain current services and implement revitalization efforts. He stated that prior funding from the County had been used to stabilize the former Mason's Opera house, and this year's unrestricted grant request includes funding of \$100,000 toward that project to complete electrical work and remaining roof repairs and \$20,000 to help cover the cost of the new full-time Economic Development Coordinator who will focus on the economic revitalization of Snow Hill.

The Commissioners met with Berlin Mayor Wm. Gee Williams, III, Council member Troy Purnell and Town Administrator Laura Allen. Mayor Williams thanked the Commissioners for their ongoing partnership with the town and asked the County to award the town an unrestricted grant in the amount of \$450,000 for FY16. He stated that, during the past several years, the town has used County grants to upgrade and add to the town's infrastructure. This includes completing street improvements and installing and assuring sidewalks are safe, contiguous and meet all current Americans with Disabilities Act (ADA) standards. He stated that currently the town is in the middle of updating their strategic plan and specific decisions regarding the use of a portion of the grant will not be made until that process is complete. However he assured them that any grant funds provided to Berlin will take into consideration hopes, dreams and thoughtful suggestions town officials are receiving from area residents during the public strategic planning sessions that are taking place now through early March.

The Commissioners met with Ocean Pines Association (OPA) Board President Dave Stevens and Treasurer Jack Collins to discuss their FY16 grant requests from the County. Mr. Stevens advised that Ocean Pines is home to 11,700 year-round residents or 23% of the County's residents, and that number increases to 24,000 residents each summer. However, despite having the largest year-round population, the OPA continues to receive the minimum per capita funding level. He reviewed the services and amenities the OPA provides to the community and all

Worcester County residents, including recreation and parks and public safety, and he asked the Commissioners to provide funding for four distinct needs as follows: a minimum public safety grant of \$625,000 for police services; a \$275,000 grant for the restoration of roads and bridges, which includes \$175,000 needed for bridge repairs alone; a grant of \$7,500 for tourism to partially offset the cost of 4th of July fireworks; and \$150,000 for Recreation and Parks programs. Mr. Stevens stated that 35% of participants using Ocean Pines Recreation and Parks programs are from outside Ocean Pines. Though the OPA spends in excess of \$1.6 million annually for activities and programs, they are only asking the County to cover less than 10% of those costs. In closing, he thanked the Commissioners for their past support.

Commissioner Bunting thanked town and OPA officials for meeting with them.

The Commissioners met with Ocean City Mayor Rick Meehan, City Council members Lloyd Martin, Dennis Dare, Tony Deluca, Wayne Hartman, and Matthew James and City Manager David Recor to discuss their request for property tax setoff in the form of a tax differential for Ocean City taxpayers and their alternate proposal to enter into a Memorandum of Understanding (MOU) between the Mayor and City Council of Ocean City and the County Commissioners of Worcester County, Maryland that establishes a funding formula and predictable methodology for determining annual County grant funding to be paid to the town in lieu of further discussion regarding tax differential and/or property tax setoffs during the term of the agreement through June 30, 2020. Mayor Meehan stated that city officials support HB 690, which would require a tax setoff and feel that a tax setoff in the amount of \$17.1 million is required to compensate for double taxation of municipal taxpayers because both municipal and County property taxes are being levied to fund similar services. Mayor Meehan stated that in FY15 County grants to the town totaled only \$2,961,956, which is roughly \$14 million less than the town should receive from the County. He pointed out that there is a great disparity between taxes paid versus County funding received. He stated that Berlin received back 21.96% of the total property and income taxes paid to the County by their citizens, Snow Hill receives back 71.10%, Pocomoke receives back 24.3%, but Ocean City receives back only 4.46% despite accounting for 57.3% of the County's Net Assessable Real Property Tax Base. He concluded that the town does not expect the County to cut a check to the town in the amount of \$17 million today, but he does expect Ocean City taxpayers to be treated fairly, and therefore he requested that the County establish a funding formula that is fair and equitable beginning July 1, 2015. Mr. Recor presented the proposed MOU and stated that this has been the town's number one priority for the past several years. He reviewed the incremental increases proposed in the MOU, noting that town officials are seeking a 3% increase each year over the next five years as follows: from 4.56% (at \$3,074,956) to 7.56% (at \$5,093,316) in FY16; from 7.56% to 10.56% (at \$7,114,473) in FY17; from 10.56% to 13.56% (at \$9,135,630) in FY18; from 13.56% to 16.56% at (\$11,156,787) in FY19; and from 16.56% to 19.56% (at \$13,177,945) in FY20, with all grants to be paid to the Town of Ocean City no later than August 30 for each fiscal year. Mr. Recor concluded that the agreement would be renegotiated for an additional five-year period during FY20.

Commissioner Mitrecic thanked Ocean City officials for coming forward with the plan. Commission President Bunting thanked them for their presentation and agreed to consider their request.

Pursuant to the recommendation of Public Works Director John Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously awarded the low bid for the provision of pest control services at 28 County facilities to Chesapeake Exterminators, Inc. of Salisbury, Maryland for a period of two years through March 2017 at a monthly cost of \$560 for a total annual cost of \$6,720.

Mr. Tustin reviewed bids for blacktop resurfacing of 9.14 miles of County roadways. He stated that funding has been made available for this project by a combination of a one-time State Highway Administration (SHA) grant of \$252,726 and Designated Funds in the Unassigned Fund Balance of \$500,000 for a total of \$752,726. He further stated that, because the bids came in substantially lower than estimated, \$97,145.75 is still available and could be used to purchase an additional 1,392 tons of bituminous concrete to complete two additional roads in the current blacktop schedule. Commissioner Bertino stated that the Commissioners should proceed with the original plan to pave 9.14 miles of County roadways and set aside the savings of \$97,145.75 to help offset declining revenues in the FY16 budget. Commissioner Lockfaw stated that County roads are deteriorating quickly, so the Commissioners should take advantage of the cost savings to complete additional paving projects, since the funds are already dedicated for this purpose and the additional repairs can be made without incurring any additional debt. Following some discussion and upon a motion by Commissioner Lockfaw, the Commissioners voted 5-2, with Commissioners Bertino and Bunting voting in opposition, to award the low bid to Chesapeake Paving and Sealing, Inc. of Parsonsburg, Maryland for blacktop surfacing of approximately 9.14 miles of County roads requiring approximately 9,399 tons of bituminous concrete at a fixed price per ton of \$69.75 for a total estimated cost of \$655,580.25. Furthermore, based upon the final cost per ton, the Commissioners agreed to add portions of Cherrix Road and Purnell Crossing Road to the paving schedule, which would add an additional 1,369 tons to the contract for an additional cost of \$95,487.75 and a grand total cost of \$751,068.

The Commissioners met with Superintendent of Schools Dr. Jerry Wilson to review the Maintenance of Effort (MOE) calculation for FY16 for informational purposes only. The MOE funding level is a State requirement, unless a waiver is requested by the County and granted by the State. To receive the State increase in funding and compensatory aid for the coming fiscal year, the County must designate at least as much funding per pupil to the Board of Education (BOE) as it did in the prior budget year, which is known as the MOE Funding Level. Dr. Wilson stated that for FY16, based upon an increase of 12 students for a full-time equivalent (FTE) of 6,261 students, the MOE funding level in Worcester County would increase by \$145,613 for a total FY16 MOE budget of \$75,973,472 as compared to the FY15 funding level of \$75,827,859, based upon total funding of \$12,134.40 per student.

Pursuant to the request of Dr. Wilson and upon a motion by Commissioner Church, the Commissioners unanimously approved the list of MOE nonrecurring cost exclusions in the BOE's requested FY16 budget, which includes \$200,000 for data infrastructure costs to support student technology. In FY15, the Commissioners approved a nonrecurring cost exclusion of \$200,000 to purchase student computer laptops for use in State-mandated, online student testing. The FY16 requested funding would be used to upgrade aged infrastructure, such as servers and

connectivity costs, to support the new technology. Dr. Wilson stated that it will cost approximately \$1 million spread out over the course of several years to fully upgrade their infrastructure. Nonrecurring costs reflect one-time expenses rather than ongoing costs and can, therefore, be excluded from the calculation of the required Maintenance of Effort (MOE) funding level in future years. Dr. Wilson explained that approval as a nonrecurring cost does not constitute a funding commitment. Rather, these proposed nonrecurring expenses will be forwarded to the State for final approval and exclusion from the future MOE calculation.

Dr. Wilson invited the Commissioners and those in attendance at the meeting to tour the recently completed Phase I of the Snow Hill High School renovation and addition project at 1:30 p.m. that afternoon.

The Commissioners met with Assistant Chief Administrative Officer Kelly Shannahan to review a proposal to develop and install an audiovisual (A/V) system in the Commissioners meeting room to provide video access of meetings on the County website. Mr. Shannahan advised that staff previously investigated the A/V and notification system in the Ocean City Council Chambers and determined that to replicate their system would cost in the neighborhood of \$200,000, which was cost prohibitive. Therefore, staff focused on developing a custom-designed light board which would enable the President to know which Commissioners or staff members wish to speak on a particular matter. He stated that County Engineer Bill Bradshaw tested a series of toggle switches and push button switches and determined that the push button style switch appears to provide the best functionality. In response to a question by Commissioner Mitrecic, Mr. Shannahan advised that the push button switches, which could be purchased and installed for only a few hundred dollars, would light up to show which Commissioner or staff member wished to speak, thereby allowing Commission President Bunting to recognize them.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized staff to move forward with purchasing and installing the proposed light board and push button switches.

Mr. Shannahan also reviewed options available to purchase and install video equipment that would be compatible with the existing audio system in the Commissioners' Meeting Room. He stated that Information Technology Manager Brian Jones is currently researching a few options that would allow for a video system to tie into the audio system to record a fixed shot of the entire Board of County Commissioners, which could simply be downloaded and made available for viewing on the County website after each meeting. Mr. Shannahan advised that, in the process of gathering quotes for video system costs, staff had reached out to both Hagerstown and Baltimore City and learned that each jurisdiction had been able to tap into grant funds to install a video system to tape their meetings, thereby reducing their net cost to approximately \$5,000. He stated that County staff hope to be able to do likewise. Commissioner Bunting commended Mr. Shannahan and other staff members for their efforts to develop an A/V system for the Commissioners' meeting room that would make it possible for residents and visitors alike to view the Commissioners' meetings online in the near future.

Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized staff to obtain proposals for the purchase of a single

camera system for review at a future meeting.

The Commissioners answered questions from the press, after which they adjourned for lunch.

The Commissioners met to tour sections of Snow Hill High School (SHHS) completed during Phase I of the SHHS addition and renovation project, after which the Commissioners adjourned to meet again on March 17, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

March 17, 2015

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

Following a motion by Commissioner Lockfaw, seconded by Commissioner Elder, 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; Sonny Bloxom, County Attorney; and Kim Moses, Public Information Officer. Topics discussed and actions taken included: 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 minutes of their March 3, 2015 meeting as presented.

Upon a motion by Commissioner Mitrecic, the Commissioners adopted Resolution No. 15-3 amending Worcester County Government Personnel Rules and Regulations to add provisions for Pregnancy Accommodations and Leave, as conceptually approved by the Commissioners at their February 19, 2015 meeting and after having been posted for 15 days and receiving no comment. The amendment includes a new section, Section 6.16 Pregnancy Accommodations and Leave to comply with legislation previously passed by the Maryland General Assembly.

The Commissioners met with Housing Program Administrator Jo Ellen Bynum to review three bids received prior to the 1:00 p.m. deadline on Monday, March 9, 2015 to complete a housing replacement project in the Stockton area and to discuss whether to consider a late bid that was hand delivered to the County Administration Office at 1:02 p.m.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to reject the late bid.

Upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to accept the low bid for demolition of the existing single-family home and subsequent construction of a replacement home in the Stockton area to Shoreman Construction Company, Inc. of Delmar, Maryland at a total cost of \$96,950.

The Commissioners met with Recreation and Parks Director Paige Hurley and Tourism Director Lisa Challenger to review and discuss the proposed Memorandum of Understanding (MOU) between the Town of Ocean City, Maryland (Town), Worcester County, and Wicomico County to establish the Mid-Atlantic Amateur Sports Alliance (MAASA). The MOU serves to finalize the approval provided by the Commissioners on June 17, 2014 for the County to partner with the Town and Wicomico County to form the MAASA to leverage their combined assets to attract, retain and build sports events, with a focus on amateur athletics, to grow the region's economy and reputation as a premier sporting destination.

Commissioner Mitrecic stated that this is an important step forward for the County, as earlier partnerships between Ocean City and Wicomico County have been extremely successful. However, he stated that the County's coordination of this partnership should be headed up by the Department of Economic Development rather than Recreation and Parks. A motion by Commissioner Mitrecic for Economic Development Director Bill Badger to head up the County's partnership in MAASA failed for lack of a second.

Upon a motion by Commissioner Bertino, the Commissioners voted 6-1, with Commissioner Mitrecic voting in opposition, to authorize Commission President Bunting to sign the MOU as presented by Mr. Hurley.

Pursuant to the recommendation of Public Works Director John Tustin and upon a motion by Commissioner Lockfaw, the Commissioners voted unanimously to award the low bid for the reconstruction of the Cedar Hall Boat Ramp in Pocomoke City, Maryland to Murtech, Inc. of Salisbury, MD at a total cost of \$174,417. Mr. Tustin stated that Maryland Department of Natural Resources (DNR) Waterway Improvement Grant (WIG) funds are available to cover all project costs. In response to concerns raised by Commissioner Lockfaw, Mr. Tustin stated that plans for the boat ramp include extending the ramp further into the river and providing wheel stops on the ramp, thereby allowing more boats to safely access the boat ramp.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved bid specifications for the provision of petroleum products for County buildings, off-road equipment and generators for a two-year period commencing upon the date of award and ending April 30, 2017.

The Commissioners met with County Attorney Sonny Bloxom to review a Deed of Assignment of Sewer Service between the County Commissioners of Worcester County, Maryland and the Ocean Pines Sanitary Service Area (SSA), conveying and assigning 63 equivalent dwelling units, which equates to 18,900 gallons per day (gpd) of wastewater treatment allocation from the Ocean Pines SSA to Ocean Enterprise 589, LLC, owner of the Ocean Downs Casino property. Mr. Bloxom stated that on September 17, 2013 the County entered into an MOU with Ocean Enterprise 589, LLC, which authorized Ocean Enterprise to purchase 63 EDUs

from the Ocean Pines SSA at a cost of \$11,417 per EDU for a total cost of \$719,271, which was paid to the County on June 25, 2014. He advised that the deed formally acknowledges the EDU payment, and grants, conveys, and assigns 63 EDUs from the Ocean Pines SSA to Ocean Enterprise as outlined in the former MOU and to be used only on the 166-acre property.

Development Review and Permitting Director Ed Tudor stated that the International Organization for Standards (ISO) has completed their analysis of the County's Building Code Adoption and/or Enforcement Program improvements that have been made since the initial letter the County sent on December 5, 2014. He stated that, as a result of reporting improvements completed by County staff, the Building Code Effectiveness Grading Schedule (BCEGS) Classification that ISO will implement for the County is a Class 4 for one and two-family residential properties, and a Class 4 for commercial and industrial properties. He stated that the BCEGS classification applies to new buildings receiving a certificate of occupancy during or after January 1, 2015. Mr. Tudor stated that, during the first reporting period, the County rating was projected to fall by one category from a Class 4 to a Class 5 for commercial and industrial properties; however, thanks to exhaustive efforts by County Engineer Bill Bradshaw, the ISO reinstated the County's Class 4 rating for commercial and industrial properties. Commissioner Bunting thanked staff for their efforts to maintain the County's Class 4 rating.

Rina Thaler, Executive Director of the Art League of Ocean City, provided the Commissioners with an update about the Art League's activities at the new, 7,500 square-foot Ocean City Center for the Arts building, which is located on the site of the former 1,000-square foot Art League building at 94th Street in Ocean City. She thanked the Commissioners for providing a \$10,000 capital grant to the Art League to construct the new facility. She advised that, since opening the new facility in 2013, membership has grown from 400 to 800 members and has attracted 35,000 visitors to date. Ms. Thaler stated that the Art League is dedicated to promoting the visual arts, and she reviewed a PowerPoint that outlined the organization's service in the community as follows: to provide a venue for local artists to exhibit their work; highlight artwork by area youth; provide art instruction for beginners and beyond; partner with and help raise funds for area nonprofit agencies, including the Empty Bowl Project with Diakonia; provide free lectures and art events; utilize multi-purpose space for live theater productions; award yearly scholarships to Worcester County students; provide art activities as part of the annual Play it Safe program; host school field trips and art adventure camps; and display a community art project. Following some discussion, Commissioner Mitrecic thanked Ms. Thaler for the great job the Art League is doing to promote arts in the community, and he urged his fellow Commissioners and the public to attend and participate in the many activities taking place at the new facility.

The Commissioners met with Finance Officer Phil Thompson to review a proposed bond resolution. Pursuant to the recommendation of Mr. Thompson and Sam Ketterman with Davenport & Company, LLC, the County's Financial Advisor, and upon a motion by Commissioner Church, the Commissioners unanimously adopted Resolution No. 15-4, County Commissioners of Worcester County, Maryland providing official intent pursuant to Treasury Regulation Section 1.150-2 in connection with the issuance and sale by the County of one or more series of its general obligation bonds in an amount not to exceed \$12.4 million to finance

the following projects: the 800 MHZ Emergency Services Radio System Upgrades; the Berlin Rubblefill Cap and Closure Project; the Central Landfill Site Cell #5 Construction Project; and the Mystic Harbour Water Interconnections Project. Mr. Thompson stated that, based on the current projected interest rates, it appears that the County could save roughly \$1 million through a proposed refunding bond of current bonded indebtedness; and these four projects, which are all shovel-ready within the next three to six months could also be financed by the new bond. In response to a question by Commissioner Bertino, Chief Administrative Officer Harold Higgins stated that the issuance costs to the County would be approximately \$150,000, and the net \$800,000 interest savings would all be realized within the next three to four years. He further explained that the new bond would not extend the timetable to repay the existing debt, as the maturity dates on the refunded bonds would remain intact.

Attorney Mark Cropper, Consultant Dane Bauer and owner Hunt Taylor provided a brief summary to the Commissioners on the progress of the Riddle Farm Sanitary Sewer expansion to Samuel Bowen Boulevard in accordance with the Glen Riddle Spray Irrigation Agreement entered into by the County Commissioners, of Worcester County Maryland, Riddle Farm Service Area, WGC EDU, LLC, and Glen Riddle, LLC (Ruark). Mr. Cropper advised the Commissioners about the work that has been completed since the agreement was signed, the work that is left to be completed, and when construction is anticipated to begin. He stated that the Riddle Farm Wastewater Treatment Plant (WWTP) is being expanded from a capacity of 197,000 gallons per day (gpd) to 280,000 gpd, with treated effluent from the WWTP to be discharged by spray irrigation on two golf courses in the subdivision owned and operated by Ruark, to provide sewer service to large commercial properties located on the south side of U.S. Rt 50. He stated that the planning and permitting phase is close to completion, but they are likely to miss the June 6, 2015 deadline to begin project construction, and he therefore asked the Commissioners to extend the deadline as necessary. Mr. Bauer concurred and stated that 95% construction drawings were completed a year ago, but did not include water service. He stated that the plans have been revised, and they are awaiting three permits from the Maryland Department of the Environment (MDE) to proceed. He stated that, worst case, construction should be able to begin by September 2015, and he advised that it is in Mr. Taylor's best interest to begin sooner if possible.

Following some discussion, the Commissioners conceptually agreed to extend the deadline for beginning construction, in the event additional time is needed to meet the existing deadline, and provided that no other dates or terms of the agreement are modified.

The Commissioners met in legislative session.

The Commissioners conducted a public hearing on Bill 15-1 (Natural Resources - Docks in Resource Conservation Areas), which was introduced by Commissioners Bertino, Bunting, Church, Mitrecic, and Purnell on February 19, 2015. Environmental Programs Director Bob Mitchell reviewed the bill, which would amend the Natural Resources Article to add an additional land use within the Resource Conservation Area (RCA) of the Atlantic Coastal Bays Critical Area. This would add a new paragraph (8) to Subsection NR 3-108(d) to permit the following activities within the RCA: construction of a public or private, non-commercial dock or pier for non-motorized watercraft; a pervious storage structure not to exceed 20,000 square feet; and passive recreational areas, such as walking, hiking, bicycle paths and trails, wildlife

observation areas and picnic areas. Mr. Mitchell stated that County staff gives a favorable recommendation to the bill.

Commissioner Bunting opened the floor to receive public comment.

Attorney Mark Cropper spoke in favor of the bill and reviewed a proposed project, which will be enabled by the new law and has been designed to encourage ecotourism. He addressed concerns raised by Commissioner Elder on February 15, 2015 regarding the nearly half-acre maximum allowable area of pervious surface for storage areas. He pointed out that the proposed project is located in both Maryland and Delaware, and the means of ingress and egress would be a walking path, as no vehicular traffic would be permitted on the property. He explained that his client proposed to locate kayak racks on the site. He further advised that the County's 2007 Comprehensive Plan encourages this type of ecotourism project, and he asked the Commissioners to approve Bill 15-1 as presented.

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

Following some discussion and upon a motion by Commissioner Church, the Commissioners unanimously adopted Bill 15-1 as presented.

The Commissioners met with Development Review and Permitting Director Ed Tudor to review a draft bill and accompanying resolution to adopt the 2014 National Electrical Code, with several proposed amendments to Subtitle II, Electrical Standards, of the Building Regulations Article, as proposed by the Worcester County Electrical Board. Mr. Tudor stated that County staff and the board conducted two public meetings on December 10 and 11, 2014 in Snow Hill and Ocean Pines, respectively, to discuss the proposed changes with licensed electricians and the general public, although the meetings were not very well-attended. Following some discussion, Commissioners Bertino, Bunting, Church, Mitrecic, Lockfaw and Purnell introduced the aforementioned Bill as Bill 15-2 and agreed to conduct a public hearing on this legislation on April 21, 2015.

The Commissioners met with Mr. Higgins to review a draft Bill that would authorize and empower the County Commissioners of Worcester County, Maryland to borrow on its full faith and credit, and to issue and sell its general obligation bonds and its bond anticipation notes therefore, at one time or from time to time within four years from the date this Bill becomes effective, in an amount not exceeding \$5,450,000 to provide financing for 800 MHZ Emergency Services Radio System Upgrades, including payment of all related costs and costs of issuance of such bonds. Following some discussion, Commissioners Bertino, Bunting, Church, Elder, Lockfaw, Mitrecic and Purnell introduced the aforementioned bill as Bill 15-3 and agreed to conduct a public hearing on this legislation during a special legislative session on April 7, 2015.

The Commissioners met with Mr. Higgins to review a draft Bill that would authorize and empower the County Commissioners of Worcester County, Maryland to borrow on its full faith and credit, and to issue and sell its general obligation bonds and its bond anticipation notes therefore, at one time or from time to time within four years from the date this Bill becomes effective, in an amount not exceeding \$3,450,000 to provide financing for the Berlin Rubblefill Cap and Closure Project, including payment of all related costs and costs of issuance of such

bonds. Following some discussion, Commissioners Bertino, Bunting, Church, Elder, Lockfaw, Mitrecic and Purnell introduced the aforementioned bill as Bill 15-4 and agreed to conduct a public hearing on this legislation during a special legislative session on April 7, 2015.

The Commissioners met with Mr. Higgins to review a draft Bill that would authorize and empower the County Commissioners of Worcester County, Maryland to borrow on its full faith and credit, and to issue and sell its general obligation bonds and its bond anticipation notes therefore, at one time or from time to time within four years from the date this Bill becomes effective, in an amount not exceeding \$2,150,000 to provide financing for the Central Landfill Site Cell #5 Construction Project, including payment of all related costs and costs of issuance of such bonds. Mr. Higgins explained that the total project cost is estimated at \$8,980,000, and the remaining funding would be derived from user fees. Following some discussion, Commissioners Bertino, Bunting, Church, Elder, Lockfaw, Mitrecic and Purnell introduced the aforementioned bill as Bill 15-5 and agreed to conduct a public hearing on this legislation during a special legislative session on April 7, 2015.

Commissioner Bunting closed the legislative session.

The Commissioners recessed until 11:20 a.m.

The Commissioners met with Mr. Higgins and Budget Officer Kathy Whited to review the Worcester County Departmental Operating Budget Requests for FY16. Mr. Higgins provided a summary of the requested operating budget, and stressed that this is only the requested budget. He stated that the estimated general fund revenues based on current tax rates are estimated to be \$167,485,109, which is a decrease of \$10,496,024 or 5.9% less than the current year. He stated that the requested general fund operating expenditures total \$189,825,601, which leaves a shortfall of \$22,340,492 that must be reconciled by either reductions in expenditures, additional revenues or a combination of the two.

Mr. Higgins advised that, based on the current tax rate of \$0.77 per \$100 of the real property assessment, Net Property Taxes are projected to decrease by \$1,198,485, primarily as a result of decreased assessments and Homeowner Tax Credits. Income Tax revenues are anticipated to decrease by \$300,000 at the current tax rate of 1.25%, based on actual receipts and decreased estimates. Other local taxes are expected to decrease by \$250,000 and includes an increase of \$250,000 in Transfer Taxes and a decrease in recordation taxes of \$500,000 based on current year estimates. The Department of Liquor Control (DLC) distribution decreased by \$186,629 based on anticipated revenue reductions. Federal grants are anticipated to increase by \$73,343; Licenses and Permits will increase by \$26,550 due to increased estimates for liquor licenses at the current fees; Transfers In of existing Budget Stabilization funds decreased by \$6,393,201 with the planned revenue use of budget stabilization to perhaps be added during budget work sessions to cover a portion of planned revenue shortfalls; State grants have increased by \$113,127 due primarily to State aid for bridges; and Local Impact Grant (LIG) funds from the Casino at Ocean Downs increased by \$2,700, with those funds earmarked for the Worcester Career and Technical High School debt payment in FY16.

County department and agency requested expenditures include the following increases: \$508,769 for the Sheriff's Office for two new deputies, new computers and radio supplies, and

five replacement patrol vehicles and two new vehicles for new hires, and building improvements to dog kennels for safety and weather protection; \$113,128 for Emergency Services to replace AED Units and software maintenance contracts; \$245,399 for the County jail for six new Correctional Officers for inmate coverage and regulating agencies, new mower, computers and inmate medical contract; \$570,477 for Ambulance Grants, with a new funding formula; \$100,000 for the fire training center to replace the 1982 Hazmat Response Vehicle; \$180,641 for the Maintenance Division for new equipment and salary; \$1,963,654 for the Roads Division for road paving, two bridge replacements, dump truck, snow plow, and heavy equipment replacements; \$108,935 for Social Services; \$409,340 for Parks for improvements, with 80% to be reimbursed by a Maryland Department of Natural Resources (DNR) Program Open Space (POS) grant; \$116,975 for Recreation and Culture; \$478,253 for the Health Department to expand Safe Schools Initiative, State health benefit costs to cover State core funding reduction, and to cover one step increment; \$2,178,360 in increased grant requests to towns; and \$582,000 in increased grant requests from the Ocean Pines Association.

The Board of Education (BOE) operating budget request is \$82,674,909, an increase of \$4,706,853 over the current year adopted budget, plus school construction debt of \$10,927,474 paid by the County on behalf of the BOE, which totals \$93,602,383 or 55.8% of the County's total estimated revenue. Both the County and BOE requested budgets reflect a proposed payroll increase of 4.2%. The County salary, insurance and benefits package reflects an increase of \$1,676,307, which includes a salary increase of \$1,044,810, including a step, 1.7% Cost of Living Adjustment (COLA) and longevity bonuses for those eligible; insurance and benefits will increase by \$832,840, based on an estimated increase of 7% for health benefits; and an increase of \$73,286 in property and liability due to a 5% increase over the current year budget. The BOE salary package reflects a step, longevity step for those eligible and a 2.5% COLA totaling \$2,331,478 and includes the \$280,000 in savings realized from the early incentive retirement program; an increase of \$221,000 or 4.2% increase for bus contractors; and an increase in starting teacher salaries from \$42,433 to \$43,494.

Mr. Higgins informed the audience that the public hearing on the requested budget is scheduled for Tuesday, May 5, 2015, at 7:00 p.m. in the Snow Hill Middle School Auditorium, and he stated that the upcoming budget work sessions have been scheduled for March 24 and April 14, as well as May 12 and 20, and May 26, 2015, if needed. He advised that these work sessions are open to the public.

Commissioner Bertino requested County staff develop official minutes for each of the budget work sessions. The Commissioners concurred.

In accordance with the provisions of the Maryland Open Meetings Act and upon a motion by Commissioner Bertino, the Commissioners confirmed their action taken in closed session on March 3, 2015 to enact an immediate hiring freeze for all non public safety personnel, which will be effective until they complete their FY16 budget deliberations in May 2015.

The Commissioners met with Mr. Higgins to discuss staff's Proposed Statement of Intent on the Ocean City Property Tax Differential Request, along with a draft letter to Ocean City Mayor Richard Meehan outlining these findings. Mr. Higgins stated that County staff completed a review of the request for a property tax offset in the form of a property tax differential

submitted by the Town of Ocean City and concluded that, of the services referenced in the request, there are only two services the County does not provide in Ocean City. These include the County Fire Marshal at a cost of \$324,897 and Development Review and Permitting at a cost of \$1,019,328 for a total of \$1,344,225. Therefore staff suggests that the issuance of grants to the town in the amount of \$2,961,956 in FY15 in lieu of a tax differential is a better solution in the interest of all citizens of Worcester County, including those who reside in Ocean City. In lieu of a tax setoff, staff proposes the County grant be issued to the town in the amount of at least \$1,344,225, with the town to be afforded an opportunity to testify before the Commissioners during the annual budget hearing on May 5, 2015 to comply with the provisions of State law. Mr. Higgins stated that staff also reviewed the town's subsequent request for a Memorandum of Understanding (MOU) and strongly opposes such an MOU, as it would limit the County's ability to address countywide needs and the delivery of services that benefit all citizens and visitors of Worcester County. He concluded that staff has requested funding in FY 16 to perform a County Tax Differential Study to confirm the minimum fair level of grants in lieu of a tax setoff in future years.

In response to a question by Commissioner Bunting, Mr. Higgins confirmed that the proposed study would be completed by a third-party. Commissioner Mitrecic stated that he was taken aback by the finality of the draft letter, as the Commissioners had not yet discussed the proposal. He further stated that the Commissioners had directed staff to set up a meeting with the town to discuss the proposed MOU before taking a position. Therefore he requested the letter be amended to remove references to the proposed MOU presented at their March 3, 2015 meeting. The Commissioners concurred. In response to Commissioner Mitrecic's concerns regarding the letter availing town officials the opportunity to speak at the public hearing, County Attorney Sonny Bloxom stated that the law requires that the County inform town officials of their right to do so. In response to a question by Commissioner Bertino, Mr. Higgins confirmed that the Tax Differential Study would cost approximately \$30,000 and could not be completed prior to the adoption of the FY16 budget.

The Commissioners met with Mr. Bloxom to discuss a letter from Snow Hill Mayor Charles Dorman requesting the County share with the Town of Snow Hill and Pocomoke City a portion of the Local Impact Grant (LIG) funds that the County receives, since the 18% that previously went to Baltimore City and Prince George's County will cease in FY16. Mr. Bloxom stated that LIG funds are allocated to the Towns of Berlin and Ocean City, Ocean Pines Association (OPA) and the County to compensate for impacts created by the Ocean Downs Casino. He advised that the County's share of LIG funds are used to help pay a portion of the annual debt service for the Worcester Career and Technology Center (WTHS), in accordance with the County's approved multi-year plan. He stated that, if the Commissioners are inclined to redirect a portion of the County's share of LIG funding, they must develop a revised plan showing the impact of the casino on Snow Hill and Pocomoke. The plan must then be forwarded to the Local Development Council (LDC) for the Ocean Downs Casino for review and comment, as required by State law. Furthermore, alternate funding would need to be identified to help cover debt service for the WTHS. Commissioner Church stated that this request should be considered during FY16 budget deliberations. In response to concerns raised by Commissioner Church, Mr. Bloxom stated that the County does not receive a percentage of the profits for table games;

therefore, it is likely LIG funds will decrease once table games are installed at the Casino. Commissioner Elder stated that the WTHS serves students from all areas of the County; therefore, Snow Hill and Pocomoke already benefit from LIG funds. Following some discussion, the Commissioners directed staff to send a letter to Mayor Dorman advising that the Commissioners will consider his request during FY16 budget deliberations.

In response to a question by Commissioner Mitrecic, Assistant Chief Administrative Officer Kelly Shannahan advised that staff received an estimate of \$65,000 to purchase an audiovisual (A/V) system in the Commissioners meeting room to provide video access of meetings on the County website. He stated that County staff are currently reviewing the proposed system components and looking at options to secure grant funds to offset some or all of those costs.

The Commissioners answered questions from the press, after which they adjourned to meet again on April 7, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

March 24, 2015

Budget Work Session

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

The Commissioners met at 9:00 a.m. with Chief Administrative Officer Harold Higgins, Budget Officer Kathy Whited and Finance Officer Phil Thompson to conduct a work session with Worcester County Departments and Agencies to discuss their Operating Budget Requests for FY16, as presented to the Commissioners during their March 17, 2015 meeting. Projected revenues and requested expenditures in the Requested FY16 Operating Budget currently reflect estimated revenues of \$167,485,109, and requested general fund operating expenditures of \$189,825,601, which leaves a shortfall of \$22,340,492 that must be reconciled by either reductions in expenditures, additional revenues or a combination of the two.

The Commissioners met with Superintendent of Schools Dr. Jerry Wilson to review and discuss the Board of Education's (BOE) proposed FY16 Operating Budget of \$82,674,909 and requested School Debt Service of \$10,927,474 for a total request of \$93,602,383. Also in attendance were BOE Chief Financial Officer Vince Tolbert and Public Information Officer Barbara Witherow. Dr. Wilson presented a video and PowerPoint presentation outlining the goals and objectives of Worcester County Public Schools, as well as the steps being taken to achieve these goals. Mr. Tolbert reviewed the proposed budget.

In response to a request from Commissioner Mitrecic, Mr. Tolbert agreed to provide the Commissioners with salary expenses for classroom teachers only. In response to questions by Commissioner Bertino, Mr. Tolbert advised that the BOE loses approximately 40 teachers per year through attrition. Dr. Wilson stated that the BOE reviews each vacancy to determine whether there is a critical need to refill it. He further stated that this year there may be as many as 25% to 30% of these vacancies that will not need to be filled.

In response to a question by Commissioner Elder, Mr. Tolbert stated that the BOE expects to save approximately \$30,000 per position between the rate paid to outgoing retirees and new hires. In response to a question by Mr. Higgins, Mr. Tolbert stated that the BOE budgeted \$280,000 in retirement incentives, and the savings from that payout would not be recognized until FY17.

In response to questions by Commissioner Bertino regarding pupil services, Dr. Wilson explained that the BOE employs three Pupil Service Coordinators, one at each of the high

schools, who work with the schools and families to create a network of caring adults and services to help at-risk students remain in school and be successful. Commissioner Purnell asked why the BOE opted to hire Pupil Service Coordinators rather than Ombudsmen, as requested by the Worcester County Branch of the National Association for the Advancement of Colored People (NAACP). Chief Operating Officer Louis H. Taylor advised that the Pupil Service Coordinator positions, which were already in place at the time NAACP officials made their request, extend beyond that of an Ombudsman to include working with students with disciplinary issues. He stated that Pocomoke High School (PHS) has both an Ombudsman and a Pupil Services Coordinator.

In response to questions by Commissioner Bertino, Mr. Tolbert stated that bus contractors are reimbursed diesel fuel costs at a rate of \$3.50 per gallon. Mr. Tolbert advised that last year the BOE dedicated \$590,000 in U.S. Department of Education Title II grant funds to reduce class sizes. Dr. Wilson stated that the student to classroom teacher ratio is approximately eight to one, but that class sizes are up to 30 students at Stephen Decatur High School (SDHS). On the other end of the spectrum, some classes have two teachers and there are various special education teachers who provide in-class support to students struggling in specific content areas. Dr. Wilson confirmed that the student to teacher ratio does not include teachers' aides. Mr. Tolbert stated that student enrollment for calendar year 2014/2015 is 6,654, and this number is expected to increase by 26 students to 6,680 in 2015/2016.

In response to a question by Commissioner Mitrecic, Dr. Wilson stated that the nature and frequency of various audits necessitates the BOE maintain a highly qualified financial officer and does not lend itself to combining such support services with the County Treasurers Office. Following some discussion, Commissioner Bunting thanked Dr. Wilson and his staff for meeting with them.

The Commissioners recessed for 10 minutes.

The Commissioners met with Human Resources Director George Bradley to review and discuss the proposed FY16 Human Resources Operating Budget of \$287,386. In response to a question by Commissioner Bertino, Mr. Bradley advised that his requested budget includes funding to replace one outdated computer that is no longer supported by Microsoft patches. Commissioner Bertino requested a comprehensive list of the total number of computers requested to be replaced in all departments in FY16. In response to a question by Commissioner Lockfaw, Mr. Bradley advised that three vehicles are designated for use by Human Resources personnel to use when traveling for work; however, his is the only take-home vehicle. Ms. Whited explained that there are pool vehicles shared by all County staff, but they are not in very good shape.

With regard to health insurance benefits, Mr. Bradley explained that the Health Benefits Study Committee recommended switching from a Traditional Plan to a Preferred Provider Organization (PPO), which would reduce the cost increase from 11.1% to 6.8%. In response to a question by Commissioner Bunting, Mr. Bradley stated that staff investigated a number of additional cost-saving measures, such as increasing co-pay costs, to further reduce benefit plan cost increases for FY16. Commissioner Bunting directed Mr. Bradley to research options to keep benefit plan costs flat in the coming year.

With regard to a prior request by Commissioner Mitrecic on February 19, 2015, Mr. Bradley explained the requirements for the County to switch from a Defined Benefit Plan (Maryland State Retirement - MSR) to a Defined Contribution Pension Plan for new hires, which would cost the County between \$10,000 to \$30,000 for actuarial, closing and liability costs to move out of the MSR plan begin offering a new plan. He cautioned that once the transfer takes place the County would no longer be permitted to add new employees to the MSR plan. He further explained that such a change could not be imposed upon the teachers, as the Commissioners do not control their plan.

In response to additional questions by Commissioner Mitrecic, Mr. Bradley stated that the BOE hires approximately 60 new employees per year, and the County hires approximately 25 new staff members year for a total of 85 employees per year who would be affected by any new health insurance benefit plan the Commissioners adopt. Commissioner Mitrecic stated that he would like an estimate of the cost savings that could be derived if the County revised the health insurance premium cost share for new hires to 85/15 instead of 90/10 , and only offered subsidized coverage to the employee and not their family members. Commissioner Mitrecic reiterated that these possible changes would only apply to new hires, as all current employees would be grandfathered under the current health insurance and retirement benefit packages. In response to a question by Commissioner Bertino, Mr. Bradley confirmed that the Commissioners could make changes to the health benefit plan without affecting retirement benefits. However, he cautioned that offering separate benefits to new hires could violate discriminatory practice laws by establishing a separate class of employees.

The Commissioners met with Health Officer Debbie Goeller to review and discuss the proposed FY16 Health Department Operating Budget of \$6,084,408. In response to a question by Commissioner Mitrecic, Ms. Goeller advised that roughly 40% of Health Department staff consist of contractual employees, and it would not be possible to reduce their work schedules to 30 hours per week to avoid paying them healthcare benefits because the workload is too great, and the Health Department would be unable to attract and retain qualified personnel.

With regard to the Safer Schools Community Initiative, which addresses high risk individuals ranging in ages from 14-26 years old in Worcester County, and in response to a question by Commissioner Bunting, Ms. Goeller stated the Health Department would like to hire a second psychiatric worker at a cost of approximately \$77,000 annually, to assist with the program. She advised that the age of onset psychosis ranges from 17-20, and the program provides emergency assistance for those up to age 26. Ms. Goeller explained that this program has been successful in evaluating 139 cases of mental health issues, which has helped to keep County citizens safe. She advised that this program provides initial clinical services only. Once an individual agrees to accept mental health services, treatment costs are covered by other treatment sources. She explained that the treatment outcomes have been very successful and agreed that the program helps to avoid tragedies experienced in other areas of the country.

In response to a question by Commissioner Bertino, Ms. Goeller stated that the Health Department has been assigned about 35 vehicles, and of those, both she and Environmental Health Director Ed Potetz have take-home cars, and others are assigned take-home cars when serving on call. Commissioner Bertino requested an inventory of all County vehicles and identification of those that are take-home vehicles for each department.

The Commissioners met with Recreation and Parks Director Paige Hurley to review and discuss the proposed FY16 Operating Budgets of \$929,178 for Recreation and \$791,821 for Parks. In response to a question by Commissioner Bertino, Program Manager Jennifer Standish advised that this is the first year the department has offered motorcoach tours, since the economic downturn. She stated that the program has been well received by the community, so they expect to recoup any initial advertising costs being expended on the program. She explained that the motorcoach tours are budgeted to break even, so there is no cost to the County.

The Commissioners met with Commission on Aging (COA) Director Rob Hart to review and discuss the proposed FY16 COA Operating Budget of \$917,985. Commissioner Bunting thanked Mr. Hart for his efforts to keep cost increases to only 3.3%.

The Commissioners recessed for lunch.

The Commissioners resumed their work session meeting at 12:45 p.m.
Commissioner Mitrecic was absent from the afternoon session.

The Commissioners met with Finance Officer Phil Thompson and Assistant Finance Officer Jennifer Swanton to review and discuss the proposed FY16 Treasurer's Office Operating Budget of \$932,915. In response to a question by Commissioner Bertino, Mr. Thompson stated that the County collects over \$45 million in taxes on behalf of the towns and currently does not charge any administrative fees for this service. Ms. Swanton advised that the standard administrative fee for other programs and services is 5%. With regard to debt service, in response to a question by Commissioner Bertino, Ms. Swanton advised that County projects account for approximately 10% of the debt service, with Board of Education projects accounting for the other 90%. In response to a question by Commissioner Bertino, Ms. Swanton advised that the new tax billing software should be in place within the next 12 months and will allow residents and property owners to make online payments by credit card.

The Commissioners met with Fire Marshal Jeff McMahan to review and discuss the proposed FY16 Fire Marshal's Office Operating Budget of \$478,296. In response to a question by Commissioner Elder, Mr. McMahan stated that he had purchased a new vehicle last year for his new employee, but he needs another new vehicle next year, at an estimated cost of \$34,100, plus equipment for a total of \$140,025.

The Commissioners met with Mr. McMahan and Emergency Services Director Fred Webster to review and discuss the proposed FY16 Volunteer Fire and Ambulance Operating Budget of \$6,494,157. In response to a question by Commissioner Bertino, Mr. Webster advised that Pocomoke City annexed a substantial amount of land in recent years, resulting in a reduction of County grant funds for out of town calls for service.

In response to a question by Commissioner Mitrecic, Mr. Webster explained that the County fire grants are based on the total assessable property tax base. He stated that, when property assessments were at their highest in 2008, each of the ten fire companies received

annual grant funds of roughly \$260,000, but that number dropped to roughly \$192,000 due to declining assessments. Mr. McMahon stated that the County established a minimum fire grant of \$225,000 per fire company last year and hoped the Commissioners would approve a similar minimum again this year.

The Commissioners met with Mr. Webster to review and discuss the proposed FY16 Emergency Services Operating Budget of \$2,363,405. In response to a question by Commissioner Elder, Mr. Webster advised that Emergency Services charges \$50 for copies of 911 recordings and reports, which reimburses research and copying fees.

In response to a question by Commissioner Bunting, Mr. Webster confirmed that the requested budget includes a request to replace 30 Automated External Defibrillator (AED) units at a cost of \$1,000 each. He stated that the existing units have outlived their useful life and need to be replaced. He explained that they have been used about four or five times each year to save lives.

The Commissioners met with Mr. Webster and Information Technology Manager Brian Jones to review and discuss the proposed FY16 Information Technology Budget of \$351,730. In response to a question by Commissioner Bunting, Mr. Jones advised that the budget includes a proposal to replace the County's current EMC storage device at an initial cost of \$75,000 and a yearly operating cost of \$8,000; virtual host upgrade project at an initial cost of \$35,000 and a yearly operating cost of \$1,500; and auditing software at an initial cost of \$15,000 and a yearly operating cost of \$2,000. In response to a question by Commissioner Church, Mr. Jones advised that the current EMC storage device is at 92-94% capacity, which vastly exceeds the recommended 80%. He advised that, essentially, the County has no storage capacity and the new system would have enough capacity to allow the County to continue to grow for many years to come.

In response to a question by Commissioner Purnell, Finance Officer Phil Thompson advised that if the County does not purchase another storage device they would need to purchase one more server, which is far more costly than the storage options.

In response to a question by Chief Administrative Officer Harold Higgins, Mr. Jones reviewed the proposal to replace personal computers, which cost roughly \$800 per unit, with virtual work stations, which cost only about \$200 per unit. In response to a question by Commissioner Bertino, Mr. Jones advised that monitors are replaced on an as-needed basis.

The Commissioners met with Library Director Mark Thomas and Deputy Director Jennifer Ranck to review and discuss the proposed FY16 Library Operating Budget of \$2,489,232. In response to a question by Commissioner Bertino, Mr. Thomas advised that Ms. Ranck has been selected to serve as the new Acting Library Director upon his retirement on July 1, 2015. Therefore, they will need to hire a new Ocean City Branch Library Manager to take over the duties she currently performs.

The Commissioners adjourned to meet again on April 7, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

April 7, 2015

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

Following a motion by Commissioner Mitrecic, seconded by Commissioner Bertino, with Commissioner Purnell absent, 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; Sonny Bloxom, County Attorney; and Kim Moses, Public Information Officer. Topics discussed and actions taken included: filling critical vacant positions, including agreeing to advertise to hire part-time, temporary Swim Instructors and Swim Aides for Recreation & Parks for youth swim lessons in summer 2015, one Correctional Officer/Cook at the Jail, one part-time custodial worker at the Snow Hill Library, and a Human Resources Director; appointing George Linvill to the Solid Waste Advisory Committee; receiving legal advice from counsel on a Consent Order with the Maryland Department of Education (MDE) regarding improvements to the Newark Wastewater Treatment Plant; and performing administrative functions.

Commissioner Purnell was absent from the meeting.

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 minutes of their March 17, 2015 meeting as presented.

The Commissioners presented a proclamation recognizing April as Fair Housing Month to Housing Program Administrator Jo Ellen Bynum and encouraged residents and property owners to support and endorse the practice and policy of fair housing.

The Commissioners presented a proclamation recognizing April as National Child Abuse Awareness Month to Program Manager Wendy Myers and other members of the Children's

Resource Intervention Center Kids Empowerment Team (CRICKET) Center of Berlin and recognized that everyone in the community has a role to play to guard against child abuse.

The Commissioners presented a proclamation to Health Officer Debbie Goeller recognizing April 6-12, 2015 as National Public Health Week and commending public health workers, students and volunteers for striving to meet the community's health needs.

Pursuant to the request of Health Officer Debbie Goeller and upon a motion by Commissioner Lockfaw, with Commissioner Mitrecic abstaining from the vote due to a potential conflict of interest, the Commissioners unanimously authorized Commission President Bunting to sign a lease agreement for an apartment at 405 Lark Lane, Lark Landing Unit D in Ocean City at a cost of \$9,000 for the period beginning May 20, 2015 and ending on September 14, 2015 to house the Assessment Unit for youth who are detained in Ocean City for minor offenses during the summer of 2015. Ms. Goeller advised that the lease is funded by the Shelter Unit Grant Project. In response to a request by Commissioner Bertino, Ms. Goeller advised that most condominium units do not allow this type of use in their facilities. However, she agreed to solicit lease proposals from additional condominium owners next year for their consideration to ensure competitive pricing.

Pursuant to the request of Ms. Goeller and upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized Commission President Bunting to sign a year round Lease Agreement for an apartment at 101A Beach Club at 112th Street in Ocean City to be utilized primarily by the Health Department seasonal sanitarians, as well as visiting physicians in the off-season, from March 1, 2015 through February 28, 2016 at a cost of \$12,500.00. In response to a request by Commissioner Bertino, Ms. Goeller agreed to solicit lease proposals from additional condominium owners next year for their consideration to ensure competitive pricing.

The Commissioners met with Lisa Challenger, Tourism Director, to discuss the written request of Ivy Wells, Director of Economic and Community Development for the Town of Berlin, for a resolution of support from the County Commissioners for the town's application to re-designate downtown Berlin as an Arts and Entertainment District. Ms. Challenger explained that, with this re-designation, artists in the district would continue to be eligible for various tax credits, and this designation would also lend itself to potential state funding to promote arts in the area. In response to a question by Commissioner Bertino, Ms. Challenger advised that downtown Snow Hill is also recognized as an Arts and Entertainment District. Following some discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously approved Resolution No. 15-5, acknowledging re-designation of the Berlin Arts and Entertainment District.

The Commissioners met with Emergency Services Director Fred Webster and Deputy Director James Hamilton to review and discuss the Request for Proposals (RFP) to upgrade the County's 800 MHZ legacy radio system to a full-featured Association of Public Safety Communications Officials (APCO) Project 25 (P25) Phase II trunked radio system with

capability throughout Worcester County for the Emergency Services Department. Mr. Webster advised that P25 is a suite of standards for digital radio communications in North America that enables federal, state, and local public safety agencies to communicate with other agencies and mutual aid response teams in emergencies. In response to a question by Commissioner Bertino, Mr. Webster advised that there are no local companies qualified to build the type of system the County needs. He stated that the current equipment was purchased in 2001 and equipment patches and upgrades are no longer available for this model. He stated that the new equipment should be fully upgradable for a minimum of 15 years. In response to a question by Commissioner Lockfaw, Mr. Webster stated that some of the radios currently in use by area fire and ambulance companies can be reprogrammed or upgraded to meet the new P25 standard, while older model radios will need to be replaced. He stated that the bid specifications include pricing for new radios.

In response to a question by Commissioner Mitrecic, Mr. Webster advised that Ocean City currently has an Enhanced Digital Access Communication System (EDACS), which allows interoperability, with other County public safety units while operating inside Ocean City. In response to a question by Commissioner Lockfaw, Mr. Webster confirmed that Worcester County's current EDACS permits Ocean City and all other public safety agencies to communicate with one another anywhere in the County. For example, an Ocean City ambulance, which has left the town limits and is en route to either of the two area hospitals could communicate with their dispatch center, hospitals or any other public safety agency anywhere in the County through the County system. Following some discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously approved the RFP as presented.

The Commissioners met with Economic Development Director Bill Badger and Keenan Rice, President of MuniCap, Inc., of Columbia, Maryland, to review MuniCap's Phase II Financial Plan Analysis for Financing Water and Sewer Improvements in the Riddle Farm Sanitary Service Area (SSA). Mr. Badger explained the background on the study and summarized that the County has three options with regard to promoting economic development along the U.S. Rt. 50 commercial corridor, where the cost is \$23,535 per equivalent dwelling unit (EDUs) for the 267 available EDUs of sewer service from the Riddle Farm SSA. These include the following: Option 1 - continuing to offer EDUs at the full purchase price; Option 2 - implementing tax increment financing (TIF); and Option 3 - creating a special taxing district for the property owners to tax themselves at a higher property tax rate in exchange for reducing the cost of the 267 available sewer EDUs to \$18,609 per EDU. The components of the EDU cost include the following: a public component that consists of a service area equity contribution in the amount of \$4,926; and a private component, with Riddle Farm Wastewater Treatment Plant (WWTP) developer Goody Taylor collecting a remaining EDU purchase price of \$18,609. Mr. Badger stated that creating a special taxing district is the best option for offsetting exorbitant EDU prices that might otherwise discourage development in this planned growth area. He pointed out that, during his time as the Director of Economic Development for Anne Arundel County, he had been involved in developing four TIF districts, which leveraged about \$1 billion in new tax revenues and resulted in the creation of thousands of new jobs. He stated that implementing a special tax district along the commercial corridor is the most viable of the three options before the Commissioners. He then introduced the study author to provide more details.

Mr. Rice presented a PowerPoint entitled “Riddle Farm Service Area - Evaluation of Options for Reducing the Cost of the Sewer EDU Purchase Price,” which included advantages and disadvantages for each of the three options as follows: Option 1, advantage is that it requires no County action, while the disadvantage is the high EDU cost; Option 2, advantage is it reduces EDU fees, but there is a cost to the County through real property tax increment contributions (14% excluding the portion committed to schools); and Option 3, advantage is that it requires no County contribution and if paid over time EDU purchasers could pay the \$18,609 up front and the \$4,926 over 20 years in the form of a special tax, but the developer would still be required to pay the full EDU purchase price, including interest. Mr. Rice cautioned that tax increment financing should always be used as a last resort.

Commissioner Bertino stated that he would like to see the commercial corridor developed, but that he would support pursuing other, less costly options for decreasing EDU costs, perhaps renegotiating the original agreement with Goody Taylor and his partners. In response to a question by Commissioner Bertino, County Attorney Sonny Bloxom advised that, if Mr. Taylor and his partners are willing, the Commissioners could amend their agreement and renegotiate to lower the developer’s profit margin and make EDU costs more desirable. Mr. Badger concurred and stated that Mr. Taylor is motivated to create a competitive market.

Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to remand the study to the Water and Sewer Committee, which meets Thursday, April 9, 2015, and await their recommendation before discussing the matter further.

The Commissioners met in special legislative session.

Finance Officer Phil Thompson provided an overview of the three bond bills, which are the subject of the public hearings, and also introduced Bond Council Bob Doory to the County Commissioners.

The Commissioners conducted a public hearing to receive public comment on Bill 15-3, to authorize and empower the County Commissioners of Worcester County, Maryland to borrow on its full faith and credit, and to issue and sell its general obligation bonds and its bond anticipation notes therefor, at one time or from time to time within four years from the date this bill becomes effective, in an amount not exceeding \$5,450,000 to provide financing for 800 MHZ Emergency Services Radio System Upgrades, including payment of all related costs of issuance of such bonds.

Commissioner Bunting opened the floor to receive public comment.

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

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted Bill 15-3 as presented.

The Commissioners conducted a public hearing to receive public comment on Bill 15-4, to authorize and empower the County Commissioners of Worcester County, Maryland to borrow on its full faith and credit, and to issue and sell its general obligation bonds and its bond anticipation notes therefor, at one time or from time to time within four years from the date this bill becomes effective, in an amount not exceeding \$3,450,000 to provide financing for the

Berlin Rubblefill Cap and Closure Project, including payment of all related costs and costs of issuance of such bonds.

Commissioner Bunting opened the floor to receive public comment.

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

Upon a motion by Commissioner Bertino, the Commissioners unanimously adopted Bill 15-4 as presented.

The Commissioners conducted a public hearing to receive public comment on Bill 15-5, to authorize and empower the County Commissioners of Worcester County, Maryland to borrow on its full faith and credit, and to issue and sell its general obligation bonds and its bond anticipation notes therefor, at one time or from time to time within four years from the date this bill becomes effective, in an amount not exceeding \$2,150,000 to provide financing for the Central Landfill Site Cell #5 Construction Project, including payment of all related costs and costs of issuance of such bonds.

Commissioner Bunting opened the floor to receive public comment.

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

Upon a motion by Commissioner Bertino, Bill 15-5 was adopted by a vote of 5-1, with Commissioners Bunting, Lockfaw, Bertino, Church and Elder voting in favor and Commissioner Mitrecic voting in opposition.

Commissioner Bunting closed the special legislative session.

The Commissioners met with Development Review and Permitting Director Ed Tudor and Environmental Programs Director Bob Mitchell to review and discuss a letter dated March 13, 2015 from the U.S. Army Corps of Engineers (COE) seeking comments from the County to assist the COE in the preparation of environmental documents relative to the upcoming maintenance dredging of the Ocean City Inlet. Mr. Tudor stated that he does not have any specific comments for the environmental documentation; however he does believe the County should take this and every other opportunity to stress the importance of the maintenance dredging of the inlet. Mr. Mitchell offered three items relative to the environmental documents. First, offer some empirical evidence showing that the project is needed, specifically as it relates to assisting commercial fishermen whose vessels have a draft that is too deep when fully loaded to safely navigate the shoaled channel and are forced to either navigate with the tides or take their catch to an alternate port to avoid potential damage to their vessels. Second, request the COE be cognizant of the impact that the sediment and the extended levels of turbidity adjacent to these kinds of projects have on the County's biological resources, noting that the coastal bays are primary nursery areas for summer flounder which enter the bays from April through November, and seeking to minimize project impacts on these habitats. Lastly, consider conducting a long-term resource study to examine the repeated shoaling in the Coastal Bays at the Ocean City Inlet. Commissioner Church echoed Mr. Mitchell's concerns, stating that the consistent inability of fishing vessels to safely navigate the channel in recent years is resulting in the County's loss of the commercial fishing fleet. Commissioner Mitrecic stated that the infill of sediment had resulted in the development of a small beach on the south side of the Ocean City Inlet jetty last year. He stated that the dredging project is needed immediately, and a permanent solution to the problem should be determined. Following some discussion, the Commissioners agreed to send a

letter strongly supporting regular maintenance dredging of the Ocean City Inlet, as recommended by staff.

Commissioner Bunting recognized Pat Schrawder of Delegate Mary Beth Carozza's Eastern Shore Office. Ms. Schrawder invited the Commissioners and County staff to participate in a meeting being hosted by Delegate Carozza on April 21, 2015 at 2:00 p.m. at the Ocean City Marlin Club in West Ocean City, with representatives from the Maryland Department of Natural Resources (DNR), the Maryland Department of the Environment (MDE), the COE and others to discuss this proposed maintenance dredging project and other related issues. Commissioners Church and Mitrecic agreed to attend the meeting and highlight the concerns raised by Mr. Mitchell regarding the need for a deeper channel.

The Commissioners met with Public Works Director John Tustin to review and discuss the Mosquito Control Program budget for the 2015 season, as outlined in a letter to the County from Daniel J. Schamberger, Maryland Department of Agriculture (MDA) Mosquito Control Acting Program Manager. Mr. Tustin stated that the proposed budget provides County funding of \$83,940 for the Mosquito Control Program in Worcester County, with State funding of \$82,260 and community funding of \$240,300 for a total budget of \$406,500. Mr. Tustin stated that staff has made no substantive changes to last year's program, and, although participation was down last year, collecting the \$65 fee per residential household up front seemed to work well and alleviated both confusion and accounting issues at the end of the season. Following some discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Commission President Bunting to sign the Proposed Budget for Worcester County Mosquito Control for Calendar Year 2015 (FY2016 Settlement) between MDA and the County Commissioners. Mr. Tustin advised that, like last year, area residents who participate in the program would be required to pay the \$65 fee up front to cover the cost of spraying. In response to a question by Commissioner Elder, Mr. Tustin stated that businesses pay 100% of the cost for spraying, with costs based on lot size, amount of chemicals needed to spray and the complexity of the spray project. In response to a question by Commissioner Mitrecic, Mr. Tustin advised that the Mosquito Control Program is limited to ground spraying, except in the event of a public health hazard, such as detection of disease transmitted by mosquitoes, at which time the County engages in aerial spraying of the affected area.

The Commissioners met with Mr. Tustin to review the 2014 Maryland Department of the Environment (MDE) Solid Waste Tonnage Report for the calendar year 2014 for the Worcester County Landfill, which reflects the total waste accepted as 63,194 tons, as compared to 60,893 tons in 2013.

The Commissioners met with Mr. Tustin to review bid specifications for the collection and recycling of metal within the Solid Waste Division of Public Works. Mr. Tustin stated that bidding this portion of recycling provides a number of benefits that include reducing personnel time and efforts, wear and tear on County roll-off trucks, and reducing land area at the Central Landfill in Newark that is currently used for handling and storing metals and, therefore, making it available for the upcoming construction of Cell 5. He further advised that an outside vendor would be responsible for providing the necessary containers to collect mixed metals from the

County Homeowner Convenience Centers (HCCs) and Central Landfill, transporting the metals for recycling, and returning a portion of the proceeds to the County.

Commissioner Bertino thanked Mr. Tustin for thinking outside the box in an effort to reduce Solid Waste expenditures. In response to a question by Commissioner Lockfaw, Mr. Tustin advised that recycling and the HCCs are the two Solid Waste operations that continuously operate at a deficit. In response to a question by Commissioner Elder, Mr. Tustin advised that the vendor will be required to document the types and tonnage of metals collected, along with where and how these products are recycled. Upon a motion by Commissioner Bertino, the Commissioners unanimously approved the bid specifications as presented.

The Commissioners met with Mr. Tustin and EA Engineering Senior Project Manager Geoff Tizard and Project/Program Manager Darl Kolar to review and discuss a proposal from EA Engineering that details the need to perform additional sampling and reporting in conjunction with required Assessment Monitoring at the Central Landfill in Newark in spring 2015 at a lump sum cost of \$32,282.83. Mr. Tustin advised that the County accepted a proposal from EA Engineering on January 6, 2015 to provide Groundwater Monitoring and Analytical Services at the Central Landfill Facility for the calendar years 2015-2016 at a lump sum cost of \$88,100.86, and Groundwater Monitoring and Analytical Services for six Shallow Wells - recently installed as directed by the Maryland Department of the Environment (MDE) - at the Central Landfill Facility for the calendar years 2015-2016 at a lump sum cost of \$16,772.06. He stated that, during recent detection monitoring, EA Engineering reported a statistically significant increase for one or more of the parameters they had been monitoring, and the County is now being required by MDE to perform Assessment Monitoring in conjunction with the spring 2015 semi-annual groundwater sampling event at the Central Landfill to maintain compliance with MDE's regulations for solid waste operations. Mr. Tustin further stated that the levels detected still meet acceptable standards, but need to be further monitored. He concluded that the cost of performing the detection monitoring, including labor, analytical, and other direct costs associated with the two recently approved groundwater proposals for this sampling event, were deducted from the total cost of the assessment monitoring event and result in net additional funding of \$32,282.83 required.

In response to a question by Commissioner Bertino, Mr. Tustin advised that EA Engineering has been tasked with monitoring groundwater at the Central Landfill on a two-year rotating cycle for the past 22 years, and it would be a duplication of services to hire an independent agency to complete the assessment monitoring, as the proposal before them today serves as an addendum to the County's existing contract with EA Engineering to provide groundwater monitoring services. Mr. Tizard explained that EA Engineering follows an intricate process of testing to control for temperature and cross-contamination using specialized equipment with specially-trained personnel. Mr. Kolar stated that EA Engineering understands the serious nature of the work they are undertaking and assigned a senior crew to assist the local crew working onsite to rule out sampling error as a cause of the Statistically Significant Increase (SSI) detected. Commissioner Bertino asked if the County could reduce the cost of assessment monitoring by having the work completed in-house. Environmental Programs Director Bob Mitchell stated that he is the only staff member in Environmental Programs who has ever engaged in Landfill sampling, and he is unable to provide this additional service.

In response to questions by Commissioner Bunting, Mr. Tizard advised that the revised costs include an expansion of the services EA Engineering is providing to the County. He also assured the Commissioners that none of the contaminants found in the SSI are harmful to human health. He stated that the source of the contaminants are not associated with Cells 1-4. Rather it is coming from the groundwater flow regime within the Cell 5 area, which is the site of the old rubble fill. He stated that when this cell is constructed, the rubblefill soil will be removed, which should permanently address the problem.

Following some discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously accepted the proposal as presented.

The Commissioners recessed for five minutes.

The Commissioners met with Mr. Tustin to discuss a request from area residents to construct a small fishing and crabbing pier at Taylor Landing. Mr. Tustin reviewed the history behind the request, stating that the County reconstructed the Taylor Landing Boat Ramp and stabilized the shoreline in 2014, after which there was an outcry from the community that the renovation project had stripped them of the ability to fish and crab from the bulkhead, which was replaced by armour stone to protect the facility from erosion. He advised that County staff, along with Commissioner Lockfaw and then Commissioner Virgil Shockley met with the residents on August 12, 2014 to discuss their concerns. He advised that, while the County made no promises to expand the use of the Taylor Landing Boat Ramp, they had agreed to investigate the feasibility of placing a small pier at that site. Mr. Tustin concluded that, if the Commissioners wish to pursue the project, there is just less than \$10,000 in County funds remaining from the Taylor Landing Shoreline Stabilization Project, which could be used to develop design plans, and staff has received three proposals to complete the plans, all of which came in well under \$10,000. He further advised that staff has requested an additional \$30,000 in the FY16 budget to construct the pier.

In response to a question by Commissioner Bunting, Mr. Tustin advised that 12-15 parking spaces are available to accommodate cars towing boat trailers, though typically there are only three to four vehicles at the site at a time. He further advised that design plans could include a separate area for standard vehicle parking if preferred. Commissioner Mitrecic stated that the County designed and built Taylor Landing as a community boat ramp, and that is what it should remain. He stated that moving forward with design plans would only give false hope to those who want to fish and crab at the facility. Commissioner Church disagreed, stating that crabbing and fishing is an important part of the lifestyle of residents in southern Worcester County, and the County Commissioners should accommodate this request at Taylor Landing.

Following much discussion, a motion by Commissioner Lockfaw to approve design plans to construct a small fishing and crabbing pier at Taylor Landing failed 2-3-1, with Commissioners Church and Lockfaw voting in favor of the motion, Commissioners Bertino, Bunting, and Mitrecic voting in opposition, and Commissioner Elder abstaining. Commissioner Lockfaw stated that there is a great disparity in the level of service provided between those residing in the north and south ends of the County and expressed his disappointment that his fellow Commissioners would not support this request.

The Commissioners met with Mr. Tustin to review three options for completing the final phases of the Public Landing Marina project. Mr. Tustin stated that to date the following improvements have been made at this location: construction of a new boat ramp, finger piers and parking; shoreline stabilization and dredging in the marina basin of the property; installation of new bulkhead; construction of a shoreline stabilization and revetment project and associated walkways, low level lighting and benches on the bay side; and reconstruction of the bay side pier and pavilions, as a result of damage from Hurricane Sandy. He stated that the final phases would include construction of a maximum of 30 new recreational boat slips and finger piers with water and electrical service to each slip, a marine sewage pump-out station as required by law, clam shell parking lot, potable water well and restroom facilities. Current options include the following: Option 1 - construct 10 slips at a cost of \$186,150; Option 2 - construct 20 slips at a cost of \$264,900; or Option 3 - construct 30 slips at a cost of approximately \$309,525. Mr. Tustin advised that \$197,517 in County funding is available for this portion of the project, and they will request \$100,000 in Maryland Department of Natural Resources (DNR) Waterway Improvement Grant funds to complete the remainder of the project. Mr. Tustin further recommended that, once constructed, the marina shall be turned over to another department or private contractor to manage the operations.

In response to questions by Commissioner Bertino, Mr. Tustin stated that the marina is located in a residential area where commercial activities are not permitted. Mr. Bloxom stated that, if the Commissioners construct the boat slips, the wisest course of action for maintaining the facility would be to lease out dock-master services, with recreational boaters to pay an annual fee for slip rental. In response to a question by Chief Administrative Officer Harold Higgins, Mr. Tustin stated that the Public Landing Marina project began in 2005 and has been completed in phases as project funding became available. Commissioner Mitrecic stated that he could support the addition of the piers, provided the marina is operated as a private enterprise at no cost to the County. Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously accepted the proposal from Allen and Shariff in the amount of \$9,500 to design the marina, including the electrical and water distribution system to the piers and proposed restroom for the marina facility. After design plans are complete, the Commissioners will consider constructing the first 10 slips using available funds.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to waive the standard bid process and accept the proposal from Westech, Inc. of Salt Lake City, Utah in the amount of \$24,674 for a raw wastewater screen and related components to rebuild the Riddle Farm Wastewater Treatment Plant (WWTP) raw wastewater screen, along with an additional \$3,400 for a field technician to oversee the work to be performed by County staff.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to schedule a public hearing on May 5, 2015 to receive public comment for the water system interconnection construction project, which is proposed to physically connect the Mystic Harbour, The Landings and Assateague Pointe water systems at a total estimated cost of \$1.2 million. Mr. Tustin advised that design drawings have been completed and bid specifications will be available for the Commissioners' review once the

hearing has been held and bond funding is available for the project.

The Commissioners met with Mr. Tustin to review and discuss a letter from the Maryland Department of the Environment (MDE) that identifies 17 sanitary sewer overflows that have occurred primarily at the Ocean Pines WWTP between June 2011 and June 2014. Mr. Tustin advised that none of the overflows resulted from operator error, but rather they resulted from a combination of pump station mechanical and electrical failures, sewage force main structural failures, and leaks in the flow equalization tank at the Riddle Farm WWTP, all of which were promptly reported to MDE by County system operators. He stated that MDE had advised that each penalty is subject to a penalty of up to \$10,000 per day, per fine, but had offered to settle all 17 violations for a payment of \$8,000. The Commissioners expressed concern that such fines were being imposed for issues beyond their control. However, following some discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to pay the \$8,000 to MDE to settle these matters without admission of liability or concession.

Pursuant to the written request of William Gregory, Governor of the Lower Eastern Shore Moose Family Center No. 2431, and the recommendation of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized the Moose to use and mark Worcester County roads for the second annual “Our House/Our Kids Half Century Bike Ride and Festival” on April 18, 2015, with proceeds raised from the event to be used to provide care for children at risk who are housed in the Maryland-Delaware-Washington, D. C. House at Mooseheart, Illinois.

The Commissioners met with Mr. Bloxom to discuss disposing of the Oscar M. Purnell property, which is located on Market Street in the historic district of Snow Hill. Mr. Bloxom reviewed the former uses of the house and advised that the County completed exterior repairs to the building from November 2010 to December 2011. However, after being informed by County Engineer Bill Bradshaw that a major interior renovation project would likely incur significant additional cost, the former Board of County Commissioners had agreed to move forward with the project only if grant money could be acquired to fund the costs. No grant funds have since been identified. Therefore, Mr. Bloxom advised that the Commissioners could dispose of the property by putting it in the hands of a real estate agent or auctioneer, or they could deed the property to the Town of Snow Hill if they were interested in acquiring it.

Commissioner Bunting recognized Snow Hill Mayor Charles Dorman who advised the Commissioners that the town is indeed interested in acquiring the property for public use. Commissioner Elder stated that the house would serve as a great corner stone for the town. Commissioner Church cautioned Mayor Dorman that interior renovations include asbestos and lead paint remediation and advised that the County would not be able to help fund the cost of these needed repairs. Following some discussion, Mayor Dorman agreed to send a letter to the Commissioners expressing the town’s interest in acquiring the property, after which the Commissioners will schedule a public hearing to receive public comment on their intent to dispose of this County property to the Town of Snow Hill.

The Commissioners met with Budget Officer Kathy Whited to review the proposed 2016

Constant Yield Tax Rate Certification Notice, which has already been approved by the Maryland Department of Assessments and Taxation, to be advertised in area newspapers once during the week of April 23, 2015. For the tax year beginning July 1, 2015, the estimated real property assessable base will decrease by .7%, from \$14,356,932,361 to \$14,255,656,135, and if the County maintains the current tax rate, real property tax revenues will decrease by \$779,827. The notice states that, to fully offset the effect of decreasing assessments, the real property tax rate could be increased to \$0.7755 per \$100 of assessment, the Constant Yield Tax Rate (CYTR). The County is considering increasing its real property tax rate above the CYTR to \$0.837 per \$100 of assessment, which is 7.9% higher than the CYTR and will generate \$8,767,229 in real property tax revenues. Ms. Whited advised that the language is State-mandated and does not necessarily reflect the actual intentions of the Commissioners.

In response to comments by Commissioner Bertino regarding issuing the CYTR advertisement before the Commissioners have had the opportunity to meet with department and agency heads to discuss the FY16 budget, Mr. Bloxom advised that State law mandates when the CYTR advertisement is to be run. Mr. Higgins stated that it would not be possible to begin the budget process earlier in the year, since the County does not receive its first notice from the State Department of Assessment and Taxation regarding projected property tax revenues until November 30 each year. A preliminary CYTR analysis follows in early February, but the County does not receive the final CYTR analysis until March 31. In response to a question by Commissioner Bunting, Ms. Whited stated that the County would have to advertise plans to increase the tax rate by \$14.4 in order to fully fund the requested budget. She stated that the language proposed by staff for this year's CYTR advertisement reflects a good faith estimate of the tax increase by no more than six cents. Commissioner Mitrecic stated that the advertisement should reflect that the County is considering increasing its real property tax rate by the full 14.4 cents, to avoid limiting their ability to create a budget that most fairly represents the needs of the County as a whole. In response to a question by Commissioner Elder, Ms. Whited advised that an additional \$750,000 to \$1.5 million in budget stabilization funds have been set aside to cover FY15 budget shortfalls, leaving roughly \$9.2 million in budget stabilization funds available for use in the FY16 budget and beyond.

Following much discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to table further discussions on the 2016 Constant Yield Tax Rate Certification Notice until they meet again in their budget work session on April 14, 2015.

Pursuant to the request of Budget Officer Kathy Whited and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the required advertisement entitled "Notice of Public Hearing/FY16 Requested Operating Budget," which will run in area newspapers at least once a week for two consecutive weeks, the weeks of April 22 and April 29, 2015 advising the public that the budget hearing will take place on Tuesday, May 5, 2015 at 7:00 p.m. at Snow Hill Middle School.

Pursuant to the recommendation of Mr. Mitchell and upon a motion by Commissioner Church, the Commissioners unanimously authorized Commission President Bunting to sign the Amendment to Agreement of Sale between Billie Jackson Richardson, individually and as personal representative of the estate of John R. Richardson, (Sellers) and the County

Commissioners of Worcester County, Maryland (Buyer) for the purchase of a Conservation Reserve Enhancement Program (CREP) easement for \$151,589, at no cost to the County, on approximately 78.01 acres of land located at 5314 Onley Road and identified on Tax Map 79 as Parcel 191. The amendment provides for an extension of the closing date to no later than June 5, 2015. Mr. Mitchell stated that there were unexpected delays in the completion of the deed review that have necessitated this amendment.

Assistant Chief Administrative Officer Kelly Shannahan advised the Commissioners that the meeting that was scheduled for today with representatives from the Maryland Rural Counties Coalition (MRCC) an affiliate of the Maryland Association of Counties (MACo), had been requested to be postponed by MRCC's representatives due to a scheduling conflict. He advised that this is the second time the meeting has been postponed at the request of MRCC representatives, and he asked the Commissioners if they would like to proceed with plans to join the MRCC without a formal presentation by the representatives. Commissioner Elder made and then rescinded a motion for the Commissioners to join the MRCC and to make an annual contribution of \$5,000. Upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to join the MRCC and to make an annual contribution of \$1,000 and also provide in-kind services by perhaps arranging the annual summer meeting of the MRCC in conjunction with the annual MACo summer conference in Ocean City each August.

Upon the request of Commissioner Mitrecic, the Commissioners agreed to invite the Ocean City Development Corporation (OCDC) to attend a future Commissioners' meeting to provide an update on their activities.

Environmental Programs Director Bob Mitchell updated the Commissioners on the status of the Phosphorous Management Tool (PMT) issue, explaining that the legislative bill was being withdrawn, but the Governor's proposed regulations will move forward. Mr. Mitchell explained that the Maryland Department of Agriculture (MDA) Secretary is willing to meet with the lower shore counties and Farm Bureau to discuss the PMT regulations. The Commissioners directed staff to work with the Tri-County Council (TCC) of the Lower Eastern Shore to schedule the meeting.

The Commissioners answered questions from the press, after which they adjourned to meet again on April 21, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

April 14, 2015

Budget Work Session

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

The Commissioners met at 9:00 a.m. with Chief Administrative Officer Harold Higgins, Budget Officer Kathy Whited and Finance Officer Phil Thompson to conduct a second work session to continue their review of Worcester County Department and Agency Operating Budget Requests for FY16, as presented to the Commissioners during their March 17, 2015 meeting. The requested FY16 Operating Budget currently reflects estimated revenues of \$167,485,109, and requested general fund operating expenditures of \$189,825,601, which leaves a shortfall of \$22,340,492 that must be reconciled by either reductions in expenditures, additional revenues or a combination of the two.

The Commissioners met with Circuit Court Judges Thomas C. Groton, III, Richard R. Bloxom, and Brian D. Shockley, along with Court Administrator Richard H. Outten to review and discuss the proposed FY16 Operating Budget of \$1,188,490 for the Circuit Court.

The Commissioners met with Warden Garry Mumford and Assistant Wardens Donna Bounds and Fulton Holland, Jr. to review and discuss the proposed FY16 County Jail Operating Budget of \$8,501,002. In response to a question by Commissioner Mitrecic, Warden Mumford confirmed that the County still employs one Registered Nurse at the County Jail, so costs for the services are not included in the County's contract with Correct Care Solutions, Inc. (formerly ConMed Healthcare Management, Inc.) to provide medical services to the County Jail. He advised that it is less expensive for the County to employ a full-time Registered Nurse than it is to contract this service to Correct Care Solutions. Warden Mumford also confirmed that he is requesting authorization to hire a total of six new Correctional Officers in FY16 to address the increased need for security coverage of inmates when visiting the medical and mental health unit, to provide coverage for staff tasked with responding to growing inspections from regulating agencies, and to address an increase in the inmate population.

In response to a question by Commissioner Bertino regarding the request to replace one commercial lawnmower, Warden Mumford advised that one Correctional Officer, assisted by up to three inmates, provides grounds maintenance for seven acres of County-owned property at the Jail. In response to a question by Commissioner Church, Warden Mumford advised that inmates

eligible for the work release program are assigned to assist County agencies when requested at a cost of \$1 per day, per worker. In closing, Warden Mumford invited the Commissioners to tour the Jail and learn more about the services provided therein.

The Commissioners met with Board of Elections Director Patti Jackson to review and discuss the proposed FY16 Board of Elections Operating Budget of \$833,528.

In response to a question by Commissioner Lockfaw, Ms. Jackson advised that the requested budget does not reflect the salary savings that will result when a new Information Technology (IT) Specialist is hired at a lower grade than the retiring IT Specialist. In response to questions by Commissioner Bertino, Ms. Jackson stated that the County is required to purchase new voting machines, as part of the new statewide voting system to be implemented during the 2016 election cycle. She advised that the County was required to purchase new voting systems in 2006 as well.

The Commissioners met with Sheriff Reggie Mason and Chief Deputy Dale Smack and other members of the Sheriff's Office staff to review and discuss the proposed FY16 Sheriff's Office Operating Budget of \$6,988,392.

Colonel Doug Dods reviewed revenues and computer needs. Lieutenant Neil Adams reviewed issues pertaining to Fleet Management and radio needs.

Lieutenant Mike Bowen reviewed issues pertaining to the School Security Division. In response to questions by Commissioner Bunting, Lt. Bowen advised that School Resource Officers have responded to roughly 100 calls for service since August 2014, and most of those calls originated from Stephen Decatur High School (SDHS), which serves the largest student population of the three high schools. In response to questions by Commissioner Bertino, Lt. Bowen confirmed that 13 Deputies, made up of 11 part-time and two full-time School Resource Officers (SROs), are assigned to cover each of the public schools. He advised that the full-time SROs are deployed as Road Deputies during the summer months when school is not in session.

Lieutenant Andy McGee reviewed issues pertaining to the Patrol Division, as well as Overtime, Special Events, K9s and Support provided to the towns. In response to questions by Commissioner Bertino with regard to whether hiring two additional Road Deputies would help cut down on overtime costs, Lt. McGee stated that up to 10% of overtime costs, which result from Deputies being held over through shift changes, could potentially be reduced by providing additional coverage. He stated that the majority of the need for overtime stems from providing manpower to assist the Ocean City Police Department with special events.

Chief Animal Control Officer Susan Rantz reviewed issues pertaining to the Animal Control Division. With regard to questions by Commissioner Bertino, Ms. Rantz advised that the requested budget includes funding to erect a cover over the outside kennel runs. She stated that State law mandates the runs be covered to provide a safer environment for animals and humans alike during severe weather conditions. She stated that currently the runs are not covered, so they fill with snow and ice during severe winter storms and leave animals exposed to direct sunlight when the temperatures soar in the summer.

Lt. Ed Schreier reviewed issues pertaining to the Civil and Motor Divisions, including Paper Services and Transport of Prisoners. In response to a question by Commissioner Bunting, Lt. Schreier advised that each of the eight Administrative Assistants in the Civil Division work

roughly 10 hours of overtime per pay period to process the vast amounts of paperwork that if not processed in a timely manner would thwart the legal process. He stated that hiring additional Administrative Assistants in theory could help to reduce the need for overtime. In response to comments by Commissioner Mitrecic regarding paper service in Ocean City accounting for 2,708 papers served or 25% of the 10,458 papers that were served throughout the County by Sheriff's Deputies during the past year, Lt. Schreier advised that 1,581 papers were served in the Pocomoke, Girdletree and Stockton areas; roughly 1,000 were served in Snow Hill and surrounding areas; 1,245 were served in areas ranging from the northern Berlin area and Ocean Pines to Bishopville; and 2,522 were served on the south side of U.S. Rt. 50 from Ocean City to Wicomico County and south to Newark. Chief Deputy Smack advised that these figures do not include the number of eviction notices the Sheriff's Office is required to serve County-wide, and the bulk of these notices are served within the Town of Ocean City during the summer months.

Lt. Mike McDermott reviewed a request to provide Central Booking through the County Jail. Commissioner Bunting directed the Sheriff's Office to work with Jail staff to provide the Commissioners with a written request and a plan for Central Booking that outlines potential savings within the Sheriff's Office and additional costs to the County Jail that would result from this change. Commissioner Lockfaw stated that providing Central Booking would free up Road Deputies to return quickly to patrol rather than expending unnecessary hours supervising arrestees while they wait to be seen by a Court Commissioner.

With regard to concerns raised by Commissioner Elder, Sheriff Mason advised that currently 14 officers who reside outside the County take patrol cars home with them each night, which allows them to respond immediately to emergencies that develop; however, patrol cars cannot be operated for personal use.

Commissioner Mitrecic requested an opportunity to meet with the Sheriff during a future Commissioners' closed session meeting to discuss the Sheriff's Office's deployment plan. Sheriff Mason concurred and invited the Commissioners to tour operations within the Sheriff's Office and ride along with the Deputies to learn more about the services they provide throughout the County.

The Commissioners met with Tourism Director Lisa Challenger to review and discuss the proposed FY16 Tourism Operating Budget of \$1,128,794. In response to questions by Commissioner Bertino, Ms. Challenger advised that grant funds of approximately \$180,000 to Furnace Town, Discovery Center in Pocomoke, and the Snow Hill Opera House, which appeared as line items in the FY15 Tourism Budget are included in the nonprofit and town requests for FY16. With regard to questions regarding the benefit of the Maryland Welcome Center, operated by Worcester County Tourism, in Pocomoke, Ms. Challenger advised that the welcome center is the second most highly-visited welcome center in the State and plays a large role in directing visitors to attractions from Pocomoke to Ocean City. She stated that it costs about \$70,000 to fund building maintenance and operations at the welcome center annually. In response to a question by Commissioner Church, Ms. Challenger stated that the \$1.1 million expended by the County for tourism marketing and activities taking place Countywide returns hundreds of millions of dollars in revenue to the County each year, and she agreed to provide the Commissioners of a breakdown of these returns.

In response to concerns raised by the Commissioners regarding the high cost of electricity

at the welcome center, Maintenance Supervisor Ken Whited advised that replacing the aged HVAC system may reduce those costs.

The Commissioners met with Environmental Programs Director Bob Mitchell to review and discuss the proposed FY16 Environmental Programs Operating Budget of \$1,268,652. In response to a question by Commissioner Bertino regarding the request to provide funds in the FY16 budget to fill the vacant position of Environmental Programs Deputy Director, Mr. Mitchell stated that his office is severely understaffed. He stated that filling this position would provide him with the time needed to better manage the department.

Mr. Higgins reviewed nonprofit grant requests. In response to a question by Commissioner Mitrecic, Ms. Whited confirmed that Marriage License Fees have not been raised since 1992. In response to a question by Commissioner Lockfaw regarding the difference between grant funds of \$107,980 that were allotted to Diakonia in West Ocean City and grant funds of \$23,835 to the Samaritan Shelter in Pocomoke, Budget Accountant Kim Watts stated that Diakonia provides a number of services that the Samaritan Shelter does not, and is therefore eligible for additional grant funds from the State. She further advised that Samaritan Shelter Director Shelly Daniels is aware of these grants and could apply for them.

The Commissioners met with State's Attorney Beau Oglesby to review and discuss the proposed FY16 State's Attorney's Office Operating Budget of \$1,296,443.

The Commissioners adjourned for lunch.

After lunch, the Commissioners resumed their budget work session.

The Commissioners met with Economic Development Director Bill Badger to review and discuss the proposed FY16 Economic Development Operating Budget of \$439,895.

The Commissioners met with Public Works Director John Tustin to review and discuss the proposed FY16 Public Works Administration Operating Budget of \$420,707 and the Mosquito Control Operating Budget of \$150,861, with Fleet Management Superintendent William Powell reviewing the requested Fleet Maintenance expenditures therein.

Maintenance Superintendent Ken Whited reviewed the proposed FY16 Operating Budget of \$1,029,618 for the Maintenance Division of Public Works and \$47,542 for Boat Landings. In response to questions by Commissioner Bertino, Mr. Whited advised that having one additional dump truck equipped with a snow plow and rotary broom would allow Maintenance Division staff to more quickly, safely and efficiently clear snow from County parking lots and sidewalks Countywide.

Roads Superintendent Frank Adkins reviewed the requested FY16 Operating Budget of \$3,914,622 for the Roads Division of Public Works. In response to questions by Commissioner Bertino, Mr. Adkins advised that the FY16 request includes funds to blacktop 10 miles of County roads. He stated that, during a snow event, all trucks with snow plows were deployed to clear County roadways, and two of those vehicles malfunctioned during the cleanup. He stated that it

is critical to purchase two additional trucks with snow plows to replace those that are no longer dependable. Mr. Tustin stated that Public Works staff have been good soldiers, making due during the past nine years with existing equipment during the economic downturn and shrinking County budgets, but that the Roads Division equipment is fading fast and must be replaced. In response to a question by Commissioner Purnell, Mr. Tustin stated that it would take approximately one year from the time of the budget request to the time when State bids come out in November until the needed equipment could be purchased and delivered.

Enterprise Fund Controller Jessica Ramsay, Solid Waste Manager Mike Mitchell and Recycling Manager Ron Taylor reviewed the proposed FY16 Enterprise Fund Operating Budget of \$5,382,985 for the Solid Waste Division of Public Works. Commissioner Bertino stated that he could not justify imposing the proposed \$20.00 Environmental Surcharge, as recommended by the Solid Waste Advisory Board, to the FY17 tax bill to offset the current Recycling Division deficit, particularly as those residing in certain areas of the County, such as Ocean Pines, currently pay recycling fees to their homeowners' associations. Mr. Tustin stated that recycling and the Homeowner Convenience Centers (HCCs) operate at a loss each year, meaning portions of the money planned to be set aside in the Solid Waste Operating Budget to construct Cell 5 at the Central Landfill in Snow Hill is being rerouted each year to cover those deficits, and the end result will be a need for the County to bond roughly \$2 million for this project. He pointed out that this is the first time in the history of the Landfill that the County has had to depend on bond funds to construct a Landfill cell. He stated that until now, these projects have been pay-as-you-go. He advised that the State requires Counties to recycle. Furthermore, he advised that it costs the County approximately \$40,000 just to haul yard waste from the HCCs to the Central Landfill for disposal, so eliminating the Berlin and Pocomoke HCCs from accepting yard waste would cut down on costs.

Public Works Deputy Director John Ross and Ms. Ramsay reviewed the proposed FY16 Enterprise Fund Operating Budget of \$10,023,598 for the Water and Wastewater Division of Public Works. In response to a question by Commissioner Bertino, Mr. Tustin advised that one personnel change is requested in the budget to provide additional compensation to the Ocean Pines Collection Supervisor for taking on the additional responsibility of overseeing the construction group. He stated that this change includes a 5% salary increase to compensate for the added responsibility and converting the position from classified to nonclassified. In response to concerns raised by Commissioner Bertino regarding ease of online services, Ms. Ramsay stated that the Treasurer's Office is currently investigating the feasibility of developing online bill paying services. In response to a question by Commissioner Mitrecic, Mr. Ross advised that staff will be providing information to the Commissioners at an upcoming meeting on the status of utilizing the Eagles Landing Golf Course to spray treated effluent from the Mystic Harbour Wastewater Treatment Plant (WWTP).

The Commissioners met with Department of Liquor Control (DLC) Director Bobby Cowger and Ms. Ramsay to review and discuss the proposed FY16 DLC Enterprise Fund Operating Budget of \$2,352,402. At the request of Commissioner Lockfaw, Mr. Cowger provided an update on DLC operations and the positive financial impact on the County. In response to questions by Commissioner Mitrecic, Mr. Cowger advised that funds needed to cover a projected shortfall of \$35,000 to \$50,000 in the FY15 budget are to be absorbed through the

DLC's total net position of \$400,000, which the County acquired from the former Liquor Control Board upon assuming all responsibilities for liquor control in the County.

The Commissioners met with Development Review and Permitting (DRP) Director Ed Tudor to review and discuss the proposed FY16 DRP Operating Budget of \$1,521,587.

The Commissioners met with Mr. Higgins to review budget requests from Wor-Wic Community College (WWCC) and grants to towns.

The Commissioners met with Budget Officer Kathy Whited to resume discussions from their April 7, 2015 meeting regarding the proposed 2016 Constant Yield Tax Rate Certification Notice, which has already been approved by the Maryland Department of Assessments and Taxation, to be advertised in area newspapers once during the week of April 23, 2015. The Commissioners previously requested staff revise the advertisement to reflect the total property tax increase required to fully fund the requested budget. The revised notice states that, for the tax year beginning July 1, 2015, the estimated real property assessable base will decrease by .7%, from \$14,356,932,361 to \$14,255,656,135, and if the County maintains the current tax rate of \$0.77 per \$100 of assessment, real property tax revenues will decrease by \$779,827. The notice states that, to fully offset the effect of decreasing assessments, the real property tax rate could be increased to \$0.7755 per \$100 of assessment, the Constant Yield Tax Rate (CYTR). The County is considering increasing its real property tax rate above the CYTR to \$0.9325 per \$100 of assessment, which is 20.2% higher than the CYTR and will generate an additional \$22,381,380 in real property tax revenues. Upon a motion by Commissioner Bertino, the Commissioners unanimously approved the 2016 Constant Yield Tax Rate Certification advertisement as revised.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously accepted the quote from Barr International, Inc. of Salisbury, Maryland at a total cost of \$12,882.70 to complete engine repairs for a 1998 International dump truck utilized by the Water and Wastewater Division of Public Works.

Pursuant to the request of Mr. Higgins and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized staff to begin advertising immediately over a wide area across the country to fill the critical position of Human Resources Director, with a salary range between \$78,000 and \$95,000, to fill the vacancy to be created upon the retirement of George Bradley effective June 17, 2015.

The Commissioners discussed conducting a site visit of the Lothian Elementary School (LES) in Anne Arundel County, which is being constructed at a cost of \$38 million, to gauge how best Worcester County bond funds could be leveraged to build a new Showell Elementary School. The Commissioners agreed to tour LES, which is in the final phase of construction, on Thursday, May 7, 2015. County Attorney Sonny Bloxom advised that the tour should be posted as a meeting if four or more Commissioners plan to attend, since that would constitute to a quorum and be considered a meeting under the Open Meetings Law.

The Commissioners discussed issues pertaining to town hall meetings to be conducted by Commissioners Bertino and Bunting on Tuesday, April 21, 2015, at 6:30 p.m. at the Ocean Pines Branch Library and by Commissioners Purnell and Elder on Thursday, April 23, 2015, at 6:00 p.m. at the Multipurpose Building on Flower Street in Berlin.

The Commissioners answered questions from the press, after which they adjourned to meet in closed session.

Following a motion by Commissioner Lockfaw, seconded by Commissioner Bertino, the Commissioners unanimously voted to meet in closed session at 3:53 p.m. in the Commissioners' Meeting Room to discuss legal and personnel matters permitted under the provisions of Section 3-305(b)(1) of the General Provisions Article of the Annotated Code of Maryland. Also present at the closed session were Harold L. Higgins, Chief Administrative Officer; Kelly Shannahan, Assistant Chief Administrative Officer; Sonny Bloxom, County Attorney; and Kim Moses, Public Information Officer. Topics discussed and actions taken included a personnel matter involving a disability retirement.

After the closed session, the Commissioners adjourned to meet again on April 21, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

April 21, 2015

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

Following a motion by Commissioner Mitrecic, 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and George Bradley, Human Resources Director. Topics discussed and actions taken included: filling critical vacant positions, including hiring Amy Parker as a part-time Custodial Worker at the Snow Hill Library; appointing Geoffrey Failla to serve as a business representative on the Lower Shore Workforce Investment Board, and Claire Riley of Worcester Preparatory School (WPS) and Madison Mendiaz of Snow Hill High School (SHHS) to the Worcester County Youth Council; 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, as well as the afternoon closed session on April 14, 2015.

The Commissioners reviewed and approved the minutes of their April 7, 2015 meeting as presented.

Pursuant to the recommendation of Housing Program Administrator Jo Ellen Bynum and upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized Commission President Bunting to sign the Maryland Community Development Block Grant (CDBG) Citizen Participation Plan, which among other things provides for and encourages citizen participation, particularly by low and moderate income persons residing in areas in which CDBG funds are proposed to be used, and ensures they will be given reasonable and timely access to local meetings, information and records relating to Worcester County's proposed and actual use of CDBG funds. Ms. Bynum stated that the County's current plan was adopted on May 1, 2012 and expires on May 1, 2015.

Pursuant to the request of Social Services Assistant Director of Services Roberta Baldwin and upon a motion by Commissioner Church, the Commissioners unanimously authorized Commission President Bunting to sign the Emergency and Transitional Housing and Services Program (ETHS) and Homeless Prevention Program (HPP) grant application for Social Services to prevent homelessness and to help improve the quality of existing emergency and transitional shelters for the homeless. Ms. Baldwin stated that, if awarded, the grant will provide \$20,484 for ETHS funding and \$4,822 for HPP funding to assist Diakonia, the Samaritan Shelter and the Worcester County Department of Social Services.

Pursuant to the request of Budget Accountant Kim Watts at the request of Diakonia, Inc. and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Commission President Bunting to sign the FY16/17 Homeless Women - Crisis Shelter Home Program Funding Renewal Grant Application to help fund services for homeless women through the Maryland Department of Human Resources Office of Transitional Services to Diakonia, Inc. in the requested amount of \$24,557 each year for FY16 and FY17, for total grant funding of \$49,114.

The Commissioners reviewed a letter from Snow Hill Mayor John C. Dorman who advised the Commissioners that the town is interested in acquiring the County-owned Oscar M. Purnell property, which is located on Market Street in the historic district of Snow Hill, for public use, as the future home of the Town Hall and the Snow Hill Police Department, or some other public purpose. Upon a motion by Commissioner Lockfaw, the Commissioners unanimously agreed to advertise the proposed disposal of this surplus property to the Town of Snow Hill to receive objections on the proposal until May 19, 2015.

The Commissioners met with Enterprise Fund Controller Jessica Ramsay and Department of Liquor Control (DLC) Director Bobby Cowger to discuss an opportunity for the DLC to enter into a Distribution Agreement with Craft Wine & Spirits, LLC for the DLC to obtain exclusive rights to sell 15 brands of Craft Wine & Spirits throughout Worcester, Wicomico and Somerset Counties through the end of calendar year 2015, with an option to renew. Ms. Ramsay advised that the initial inventory purchase is expected to be approximately \$75,000 and is projected to generate sales of approximately \$300,000, with one-third wholesale and two-thirds retail, which should generate a profit of approximately \$75,000. Ms. Ramsay advised that the Liquor Control Advisory Board gave the proposal a favorable recommendation. Upon a motion by Commissioner Church, the Commissioners voted 6-1, with Commissioner Mitrecic voting in opposition, to authorize Commission President Bunting to sign the Distribution Agreement.

Pursuant to the recommendation of Public Works Director John Tustin and a request from Doug Sommers, Real Property Manager for the State Highway Administration (SHA) of the Department of Transportation, the Commissioners unanimously authorized Commission President Bunting to sign the Entry Agreement with the SHA. Mr. Tustin explained that the agreement authorizes SHA and its contractors to enter a portion of County property on North Washington Street in Snow Hill to modify certain ramps to comply with Americans with Disabilities Act (ADA) requirements.

The Commissioners met with Human Resources Director George Bradley to review three options, along with recommendations from the Health Benefits Review Committee, for replacing the County's current Traditional Health Insurance Plan with CareFirst BlueCross/BlueShield (BC/BS) to the Blue Preferred Provider Organization (PPO) Plan with BC/BS. Mr. Bradley reviewed the three optional plans as follows: Option 1, the plan recommended by the Health Benefits Review Committee, is the PPO with a \$10 co-pay per doctor visit and prescription drug co-pay of \$0/\$10/\$20/\$35 (preventive drugs/generic drugs/formulary drugs/nonpreferred brand drugs) for a total increased cost of 6.85% or \$2.1 million, with projected savings of \$1.3 million; Option 2 - PPO with \$20 co-pay per doctor visit and prescription drug co-pay of \$0/\$10/\$20/\$35 for a total increased cost of 6.10% or \$1.9 million, with projected savings of \$1.5 million; or Option 3 - with \$20 co-pay per doctor visit and prescription drug co-pay of \$0/\$15/\$35/\$60, which would have no increased cost and would result in a savings of \$3.4 million, as compared to renewal of the Traditional Plan. He advised that the negotiated rate on the renewal of the Traditional Plan would result in a total increased cost of 11.1% or \$3.4 million in premiums, while Option 3 would hold premiums flat but would dramatically increase the prescription drug co-pay costs for employees, which may cause staff to skip their prescriptions thus leading to higher medical costs to the County.

In response to questions by Commissioner Bertino regarding Option 3, Mr. Bradley stated that prescription drug co-pays would be so expensive that he feared employees may forgo needed medications. Commissioner Lockfaw stated that Option 2 would be the best choice, as it is important to maintain a good benefit package since County salaries are more conservative than those of the State and neighboring jurisdictions. Therefore, the County depends on a strong benefit plan to attract and retain a highly qualified workforce. Commissioner Mitrecic pointed out that, if the Commissioners are unable to grant step increases or a cost of living adjustment (COLA) in FY16, choosing Option 3 would result in a net loss to existing County employees. He stressed, however, that the Commissioners should consider potential cost savings by amending medical and dependent care cost sharing, as well as retirement plans for new hires only. In response to a question by Commissioner Bunting, Mr. Bradley stated that, if employees do not take care of themselves due to higher medical and prescription costs under Option 3 and later suffer more serious health issues, the result to the County would be an increase in overall costs, since the County is fully self-insured. In response to a question by Commissioner Bertino, Mr. Bradley stated that Option 2 would result in a premium increase to County employees, for example the cost to someone for an individual plan would increase by \$1.61 per paycheck; and Option 3 would result in no additional premium cost, but higher prescription costs. He confirmed that the County health insurance cost share for current employees would remain at 90% to the County and 10% paid by the employees, while an amended cost share may be considered for new hires. Following some discussion and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved Option 2. For renewal of the County health insurance with the Blue PPO with a medical co-pay of \$20 per doctor visit and prescription drug co-pay of \$0/\$10/\$20/\$35.

The Commissioners reviewed a draft copy of the Worcester County Commissioners 2015 Strategic Plan, as developed during a brainstorming session at the Maryland Association of

Counties (MACo) Winter Conference on January 8, 2015, which highlights five priority initiatives to be addressed during their current term in office as follows: Replace Showell Elementary School (SES) with a cost-effective and affordable structure; Review Design Guidelines and Standards for Commercial Uses and U.S. Rt. 50 Transportation Corridor Plan (tied for 2nd); Develop Exit Strategy for Liquor Control (tied for 2nd); Develop Efficient Plan for Solid Waste Operations (tied for 4th); and Pocomoke Area Industrial Park (tied for 4th). Upon a motion by Commissioner Bertino, the Commissioners unanimously adopted the 2015 Strategic Plan as presented.

Pursuant to the recommendation of Tourism Director Lisa Challenger and the request of Phil Houck of the Offshore Powerboat Association, and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the use of 2/3 of the West Ocean City Commercial Harbor parking lot from October 2-4, 2015 for the World Championship Offshore Powerboat Association Race at Ocean City, with Mr. Houck to provide insurance, security and traffic control as needed.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners awarded the contracts for the purchase of petroleum products to CATO, Inc. of Salisbury, Maryland for ultra dyed low sulfur diesel #2 at a mark-up price of \$0.144 per gallon, dyed kerosene at a mark-up price of \$0.53 per gallon and high sulfur red dyed distillate (HSD2) at a markup price per gallon of \$0.0275 for a period of two years beginning May 1, 2015 and ending April 30, 2017.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved bid specifications for procurement of propane gas to be provided to 18 County facilities that would be in effect for two years commencing June 1, 2015 and ending May 31, 2017.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously agreed to schedule a public hearing on June 2, 2015 to consider accepting Martinsport Drive (0.46 mile) and Wight Island Court (0.11 mile) in the Martins Port Subdivision near Bishopville into the Worcester County Roads Inventory.

Pursuant to the recommendation of Mr. Tustin and the request of Ocean City Town Manager David L. Recor and upon a motion by Commissioner Mitrecic, the Commissioners unanimously concurred with the award of design services for improvements to the irrigation system at Eagle's Landing Golf Course to Michael Kuhn and Associates of Auburn Hills, MI in the amount of \$46,500, of which \$13,750 is for the initial design services with the balance for construction coordination and post construction services. The Commissioners confirmed funding for these services as part of the Mystic Harbour Wastewater Effluent Disposal Project. Mr. Tustin explained that the Water and Sewer Plan Amendment for this project has not yet been approved by the Maryland Department of the Environment (MDE), and funding has not yet been secured from the United States Department of Agriculture (USDA), but the Commissioners agreed that this project must continue moving forward to construct the irrigation system later this

year.

The Commissioners met with Environmental Programs Director Bob Mitchell and Economic Development Director Bill Badger with regard to the Water and Sewer Committee's recommendation regarding their review of the Municap evaluation of options for reducing the costs of the sewer equivalent dwelling units (EDUs) for the commercial expansion of the Riddle Farm Sanitary Service Area (SSA) to serve the commercial development along the US Rt. 50 Service Road. The Commissioners originally reviewed and discussed these options at length during their April 7, 2015 meeting at which time they remanded the study to the Water and Sewer Committee for review and recommendations before discussing the matter further. Mr. Mitchell advised that the committee recommends Option A, continuing to offer the 267 available sewer EDUs at the full purchase price of \$23,535 per EDU, as the other two options present an unacceptable cost and/or risk to the County.

In response to a question by Commissioner Bunting, Assistant Chief Administrative Officer Kelly Shannahan stated the sewer committee had discussed a fourth option of possibly allowing each individual purchaser to negotiate a final plan for purchase of the EDUs, but determined that such a policy would delay the process and could create unfairness. He advised that Mark Cropper, Attorney for WGC EDU, LLC, and Glen Riddle, LLC (Ruark), in an e-mail to the County stated that at no time had his client ever requested a change in the terms of the agreement regarding the expansion of the Riddle sewer plant with regard to EDU costs or otherwise. He advised that Mr. Cropper had explained that his client has negotiated with developers who are anxious to hook up to the sewer system and are willing to pay the full cost per EDU; and, the consideration by the County to possibly offer a financing option had only slowed the negotiations as the developers are now in a holding pattern. Mr. Shannahan concluded that the Water and Sewer Committee found that Option A was the best financing option available to the County for expediency and for cash flow, as the County will incur a cost of approximately \$600,000 to install waterlines along the same corridor, and the sale of the sewer and water EDUs will help to fund that project. Otherwise, the County would have to borrow funds to offer the developers a financing option, as identified by the Municap study for the sale of the EDUs.

In response to a request by Commissioner Church, Mr. Badger advised that he had initiated the study after he received feedback from several developers who advised that the EDU cost may be unaffordable, especially for restaurants which require multiple EDUs. He explained that the financing options would reduce the initial EDU purchase price from \$23,535-\$18,609, saving a large restaurant a total of roughly \$98,000 on the initial purchase of 20 EDUs, which would be paid back to the County over time.

Following some discussion, a motion made by Commissioner Bertino to move forward with Option A failed for lack of a second. County Attorney Sonny Bloxom cautioned that the need to make a final decision on the issue of financing is critical to the success of the sewer expansion project, as Mr. Taylor has committed a great deal of funding for this project and relies on his ability to sell the EDUs in a timely fashion to recoup his costs.

Commissioner Bunting recognized Attorney Mark Cropper.

Mr. Cropper concurred with Mr. Bloxom's comments. He stated that his client has always supported Mr. Badger's efforts to encourage and facilitate economic development along the U.S. Rt. 50 commercial corridor. However, his client is paying 100% of the costs to expand the wastewater treatment plant (WWTP) and extend sewer service to the U.S. Rt. 50 Service Road,

and the only way he can be reimbursed for these costs is to begin selling these EDUs now. He advised that, while his client is in favor of anything the County chooses to do to enhance the value of the EDUs, Mr. Taylor has not requested a reduced price. He further explained that the mere consideration of financing options will keep developers from committing to purchase the EDUs. He implored the Commissioners to decide on this matter as soon as possible and to act on other necessary approvals to keep the project moving. In response to concerns raised by Mr. Cropper, Mr. Bloxom advised that the County must formally adopt the Riddle Farm Sanitary Service Area (SSA) expansion, and the Commissioners should revisit Mr. Cropper's earlier request to extend the deadline for beginning construction at their May 5, 2015 meeting in the event that additional time is still needed beyond the May 7, 2015 deadline. Mr. Bloxom also advised that Mr. Cropper has a client who is willing and able to pay the full EDU price for 60 EDUs, and therefore it is incumbent upon the County to choose an option to move forward. In response to a question by Commissioner Bunting, Mr. Cropper stated that, while his clients would like to obtain the lowest EDU cost possible, the finality of a decision one way or the other is imperative.

Upon a second motion by Commissioner Bertino, the Commissioners unanimously adopted Option A, the full purchase price option, as recommended by the Sewer Committee.

The Commissioners conducted a public hearing to receive public comment on the proposed adoption of the 2014 National Electrical Code with local amendments, as proposed by the Worcester County Electrical Board. Development Review and Permitting Director Ed Tudor and Electrical Board Chair Kenny Lambertson were also present at the hearing. Mr. Tudor stated that County staff and the board conducted two public meetings on December 10 and 11, 2014 in Snow Hill and Ocean Pines, respectively, to discuss the proposed changes with licensed electricians and the general public. Mr. Lambertson stated that the local code has not been updated since 2002, and the two amendments therein specifically address changes in technology.

Commissioner President Bunting opened the floor to receive public comment on the proposal to adopt the 2014 National Electrical Code, with local amendments.

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

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted Resolution No. 15-6 adopting the 2014 National Electrical Code with local amendments, as presented.

The Commissioners met in legislative session.

The Commissioners conducted a public hearing to receive public comment on Bill 15-2 (Building Regulations - Electrical Standards), which was introduced by Commissioners Bertino, Bunting, Church, Mitrecic, Lockfaw and Purnell on March 17, 2015, as recommended by the Worcester County Electrical Board. Also in attendance were Mr. Tudor and Mr. Lambertson. Mr. Tudor reviewed the draft bill, which includes several proposed amendments to Subtitle II, Electrical Standards of the Building Regulations Article of the Code of Public Local Laws of Worcester County, Maryland, as follows:

Section BR 2-202 repeals and reenacts the following definitions: "Electrical Work," to include low voltage wiring systems, such as but not limited to lighting, controls, communications, burglar and fire alarms; "Electrical General," a person authorized by license to

engage in electrical work on single phase electrical services and circuits of 240 volts or less in nonhazardous locations in residential, commercial and agricultural structures and having a sufficient knowledge of such type or types as determined by the Board; “Minor Electrical Installation” ranging from 20 amperes/120 volts AC or less in an existing structure, the installation of decorative outdoor lighting consisting of pre-wired and prefabricated factory enclosed transformers to be installed by a licensed electrician, or the installation of individual solar-powered lamps; and adds a definition of the term “Nonhazardous Location” to the Electrical Standards Subtitle.

BR 2-208(b) repeals and reenacts the general requirements for licensing of an Electrician General to provide minimum eligibility requirements of four consecutive years in the field, of which up to one year of training in a technical school or college may be substituted for field experience.

BR 2-208 adds a new Subsection (f) which outlines continuing education requirements beginning with those licenses which will expire on the last day of December 2015.

BR 2-214 repeals and reenacts Subsection (a) to state that licenses shall expire on the thirty-first day of the second December following issuance or renewal to provide for a two-year license renewal cycle.

Commissioner Bunting opened the floor to receive public comment.

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

Commissioner Mitrecic expressed concern that, under the provisions of the proposed bill, landscapers would no longer be able to install low voltage lighting, and this would place an undue hardship on landscapers and result in increased costs to individuals seeking to enhance their properties. Mr. Tudor advised that landscapers would still be permitted to install pre-engineered systems, as this change would only effect those seeking to install low voltage lighting systems of 24 volts or higher. He advised that Commissioner Mitrecic’s concerns could perhaps be resolved by removing the reference to the definition of “Electrical Work” in voltage wiring systems in section BR 2-202. Mr. Lambertson advised that, as proposed, landscapers would be required to contract with an electrician to install the higher voltage systems and to install custom low lighting systems due to the fire hazard that such installations pose if the needed transformers are not sized correctly.

A motion by Commissioner Lockfaw to adopt Bill 15-2 as presented failed for lack of a second.

In response to a question by Commissioner Bertino regarding whether small communications companies installing hardwired network systems would need an electrician, Mr. Lambertson stated that these organizations would need to have someone on staff who is a limited license holder for these types of installations. However, this license can be obtained by passing an exam that displays the individual’s knowledge and ability to work with these systems.

In response to a question by Commissioner Elder, Mr. Lambertson advised that the State requires all Master Electricians to complete 10 hours of continuing education training every two years, and because the State Code does not recognize General Electricians, the County amendment would extend this requirement to General Electricians to assure they remain up to date and compliant with the Code.

Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to table further discussion on Bill 15-2, and directed

Commissioners Bunting and Mitrecic to work with staff to revise the bill to address concerns raised by the Commissioners regarding installation of low voltage systems.

The Commissioners met with Mr. Tudor to review a text amendment submitted by Attorney Joseph E. Moore on behalf of the Wenzlaff Family Limited Liability Partnership seeking to amend the E-1 Estate District regulations to permit marine yards and watercraft storage yards and buildings in the E-1 District by special exception. Mr. Tudor stated that Mr. Moore's initial application sought to renumber existing ZS 1-203(c)(18) as (c)(20) and create new Subsections ZS 1-203(c)(18) and (19), while the report from County staff to the planning commission noted the same basic uses were permitted in the E-1 Estate District by special exceptions starting in 2003, but were removed in the comprehensive rewrite of the Zoning Ordinance in 2009 in light of the potential abolishment of the E-1 Estate District in its entirety, though that did not occur. He concluded that the Planning Commission gave a favorable recommendation to the language as suggested by the staff and which was also accepted by the applicants, which creates a new subsection ZS 1-203(C)(18) and renumbers the current (c)(18) to (c)(19). Following some discussion, Commissioners Bertino, Bunting and Mitrecic agreed to introduce the affirmations legislation as Bill 15-6 and scheduled a public hearing on May 19, 2015 to receive comments on Bill 15-6.

The Commissioners met with Mr. Tudor to review a text amendment application submitted by Attorney Mark S. Cropper to amend the C-1 Neighborhood Commercial District regulations to permit marine yards, storage yards and buildings in the C-1 District by special exception. Mr. Tudor advised that the staff report to the Planning Commission noted that the proposed size and intensity of the uses as proposed were not in keeping with the purpose and intent of the district regulations and that the landscaping, buffering and screening proposed were not consistent with the other permitted uses in the district. He advised that Mr. Cropper revised his application to be more in line with the staff comments. However, Planning Commission members concluded that the revised application was still not compatible with the purpose and intent of the district regulations despite the changes, and, therefore, they unanimously gave the text amendment application an unfavorable recommendation. Following some discussion, Commissioners Bertino, Bunting, Elder, Lockfaw, Mitrecic and Purnell introduced the proposed legislation as Bill 15-7 and scheduled a public hearing on May 19, 2015 to receive comments on Bill 15-7.

Commissioner Bunting closed the legislative session.

The Commissioners recessed for five minutes.

The Commissioners met with Economic Development Director Bill Badger, Terry Hasseltine with the Maryland Stadium Authority (MSA), and Mike Barack, President and Dave McLain, General Counsel, both of Hat Trick Consulting, LLC of Grapevine, Texas to discuss the company's proposal to facilitate development of a 6,200-seat sports arena in Worcester County that would be home to a minor league ice hockey franchise, as part of a complex that could include a hotel and shopping center. Mr. Badger advised that the arena is projected to host 125

events each year, attracting more than 400,000 attendees, and providing 100 full-time jobs, resulting in a direct economic impact of an estimated \$19 million to Worcester County and the State of Maryland. He advised that a study to determine the feasibility of the project and how it would impact other significant MSA investments would cost approximately \$75,000, with the County and State to maintain a 60/40 cost share and with Hat Trick to fund a \$5,000 portion of these costs as well. He advised, however, that last Friday the Maryland Department of Economic Development (DBED) committed \$25,000 toward the cost of the study, thereby lowering the County portion to roughly \$15,000. Mr. Hasseltine advised that the MSA has budgeted funds and stands ready to move forward with the study. In response to a question by Commissioner Bertino, Mr. Badger explained that the study cost increased from an estimated \$15,000 to \$75,000 due to the addition of the outdoor sports complex, as part of the project.

Mr. Barack advised that the proposed Worcester County Event Center would market the County as a whole. He then reviewed a PowerPoint presentation outlining the opportunity, impact and benefits of a pro hockey team, and examining 10 similar facilities throughout the country. He stated that Hat Trick Consultants would work with Worcester County and Peck Miller/Coldwell Banker to make the project a reality. He advised that the increased revenue from events would fund the arena's construction and long-term viability and would generate sufficient revenues to meet all debt service obligations as well as generate additional revenues through ticket sales and the sale of sports clothing and related memorabilia. He stated that the proposed professional sports and entertainment arena would enhance offerings at Wicomico Youth and Civic Center in Salisbury and the Roland E. Powell Convention Center in Ocean City by bringing new events to Worcester County and the lower Eastern Shore that cannot or will not fit into these existing venues. He stated that the professional hockey team would be the anchor tenant, generating 36 events per year, and Hat Trick would work to attract a second sports league franchise, such as lacrosse, arena football or an NBA development league team, to generate additional events, for a rough total of 50 sports events per year between the two sports franchises. In addition the venue could host major boxing events, intercollegiate and high school events and tournaments, business meetings, and various skating and entertainment activities, as well as graduation ceremonies throughout the region. He advised that the arena would be home to a youth hockey team as well that would associate itself with the pro team. Mr. Barack concluded that the projected revenues could generate a net operating income of \$312,355 in year one alone.

In response to a question by Commissioner Bunting, Mr. Barack advised that 50 acres of contiguous land would be needed to accommodate the arena, hotel, retail space and shared parking. Mr. Badger advised that the next step would be to move forward with the Phase 1 study with the MSA. Commissioner Bertino noted that the proposed arena would need to host a minimum of 125 events annually to break even and requested Mr. Badger provide the Commissioners with the number of events that take place annually at the Ocean City and Salisbury arenas to determine whether the projection of 125 annual events seems attainable. Commissioner Bertino asked Mr. Barack who would be responsible for funding the construction and operating cost of the stadium, to which Mr. Barack advised that it would be majority publicly owned, with contributions from developers and possibly private investors as well. He further advised that Hat Trick will serve as a conduit in facilitating the development of the arena, and once it is built they would operate the facility in conjunction with the County, with their role being to attract events and sports programs. He advised that his organization has spent roughly

\$30,000 to date to determine the viability of Worcester County as a location for the arena, which would cost about \$40 million to construct. In response to a question by Commissioner Bunting, Mr. Badger advised that it would take roughly six to eight months to complete the Phase 1 study, and the County's only obligation at this point is to fund a portion of the study cost.

Commissioner Lockfaw requested that the south end of the County be considered for location of the arena. In response to a question by Commissioner Purnell, Mr. Barack advised that Hat Trick has 10 similar ventures in various stages of negotiations to develop venues and owns a dormant sports franchise agreement in Allen, Texas, where a new facility is being built. Following some discussion, Commissioner Bunting thanked Mr. Barack for his presentation and advised that the Commissioners have a lot to consider.

Pursuant to the request of Environmental Programs Director Bob Mitchell and upon a motion by Commissioner Church, the Commissioners approved the application to the Maryland Agricultural Land Preservation Program for re-certification for Worcester County. Mr. Mitchell advised that Worcester County's certification entitles the County to retain 75% instead of 33% of the Agricultural Land Transfer Tax (ALTT) and also makes the County eligible for 60% additional matching funds from the State when those funds may be available for the purchase of agricultural easements in the future.

Pursuant to the request of Mr. Mitchell and upon a motion by Commissioner Church, the Commissioners voted 6-1, with Commissioner Elder voting in opposition, to commit a local match of \$130,859.79 for the Maryland Agricultural Land Preservation Foundation (MALPF) Agricultural Preservation Easement Acquisition Program for FY16. These funds consist of the estimated \$30,000 of retained Agricultural Land Transfer Tax (ALTT) funds from the FY16 budget, \$78,877.79 of ALTT funds from prior years, and a minimum of \$8,665 in the upcoming fiscal year from the County's General Fund, and the combined County match of \$13,317, which was offered in FY11 and FY13 and was deferred. Mr. Mitchell advised that this funding may be enough to purchase two to three easements from the top-ranking applicants in the FY15/16 cycle.

Pursuant to the request of Mr. Mitchell and upon a motion by Commissioner Church, the Commissioners unanimously authorized Commission President Bunting to sign the Agreement of Sale between Rebecca Wise (Seller) and the County Commissioners of Worcester County, Maryland (Buyer) for the purchase of a Rural Legacy Area (RLA) easement on a 147.15-acre property located on Whitesburg Road and more specifically identified on Tax Map 69 as Parcel 44. Mr. Mitchell advised that the County used the approved Easement Valuation System (EVS) to determine the easement purchase payment of \$2,211 per acre, which the property owners have accepted. He further advised that the easement cost would be fully funded by the State, with no County match required or provided.

Mr. Mitchell updated the Commissioners on the status of House Bill 1043 - Environment - Onsite Sewage Disposal System - Nitrogen Removal Technology - Exemption, which was introduced by Delegate Neil Parrott of District 2A, Washington County, and was withdrawn. Mr. Mitchell stated that this bill would have removed the pre-treatment requirements for septic systems outside the critical area, and though it failed Delegate Parrott plans to pursue a

modification to the existing regulations, with the Maryland Department of the Environment (MDE). Mr. Mitchell commented that the State recently enacted new Energy Code and Sprinkler requirements, and if this new septic pre-treatment requirement is instituted, the cost to build a new home in Worcester County outside the Critical Areas would increase by more than \$30,000. Mr. Mitchell explained that the Maryland Rural Counties Coalition and Maryland Association of Counties (MACo) will support Delegate Parrott in his attempt to remove these requirements for lots outside the critical area. Commissioner Bunting thanked Mr. Mitchell for the update and requested he keep the Commissioners apprised of any new developments that occur with regard to this matter.

The Commissioners reviewed a memo from Kristie Eberly of the Tri-County Council (TCC) of the Lower Eastern Shore informing them that Maryland Department of Agriculture (MDA) Secretary Joe Bartenfelder will conduct an informational briefing to discuss the new Phosphorus Management Tool (PMT) regulations to take place at the TCC building in Salisbury on Friday, May 8, 2015, from 11:30 a.m. to 1:30 p.m. Mr. Mitchell agreed to provide potential talking points at the Commissioners next meeting on May 5, 2015.

The Commissioners answered questions from the press, after which they adjourned to meet again on May 5, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

May 5, 2015

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

Following a motion by Commissioner Lockfaw, seconded by Commissioner Bertino, with Commissioner Purnell absent, 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and George Bradley, Human Resources Director. Topics discussed and actions taken included filling critical vacant positions, including denying a request at this time to rehire a Landfill Operator II for a vacancy in the Solid Waste Division; denying a request to advertise to hire a Maintenance Worker I for a vacancy in the Maintenance Division of Public Works; agreeing to reclassify one vacant Maintenance Worker IV to Maintenance Worker III for the Maintenance Division of Public Works and promoting Barry Morton to fill that vacancy; agreeing to advertise to hire an Office Assistant III for a vacancy at the Jail; appointing Pocomoke City Councilman George Tasker to the Solid Waste Advisory Committee; receiving legal advice from counsel; and performing administrative functions.

Commissioner Purnell was absent from the meeting.

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 minutes of their April 21, 2015 meeting as well as their March 24, 2015 and April 14, 2015 work session meetings as presented.

The Commissioners presented a proclamation to Worcester County Social Services Director Pete Buesgens and other staff members along with foster parent Anne Rambo recognizing May 2015 as National Foster Care Month.

The Commissioners presented a commendation recognizing Rick and Anne Rambo as the

2015 Foster Parents of the Year to Ms. Rambo and extended their thanks for the Rambos willingness to serve foster children living in crisis in the community. Ms. Rambo stated that she and her husband felt a little apprehension about the enormity of the responsibility they were taking on before becoming foster parents, but that those fears had proved unfounded, as the rewards of their participation in the program have been a fourfold blessing.

The Commissioners presented a commendation to Stephen Decatur High School senior Jacob Gaddis in recognition of his service as Worcester County's Page to the 2015 Maryland General Assembly. Mr. Gaddis stated that he learned a great deal from this experience and that he would be honored to serve Worcester County in the General Assembly at some point in the future.

Ocean City Development Corporation (OCDC) Executive Director Glenn Irwin and OCDC Board of Directors President Bob Givarz provided the Commissioners with an update about the OCDC's accomplishments over the past year, which included the following: organizational structure of the OCDC, which celebrates its 15th anniversary this year; Facade Program; OCDC Business Assistance Program for new or expanding businesses from the Inlet to 17th Street, with six new businesses assisted, six projects underway, and financial assistance of up to 1/3 cost and not to exceed \$5,000; Model Block Project, which will result in an increased tax base; Seasonal Housing, between three buildings with 32 beds on Dorchester Street for summer beach patrol and police officers; Special Events and other OCDC Assisted Downtown Events; Ocean City Clean Sweep; and Public Art, which is privately funded and includes the recent installation of a dolphin sculpture at the foot of the MD Rt. 90 Bridge; and Utility Box Paint Program. The OCDC is a nonprofit organization and a Maryland Main Street Community, which consists of 149 members and 12 committees. Their design guidelines have been adopted by the Town of Ocean City for the downtown area and serve as a model program for downtown revitalization Statewide. The Facade Program, which won the 2015 Maryland Sustainable Growth Award, has resulted in the renovation of 165 buildings to date, \$5.7 million in private sector investments, a 6:1 ratio of leveraging private to public dollars, and 10 projects are currently underway. Mr. Givarz reviewed upcoming projects and events and invited the Commissioners to attend their annual meeting on Wednesday, May 6, 2015, at 6:00 p.m. at Shenigan's Irish Pub & Grille at 4th Street and the Boardwalk in Ocean City. Following some discussion, Commissioner Bunting thanked Mr. Givarz and Mr. Irwin for the outstanding projects the OCDC undertakes to revitalize the downtown area of Ocean City.

Pursuant to the request of Public Works Director John Tustin and upon a motion by Commissioner Church, the Commissioners unanimously approved payment to EA Engineering, Science and Technology for an extension of the Construction Inspection and Administration Services at the Mystic Harbour Wastewater Treatment Plant (WWTP) to initiate operations at a total additional cost of \$6,321. Mr. Tustin explained that these closeout services would be reimbursed through funding from the United States Department of Agriculture (USDA) for the project.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the

Commissioners unanimously approved a Request for Proposals (RFP) for engineering services for the Mystic Harbour Effluent Disposal Program. In response to a question by Commissioner Bertino, Mr. Tustin advised that the USDA has committed funding in the form of a \$750,000 grant and a low interest loan of \$2,450,000 to cover project costs, but that the County is under no obligation to accept the grant and loan. He further advised that the County has not yet received the water and sewer plan approval for the project from the Maryland Department of the Environment (MDE), and the proposal would not be awarded prior to receiving said approval.

At the recommendation of Assistant Chief Administrative Officer Kelly Shannahan in response to a request by Attorney Mark Cropper, the Commissioners conceptually agreed to extend the Riddle Sewer Expansion Agreement deadline of May 7, 2015 for beginning construction, and to formally extend the date at their next regularly scheduled meeting on May 19, 2015, when they review the revised construction timeline, agreements, and proposal for creation of the Riddle Farm Commercial Sanitary Service Area (SSA).

The Commissioners conducted a public hearing to receive public comment on the estimated project cost of \$1.2 million to interconnect the public water system in the Mystic Harbour SSA to the public water systems in The Landings and Assateague Pointe Service Areas. Mr. Tustin reviewed the project which will result in the creation of 900 equivalent dwelling units (EDUs) of public water service in the Mystic Harbour Service Area; enable the Mystic Harbour water tower to be temporarily removed from service for repainting; reduce operating costs by eliminating the need for all three plants to operate during the winter low demand period; and increase water supply redundancy and reliability for all three service areas. He advised that funding is proposed to be derived from 2015 Series Bond Funds, with repayment through equity contributions paid by new customers in the Mystic Harbour SSA who connect to the public water system.

Commissioner Bunting opened the floor to receive public comment.

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

Upon a motion by Commissioner Bertino, the Commissioners unanimously approved the project as presented.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved bid specifications for continued preventive maintenance for County generators. Upon the request of Commissioner Elder, Mr. Tustin agreed to review the specifications to ensure that they are up-to-date regarding generator components to be serviced under the contract.

Pursuant to the request of Enterprise Fund Controller Jessica Ramsay and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to schedule enterprise fund budget hearings for Water and Wastewater Enterprise Funds (Sanitary Service Area Budgets), Solid Waste Enterprise Fund (Central Landfill, Homeowner Convenience Centers and Recycling), and Liquor Control Enterprise Fund (Wholesale and Retail Liquor Sales) on Tuesday, June 2, 2015.

Pursuant to the recommendation of Environmental Programs Director Bob Mitchell and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the FY16 Critical Area Grant Agreement awarding the County \$13,000 to cover a very small portion of the County's actual cost to administer the Chesapeake and Atlantic Coastal Bays Critical Area Programs.

Following up on a request by the Commissioners at their April 21, 2015 meeting, Mr. Mitchell presented a list of potential talking points to be addressed by the County during an informational briefing to be hosted by Maryland Department of Agriculture (MDA) Secretary Joe Bartenfelder on the proposed enhanced Phosphorus Management Tool (PMT) regulations to take place at the Tri-County Council (TCC) of the Lower Eastern Shore building in Salisbury on Friday, May 8, 2015, from 11:30 a.m. to 1:30 p.m.

The Commissioners met with Economic Development Director Bill Badger to review and discuss his request to fund the Phase I Maryland Stadium Authority (MSA) Study for a Worcester County Sports Arena and Outdoor Sports Complex. Mr. Badger reviewed the proposed study, to be prepared by the MSA's consultant, Crossroads Consulting Services of Tampa, Florida, at a total study cost of \$75,000 to be funded as follows: \$30,000 from the MSA; \$25,000 from the Maryland Department of Business and Economic Development (DBED); \$15,000 from Worcester County; and \$5,000 from Hat Trick Consultants (HTC). He further advised that the Town of Ocean City is also working with Crossroads Consulting Services to conduct a study with regard to expanding the Roland E. Powell Convention Center in Ocean City, so there may be an opportunity for some savings within the County study based on overlapping information within the two studies.

In response to a question by Commissioner Mitrecic, Mr. Badger advised that funds are available within the FY15 Economic Development budget to fund the County's portion of the Phase I study. Commissioner Church stated that this appears to be a worthwhile investment, and the proposed Phase I study would provide them with the information needed to determine the viability of such a project here in Worcester County.

In response to a question by Commissioner Bertino, Mr. Badger advised that the cost of the Phase I study had increased from a rough estimate of \$12,000 to \$75,000 due to the expanded scope of the study, which will now include an outdoor sports complex and practice facility. Commissioner Bertino expressed concern that HTC seems to be operating under the misguided notion that the County would fund the costs associated with constructing this project. In response to Commissioner Bertino's concerns, Mr. Badger advised that HTC would serve as a conduit in facilitating the development of the arena, and once built they would operate the facility in conjunction with the County, but that they are not developers and would not be involved in the construction of this project. He stated that the project is only in preliminary stages, so it would be very premature to discuss what the public portion of the project is; however, he stated that he has made it clear to HTC that this public-private partnership will require mostly private investment.

Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners voted 4-1-1, with Commissioner Bertino voting in opposition and Commissioner Bunting abstaining, to move forward with the study, with a County cost share of \$15,000 as recommended by Mr. Badger.

Emergency Services Director Fred Webster presented the Commissioners with recently released predictions from noted Colorado State University Professor William Gray with regard to the 2015 Atlantic Basin hurricane season. Mr. Webster stated that the predictions call for one intense category 3 or stronger hurricane, three hurricanes, and seven storms overall that will become strong enough to be named. He stated that for Worcester County, based on 50-year statistical data, there is less than 0.1% chance that the one intense storm will hit the County, a 14.6% chance of one or more hurricanes making landfall in the County, and a 35.9% chance of one or more of the named storms making landfall in the County. However, there is an 88.9% chance that the County will see tropical storm force winds. He also urged the Commissioners to keep in mind that Hurricane Sandy was a tropical storm force when it impacted the County two years ago, and he advised that Emergency Services will continue to stress awareness and proper preparedness during this upcoming season despite low predictions, as it only takes a tropical storm or category one hurricane to heavily impact the Delmarva Peninsula.

The Commissioners met with Budget Officer Kathy Whited to discuss proposed State and County matching funds to construct a new Berlin Branch Library. Ms. Whited advised that Renée Croft, Libraries Facilities Project Manager with the Maryland State Department of Education (MSDE), has confirmed that \$1,083,000 is available in the FY16 Governor's Capital Budget, with an additional \$600,000 in the State's future capital plan, to construct the new Berlin Branch Library. She advised that \$1,564,722 is earmarked in the County's Assigned Fund Balance for this project, and, to receive final funding approval from the State Board of Public Works, the County is required to send a Letter of Certification to MSDE prior to June 1, 2015 confirming the County's intentions to provide a local match of \$1,083,000. In response to a question by Commissioner Bunting, Ms. Whited confirmed that the project is a 50/50 match, so if funding is reduced, the County funding commitment could also be reduced.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the Letter of Certification committing to the 50% local match.

The Commissioners met with Human Resources Director George Bradley to review a proposed addition to Section 5.03 Medical Insurance Benefits of the Worcester County Government Personnel Rules & Regulations to include a provision that would allow employees who have applied for disability retirement and meet the minimum number of years to remain on the County health insurance on a cost share basis, until a final determination is made on their disability retirement request by the Maryland State Retirement System or Worcester County Pension Plan, as applicable. Upon a motion by Commissioner Church, the Commissioners conceptually approved the proposed addition to Section 5.03(B) of the Worcester County Personnel Rules & Regulations and agreed to formally adopt the amendment after the required posting for 15 days.

The Commissioners met with Development Review and Permitting (DRP) Director Ed Tudor and staff member Mark Dunlevy of the Technical Services Division to review the Geographic Information System (GIS) Web Mapping project for the Sheriff's Office and the

State's Attorney's Office. Also in attendance were State's Attorney Beau Oglesby and Colonel Doug Dods of the Sheriff's Office. The project, which was approved by the Commissioners on December 16, 2014, involves Mr. Dunlevy's creation of tailor-made maps for each department with access to the specific sets of data they need in their daily operations to investigate and prosecute criminal activity in the County. It was designed solely by Mr. Dunlevy, as part of his requirements to earn a Master of Science in GIS Management from Salisbury University. Mr. Dunlevy reviewed the project, which allows the State's Attorney's Office and Sheriff's Office to create maps that include only the specific sets of data they need when mapping information to assist in investigations. He advised that the application is designed to adhere to confidentiality, with only those within their respective agencies being able to access maps developed by that same organization. For example, staff in the Sheriff's Office could not log into the program and view maps created by staff from the State's Attorney's Office. In response to concerns raised by Commissioner Bunting regarding past incidences in which first responders reported difficulty identifying locations to which they had been summoned, Mr. Dunlevy advised that Emergency Services Dispatchers have access to data which allows them to provide physical descriptions of the sites to first responders. He further advised that the system stores four separate years worth of mapping information, from 2004 to the present, and DRP will continue to add data specific to new construction to the maps once address points are created and a building permit is issued.

In response to a question by Commissioner Bertino, Mr. Dunlevy stated that additional placeholders are available in the data sections, which would make it possible to input and view images of floor plans specific to individual sites, such as schools and other County buildings, once that data is available. Mr. Tudor confirmed that staff is in the process of determining steps to make the web mapping program even more beneficial to end users and to extend the project to other departments.

Mr. Oglesby stated that the maps have already become an invaluable tool in assisting his agency, pointing out that during a recent case involving a dog at large he was able to pull up the property and better understanding the lay of the land to determine the best course of action to follow. Colonel Dods concurred, stating that in one, 15-minute period his office had resolved an issue that previously would have taken six or more hours to resolve. He praised Mr. Tudor and Mr. Dunlevy, stating that in all his years in law enforcement this is the best example of interagency cooperation he has ever witnessed. He stated that this project exemplifies how various agencies identify needs and then work together to address them in Worcester County. Commissioner Bunting echoed Colonel Dods' praise and thanked Mr. Dunlevy for developing the mapping project for the County.

The Commissioners answered questions from the press, after which they adjourned to reconvene at 7:00 p.m. for the FY16 Requested County Operating Budget Public Hearing at the Snow Hill Middle School cafeteria.

The Commissioners conducted a public hearing at the Snow Hill Middle School cafeteria on the FY16 Requested County Operating Budgets. Commission President Bunting called the meeting to order. Chief Administrative Officer Harold Higgins presented a PowerPoint presentation outlining the FY16 Requested Operating Budget, which can be viewed online at www.co.worcester.md.us. The presentation included the following graphs and information: FY16

Budget Challenges; General Fund Estimated Revenues and Expenditures for FY16; Worcester County Assessable Tax Base in Billions from FY09-FY16; General Fund Major Revenues - Property Tax, Income Tax and Recordation and Transfer Taxes from FY10-FY16; General Fund Budget Revenue History from FY10-FY16; General Fund Revenue and Expenditure Comparisons FY13-FY16; FY15 Real Property Tax Rates of counties on the Eastern Shore of Maryland; CY15 Income Tax Rates of Eastern Shore counties; the Worcester County Constant Yield Tax Rate of \$0.7755 per \$100 of assessment to yield the current rate of revenue; and the Schedule of Upcoming Budget Work Sessions on May 12, 20 and 26, 2015 (if needed); and Budget & Tax Rate Adoption on June 2, 2015.

Mr. Higgins explained that the requested expenditures of \$189,825,601 exceed the County's estimated revenues of \$167,485,109 by \$22,340,492. He stated that this difference must be reconciled by the Commissioners either through reductions in expenditures, additional revenues or a combination of both. Mr. Higgins further explained that the Constant Yield Tax Rate (CYTR) represents the property tax rate that would generate the same amount of revenues the County received in the current fiscal year. He noted that in February the State informed Worcester County that, to fully offset the effect of decreasing assessments, the real property tax rate would need to be increased from the current tax rate of \$0.77 per \$100 of assessment to the CYTR of \$0.7755 to remain constant with the current year, FY15. He stated that the CYTR would create no additional revenue above the current year's total, but explained that the County Commissioners are considering increasing the real property tax rate above the CYTR to \$0.9325 per \$100 of assessment, which is 20.2% higher than the CYTR and will generate an additional \$22,381,380 in real property tax revenues.

Commissioner Bunting opened the floor to receive public comment on the department budget requests, proposed property tax increase, and the Board of Education budget request, in that order.

Grant Helvey of Ocean Pines spoke on several budget topics. With regard to revenues, he opposed increasing property and/or piggyback (local income) taxes. With regard to the Maryland Agricultural Land Preservation Foundation (MALPF) easement acquisition program, he requested the Commissioners cease participating in the program, which is funded using a portion of Agricultural Land Transfer Taxes (ALTT) collected in Worcester County, as he felt this program was outdated, costly and infringes on economic development. He also opposed fully funding the requested Recreation and Parks budget, stating that Worcester County already has 8,000 acres of surplus land designated for recreational use, based on the County's Parks and Recreation Plan; therefore, adequate parklands are available to meet the needs of residents and visitors through 2025, making additional parklands unneeded.

Harold Scrimgeour of Stockton thanked the Commissioners for their support of education, noting that the County invests approximately \$200,000 in each student from kindergarten through graduation. He asked the Commissioners to implement an online application system to streamline the development process and to increase the uses of agricultural land to permit farms to be able to run like businesses, thus increasing their economic value to the community.

Tommy Tucker of Snow Hill urged the Commissioners to fully fund the Commission on Aging (COA) budget, noting that the most rapidly growing segment of the County's population is senior citizens. He stated that in recent years the COA has reduced operating hours at the senior

centers and made reductions to vital programs, including Meals on Wheels, and further cuts would harm seniors.

Steve Taylor, Executive Director of Worcester Youth & Family Counseling (WYFC) Services, Inc. of Berlin, thanked the Commissioners for their continued support of the WYFC, which strives to provide services needed to help County residents thrive and become productive citizens.

Gwen Lehman, a 25-year member of the WYFC Board of Directors and Stephen Decatur High School (SDHS) teacher, thanked the Commissioners for their past support of the WYFC and urged them to award level funding to allow the WYFC to continue providing vital programs, including mental health, Strengthening Adolescent Girls with Education and Support (SAGES), Court Appointed Special Advocate (CASA), in-home support to vulnerable citizens and much more. She stated that last year alone the WYFC was able to provide vital assistance to 1,000 County children and families by partnering with the BOE, local government and nonprofit agencies to secure the services they needed. Ms. Lehman also urged the Commissioners to fully fund the requested FY16 BOE Operating Budget, which restores adequate compensation for teachers, particularly those in mid-career whose salaries were negatively impacted during the financial downturn.

Claudia Nagle, Executive Director of Diakonia in West Ocean City, thanked the Commissioners for their previous years of support, stating that Diakonia is able to use County dollars to leverage other grant funds to provide vital services to adults and children living in crisis in the community. She stated that Diakonia is like a safety net that provides help for today and hope for tomorrow to those who have lost their homes. However, even with all they do, last year there were 3,000 requests for housing that were unmet due to limited resources at their 40-bed facility. She requested the Commissioners award Diakonia level funding for FY16 to allow them to continue providing vital community services, including emergency and transitional housing, food assistance, and counseling, to help needy families put their lives back together.

Jack Ferry, Executive Director of the Worcester County Developmental Center (WCDC), stated that the WCDC hosts diverse programs and services designed to empower individuals with intellectual disabilities, providing them with meaningful employment that leads to their success, independence, and overall feeling of self-worth. He stated that support from the County allows the WCDC to sustain and grow these vital services. For example he stated that several years ago the WCDC provided less than \$25,000 a year in salaries to their clients, but by the end of this year the WCDC client payroll will have increased to \$100,000. He stated that their clients are able to use the money they earn to pay their bills, go out to dinner, and help support their families. He stated that one client, Charlene, works for the WCDC laundering linens for hotels and motels. On Friday she collected her paycheck, and over the weekend she got her hair done, took her aunt out to dinner, and put money in the bank, all of which contribute to the economic health of Worcester County and allow WCDC clients to feel like the valued members of the community they are. He stated that the WCDC is honored to know that the County considers them to be a cause worthy of supporting, and he asked the Commissioners to continue their support in the future.

Stacey Weisner, Executive Director of the Delmarva Discovery Center (DDC) in Pocomoke, stated that the DDC is a living museum that serves as a source of learning and discovery for the public through the preservation and interpretation of Pocomoke's rich cultural

and natural heritage. She stated that the DDC secured a matching donation of up to \$100,000, and the DDC is requesting \$50,000 from the County as well as five individual donations of \$10,000 each to meet that match. She stated that funds will be used for projects like creating a science, technology, engineering and math (STEM) lab and repairing the 6,000 gallon aquarium that suffered damage when the museum floor settled. She invited each of the Commissioners to come out and visit the DDC, and advised them that her goal is to continue to secure private donations and reduce the request for future County funding in the coming years, so that eventually the DDC will be fully self-sustaining.

Jack Collins of Ocean Pines stated that he recognizes that there is a \$22 million shortfall, many worthy causes seeking limited funds, and discussions regarding tax increases on the table. However, he pointed out that he represents a portion of the population that is over 65 years of age, on a fixed income, and no longer a part of the workforce. He stated that a tax increase of \$.15 would pose a great hardship on him and others living in similar circumstances. He pointed out that every additional dollar the County takes from him in taxes reduces his ability to take part in activities, such as going out to dinner, that support the local economy. Therefore, he urged the Commissioners to make the hard decisions now, to cut expenditures and offer a balanced budget without increasing taxes.

Carol Frazier of Ocean Pines asked the Commissioners to exercise better fiscal management of taxpayer money when balancing the budget than they did with regard to renovating the Oscar M. Purnell House in Snow Hill, in which they invested \$1 million into repairs only to give the house away to the town. She also urged the Commissioners to cut expenditures rather than using budget stabilization funds or increasing real property or piggyback taxes to balance a budget that is not sustainable. She stated that she is a law secretary, cares for a disabled husband and cannot afford to shoulder another tax increase to support the requested BOE budget, particularly as Worcester County already spends more on education per student than any other county in the State. She urged the Commissioners instead to invest in other vital infrastructure needs, such as paving roads.

Jeff Bacon of Snow Hill and President of the Board of Directors for Furnace Town Living Heritage Museum, stated that the quality of life in Worcester County is unsurpassed. He stated that County funding is a lifeline for survival of Furnace Town's efforts to preserve and promote the Nasawango Iron Furnace, a historic engineering landmark, and the 25 acres of village that surround the furnace. He stated that the museum staff are making preparations to relocate a one-room schoolhouse from another area of the County to Furnace Town, and he invited all in attendance to come out and see what's new at the museum. In closing he thanked the Commissioners for their past support, asked them for their continued support, and urged that the proposed tax increase is both reasonable and justified to maintain the County's quality of life.

Marvin Dunham of Berlin stated that six of the 160 line items in the budget account for 90% of the deficit and are catalogued in the category of "Other." He requested the Commissioners cut funding in these "Other" categories before considering raising taxes.

John Adkins of Ocean City stated that he is age 68, retired in 2009 and lives on a fixed income. He stated that between his annual tax bill of \$4,772, homeowners insurance of \$1,900, and flood insurance of \$375 tacked onto a monthly mortgage of \$708 he cannot afford a tax increase. He urged the Commissioners not to raise taxes and to instead ease his tax burden by granting Ocean City residents a tax differential.

Gary Marshal of Ocean City stated he pays roughly \$8,000 annually in property taxes. He stated that he could support a small bump in the tax rate, but not the \$0.15 tax increase the Commissioners are considering.

Superintendent of Schools Dr. Jerry Wilson thanked the Commissioners for supporting the Board of Education (BOE), and he thanked all the educators in attendance at the hearing. He stated that Maryland State Department of Education (MSDE) Superintendent Lillian Lowery visited the classroom of Cassidy Hamborsky, a seventh grade English Language Arts teacher at Snow Hill Middle School (SHMS) and the 2015 Worcester County Teacher of the Year, and witnessed a student recite a poem with passion and commitment. He stated that this type of learning takes place every day as Worcester County teachers strive to prepare 6,680 public school students to become college and career ready. He stated that the FY16 BOE budget includes fair compensation for the services educators provide to area youth. He advised that teachers' salaries are designed to advance by one step for each year of service, and this salary structure is not designed to fluctuate with the economy. However, for three consecutive years teachers received no step increases. He stated that the BOE has restructured and imposed a modified hiring freeze in an effort to be good stewards of public funds, but that they are requesting the Commissioners fully fund the FY16 BOE Operating Budget, which includes an increase of roughly \$4 million to the Maintenance of Effort (MOE). This increase includes a request for one-time funding of \$280,000 due to the State having withheld its portion of the BEKA Settlement Agreement, covers increased health insurance costs and provides a 2.5% cost of living adjustment (COLA), with an equivalent bus contractor increase, and a step increase for eligible employees. He stated that the requested increase would require a tax increase of only \$0.028 per \$100 of assessed value or a total additional cost of \$63 per year to the average homeowner. He stated that Worcester County cannot afford not to fund the requested increase, and he thanked the Commissioners for their consideration.

Meme Susnavick of Snow Hill stated that teachers provide a world class education, and though teachers are told that they are a vital part of the community they have not been fairly compensated through annual step increases. She urged the Commissioners to approve the proposed BOE budget to fairly compensate teachers for their hard work and to continue to attract highly qualified educators to the County.

Gwen Corder of Ocean City urged the Commissioners to hold the BOE to a MOE budget. She stated that adding to the existing MOE budget is simply unsustainable, and she urged the Commissioners to put the brakes on spending rather than overburden taxpayers.

Stephanie Drimal of Berlin stated that she has three special needs children, two of whom have been mainstreamed and a third with severe social needs who attends Cedar Chapel Special School (CCSS) exclusively. She stated that he is excelling at CCSS, and she asked the Commissioners to fully fund the requested BOE budget to maintain technology and offer competitive salaries that attract the best and brightest educators.

A letter written by Jeanne Linch of Berlin was read. In it, Ms. Linch advised that she has two children with special needs who attend CCSS where they are thriving thanks to the caring and professionalism of the teaching staff. She asked the Commissioners to fully support the requested BOE budget to assure CCSS and other public schools continue to have access to the newest technology and are able to offer a salary package that attracts highly educated teachers.

Beth Shockley-Lynch, President of the Worcester County Teachers Association and Snow

Hill Elementary School Teacher, requested the Commissioners raise the property tax rate to fully fund the FY16 BOE Budget, which provides proper compensation for teachers, as well as adequate funds to purchase materials of instruction and other classroom essentials. She stated that her counterparts in Wicomico and Somerset County are earning roughly \$7,300 a year more than her because, unlike Worcester County, they receive step increases each year. She stated that Worcester County does not receive adequate State compensation, so teachers rely on the County to pick up the slack.

Dawn Stutzel of Bishopville, a former Stephen Decatur High School graduate and Worcester County public school teacher for 16 years, stated that 48% of County teachers could earn more by going to Somerset and Wicomico Counties, noting specifically that her current salary is \$11,650 less per year than she feels it should be, based on a contract she signed with the BOE, which included annual step increases. She stated that this leaves teachers feeling unrespected as professionals. She requested the Commissioners increase teachers' salaries to a competitive level.

Matt Abell of Pocomoke, stated that his three children have benefited from the small class sizes and excellent learning environment that awaits them at the Worcester County public schools. He stated that his son's second grade teacher has inspired him to love math and reading. He stated he is a business owner and understands the difficult choices the Commissioners must make to balance the budget, but he urged the Commissioners to prioritize and make education a top priority. He stated that funding education is not a want, but a responsibility.

Keven Belcher of Berlin stated that he and his wife moved to Worcester County where she is a teacher and his children attend public schools. He stated that teachers give that extra something, but do not get paid for extra activities. He urged the Commissioners to fully fund the BOE budget and provide teachers with the step increase they are owed.

Brian Garrett of Pocomoke stated that his three daughters attend high school, middle school, and elementary school in Pocomoke where teachers are preparing them to be career and college ready. He urged the Commissioners to fully fund the requested BOE budget, which invests in technology and provides a salary package designed to attract and retain world class talent in the teaching profession. He stated that he is a property owner, and he would be glad to pay a modest property tax increase to invest in education for his kids and the future of every kid in Worcester County.

Dawn Scher of Berlin urged the Commissioners to fully fund the requested BOE budget and exercise fiscal restraint at the same time. She stated that teachers deserve a step and cost-of-living adjustment (COLA) for the following three reasons: step and COLA are contractual obligations; health insurance costs continue to climb; and teachers' take home pay has declined. She stated that she does not envy the job the Commissioners have to do in governing the County, but she advised them that she would be willing to pay a modest tax increase in return for their fully funding the BOE budget.

Jackie Ball of West Ocean City stated that she is a conservative and shudders whenever she thinks about her taxes going up. However, she has three children in Worcester County public schools, and she is willing to pay more in taxes to ensure that County schools remain the best in the country.

Theresa Knight of Pocomoke stated that she is a proud mother of two daughters attending Pocomoke Middle School and Pocomoke High School, and her family moved from Florida,

where the school systems are failing, to Worcester County so they could receive an outstanding education. She stated that Worcester County public schools offer the best teachers and access to the technology her children need to keep up with the rest of the world. She asked the Commissioners to adopt a budget that maintains current educational programs. She noted that 72% of children in Pocomoke live in poverty, and for many of them the only meal they get that day will be at school. She thanked the Commissioners and the teachers for all they do to create a brighter tomorrow for these children.

Christina Fohner of Ocean City stated that she is a volunteer at Ocean City Elementary School (OCES) where her two children are students. She stated that the Commissioners should be reminded that teachers deserve to be compensated accordingly. She stated that many of the teachers she interacts with use their own pocket money to decorate their classrooms and provide student incentives. She further stated that it is imperative that the Commissioners fully fund the requested BOE budget to keep staff salaries competitive with other districts and provide up-to-date technology in the classrooms to help prepare children for their future careers.

Sanji Ramnarain of Bishopville stated that her two sons attend Showell Elementary School (SES) and Berlin Intermediate School (BIS), where their educational experiences have been positive. She thanked the Commissioners for all they've done in the past to support schools, but she expressed her disappointment that plans to construct a new SES are not moving forward as quickly as she had hoped. She asked the Commissioners to make the construction of a new school a top priority. She also asked the Commissioners to provide adequate teacher compensation and technology to help students connect learning to life. She stated that 70% of current students will grow up and pursue careers that don't even exist yet, and their access to technology is what will help prepare them to meet the challenges ahead.

Dawn Russel Marriner of Ocean Pines stated that she is among the 42% of Worcester County public school teachers who could earn more teaching in Somerset County or Wicomico County, and she urged the Commissioners to work with BOE officials to correct this problem. She stated that her response to Commissioner Bertino's request for suggestions on how to fund the budget is this: increase taxes for non-resident property owners. She stated that teachers are working harder than ever before, and they deserve to be adequately compensated.

Christina Hulslander of Snow Hill stated that she recognizes the challenges the Commissioners face in balancing the budget, and she appreciates their scrutiny when it comes to how best to designate limited funds; however, she urged them to make funding education a top priority. She stated that her family moved from South Carolina, where taxes were dramatically lower, but the quality of life, roads, schools, and public safety, suffered because of it. She stated that here in Worcester County her taxes sustain a quality of life that did not exist in her former hometown. Therefore, she could support a tax increase, which for her would be the rough equivalent of filling her gas tank once more during the year, to fully fund the BOE budget.

Doug Andrews of Berlin stated that his daughter is a sophomore at Snow Hill High School (SHHS). He thanked the Commissioners for their consistent support for education and for funding the SHHS renovation and addition project. He asked the Commissioners to continue supporting education by fully funding the requested BOE budget, which includes an attractive salary package and funds for technology.

Donna Hughes of Pocomoke stated that her daughter is a junior at Pocomoke High School (PHS) where she is receiving an outstanding education. She stated she supports the tax

increase to keep Worcester County public schools great, and she will continue to support school funding even after her daughter graduates, so that her future grandchildren will be able to succeed in school here as well.

Peyton Dunham of Berlin stated she is a sophomore at SHHS where teachers are the core of the education system, encouraging her and other students to constantly do their best. She stated that she is concerned that great teachers will leave Worcester County and go elsewhere if the County only offers mediocre pay, which in turn will attract mediocre teachers and produce mediocre students. She asked the Commissioners to make an effort to prevent this from happening by fully funding the requested BOE budget.

Dr. Charles Kim of Ocean Pines stated his two sons are juniors at SDHS where they learned to love world history from a great educator who recently accepted a position teaching in Somerset County. He urged the Commissioners to fund the requested salary package and keep great teachers here in Worcester County.

Stacy Mitchell of Snow Hill stated that she was born here, raised here, and returned here to raise her own family. She stated that her kids go to Worcester County public schools, not Worcester Preparatory School where she graduated, because the County schools are great. She asked the Commissioners to keep it that way by funding a BOE budget that provides an attractive salary and benefit package and includes funding for technology.

Julie Redden of West Ocean City stated that she has one child who is in 10th grade at SDHS and another who graduated from SDHS and is currently studying to earn a Bachelors degree in Early Childhood Education, so that she may return to Worcester County to teach. She thanked the qualified teachers who have pushed her children to be successful, and she urged the Commissioners to adequately compensate them for the work they do and also to invest in technology to remain current.

Marvin Dunham of Berlin stated that outstanding educators in Detroit helped him overcome learning challenges to become an engineer. He stated that his success would not have been possible without them. He suggested that the majority of new innovations in the world come from people below the age of 25, young people coming out of high school and college who are innovative and just need educators to help them tap into that potential to become successful. He stated that the tax increase needed to fully fund the BOE budget is minuscule, and he encouraged the Commissioners to take that step.

Ellie Diegelman of Ocean City asked the Commissioners to be frugal in their approach to raising taxes to address revenue shortfalls. She read into the record a letter she wrote that was published in the Daily Times, which urged taxpayers to get involved in the budget process and to attend the public hearing to let their voices be heard. She stated that several in attendance made the argument that increasing teacher salaries would result in a boost to the economy because more teachers would be able to go out to dinner, and shop at their favorite shops. But she warned that there is another aspect to that equation that had not been considered in that more taxpayers would no longer be able to afford that meal out at a favorite restaurant or that trip to go shopping. Therefore she urged fiscal restraint.

Gina Dean, a Worcester County public school teacher, admonished that teachers are not asking for a raise; they are seeking a salary adjustment to earn what they were contracted to be paid.

There being no further public comment, Commissioner Bunting closed the public hearing

at 10:22 p.m.

Commissioner Bunting thanked everyone for attending the public hearing. He stated that the Commissioners met with representatives from each of the County departments and agencies on March 24 and April 14, to review their requested budgets, and advised that the Commissioners would consider all the suggestions presented this evening. He also invited the public to attend the budget work sessions scheduled for May 12, 20, and 26, 2015. Commissioner Bunting advised that the Commissioners will adopt the balanced FY16 County Operating Budget on June 2, 2015.

The Commissioners adjourned to meet again on May 19, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

May 19, 2015

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

Following a motion by Commissioner Bertino, 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 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; George Bradley, Human Resources Director; and Bob Mitchell, Environmental Programs Director. Topics discussed and actions taken included: filling critical vacant positions, including reclassifying the position of Liquor License Administrator within Development Review and Permitting and agreeing to rehire Wade Wellman to his former position of Landfill Operator II within the Solid Waste Division of Public Works; appointing Pattie Tingle as the local nonprofit social services organization representative on the Adult Public Guardianship Board and Harry Hammond to the Social Services Board; 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 minutes of their May 5, 2015 meeting as presented.

The Commissioners presented a proclamation to Emergency Services Director Fred Webster recognizing the week of May 24-30, 2015 as National Hurricane Preparedness Week and urging area residents to prepare a disaster supply kit catered to their individual family needs to help prepare for potential weather related emergencies during the 2015 Atlantic hurricane season, which runs from June 1 to November 30.

The Commissioners received objections and other public comment on their intent to dispose of the County-owned Oscar M. Purnell property, which is located on Market Street in the

historic district of Snow Hill, to the Town of Snow Hill for public use, as the future home of the Town Hall and the Snow Hill Police Department, or some other public purpose.

There were no public objections or comments.

Upon a motion by Commissioner Bertino, the Commissioners unanimously resolved to dispose of the property by conveying it to the Mayor and Council of Snow Hill, Maryland for other public purposes.

Pursuant to the request of Housing Program Administrator Jo Ellen Bynum and upon a motion by Commissioner Bertino, the Commissioners unanimously approved bid specifications for a proposed lead paint and general housing rehabilitation project in the Snow Hill area, which is to be funded through the State Special Loans Program, the Lead Hazard Reduction Program, and the County's current Community Development Block Grant (CDBG) for housing rehabilitation.

Pursuant to the request of Recreation and Parks Director Paige Hurley and the recommendation of the Worcester County Recreation Advisory Board and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the FY16 Worcester County Program Open Space (POS) Annual Program, which includes \$5,945,720 in proposed FY16 requests from the municipalities and the County. Mr. Hurley stated that POS grants are awarded by the Maryland Department of Natural Resources (DNR) for acquisition and development of land to be used for outdoor recreation, recreation development improvements throughout the County and for the support of major capital rehabilitation projects on County-owned land that provides open space opportunities for the public.

In response to questions raised by Commissioner Bertino, Mr. Hurley advised that, due to the drastic decrease in POS funding, the County has recently been unable to provide a portion of the County-allotment of POS funds to the municipalities. However, they can apply for Community Parks and Playgrounds Program Grants, which are not available to the County. In response to a question by Commissioner Mitrecic, Mr. Hurley advised that the proposed acquisition of land for expansion of the Showell Park is just conceptual at this time, and details have not been determined as to how much of the adjacent property is a plans or whether the property is even available for acquisition.

Pursuant to the request of Mr. Hurley and the recommendation of the Worcester County Recreation Advisory Board and upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to allocate this year's POS funds for County projects. Mr. Hurley explained that the FY16 POS allocation to Worcester County for development projects in the County is \$287,847, with an additional award of \$164,508, which was initially removed from the County's unencumbered funds from previous years, for a combined tentative total FY16 POS allocation of \$452,355, subject to final approval by the State.

The Commissioners received an update from Environmental Programs Director Bob Mitchell with regard to a recent meeting between Delegate Mary Beth Carozza and representatives from the Town of Ocean City, Worcester County, Maryland Department of Natural Resources (DNR) and the U.S. Army Corps of Engineers (COE), as well as local

commercial and recreational fishermen concerned with the economic and safety issues caused by shoaling in the Ocean City Inlet. Commissioners Church and Mitrecic represented the Commissioners at the meeting as well. Mr. Mitchell advised that sand deposits have resulted in a dramatic increase in shoaling in and around the Ocean City Inlet, West Ocean City Harbor and surrounding bay waters that has caused major negative impacts on commercial fishing, recreational boating and the overall tourism industry. He stated that the COE recommends the State, Worcester County and Town of Ocean City consider taking the following three actions to address the urgency of this situation: *Action 1* – immediately arrange increased dredging depth of the Inlet and harbor from 12 to 14 feet; *Action 2* – draft a letter of intent to request a permanent increase in depth of the Inlet and harbor to 14 or 16 feet, citing the findings of the 1998 Ocean City Water Resources Feasibility Study and any updates needed to verify that the conditions remain the same or worse since that time and to request that any future dredging projects by the COE be done to 14 and 16 feet, respectively; and *Action 3* – request a comprehensive sand management plan for the lower end of the Cape Isle of Wight and Sinepuxent Bays to remove excess sand from developing unplanned shoals and to include various approved disposal sites for the dredge spoil. Mr. Mitchell stated that the COE will not act on *Action 2* unless one or more of the local parties agree to act as a local sponsor. Mr. Mitchell explained that DNR is currently reviewing the language in the proposed draft letter to assure that it does not commit any of the signers to any funding at this stage of the project. He stated rather that the Letter of Intent is simply a statement that the nonfederal sponsor has an interest in the issue and a desire to find out what it would take to complete the proposed construction, after which the COE would determine the cost projections and write up a contract spelling out the nonfederal commitment. At that time the Commissioners would have the option whether to proceed with the project, thereby accepting responsibility for funding a portion of the project. However, Mr. Mitchell stated that the County can provide an in-kind cost share by way of providing the dredge spoil disposal sites in lieu of a cash contribution.

Commissioner Bertino expressed concern that the letter as written appears to commit the County to funding of up to \$10 million and will hold the COE harmless for any damages that could occur from this project. In response, County Attorney Sonny Bloxom stated that the letter in no way legally commits the County to provide funding for the project at this point. Rather it clarifies the funding obligations for each of the parties if the COE's findings indicate a need to increase the frequency and depth of dredging. Mr. Mitchell stated that the COE will not move forward with the project if a local project sponsor cannot be secured. Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the Letter of Intent, pending final review and comment by DNR.

Attorney Mark Cropper updated the Commissioners on the status and revised construction timeline for expansion of the Riddle Farm sewer system to serve property along the U.S. Rt. 50 Service Road. Mr. Cropper requested that the Commissioners extend the Glen Riddle Spray Irrigation Agreement and Small Project Agreement deadlines of May 7, 2015, as related to beginning construction to expand the treatment capacity of the Glen Riddle Wastewater Treatment Plant (WWTP) and install the distribution lines for the Glen Riddle Water Treatment Plant (WTP). The Commissioners conceptually approved this request during their May 5, 2015

meeting, with the understanding that they would formally extend the date at their next regularly scheduled meeting on May 19, 2015, when they could review the revised construction timeline, agreements and proposal for creation of the Riddle Farm Commercial Sanitary Service Area (SSA). Mr. Cropper reviewed the anticipated two-year construction timetable, with revised completion dates, and clarified that there are aspects of the project over which his client has no control, specifically regarding issuance of certain permits by the Maryland Department of the Environment (MDE) and adoption of the Riddle Farm Commercial SSA and the installation of water lines by the County. He noted that he and County staff have worked together diligently to complete the work in a timely manner, and staff informed him recently that they have identified an opportunity to significantly reduce the cost of installing the waterline by up to 50%, which will benefit all parties. He reiterated that it is in his client's best interest to complete the project sooner rather than later, as his client is paying 100% of the costs to expand the WWTP and extend sewer service to the U.S. Rt. 50 Service Road. He concluded that his client is in substantial compliance with the deadlines established in both agreements and asked the Commissioners to allow for a flexible agreement deadline, as the recent cost savings opportunity may take some time to hash out.

County Attorney Sonny Bloxom concurred with Mr. Cropper and suggested the Commissioners grant the request, with the condition that they receive an update sixty days from now regarding how the project is advancing.

A motion by Commissioner Elder to extend the deadline by 60 days failed for lack of a second. Following some additional discussion and upon a motion by Commissioner Church, the Commissioners unanimously agreed to issue a 60-day extension, with an automatic extension of an additional 60 days if needed, to complete all the tasks referenced in the original agreement.

Pursuant to the recommendation of Public Works Director John Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously awarded the low bid for supplying propane gas for County government buildings and generators located throughout Worcester County for a period of two years from June 1, 2015 through May 31, 2017 at a mark-up price per gallon of \$0.36 to Peninsula Oil & Propane of Seaford, Delaware. Commissioner Mitrecic stated that it was disheartening to him that Sharp Energy of Pocomoke City was unable to compete with the Delaware company having submitted a bid for a mark-up price per gallon of \$0.55.

The Commissioners met with Mr. Tudor to review a draft resolution establishing local amendments to the Maryland Building Performance Standards (MBPS) for Worcester County, Maryland. Mr. Tudor stated that pursuant to the regulations concerning the MBPS, as contained in COMAR 05.02.07, the County must begin enforcing the International Building Code (IBC), the International Residential Code (IRC), and the International Energy Conservation Code (IEC) within six months of the effective date of the adoption of the regulations at the State level, which was January 1, 2015. Mr. Tudor stated that the County must therefore begin enforcing these regulations no later than July 1, 2015. He stated that there are two significant changes to the local amendments. First, the IRC wind design maps now place the County in the 125 mile per hour (mph) wind speed zone. Second, and more significant, the County can no longer blanket opt out of the requirements for the installation of fire sprinklers in one and two-family dwellings. Mr.

Tudor confirmed that complete building permit applications accepted for submission prior to July 1, 2015 will not be subject to the new codes, including the sprinkler requirement, but all permit applications received after July 1, 2015 must comply.

In response to a question by Commissioner Bertino, Mr. Tudor confirmed that the County must comply with the new requirements regarding sprinklers and the IEC. Commissioner Mitrecic stated that, while he understood that the County has no choice but to enforce these codes, the requirements significantly increase new home costs. He stated that he would like to know how many houses are destroyed by fire because they were not equipped with fire sprinklers versus the number of homes damaged by fire sprinkler malfunctions, noting that the latter was likely a far more significant number. He suggested that the local homebuilders associations should take a more active role at the State level to modify or reverse these specific MBPS requirements. Commissioner Church concurred, stating that numerous condominiums in Ocean City have suffered damage in past winters when frozen sprinkler lines burst.

After some discussion, Commissioner Mitrecic made a motion to adopt the proposed local amendments to the MBPS. The motion died for lack of a second. County Attorney Sonny Bloxom advised that the County must enforce the MBPS or would be vulnerable to legal action and potentially liable for damages or injuries caused by noncompliant construction. Assistant Chief Administrative Officer Kelly Shannahan stated that the proposed resolution adopt local exceptions to the MBPS to provide some relief, and without such adoption, the County must comply with the code as written. Commissioner Bertino stated that the exceptions were like putting perfume on a pig, but he understood the need. Commissioner Bunting also expressed understanding, although he was opposed to the limited air exchange requirements of the Emergency Code, which only allow three exchanges per day when at least five exchanges should be permitted. He agreed that the homebuilders association should push for modifications to the MBPS. Following further discussion and upon an additional motion by Commissioner Mitrecic, the Commissioners unanimously adopted Resolution No. 15-7 as presented to establish local amendments to the Maryland Building Performance Standards for Worcester County, Maryland.

The Commissioners met in legislative session.

The Commissioners conducted a public hearing on Bill 15-6 (Zoning - Structures and Storage Yards for Marine Activities in the E-1 Estate District), which was introduced by Commissioners Bertino, Bunting and Mitrecic on April 21, 2015. Development Review and Permitting Director Ed Tudor reviewed the draft bill, which was submitted by Attorney Joseph E. Moore on behalf of the Wenzlaff Family Limited Liability Partnership and would permit marine yards and watercraft storage yards and buildings in the E-1 District by special exception. Mr. Tudor stated that the Planning Commission gave a favorable recommendation to the draft bill, subject to minor modifications suggested by the staff, which were accepted by the applicant. He explained that Bill 15-6 creates a new subsection ZS 1-203(C)(18) and renumbers the current (c)(18) to (c)(19). In response to a question by Commissioner Bertino, Mr. Tudor advised that the areas of South Point, the south side of the Isle of Wight, and portions of Assateague Road are currently zoned E-1, and by adopting Bill 15-6, marine activities permitted by special exception in these areas would include performing light or routine maintenance. He stated that enforcement of violations for those who engage in more intense maintenance would be complaint driven. He pointed out that these same uses were permitted in the E-1 District by special exception starting

in 2003, but were removed in the comprehensive rewrite of the Zoning Ordinance in 2009 in anticipation of the abolishment of the E-1 Estate District in its entirety, as recommended by the Comprehensive Plan, though that did not occur.

Commissioner Bunting opened the floor to receive public comment.

Mr. Moore stated that the bill provides that those seeking a special exception must have a minimum of 20 acres, and provide adequate screening so that the use is not visible to neighboring properties. He stated that the use is identical to that which was previously permitted by special exception in the E-1 district as adopted in 2003. He therefore urged the Commissioners to adopt Bill 15-6 as presented.

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

Following some discussion and upon a motion by Commissioner Elder, the Commissioners voted 6-1, with Commissioner Church voting in opposition, to adopt Bill 15-6.

The Commissioners conducted a public hearing on Bill 15-7 (Zoning - Marine Yards, Storage Yards and Buildings in the C-1 Neighborhood Commercial District), which was introduced by Commissioners Bertino, Bunting, Elder, Lockfaw, Mitrecic and Purnell on April 21, 2015. Mr. Tudor reviewed the draft bill, which was submitted by Attorney Mark S. Cropper to amend the C-1 Neighborhood Commercial District regulations to permit marine yards, storage yards and buildings for the repair of watercraft and recreational vehicles, general maintenance activities and incidental retail sales of parts and accessories by special exception in the C-1 District. The bill further establishes minimum lot requirements for lot area, lot width and front, side and rear yard setbacks; provides that the total square footage of the buildings shall not exceed 7,500 square feet, and outdoor areas for storage, light repair, display and similar uses shall not exceed four acres in area; requires that outdoor uses shall be screened and display areas shall be buffered; and requires compliance with additional provisions that apply to all uses in structures in the C-1 District. Mr. Tudor stated that this bill reflects revisions made by Mr. Cropper to address staff concerns regarding the proposed size and intensity of the uses, which as originally proposed were not in keeping with the purpose and intent of the district regulations. The amendments also modified the landscaping, buffering and screening requirements, which as originally proposed were not consistent with the other permitted uses in the district. However, Planning Commission members felt that the revised application was still not compatible with the purpose and intent of the C-1 district regulations despite the changes. Therefore, they unanimously gave the text amendment application an unfavorable recommendation.

Commissioner Bunting opened the floor to receive public comment.

Mr. Cropper pointed out that the bill would permit by special exception in the C-1 zone a use which is a principal permitted use in the C-2 District with only light buffering. He stated that this is one of the least intensive uses possible in a C-1 District. Mr. Cropper passed out a companion of the C-1 and C-2 district regulations and pointed out that under the existing Code, the following activities are permitted principal uses in the C-1 District: neighborhood retail and service establishments, including retail businesses, personal service businesses convenience food stores, general and professional offices, doctors offices and clinics for human outpatient medical treatment, laundry establishments, automobile service stations for light repair and retail sales of motor vehicle fuels an automobile parts, self-service or full-service car washes, and garden

centers; neighborhood restaurants, bars and nightclubs but not including dry nightclubs; schools, including boarding schools; single-family or multifamily dwelling units contained in a principal commercial structure; assisted living facilities, day care centers, and firehouses. Mr. Cropper stated that by comparison the proposed marine yards, storage yards and buildings are much lighter usage than those currently permitted in the C-1 districts, and approval of said uses would still require the granting of a special exception by the Board of Zoning Appeals (BZA).

In response to a question by Commissioner Bertino, Mr. Tudor stated explained the application process for such uses, which would require approval by the BZA after a public hearing. He confirmed that there is no guarantee of approval.

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

Following some discussion and upon a motion by Commissioner Elder, the Commissioners voted 6-0-1, with Commissioner Church abstaining, to adopt Bill 15-7 as presented.

The Commissioners met with Mr. Tudor to review proposed amendments to Bill 15-2 (Building Regulations - Electrical Standards), which was introduced by Commissioners Bertino, Bunting, Church, Lockfaw, Mitrecic and Purnell on March 17, 2015, and upon which the Commissioners conducted a public hearing on April 21, 2015. Mr. Tudor stated that, in response to concerns raised by the Commissioners during the public hearing, particularly as it relates to low voltage systems, he prepared a draft amendment to the bill that modifies the definition of "Minor Electrical Installation" to remove the requirements for an electrical permit and inspection for all outdoor low voltage lighting (systems operating a nominal 48 volts DC or less) and all wiring systems operating at a nominal 48 volts DC or less used for controls, communications, alarms, audio, video and information technology systems in one and two-family dwellings. He stated that modifying this term only eliminates the need for permits and inspections for this work. It does not remove the obligation of installers of the systems from complying with the National Electrical Code, as would be the case if they were removed from the definition of "Electrical Work." He advised that the revisions had been submitted to Commissioners Bunting and Mitrecic and to Electrical Board Chair Kenny Lambertson and were found to be acceptable by all.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the amendments to Bill 15-2.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted Bill 15-2 as amended.

Mr. Tudor met with the Commissioners to review draft emergency legislation to adopt a revised County Floodplain Management Ordinance to meet new requirements by the Federal Emergency Management Agency (FEMA), in conjunction with the recent revisions to the Flood Insurance Rate Maps (FIRMs).

Mr. Tudor pointed out that the County hosted an open house in early 2014 relative to the new maps, and FEMA has notified his office of its final determination on the FIRMs, and now

the County must officially adopt those maps and revise the ordinance to become effective no later than July 16, 2015 to maintain inclusion in the National Flood Insurance Program (NFIP). He stated that the County's ordinance was developed using the Maryland Model Floodplain Management Ordinance, which contains provisions particular to Maryland as well as some provisions that are of a higher regulatory standard than required by the Code of Federal Regulations (CFR) and was reviewed and approved by FEMA. He stated that any changes to the model ordinance, other than simply inserting community-specific information must be reviewed by the Maryland Department of the Environment (MDE) and potentially FEMA prior to adoption. Mr. Tudor concluded that, to complete the map and ordinance adoption process before the July 16, 2015 date, the Commissioners will need to take several important steps. First, they need to introduce the draft bill as an emergency bill to enable staff to provide MDE with a copy of the bill for their immediate review and comment prior to the proposed public hearing on the bill on June 16, 2015. Secondly, they will need to pass a floodplain management ordinance that meets the federal requirements and adopt the maps on June 16, 2015, which will then become effective on July 16, 2015. He stated that, if there are any significant amendments forthcoming as a result of the public hearing or the comments from MDE, it may be necessary to declare July 7, 2015 as a special legislative session to wrap up the process and still have the necessary changes take effect on July 16, 2015. Upon a question by Commissioner Bertino, Mr. Tudor explained that the State recommends a two-foot freeboard, which is elevation of the structure above the base flood elevation. He explained that the proposed County ordinance does not require a freeboard exception in the Coastal A-Zone, which was previously referred to as the V-Zone.

Following some discussion, Commissioners Bertino, Bunting, Church and Purnell introduced the draft bill as Emergency Bill 15-8 and scheduled a public hearing on June 16, 2015 to receive public comments on the bill.

The Commissioners met with County Attorney Sonny Bloxom to review a draft Bill requested by the Commissioners that would abolish the Worcester County Shoreline Commission in recognition that the bulk of the review and licensing responsibilities have been assumed by the Environmental Programs Department. Environmental Programs Director Bob Mitchell and Natural Resources Administrator David Bradford were also in attendance. Mr. Bloxom reviewed the draft bill. He stated that when the Shoreline Commission was established there were very few federal or State regulations protecting area waterways; however, that is no longer the case, and the Shoreline Commission has simply outlived its usefulness. He advised that Environmental Programs staff processes all permits for waterway construction activities, such as docks and piers, rip rap, replacement bulkheads, and marsh creation as mandated by federal and State laws. Furthermore, requests for variances could be handled by the Board of Zoning Appeals (BZA). Therefore, Mr. Bloxom concluded that it appears that requiring review by the Shoreline Commission serves only to add another step to the permitting process, which if eliminated would help streamline the process. He concluded that to abolish the Shoreline Commission it would be necessary to amend Section NR 2-102 - Construction along Shorelines of the Natural Resources Article of the County Code.

In response to a question by Commissioner Bertino, Mr. Mitchell stated that eliminating the Shoreline Commission would save the applicant time, application fees and consultant or attorney's fees, and would provide hassle-free permitting. In response to a question by

Commissioner Lockfaw, Mr. Bloxom advised that there would be no need to retain the Shoreline Commission Attorney, as the County Attorney would provide legal counsel to staff on matters pertaining to the issues of permits for all waterway construction activities.

Following some discussion, Commissioners Bertino, Bunting, Church, Elder, Lockfaw, Mitrecic and Purnell introduced the aforementioned bill as Bill 15-9 and scheduled a public hearing on June 16, 2015 to receive public comment on the bill.

Commissioner Bunting closed the legislative session.

The Commissioners answered questions from the press, after which they adjourned to meet again on June 2, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

June 2, 2015

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

Following a motion by Commissioner Mitrecic, seconded by Commissioner Bertino, 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; Sonny Bloxom, County Attorney; and Kim Moses, Public Information Officer. Topics discussed and actions taken included: appointing Tracey Cottman to the Social Services Board; 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 minutes of their May 19, 2015 meeting as presented.

The Commissioners met with Carol Jacobs, President of Worcester County GOLD, Inc. (Giving Other Lives Dignity) to review services provided by Worcester County GOLD. Also present were Board of Directors members Vice President Joan Baraloto, Treasurer Cheryl Nottingham, Terri Bradford, Mary Burgess, Nancy Howard and Barry Laws and Executive Director Claire Otterbein. Ms. Jacobs thanked the Commissioners for their ongoing support of Worcester County GOLD and reviewed a PowerPoint presentation entitled "A local solution to local needs since 1996" as follows: GOLD's Mission - serving families in crisis, vulnerable adults and children in foster care; areas of assistance - including emergency financial assistance for housing, utilities, food, clothing, transportation and medical needs, baby supplies and normalization of life for children in foster care; emergency assistance provided in 2014; essential healthcare needs met; holiday assistance provided; special programs, including school supplies and back-to-school haircut coupons and summer camp for at-risk children; program funding

sources, which consist of grants, private donations and fundraisers; a chart outlining 2015 use of funds; volunteerism statistics; Worcester GOLD awards, including the Maryland Standard for Excellence and Richard A. Henson Award; and how local citizens can help GOLD. Ms. Jacobs advised that \$0.92 of every dollar Worcester County GOLD receives is allocated to fund direct services to the community. Following some discussion, Commissioner Bunting thanked Ms. Jacobs and her fellow board members for the good work they are doing.

Upon a motion by Commissioner Church, the Commissioners adopted Resolution No. 15-8 amending the Worcester County Government Personnel Rules and Regulations to add Section 5.03(B) Medical Insurance Benefits for Disability Retirees, as conceptually approved by the Commissioners at their May 5, 2015 meeting and after having been posted for 15 days and receiving no comment. The new rule allows certain retiring County employees to continue participating in the County medical insurance plan until a final determination has been made by the State regarding disability retirement.

Pursuant to the recommendation of Public Works Director John Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously awarded the bid for the collection and recycling of mixed metals for the Solid Waste Division of Public Works to Westover Scrap Metals of Westover, Maryland, with a 93% credit to be provided to the County and \$0 hauling charge per trip, for a total estimated monthly payment of \$2,232 to the County. In response to a question by Commissioner Bertino regarding the disparity between Westover Scrap Metals and the next lowest bid from Bay Area Disposal, with a 50% credit to be provided to the County and \$150 hauling charge per trip, with net \$0 to be provided to the County, Mr. Tustin explained that he had spoken with the low bidder on two separate occasions and was assured that they understand all that the program entails and are comfortable with their bid. He stated that Westover Scrap Metals specializes in recycling while the other bidders focus on waste disposal.

The Commissioners conducted a public hearing to receive public comment on the proposed inclusion into the Inventory of County Roads of the following public roads, all of which are located on the west side of Shell Mill Road near Bishopville, in the Fifth Tax District of Worcester County, Maryland, as shown on Worcester County Tax Map 9 as Parcel 161 and known as Martins Port Subdivision: Martins Port Drive (0.46 mile) and Wight Island Court (0.11 mile).

Commissioner Bunting opened the floor to receive public comment.

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

Upon a motion by Commissioner Lockfaw, the Commissioners unanimously adopted Resolution No. 15-9 amending the Inventory of Public Roads of Worcester County, Maryland to include these two Martins Port Subdivision Roads.

The Commissioners met with Finance Officer Phil Thompson to review a proposed bond resolution. Upon a motion by Commissioner Bertino, the Commissioners unanimously adopted Resolution No. 15-10, approving the County Commissioners of Worcester County, Maryland Consolidated Public Improvement Bonds, 2015 Series A, which provide \$12,015,000 to finance all or a portion of the costs of the following capital projects and other expenses: 800 MHZ

Emergency Services Radio System Upgrades; the Berlin Rubblefill Cap and Closure Project; the Central Landfill Site Cell #5 Construction Project; the Mystic Harbour Water System Interconnection Project; paying capitalized interest on the bonds; and paying costs, fees and expenses incurred by the County in connection with the issuance and sale of the bonds and other related costs. Mr. Thompson advised that the bond sale will occur on Tuesday, June 16, 2015, with the Notice of Sale to appear in local newspapers on June 4 and June 11, 2015.

The Commissioners met with Mr. Thompson to review a proposed refunding bond resolution. Upon a motion by Commissioner Bertino, the Commissioners unanimously adopted Resolution No. 15-11, approving the County Commissioners of Worcester County, Maryland Consolidated Public Improvement Bonds, 2015 Series B, which provides up to \$30,230,000 to refund all or a portion of the costs of the following outstanding bonds and other costs: the County's Consolidated Public Improvement Project and Refunding Bonds, 2007 Series (Worcester Career & Technology Center Construction and Repayment of Public Works bonds); the County's Consolidated Public Improvement Bonds, 2008 Series (Pocomoke High School Addition and Renovation); the Ocean Pines Fire Protection System Loan from Taylor Bank; and paying all costs, fees and expenses incurred by the County in connection with the issuance and sale of the bonds and other related costs. Mr. Thompson advised that the bond sale will occur on Tuesday, June 16, 2015, with the Notice of Sale to appear in local newspapers on June 4 and June 11, 2015. In response to a question by Commissioner Bunting, Mr. Thompson advised that based on current market conditions which are subject to change, projected net savings in interest costs to the County total approximately \$800,000 through the refunding bond process, but actual savings won't be known until bids are received on June 16.

Pursuant to the request of Emergency Services Director Fred Webster and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign Amendment No. 004 to System Maintenance Agreement Between Harris Corporation, RFCDD and Worcester County, Maryland to extend the terms of the Radio Maintenance Contract for an additional year from July 1, 2015 through June 30, 2016 at a total annual cost of \$183,599.40.

The Commissioners recessed until 10:40 a.m.

The Commissioners conducted a public hearing on the proposed FY15/16 Water and Wastewater Enterprise Fund 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. Enterprise Fund Controller Jessica Ramsay reviewed the proposed budgets for the County's various service areas, which total \$10,023,598. She stated that the Water and Wastewater Division serves approximately 14,250 customers who reside in 11 different service areas, with the County operating eight wastewater treatment plants (WWTP), 54 wastewater pumping stations, and 18 water supply wells, which pumped over 565 million gallons of water during 2014. She stated that user charges cover the operation and maintenance of these facilities. She advised that, in addition to the usage charge, an equivalent dwelling unit (EDU) charge is collected to pay debt service in seven of the County service areas

or sub-areas, including Newark, South Point Village, Sunset Village, Mystic Harbour, Ocean Pines, Oyster Harbor and Snug Harbor. She stated that there is no proposed increase to the rates in the following areas: Assateague Pointe; Briddletown; The Landings; Lighthouse Sound; Newark; River Run and West Ocean City. She also reviewed the proposed rate increases in the other service areas. Edgewater Acres would see an increase from \$70 to \$72 per equivalent dwelling unit (EDU) per quarter domestic water flat rate and from \$120 to \$125 per EDU per quarter domestic sewer flat rate. Mystic Harbour would see an increase from \$138 to \$148 per EDU per quarter domestic base rate for water and sewer, and increase commercial base rates by 5.5% ranging from \$158 to \$528 based on total EDUs. Ocean Pines would see an increase from \$133 to \$138 per EDU per quarter domestic base rate for water and sewer, and increase commercial base rates by 5.5% ranging from \$158 to \$528 based on total EDUs. Riddle Farm would see an increase from \$160 to \$170 per EDU per quarter domestic base rate for water and sewer, and increase commercial base rates by 5.5% ranging from \$158 to \$528 based on total EDUs. In addition to user fees, assessments will be levied in the Newark, Ocean Pines, South Point Village, Sunset Village, Snug Harbor, Oyster Harbor, and Mystic Harbour service areas or sub-areas to make debt payments, with all assessments to be made on an EDU basis. Ms. Ramsay advised that staff has also proposed to add \$22,000 to the budget for the purchase and installation of an e-Utility system that will enable online bill paying for Water and Wastewater customers. In closing, she thanked members of the Ocean Pines, Mystic Harbour and West Ocean City Water and Sewer Advisory Committees for their assistance in developing balanced budgets.

In response to questions by Commissioner Bertino, Ms. Ramsay explained that the final budgets would be adjusted to remove the requested salary increases which were unable to be funded in the General Fund Budget; that the cost of the e-Utility program would be divided between the service areas based upon the number of customers in each area; and that future commercial rate increases in Ocean Pines would depend upon the number of commercial customers in the future.

Commissioner Bunting opened the floor to receive public comment.

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

The Commissioners conceptually approved the proposed rates and charges and agreed to adopt the formal resolution at their next meeting on June 16, 2015.

The Commissioners conducted a public hearing to receive comments on the proposed FY15/16 Solid Waste Enterprise Fund Operating Budget of \$5,382,985. Ms. Ramsay reviewed operational issues, stating that the Solid Waste Division consists of a Central Landfill and recycling drop-off in Newark and three Homeowner Convenience Centers (HCCs) located in Berlin, Pocomoke and Snow Hill and five unmanned recycling centers throughout the County that are open 24 hours a day. She advised that the County is currently operating in Cell 4 and construction of Cell 5 is expected to begin in FY16. Ms. Ramsay pointed out that in prior years the County had begun mining Cell 1 to reclaim space, but the mining ceased due to staff concerns that Cell 4 might reach capacity before the construction of Cell 5 could be completed if the mining operation continued. Ms. Ramsay reviewed the proposed budget, which maintains the current solid waste tipping fee of \$70 per ton for municipal waste and \$80 per ton for construction and demolition debris. Homeowner Convenience Center permits remain at \$100 for the first two vehicles and \$100 for each additional vehicle within each household. She explained

that homeowners also have the option to use the “Pay-As-You-Throw” system at a cost of \$1 per bag for each 33-gallon bag disposed at any homeowner convenience center. In closing, Ms. Ramsay thanked members of the Solid Waste Advisory Committee for their help in developing the proposed budget.

In response to a question by Commissioner Church with regard to the Solid Waste Advisory Committee’s recommendation to no longer accept yard waste at the Berlin and Pocomoke HCCs, Ms. Ramsay stated that staff did not include implementation of that recommendation in the budget based upon the Commissioners’ unfavorable response during the budget work session. With regard to concerns raised by Commissioner Bertino, Ms. Ramsay stated that the proposed budget likewise does not include instituting a \$20 environmental surcharge on the County tax bill, as recommended by the Solid Waste Advisory Committee, based upon the Commissioners’ lack of support for this concept. She advised that the pilot “Pay As You Throw” program has started slowly, with year-round residents opting to purchase HCC permits, but seasonal residents are expected to show interest in the pilot program. In response to a question by commissioner Mitrecic, Ms. Ramsay explained that the bulk of the Miscellaneous Revenues category was due to an anticipated lease buyback of equipment at \$118,000.

Commissioner Bunting opened the floor to receive public comment.

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

The Commissioners conceptually approved the proposed Solid Waste Enterprise Fund Budget and agreed to adopt the formal resolution at their next meeting on June 16, 2015.

The Commissioners conducted a public hearing to receive comments on the proposed Worcester County Liquor Control Enterprise Fund FY2015/2016 Requested Operating Budget. Ms. Ramsay reviewed the proposed Department of Liquor Control (DLC) FY16 Budget, which includes projected revenues and expenditures totaling \$10,597,004. She stated that the DLC serves approximately 200 licensees out of the central warehouse in Snow Hill as well as two satellite wholesale locations, with deliveries going out twice a week. She advised that the DLC operates four retail liquor stores in Pocomoke, near Berlin in northern Worcester and two in Ocean City at 16th Street and the Gold Coast Mall. She stated that the DLC anticipated a 25% wholesale revenue reduction in FY15 following the sunset law, which went into effect July 1, 2014 and allows licensees to purchase liquor from any Maryland wholesaler; however, the actual reduction in wholesale revenues is closer to 35-40%. Ms. Ramsay pointed out that the new law had little impact on the retail sales; however, the increase in the approval of liquor store licenses has caused a decrease in revenues for the retail stores.

In response to concerns raised by Commissioner Mitrecic, Ms. Ramsay advised that wholesale liquor sales totaled \$3.6 million (56% of anticipated wholesale sales) through December 31, 2014, with revenues anticipated to reach \$6 million by the close of FY15, and retail liquor sales totaled approximately \$2 million (62% of anticipated retail sale) during that same time period. Commissioner Mitrecic expressed concern that the projection staff is forecasting for wholesale liquor sales in the coming year is too high, particularly as licensees become more comfortable purchasing from Maryland wholesalers. DLC Executive Director Bobby Cowger advised that liquor sales totaled roughly \$998,000 for May 2015 and are anticipated to come in at about \$1.2 million for June, which will place DLC wholesale revenues

squarely around the anticipated \$6 million mark, and he felt comfortable projecting similar revenues for FY16. Mr. Higgins agreed to provide updated FY15 year-to-date actual sales figures at the Commissioners' next meeting for review prior to the DLC budget adoption.

Commissioner Bunting opened the floor to receive public comment.

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

The Commissioners agreed to adopt the FY16 DLC Enterprise Fund Budget by formal resolution at their next meeting on June 16, 2015.

The Commissioners recessed until 11:20 a.m.

Chief Administrative Officer Harold Higgins reviewed the final proposed FY2016 Operating Budget of \$182,450,109. He stated that the FY16 budget includes a real property tax rate increase from \$.77 to \$.835 per \$100 of assessed value for the upcoming fiscal year beginning July 1, 2015 and a local income tax rate increase from 1.25% to 1.75% beginning January 1, 2016. Mr. Higgins stated that this will generate a surplus of \$1,486,583, which is to be transferred to the Fund Balance and increase the budget stabilization fund for a balanced FY16 budget. He thanked County departments and agencies for maintaining and/or reducing operating expenses, and he stated that, while deserved, the Commissioners were unable to include funds for a Cost of Living Adjustment (COLA), step increment or longevity pay in salary accounts for County employees and the Board of Education (BOE). However, this fiscally conservative budget provides funds that protect vital taxpayer services and funds the BOE above the Maintenance of Effort (MOE) level with County funding of \$79,171,634 while maintaining funding for valuable public services residents can count on, such as public safety, education, infrastructure and existing social service programs. He stated that the FY16 budget proposes adding to the budget stabilization fund with increased revenues from property and income taxes, thus extending the useful life of the budget stabilization fund to future years to cover projected increases in expenditures. He further advised that Local Impact Grant funds from the Casino at Ocean Downs show an increase of \$2,700 for the debt payment for the Worcester Technical High School in FY16. He stated that, though it is not reflected in the BOE budget, the County's operating budget also includes funding of \$10,927,474 for school debt service, bringing the total County allocation to the BOE to \$90,099,108 or 49.4% of the County's total estimated revenue.

Commissioner Bertino acknowledged the professionalism of the County's financial team and department heads to develop a balanced budget to address the \$22 million difference between requested expenditures and projected revenues at current tax rates. He stated that the County's financial situation is challenging, with tax receipts not increasing as hoped, aging capital equipment, and rising health care costs. He stated that the approved budget does not make everyone happy, himself included, but that it makes the tough cuts that are needed to shore up the County in the years to come, and for that reason he plans to vote for the budget.

Commissioner Mitrecic applauded the County financial team as well. He stated that the Commissioners and staff working together were able to develop a budget that, for the most part, he supports. However, it falls short in a few areas. First, it denies a \$200,000 increase in unrestricted grants to the Town of Ocean City, which would have reflected a good faith effort on the part of the County to rectify a funding imbalance and could have staved off a possible tax differential lawsuit. Second, it not only denies a pay raise to County and BOE employees, it

thwarts the efforts of other entities in the County that in good faith provided salary increases to their employees. For example, he stated that the combination of a real property tax increase and local income tax increase on top of possible increases in water and sewer bills and a 6% increase in insurance costs will swallow up the salary increase the Town of Ocean City allotted to its employees for FY16. He stated that the Commissioners could have allotted a step increase to all County and BOE employees beginning January 1, 2016, but failed to do so. He stated that for these reasons he could not vote for the FY16 budget.

Commissioner Church concurred. He stated that this is his thirteenth and most difficult budget, as it is a short sighted budget that fails to provide adequate compensation to County and BOE employees. He point out that four Certified Public Accounts (CPA) on staff with the County developed a balanced budget that provided for a half-year step increase, but that the Commissioners had failed to implement this measure. He pointed out that his greatest concern is for those on the low end of the salary scale living paycheck to paycheck because they will be hit hardest between receiving no raise and being forced to absorb higher property and income tax rates along with increased health insurance and fuel costs. He concluded that for these reasons he could not vote for the budget.

Upon a motion by Commissioner Bertino, the Commissioners voted 5-2, with Commissioners Church and Mitrecic voting in opposition, to adopt Resolution No. 15-12 adopting expense budgets and establishing tax rates for FY16, which reflects an increase in the real property tax rate from \$.77 to \$.835 per \$100 of assessed value for the upcoming fiscal year beginning July 1, 2015 and a local income tax rate increase from 1.25% to 1.75% beginning January 1, 2016.

Upon a motion by Commissioner Mitrecic, the Commissioners voted unanimously to adopt Resolution No. 15-13 amending the County Income Tax (Piggyback Tax) Rate from 1.25% of an individual's Maryland taxable income to 1.75%, effective January 1, 2016, as conceptually approved at their budget work session on May 20, 2015, and as reflected in the adopted General Fund Budget.

Assistant Chief Administrative Officer Kelly Shannahan reviewed a draft resolution amending the County cost share for medical insurance which reflects the decision of the County Commissioners during their May 12, 2015 budget work session in which they voted to increase the percentage of the cost share for medical insurance benefits for new County employees hired on or after July 1, 2015. Mr. Shannahan stated that the draft resolution will establish that all new employees will pay 20% of the medical insurance premium for themselves and their dependents if they choose to participate in the County's medical insurance program, while the County will pay the remainder of the premium. Mr. Shannahan confirmed that the increased cost-share was for new employees only and would in no way affect current retirees and current regular full-time employees during their tenure with the County and upon their retirement, as they would continue to pay 10% of the medical insurance premium for themselves and their dependents and the County will pay the remainder of the premium. Mr. Shannahan advised that the Commissioners still need to determine the cost-share for the dependents of new employees upon their retirement. He stated that, based on earlier discussions, it appears that new employees upon their retirement would be subject to a cost share of 20% of the medical insurance premium for themselves, but

the cost-share percentage for their dependents had not yet been decided.

Commissioner Mitrecic stated that dependents of County employees enjoy a terrific insurance policy while their spouse or legal guardian is employed by the County; however, upon an employee's retirement the County should cease to pay the cost-share for dependents, as doing so creates a significant future liability to the County.

A motion by Commissioner Mitrecic to adopt Resolution No. 15-14, with retirees to pay 100% of the cost share for their dependents, died for lack of a second.

In response to a question by Commissioner Bertino, Finance Officer Phil Thompson advised that an actuarial study is underway which could include medical insurance cost projections based on the dependent cost-share the Commissioners approve for retiring County employees hired on or after July 1, 2015.

Commissioner Elder pointed out that one of the competitive advantages the County offers to attract highly qualified staff members is the benefit package since salaries are generally low. Therefore, he stated that it would be a mistake to reduce the County health insurance benefits for new employees and their dependents upon their retirement. Commissioner Church agreed, but stated that he would prefer to see the cost projections associated with retaining an 80/20 cost-share for dependents of new County employees upon their retirement before voting on the resolution. County Attorney Sonny Bloxom suggested establishing the cost-share now and revisiting the matter with respect to dependents of new County employees upon their retirement after the actuarial study is completed later this fall.

Following some discussion and upon a motion by Commissioner Elder, the Commissioners voted 5-2, with Commissioners Bunting and Mitrecic voting in opposition, to adopt Resolution No. 15-14 amending the cost share for medical insurance benefits for new regular full-time County employees hired after July 1, 2015 and upon their retirement. The resolution specifically clarifies that: current retirees and current regular full-time employees during their tenure with the County and upon their retirement will pay 10% of the medical insurance premium for themselves and their dependents; and new regular full-time employees hired after July 1, 2015 during their tenure with the County and upon their retirement will pay 20% of the medical insurance premium for themselves and their dependents, with the understanding that the cost-share percentage for their dependents upon their retirement may be revised once the actuarial study has been completed later this year.

The Commissioners answered questions from the press, after which they adjourned to meet in closed session.

Following a motion by Commissioner Church, seconded by Commissioner Lockfaw, the Commissioners unanimously voted to meet in closed session at 11:50 a.m. in the Commissioners' Conference Room to discuss legal matters permitted under the provisions of Section 3-305(b)(7) of the General Provisions Article of the Annotated Code of Maryland. Also present at the closed session were Harold L. Higgins, Chief Administrative Officer; and Sonny Bloxom, County Attorney. Topics discussed and actions taken included receiving legal advice from counsel.

The Commissioners adjourned to meet again on June 16, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

June 16, 2015

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

Following a motion by Commissioner Bertino, seconded by Commissioner Mitrecic, with Commissioner Purnell absent from the meeting, 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and George Bradley, Human Resources Director. Topics discussed and actions taken included: filling critical vacant positions, including hiring Vickie Walker as a Correctional Officer-Cook within the County Jail; considering appointments to fill vacancies on County boards and commissions; receiving legal advice from counsel; and performing administrative functions.

Commissioner Purnell was absent from the meeting.

After the closed session, the Commissioners reconvened in open session. Commissioner Bunting called the meeting to order and announced the topics discussed during the afternoon closed session on June 2, 2015 and the morning closed session on June 16, 2015.

The Commissioners reviewed and approved the minutes of their June 2, 2015 meeting as presented.

Pursuant to the request of Housing Program Administrator Jo Ellen Bynum and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved an extension of the bid deadline from June 8, 2015 to July 13, 2015 for a proposed lead abatement and general housing rehabilitation project in the Snow Hill area, which is to be funded through the State Special Loans Program, the Lead Hazard Reduction Program, and the County's current Community Development Block Grant (CDBG) for housing rehabilitation. Ms. Bynum advised

that no bids were received by the original June 8 deadline, but was confident after talking to potential bidders that extending the deadline would provide ample additional time for the contractors to submit proposals.

The Commissioners met with County Attorney Sonny Bloxom and Lieutenant Mike McDermott of the Sheriff's Office to review and discuss a proposed Memorandum of Understanding (MOU) between the Worcester County Sheriff's Office and the Ocean City Police Department (OCPD) for the purpose of cooperation and participation in the Worcester County Criminal Enforcement Team (CET) headed up by the Sheriff's Office to reduce drug trafficking activities within Worcester County. In response to a question by Commissioner Bunting, Lt. McDermott advised that the OCPD is beginning to take a more active role in the CET and requested the proposed MOU to clearly outline the division of forfeited assets seized by the CET. He stated that roughly 30% of seized funds are used to cover annual CET operating costs of approximately \$75,000, with the remaining 70% to be distributed between the participating police agencies. Mr. Bloxom stated that normally approval by the Commissioners would not be required; however, since by law the Commissioners are the forfeiting authority and the MOU contains provisions regarding the forfeiture of assets and the sharing of any proceeds from such forfeitures, it was his legal opinion that in this case their approval is necessary.

Following some discussion and upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized Commission President Bunting to sign the proposed MOU as presented.

Pursuant to the recommendation of Environmental Programs Director Bob Mitchell and upon a motion by Commissioner Church, 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 through June 30, 2016, with the contractor to receive 95% of the SWM fees collected by the County. In response to a question by Commissioner Bertino, Mr. Mitchell stated that payment to the contractor totaled about \$25,000 last year.

The Commissioners met with Mr. Mitchell to review and discuss a proposed Maryland Department of the Environment (MDE) Grant Agreement for the County to administer and enforce Onsite Sewage Disposal System Regulations for Systems that Utilize Best Available Technology (BAT) for Nitrogen Removal. Mr. Mitchell stated that within the attached agreement the County may choose to undertake responsibility for tasks included in one or more of the following three levels. Level 1 tasks include technical, administrative and legal review along with education, inspection and reporting of all BAT installations. Level 2 tasks include monitoring, verification of service contracts, noncompliance notification, on-site inspections, maintaining a log of service visits, and annotating and reporting all discrepancies dealing with the BAT to MDE. Level 3 tasks revolve around enforcement and include issuing formal notices of violation, preparing legal enforcement actions, court appearances and administrative hearings and handling appeals. He stated that the County should focus on education rather than enforcement. Therefore, he recommended the Commissioners accept Level 1 and 2 funding for

the coming year and authorize the County to enter into this grant agreement, which would award the County \$50,000 each year in MDE grant funds for the next three years to cover the County's costs for administration of these tasks. The grant amount has increased from \$35,000 per year, and Mr. Mitchell explained that these funds would go toward local expenses relating to plan review, construction inspection, and tracking of mandatory operation and maintenance of BAT septic systems. Mr. Mitchell advised that, since the inception of the Bay Restoration Fund (BRF) in 2014, over 240 BAT systems, including large flow systems, have been installed in Worcester County. Following some discussion and upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized Commission President Bunting to sign the grant agreement to administer Level 1 and 2 tasks as recommended by staff.

The Commissioners met with Mr. Mitchell to discuss his request to apply for a Maryland Nonpoint Source Program Grant and develop a Request for Proposals (RFP) to secure a consultant to assemble the Coastal Bays watershed plan. Mr. Mitchell stated that two large program developments relating to water quality occurred last year that will affect the Maryland Coastal Bays watershed for years to come. First, the Maryland Coastal Bays Comprehensive Conservation and Management Plan (CCMP) was revised and updated for the years 2015 to 2025. Second, the Coastal Bays Total Maximum Daily Load (TMDL) for the Coastal Bays and sub-watersheds was adopted and will require future actions and implementation activities from the local elected bodies to reduce nutrient loadings to the bays. Mr. Mitchell stated that the CCMP requires Worcester County and the local municipalities to implement a strategy to meet TMDL reductions.

Commissioner Elder pointed out that the County should establish a partnership with Sussex County, Delaware if they are to be successful in this venture.

Upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized staff to apply for the nonpoint source program grant and conceptually approved the drafting of an RFP as recommended.

The Commissioners met with Mr. Mitchell to schedule a public hearing on the proposed expansion of the Riddle Farm Sanitary Service Area (SSA). Mr. Mitchell explained that the proposed sewer expansion was submitted by Mark Cropper on behalf of the commercial property owners of the properties located south of U.S. Rt. 50 to be served by sewer from the Riddle Farm Sanitary Service Area (SSA). The proposed public water expansion was submitted by Public Works Deputy Director John Ross on behalf of the Worcester County Commissioners to extend water service to the commercial properties on the south side of U.S. Rt. 50, across from the Riddle Farm community. Mr. Mitchell explained that the sewer portion of the SSA request is a public-private partnership between Worcester County and WGC EDU, LLC. The sewer expansion properties are identified on Tax Map 26 as Parcels 107, 258, 259, 298, 299, 300, 322, 368, 455, and Parcels 97, 98, 99, 101, 102, 104, 105, 106, 127, 246, 247, 249, 250, 251, 336, 347, 351, 394, 420, and 440. The water expansion properties are identified on Tax Map 26 as Parcels 107, 258, 259, 298, 299, 300, 320, 322, 368, and 455. Water and sewer capacity for 267 equivalent dwelling units (EDUs) are planned.

Mr. Mitchell stated that the County Water and Sewer Committee considered the expansion of the service area, as it pertains to desirability, feasibility, public health, the

environment, and standards, and determined the project is appropriate. Mr. Shannahan stated that the hearing will also review the cost of the project and recoupage of costs through the sale of EDUs in the amount of \$23,535 per EDU for sewer and \$8,723 per EDU for water.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to schedule a public hearing on July 7, 2015 to receive public comment on the proposed expansion of the Riddle Farm SSA and the cost of the water facilities expansion by the County.

The Commissioners met with Mr. Mitchell to schedule a public hearing on a Comprehensive Water and Sewerage Plan amendment application submitted by Berlin Town Planner David Engelhart on behalf of the Berlin Mayor and Council to revise the Town of Berlin's water and sewerage planning area boundaries to reflect recently completed annexations. The areas to be added include properties identified on Tax Map 25 as Parcel 91 on Seahawk Road (Town Resolution No. 2014-06, 9828 Seahawk, LLC); Tap Map 25, Parcels 165 and 436 at the intersection of Friendship Road and MD Rt. 50 (Town Resolution No. 2015-03, Black, Arby's); and Tax Map 32, Parcel 319, which is located at the intersection of Germantown Road and MD Rt. 113 (Town Resolution No. 2011-01, Derrickson). Mr. Mitchell advised that the Planning Commission found the proposed amendments to be consistent with the County's Comprehensive Development Plan.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to schedule a public hearing on July 21, 2015 to receive public comment on the proposed amendments to the Worcester County Water and Sewerage Plan as requested.

The Commissioners met with Economic Development Director Bill Badger and Randall Gustafson, Vice President of Operations and Transportation Analyst for Stone Consulting, Inc. of Warren, Pennsylvania to review an interim Worcester County, Maryland Excursion Railroad Feasibility Analysis Phase 2 Report. Mr. Gustafson reviewed a PowerPoint outlining the findings of the feasibility study, which included the following: Phase 2 Project Goals; Scope Change - Operational and Ridership Potential of Operating North of Berlin; Berlin - North Issues; Grade Crossing Issues (North); Capital Cost Analysis - Federal Track Standards for Passenger Service; Existing Track Rehabilitation with Section 130 Funding; A Tale of Two Railroads - comparison of track rehabilitation costs; Section 130 Work Identified By Zone; Track Rehabilitation Zones Identified and Estimated; Maryland & Delaware Railroad Rehabilitation Standards - Freight Service (unit grain trains); Comparative Tie Replacement Plans for Excursion Passenger Service; Capital Cost Analysis; Capital Cost Summary - Operating Alternatives, Track - Sidings - Depot - Shops; Route Options and Projected Rehabilitation and Capital Costs; Capital Cost Conclusions; Business Plan Update and Status; Excursion Railroad Feasibility Analysis Phase 2 Report; Projected Revenue Sources; Developing Operating Schedule for Variable Costs; Plugging in Train Capacity on Trip Frequency; Translating Capacity and Trips to Train Miles, Days and Cost; and Next Steps in Phase 2.

Commissioner Bertino expressed concern that the Commissioners were not provided a copy of the PowerPoint presentation in their meeting packages for their advanced review. Commissioner Elder stated that the area north of Berlin should not be considered as an operating point for an excursion train, as the land is largely industrial, whereas the land south of Berlin is made up of farmland and far more scenic. He advised that the train should highlight Snow Hill

and the different attractions in the town and surrounding area, and a primary goal of this project should be to attract tourism to the central and south end of the County. Commissioner Church concurred, stating that the purpose of an excursion train would be to expand attractions and draw residents and visitors to explore all of Worcester County. Mr. Gustafson stated that doing so would be possible, but the capital costs would be higher between Berlin and Snow Hill. Specifically, capital costs to repair the track are estimated as follows: \$586,083 from Berlin to Bishopville, as compared to \$2,184,355 from Berlin to Snow Hill, which could be divided into smaller sections costing \$799,136 from Snow Hill to Central Site Lane; \$905,716 from Berlin to Newark; or \$1,278,639 from Snow Hill to Newark. Mr. Badger pointed out that the purpose of the report is to develop options for the private sector going forward, as the expectation is that a private entity would partner with another private entity to develop the excursion train. Mr. Gustafson stated that he recently met with a special events coordinator who was extremely interested in operating in Worcester County once the railroad is improved. Following some discussion, Commissioner Bunting thanked Mr. Badger and Mr. Gustafson for providing this update.

Pursuant to the request of Public Works Director John Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved Change Order No. 1 for the Cedar Hall Boat Ramp Reconstruction Project, which will delay the start of the project until after September 8, 2015 at no additional cost to the County. Delaying the project will make it possible for recreational boaters to utilize the site throughout the 2015 summer season.

The Commissioners met with Mr. Tustin to review four bids received prior to the 1:00 p.m. deadline on Tuesday, May 26, 2015, for a three-year Generator Preventative Maintenance Service Agreement and to discuss whether to consider two late bids, one which was hand delivered to the County Administration Office at 1:04 p.m. and a second which was delivered late by UPS.

Upon a motion by Commissioner Elder, the Commissioners unanimously rejected the two late bids.

Upon a motion by Commissioner Lockfaw, the Commissioners unanimously awarded the low bid for the service agreement to Premium Power Services, LLC of Kennett Square, PA at a total annual cost of \$34,398. Mr. Tustin pointed out that there was a significant gap between Premium Power Services and the next low bid from Curtis Engine and Equipment, Inc. of Baltimore at a cost of \$55,055 annually, but that staff had vetted Premium Power Services and received positive comments from all their references.

The Commissioners met in legislative session.

The Commissioners conducted a public hearing on Emergency Bill 15-8 (Building Regulations - Floodplain Management), which was introduced by Commissioners Bertino, Bunting, Church and Purnell on May 19, 2015. Development Review and Permitting Director Ed Tudor reviewed the bill, which would amend the Worcester County Floodplain Management Law to conform to current federal regulations to continue participation in the National Flood Insurance Program. A fair summary of the bill includes changes to the following sections: Title BR2 - Construction Regulations, Subtitle III - Floodplain Management; BR 2-301 - General

Provisions; BR 2-302 - Definitions; BR 2-303 - Administration; BR 2-304 - Requirements in all flood hazard areas (A Zones); BR 2-305 Requirements in flood hazard areas; BR 2-306 Requirements in coastal high hazard areas (V Zones) and Coastal A Zones; BR 2-307 - Variances; BR 2-308 - Enforcement; BR 2-309 - Violations and penalties; and BR 2-310 Subsequent amendments. Mr. Tudor stated that this is the first update to the Floodplain Management Law in 23 years, and after the Commissioners introduced the bill, staff forwarded it to the Maryland Department of the Environment (MDE) who worked with the Federal Emergency Management Agency (FEMA) for review. He further stated that staff initially received only two minor comments from these agencies and have therefore drafted two proposed amendments to Emergency Bill 15-8 to address their concerns as follows: clarifying that start of construction must begin within 180 days of permit issuance rather than one year; and clarifying the prohibition of accessory buildings in V-Zones and Coastal A-Zones.

Mr. Tudor explained that the more troubling issue had just arisen late afternoon on Monday, June 8, 2015 when FEMA advised that the County's proposed regulations for accessory structures could not be modeled after the approved language of Dorchester County's ordinance, but must follow the State model ordinance, which limits accessory structures to not more than 300 square feet in total floor area. Mr. Tudor further explained that, after significant discussions with FEMA, the only relief he was able to secure was to clarify that the 300-square foot limitation would not apply if the accessory structure was elevated above the flood protection elevation. As a result, Mr. Tudor proposed deleting the original regulations for accessory structures in Section BR 2-305(g) and replacing it with the modified language of the State model ordinance. Mr. Shannahan explained that another minor amendment was proposed to Section BR 2-310 to clarify that, where there are inconsistencies between the Floodplain Management Law and other County laws, the Floodplain Management Law would only prevail as to Floodplain Management issues rather than repealing such other County laws as indicated by the language of the model ordinance.

In response to a question by Commissioner Bunting regarding the 300-square-foot total floor space limit and elevation requirements for accessory structures, Mr. Tudor advised that the County and Towns of Ocean City and Snow Hill all requested to be exempt from that requirement and were denied.

Commissioner Bunting opened the floor to receive public comment.

Harold Scrimgeour of Stockton questioned whether the Commissioners are prepared to handle the number of appeals that may come before them, if they choose to act as the official appeal board. Mr. Tudor stated that the Commissioners currently act as the appeal board and have only been called upon to preside over eight cases since 1985.

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

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the proposed amendments to Emergency Bill 15-8 as presented.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted Emergency Bill 15-8 (Building Regulations - Floodplain Management) as amended.

The Commissioners conducted a public hearing on Bill 15-9 (Natural Resources - Abolishment of Shoreline Commission), which was introduced by Commissioners Bertino,

Bunting, Church, Elder, Lockfaw, Mitrecic and Purnell on May 19, 2015. Also in attendance were Environmental Programs Director Bob Mitchell and Natural Resources Administrator David Bradford. Mr. Mitchell reviewed the bill, which would abolish the Worcester County Shoreline Commission in recognition that the review and licensing responsibilities would be assumed by Environmental Programs, as the department designated by the County Commissioners for the issuance of permits under this section. He also reviewed the time savings and cost reductions that would result by eliminating this unnecessary additional level of government oversight. County Attorney Sonny Bloxom advised that, upon further review of the proposal to abolish the Shoreline Commission, certain provisions regarding waterfront structures should be moved from the Zoning Code to the Natural Resources Article, as part of the requirements that Environmental Programs will adhere to in approving the permits and to include all regulations for waterfront structures in one place in the County Code. Mr. Bloxom reviewed the proposed amendments to Bill 15-9 and a draft bill to amend the Zoning Ordinance for introduction. He then reviewed an additional amendment to Bill 15-9, which was drafted at the request of Commissioner Bertino to require the County to continue to distribute written notification letters to adjoining property owners upon receipt of all major applications and minor applications for shoreline structures and providing adjoining property owners with a minimum of 15 days to submit written comments to the department prior to a determination of the application being made.

Commissioner Bunting opened the floor to receive public comment.

Harold Scrimgeour of Stockton stated that he is in favor of fee reductions and a quicker permitting process, but expressed concern that the changes being proposed would place applicants at the mercy of one all powerful County staff member, with applicants having little recourse if their permits are denied. He stated that he would rather place such approval authority in the hands of a seven-member panel that consists of their peers. He suggested that if the Commissioners opt to eliminate the Shoreline Commission that they develop a review board to oversee the operations of the Environmental Programs Department.

Ginger Gillis, a permit processor from Berlin, concurred with comments made by Mr. Scrimgeour, noting that the Shoreline Commission, not the Board of Zoning Appeals (BZA) should act as the mediator for appeals and therefore should not be abolished. In response to Commissioner Bertino, Mr. Mitchell stated that the 15-day public comment period would help to address public concerns, and he pointed out that the Maryland Department of the Environment plays a key role in the appeal process. Mr. Bloxom pointed out that the BZA already handles appeals associated with the Natural Resources Article and is prepared to oversee these additional responsibilities, with the County Attorney providing legal advice to Environmental Programs on all matters.

Jennifer Cropper of Ocean City and spokesperson for the Shoreline Commission stated that the Shoreline Commission often resolves conflicts between applicants and adjoining property owners by reaching some form of compromise between the two parties, such as scaling back dock lengths or developing other concessions. She asked that, if the Commissioners abolish the Shoreline Commission, they consider reinstating it if the need should arise. She stated that a volunteer board would be much less expensive than the County hiring additional staff to process applications. In response to a question by Commissioner Bunting, Ms. Cropper stated that the law does not always take into account the practicality of navigations; and, the Shoreline

Commission can deny applications that meet State and County law, but create a dangerous situation. Mr. Bloxom stated that the approval process should not be subjective, but rather based on whether the application meets the requirements of the law. He pointed out that it is inherently unfair for two applicants to make the same request, with one receiving approval and the other being denied.

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

Commissioner Bunting stated that, when the Shoreline Commission was established, regulations protecting area waterways were extremely limited. But, that is no longer the case, and the Shoreline Commission has outlived its usefulness. He pointed out that a seven-member board should not have the right to deny applications that meet the requirements of the County Code. Commissioner Bertino stated that he supports abolishing the Shoreline Commission, provided adjoining property owners retain the right to provide comment on applications that affect them. Commissioner Lockfaw stated he has confidence in staff's ability to oversee the application process, but like Commissioner Bertino he sought assurance that the right of area residents to provide public comment on applications was secured in the bill.

Following much discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously approved the proposed amendments by staff to move the standards for waterfront structures to the Natural Resources Article from the Zoning Code, and to approve the amendments to ensure public notification and opportunities to comment on applications, as proposed by Commissioner Bertino.

The Commissioners agreed to withhold final approval until their legislative session scheduled for July 21, 2015, at which time the complete bill with the amendments will be ready for adoption and the companion bill to amend the zoning could also be considered for adoption.

Following further discussion, Commissioners Bertino, Bunting, Church, Elder and Lockfaw introduced the companion draft bill as Bill 15-10 (Zoning - Waterfront Structures Regulated by Natural Resources Article), which will grant authority to the BZA to hear appeals in shoreline cases and remove Waterfront Structures from the Zoning Code. The Commissioners agreed to conduct a public hearing on the bill on July 21, 2015.

Commissioner Bunting closed the legislative session.

Pursuant to the request of Finance Officer Phil Thompson and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved the recommended 2015/2016 Tax Ditch Rates and recommended Managers for all 19 Tax Ditches in the County. Mr. Thompson noted that the tax ditch rates were identical to the prior year, except for the Middle Branch Tax Ditch where the minimum rate will increase from \$10.00 to \$15.00; and Passerdyke Branch Tax Ditch where rates will increase from \$3.75 to \$4.50 for tilled land and from \$1.25 to \$1.50 for wooded land, as requested by the Tax Ditch Managers.

Pursuant to the request of Mr. Thompson and upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized Commission President Bunting to sign the Certification of 2015/2016 Assessment List for County Tax Ditches - Public Drainage Associations.

The Commissioners recessed for lunch and reconvened at 1:30 p.m.

Pursuant to the recommendation of Public Works Director John Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously approved the Compliance Plan and Schedule required in the Consent Order issued to the County by the Maryland Department of the Environment (MDE) to correct violations that have occurred at the Newark Wastewater Treatment Plant (WWTP). Mr. Tustin stated that the schedule anticipates activities to bring the WWTP into compliance to extend into 2019. However, preliminary spray site testing, interim treatment enhancements, and background groundwater monitoring will require up-front funding, and suggested covering these expenses via a loan from the County General Fund. Additionally, as some effluent parameters were not relaxed in the consent order, the County will likely continue to accrue violations and related penalties for the duration of the project, though Mr. Tustin stated that he anticipates these fees may be relaxed as MDE sees the County making a good-faith effort to correct the situation. He further stated that the County will be eligible to apply for Bay Restoration Funds (BRF) to cover a substantial portion of this \$1.1 million project. BRF funding should be available after July 2017. In response to a question by Commissioner Bertino, Mr. Tustin stated that the County will also apply for a low interest loan and grant funds from the United States Department of Agriculture (USDA) Rural Utility Services (RUS) to cover remaining project expenses.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved bid specifications for the rehabilitation of Pump Station B, located on Beauchamp Road in Ocean Pines. In response to a question by Commissioner Bertino, Mr. Tustin advised that the project would include cleaning and repairing fencing and yard work.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted Resolution No. 15-15 adopting the Sanitary Service Area Budgets, Assessments and Charges and Establishing Classifications for the Water and Wastewater Enterprise Fund for July 1, 2015 through June 30, 2016, as conceptually approved after their public hearing on June 2, 2015. Enterprise Fund Controller Jessica Ramsay advised that the previously proposed Step and Cost of Living Adjustment (COLA) for staff were removed from the adopted budget, while the utility software was added and FY16 Interfund charges were adjusted.

Upon a motion by Commissioner Bertino, the Commissioners unanimously adopted Resolution No. 15-16 adopting the Solid Waste Enterprise Fund Budget for July 2, 2015 through June 30, 2016, as conceptually approved after their public hearing on June 1, 2015. Ms. Ramsay advised that the previously proposed Step and Cost of Living Adjustment (COLA) for staff were removed from the adopted budget and FY16 Interfund charges were adjusted.

The Commissioners met with Ms. Ramsay to discuss the proposed Department of Liquor Control (DLC) Enterprise Fund Budget for July 1, 2015 through June 30, 2016. Ms. Ramsay reviewed the budget and advised that the previously proposed Step and Cost of Living Adjustment (COLA) for staff were removed from the revised budget and FY16 Interfund charges

were adjusted. Ms. Ramsay advised that the revised budget provides for a \$70,661 payout of the DLC's net income to be distributed to the municipalities and County. She also reviewed the FY15 DLC Income Statement through May 31, 2015, which reflects gross profits of \$1,919,078, with net income currently showing a loss of \$580,579. Commissioner Mitrecic noted that this reflects a gross profit of only 21.36% rather than an anticipated profit of 22.199% as reflected in the proposed FY16 budget and would therefore result in a shortfall of \$90,000 for FY16. Ms. Ramsay advised that the Income Statement does not include profits for June 2015, which are anticipated to come in as projected. Mr. Higgins stated that the FY15 revenues do not include a full year of broken case charges, which have added \$40,000 to \$50,000 in revenues over the past few months.

After some discussion and upon a motion by Commissioner Lockfaw, the Commissioners voted 5-1, with Commissioner Mitrecic voting in opposition to adopt Resolution No. 15-17 adopting the Worcester County Department of Liquor Control Enterprise Fund Budget for July 1, 2015 through June 30, 2016, as conceptually approved after their public hearing on June 2, 2015.

The Commissioners met with Finance Officer Phil Thompson and Sam Ketterman with Davenport & Company, LLC, the County's Financial Advisor, to review the bids for the Worcester County Consolidated Public Improvement Bonds, 2015 Series A. Pursuant to the recommendations of Mr. Thompson and Mr. Ketterman and upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted Resolution No. 15-18, accepting the low bid from M&T Securities, Inc. for the Consolidated Public Improvement Bonds, 2015 Series A totaling \$12,015,000. Mr. Ketterman advised that the County received 10 bids, the lowest of which was submitted by M&T Securities, Inc. at an interest rate of 2.716294%. Mr. Ketterman stated that the rate was better than estimated, and he concluded that the market has rewarded Worcester County for its sound financial management. Mr. Thompson thanked staff for their hard work in achieving such favorable rates for the County.

The Commissioners met with Mr. Thompson and Mr. Ketterman to review the bids for the Worcester County Consolidated Public Improvement Refunding Bonds, 2015 Series B. Pursuant to the recommendations of Mr. Thompson and Mr. Ketterman and upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted Resolution No. 15-19, accepting the low bid from PNC Capital Markets for the Consolidated Public Improvement Refunding Bonds, 2015 Series B totaling \$26,950,000. Mr. Ketterman advised that the County received six bids, the lowest of which was submitted by PNC Capital Markets at an interest rate of 1.902836%. Mr. Ketterman stated that the rate was outstanding and would result in interest savings to the County of roughly \$1.1 million over life of issue, with \$600,000 to be saved in FY2016. Mr. Ketterman summarized that this has been a pretty good day for Worcester County.

Pursuant to the written request of Vincent E. Tolbert, Chief Financial Officer for the Board of Education (BOE), and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Commission President Bunting to sign the BOE's Annual Budget Certification Statement, which certifies County funds of \$76,766,472 for BOE expenses, \$1,952,488 for Teacher Pensions, for total County funding of \$78,718,960 and \$10,927,474 for Debt Service for BOE projects in the FY16 County Operating Budget.

The Commissioners met with Chief Administrative Officer Harold Higgins, County Attorney Sonny Bloxom and Human Resources Director George Bradley and determined that the hiring freeze, which was enacted by the Commissioners on March 3, 2015 for all non-public safety personnel and to be effective until the Commissioners completed their FY16 budget deliberations in May 2015, ended with the adoption of the FY16 budget on June 2, 2015.

Commissioner Mitrecic stated that he believed the hiring freeze should continue until the Commissioners develop a new policy to address health care benefits for the dependents of newly hired County employees after July 1, 2015 upon their retirement. In response to a question by Commissioner Elder, Mr. Bradley stated that with advertising and the interview process it would likely be August 2015 before any new employee began work with the County. Following some discussion, the Commissioners thanked staff for the update and formally acknowledged that the hiring freeze has been lifted.

The Commissioners met with Mr. Higgins to consider Commissioner Mitrecic's request to exempt the Town of Ocean City from the County's requirement that the County Tourism website at www.beachandbeyond.org must be included in all town advertisements that are funded with Worcester County supplemental advertising funds (State passthrough grant funds), as originally requested by Commissioner Mitrecic during the Commissioners' budget work session on May 12, 2015. Also in attendance were Worcester County Tourism Director Lisa Challenger, and Ocean City Council member and Ocean City Tourism Commission Chair Mary Knight. Mr. Higgins stated that the County website must be included when the town utilizes on-behalf advertising funds of \$270,000, and advised that the town typically uses \$265,000 or 98% of the grant funds for billboard advertising and the remaining \$5,000 for print advertising. He stressed that including the County website on advertising materials is a County, not a State, requirement. He further stated that the town website at www.ococean.com appears in large print, while the County website appears below it in a much smaller font. He pointed out that the purpose of including the County Tourism website is to highlight events and activities occurring in and around all the towns, and for that reason he recommended continuing to require the town to include the County website as a pre-requisite for receiving on-behalf-of tourism advertising funds from the County.

Ms. Knight stated that currently the County restricts the town's use of on-behalf advertising funds to print advertising, where both URLs can be included. However, the town would prefer the use of these funds be unrestricted, so Ocean City can use these funds for radio and electronic advertising. She pointed out that the town's website already provides information about activities occurring throughout the County, but that it receives significantly more traffic than the County website. For example, she noted that the town's site received over one million hits in July 2014. Therefore, she asked the Commissioners to eliminate the requirement that the County website be included in the town's advertising.

In response to a question by Commissioner Elder, Ms. Knight advised that the town includes the entire County on its website, and including both the Ocean City and Worcester County Tourism websites in their advertising causes public confusion. Ms. Challenger respectfully disagreed, pointing out that tourism studies reveal that the average person visits 14 sites when making travel plans, and inclusion of the County website promotes activities and sites of interest throughout the County that can supplement the tourism experience. In response to a

question by Commissioner Bunting, Ms. Challenger confirmed that each of the towns are required to include the County website in their advertising funded by the County, and whatever is done for Ocean City should be done for all to be fair.

In response to a question by Commissioner Bertino, Ms. Challenger explained that the County receives an additional \$60,000 annually in funding from the State tourism grant, as a result of County pass-thru of the \$270,000 in advertising funds to the Town of Ocean City; however, other than the website reference requirement, her office does not control which ads are purchased by the towns. In response to a question by Commissioner Lockfaw, Ms. Challenger confirmed that the County has never stipulated that these funds must be used for print advertising. She further advised that Berlin, Pocomoke and Snow Hill, which each receive \$4,500 annually in State pass-through grant funds for advertising, have raised no opposition regarding the requirement that they include the County Tourism website in their advertising.

Following much discussion, a motion by Commissioner Mitrecic to reclassify the County Tourism grant for supplemental advertising from Restricted to Unrestricted, thereby removing the website reference requirement, failed for lack of a second.

Assistant Chief Administrative Officer Kelly Shannahan reviewed a memo from Emergency Services Director Fred Webster outlining proposed updates made by the Information Technology (IT) Division to the County website, which will make it easier for the public to navigate and for IT to maintain. Mr. Shannahan stated that staff hoped to demonstrate the new website at the meeting, but there was not enough time after other items had been discussed. In his memo, Mr. Webster advised that the new web page has a much cleaner look and is similar to the Intranet page that opens as a default page on most County staff computers and will be less expensive to maintain, as it no longer utilizes the expensive DreamWeaver software. Mr. Shannahan stated that IT Manager Brian Jones would like to hear the Commissioners' thoughts about the new template before moving forward with the redesign, and he invited the Commissioners to visit IT at their convenience to see a demonstration of the website.

The Commissioners answered questions from the press, after which they adjourned to meet in closed session.

Following a motion by Commissioner Church, seconded by Commissioner Bertino, with Commissioner Purnell absent, the Commissioners unanimously voted to meet in closed session at 2:30 p.m. in the Commissioners' Conference Room to discuss personnel matters permitted under the provisions of Section 3-305(b)(1) of the General Provisions Article of the Annotated Code of Maryland. Also present at the closed session were Harold L. Higgins, Chief Administrative Officer; Kelly Shannahan, Assistant Chief Administrative Officer; and George Bradley, Human Resources Director. Topics discussed and actions taken included conducting interviews to fill the position of Human Resources Director and hiring Stacey Norton as the new Worcester County Human Resources Director.

The Commissioners adjourned to meet again on July 7, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

July 7, 2015

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

Following a motion by Commissioner Mitrecic, seconded by Commissioner Bertino, 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and Stacey Norton, Human Resources Director. Topics discussed and actions taken included: welcoming Human Resources Director Stacey Norton to her new position; approving a Memorandum of Understanding (MOU) to extend the position of Real Property Research Aide held by Mary Denton in the local office of the Maryland Department of Assessment and Taxation for another year; 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 minutes of their May 12 and May 20, 2015 Work Sessions and their June 16, 2015 meeting as presented.

Pursuant to the written request of Denise Eberspeaker, Director of Fund Development, Communications and Service Center for the Girl Scouts of the Chesapeake Bay, and upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted Resolution No. 15-20, Approving a Project to Extend the Benefits and Opportunities of Girl Scout Programming to At-Risk Girls in Designated Priority Funding Areas in Worcester County, Maryland. This local government resolution enables the Girl Scouts to deliver a project known as "Girl Scout Leadership Experience" to extend the benefits and opportunities of Girl Scout programming to at-risk girls in Worcester County among the other Priority Funding Areas in the nine Eastern Shore Counties. In her correspondence, Ms. Eberspeaker stated that the Commissioners'

approval is required for the council to seek the support of the Neighborhood Partnership Program of the Maryland Department of Housing and Community Development (DHCD) that allows local businesses to receive Maryland Tax Credits for their donations to the Girl Scouts, which provides a valuable incentive for local businesses and individuals to contribute.

Pursuant to the written request of Vincent E. Tolbert, CPA, Chief Financial Officer for the Worcester County Board of Education (BOE), and upon a motion by Commissioner Church, the Commissioners unanimously approved the County Appropriation Transmittal Schedule for FY16 for the BOE totaling \$76,766,472. In response to a question by Commissioner Bertino, Mr. Higgins stated that he had requested a breakdown of how the BOE raises were allocated and that he expected to receive those details together with the designation of the total BOE budget among the 13 categories before the next meeting.

Pursuant to the written request of Tourism Director Lisa Challenger and upon a motion by Commissioner Elder, the Commissioners unanimously agreed to partner with ShoreCraftBeer.com and others to promote and designate October as “Shore Craft Beer Month in Worcester County,” with the Office of Tourism to support a cap-stone event and other activities during October that promote the County and surrounding region as a craft beer destination.

The Commissioners reviewed a memo dated June 19, 2015 from Development Review and Permitting Director Ed Tudor outlining the draft Worcester County Agricultural Tourism (Ag-Tourism) Signing Program. On August 6, 2013 at the request of the Maryland Department of Agriculture (MDA), the Commissioners authorized the County to participate in the Ag-Tourism Signing Program by developing a plan locally that mirrors the State program, with the understanding that the State program was awaiting formal approval and MDA officials would provide to the County with the approved plan once it became available.

In his memo, Mr. Tudor advised that he received the approved State Ag-Tourism Signing Program Guidelines from MDA in April 2015, which includes installing “Trailblazer” signs along State highways to direct the motoring public to agritourism opportunities on qualifying farms. Mr. Tudor advised that the proposed County program mirrors the State program and will include placing “Trailblazer” signs along County roads. He further stated that the list of requirements for participating farms is much like those found in the County’s agritourism regulations, and staff modeled the County program with that in mind. The proposed resolution further provides that such signs are necessary and appropriate to promote local tourism and are, therefore, not subject to the off-premise directional sign regulations of the Zoning Ordinance.

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the local program and adopted Resolution No. 15-21 establishing the Worcester County Ag-Tourism Signing Program as presented.

Pursuant to the request of Emergency Services Director Fred Webster and Information Technology Manager Brian Jones and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved the Request for Proposals (RFP) to purchase and install a new telephone system to serve the County Government Offices. Mr. Webster advised that the current system, purchased and installed in 1999, has failed on numerous occasions, and staff has

been purchasing refurbished parts off eBay to fix it because new parts are no longer available through the manufacturer. He advised that funding of up to \$200,000 is available within the FY16 budget for this purchase. In response to concerns raised by Commissioners Bunting and Mitrecic regarding the speed with which technology evolves, Mr. Webster advised that the RFP addresses the ability to upgrade the system to keep up with new technological advances, and he expected the new system to last at least eight to 10 years and, hopefully, up to 15 years into the future. In response to a question by Commissioner Bertino, Mr. Webster stated that the new system should be in place and operational by December 2015 if not sooner.

Fire Marshal Jeff McMahon requested the Commissioners approve “The Compliance Engine” (TCE) Agreement between the County and third-party vendor Brycer, LLC, a web-based, records management company in Warrenville, Illinois for Brycer to manage the County’s Quality Assurance Program (QAP) for fire safety inspections and testing of fire protection systems to ensure that they will function as intended in the event of an emergency. Mr. McMahon explained that the QAP only applies to multi-family and commercial structures. All single-family structures are exempt from participating. He further explained that Brycer would retain \$10 plus a 6.85% processing fee for each \$35 QAP fee collected on behalf of the County. In response to a question by Commissioner Mitrecic, Mr. McMahon advised that a separate \$35 fee is assessed for each system type, and kitchen systems require twice annual inspections; therefore, some of the larger restaurants that have multiple systems in place may incur QAP fees of as much as \$175 annually. In response to a question by Commissioner Bertino, Mr. McMahon stated that the Town of Ocean City, which has its own QAP, is considering increasing QAP fees from \$25 to \$35. Following some discussion, the Commissioners voted 6-1, with Commissioner Bunting voting in opposition, to adopt Resolution No. 15-22 amending fees for Fire Marshal Plan Review and Inspection Services to add the QAP fees as presented and authorizing Commission President Bunting to sign “The Compliance Engine” Agreement between Brycer, LLC and the County.

Pursuant to the recommendation of Public Works Director John Tustin and upon a motion by Commissioner Elder, the Commissioners unanimously authorized Commission President Bunting to sign two Change Orders for the Ocean Pines Force Main project with A-Del Construction, Co., Inc. Change Order No. 1 addresses changes in the work caused by unanticipated conditions encountered in the field and changes requested by the owner, resulting in a total additional cost of \$43,656. Change Order No. 2 reflects the final adjustments of the bid quantities for this unit price contract to reflect the as-built condition and results in a total reduction in the contract amount of \$74,046. Mr. Tustin advised that the two change orders result in a net reduction in construction costs from the bid price of \$1,666,530 to \$1,636,140, for a total project savings of \$30,390.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously waived the standard bid process and approved the proposal from local Flygt pump supplier Sherwood-Logan & Associates, Inc. of Annapolis, Maryland for the purchase and delivery of two new Xylem Flygt Submersible Pumps for Ocean Pines Pump

Station E at a total cost of \$33,800. Mr. Tustin advised that Flygt Pumps are the standard pumps installed in all new and upgraded pump stations, and funding in the amount of \$300,000 to complete ongoing improvements to the Ocean Pines Pump Stations was funded in the 2014 Bond Issue.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Church, the Commissioners unanimously waived the standard bid process and approved the proposal from Sherwood-Logan & Associates, Inc. of Annapolis, Maryland for the purchase and delivery of two new Xylem Flygt Dry-Pit Submersible Pumps for West Ocean City Pump Station 5 (Oyster Harbor) at a cost of \$13,500. Mr. Tustin advised that the County has now installed Flygt Pumps in all the new and upgraded pump stations in West Ocean City except for Station 5, in accordance with an upgrade program to standardize the equipment used in the pump stations that began in 2007.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved bid specifications for the purchase of six, 30-cubic-yard recycling containers for the Solid Waste Division of Public Works. In response to a question by Commissioner Mitrecic, Mr. Tustin stated that these containers will be used to replace aged containers utilized by the Recycling Section for homeowners' use at the Homeowner Convenience Centers, and the old containers will be taken out of service.

Pursuant to the recommendation of Mr. Tustin in response to a request by Stephen Decatur High School (SDHS) Cross Country Coach Joseph Stigler and Principal Thomas Zimmer and upon a motion by Commissioner Elder, the Commissioners unanimously authorized the SDHS Cross Country Team to use the Berlin Landfill from early September through October 2015 for cross country training and as their home cross country course on Wednesdays when the Homeowner Convenience Center is closed. Mr. Tustin advised that the team has utilized a portion of the Berlin landfill mound, which the team has dubbed "Mount Decatur" in a very limited capacity and under tightly controlled circumstances in the past, and there is very little disruption to the surrounding neighborhood. He explained that the training and meets are supervised at all times to protect the landfill facility, and no smoking is allowed by spectators during meets.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized Mr. Tustin to apply for a Maryland Department of Natural Resources (DNR) Boating Services Grant of \$4,500 to cover the cost of portable toilet services at the County boat ramps.

Mr. Tustin updated the Commissioners on FY15 road resurfacing projects. He advised that funding was available through a combination of a one-time State Highway Administration (SHA) grant of \$252,726 and Designated Funds in the Unassigned Fund Balance of \$500,000 for a total of \$752,726. He advised that Chesapeake Paving and Sealing, Inc. of Parsonsburg, Maryland completed blacktop resurfacing of roughly 10.64 miles of County roads on May 19, 2015 at a total cost of \$752,701.55. Mr. Tustin thanked the Commissioners for designating \$1

million within the FY16 budget to help preserve and maintain Worcester County roads and explained that he hoped to bid for additional road paving this fall.

The Commissioners conducted concurrent public hearings to receive comment on the proposed expansion of the Riddle Farm Sanitary Service Area (SSA) to extend public water and sewer service on Samuel Bowen Boulevard and construction of a public water system in the expanded service area. Environmental Programs Director Bob Mitchell explained that the sewer portion of the SSA request is a public-private partnership between Worcester County and WGC EDU, LLC. The sewer expansion properties are identified on Tax Map 26 as Parcels 107, 258, 259, 298, 299, 300, 322, 368 and 455 along U.S. Rt. 50 and Samuel Bowen Boulevard and as Parcels 97, 98, 99, 101, 102, 104, 105, 106, 127, 246, 247, 249, 250, 251, 336, 347, 351, 394, 420, and 440 in the Grey's Corner Road area. The water expansion properties are identified on Tax Map 26 as Parcels 107, 258, 259, 298, 299, 300, 320, 322, 368, and 455 along U.S. Rt. 50 and Samuel Bowen Boulevard. Water and sewer capacity for 267 equivalent dwelling units (EDUs) are planned. Mr. Mitchell stated that County staff found that the expansion is appropriate and desirable for the comfort, convenience, health, safety and general welfare of the people who will or may in the future be served by the proposed expansion; the proposed construction and operation is feasible from an engineering and economic standpoint; the proposal is in the best interest of public health, the environment; and is in accordance with all standards. He advised that the total cost of the public water expansion project by the County is estimated at \$620,000, which will provide a total of 267 EDUs of water service, with funds to be borrowed from the County's General Fund at an interest rate of 2% and repaid by customers through an estimated payment of \$2,400 per EDU for construction costs and an estimated \$6,323 per EDU for equity contribution for a total payment of \$8,723 per EDU for public water service. He further advised that by separate agreement the public sewer EDU payment is \$23,535, of which \$4,926 per EDU represents the equity contribution to the County and the remaining \$18,609 per EDU is for construction costs and fees to the developer, WGC EDU, LLC.

Commissioner Bunting opened the floor to receive public comment.

Mark Cropper, Attorney for WGC EDU, LLC, and Glen Riddle, LLC (Ruark), wholeheartedly supported the public-private partnership between Worcester County and WGC EDU, LLC to extend the Sewer SSA, and he stated that he and his client, WGC also support the County portion of the project to extend the water SSA, as doing so in concurrence with the extension of sewer services would significantly reduce the cost to the County and benefit all parties by utilizing the same contractor and installing the water and sewer lines concurrently. Mr. Cropper stated that project plans have been approved by Worcester County Public Works, and he is hopeful that the Maryland Department of the Environment (MDE) will approve the project by late July 2015.

Mr. Cropper further advised that the following parties had contacted him and requested their properties on U.S. Rt. 50 west of the proposed SSA be included in the Riddle Farm SSA: Ocean City Worship Center and Atlantic Aquatech, which is owned by John Jarvis.

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

In response to a question by Commissioner Elder, Mr. Mitchell and Mr. Bloxom stated that the County can investigate the feasibility of expanding the Riddle Farm SSA to include the Ocean City Worship Center and Atlantic Aquatech at a later date and independent from the issue

before the Commissioners today, since such an expansion would also require an amendment to the County Water and Sewerage Plan.

Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted Resolution No. 15-23 expanding the Riddle Farm SSA for public water and sewer service to Samuel Bowen Boulevard (U.S. Rt. 50 Service Road) and vicinity and approving the cost for construction of the waterline by the County.

Pursuant to the request of Mr. Mitchell and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved the Request for Proposals (RFP) for consulting services to draft the Coastal Bays Watershed Plan according to the Environmental Protection Agency's (EPA) A through I criteria and with the Maryland Department of the Environment (MDE) to provide a grant to cover project costs.

In a related matter and upon a request by Commissioner Mitrecic, Mr. Mitchell agreed to advise the Commissioners when grant requests have been approved by the State.

The Commissioners recessed until 11:00 a.m.

Upon a motion by Commissioner Mitrecic, the Commissioners voted unanimously to postpone the planned presentation by County Engineer Bill Bradshaw and Richard Anderson of CQI Associates Energy Co-Op, an energy consulting firm, about Worcester County electric purchasing and solar development until their July 21, 2015 meeting when they are scheduled to consider a proposal from another solar company. Mr. Mitrecic stated he was concerned that the information provided to them by CQI today might unfairly prejudice the Commissioners when they consider a proposal from another firm during their next meeting. In response to questions by Commissioner Bertino, County Attorney Sonny Bloxom stated that electric purchasing and solar development is a very specialized field, and as such the staff report was intended to provide the Commissioners with needed background information regarding the current electric energy purchasing structure and process utilized by Worcester County to procure electric energy for most facilities. Therefore, he strongly urged the Commissioners to review this information with staff before considering any independent proposals. The Commissioners agreed that the presentation from Mr. Bradshaw and Mr. Anderson would be scheduled concurrently with the unsolicited proposal from Sun Edison on July 21, 2015.

The Commissioners answered questions from the press, after which they adjourned to meet again on July 21, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

July 21, 2015

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

Following a motion by Commissioner Mitrecic, seconded by Commissioner Elder, 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and Stacey Norton, Human Resources Director. Topics discussed and actions taken included: hiring Michael O'Flynn as an Immigration Detainee Records Specialist and Alecia Lawrence, Christina Collins, Nicholas Jones and Michael Adams as Correctional Officer Trainees within the County Jail; promoting Kevin Layfield from Parks Worker II within Recreation and Parks to Natural Resources Inspector within Environmental Programs, and Jason Taylor from Roads Worker V to Roads Foreman within the Roads Division of Public Works; and transferring Kellie Voisine from Office Assistant III within the Water and Wastewater Division to Office Assistant III within the Roads Division of Public Works; considering appointments to various County boards and commissions; 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 minutes of their July 7, 2015 meeting as presented.

County Engineer Bill Bradshaw and Richard Anderson of CQI Associates, LLC of Columbia, Maryland provided the Commissioners with background information regarding electric purchasing and solar development in Worcester County. Mr. Bradshaw advised that, in response to inquiries from several vendors offering to assist the County in reducing expenses for energy through various means, County staff formed a committee of key department leaders to

determine how best to consider and respond to these offers. He stated that their first step was to define the current process of energy procurement through the Eastern Shore of Maryland Educational Consortium (ESMEC) Energy Trust, consider how best to analyze the various proposals for alternate energy development, and compare such offers to the County's current process of energy to determine the long-term viability, cost-effectiveness and lowest overall cost for energy procurement both now and in the future. Mr. Bradshaw stated that in talks with other jurisdictions they were introduced to Mr. Anderson with CQI Associates, who provides energy and sustainability management consulting services to Ocean City, Salisbury, and Wicomico County. He advised that CQI staff suggested Worcester County issue a Request for Proposals (RFP) to assure they receive the most favorable pricing for a solar photovoltaic energy generation system or systems to be located in the County. He stated that the committee unanimously agreed; however, he pointed out that, given staff's limited experience in such matters, staff recommends the Commissioners accept the proposal for consulting services from CQI Associates at a cost of \$5,500 to shepherd Worcester County through the RFP process and resulting Power Purchase Agreement (PPA). Mr. Bradshaw concluded that it is important for the Commissioners to have a global view of energy procurement and available options before considering any individual proposals.

In response to questions by Commissioner Bertino, Mr. Bradshaw advised that energy costs are projected to run approximately 8.1 cents per kilowatt hour (kWh) in 2016, with an energy delivery cost of 4 cents per kWh, for a total energy cost of approximately 12.1 cents per kWh. He pointed out that the County is saving roughly \$2,100 annually in electric costs at the Worcester County Recreation Center (WCRC) in Snow Hill because 18% of the energy delivered to that facility is generated by a County-owned solar project. He further advised that the County already has an arrangement with ESMEC, but that they may be able to remove up to 2 megawatts of the energy purchased through ESMEC and provide approximately 25 to 30% of the County Government energy needs through solar at a lower cost. He concluded that it is in the best interest of the County to use reliable, low cost energy, but that there are numerous avenues available to them to achieve reductions in energy costs. Chief Administrative Officer Harold Higgins advised that staff has identified approximately 20 electric accounts that could see cost reductions if they were served by solar electricity. Mr. Bradshaw stated that the County staff does not have the expertise to review solar proposals and PPAs and recommended that CQI be hired to assist.

Mr. Anderson reviewed a PowerPoint presentation, which outlined the following: solar benefits; regulations; federal and state financial incentives, with federal incentives to end December 2016 and state production tax credit incentives to end December 2015; aggregate metering; RFP process, in which the system must be operational with all federal, state, and local permits and approval by no later than December 15, 2016 to qualify for federal incentives; power purchase agreement; typical system; and time schedule, which includes issuing a RFP by August 2015 and a contract completion date of no later than December 15, 2016.

In response to questions by Commissioner Bertino, Mr. Anderson advised that the County does not own the land needed to develop additional County solar projects; so the onus for identifying and purchasing property and building a solar project prior to the federal deadline would be on the developer, and as such any additional costs incurred by failing to meet the federal deadline should be absorbed by the developer. He further suggested that any changes in

regulations, either positive or negative, would be borne by the developer. Mr. Anderson recommended that the developer commit to providing an approved agreement with the power company and to obtain all permits, as the County owns nothing. He further recommended the developer commit to a minimum 85% performance guarantee or offset cost of energy purchase on the open market for the difference. Finally, he explained that if the initial cost is greater than 6.5 cents per kWh, the cost may exceed ESMEC rates at the end of 20 years.

In response to a question by Commissioner Mitrecic, Mr. Anderson advised that piggybacking on the RFP developed by CQI for Wicomico County could be an option for Worcester County, thus saving the County the \$5,500 cost of entering into a contract with CQI directly. In response to a question by Commissioner Elder, Mr. Anderson advised that roughly seven to 10 acres of land would be needed to accommodate a 2 megawatt system. Following much discussion, a motion by Commissioner Bertino to accept the proposed Agreement for Consulting Services from CQI to assist with conducting an RFP process to secure a qualified solar developer and contract to install a Solar Photovoltaic Energy Generation System failed for lack of a second.

The Commissioners met with Economic Development Director Bill Badger, Rob Busler of Standard Solar and Mike Volpe of Sun Edison to discuss an unsolicited solar development proposal from Sun Edison and Standard Solar for the development, construction, and operation of a 2 megawatt alternating current (AC) solar array within Worcester County that could potentially result in significant energy cost savings for the County. Also present was Pocomoke City Council member George Tasker. Mr. Badger advised that Sun Edison and Standard Solar developed a plan that would require no county land and no taxpayer dollars and result in a projected energy savings to the County of between \$90,000 and \$110,000 per year. He stated that these companies recently developed a 650-panel solar project on 10 acres of city-owned property for Pocomoke City. Councilman Tasker advised that the project has been a win-win for the town, as well as five area nonprofit agencies, and is expected to save roughly \$50,000 annually by offsetting standard electricity consumption by using electricity generated by the town's solar project. In response to concerns raised by County Attorney Sonny Bloxom regarding assuring the town was able to obtain the best pricing through a competitive bid process, Councilman Tasker confirmed that the town did not bid the project but felt confident that Standard Solar and Sun Edison had presented them with the best price possible. Mr. Busler and Mr. Volpe reviewed a PowerPoint presentation, which outlined the following information: their experience in the development, engineering, procurement and construction of solar projects; Financing Information; Develop, Procure and Construct; Finance; Project Team Structure; Maryland County and Municipal Solar Project Experience, with 15 projects completed or under construction to date; which includes Pocomoke City, with the largest municipally-owned solar facility in the State, and Perdue in Salisbury; Proposed Worcester County Project Overview, utilizing a site off MD Rt. 12 to construct a 3.7 million kWh system; and highlighting Pocomoke City as a Happy Solar Customer in Worcester County.

Commissioner Bertino advised that he does not feel it is in the best interest of the County to enter into sole-source contracts. In response to a question by Commissioner Bertino, Mr. Busler advised that the projected rate will be between 6.5 to 7 cents per kWh, which will be slightly higher for the County, as the project would not be on County-owned land. Mr. Busler

stated that savings of between 3.5 and 4 cents per kWh are projected, as compared to current electric charges through Delmarva Power. In response to a question by Commissioner Bunting, Mr. Bradshaw advised that the County is currently paying roughly 12.1 cents per kWh for electricity, with 8.1 cents for supply and 4 cents for delivery. Following much discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously directed staff to review comparable solar projects in other counties and municipalities, regardless of the supplier and including the possibility of piggybacking on the RFP for Wicomico County, while also continuing to negotiate with Standard Solar on their unsolicited proposal, and to provide the Commissioners with a report on their findings as soon as possible.

The Commissioners conducted a public hearing to consider a Comprehensive Water and Sewerage Plan amendment application submitted by Berlin Town Planner David Engelhart on behalf of the Berlin Mayor and Council to revise the Town of Berlin's water and sewerage planning area boundaries to reflect recently completed annexations. The areas to be added include properties identified on Tax Map 25 as Parcel 91 on Seahawk Road (Town Resolution No. 2014-06, 9828 Seahawk, LLC); Tax Map 25, Parcels 165 and 436 at the intersection of Friendship Road and U.S. Rt. 50 (Town Resolution No. 2015-03, Black, Arby's); and Tax Map 32, Parcel 319, which is located at the intersection of Germantown Road and U.S. Rt. 113 (Town Resolution No. 2011-01, Derrickson). Mr. Mitchell reviewed the proposal and advised that the Planning Commission found the proposed amendments to be consistent with the County's Comprehensive Development Plan.

Commissioner Bunting opened the floor to receive public comment.

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

Upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved Resolution No. 15-24 amending the Comprehensive Water and Sewerage Plan for Worcester County to expand the Town of Berlin Water and Sewer Planning Areas as requested.

The Commissioners met in legislative session.

The Commissioners conducted a public hearing on Bill 15-10 (Zoning - Waterfront Structures Regulated by Natural Resources Article), which was introduced by Commissioners Bertino, Bunting, Church, Elder and Lockfaw on June 16, 2015. Assistant Chief Administrative Officer Kelly Shannahan reviewed the bill, which will grant authority to the Board of Zoning Appeals (BZA) to hear appeals in shoreline cases and remove the regulation of Waterfront Structures from the Zoning Code, since those regulations will now appear in the Natural Resources Article, as proposed in the amended version of Bill 15-9.

Commissioner Bunting opened the floor to receive public comment.

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

Upon a motion by Commissioner Bertino, the Commissioners unanimously adopted Bill 15-10 as presented.

The Commissioners reviewed the amended version of Bill 15-9 (Natural Resources - Abolishment of Shoreline Commission), which was revised following a public hearing on June 16, 2015 to move the regulations governing waterfront structures to the Natural Resources Article from the Zoning Code and to include amendments to ensure public notification and

opportunities to comment on applications, as proposed by Commissioner Bertino. County Attorney Sonny Bloxom reviewed the amended bill, which would abolish the Shoreline Commission in recognition that the review and licensing responsibilities have been assumed by the Worcester County Department of Environmental Programs.

A motion by Commissioner Mitrecic to adopt Bill 15-9 as amended failed, with Commissioners Bunting, Elder and Mitrecic voting in favor of the motion and Commissioners Bertino, Church, Lockfaw and Purnell voting in opposition.

Mr. Bloxom advised that if the Commissioners do not adopt Bill 15-9 they should rescind their motion to adopt Bill 15-10, which is a companion bill that relies on the provisions of Bill 15-9.

Upon a motion by Commissioner Mitrecic, the Commissioners voted 6-1, with Commissioner Bunting voting in opposition, to rescind their approval of Bill 15-10.

Commissioner Bunting closed the legislative session.

Health Officer Debbie Goeller updated the Commissioners on recent efforts to supply broadband fiber to Health Department facilities and requested approval to connect the Worcester Addictions Cooperative Services (WACS) Center in West Ocean City to broadband fiber. She stated that the Health Department currently pays an average of \$472 per megabyte (Mb) per month for Verizon T1 lines through Network Maryland, and that cost would reduce to \$350 for 10 Mb of bandwidth for fiber. She advised that the Maryland Department of Information Technology (DoIT) has provided a confirmed quote to connect the WACS site to broadband fiber for a one-time cost of \$45,265. Ms. Goeller further advised the Commissioners that a recent proposal to connect the Market Square facility in Snow Hill returned a cost of \$100,870, which is unacceptable. In response to a question by Commissioner Mitrecic, Ms. Goeller stated that the fiber connection was only needed by the Health Department, and therefore it was not practical to ask the building owner to share in the cost. Following some discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized the Health Department to move forward with connecting the WACS facility to broadband fiber at a cost of \$45,265.

The Commissioners recessed until 11:40 a.m.

The Commissioners presented retirement commendations recognizing years of dedicated service to Worcester County Government to the following recently retired employees: Jail retirees Jerome McCleary (11 years) and Timothy Tull (15 years); Development Review and Permitting retiree Allan E. Messick (15 years); Environmental Programs retiree Diane L. Baudrau (19 years); Public Works Solid Waste Division retiree Joyce A. Poulson (19 years), Water and Wastewater Division retiree James D. Scott (25 years), Roads Division retirees John W. Lambert, Jr. (11 years), Carolyn "Sue" Adkins (20 years) and C. Lowell Eby (33 years), and Maintenance Division retirees David R. Dixon (19 years), Gary L. Brittingham (22 years), Gerald T. Carmean (28 years) and Betty A. Connor (32 years); and Liquor Control retiree John C. "JC" Pruitt, Jr. (42 years).

The Commissioners met with Economic Development Director Bill Badger to discuss allotting \$5,000 of the \$30,000 in Economic Development consulting funds available in the

FY16 budget to fund a portion of the \$32,000 annual cost for Snow Hill to retain Michael Day, former Economic Development Director for the Town of Berlin, on a part-time, contractual basis to do economic consulting for the Town of Snow Hill. Mr. Badger reviewed the proposal and advised that the State had originally requested that the County fund 50% of the cost.

Snow Hill Councilwoman Alison Cook thanked the Commissioners for their past support. She stated that Michael Day played a huge role in garnering Berlin the title of America's Coolest Small Town by Budget Travel Magazine. She stated that Snow Hill officials believe Mr. Day has the experience and the vision needed to help Snow Hill overcome some of the obstacles impeding its economic growth, and she asked the Commissioners to support their request for shared funding of his salary. In response to a question by Commissioner Bertino, Mr. Higgins advised that the town requested \$20,000 in their FY16 grant request to the County to assist with economic development expenditures, but that the Commissioners had denied that request. In response to a question by Commissioner Elder, Mr. Bloxom stated that in the past the Commissioners have not permitted towns to come before them to request funds that were denied during the budget process. Mr. Badger reminded the Commissioners that both Berlin and Snow Hill had supported the County's request to help fund the Worcester County Excursion Train Feasibility Study and pointed out that the Commissioners had specifically tasked him with identifying areas in which the County could promote tourism in the southern end of the County. In response to a question by Commissioner Mitrecic, Mr. Bloxom recommended that, if the Commissioners choose to help fund a portion of the contract cost, they could avoid setting a precedent for reconsidering previously denied grant requests by developing a Memorandum of Understanding (MOU) between the County and Town outlining specifically how the funds shall be utilized for the proposed consulting services to be provided by Mr. Day. Commissioner Elder stated that Snow Hill is the County Seat and should demonstrate civic pride, which this initiative should help to create.

Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously directed Mr. Bloxom to develop a MOU between the County and Snow Hill authorizing funding of \$5,000 from the Worcester County Economic Development consulting budget to fund a portion of Snow Hill's costs to retain the services of Mr. Day.

Mr. Badger updated the Commissioners on the status of and proposed change to the Worcester County Commissioners' May 6, 2015 letter requesting the Maryland Stadium Authority (MSA) study the proposed indoor/outdoor sports complex at a not-to-exceed fee of \$75,000, with the County and State to share the bulk of the cost and with Hat Trick Consultants, LLC to fund \$5,000 of these costs as well. Mr. Badger advised that the MSA was concerned that an additional funding commitment of \$25,000 from the Maryland Department of Economic Development (DBED) had disproportionately altered that County-State funding balance. Therefore, MSA officials have proposed a new funding structure, with the study to be restructured into two phases, with the new Phase I to focus on market analysis at a cost of \$47,600, and the new Phase II to focus on economic impact at a cost of \$27,400. He stated that the Worcester County portion of the study would not increase and would remain at \$15,000 for Phase I only, which together with Hat Trick's contribution represents 43% of the Phase I cost, with Phase II to be paid entirely by the State DBED and MSA. Upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the new funding structure as proposed, with

the understanding that the MSA board would consider the proposal at their August 4, 2015 meeting.

Pursuant to the request of Mr. Badger and upon a motion by Commissioner Church, the Commissioners unanimously approved out-of-state travel for Economic Development Deputy Director Merry Mears to attend a Real Estate Development and Reuse Course offered through the International Economic Development Council (IEDC) in Chapel Hill, North Carolina from October 29-30, 2015 at a total conference, hotel, meal and mileage cost of \$1,101. Mr. Badger advised that Ms. Mears is currently on track to obtain the Certified Economic Developer Certification (CEcD), and this would be the third of four core classes required to sit for the certification exam. He advised that funds are available within the FY16 Travel and Training budget for this expense.

The Commissioners met with Housing Program Administrator Jo Ellen Bynum regarding a request by the Maryland Department of Housing and Community Development (DHCD) for Worcester County's continued participation in the "On Behalf Of" (OBO) Maryland Mortgage Program, which provides low interest loans primarily to first-time home buyers as well as to those homebuyers who have not owned their principal residence within the last three years, as well as the Maryland Home Credit Program which is a new addition this year. Upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to irrevocably transfer Worcester County's full \$1,821,203 tax-exempt housing bond allocation to the DHCD Community Development Administration for use in issuing housing bonds or mortgage credit certificates on behalf of Worcester County, as set forth in the 2015 allocation of the Maryland State Ceiling for use under the Maryland Mortgage Program and the Maryland Home Credit Program.

Development Review and Permitting Director Ed Tudor reviewed a letter from Molly Kaput, CFM Mitigation Planning Specialist for the Mitigation Division of the Federal Emergency Management Agency (FEMA), advising that FEMA had received the revisions to the Worcester County Floodplain Management Ordinance, as amended during the Commissioners' June 16, 2015 meeting, and commending the County for now being in compliance with the National Flood Insurance Program (NFIP). Mr. Tudor confirmed that Worcester County has now been removed from the pending suspension list.

The Commissioners met with Mr. Bloxom to review a request from Hugh Cropper, Attorney for Abel Holdings, LLC, to rename a private lane, located north of U.S. Rt. 50 and east of Golf Course Road in the Seaside Village Commercial Condominiums, from Briny Lane to Hospitality Lane to more clearly reflect the commercial nature of the area. Upon a motion by Commissioner Church, the Commissioners unanimously adopted Resolution No. 15-25 renaming Briny Lane to Hospitality Lane in the Seaside Village Planned Commercial Development.

Environmental Programs Director Bob Mitchell advised the Commissioners that the County's Agricultural Land Preservation Program has been re-certified by the Maryland Department of Planning (MDP) and the Maryland Agricultural Land Preservation Foundation (MALPF) for July 1, 2015 through June 30, 2018. Mr. Mitchell advised that recertification is

based on the strength of the County's program and its accomplishments during the previous three years. He further advised that once again the County's strong agricultural zoning and two very successful Rural Legacy Area programs were factors acknowledged by MDP. He further stated that the County's certification enabled the County to access an extra \$92,000 in land protection funding for the period from 2012 to 2014, and he applauded the efforts of Katherine Munson, Planner IV, to cultivate interest from local landowners and farmers to take part in the program.

Pursuant to the request of Mr. Mitchell and upon a motion by Commissioner Church, the Commissioners unanimously authorized Commission President Bunting to sign the agreement for Supplemental Inspections and Monitoring of Sewage Sludge Utilization Activity in Worcester County between the Maryland Department of the Environment (MDE) and the County Commissioners for a period of five years through June 30, 2020. Mr. Mitchell reviewed the agreement, stating that MDE will reimburse the County for providing sampling services on a formula based on tons of sludge applied. He advised that there is currently only one site permitted to receive out-of-county sewage sludge for land based application, which is located in the Pocomoke Forest.

Pursuant to the request of Public Works Director John Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved bid specifications for the purchase of a new current model compact excavator for the Water and Wastewater Division of Public Works, with funds of \$72,000 available within the FY16 budget for this expense. In response to a question by Commissioner Elder, Mr. Tustin advised that the specifications do not limit bids to only those selling John Deere equipment, as equivalent manufactures' equipment will be considered.

The Commissioners met with Mr. Tustin to review and discuss a proposed contract extension from EA Engineering, Science and Technology, Inc. to extend their existing groundwater monitoring and analytical services contract at the Berlin, Snow Hill and Pocomoke closed Landfills in the amount of \$51,339.69 for two years, or roughly \$25,670 per year, which is a slight increase from their existing two-year contract which totaled \$50,130.12. Commissioner Lockfaw stated that the Commissioners have continued to renew this contract for years rather than placing it out to bid to assure competitive pricing. Mr. Tustin stated that EA Engineering has provided fair pricing and knows the history of these Landfills and developed all the existing historical data about these facilities, and if another company was selected it would place a significant burden on staff to get them up to speed on operations. In response to a question by Commissioner Bertino, Mr. Tustin stated that EA Engineering has performed Landfill monitoring for the County since 1986, as well as many other landfill projects given their comprehensive knowledge and understanding of these state-of-the-art facilities. He pointed out that it is a standard practice in government to develop a sole source consultant to handle specialized functions. In response to a question by Mr. Bloxom, Mr. Tustin advised that the existing contract with EA Engineering expires July 31, 2015, and the next sampling is required to be completed in September 2015. Assistant Chief Administrative Officer Kelly Shannahan advised that it would take approximately three months to complete the bid process if the Commissioners opted to solicit competitive proposals. He further advised that County staff periodically reviews contract

pricing and services to assure the County continues to receive reasonable prices from retained consultants.

Following some discussion and upon a motion by Commissioner Lockfaw, the Commissioners unanimously directed staff to develop bid documents for the provision of groundwater monitoring and analytical services at the three closed Landfills for their consideration at a future meeting and to ask EA Engineering to agree to extend their current services through the end of 2015.

The Commissioners met with Mr. Tustin to review the 2015 GovDeals Auction Report. Mr. Tustin advised that the online auction of surplus vehicles, equipment and miscellaneous items through GovDeals.com resulted in GovDeals Financial Services collecting \$61,576.45 for the items auctioned. He advised that the total commission paid to GovDeals was \$6,841.75, which left a net total profit to the County of \$54,734.70. He advised that enterprise fund divisions will be refunded the money for items sold as follows: \$535 to the Solid Waste Division; and \$21,676 to the Water and Wastewater Division, with the remaining funds benefitting the County's General Fund.

Pursuant to the request of Finance Officer Phil Thompson and upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to waive the standard bid process and approved the proposal from Tyler Technologies, declaring them as the County's sole source vendor for tax billing software, to purchase Munis Analytics and Reporting Software to replace the existing AS400 Software at a cost of \$448,811. Mr. Thompson stated that the current system is approximately 20 years old, and with the original software provider downsizing, the County's only option for providing the functions online customers expect is to upgrade the existing system. He explained that Tyler Technologies is currently under contract with 12 counties and has a proven track record with their tax billing software, which is customized for the Maryland tax system which is unique and somewhat complex.

The Commissioners met with Mr. Higgins to discuss a request from Vince Tolbert, Chief Financial Officer for the Board of Education (BOE), to approve the BOE's allocation of FY16 budgeted funds within the 13 categories of expenditures, which proposes to transfer \$200,000 within the BOE's 2016 Operating Budget from Fixed Charges to Salaries to fund the renegotiated salary package for teachers and support staff. In response to a question by Commissioner Bertino, Mr. Higgins stated that following recent layoffs the BOE only needed \$590,000 of the \$793,000 allotted by the County to cover the increase in health care costs, so between an increase in State funding, health care cost savings and a transfer from the Technology category, BOE officials were able to fund a salary increase for their employees from within the existing budget. Following some discussion and upon a motion by Commissioner Church, the Commissioners unanimously approved the BOE request as presented.

The Commissioners met with Human Resources Director Stacey Norton and Volunteer Services Manager Kelly Brinkley to discuss the County's participation in the national and Statewide Day to Serve Campaign. Ms. Brinkley advised that Day to Serve is a month-long service initiative that runs September 11 – October 10, 2015. Participants can select one day

between these dates to participate in events being hosted by area nonprofit agencies or spend a few hours assisting with ongoing needs at an organization with which they have shared goals. She explained that her role will be to connect individuals and organizations together to perform service-based projects primarily by way of social media. To aid her in spreading the word about the initiative, she requested the Commissioners authorize her to meet with local elected officials from each of the towns to promote participation in the program, and she asked them to recognize the campaign by presenting a proclamation at their Tuesday, September 1, 2015 meeting honoring the month-long initiative. Upon a motion by Commissioner Church, the Commissioners unanimously approved Ms. Brinkley's requests and agreed to participate in the "Day to Serve" campaign.

The Commissioners answered questions from the press, after which they adjourned to meet again on August 4, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

August 4, 2015

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

Following a motion by Commissioner Mitrecic, seconded by Commissioner Elder, 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and Stacey Norton, Human Resources Director. Topics discussed and actions taken included: hiring Rebecca Littleton as Chief Custodian within the Maintenance Division, hiring Tanner Adkins and Michael Jenkins as Plant Operator Trainees within the Water and Wastewater Division, hiring Brian Burke as a Transfer Station Attendant, Dale Schreppler as a Landfill Operator I, and Craig Hastings as a Landfill Operator III within the Solid Waste Division of the Department of Public Works (DPW), and promoting Joseph Ingram from Maintenance Worker II within the Water and Wastewater Division to Landfill Operator II within the Solid Waste Division of DPW; scheduling interviews for the position of County Attorney; appointing Laura Allen to the Local Emergency Planning Committee and Faith Coleman to the Social Services Board; 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 minutes of their July 7, 2015 meeting as presented.

The Commissioners met with Emergency Services Director Fred Webster and Deputy Director James Hamilton to review and discuss the three proposals the County received to replace the Enhanced Digital Access Communication System (EDACS) 800 MHz legacy radio system to a full-featured Association of Public Safety Communications Officials (APCO) Project

25 (P25) Phase II trunked radio system with capability throughout Worcester County for the Emergency Services Department. Mr. Webster reviewed a PowerPoint outlining the process by which the County identified suitable vendors and sought Requests for Proposals (RFP). He advised that only two of the three bids the County received met the project specifications. The first, which was from Delmarva Two-Way Radio, Inc. of Ocean City, Maryland in the amount of \$3,698,008, was incomplete and therefore not considered. The two complete bids were from Harris Corporation of Lynchburg, Virginia in the amount of \$4,800,000 and Motorola Solutions of Columbia, Maryland in the amount of \$5,301,722. He stated that with the Harris Corporation proposal the County would receive six antenna sites and own the system core, while with Motorola Solutions proposal the County would receive only five antenna sites and lease the core at an additional cost of \$100,000 per year. Furthermore, the 15-year operational cost of the Harris system is \$3,802,861, while the Motorola system is \$4,577,734. Therefore, the Harris Corporation contract would cost approximately \$1,276,596 less than the Motorola Solutions contract over the 15-year projected system lifespan.

In response to a question by Commissioner Mitrecic, Mr. Webster stated that the Town of Ocean City is beginning the process to update their system as well, and he would explore any potential savings by partnering with Ocean City to purchase equipment in greater bulk from Harris Corporation. In response to a question by Commissioner Bunting, Mr. Webster stated that the radios will cost roughly \$4,000 each, which includes programming costs. He stated that the roughly 800 new radios will come with a warranty, while the 120 to 170 reprogrammed radios would not.

Following some discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously awarded the best proposal for the 800 MHZ P25 Radio System equipment and service to Harris Corporation at a total cost of \$4,800,000, with 15-year operational costs of \$3,802,861.

Pursuant to the request of Mr. Webster and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the 2016 Maryland Eastern Shore Interoperability Network (MESIN) Maintenance Contract with Harris Corporation at a total cost of \$49,571 to be split 10 ways between the nine Eastern Shore Counties and Ocean City, which will result in a County cost share of \$4,957.

Pursuant to the request of Environmental Programs Director Bob Mitchell and upon a motion by Commissioner Church, the Commissioners unanimously approved a request from the Sandra Frazier Trust to exercise a single subdivision option for the 150-acre Golden Quarter Farm in Berlin, identified on Tax Map 33 as Parcel 192 and located along Ayres Creek at MD Rt. 376 (Assateague Road), which was preserved in perpetuity in 2005 as a wildlife habitat under two easements funded by a combination of federal, State and County funds. Mr. Mitchell stated that the deed of easement allows the owner to subdivide the property into no more than two lots provided the owner (grantor) keeps the County (grantee) apprised of the proposed subdivision. In response to a question by Commissioner Elder, Katherine Munson, a Land Planner IV within Environmental Programs, stated that the easements cost roughly \$1 million, but also advised that public uses are permitted on the property, as part of the easement terms, and include group tours.

Pursuant to the request of Economic Development Director Bill Badger and upon a motion by Commissioner Lockfaw, the Commissioners voted 5-2, with Commissioners Bertino and Purnell voting in opposition, to waive the standard bid process and accept the proposal from Pittsville Motors of Pittsville, Maryland to purchase a 2014 Ford Fusion at a total cost of \$20,401. Mr. Badger stated that the vehicle is a demo driven approximately 222 miles and would replace the 10-year-old Dodge Stratus he is currently using, which has 90,000 miles. He stated that the existing car has both interior and exterior damage, including a bent hood and chemical stains on the upholstery, which presents an unprofessional image of the County to clients.

Commissioner Church stated that Mr. Badger's position, as a point person for the County, is a highly visible one and therefore the existing car was likely to deter would be clients from doing business with Worcester County. Commissioner Bertino concurred, but stated that this vehicle purchase should go through the standard procurement process to assure the County receives the most competitive bid pricing available. In response to questions from Commissioner Bertino, Mr. Higgins explained the normal vehicle bid process. Mr. Higgins stated that the comprehensive vehicle bid specifications would be submitted at the Commissioners' next meeting. Mr. Badger stated that the proposed vehicle was available at the best price, since it is a two-year-old demo which is available immediately.

The Commissioners met with members of the Electric Procurement Committee to follow-up on electric purchasing and solar development for Worcester County Government. Committee members in attendance included Chief Administrative Officer Harold Higgins, Assistant Chief Administrative Officer Kelly Shannahan, County Attorney Sonny Bloxom, County Engineer Bill Bradshaw, Development Review and Permitting Director Ed Tudor, Public Works Director John Tustin, and Finance Director Phil Thompson. At their July 21, 2015 meeting the Commissioners directed staff to review comparable solar projects in other counties and municipalities, regardless of the supplier and including the possibility of piggybacking on the Request for Proposals (RFP) for Wicomico County, while also continuing to negotiate with Standard Solar on their unsolicited proposal. Mr. Bloxom reported the Committee's findings. He stated that they found that the most favorable Power Purchase Agreements (PPAs) in other jurisdictions were the result of a competitive Request for Proposal (RFP) process. He stated that the PPAs covered the terms, production guarantee, true ups, construction schedule, liquidated damages, cost exclusions and change of law provision; however, the cost per kilowatt hour (kWh) is the simplest yardstick for comparison. He pointed out that the two unsolicited proposals for Pocomoke City and Queen Anne's County on municipal and county properties resulted in established energy purchase rates of between 6.4 cents and 7.7 cents per kWh for the first five years, escalating to between 9.3 cents to 11.2 cents in year 20. By comparison, the RFP generated proposal for Wicomico County is proposed for development on County-owned land at a rate of 4.5 cents per kWh fixed for 20 years. Mr. Bloxom pointed out that Worcester County could expect to pay as much as 0.5 cent to 1 cent above the Wicomico rate, since the Worcester County facility would need to be constructed on private land where lease costs would add to the bottom line. He noted that Wicomico's RFP does not permit piggybacking by agencies outside their county, but we may be able to solicit similar terms. Mr. Bloxom advised that the committee is awaiting copies of two Maryland PPAs that Standard Solar referenced on private land when they met with the Commissioners on July 21 to discuss their unsolicited solar development proposal.

He concluded that the committee is continuing to negotiate with Standard Solar/Sun Edison regarding their unsolicited proposal, but noted that their proposed energy purchase rates are significantly higher than the comparable jurisdictions that followed the RFP process and also include escalation of those rates over the 20-year contract term. Mr. Bloxom further advised that, since the Commissioners' last meeting, the County received an unsolicited bid from the successful vendor from the RFP process in a nearby jurisdiction that includes the same or similar terms with a slight adjustment for the private land cost in Worcester County, which demonstrates that more favorable terms are achieved. Therefore, the committee recommends the Commissioners consider the competitive RFP process proposed by Richard Anderson of CQI Associates, LLC of Columbia, Maryland at a cost of \$6,000 or as an alternative hire CQI to assist the County with review and negotiation with successful vendors from recent RFP processes in nearby jurisdictions. Assistant Chief Administrative Officer Kelly Shannahan stated that funds are available to cover the consultant fees within the County Energy Service Fund, which is a restricted account that can only be used for such purposes.

In response to a question by Commissioner Elder, Mr. Bloxom stated that staff could pool their collective talents to put together an RFP; however, staff does not have the same level of experience and expertise as CQI, which has a firm grasp on the solar industry. Commissioner Mitrecic stated that he could support staff developing an RFP, but that he felt hiring a consultant would slow down the process and make it impossible for the County to have a system constructed and operational by the December 15, 2016 deadline to qualify for federal incentives. Commissioner Bunting concurred. Mr. Bloxom likened the PPA negotiation process to learning celestial navigation when he was in the Merchant Marines. He stated that rather than being handed a book and being told to go learn the material, professionals shared their knowledge and walked him through the process. He stated that a consultant would play a similar role for County staff in the PPA negotiation process. In response to a question by Commissioner Bertino, Mr. Bloxom stated that the County is on a tight timeline, but if the Commissioners approve moving forward today they could meet the deadlines to benefit from the federal incentive program. Mr. Shannahan advised that if the County missed the deadline for the federal incentives the energy cost may increase by approximately 30%, which is the value of the federal tax credits. Mr. Bloxom concurred, but stated that there are a tremendous number of projects in the pipeline all over the country, and therefore it is possible that the federal government may extend the tax credits for such projects.

Economic Development Director Bill Badger expressed frustration in not being included by the committee and stated that contracting with Standard Solar/Sun Edison has resulted in energy savings for Pocomoke of \$4,000 to \$5,000 every month, which he felt was not a bad decision, as categorized by the committee. He stated that every day the County fails to act on the Standard Solar/Sun Edison proposal the County loses \$2,200 a week. Mr. Bloxom pointed out that, while Pocomoke City's energy costs have been reduced by going with solar they could have saved a lot more by conducting an RFP process, especially in the latter years of their agreement when they will pay 11.2 cents per kWh for the solar energy. Mr. Badger left the meeting. Commissioner Purnell stated that it is clear from the report that staff did their job and did it well. Commissioner Lockfaw agreed.

Following much discussion and upon a motion by Commissioner Lockfaw, the Commissioners voted 4-3, with Commissioners Bertino, Church, Lockfaw and Purnell voting in

favor of the motion and Commissioners Bunting, Elder and Mitrecic voting in opposition to the motion, to move forward with the RFP process and to accept the proposed Agreement for Consulting Services from CQI at a cost of \$6,000 to assist with conducting the RFP process and negotiate a PPA to secure a qualified solar developer and contract to install a Solar Photovoltaic Energy Generation System for Worcester County Government to be developed on private land. Commissioner Mitrecic stated that he would have supported the motion to conduct an RFP, but preferred for County staff to have facilitated the RFP process without spending \$6,000 for a consultant.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the list of Waterway Improvement Project Grant Applications to be submitted to the Maryland Department of Natural Resources (DNR) for consideration in the State's FY17 budget in the following order of priority: \$99,000 for boat slip construction and well house at Public Landing; \$50,000 for resurface/overlay for the parking lot at the pavilion and pier at Public Landing; and \$50,000 for resurface/overlay for the parking lot at Shell Mill Landing.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved bid specifications for the purchase of two dump trucks with a 10-foot dump body and attachments/accessories for use within the Roads Division of Public Works. Mr. Tustin advised that funding for these purchases was approved in the FY16 operating budget.

Commissioner Mitrecic recommended staff consider setting up a vehicle trust fund similar to that which was established by the Town of Ocean City to cover future vehicle and equipment purchases. Mr. Higgins agreed to investigate such a fund.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved bid specifications for the purchase of one milling head to be utilized by the Roads Division of Public Works. In response to a question by Commissioner Bertino, Commissioner Lockfaw stated that the existing milling head is several years old and is used regularly for minor pavement repairs and patches.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to waive the standard bid process and accept the locally-quoted price of \$11,858 from Elliott & Frantz, Inc. of Delmar, Delaware for the provision of one Fixed Excavator Grapple for the Roads Division of Public Works. Two other vendors bid the same price, but would require added shipping costs. In response to a question by Commissioner Bertino, Mr. Tustin stated that Gradall is the sole source for this particular attachment, as other manufacturers' parts are not compatible with Gradall equipment.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Church, the Commissioners unanimously accepted the proposal from Premium Power Services, LLC of Kennet Square, Pennsylvania in the amount of \$14,467 to replace the engine in the emergency generator at the Assateague Pointe Sanitary Service Area (SSA).

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved bid specifications for construction of the waterline interconnection between the Mystic Harbour, The Landings, and Assateague Pointe Sanitary Service Areas (SSAs). Mr. Tustin stated that the project is estimated to cost \$1 million, with funding available in the 2015 bond issue.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously awarded the low bid for the provision of six 30-cubic-yard open top refuse containers for the Recycling Division of Public Works to Bakers Waste Equipment of Lenior, North Carolina for a total delivered cost of \$42,798.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved bid specifications for the Snow Hill Gas Remediation Project, as prepared by EA Engineering, Science and Technology. Mr. Tustin advised that this is the continuation of a successful Gas Remediation Pilot Project that helped reduce the amount of landfill gas migrating to the property boundary at the closed landfill facility in Snow Hill.

Mr. Tustin advised the Commissioners that the next E-Cycle and Household Hazardous Waste Collection Day will take place Saturday, October 10, 2015, from 10:00 a.m. to 2:00 p.m. at the Showell Elementary School parking lot. He advised that the County, in cooperation with Maryland Department of the Environment (MDE) and Maryland Environmental Service (MES), sponsors this program. He further advised that the County-incurred expense for this event is approximately \$20,000 and is available in the FY15 recycling budget.

The Commissioners answered questions from the press, after which they adjourned to meet again on August 18, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

August 18, 2015

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

Following a motion by Commissioner Bertino, seconded by Commissioner Mitrecic, with Commissioner Lockfaw absent, 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and Stacey Norton, Human Resources Director. Topics discussed and actions taken included: considering requests to hire for the following vacancies: License Permit Clerk I for Development Review & Permitting and Maintenance Worker I for the Water and Wastewater Division of Public Works; considering filling additional vacancies in other departments; considering appointments to fill vacancies on County boards and commissions; 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.

Commissioner Lockfaw was absent from the meeting.

The Commissioners acknowledged the death of prior County Commissioner George Hurley and his influence on Worcester County as an Ocean City Councilman, Worcester County Commissioner and local educator.

The Commissioners reviewed and approved their August 4, 2015 open session meeting minutes as presented and their closed session minutes as amended.

The Commissioners met with Ivonne Lomax, Workforce Innovation and Opportunity Act (WIOA) Youth Program Coordinator for the Lower Shore Workforce Alliance (LSWA), who updated them on the status of LSWA programs, which provide services to youth residing in

Somerset, Wicomico and Worcester Counties. She reviewed the 2015-2016 program year and how those programs have been modified to remain compliant with the newly reauthorized WIOA to improve job and career options. Ms. Lomax advised that the LSWA released their WIOA Out-of-School Youth Services Request for Proposals (RFP), which is available for viewing at <http://lowershore.org>. She advised that the RFP seeks to identify service providers that can leverage funding to provide training and employment opportunities that will better prepare youth and young adults facing serious barriers to participate in the labor force and improve their employability and earning potential. The Commissioners thanked Ms. Lomax and her colleagues for the work they are doing to improve the quality of life for young people on the Eastern Shore and wished her much continued success.

Pursuant to the written request of Health Department Fiscal Officer Julia Parker and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the FY16 Department of Health and Mental Hygiene (DHMH) Local Health Department Unified Funding Document, which is the approved base award from the State of Maryland totaling \$7,975,092 to the Worcester County Health Department as of July 1, 2015.

Pursuant to the request of Budget Accountant Kim Watts and upon a motion by Commissioner Church, the Commissioners unanimously authorized Commission President Bunting to sign the Emergency Solutions Grant Program (ESGP) applications and agreements with the Maryland Department of Housing and Community Development (DHCD) to seek funding for the Samaritan Shelter in the amount of \$30,000 for Homeless Prevention and Administration; and Diakonia, Inc. in the amount of \$115,500 for Homeless Prevention, Rapid Rehousing, Emergency Shelter Operations, Homelessness Prevention/Rapid Rehousing/Stabilization Services/Rental Assistance, Homeless Management Information System (HMIS) and Administration for the period from October 1, 2015 through September 30, 2016 to help fund their operations to prevent homelessness and to help improve the quality of existing emergency and transitional shelters for the homeless in Worcester County. In response to a question by Commissioner Bertino, Diakonia Executive Director Claudia Nagle advised that both Somerset and Wicomico Counties submit grant requests on behalf of Diakonia because they have local citizens who utilize program services.

Pursuant to the recommendation of Finance Officer Phil Thompson at the written request of James L. Purnell, Jr., President of the Berlin Community Improvement Association (BCIA), and Melanie A. Pursel, Executive Director of The Greater Ocean City, Maryland Chamber of Commerce, Inc. and upon a motion by Commissioner Mitrecic, the Commissioners unanimously adopted the following two resolutions for the July 1, 2015 tax year: Resolution No. 15-26, authorizing a 100% tax credit in the amount of \$3,793.68 for real and tangible personal property owned by the BCIA for such property which was used exclusively for non-profit activities of that association; and Resolution No. 15-27, authorizing a 100% tax credit in the amount of \$14,698.41 for real property owned by The Greater Ocean City, Maryland Chamber of Commerce, Inc.

The Commissioners met with Mr. Thompson to review a brief synopsis of initial findings

from the Other Post Employment Benefits (OPEB) Actuarial Study and specifically the Spouse/Dependent Medical Cost-Share Analysis, which is being compiled by the County's Actuary, John Ritchie and anticipated to be complete by late September 2015. Mr. Thompson advised that many variables must be considered when determining how to quantify what effect would result from providing no spouse/dependent benefit coverage to new regular, full-time County and Board of Education (BOE) employees upon their retirement. For example, he advised that, while the average BOE employee retires prior to age 60, the average County employee does not retire until age 60 or older. He pointed out that the immediate savings would be minimal, as new hires would not be eligible to retire from County service and continue to receive health coverage for a minimum of 15 years. However, he explained that it was assumed that future outcomes on current hiring practices and employment needs of the County would mirror that of recent history. He outlined the County's potential annual required OPEB contribution savings for County and BOE employees developed from the spouse/dependent portion of the actuarially derived normal cost of the annual required contribution (ARC) and based on five year intervals, beginning with savings of \$2,859 in 2016, and increasing to \$34,187 by 2020 and growing to as much as \$2,755,138 by 2075.

Commissioner Mitrecic pointed out that the ARC is a burden to the County and stated that by eliminating spouse/dependent benefits for new hires upon their retirement, the County could save several million dollars between 2016 and 2075. He noted that Ocean City eliminated spouse/dependent benefits to new hires upon retirement without adversely affecting the town's ability to attract and retain highly qualified individuals. Commissioner Bunting agreed with Commissioner Mitrecic that the current Commissioners need to leave future Commissioners in better financial shape.

Commissioner Elder stated that he was not comfortable making decisions today that would only help the County 25 years from now, especially considering that no one knows what the health care system will be like in this country at that time. Commissioner Purnell concurred, stating that the Commissioners need more information on the overall benefit package and therefore should postpone taking any action on this matter at this time. Commissioner Church stated that this is among the most difficult decisions he's been called upon to make as a Commissioner, and despite being an ultra-conservative, he is extremely concerned about the impact of reducing benefits on employees who are already struggling. In response to concerns raised by the Commissioners, County Attorney Sonny Bloxom stated that the Commissioners have plenty of leeway when determining what percentage if any they would like to provide with regard to dependent/spouse coverage for new hires upon their retirement. Commissioner Bertino confirmed and cautioned that any change they make would impact County, BOE and Sheriff's Office employees. In response to a question by Commissioner Bertino, Mr. Bloxom stated that the BOE could opt out of the County plan, and the County would still be required to fund the BOE plan as part of the annual Maintenance of Effort (MOE) calculation.

Chief Administrative Officer Harold Higgins stated that the potential savings are a little misleading as these figures are based on the ARC; however, the County funding formula for OPEB is not based on making the fall ARC payment. He suggested the Commissioners could meet with staff in a work session to better analyze the numbers.

Following much discussion and upon a motion by Commissioner Church, the Commissioners unanimously directed a study group consisting of the Human Resources Director

and other key staff members, to develop funding options for consideration by the Commissioners at a future work session.

Pursuant to the recommendation of Lieutenant Neil Adams upon the request of John Moses, Director of the Criminal Justice Department at Wor-Wic Community College (WWCC), and upon a motion by Commissioner Mitrecic, the Commissioners unanimously declared one 2010 Crown Victoria with 178,000 miles to be surplus property and agreed to notify the public of their intent to dispose of this surplus property by donating it to WWCC where it will be used as a tool to teach pursuit driving to police recruits. Lt. Adams advised that typically the County receives between \$500 and \$1,000 for a surplus vehicle sold on GovDeals.com, and he believes the benefit of donating one surplus vehicle to WWCC would far outweigh the monetary loss

Pursuant to the recommendation of Environmental Programs Director Bob Mitchell and the written request of Spiro Buas, owner of the Pines Mini Plaza property, and upon a motion by Commissioner Church, the Commissioners unanimously agreed to extend the six-month deadline for redevelopment associated with reallocating treatment capacity allocated to his property in the Pines Plaza Commercial Sanitary Service Area (SSA) from August 20, 2015 to November 30, 2015 to accommodate various contractual and logistical issues that must be resolved before the existing treatment facility can be demolished.

Pursuant to the recommendation of Mr. Mitchell and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Commission President Bunting to sign the Maryland Department of Natural Resources (DNR) Forest Service Application for Development of a Forest Stewardship Plan for the Grey's Creek Nature Park. Mr. Mitchell advised that development of a trail network for the nature park will be planned by County staff from Environmental Programs and Recreation and Parks in cooperation with the Maryland Coastal Bays Program (MCBP). The Forest Stewardship Plan to be prepared by DNR will assist with the effort and will address the following goals in ranking order: natural heritage and recreation, fish and wildlife habitat improvement, soil and water quality protection, and forest products production.

The Commissioners met in legislative session.

Commissioner Bertino stated that at the Commissioners' meeting on July 21, 2015 a motion by Commissioner Mitrecic to adopt Bill 15-9 (Natural Resources - Abolishment of Shoreline Commission), failed, with Commissioners Bunting, Elder and Mitrecic voting in favor of the motion and Commissioners Bertino, Church, Lockfaw and Purnell voting in opposition; and afterward they voted formally to rescind their approval of the companion Bill 15-10 (Zoning - Waterfront Structures Regulated by Natural Resources Article). Commissioner Bertino advised that while he originally voted against Bill 15-9, further research has since convinced him that this additional layer of government is unnecessary and results in significant additional costs to County property owners. Therefore, he recommended the Commissioners reconsider Bills 15-9 and 15-10. County Attorney Sonny Bloxom advised that the motion to reconsider these defeated bills was appropriate, since it was made by a member of the majority on the original vote and was considered at the next legislative session after the original vote.

Upon a motion by Commissioner Bertino, the Commissioners voted 5-1, with

Commissioner Church voting in opposition to reconsider Bills 15-9 and 15-10. Commissioner Church stated that Commissioner Lockfaw, who was in Baltimore due to a family medical emergency, should be present for the discussions.

Upon a motion by Commissioner Church, the Commissioners voted unanimously to table further consideration of Bills 15-9 and 15-10 until the entire Board of Commissioners can be present.

Upon a motion by Commissioner Bertino, the Commissioners voted unanimously to declare a special legislative session during their September 1, 2015 meeting, at which time they will reconsider adopting Bills 15-9 and 15-10.

Commissioner Bunting closed the legislative session.

Pursuant to the recommendation of Public Works Director John Tustin and upon a motion by Commissioner Church, the Commissioners voted 5-1, with Commissioner Mitrecic voting in opposition, to approve bid specifications for the purchase of the following vehicles: one ½-ton 4x4 pickup truck, one ½ ton cargo van, one 1½ ton crew cab truck with dump body and one ¾ ton 4x4 pickup truck for use by the Maintenance Division, and one ½-ton 4x2 pickup truck, one 1-ton utility body truck, two ¾-ton cargo vans and one midsize 4x4 SUV for use by the Water and Wastewater Division of Public Works; one full size 4x4 SUV or one super crew cab 4x4 pickup truck for use by the Fire Marshal's Office; one ½-ton 4x4 pickup truck for use by the Health Department; and one full size 4x4 SUV, three full size 4x2 police pursuit SUVs, and one full size 4x2 SUV (unmarked) for use by the Sheriff's Office. Mr. Tustin explained that funding is available as approved in the General Fund department operating budgets and other department funds from the Health Department for their vehicles. In response to questions by Commissioner Bertino, Mr. Tustin stated that all car dealers operating in Worcester County would be notified of the opportunity to bid for the sale of these vehicles. He further stated that justification of the need for each of these vehicles was provided and approved during budget deliberations.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously awarded the low bid for the purchase of one 2014 John Deere model 50G Compact Excavator to Atlantic Tractor of Salisbury, Maryland at a total delivered price of \$62,000. In response to a question by Commissioner Elder, Mr. Tustin advised that the trailer would be purchased separately.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously awarded the low bid for the rehabilitation of Pump Station B, located on Beauchamp Road in Ocean Pines, to M2 Construction, Inc. of Landisville, PA at a total cost of \$888,300. In response to a question by Commissioner Elder, Mr. Tustin stated that staff originally estimated the project cost at \$500,000, but that a number of factors, including issues with deep water excavation, the wet well and submersible pump, and upgraded electric from 220 to 440, resulted in an increase in the actual bids.

The Commissioners met with Acting Library Director Jennifer Ranck and Architect Jeff Schoellkopf of JSD, Inc. - The Design Group to receive an update on Phase I, the planning,

pre-design and early schematic work completed for the new Berlin Branch Library on Harrison Street in Berlin, Maryland. The Commissioners also reviewed a proposal from Mr. Schoellkopf in the amount of \$326,000 plus reimbursable expenses to complete architectural and engineering design services, through completion of construction of the new library. Ms. Ranck reviewed the project vision, which was developed by the Library Board of Trustees and staff and County Engineer Bill Bradshaw and Maintenance Superintendent Ken Whited and includes constructing a two-story, 11,000-square-foot facility designed to Passivhaus standards for maximum energy efficiency, which fits with the town's historic character. She advised that the board envisions a library that is safe, pedestrian friendly and welcoming, with a large community room, teen areas, special collections and a small conference room on the upper level. Ms. Ranck advised that the Worcester County Library Foundation has raised \$246,000 to fund the majority of the next phase of the project design, and requested the Commissioners waive the standard bid process and accept the proposal from Mr. Schoellkopf for design services as presented.

In response to a question by Commissioner Bunting, Ms. Ranck advised that the cost of design services includes fees for hiring a Civil Engineer. Mr. Schoellkopf advised that the proposal does not include fees to hire a Construction Manager, which would be additional during preconstruction through project completion. In response to concerns raised by Commissioner Mitrecic, Mr. Schoellkopf advised that the State grant request reflects a conservative estimate for Construction Manager fees of 6-9% of the total project cost; however, based on recent projects, actual costs are more likely to range from 3-6%.

In response to concerns raised by Commissioner Bertino regarding waiving the standard bid process and accepting the proposal from The Design Group for design services, Ms. Ranck stated that the Library Board has been working with The Design Group for over a year and is highly confident that they understand the project goals as well as the funding limitations, and the Library Board is extremely satisfied with the level of services The Design Group has provided thus far. Mr. Bradshaw concurred, advising that The Design Group is performing well, and he feels accepting the proposal before the Commissioners today would be in the best interest of the County. Assistant Chief Administrative Officer Kelly Shannahan advised that professional services are specifically excluded from the required competitive bidding process, since it is most important that the County receives the best service possible, which may not necessarily be provided at the lowest cost. In response to a question from Commissioner Bertino, Mr. Schoellkopf advised that he just completed the 120,000-square-foot Marriott Hotel in Bethany Beach, Delaware, among other large commercial projects. He advised that the proposal before them today includes the same rate for fees that were included when he competitively bid on the design of the new Ocean City Branch Library in 2005. He stated that, while engineering costs came in slightly higher than he had predicted based on the desired high energy performance standards to be met, civil and structural engineering costs came in slightly lower than anticipated. County Attorney Sonny Bloxom stated that the design fees being proposed are in line with those of other capital projects he's been a part of, thus the Commissioners can feel very comfortable that accepting this proposal without competitively bidding for design services for this project is in the best interest of the County.

Following much discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to waive the standard bid process and accepted the proposal for complete architectural and engineering design services through completion of construction of

the new Berlin Branch Library from The Design Group at a total cost of \$326,000, plus reimbursable expenses.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously approved bid specifications for the replacement of the emergency power generator at Ocean Pines Pump Station G. Mr. Tustin advised that funds for the project are included in the FY16 budget for the Ocean Pines Sanitary Service Area (SSA).

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Church, the Commissioners unanimously agreed to waive the standard bid process and accepted the proposal from Geiger Pump & Equipment, Company of Baltimore, Maryland for the purchase of a replacement influent screen for the Riddle Farm Wastewater Treatment Plant (WWTP) at a total cost of \$46,570, rather than repair the existing screen at a revised cost of \$39,347 as previously contemplated at the Commissioners' meeting on April 7, 2015.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved bid specifications for the purchase of one pipe flusher to be utilized by the Roads Division of Public Works. Mr. Tustin advised that funding in the amount of \$74,800 is available within the FY16 budget for this purchase.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved bid specifications for the purchase of two cab tractors to be utilized by the Roads Division of Public Works. Mr. Tustin advised that funds are available within the FY16 budget in the amount of \$139,090 for these purchases.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Elder, the Commissioners unanimously approved bid specifications for the purchase of one long reach mower to be utilized by the Roads Division of Public Works. Mr. Tustin advised that funds are available within the FY16 budget in the amount of \$18,603 for this purchase.

The Commissioners met with Mr. Tustin to review and discuss Senate Bill 781 - Environment - Recycling - Special Events, which was passed by the Maryland General Assembly in 2014 and requires each County to adopt an updated Comprehensive Solid Waste Management Plan by October 1, 2015 that addresses the collection and recycling of recyclable materials during special events. He explained that current State law requires counties with populations of less than 150,000 to maintain a plan that reduces the waste stream by 20% through recycling; and SB 781 requires the County to expand its existing plan to require organizers of special events hosted on publicly-owned property that serve food and drinks and attract crowds of 200 or more to provide a recycling receptacle adjacent to each trash can receptacle to ensure that recyclable materials are collected for recycling. Mr. Tustin stated that County staff developed a draft section of the County plan to address the "Special Events Recycling Program" (SERP) and submitted the language to the Maryland Department of the Environment (MDE), which provided them with a tentative approval in a letter dated August 3, 2015. Mr. Tustin stated that the next step is to conduct a public hearing to receive comment on the proposed amendment and then officially adopt the amended plan.

In response to a question by Commissioner Bertino, Mr. Tustin confirmed that community events in Ocean Pines expected to attract crowds of 200 people or more would be considered special events, but would not be subject to the State law unless conducted on public property. He stated that in the plan those failing to provide recycling containers could be subject to a fine of \$50 per day. In response to a question by Commissioner Mitrecic, Mr. Tustin confirmed that, though the Town of Ocean City was exempted from the State recycling requirements for apartments and condominiums, special events in town, such as Sunfest, are currently subject to the provisions of SB 781.

Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously agreed to schedule a public hearing on September 15, 2015 to receive comment on the proposed amendments to the Worcester County Comprehensive Solid Waste Management Plan to comply with the provisions of SB 781.

The Commissioners met with Development Review and Permitting Director Ed Tudor to consider a request from Attorney Mark Cropper, on behalf of Lennar Homes, seeking to add two additional dwelling units to one of the multi-family buildings proposed for construction adjacent to the community swimming pool in the Seaside Village Residential Planned Community (RPC) on Hospitality Lane and located on the easterly side of Golf Course Road north of U.S. Rt. 50 in West Ocean City. Mr. Tudor stated that at the time of the original approval of the project's RPC floating zone in 2003 the Commissioners retained interest in the project by approving it as presented only, with the stipulation that any future changes would require their further approval. However, he advised that based upon staff review the proposed addition is within the allowed density for the project and thus the additional units do not constitute a material change in the original approval and therefore staff recommends that this change should not require a re-application for Step I approval from the Commissioners.

Upon a motion by Commissioner Church, the Commissioners concurred with the staff opinion and unanimously authorized staff to proceed with the normal review and permitting process for the additional buildings as requested by Mr. Cropper.

Pursuant to the recommendation of County Attorney Sonny Bloxom and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Commissioner President Bunting to sign the Fiber Optic Cable Lease between the County Commissioners of Worcester County, Maryland and Bloosurf, LLC, which would allow Bloosurf to lease part of the County's fiber-optic cables running between Snow Hill and Berlin and between Snow Hill and Pocomoke. Mr. Bloxom advised that Bloosurf operates and maintains the Worcester County wireless last mile broadband network and is currently upgrading its network in Worcester County to better provide service to the residents, businesses and government agencies. In response to a question by Commissioner Elder, Mr. Bloxom stated that Bloosurf provides broadband internet services in Somerset, Wicomico and Worcester Counties.

Pursuant to the request of County Engineer Bill Bradshaw and upon a motion by Commissioner Bertino, the Commissioners unanimously approved the request for proposals (RFP) for a Net Aggregate Metered Alternative Site Solar Photovoltaic Electric Generating System for Worcester County Government to be developed on private land. Mr. Bradshaw

advised that the deadline to submit proposals is September 8, 2015. Commissioner Bunting thanked staff for their efforts to fast track the RFP process to assure the County is able to meet the December 2016 deadline to qualify for federal incentives.

Pursuant to the request of Mr. Bloxom and upon a motion by Commissioner Elder, the Commissioners unanimously authorized Commission President Bunting to sign the Entry Agreement with the State Highway Administration (SHA) of the Maryland Department of Transportation (MDOT), authorizing SHA and its contractors and/or agents to enter upon the County right-of-way (ROW) located on Worcester Highway for the U.S. Rt. 113 dualization project for a period of four months of the date of the agreement to allow the State to perform clearing and grubbing on SHA plat 59770 from station 1574+81.45 to 1577+13.08 left for this project, in the vicinity of the Newark Wastewater Treatment Plant (WWTP).

The Commissioners answered questions from the press, after which they adjourned for lunch.

Following a motion by Commissioner Bertino, seconded by Commissioner Church, with Commissioner Lockfaw absent, the Commissioners unanimously voted to meet in closed session at 1:30 p.m. in the Commissioners' Conference Room to discuss legal and personnel matters permitted under the provisions of Section 3-305(b)(1) 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; Sonny Bloxom, County Attorney; and Stacey Norton, Human Resources Director. Topics discussed and actions taken included conducting County Attorney interviews.

The Commissioners adjourned to meet again on September 1, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

September 1, 2015

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

Following a motion by Commissioner Bertino, seconded by Commissioner Church, with Commissioner Elder absent, 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; Stacey Norton, Human Resources Director; and Bill Badger, Economic Development Director. Topics discussed and actions taken included: approving the employment contract for the new County Attorney, Maureen Howarth; promoting Laura Puckett from Accounting Clerk I within the Treasurer's Office to Office Assistant III within the Water and Wastewater Division of the Department of Public Works (DPW) and Richard McGillen from Roads Worker II within the Roads Division of DPW to Building, Housing and Zoning Inspector within Development Review and Permitting (DRP); acknowledging the hiring of Vicki Martin as a part-time School Security Officer within the Sheriff's Office and Emily Stamm as the Assistant Branch Manager at the Berlin Branch of the Worcester County Library; reappointing Virgil Shockley as Worcester County's delegate on the Maryland Broadband Cooperative (MdBC) Board of Directors; accepting the resignation of Economic Development Director Bill Badger; receiving legal advice from counsel; and performing administrative functions.

Commissioner Elder was absent from the meeting due to the passing of his mother, Louise Elder.

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 minutes of their August 18, 2015 meeting as presented.

Upon a motion by Commissioner Bertino, the Commissioners agreed to table discussions on Item 5 - Rural Legacy Contract of Sale until the next Commissioners' meeting on September 15, 2015 when Commissioner Elder is in attendance.

The Commissioners presented a proclamation to Volunteer Services Manager Kelly Brinkley recognizing September 11-October 10, 2015 as the Day to Serve Campaign. Also in attendance were Lower Shore Land Trust (LSLT) Executive Director Kate Patton and staff members Victoria Bower and Kristy Taylor who will be constructing a demonstration garden at Cedar Chapel Special School in conjunction with the Day to Serve Campaign.

Pursuant to the request of Housing Program Administrator Jo Ellen Bynum and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved bid specifications for the rehabilitation of a single-family home in the Berlin area to be funded through the County's current Community Development Block Grant (CDBG) Housing Rehabilitation Grant.

Commissioner Mitrecic questioned the need for a walkway in the attic, which Ms. Bynum agreed to investigate whether that was a State program requirement.

Pursuant to the request of Board of Elections Director Patti Jackson and upon a motion by Commissioner Church, the Commissioners unanimously authorized the Board of Elections to use the Board Room on the first floor of the Worcester County Government Center in Snow Hill as an alternate site for early voting from April 14-21, 2016 for the Primary Election and October 27-November 3, 2016 for the General Election, if the primary facility at Gull Creek Senior Living Community becomes unavailable.

Pursuant to the recommendation of Budget Accountant Kim Watts in response to the written application of Bishop Isaac Jenkins, Director of Save the Youth, Inc. in Pocomoke, and upon a motion by Commissioner Lockfaw, the Commissioners unanimously approved the release of funds previously approved in the FY16 Operating Budget in the amount of \$18,000 for Save the Youth, Inc., to provide training and support services to at-risk youth, having received their formal application.

The Commissioners met with County Attorney Sonny Bloxom, Fire Marshal Jeff McMahon, acting in his capacity as a member of the Girdletree Volunteer Fire Company (GVFC), and GVFC President John Merritt to discuss a request from the GVFC for the County to assist them in securing a government low-interest loan in the amount of \$310,000 from Taylor Bank to finance a portion of the \$535,000 cost to purchase a new rescue engine, with the GVFC to fund the remaining \$229,000 from existing funds. Mr. Bloxom advised that the County has supported the GVFC with this type of low interest loan in the past, and the County would be held harmless in the event that the GVFC defaulted on the loan. Mr. McMahon explained that the Commissioners' support would help them to save about 1.5% in interest charges. After some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the resolution declaring the GVFC as a fire fighting entity in Worcester County, thereby making them eligible for the low interest loan.

Pursuant to the request of Finance Officer Phil Thompson and Enterprise Fund Controller Jessica Ramsay and upon a motion by Commissioner Bertino, the Commissioners unanimously approved the interest rate for Promissory Notes for Inter-Governmental Loans between the General Fund and any other funds from this date forward that borrow or maintain outstanding loan balances, with an interest rate based on the Maryland Local Government Investment Pool (MLGIP) overnight rate plus 25 basis points (one-quarter percent), which currently totals 0.95%, and with said rate to be revisited and updated semi-annually on July 1 and January 1 of each year to remain in-line with current market rates.

The Commissioners met with Emergency Services Director Fred Webster and Information Technology (IT) Manager Brian Jones to review and discuss bids to replace the phone system in the Government Center and other County offices. Mr. Webster stated that in most cases the bids received were only for infrastructure and did not include the handsets, but that all bidders had provided costs to expand the system to other county buildings as funding allows. Following some discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously awarded the low bid to replace the phone system in the Government Center to Alliance Technology Group of Hanover, Maryland in the amount of \$60,070, plus an additional \$69,824 for eight switches to operate the phones for a total cost of \$129,894 for the Government Center phone system and the option to expand and connect to 12 remote offices located throughout Worcester County, with the understanding that any additional orders must be placed by August 31, 2016 to guarantee the quoted prices.

The Commissioners reviewed the additional quotes from Alliance Technology Group to upgrade the telephone systems in the other 12 offices as follows: \$10,850 within Recreation and Parks; \$16,365 within the Court House; \$14,720 within Isle of Wight; \$1,420 within Tourism and Economic Development; \$2,345 within the Department of Public Works (DPW) Administration, \$1,675 within the DPW Roads Division, \$3,015 within the DPW Solid Waste Division, and \$12,875 within the DPW Water and Wastewater Division; \$2,345 within Animal Control; \$16,365 within the State's Attorney's Office; \$17,070 within the Jail; and \$5,025 within Liquor Control for a total of \$164,140, including the Government Center, plus switches as necessary. Mr. Webster advised that \$200,000 is available within the FY16 budget for this project. Following some discussion, the Commissioners directed staff to provide them with recommendations for serving additional offices with new phones using the remaining funds at their next meeting on September 15, 2015.

Pursuant to the recommendation of Mr. Webster and upon a motion by Commissioner Lockfaw, the Commissioners unanimously agreed to waive the standard bid process and accepted the proposal from Emergency Communications Network of Ormond Beach, Florida for the provision of the Code RED Emergency Notification System for Emergency Services at a total annual cost of \$12,500 for a three-year license, which includes 50,000 minutes per year of calling time. Mr. Webster explained that this system allows notification to County residents by phone in the case of an emergency in their area.

In response to a question by Commissioner Bertino, Mr. Webster explained that the system needs to be activated as soon as possible due to the hurricane season, which is why bidding was requested to be waived.

The Commissioners met with Jennifer LaMade, Director of Planning, Quality, and Core Services for the Health Department, and Jessica Sexauer, Acting Director of the Local Management Board (LMB), to receive an update on the activities of the LMB, the proposed by-law revisions and to approve the Community Partnership Agreement for FY16. Ms. Sexauer reviewed a PowerPoint outlining the mission and core services provided by the LMB and its partners as follows: Mission and Vision; Board of Directors; History of Administrative Budget and Budget Cuts, with administrative funding reduced from \$279,643 in FY08 to \$65,000 in FY16; Maryland Child Well Being Results and Indicators; LMB Funded Programs; Governor's Office for Children School Climate Grant of up to \$10,000; and Special Projects. She also advised that the by-law changes were made to bring the local by-laws into compliance with the recently updated Governor's Office for Children LMB Policy and Procedures Manual.

Following some discussion and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the Worcester County's Initiative to Preserve Families Bylaws.

Upon a motion by Commissioner Church, the Commissioners unanimously authorized Commission President Bunting to sign the Community Partnership Agreement between the County, the LMB and the Governor's Office for Children for FY16 grant funds of \$537,947, which provides level funding for programs beginning July 1, 2015. Commissioner Bunting thanked Ms. LaMade and Ms. Sexauer for their work to help children and families in crisis.

Pursuant to the request of Public Works Director John Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously awarded the low bid for the purchase of two 2016 Freightliner Model 108SD Dump Trucks with 10-foot body and attachments and accessories at a total cost per unit of \$120,273 for a total delivered price of \$240,546 for use within the Roads Division of Public Works to Barr Freightliner of Salisbury, Maryland.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously awarded the low bid for the purchase of one 2015 Coneqtec Universal Model AP 600 Milling Head at a total delivered price of \$14,150 for use within the Roads Division of Public Works to Atlantic Tractor of Salisbury, Maryland.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Purnell, the Commissioners unanimously approved bid specifications for the purchase of one 2015 Skid Steer Loader for use within the Recycling section of the Solid Waste Division. Mr. Tustin advised that funds in the amount of \$70,000 are available within the FY16 budget for this purchase.

Human Resources Director Stacey Norton reviewed the results of the blood drive hosted in the Worcester County Government Center on Thursday, August 13, 2015, as part of the Blood Bank of Delmarva's 2015 Summer Blood Challenge. Ms. Norton advised that the County was able to provide 44 of the 50 projected donors, of which 39 were able to donate blood. She thanked all the participants and recognized Benefits Manager Hope Carmean for coordinating the event, with assistance by Tara Armstrong, Kim Klump, Kristen Jester, Kenya Baine and Jennifer

Standish. She further advised that the County will host another blood drive at the Government Center on Thursday, February 11, 2016.

The Commissioners met with Ms. Norton to review three possible options for implementing a new health insurance cost share for dependents of new hires upon retirement as follows: Option 1 - retain the existing 20% cost-share, as outlined in Resolution No. 15-14; Option 2 - effect a 100% cost share by revising Section 3(B) of Resolution No. 15-14 to provide that upon retirement of a new employee, they could continue receiving health benefits for their dependents by paying the full additional premium required to add their dependent(s) to the County's health insurance plan, which would result in a projected total additional annual cost savings of \$261,227 in FY30 increasing to \$714,847 annually in FY40; and Option 3 - effect a 50% cost share, with dependents of new hires upon their retirement to continue receiving health benefits at a rate of 50% of the total premium, which would result in a projected total additional annual cost savings of \$130,614 in FY30 increasing to \$357,424 annually in FY40. Ms. Norton further stated that she recently met with consultants from CareFirst, the County's health insurance provider, and PSA Insurance and Financial Services, the County's health benefits consultant, to investigate other options to reduce and better manage health benefit costs. She stated that she would gladly discuss the many options available for reducing health care costs, but suggested that the County should seek input from the Board of Education (BOE) and Worcester County Teachers Association, as their employees would be directly impacted by any health insurance changes implemented by the County. However, she urged the Commissioners to consider that the greatest potential for savings exists not in reducing benefits but in implementing a Wellness Program that includes awareness, assessments, education, training and employee engagement, which will also result in healthier, happier and more productive County employees. Furthermore, cost savings achieved by the Wellness Program would begin to accumulate almost immediately and compound annually to produce the greatest overall benefit for the County.

Upon a motion by Commissioner Mitreic, the Commissioners unanimously agreed to conduct a work session at the close of a future regularly scheduled meeting to review the health insurance cost saving options, including a wellness program, and directed staff to provide them with information about the health benefits offered by the State, adjacent counties and jurisdictions in Maryland, as well as counties in Virginia and Delaware at their work session.

The Commissioners recessed for ten minutes.

The Commissioners met in special legislative session.

Upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to table discussions on Bill 15-9 (Natural Resources - Abolishment of Shoreline Commission) and companion Bill 15-10 (Zoning - Waterfront Structures Regulated by Natural Resources Article) until their next legislative session on September 15, 2015, at which time Commissioner Elder can be present for the discussions.

Commission President Bunting closed the special legislative session.

The Commissioners met with Development Review and Permitting (DRP) Director Ed Tudor to review the Public Health Article, Subtitle 1, Environmental Health Hazards, which outlines the County's nuisance abatement rules, regulations and procedures. At their June 16,

2015 meeting, the Commissioners discussed their desire to consider amendments to existing regulations to expedite the nuisance abatement process and reduce the number of nuisance properties in Worcester County. Mr. Tudor advised that in preparation for today's discussions he had met and sought input from Chief Administrative Officer Harold Higgins, County Attorney Sonny Bloxom, Environmental Programs Director Bob Mitchell, Finance Officer Phil Thompson, Public Works Director John Tustin and various DRP staff members, along with Tom Possident and Bart Dorsch of the Health Department, all of whom play a role in the process of abating one or more of the 14 types of nuisance conditions that may occur. However, he pointed out that investigation and enforcement, which are currently driven solely on a complaint basis, fall to one of three departments based on the nature of the nuisance: DRP, Environmental Programs or the Health Department. He reviewed the type of nuisance complaints handled by DRP and noted that the majority come in the summer months and involve tall grass, dilapidated structures and junky yards. He further advised that, provided a property owner is willing to gain compliance, staff will work with them to remedy the situation, particularly as most lack the resources to pay either the citations or clean up costs.

Mr. Tudor advised that the existing ordinance does a good job in establishing reasonable limitations, and the general consensus between the departments was that implementing a more aggressive and expedited process would require additional staff and financial resources to perform all of the administrative functions and to contract with private grounds maintenance vendors to handle the grass violations, demolition contractors to perform the structure demolition and junky yard clean-up, and private towing companies to remove junk vehicles, with all costs being borne initially by the County and hopefully recouped from the property owner. He stated that the grass cutting services could be bid on an annual contract at an hourly rate or lot size fee structure, with the successful bidder to be required to perform the mowing on any particular lot within a given time after being notified by the County, with demolition contracts being awarded on a revolving basis from a list of preapproved contractors and award the work to the lowest priced proposal. He stated that the downside to this method is the substantial costs to the County, which would likely remain unpaid. As a case in point, he advised that it cost \$47,650 for the demolition and cleanup of the Bishopville and Pusey Stores, with both accounts remaining unpaid and now totaling over \$60,400 with interest. He stated that, given the sheer number of readily identifiable derelict structures, it is entirely possible to spend several hundred thousand dollars a year on such a program if the identification process is amended from the current complaint driven process to an enforcement driven process. He suggested that a better alternative would be to decrease the number of days a property owner has to comply with a request to clean up his or her property from 30 to 15 days.

Commissioner Lockfaw thanked Mr. Tudor for providing them with the information needed to address nuisance properties more expeditiously and pointed out that nuisance properties create health issues and can impact the value of surrounding properties, and for those reasons nuisance conditions should be abated in a more timely manner. In response to a question by Commissioner Church, Mr. Tudor advised that the Commissioners could reduce the number of days a property owner has to respond to a directive from the County to abate nuisance conditions from 30 days to 15 days without amending the existing regulations, but that the County would have to be willing to invest the resources necessary to assure property owners comply. County Attorney Sonny Bloxom concurred, and stated that the dilapidated structures are

the most egregious, expensive and unsafe situations, but that the owners rarely live in these structures and can be hard to locate. He further advised that, if they can be located, they often cannot afford to demolish these buildings, so the onus for demolition falls on the County. He stated that in such cases, where property owners fail to pay for the cleanup, his recommendation would be to seek a Right of Redemption, in which case the County would own the deed to the property and may be able to sell it to reclaim the cleanup expenses. In response to a question by Commissioner Bunting, Mr. Bloxom stated that the County will continue to hold the deed to derelict properties unless said properties sell during the annual tax sale. In response to a question by Commissioner Bertino, Mr. Tudor confirmed that property owners do have the right to come before the Commissioners to plead their cases, and that in such instances it can be difficult to make decisions based on fact rather than emotion. In response to a question by Commissioner Bertino, Mr. Tudor advised that he does not have the staff to identify and resolve nuisance conditions on all such properties if an aggressive proactive campaign was desired. In response to a question by Mr. Tudor, the Commissioners agreed that the process for identifying nuisance conditions should remain complaint driven and handled on a case-by-case basis.

Following much discussion and upon a motion by Commissioner Lockfaw, the Commissioners voted 5-1, with Commissioner Mitrecic voting in opposition, to reduce the period in which property owners must abate nuisance conditions from 30 days to 15 days upon receiving the notice from the County ordering them to abate the nuisance.

The Commissioners answered questions from the press.

Following a motion by Commissioner Mitrecic, seconded by Commissioner Church, with Commissioner Elder absent, the Commissioners unanimously voted to meet in closed session at 12:01 p.m. in the Commissioners' Conference Room to discuss legal and personnel matters permitted under the provisions of Section 3-305(b)(1) 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and Stacey Norton, Human Resources Director. Topics discussed and actions taken included: hiring Grayson Zimmer as a Maintenance Worker I and Adam Bargar as a Maintenance Worker III within the Maintenance Division of the Department of Public Works (DPW) and Catherine Zirkle as a License Permit Clerk I within Development, Review and Permitting (DRP); promoting James Bailey, Jr. from a part-time Parks Worker I to a full-time Parks Worker II within Recreation and Parks; and performing administrative functions.

After the closed session, the Commissioners adjourned to meet again on September 15, 2015.

Minutes of the County Commissioners of Worcester County, Maryland

September 15, 2015

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

Following a motion by Commissioner Lockfaw, seconded by Commissioner Purnell, with Commissioner Mitrecic absent, 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) and (7) of the State Government 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; Sonny Bloxom, County Attorney; Kim Moses, Public Information Officer; and Stacey Norton, Human Resources Director. Topics discussed and actions taken included: hiring Phillip McCray and Bryan White as Maintenance Worker I's for the Water and Wastewater Division of Public Works, and Claire Almand as a part-time Social Media Coordinator for Tourism; authorizing posting to fill current vacancies for a Communications Clerk Trainee in Emergency Services and an Economic Development Director; appointing Missy Denault to the Recreation Advisory Board; receiving legal advice from counsel; and performing administrative functions.

Commissioner Mitrecic was absent from the closed session meeting.

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 minutes of their September 1, 2015 meeting as presented.

The Commissioners received objections and other public comment on their intent to convey one surplus 2010 Ford Crown Victoria police vehicle to Wor-Wic Community College (WWCC) for use within the Eastern Shore Criminal Justice Academy for training of new police recruits.

There were no public objections or comments.

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

convey the surplus police vehicle to WWCC for other public purposes.

The Commissioners presented a proclamation recognizing September as Suicide Prevention Month to Health Department Planning, Quality and Core Services Director Jennifer LaMade and staff members Caroline Green, Brittany Hines, Monica Martin, Michael Trader, and Naryah Miles, along with Local Management Board Acting Director Jessica Sexauer, and Jesse Klump Memorial Fund Founder Kim Klump. Ms. LaMade invited the Commissioners and those in attendance at the meeting to participate in the annual Out of the Darkness Walk to Prevent Suicide on Saturday, September 26, at Caroline Street and the Boardwalk in Ocean City. She advised that the purpose of the walk is to raise funds to support education and outreach programs designed to prevent suicide, increase public knowledge about depression, and provide support to those who have lost loved ones to suicide. To learn the warning signs and risk factors for suicide, please visit <http://worcesterhealth.org>.

Commissioner Mitrecic arrived at the meeting.

Pursuant to the recommendation of Budget Accountant Kim Watts and a request from Mary Beth Quillen, Assistant Director of Administration within Social Services, and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the FY16 Maryland Department of Housing and Community Development (DHCD) Rental Allowance Program (RAP) grant application for a grant of \$40,000.

Pursuant to the recommendation of Ms. Watts and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the Maryland Department of Transportation (MDOT) Transportation Grant Application Form for FY16 to be eligible to receive special funds for local road improvements. Ms. Watts advised that Governor Hogan announced the State will allocate an additional \$25 million in local roads funding as follows: \$4 million to counties; \$19 million to municipalities, and \$2 million to Baltimore City. Commissioner Bunting applauded Governor Hogan and the Eastern Shore Delegation for their efforts to return a small portion of Highway User Revenues (HUR) to Maryland jurisdictions.

Pursuant to the recommendation of Economic Development Deputy Director Merry Mears and upon a motion by Commissioner Mitrecic, the Commissioners voted 6-1, with Commissioner Bertino voting in opposition, to authorize Commission President Bunting to sign the Memorandum of Understanding (MOU) between the County Commissioners and the Maryland Stadium Authority (MSA) for the MSA to conduct an economic study, which reflects a cost of \$47,600 for Phase 1 and \$27,400 for Phase 2 for a total cost of \$75,000, to determine the feasibility of developing a multi-purpose sports complex in Worcester County, as referenced in letters from the County Commissioners to the MSA dated May 6, 2015 and July 24, 2015. Ms. Mears advised that the MOU outlines funding sources for Phase I as follows: \$15,700 from the Maryland Department of Business and Economic Development (DBED); \$15,000 from the County; \$5,000 from Hat Trick consultants; and \$11,900 from the MSA. She further advised that

the cost of Phase II would be paid entirely by DBED and MSA, with MSA to ratify the final MOU at their October 6, 2015 meeting. Commissioner Bertino expressed concern that the County is not responsible for providing the funding from Hat Trick and DEBED, which will hopefully be reimbursed. County Attorney Sonny Bloxom advised the County to hold the MOU until funding assurance was received from Hat Trick and DEBD.

In response to concerns raised by Commissioner Lockfaw, Ms. Mears advised that, since this will eventually be a private funded project, it is unclear where the project will be located and therefore they are unable to determine if it will be located in a Priority Funding Area (PFA). In response to a question by Commissioner Bertino, Ms. Mears advised that DBED funds can only be used within a PFA, with access to public water and sewer. Development Review and Permitting Director Ed Tudor reviewed the PFA criteria and explained that PFAs are generally located in industrial areas of the County, and also within and around the municipalities, and in parts of West Ocean City.

The Commissioners conducted a public hearing to receive comments on the proposed amendments to the Worcester County Comprehensive Solid Waste Management Plan for the planning period from 2006 to 2016 to add provisions for recycling at special events on public property in accordance with Section 9-1712 of the Environment Article of the Annotated Code of Maryland. Public Works Director John Tustin reviewed the proposed amendments to comply with Senate Bill 781 - Environment - Recycling - Special Events, which was adopted April 2014 and became effective October 1, 2014. He advised that the proposed amendments would require special event organizers to provide recycling containers at special events that occur on public property that serve food or drink and anticipate attendance levels of 200 people or greater. He stated that events that would be subject to the new requirement include but are not limited to the Great Pocomoke Fair, Berlin Fiddlers' Convention and Ocean City Springfest and Sunfest events. He advised that event organizers who fail to adhere to the requirements would be subject to a \$50 civil infraction fine per day.

In response to a question by Commissioner Bunting, Assistant Chief Administrative Officer Kelly Shannahan advised that staff sent letters to each of the towns to advise them about the proposed amendments and welcoming their comments at the public hearing.

Commissioner Bunting opened the floor to receive public comment.

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

Commissioner Mitrecic stated that Ocean City has a waste to energy program that recycles 100% of the town's trash; therefore, the town has enlisted the support of Senator Jim Mathias to seek an exemption for Ocean City from the requirement of this law. In response to a question by Commissioner Bertino, Mr. Tustin stated that the amendments reflect the State law that is currently in place. In response to a question by Commissioner Lockfaw, Mr. Tustin stated that the onus for providing recycling containers would be on event organizers, but the County could work with them as requested on a case-by-case basis to help them meet the requirements.

A motion by Commissioner Elder to approve the resolution adopting amendments for special event recycling to the Worcester County Solid Waste Management Plan failed, with Commissioners Elder, Bunting and Purnell voting in favor of the motion and Commissioners Bertino, Church, Lockfaw and Mitrecic voting in opposition.

Commissioner Mitrecic stated that SB 781 places an undue burden on nonprofit

organizations, and he requested staff determine the repercussions of this action by the State if the County declines to adopt the proposed amendments to the Solid Waste Management Plan.

Following further discussion and upon a motion by Commissioner Lockfaw, the Commissioners unanimously agreed to send a letter to the Eastern Shore Delegation expressing grave concern regarding the impact of the new State law on nonprofit organizations, which often rely on special events to fund their operations, and requesting that a bill be drafted so that Worcester County is exempted from the provisions of Section 9-1712 of the Environment Article, as is anticipated for the Town of Ocean City, or as an alternative that special events for nonprofit organizations be exempt from these requirements.

Pursuant to the recommendation of Emergency Services Director Fred Webster and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the System Purchase Agreement and Master Services Agreement from Harris Corporation of Lynchburg, Virginia for the provision of the 800 MHZ P25 Radio System for Worcester County, Maryland at a total purchase price of \$5,075,000, with maintenance totaling \$2,926,920.97. Mr. Webster explained that the final purchase price and maintenance costs reflect net savings of \$600,940 from the originally approved estimates on August 4, 2015.

Pursuant to the recommendation of Mr. Webster and upon a motion by Commissioner Bertino, the Commissioners unanimously approved the bid from Alliance Technology Group, LLC of Hanover, Maryland to provide additional telephone systems for the following eight remote office in Worcester County: Recreation and Parks; Isle of Wight; Tourism/Economic Development; Animal Control; and the Administration, Roads, Solid Waste, and Water and Wastewater Divisions within Public Works at a total additional cost of \$49,245 using the Model 9621 sets for these offices. Installation will also require switches totaling \$28,710.65 for a total cost of \$77,955.65. In response to a question by Commissioner Bertino, Mr. Webster stated that several of the State agencies in the Court House maintain their own phone systems; however, staff has reached out to discuss options for piggybacking on the County's bid to replace their systems.

Pursuant to the request of Mr. Webster and upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to waive the standard bid process and accept the proposal from Carousel Industries of Newport News, Virginia to replace 32 existing VESTA 911 phone system consoles at locations throughout the County, including two consoles for the Maryland State Police (MSP) Berlin Barrack, and one position each at Ocean Pines, Berlin and Pocomoke, at a total cost of \$2,053,817.23, with funds for the replacement to be provided by the Emergency Number Systems Board (ENSB). Mr. Webster advised that the new system will be able to accept Next Generation 911 calls, to include receiving text messages or videos identifying accidents and crime scenes. He stated that Frederick, Cecil and Dorchester Counties utilize Carousel Industries as their sole source provider for the new VESTA phone system, which is therefore the preferred vendor.

Pursuant to the request of Mr. Webster and upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to waive the standard bid process and piggyback on the

State contract from ESI for the purchase of the HP 3Par 7200 Storage Device and HP LBC7000 with 3 HPBL46C Blade Servers at a cost of \$128,488.73 and \$13,940.85 for three years of support services, with funds for this purchase available within the FY16 budget. Mr. Webster advised that the new equipment would replace the County's existing EMC Storage Area Network (SAN) storage device and four Hewlett Packard servers that currently function as the virtual hosts for the County's servers. He further advised that this project was fast-tracked because the County's current SANS storage device is over 97% full and the County's storage needs have increased significantly due to the addition of the two new MUNIS database servers as well as an above average growth in user files. He commended Information Technology Manager Brian Jones for completing the due diligence needed to obtain multiple quotes from various vendors on the Maryland State Contract for industry leading storage and virtual host providers and identify the one that will work best for Worcester County.

Pursuant to the recommendation of County Attorney Sonny Bloxom and upon a motion by Commissioner Mitrecic, the Commissioners unanimously authorized Commission President Bunting to sign the Standard Option Contract with the State Highway Association (SHA) of the Maryland Department of Transportation (MDOT), with the County Commissioners granting the SHA an easement on County-owned property at the Newark Wastewater Treatment Facility and terminating direct access to U.S. Rt. 113, as part of the future widening process of this highway. In return, the SHA is to construct at its expense a new entrance for the County off Newark Road and also pay the County \$4,100 for fencing and other accoutrements that must be relocated.

The Commissioners met in legislative session.

The Commissioners met to reconsider adopting Bill 15-9 (Natural Resources - Abolishment of Shoreline Commission), which failed to be adopted when the amended version originally came before the Commissioners on July 21, 2015, with Commissioners Bunting, Elder and Mitrecic voting in favor of passage and Commissioners Bertino, Church, Lockfaw and Purnell voting in opposition; and afterward they voted formally to rescind their approval of the companion Bill 15-10 (Zoning - Waterfront Structures Regulated by Natural Resources Article). On August 18, 2015, Commissioner Bertino recommended the Commissioners reconsider adopting Bill 15-9, as further research had convinced him that this additional layer of government is unnecessary and results in significant additional costs to County property owners. The Commissioners agreed to reconsider the bill, but tabled discussions on that date as well as September 1, 2015 until the full board could be present.

In response to a question by Commissioner Bunting, Environmental Programs Director Bob Mitchell advised that Worcester County is the only county in Maryland with a board to oversee final issuance of permits for waterway construction activities, such as docks and piers, rip rap, replacement bulkheads, and marsh creation as mandated by federal and State laws, and he advised that these functions are already being handled sufficiently by County staff.

Upon a motion by Commissioner Bertino, the Commissioners voted 4-3, with Commissioners Bertino, Bunting, Elder and Mitrecic voting in favor and Commissioners Church, Lockfaw and Purnell voting in opposition, to adopt Bill 15-9 (Natural Resources - Abolishment of Shoreline Commission), as amended June 16, 2015.

In a related matter and upon a motion by Commissioner Elder, the Commissioners voted

4-3, with Commissioners Bertino, Bunting, Elder and Mitrecic voting in favor and Commissioners Church, Lockfaw and Purnell voting in opposition, to adopt companion Bill 15-10 (Zoning - Waterfront Structures Regulated by Natural Resources Article).

The Commissioners met with Development Review and Permitting Director Ed Tudor to review a text amendment application submitted by Mark Cropper seeking to amend Section ZS 1-324(c)(4)A of the Zoning Ordinance with regard to on-building signs and to amend ZS 1-103(b) to provide a definition of the term “primary customer entrance.” Mr. Tudor stated that the proposal would alter the way that allowable on-building signage is calculated, which is currently based on the building width facing the public or approved private road. He explained that this amendment would base the calculation on the width of the building side that contains the primary customer entrance. He concluded that the Planning Commission reviewed the proposed amendment on September 3, 2015 and gave the proposal a favorable recommendation.

Following some discussion, Commissioners Bertino, Bunting, Church, Elder, Lockfaw, Mitrecic and Purnell introduced the aforementioned legislation as Bill 15-11 and scheduled a public hearing on October 20, 2015 to receive comments on the bill.

The Commissioners met with Mr. Tudor to review a draft text amendment application developed by staff that would amend Subsection PS 4-101(e) of the Public Safety Article of the Code of Public Local Laws of Worcester County, Maryland to eliminate the exemption and instead require a special exception to conduct an outdoor music festival on the water. Mr. Tudor stated that earlier this year County departments and various State agencies dealt with a proposal to host a “Boaters’ Aid” festival in the bay just off the Isle of Wight on MD Rt. 90, at which time County staff recognized there could be very little County oversight because the existing regulations for outdoor music festivals do not apply, since PS 4-101(e) stipulates that activities conducted on publicly owned property are exempt when written consent is given by the public body responsible for its management, which in this case is the Maryland Department of Natural Resources (DNR), which had issued a marine gathering permit, thus making the festival exempt from the provisions of the County’s Public Safety Article. Mr. Tudor concluded that, while the provisions of the Zoning Code still applied, the draft text amendment would add language to the Public Safety Article to clarify that the same provisions of the Zoning Code for such activities on land would also apply to these activities conducted on the water.

Commissioner Mitrecic stated that this legislation is very important to address public safety and address noise limits on the water. In response to a question by Commissioner Mitrecic, Mr. Tudor confirmed that, if an individual applied for an outdoor meeting permit and the Mayor and Council of the nearest incorporated town failed to certify that the event would not adversely affect the town, the permit would not be issued, in accordance with Section PS4-101(b)(8). Commissioner Bertino requested that the same provision be extended to the Ocean Pines Association (OPA). Mr. Tudor explained that if the Commissioners adopt the draft bill anyone seeking to host this type of event on the water adjacent to Ocean Pines would be required to obtain a special exception from the County, but not a certificate from OPA, since they are not an incorporated town.

Following some discussion, Commissioners Bertino, Bunting, Church, Elder, Lockfaw, Mitrecic and Purnell introduced the aforementioned legislation as Bill 15-12 and scheduled a

public hearing on October 20, 2015 to receive comments on the bill. Commissioner Bertino stated that he would request an amendment to the bill to require a certificate from the OPA for events in their vicinity.

Commissioner Bunting closed the legislative session.

The Commissioners met with Environmental Programs Director Bob Mitchell and Land Planner IV Katherine Munson to review an Agreement of Sale between Hugh Cropper, IV, Jennifer L. Cropper and Edna P. Strayer (Sellers) and the County Commissioners of Worcester County, Maryland (Buyer) for the purchase of a Coastal Bays Rural Legacy Area (RLA) easement on a 106.26-acre property located at 6627 Ayres Lane Road and more specifically identified on Tax Map 72 as Parcel 1. Mr. Mitchell advised that the proposed acquisition is one of the top five priority properties included on the FY15 RLA Grant Application, which was approved by the Commissioners on October 7, 2014. He stated that the County used the approved Easement Valuation System (EVS) to determine the easement purchase payment of \$2,174 per acre, which the property owners have accepted with the condition limiting 2% impervious surfaces (no poultry houses) and will manage and enhance the forested portion of the property as a wildlife habitat. He further advised that the easement cost would be fully funded by the State, with no County match required or provided. Mr. Mitchell advised that 14,000 acres have been protected in Worcester County through easements, and the County's Priority Preservation Area (PPA) to the Comprehensive Plan has a long term goal recommending preserving 100,000 acres in Worcester County through agricultural and conservation easements and zoning. In the next years, the County has a goal of conserving 800 acres annually in the PPA, and this purchase is in concert with that annual goal.

In response to a question by Commissioner Elder, Mr. Mitchell stated that the PPA seeks to protect 100,000 or 64% of the 195,000 acres of land that make up Worcester County, and properties to be protected include federal, state and locally-owned land. Ms. Munson advised that the cost per acre is based on the results of two separate property appraisals.

Commissioner Bertino noted that 29% of all land within Worcester County is protected in perpetuity and expressed concern that, because growth trends fifty years out cannot be predicted, continuing to protect large tracts of land today could hinder natural development in the future. County Attorney Sonny Bloxom stated that these issues should be considered the next time the Commissioners revise the 10-year Worcester County Comprehensive Plan. In response to a question by Commissioner Bertino, Ms. Munson advised that typically no public access is granted on RLA easements. Mr. Mitchell explained that the lands are protected from development, but they can still be utilized for their existing uses, such as agriculture and forestry.

Following much discussion and upon a motion by Commissioner Church, the Commissioners voted 6-1, with Commissioner Elder voting in opposition, to authorize Commission President Bunting to sign the Agreement of Sale as presented.

The Commissioners met with Mr. Mitchell to review the Planning Commission's findings of consistency with a Comprehensive Water and Sewerage Plan amendment application submitted by Public Works Deputy Director John Ross on behalf of the County Commissioners, which seeks to amend the County Water and Sewerage Plan to add two properties to the Newark Sanitary Service Area (SSA) to be used for spray irrigation of effluent treated at the Newark

Wastewater Treatment Plant (WWTP). The first property is the Willard farm, a 40-acre property located at the northern edge of the village of Newark and more specifically shown on Tax Map 40 as Parcel 72. The second property is owned by the Board of Education (BOE), a 146-acre property on U.S. Rt. 113 in Newark and more specifically shown on Tax Map 48 as Parcel 27. Mr. Mitchell stated that the Planning Commission found the proposal to be consistent with the County's Comprehensive Plan. Upon a motion by Commissioner Mitrecic, the Commissioners unanimously scheduled a public hearing on the proposed amendment to the Worcester County Water and Sewerage Plan to take place on October 20, 2015.

Pursuant to the recommendation of Public Works Director John Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously awarded the low bid for construction Phase II of the Snow Hill Landfill Gas Remediation project to Hopkins Construction of Bridgeville, Delaware at a total base bid of \$374,075.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously awarded the low bid that met all specifications for the purchase of a pipe flusher to be utilized by the Roads Division of Public Works to Atlantic Machinery, Inc. of Silver Spring, Maryland at a total delivered cost of \$54,330.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Lockfaw, the Commissioners unanimously awarded the bid for the purchase of a long reach rear mount mower to be utilized by the Roads Division of Public Works to Hooper, Inc. of Seaford, Delaware at a total delivered price of \$15,100.

The Commissioners answered questions from the press, after which they adjourned to meet again on October 6, 2015.