



Commissioners of Leonardtown

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DANIEL W. BURRIS
Mayor

LASCHELLE E. MCKAY
Town Administrator

Commissioners of Leonardtown **Town Council Meeting Minutes** **November 9, 2015**

Attendees: Daniel W. Burris, Mayor
Leslie Roberts, Vice President
Hayden T. Hammett, Councilmember
J. Maguire Mattingly IV, Councilmember
Roger L. Mattingly, Councilmember

Absent: Thomas M. Combs, Councilmember

Also in attendance were: Teri Dimsey, Secretary; Laschelle McKay, Town Administrator; Rebecca Sothoron, Treasurer; Cindy Williams, Planning Assistant, John Williams, MedStar SMH; Billy Mehaffey, Mehaffey & Associates; Mary Ann Murray, Murray, Wamsley & Schroder; John Wharton, The Enterprise; Dick Myers, The Bay Net. A complete list of attendees is on file at the Leonardtown Town Hall.

Mayor Burris asked that Councilmember Hammett lead the invocation and Ms. Dimsey lead the Pledge of Allegiance.

Mayor Burris moved on to the first order of business.

Mayor Burris remarked that we send get well wishes to Councilmember Combs who is battling an illness and is in the hospital for a few days.

Approval of Minutes

Meeting minutes for the October 12, 2015 Town Council meeting were presented for approval.

Mayor Burris entertained a motion to accept the minutes as presented.

Councilmember Roger Mattingly moved to approve the October 12, 2015 minutes as presented; seconded by Councilmember Roberts ; motion passed unanimously.

Mayor Burris commented that Ms. Mary Ann Murray is here today to present the findings of the audit conducted by Murray, Murray and Schrader.

Ms. Murray noted that she will do a summary explanation of the Audit report as presented and explain any items in detail if necessary.

Ms. Murray commented that Ms. Sothoron provided an overall summary which you will find very helpful. Ms. Murray remarked that our opinion is located on pages 1 through 3 and to summarize, it says that we have submitted an unmodified opinion, meaning that we believe the financial statements are fairly stated in all material respects in accordance with general accepted accounting rules.

The report begins with the Management Discussion and Analysis, which explains what the numbers mean and uses a comparable form to compare past years with the current year to offer an explanation of why the numbers are what they are at certain times of the year.

Ms. Murray noted that the government wide financial statements are located on pages 13 and 14. There are two columns separated into the governmental activities and the business type activities. These activities are calculated on an accrual basis and are very similar to any other type of business enterprise financial statements. These statements break down all the funds providing you with a quick look at your overall financial status. The major point to note is that when you take your assets less your liabilities your net position for the year is \$40,959,192 and your net investment and capital assets is your largest portion which is \$30,493,146 and some restricted portions of your net position and the majority of that is for future growth and impact fees. In total, you are looking at an unrestricted net position of almost \$3,750,000.

Ms. Murray continued on to the Statement of Activities for the Government Wide Financial Statements. The governmental activities had a decrease of \$228,443 in net position but the reason is because of depreciation. And, the business type activities had an increase for the year of \$1,439,112. The majority of that was due to the collection of impact fees.

Ms. Murray proceeded to go through the report section by section, highlighting particular information with a brief description: Actual Revenue and Expenditures for the General Fund, Statement of Net Position for the Enterprise Fund, Notes to Financial Statements (Expenditures, Enterprise Funds and Notes to Schedule).

Ms. Murray remarked that there is a new, one-time required report due to the audit threshold and because you had expended more than \$500,000 on a major Federal program, which was the CDBG Grant for Cedar Lane, you had to have a single audit (OMB Circular A133) and even though it was only a pass-through, there were compliance laws to be followed. The threshold has been raised to \$750,000 so it will not apply unless you had any additional federal funds which you do not. Finally, there is the Summary of Results of the major program and the Financial Statement Audit for this purpose and there were no findings or no costs questioned.

Lastly is the report on Internal Control and Compliance. This is related to your financial statements and it is in accordance with government auditing standards. We do not express an opinion on Internal Control over your financial statements, we are only looking at Internal Control to determine what our audit procedures have to be. However, we did not see anything when looked at Internal Control that were considered material weaknesses. You can have

deficiencies which we report in a different letter but they did not warrant a material weakness. Nothing came to our attention that said you were not complying with any laws or regulations that would be material weaknesses.

Because of the single audit we do have one additional required report. We do give an opinion on the compliance requirements and we gave an unmodified opinion.

As far as Internal Control compliance, we do not give an opinion but nothing came to our attention. The statements and reports are all the highest you can get, very clean records and no audit adjustments were necessary.

Two correspondence letters we are required to do are included and the first letter states that as we do not deal with the Town Council during the audit it is important that we relate to you what we saw during this audit. One thing that is integral is that some data has to be estimated such as your assets. The biggest one we saw this year was depreciation and your allowance for doubtful accounts, specifically your utility receivables. In the end we determined that there was no allowance that was needed. We had no difficulties in performing the audit. We did not have any uncorrected misstatements and no audit adjustments were needed. No disagreements with management.

The other correspondence brings forward three items for your attention. Two of them have been brought forward in the past, one is to update the Accounting and Purchasing Manual and the use of your purchase order threshold and management has considered these and they have not been a priority. The last item was just an oversight and is being corrected, but because it is a large amount it needed to be brought to your attention.

Ms. Murray stated that she is available for any questions or if the Mayor or Council would like to they can contact her to discuss in more detail.

Treasurer's Report – Rebecca Sothoron

Ms. Sothoron reported that no transfer of cash was needed to the Operating Fund this month. We are 33% through the budget year. On the electronic payment options, the bank check elimination feature was activated about 10 days ago. They are simultaneously working to get the online payment option in place. We hope to have in place in February and do some testing this December. Final tax notices are being prepared for a tax sale scheduled in March.

Councilmember Roberts extended a thank you to the staff for assisting the auditors realizing how much time is required from the daily duties.

Planning & Zoning Report – Laschelle McKay

The last Planning & Zoning meeting was held on October 19, 2015. We had the following cases on the agenda:

Case #2-15 MedStar St. Mary's Hospital Quad House, 41500 Doctors Crossing Road

The Planning & Zoning Commission rendered a favorable recommendation to Town Council for final site plan approval.

Case #6-15B Washington Street Retail Complex – Phase Two, 22845 Washington Street - Request for site plan approval

The applicant received final site plan approval to begin exterior renovations to the existing building.

There are currently no items on the November 16, 2015 meeting agenda.

Police Report – Laschelle McKay

Deputy Smolarsky is unable to attend today and we have not received her written report. She has been extremely busy at the moment. We will follow up with her.

Town Administrator Report – Laschelle McKay

Case #2-15- Medstar St. Mary's Hospital Quad House final site plan approval-

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| Owner: | St. Mary's Hospital of St. Mary's County, Inc. |
| Engineer: | Billy Mehaffey of Mehaffey & Associates, P.C. |
| Architect: | Todd Edwards of CR Goodman Associates, LLC |
| Land Area: | .97 acres |
| Project Size: | 5,720 sq. ft. |
| Zoning: | PUD |

The concept plan to build a quad house to serve as temporary housing for visiting doctors was originally presented to the Planning & Zoning Commission in January 2015 and received a favorable recommendation. In February 2015, Town Council held a public hearing at its regularly scheduled meeting, as required. No public comments were received, and Council approved the concept plan as presented with the addition of a pedestrian connection. An excerpt from the minutes of both meetings is included in your packet.

A few minor comments from Soil Conservation and the Department of Public Works are being addressed prior to final approval, and the Town has approved the utility plans. The required number of parking spaces has been provided. Fire Marshal has received the architectural plans. Approval will be required before issuance of a building permit. A copy of the final site plan and the elevations are included in your packet. Color renderings of the exterior are in your packets as well.

The Planning and Zoning Commission sent a favorable recommendation of approval of the final site plan at their October 19, 2015 meeting (draft minutes are included in your packet).

Mr. Mehaffey noted that they have received comments from the Department of Public Works in regards to SWM and Soil Conversation and the comments have largely been handled.

Ms. McKay asked Mr. Mehaffey to show Council where the sidewalk will be added.

Mr. Mehaffey explained and pointed to where the sidewalk will be added.

Councilmember Roberts remarked that this is a great way to offer and blend in affordable housing in a neighborhood. This is also a great way to attract much needed medical professionals.

Councilmember Hammett moved to approve the final site plan as presented; seconded by Councilmember Roberts, no further discussion, motion passed unanimously.

Ms. McKay announced that the national campaign, Small Business Saturday, is being promoted by the Leonardtown Business Association and to date there are approximately 28 businesses participating. The Town Council is presenting a Proclamation to be read by Councilmember Hammett officially supporting Small Business Saturday, Shop Local to kick off the holiday shopping season. There is also a mailer going out to promote small businesses and the reasons to shop local.

Councilmember Hammett read out loud the Small Business Saturday, Shop Local Proclamation.

Municipal Government Works Month

Councilmember Roberts remarked that the Town of Leonardtown is a member of the Southern Maryland Municipal Association a chapter of the Maryland Municipal League and every November we show our support by proclaiming November as Municipal Government Works Month and read the Proclamation out loud. She noted that the best section is the mention of allowing citizens to have direct access to their elected officials. Town staff works directly with individual citizens in trying to solve problems or concerns they have and the Mayor allows time after town meetings to be available one-on-one.

Bid Award for Repair and Maintenance Contract- The Maintenance and Repair contract for the Town was rebid September 17, 2015. The advertisement was in the County Times and on the Town website and was picked up by a bid service. We received 3 requests for packets and received only one bid. AB&H was the sole bidder. They have done a good job with the contract since 2010. The contract is a two year contract with three one-year extensions. Mr. Wheatly reviewed the bid prices and found approximately a 15% increase based on a day's work over the 2010 bid.

Councilmember Roger Mattingly moved to award the bid to AB&H as presented; Councilmember Jay Mattingly seconded, no further discussion, motion passed unanimously.

GHD Task Order #10- This is a retroactive Task Order that was discussed prior to 2014 when we decided to move forward with the ENR. MDE then came back and said we had to bid part of the Construction Management and Inspection of the project. We discovered when the auditors were here this month that we had approved it as part of the overall project numbers and we had approved Task Order #11 for the part that was bid but we never went back and separately approved this Task Order #10 for \$1,135,591.96.

Councilmember Roberts moved to approve GHD Task Order #10 in the amount of \$1,135,591.96 for Construction Phase Engineering of the ENR Upgrade. This funding was approved in the overall budget and financing of the project previously.

GHD Task Order #14- WWTP Expansion Study- This task order is to move forward with the design modifications needed with the ENR to do a small expansion to the plant in conjunction with the ENR project. Rebecca and I have had an initial conversation with MDE and it went positively and the next step is for GHD to analyze and make a recommendation as to how much we would expand.

Councilmember Roberts moved to approve GHD Task Order #14 in the amount of \$42,070.50 for the Wastewater Treatment Plant Expansion; seconded by Councilmember Hammett, no further discussion, motion passed unanimously.

Mayor's Report

Mayor Burris stated that he is looking forward to the upcoming events, Veteran's Day Parade and Christmas on the Square/Tree Lighting and the holiday season.

Events – Roger Mattingly

Councilmember Mattingly reported that Trick-or-Treat on the Square had an estimated record crowd of 350 trick-or-treaters on October 24th. Staff from Maryland Wine & Design Art Buzz Kids provided free face painting and SMAWL had a dozen entrants in this year's pet costume contest. There were 32 giveaway spots including a few businesses from outside the Square who came to set up tables, as well as the County Board of Elections, the LVRS and the LVFD, who brought both candy and a fire truck for our trick-or-treaters to enjoy.

The 2015 Veterans Day Parade and Wreath Laying Ceremony in Leonardtown will be held this Wednesday, November 11th. There are over 2,700 people participating in the event – 400 more than last year's count at this time – and the lineup includes 350 vehicles, 3 horse groups and 16 floats. We especially appreciate SMCPS for loaning us a 4th shuttle bus and driver to help accommodate the increase.

Considering that there is a sink hole in the Ryken Parking lot, Connie Pennington and Mike Vosburgh both deserve raises for working out the logistics of the staging area. To accommodate the lineup, groups have been moved to the stadium, Camp Calvert Road and the Black Belt Academy as needed. Thanks to Master Shim for allowing us to use his property.

Upcoming Events of Interest/Meeting Reminders:

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| Wed., November 11 | 10 AM HOLIDAY | Veterans Day Parade Veterans Day – OFFICES CLOSED |
| Fri., November 13 | 8:30 AM | Leonardtown Business Association Meeting @ The Rex |
| Sat., Nov. 14 & Sun., Nov. 15 | 9 AM – 5 PM 10 AM – 3 PM | Antique Show & Sale Leonard Hall Jr. Naval Academy |
| Sun., November 15 | 3:00 PM | National Youth 5K @ Leonardtown Wharf Park |
| TBD | 11:00 AM | Santa’s Workshop & Pizza @ Newtowne Village |
| Wednesday, November 18 | 5:30 PM | Chamber Business After Hours – Hosted by Hilton Home2 Suites 46058 Valley Drive Lexington Park, MD. 20653 |
| Thurs., November 19 | 11:30 AM | State of the St. Mary’s Public Schools Luncheon @ Olde Breton Inn |
| Thurs., November 26 Fri., November 27 | HOLIDAY | Thanksgiving – OFFICES CLOSED |
| Fri., November 27 (Rain date: Sat., Nov. 28 @ 7 PM) | 5 PM – 9 PM | Christmas on the Square & Tree Lighting Leonardtown Square |
| Fri., November 27 | 5 PM – 9 PM | LVRSA Christmas Festival @ Winegardner |
| Saturday, November 28 | 11 AM – 4 PM | Small Business Saturday |
| Friday, December 4 | 5 PM – 8 PM | Celebration of Shop Local First Fridays |
| Sat., Dec. 12 | 11 AM – 1 PM | Santa & Mrs. Claus on the Square |
| Friday, December 25 Friday, January 1 | HOLIDAY | Town Office Closed |

Community Development and Strategic Planning - Hayden Hammett

Councilmember Hammett reported that the Washington St. retail complex is under way. We have seven new Use and Occupancy permits in the Clarks Rest development. Two new sidewalk projects are planned or underway, one at Doctors Crossing and Hollywood Road, which greatly enhances the pedestrian safety and the other at Moakley St and Clarks Rest development which connects to the Singletree neighborhood enabling those residents to walk and jog safely.

ENR Upgrade – No Report

Safety and Emergency Preparedness – Jay Mattingly

Councilmember Mattingly reported that as Councilmember Hammett mentioned the new sidewalk at Drs. Crossing and Hollywood Road looks great. Mr. Wheatly did a great job and we have received a lot of good comments. There were approximately 300 children trick or treating in Singletree neighborhood this year which shows the neighborhoods are growing.

SMMA Update – Leslie Roberts

Councilmember Roberts reported that she was unable to attend the last SMMA and deferred to Councilmember Roger Mattingly.

Councilmember Roger Mattingly noted that there was a guest speaker on GIS and how it can benefit small Towns. We utilize much of the Counties GIS technology so we are not in as much need as other Towns. We also had a representative from the Town of Annapolis who have not been active for quite a few years, good to see them returning.

They spoke about the current legislative priorities; one, they continue to work to restore Highway User Funds and the second priority is the Program Open Space Funding which MML actively opposes any effort to divert Program Open Space Funds from the intended purpose to the General Fund.

November is Municipal Government Works Month which we have presented our Proclamation today. The next meeting will be the legislative dinner on December 2 hosted by the Town of La Plata followed by the January 6 meeting in Annapolis.

Councilmember Roberts remarked that the one other thing in addition to the two recommended priorities that are also being supported is a Statement of Strategic Engagement which means that while these are not our main priorities they are issues we would support. One is the support of police body cameras as an effective and transparent law enforcement tool and support of eliminating double taxation through State legislation requiring a tax differential. We get that tax differential every year from the County but there are a lot of municipalities that do not get it.

Mayor Burriss asked Ms. McKay to provide an update on the ENR Upgrade.

Ms. McKay responded that things are going pretty smoothly albeit some minor paperwork issues that have been resolved.

Mayor Burris reminded everyone that he will be available for discussion after the close of the meeting and entertained a motion to adjourn the regular meeting.

Councilmember Roger Mattingly moved to adjourn the regular meeting at 5:05 p.m.; seconded by Councilmember Jay Mattingly, no further discussion; motion passed unanimously.

Respectfully Submitted:

Teri P. Dimsey

Approved:

Daniel W. Burris, Mayor

Leslie E. Roberts, Vice President

Absent
Thomas M. Combs, Councilmember

Hayden T. Hammett, Councilmember

J. Maguire Mattingly IV, Councilmember

Roger L. Mattingly, Councilmember