

Commissioners of Leonardtown
Town Council Meeting Minutes
September 11, 2006 ~ 4:00 P. M.

Attendees: J. Harry Norris, Mayor
Walter Wise, Vice President
Thomas Collier, Councilmember
J. Maguire Mattingly, III, Councilmember
Leslie E. Roberts, Councilmember

Absent: Robert Combs, Councilmember

Also in attendance were: Laschelle Miller, Town Administrator; Jennie McGraw, Plans Reviewer; Rebecca Sothoron, Town Treasurer; Jackie Post, Fiscal Clerk; Dan Burris, LBA.

A complete list of attendees is on file at the Leonardtown Town Hall.

Mayor Norris called the regularly scheduled meeting to order at 4:00 p.m. After the recitation of the Pledge of Allegiance, Mayor Norris asked Councilmember Wise to proceed to take up the first item of business.

Councilmember Wise asked for a moment of silence in memory of September 11, 2001.

Approval of Minutes:

The meeting minutes for the August 14, 2006 Town Council meeting were presented for approval.

Councilmember Wise entertained a motion to approve the August 14, 2006 Town Council meeting minutes. Councilmember Collier moved to approve the minutes, seconded by Councilmember Mattingly; motion passed unanimously.

Councilmember Wise turned the meeting back over to Mayor Norris.

Treasurer's Report – Rebecca Sothoron

Ms. Sothoron stated that she had distributed the financial report for August. During the month of August \$50,000 was transferred to the checking account to cover expenses.

Councilmember Roberts inquired about the property liability insurance. Ms. Sothoron stated that it had not yet been distributed between departments.

Ms. Sothoron noted that we are 16% through the budget year and during August the annual contribution to the Fire Department, Rescue Squad and the Historical Society was paid, this happens every August.

Ms. Sothoron noted that the only other high dollar item expended so far is primarily road maintenance for Drs. Crossing. Additional paving work was approved and a budget amendment will be brought forward to take Highway User funds that are in the bank from prior years, to pay for that.

Councilmember Wise inquired if anyone had heard from the contractor?

Ms. Miller responded that the contract was signed about two weeks ago but she has not heard back from them. She will try to get a hold of them tomorrow.

Ms. Sothoron commented that the next agenda item for her report is a memorandum, which addresses the bond council proposal that we just received. This subject was discussed during workshop but we did not have the paperwork at that time. Ms. Rader of Funk and Bolton did spend much time and effort to come up with this document. Extremely complicated tax law is involved, there are two things in this proposal that do need to be discussed and recommend approval today.

During the August council meeting I explained we were preparing to borrow money from the Community Development Administration (CDA) to pay \$1.2 million for the streetscape project. I received a call from the director of that program saying that they are not doing a bond financing, as there is not enough interest from jurisdictions to make it worth their expense. Bond financing is expensive and if they do not get enough participation (money wise) they do not do them. That has left us in a position of having to go to private lending institutions to borrow the money, which the Town has never done since I have worked here, and I do not know when or if the last time the Town used that approach for a project. We are on a timeline to begin our work before SHA begins theirs.

Ms. Sothoron stated that the pre-bid meeting is this Wednesday and the bid opening is two weeks after that so it is a high priority to nail down the funding. In conversation with bond council, she explained that there has been success in the last twelve to eighteen months with banks going back into the municipal bond issue market. The banks have competitive rates similar to those that we would have obtained from CDA, so in order for us to pursue the private sale route, the Town has no enabling legislation to allow us to do that right now. The first step is to draft a Charter Amendment. The proposal is set at a not to exceed amount of \$2,000. The second step is to hire Funk and Bolton to negotiate with those banks of our choosing for the best rate. It is a competitive solicitation but, at this point, it would not be in compliance with our regulations, which would require publicly advertising for all banks to have an opportunity to participate. We would recommend that the three banks that have branches in Leonardtown would be contacted first.

Councilmember Wise stated that didn't you say that we had to have legislation?

Ms. Sothoron commented that the Charter Amendment would allow us to issue bonds to a private lending firm. We can have a Charter Amendment approved at the next council meeting along with a introducing a bond ordinance that will need to be approved by the council for the private sale. There are many legislation hoops to jump through. The first is to get the Charter Amendment approved and the second is to hire Funk and Bolton to do a competitive solicitation. We set the terms and are operating with a fifteen-year term. They will propose any fees associated with this loan, will propose the rate and will bring all that information back and make a recommendation as to which bank provides the best offer. Council will then approve to proceed to work with that bank.

Councilmember Collier clarified that in two weeks we will have a bid award?

Ms. Sothoron stated that normally the lead-time is ten to fourteen days, another seven days is required to review the proposals to make it before the October meeting. The Charter Amendment does require a certain wait time. If the Charter Amendment were approved in October, it really would not be effective until, I am not positive but I believe, after fifty days. This will be very close to the bid award date, which is important to make to meet our timeline.

Councilmember Mattingly asked what governs us to have a Charter Amendment. Where is it in the legislative body that says you must have a Charter Amendment in order to take this route?

Ms. Sothoron stated that the State of Maryland requires each municipality, who wants to enter into a private sale, to enable itself to do with its own legislation. There are jurisdictions that do enter into private sales that have not been given the State of Maryland legislative authority to do so. We do not have to go to them for the approval but they say in order for you to do it, it has to specifically be a part of your Charter and our Charter does not specifically say we have that authority.

Ms. Miller commented that this will be really tight, we are trying to make it all work with the timelines we have. We may not have time to wait for the next Council meeting and may have to call a Special Town Council meeting to stay on track, because the State Highway streetscape portion is going to be bid in October, they will be coming in right behind us and we cannot afford to get off track.

Ms. Sothoron stated that Council committed to doing everything that was presented in the Stearns and Wheeler report. We are short \$1.2 million and unless you are ready to say that we do not want to go to a bank to borrow it there is no other funding option. In order to make it work we first have to give the Town authority to go to a bank to borrow it and then we have to go through the competitive negotiation process to borrow it.

The first fee is \$2,000.00 for writing the Charter Amendment to be brought back before Council in October. It is also important to note that Funk and Bolton is specifically trained to make sure that this complies with all IRS tax codes.

Councilmember Roberts moved to retain Funk and Bolton to write the Charter Amendment for presentation before the Council at the October meeting; Member Collier seconded, no further discussion, motion passed unanimously.

Councilmember Collier moved to approve the language, not to exceed \$8,000, for navigating us through this competitive solicitation and to direct them to the branches in Leonardtown that are in the bond business.

Discussion:

Member Collier asked that if going this way we would stay close to what the CDA will give us?

Ms. Sothoron explained that in discussion with Ms. Rader she spoke of rates that had recently been proposed for other municipalities she has represented and some of them were lower than what CDA issued at their last financing. My memo indicates that we would have had to pay \$30,000 in issuance costs to CDA and her proposal is only \$8,000.

Member Combs seconded, no further discussion, motion passed unanimously.

Ms. Sothoron suggested that council take time to read the bulk of what is remaining in these ten pages as it addresses the treatment plant expansion that will happen next spring. This tax exempt financing is extremely complicated and the Town really does need to hire experts to protect our best interests.

Ms. Miller suggested that if the Council were to have a Special Town Council meeting, it would help the timeline to introduce the Charter Amendment for approval.

Councilmember Roberts asked if it would have to be advertised?

Ms. Miller stated that it would be advertised. A public hearing is not required but we would announce that a Special Town Council meeting would be held. We will look into that tomorrow and the timeline.

Councilmember Collier inquired if we are required to hold a public hearing to change the Charter?

Ms. Miller responded that a public hearing is not required but this Charter Amendment has been discussed during several Town Council meetings, which have been advertised.

Mayor Norris noted that this Charter Amendment only assists the Town with borrowing options but the residents would be concerned with how the money is allocated and that is a separate process.

Ms. Sothoron noted that the waiting period allows the public to contest the Charter Amendment.

Ms. Miller explained that there is a specific process that is required. The Charter Amendment is introduced and when it is passed, it is advertised in the newspaper for four consecutive weeks and is required to be on display in a public location.

Councilmember Wise commented that the interest rate did not seem that much different.

Ms. Sothoron commented that is correct and the Town may save money by using a private banking source. Ms. Sothoron had asked Funk and Bolton where some of the other municipalities were borrowing money and they told her that they were going to their local banks as the climate has changed and banks are getting back into the municipal market.

Mayor Norris explained that Lt. Governor Steele would be in town next Wednesday. The County Commissioners have been trying to set a date for a groundbreaking for the Port of Leonardtown and winery. We will keep Council informed as the plans shape up and will try to make it after 2:30 p.m. to accommodate some of the Councilmembers.

Police Report – Deputy Maloy

Calls for service were down during the month of August. Traffic incidents reduced during July and August. One notable thing that Councilmember Collier reminded me of is there is a gentleman walking around town asking for money and I have made contact with him. We have nothing in our system on this person and I will keep him under observation.

Council discussed the issue of on-street / off-street parking that it will continue to be an issue due to families with more than two cars.

Council discussed street cars without tags and staff will check the Town's ordinance for clarification.

Council discussed the issue of homeless folks sleeping on town property. Mayor Norris responded that we do not have a specific policy but the local police do try and relocate them to a shelter or facility when necessary. Deputy Maloy has knowledge of these folks and keeps tabs on anyone that may be a potential problem. It is a sensitive area of concern.

Planner's Report – Laschelle Miller

At the August 21, 2006 Planning and Zoning Commission meeting:

- Case #86-06, SMECO Communication Tower received site plan approval.
- Case #87-06, Breton Market Place received concept approval, renovation of the existing building for five retail spaces, two office spaces and possibly a restaurant, along with a rental storage facility and three two-story office building.
- Tri-County Community Bank is under contract to purchase the adjacent vacant 7-Eleven site. They will be going back to the drawing board to redesign and come back before the Planning and Zoning Commission for approval.

On the agenda for the September 18, 2006 meeting:

- Annexation for the Bowles / Hall/ Thacara / SMECO property. This will go before the Planning and Zoning Commission for a recommendation back to the Council and will be discussed further today.
- Case #64-04, Quality Built Homes will be coming for final site plan approval for Leonard's Drive, which is the access road to Leonard's Grant, and for the sewer force main. Construction will start in the next couple of months, as the road needs to be completed before March because of the environmental issues. This is required preparation for Phase I and not the start of any home building.
- Case #38-06, Sterling House revised concept plan, tentatively on the agenda, which may change due to stormwater management issues.
- Case #88-06, Emergency Operations Center Equipment Shelter concept plan, the applicant is the Board of St. Mary's County Commissioners.
- On August 29, 2006, a Board of Appeals meeting was held. They approved a five-foot rear setback variance for Case #49-06, Alvin Ogletree, Academy Hills property and a two-foot rear setback variance for Bea Tatlow, Case #69-06 on Miles Post Lane.

Councilmember Roberts asked when the Quality Street Kitchen and Catering would be opening?

Ms. Miller responded that they are close to completion but no set date.

Councilmember Roberts inquired about the use and occupancy permit for Leonardtown Laundromat, is that a new one?

Ms. Miller responded that it has changed hands; they are required by the County to obtain a new use and occupancy permit in their name.

Town Administrator's Report – Laschelle Miller

Resolution 3-06 – Resolution to annex 14,009 acres along Rt. 5 – for a number of months David Halls (D&G Kustom) and Dr. Luke have been pursuing annexation into the Town. We have finally received all of the documentation needed to proceed with the annexation. They have signature of 3 of the 4 property owners on the petition. A letter from St. Mary's County Commissioners is enclosed to allow the zoning change on the Hall property to go to commercial highway. Mr. Hall wants to tear down the residence and build a commercial building to house D&G Kustom, where he now rents. Dr. Luke has future plans to possibly expand his office. Following is the timeline for the annexation process.

September 11, 2006

Introduce Resolution

September 12, 2006	Advertise public hearing, send copies to Tri County Council, County Commissioners and Md. Dept. of Planning
September 22 thru October 6, 2006	Advertising continues
September 18, 2006	Planning and Zoning Agenda for recommendations
October 9, 2006	Public Hearing before Town Council, enactment of resolution
November 24, 2006	Resolution becomes effective

St. Mary's County MOU for Wharf Funding – A draft of the MOU, which replaces the original 2004 MOU, is attached. Authorization is needed for the Mayor to sign. This MOU gives us the much-needed flexibility for funding reimbursement.

Councilmember Roberts moved to grant Mayor Norris the authority to sign the new MOU, seconded by Councilmember Mattingly, no further discussion, motion passed unanimously.

Historic Leonardtown Walking Tour – I have attached a copy of the long awaited Walking Tour brochure. This project was a joint effort of the Commissioners of Leonardtown and the St. Mary's County Tourism department. A special thank you to the members of the committee who worked for two years on the project: Carolyn Laray, Susan Erichsen, Teresa Wilson, Barbara Dotson, Linda Shepherd and Laschelle Miller. The tour is self-guided and the brochures will be available at local businesses.

Mayor Norris commented that there was a lot of work and research that went into this project and our staff had to obtain permission from each of the property owners and involved lots of time and detail and they should all be commended.

Leonardtown Wharf Update – Cianbro is on schedule. The crane is assembled and on site. Test piles will begin to be driven Friday, 9/8, with the production pile driving beginning next week. Funding for the remaining balance is the biggest concern as 11/1/06 is the date the bid prices are held to. All old piles have been removed, as well as the bulkhead. Cianbro removed the 4 extra piles at no charge. Also, a big thank you to Mark Grant who spent e hours in the water searching for missed piles and found 14, which were then removed.

Singletree Street SealCoat request – I have had two requests as to the status of continue the seal coating of the older streets in Singletree. Councilmember Faunce initiated this in 2004. Two streets, Bea Ct. and Helen Marie Ct. were completed at a cost of \$2,765. I would need to contact contractors for prices if this is approved. Miss June and Garrett Courts would be the next streets for the coating.

Mayor Norris stated that we rely on Councilmember Wise on which streets need to be done and he did determine that these two streets and the next two streets do need to be done. Previously, former Councilmember Faunce had suggested a different type of overlay. Ms. Miller will work with Councilmember Wise to obtain pricing for the streets already committed too. Future streets will be included and considered along with the entire Town streets.

Doctor's Crossing Improvements – CA Bean completed the Doctors Crossing improvements quickly and painlessly. I have heard thank you from many people.

Streetscape Water and Sewer repair bid – Bid opening is scheduled for September 27, 2006.

Council Reports:

Events – Councilmember Mattingly:

Councilmember Mattingly reviewed the upcoming events:

Date	Time	Meeting
Tuesday, September 12		Primary Election Day
Tuesday, September 12	9:00 a.m.	Chamber Tourism Committee Meeting @ SM Airport Conference Room
Wednesday, September 13	8:30 a.m.	LBA Meeting @ TBD
Saturday, September 16	5:30 – 9:00 p.m.	Light the Night Walk for Leukemia & Lymphoma @ Governmental Center
Thursday, September 21 – Sunday, September 24		SMC Fair (Parade on Saturday @ 10:30 am)
Tuesday, September 26	11:30 a.m.	State of the County Luncheon @ JT Daugherty Center
Wednesday, September 27	7:30 a.m.	Governmental Affairs Committee @ SM Airport Conference Room
Thursday, September 28	5:30 p.m.	Chamber Business After Hours @ County First Bank, California
Saturday, September 30	11:00 a.m.	Parade to recognize local National Guard support on the Governmental Center Grounds
Wednesday, October 4	8:00 a.m.	29 th Annual Chamber of Commerce Golf Classic @ Breton Bay Golf Course
October 19-22		MML 2006 Fall Conference @ Ocean City, MD

Capital Projects – Councilmember Collier:

Waiting on the pump parts to begin assembling, working with WWTP on this issue.

Streets and Roads – Councilmember Wise: No report

Grounds – Councilmember Combs: No report

Mayor Norris spoke with Councilmember Combs regarding landscaping at the Port of Leonardtown and some of the details on the Proffitt and Loker buildings, such as streetlights and awnings.

MML/SMMA – Councilmember Roberts:

The SMMA meeting will be Wednesday, September 20, 2006. La Plata will be hosting at their Town Hall in La Plata.

Councilmember Roberts inquired about who will be attending the MML Fall Conference, October 18-20. Mayor Norris is registered to attend.

Councilmember Roberts wanted to bring forward the following items regarding Singletree HOA so that when she meets with them she had consensus from Council:

1. The Mayor has taken on the task of getting the lot on Greenbrier cleaned up
2. The street light issue will not be resolved at this point. It was not included in the budget, it was not a high priority and since then people have called and explained that with the new hospital lights it is bright enough. There are also other people in Singletree who do not want additional lights.
3. The fire siren is still an issue but the HOA will have to continue, on their own, to negotiate with the fire department.

Council briefly discussed Homeowners Association's. Singletree has individual (by street) HOA's due to separate wastewater ponds. Leonard's Grant and Clarks Rest developments will have a single HOA's, as does Academy Hills, which will be active soon.

Councilmember Roberts asked if Ms. McGraw could check on Joanne Drive and what exactly was okayed on those plans as far as the road is concerned.

Ms. Miller stated that we would pull the plans for review.

Ms. Miller commented that she has prepared a letter for the Mayor's signature to mail to the businesses along the Town Square regarding employee parking.

Adjournment:

Councilmember Collier moved to adjourn the meeting. Councilmember Mattingly seconded the motion, which passed unanimously. The meeting adjourned at 5:05 p. m.

Respectfully Submitted:

Teri Dimsey, Recording Secretary

Approved:

J. Harry Norris, III, Mayor

Walter Wise, Vice President

Thomas R. Collier, Councilmember

Absent

Robert C. Combs, Councilmember

J. Maguire Mattingly, III, Councilmember

Leslie E. Roberts, Councilmember