



Commissioners of Leonardtown

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DANIEL W. BURRIS
Mayor

LASCHELLE E. MCKAY
Town Administrator

Commissioners of Leonardtown **Town Council Meeting Minutes** **November 13, 2016**

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

Also in attendance were: Laschelle McKay, Town Administrator; Rebecca Sothoron, Treasurer; Jada Stuckert, Planning Assistant; Jackie Post, Fiscal Clerk; Maria Fleming, Events Coordinator; Terry and Kirk Bonnevier, Residents; Mary Ann Murray, Murray, Wamsley & Schroder; John Wharton; Enterprise. A complete list of attendees is on file at the Leonardtown Town Hall.

Mayor Burris asked Councilmember Hammett to say the invocation and proceeded with the Pledge of Allegiance.

Mayor Burris remarked that we have a Public Hearing at 4:15 p.m. and at 4:30 p.m. along with an addition to the agenda of the Maryland Municipal Growth Month Proclamation.

Approval of Minutes

Meeting minutes for the October 11, 2016 Town Council were presented for approval.

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

Councilmember Roger Mattingly moved to approve the October 11, 2016 minutes as presented; seconded by Councilmember Combs; motion passed unanimously.

Police Report – Deputy Smolarsky

Deputy Smolarsky stated that she provided Council with a written report. She did want to mention that in the County we have had numerous motor vehicle burglaries and recently in the Academy Hills neighborhood. In response to that she posted on all the Facebook pages of surrounding HOAs along with the Town's page to notify them to be wary of this activity. She included a lot of tips along with the most important tip to lock your vehicle. It was well received and lots of shares which means a lot of people were following this.

Mayor Burris announced that Deputy Peggy Smolarsky is officially retiring, for which we are very happy for her, but will miss her tremendously. She has been the Town Deputy for the past seven years.

Mayor Burris expressed his appreciation on behalf of the Council and staff and presented Deputy Smolarsky with a Town Mural and a custom made glass etched candy dish engraved with the Town Logo along with a special message “We are sweet on you Peggy, your Leonardtown Family”.

Deputy Smolarsky responded that she has so enjoyed her time and will miss everyone. She recalled how she has grown to love this job with the Town and the many residents and businesses. She thanked everyone for the gifts and for the upcoming Open House on Thursday for folks to come say goodbye.

Treasurer’s Report – Rebecca Sothoron

Ms. Sothoron reported that during the month of October \$200,000 was transferred to the Operating Account. We are 34% through the budget year.

Since the last meeting, there has been significant work between the property tax vendor that we use for our in-house software and a technology company called Auto Agent that company specializes in communicating with escrow payment companies. We have done some testing and the outcome is that for the second semi-annual property tax payments we will no longer receive paper checks from these big escrow companies. All the data will be transmitted electronically and the deposits will be made electronically. The paper load in the office should decrease significantly.

Also, we will begin the transition to real-time utility billing payments. Right now customers are making on-line payments through the web portal but we are only sharing data once a day. In order to have the kiosk in the office we need to move to a real-time processing option. The first quarter of FY17 we had about 10% utilization per credit card and 21% for on-line banking through their banks website and we are significantly above that so far for credit cards. We hope to have about half using on-line bill pay or credit cards.

And the final tax notices will be sent out shortly.

Planning & Zoning Report – Laschelle McKay

The last Planning & Zoning meeting was held on October 17, 2016. There was one item on the agenda:

Case No. 46-16 Bonnevier PIRD Application – 22565 Washington Street
Request for PIRD approval recommendation

The next Planning & Zoning meeting will be held on November 21, 2016, and currently has three items on the agenda:

Case No. 14-05.2A.67-16 Clark’s Rest Phase 2A Clubhouse & Pool
Request for Architectural approval

Case No. 14-05.5

Clark's Rest Phase 5 Commercial Record Plat
Request for Record Plat approval

Case No. 49-16

Ryken Athletic Center
Request for Concept Plan approval

Mayor Burris entertained a motion to close the regular meeting and open the Public Hearing.

Councilmember Roberts moved to close the regular meeting and open the Public Hearing on Case No. 46-16 PIRD Designation for 22565 Washington St. – Tax Map 133, Parcel 319; seconded by Councilmember Jay Mattingly, motion passed.

Mayor Burris asked Ms. McKay to proceed.

Ms. McKay reported on the Public Hearing Case 46-16- PIRD Designation for 22565 Washington Street- Tax Map 133, Parcel 319

Owner: Kirk and Terry Bonnevier
Surveyor: Chesapeake Trails Surveying, LLC
Contractor: Corey Alan Homes
Property: Tax Map 133, Parcel 319
Land Area: 12,930 sf
Zoning: R-SF with IDA Overlay

Kirk and Terry Bonnevier purchased the property in January 2016. The primary structure was built in 1910 and is currently in a deteriorated/dilapidated condition. It is the purpose of the Planned Infill and Re-Development District (PIRD) to encourage the re-development of these deteriorated sites while preserving the residential character of the surrounding residential neighborhood.

The Bonneviere are proposing tearing down the existing home. They need a reduced rear yard setback and are requesting a PIRD overlay to reduce the rear setback. A copy of the Statement of Intent for the PIRD is enclosed in your packets which shows that this type of project is exactly what the PIRD was established for. The Planning Commission held a public hearing on October 17, 2016 (draft minutes attached). A copy of the site plan is attached. They meet all of the setbacks, except the rear is 25 feet in R-SF zone and they can only meet 9.62 feet at the closest corner of the house. There are no homes located behind the property. The property is in the Critical Area and will be required to mitigate with plantings. All other requirements are being met.

The Public Hearing was advertised in The County Times on October 6, 2016. No public comment has been received prior to the Public Hearing. There were two people who spoke in favor of it at the last meeting.

Mayor Burris opened the floor to the public for any comments.

There being none, Mayor Burris entertained a motion to close the Public Hearing and open the regular meeting.

Councilmember Hammett moved to close the Public Hearing and open the regular meeting; seconded by Councilmember Roger Mattingly, motion passed.

Councilmember Roberts moved to approve the PIRD overlay designation for 22565 Washington Street which allows for a reduced rear set back of 9.62 feet; Councilmember Combs seconded, no further discussion, motion passed.

Town Administrator's Report – Laschelle McKay

Award Leonardtown Beacon Contract- The contract for printing of the Beacon was up for renewal. The contract was advertised in the County Times on October 20, 2016. The contract is for one year with two one year options. Two proposals were received by the October 28, 2016 deadline.

Printing Press- \$1,998/issue
Barefoot Graphics- \$2,298/issue

One additional bid was received after the deadline (11/2/16) from Heritage Printing in the amount of \$2,247.19. Staff recommendation is to award the contract to Printing Press, Inc.

Councilmember Roberts moved to award the contract to Printing Press, Inc. in the amount of \$1,998 per issue for the printing of the Beacon Newsletter for one year with two one year extensions; seconded by Councilmember Hammett, no further discussion, motion passed unanimously.

Authorize SMECO Easement for Upgrade Work- We have been working with SMECO and Metrocast to clean up some of the utility poles and lines in the downtown and along Park Ave. In order to install new transformers in the parking lot on Park Ave. we need to sign a new easement.

Councilmember Roger Mattingly moved to authorize the Town Administrator to sign the easement agreement for SMECO in relation to Work Request #122317; seconded by Councilmember Jay Mattingly, no further discussion, motion passed unanimously.

Award Appraisal Bid for Town Properties- At last month's meeting authorization was given to solicit bids from local appraisers for getting market value appraisals done on the 4 properties being proposed for sale. A Request for Proposals was sent to the list of 10 local appraisers.

Four responses were received.

Brick House Realty - \$2,500
Main Street Appraisals- \$2,500
Hooper and Associates- \$5,000
Gatewood Company- \$5,500

Mayor Burris suggested they table this vote until after the Public Hearing on Resolutions #6-16, #7-16, #8-16 and #9-16 on Disposition of Town Properties.

Proclamation for Municipal Government Works Month

Councilmember Jay Mattingly read the Proclamation out loud.

Proclamation for Small Business Saturday

Councilmember Hayden Hammett read the Proclamation out loud.

Mayor Burris entertained a motion to close the regular meeting and open the Public Hearing.

Councilmember Combs moved to close the regular meeting and open the Public Hearing; seconded by Councilmember Hammett, motion passed.

Mayor Burris asked Ms. McKay to present the summary.

Ms. McKay reported on **Public Hearing Disposition of Town Properties- Resolution #6-16, #7-16, #8-16 and #9-16-** As part of the ongoing process to allow for the possible disposition of the 2 condo units (#300 and #301) in the Proffitt Building, the Moakley Street stormwater management facility and the former Church Street water tower site, we are required to hold a public hearing to hear comment on the proposal that these properties are no longer needed for public use. Following the public hearing you may approve the four resolutions. After approval of the resolutions we will advertise for bids on the properties. Bids can be accepted after a 20 day waiting period. Once we receive bids we will present contracts along with ordinances for the sale of the properties individually, similar to the process for the town hall building purchase.

We did not receive any public comments and the Public Hearing was advertised in the newspaper.

Mayor Burris opened the floor to the public for comment.

There being no comments, Mayor Burris entertained a motion to close the Public Hearing and open the regular meeting.

Councilmember Hammett moved to close the Public Hearing and open the regular meeting; seconded by Councilmember Roger Mattingly, motion passed.

Councilmember Roberts moved to approve Resolution #6-16, 7-16, 8-16 and 9-16 authorizing the sale of the public properties listed in the resolutions; seconded by Councilmember Combs, no further discussion, motion passed unanimously.

Ms. McKay went back to the awarding of the **Appraisal Bid for Town Properties**. We will place a notice in the paper and need to wait twenty days before we take any bids but in the meantime we can move forward with the appraisals.

Councilmember Combs moved to award the contract for performing the four market value appraisals to Main Street Appraisals; seconded by Councilmember Hammett, no further discussion, motion passed unanimously.

Mayor Burris moved on to the next order of business, the Audit Report and asked Ms. Mary Ann Murray to proceed with the presentation.

Ms. Murray remarked that she will present an explanation of the audit report. She reported that they were able to get an unmodified opinion that states that your financials are fairly stated in all material respects in accordance with the generally accepted accounting principles.

Management Discussion and Analysis. This is a very informative section and it puts the financial data for FY16 in comparison to the previous year.

Government Wide Financial Statements. This is using the accrual basis of accounting and broken down between your governmental and business type activities. Your business type are your proprietary funds which are your water, wastewater and the refuse collection which you fund through service charges. Everything else is shown in the governmental activities and the most important thing to view is the net position of the Town. That is your assets, less your liabilities and as of June 30, 2016 you have \$44,512,176 in net position. But, 75 percent of that is in non-spendable form because it is your capital assets, which is your equipment, property and your infrastructure. Seventeen percent of it is restricted which is your impact fees which is not spendable for any on-going activities. So eight percent of your net position or about \$3.4 million can be used to meet your ongoing obligations to the Town.

Statement of Activities. The last column here shows what your net cost is of your Town functions and it indicates a negative number. This is because you finance your governmental activities through taxes and your general revenue column is where you will see the taxes. In your business type activities the revenue has mainly positive numbers as you are financing those through service charges. The past year the number was a lot higher because you have capital grants in there for the ENR project.

Governmental Fund Balance Sheet. The most important is the fund balances. Your assigned fund balance is close to \$134,000 and basically this is money that you have indicated you want to use for particular purposes. This includes money to finish the Wharf playground, the Port of Leonardtown project, or other on-going projects that still need to be finished. It also includes about \$50,000 in parking fees in lieu that has been collected for on-going projects. The unassigned fund balance of \$775,000 which has gone up and it is about 58% of your budgeted

expenditures for FY17. This has gone up above last year's 40% and can be attributed to mainly the income taxes which was not expected and is not something you can predict.

Governmental Fund Statement of Revenue and Expenditures and Changes in Fund Balance.

Over all for the year there is an excess of \$188,719 which is again partially from the collection of income tax and there were savings in all of the departments across the board.

Statement of Revenue and Expenditures by Budget. We will look at this in more detail as we get further back.

Proprietary Fund Financial Statements. This is your water, wastewater and refuse. The exact same statement is in your government wide statements in the beginning and are exactly the same. There was an operating loss of \$423,848 but that was after you recognized depreciation of \$536,000 which was a non-cash expense. Overall there was a positive change in your net position of \$3.7 million dollars but a lot of that was due to the ENR grants.

Required Footnotes. They are exactly the same footnotes as the previous year material wise. Note E remarks on the change in the construction in progress for the ENR project. Note F is the debt footnote comments on the ENR state loan. Note Q – Commitment and Contingencies is very long this year and that is because of the many contracts that are outstanding related to the ENR project and also because of the purchase of the Town Hall. The Subsequent Event footnote talks about the Town Hall purchase because it actually happened at the end of the year and the condo is up for sale and no longer being used in your current operations.

Budgetary Comparison to Actual for the General Fund Revenues. Income tax is driving this and is your major variance.

General Fund Expenditures – Budget to Actual. You review this information monthly so you are already aware that there were savings in every department across the board.

Business Type Activities. This is separated by segment. Wastewater Treatment Plant, Collection System, Water and Refuse. The biggest expense this year was the sludge management.

Internal Control over Financial Reporting on Compliance with Laws and Regulations. This report is required by Generally Accepted Auditing Standards. We are not issuing an opinion on either one, internal or on compliance as we do not do enough test work to give an opinion. However, we do state that because of the work that we did do in planning the audit we do generally look at certain compliance and internal controls but only in order to plan the audit. We did not note any non-compliance with any laws or regulations nor did we note any material weaknesses which would be a deficiency in any of your internal controls.

Other Communications. We provide this information every year. We did not find any material weakness as stated but we do issue a management letter. There was nothing new to state other than the same comments made previously, the purchase order minimum and the accounting manual which is more about having time to update.

Final letter. We are required at the end of an audit to communicate with the Council about certain matters related to the audit. First, we want to tell you that there was no change in your accounting policies in this past fiscal year as they were the same as the previous year. Every financial statement has the use of estimates, certain things you cannot quantify by an exact nature, such as depreciation. There were no difficulties in performing the audit. There were no disagreements with management. Lastly, the Management Discussion and Analysis and the Supplemental schedules at the back of the financial statements we do not audit though and provide an opinion as we do the rest of the financial statements. What we are saying is that we look at that in relation to the financial statements and we check the data to see the support and that they agreed with the financial statements.

Ms. Murray stated that we would be happy to answer any questions and said that it is always a pleasure to work with Ms. Sothoron and Ms. McKay and thanked them and the entire staff for their help and assistance.

Ms. McKay remarked that we have received the grant to put in fire sprinklers and an elevator through Community Block Development Grant. We will be bringing forward a new Resolution and holding a public hearing for the new amount next month. But we are starting to meet with contractors to discuss prices and starting the process.

Councilmember Roberts commended the staff for our ability to get these grants and the hard work that goes into to making it a reality.

Mayor's Report – Mayor Burris

Mayor Burris remarked that the Veterans Day Parade was outstanding and thanked all the Veterans and for their service. He wished everyone a wonderful Thanksgiving.

Events – Roger Mattingly

Councilmember Mattingly reported that they are planning to put the tree up next Wednesday.

The new, later time for Trick-or-Treat on the Square seemed to be really popular as we had a record-breaking crowd of an estimated 500-600 trick-or-treaters on October 22nd. Most businesses ran out of candy – some within the first hour of the event – and went out to get more! Staff from Maryland Wine & Design Art Buzz Kids provided free face painting and SMAWL had 27 contenders in this year's pet costume contest – over double the number from last year. There were 26 giveaway spots including a few non-profits and businesses from outside the Square.

The first ever Block Party on the Square provided the community with a unique opportunity to meet the Pax River Air Show performers, get picture and autographs and free giveaways. The Navigators brass band was fantastic, and the Air Show performers were very gracious and appreciative of the opportunity to meet with the public in a casual atmosphere. While only about 250 people took advantage of the opportunity, it gave organizers a chance to see how the event would run in case we are asked to do it again for the next Air Show in June of 2018.

Thanks to the cooperative efforts between the Town, Sheriff's Office and local Emergency Services, the 2016 Veterans Day Parade and Wreath Laying Ceremony seems to be one of our smoothest yet! By splitting Fenwick Street and re-routing shuttles, we were able to transport spectators and parade participants very efficiently and keep the area around the Courthouse clear. Emergency vehicles were staged on Route 5 so that they could respond to emergency calls as needed, rather than getting stuck in the Ryken parking lot.

We had over 2,800 marchers and thousands of spectators, we especially appreciate our shuttles and drivers on loan from SMCPS, TCFLE and STS, as well as new shuttles from Southern Maryland Express and the Spring Dell Center in La Plata. Two other buses from Carter Transportation were sponsored by the County, with help from PAE and Millison Management.

Brinsfield Funeral Home annually sponsors the radio coverage, Heritage Printing donates the programs, various other businesses like the Printing Press and Kenny's Florist provide us with items at cost, the Young Marines gave up their spot in the parade to volunteer at the various shuttle locations, and A&M Glass allowed us to use their parking lot for 2 busloads of spectators with special needs.

Planning for "Christmas on the Square" on Friday, November 25th is in full swing. We are once again adding some festive holiday music to the rides around Courthouse Drive and Tudor Hall, booking local talent for the stage and admitting vendors. Residents and Merchants are asked to decorate to help add to the festive atmosphere. The LVFD has put up the tree frame; they have asked that the Town staff put up the stars and other decorations. (*Event Rain date: Saturday, November 26th – Tree lighting only at 7 p.m.*)

The Leonardtown Volunteer Rescue Squad Auxiliary's "Christmas Festival" is Friday, November 25th in the Winegardner Auto showroom from 5 – 9 p.m.

Small Business Saturday will be held on Saturday, November 26 from 11 a.m. – 4 p.m., encouraging local citizens to "Shop Small, Shop Local" with an advertising campaign and activities in the Square.

Santa and Mrs. Claus return to the Town Square on Saturday, December 10th with a new time from 2 PM – 4 PM.

Upcoming Events of Interest/Meeting Reminders:

Wednesday, November 16	5:00 PM	Chamber Business After Hours – Hosted by College of Southern Maryland 22950 Hollywood Road Leonardtown
Thurs., November 17	11:30 AM	State of the St. Mary's Public Schools Luncheon @ the Elks Lodge, 45779 Fire Department Lane California
Thurs., November 17	2 – 4 PM	Retirement Open House for Cpl. Smolarsky @ Town Hall

Upcoming Events of Interest/Meeting Reminders:

Thurs., November 24	HOLIDAY	Thanksgiving – OFFICES CLOSED
Fri., November 25		
Fri., November 25	5 PM – 9 PM (Rain date: Sat., Nov. 26 @ 7 PM)	Christmas on the Square & Tree Lighting Leonardtown Square
Fri., November 25	5 PM – 9 PM	LVRSA Christmas Festival @ Winegardner
Saturday, November 26	11 AM – 4 PM	Small Business Saturday
Friday, December 2	5 PM – 8 PM	Celebration of Shop Local First Fridays
Sat., Dec. 10	2 PM – 4PM	Santa & Mrs. Claus on the Square
Monday, December 26	HOLIDAY	Town Office Closed
Monday, January 2		

Community Development and Strategic Planning – Hayden Hammett

Councilmember Hammett reported that a number of new homes are continuing to be built. Phase I of the sidewalk project along Hollywood Road is continuing rapidly to be completed by December 15th. Solar panels permits are still popular. Access to Fenwick Street from the Hamptons has been approved by MDE.

ENR Upgrade – Tom Combs

Councilmember Combs reported that the new lagoon liner is in and the ENR upgrade is moving along.

Councilmember Roberts asked about the status of a potential expansion.

Ms. McKay responded that we are waiting on some more testing and had to order some equipment to do the testing. Conversations are on-going with GHD every week.

SMMA Update – Leslie Roberts

Councilmember Roberts reported that the last meeting was held in North Beach with the meeting topic being Code Enforcement. It was interesting to note that all the Towns had a full time Code Enforcer with the exception of one part-time Code Enforcer at Indian Head. Most are just enforcing the International Building Code. A couple of Towns had written their own code or added language to their code. Several Towns also do rental licensing, charging a fee and it did give them access whenever an occupant changed to allow them to inspect the property to make sure it was up to livability codes. The next meeting is the Legislative dinner hosted by Leonardtown here in our new Town Hall on Wednesday, December 14, 2016.

Councilmember Roger Mattingly noted that during the MML Fall Conference he took a course on Active Shooter Situation which was so very interesting and informative. He also took an Economic Development course and this was also unbelievable with the amount of useful information.

Safety and Emergency Preparedness – Jay Mattingly

Councilmember Mattingly reported that numerous asphalt repairs were completed. As an MML Board of Director we are all committed to visiting the other Towns and I will be attending Chesapeake Beach's Town Council meeting on November 17th. I did hear from Mr. Brinsfield how neat and efficient the sidewalk construction was completed.

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 5:10 p.m.; seconded by Councilmember Combs, no further discussion; motion passed unanimously.

Respectfully Submitted:

Teri P. Dimsey

Approved:

Daniel W. Burris, Mayor

Leslie E. Roberts, Vice President

Thomas M. Combs, Councilmember

Hayden T. Hammett, Councilmember

J. Maguire Mattingly IV, Councilmember

Roger L. Mattingly, Councilmember