



# Commissioners of Leonardtown

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DANIEL W. BURRIS  
Mayor

LASCHELLE E. MCKAY  
Town Administrator

**Town Council Meeting Minutes  
September 14, 2020  
On-site and Virtual Meeting due to Covid 19  
Meeting recorded Live on YouTube – Town of Leonardtown Channel**

Attendees Onsite: Daniel W. Burris, Mayor  
J. Maguire Mattingly IV, Vice President  
Tyler Alt, Council Member  
Nick Colvin, Council Member  
Christy Hollander, Council Member  
Mary Maday Slade, Council Member

Also, in attendance were: Laschelle McKay, Town Administrator; Rebecca Sothoron, Treasurer; Beth Sandberg, Office Manager; Will Moorehead, Just Tech; Teri Dimsey, Executive Secretary; Brandy Blackstone, Events; Guy Leonard, County Times; Katherine Stormont, SMC Economic Development. A complete list of attendees is on file at the Town Hall. Viewers on Town of Leonardtown YouTube Channel.

Councilmember Colvin provided the invocation and Ms. Dimsey led the Pledge of Allegiance.

Mayor Burris stated that there are two items to add to today's agenda:

Appoint an attorney to our Ethics Commission  
Extend the emergency barricade rental for outdoor seating.

### **Approval of Minutes**

Mayor Burris entertained a motion to approve the special meeting minutes and the regular Town Council meeting minutes.

**Councilmember Mattingly moved to approve the minutes of the Special Meeting held on July 24, 2020 and the regular Town Council meeting held on Monday, August 10, 2020 as presented; seconded by Councilmember Colvin; no further discussion, motion passed unanimously.**

### **Treasurers Report** – Rebecca Sothoron

During the month of August, \$500,000 was transferred back to the LGIP. In July, we had \$300,000 going in the opposite direction. Between preliminary tax payments and utility payments we were able to replenish that fund. We are 17% percent through the budget year. Property tax levy was recorded in August and we did meet the budget. We have approximately 1,600 taxable accounts in Town and thirteen continue to be exempt from Town tax in the amount of \$33,800. There are 48 immaterial accounts that do not receive bills for total of a \$105.00.

For the FY20 income statement, we did receive the final FY20 income tax distribution and exceeded the budget by a significant amount. Of the \$130,000 remittance, \$75,000 was from tax year 2019 reconciling items, which means it took that much time for people to file their return and for the state to do the necessary auditing to determine from tax year 2019 what was still owed to Leonardtown.

The remainder of that distribution is considered the second quarter of tax year 2020 and represents a 7.5% decrease over second quarter tax year 2019 This may be an indication of a trend that we may see going forward.

The next quarterly distribution will be November 20<sup>th</sup> which is an estimate by the State. Not until we get into June, July, and August of every year that we really see the true numbers.

FY21 income tax is the same as the actual was for FY20. We know that tax year 2020 second quarter is 7.5% lower, we may have a situation where we might not meet budget but, because we did not overestimate income tax based on 2019 and 2020 receipts, we are in a better position to absorb the difference.

We did not spend a 100% of the highway user revenues we received, because of a timing issue, so this flows down to the financial statement after the audit as a restricted fund balance.

Councilmember Hollander asked if, because the Governor ordered no shutoffs, did this affect residents not paying their utility bill?

Ms. Sothoron responded, yes, it has. That order expired September 1<sup>st</sup> and we returned to the procedure of late fees and interest charges. The normal quarterly shutoff wouldn't be until December. The letter requested customers, who had past due balances from March of 2020, which actually covered October, November and December 2019 service (almost a year into service being in arrears) that they needed to communicate with the Town office as soon as possible to start making payment arrangements. We intend to put this in writing and start customers on a payment plan going forward.

If we have customers that don't communicate with us, we will have to re-evaluate and determine who would be subject to shut-off at the end of December. The Public Service Commission, which we are not regulated by, gave specific directions to utilities about when they were allowing shutoffs in the State of Maryland and our schedule would be in compliance with their schedule, it's more lenient than their schedule.

Mayor Burris remarked that eventually we will get paid for what is due the Town.

Ms. Sothoron responded that she was not totally confident we will get paid as some landlords have tenant's issues and if tenants move then landlords may be forced to pay the tenants bill.

Mayor Burris noted that we do have tenant landlord agreements in place, which is technically a lien, but we hope it will not come to that.

**Planning & Zoning Report** – Jada Stuckert

Ms. Stuckert reported that Planning and Zoning last met on Monday, July 20, 2020. The last Planning & Zoning meeting was held on July 20, 2020 with eight (8) items on the agenda.

- Case No. 37-20      MedStar St. Mary’s Generator Project – 25500 Pt. Lookout Road  
Request for Architectural Approval of a 1,066 sq. ft. building. - Approved
  
- Case No. 44-20      Community Corrections Center  
Request for Concept and Final Site Plan approval of a 4,800 sq. ft.  
building. - Approved

**PUBLIC HEARING(S)**

- Ordinance No. 198    Chapter 128, Streets and Sidewalks – Small Wireless Facilities  
Requesting favorable recommendation to Town Council. - Recommended
  
- Ordinance No. 199    Chapter 155, Zoning – Small Wireless Facilities  
Requesting favorable recommendation to Town Council. - Recommended
  
- Ordinance No. 200    Amendment to the Comprehensive Land Use Plan  
Requesting favorable recommendation to Town Council. - Recommended
  
- Ordinance No. 201    Comprehensive Plan Zoning Map Amendment  
Requesting favorable recommendation to Town Council. - Recommended
  
- Ordinance No. 202    Chapter 155, Zoning – Assisted Living  
Requesting favorable recommendation to Town Council. - Recommended
  
- Ordinance No. 203    Chapter 155, Zoning – Open Space & Multifamily Residential units in the  
PUD-M District - Requesting favorable recommendation to Town Council.  
- Recommended

There is one (1) item scheduled for the September 21, 2020 meeting.

- Case No. 100-15      Meadows at Town Run – Phase 2  
Request for Phase Two (2) Plat Approval

**Police Report**

Deputy Nelson submitted a written report for Council’s review.

Mayor Burris noted that we do have concerns about speeding and Deputy Nelson stated they had 43 vehicle stops for speeding. We appreciate her diligence.

**Town Administrator’s Report** – Laschelle McKay

POSTPONED!!! 4:15 Public Hearing Resolution 2-20 Annexation of 3 parcels consisting of 23.1805 acres +/-

POSTPONED!!!! 4:30 Public Hearing-Ordinance No. 201 Leonardtown Comprehensive Zoning Map Revisions

Ms. McKay reminded everyone that two public hearings were postponed. Notices were sent out and advertised they were postponed. The State had an issue with the property being contiguous to the Town. There is a thin strip of land that is a state highway right of way between St. Mary's Ryken and this property. We need to bring that little strip of land in as part of the annexation.

**Appoint Kathleen Werner Ethics Commission Attorney**

Mr. Phil Dorsey was previously the Ethics Commission attorney for the Town but he stepped down. Ms. Werner is very familiar with the process and she has agreed to step in for this position.

**Councilmember Mattingly moved to appoint Kathleen Werner as the attorney for the Ethics Commission replacing Phil Dorsey; seconded by Councilmember Slade, no further discussion, motion passed unanimously.**

**Extend Emergency Barricade Rental for Outdoor Seating**

In July, Council previously approved two months of rental of barricades after AB&H donated two months of barricades for outdoor seating for restaurants. We ended up with a reserve of \$2,100 due to the cancellation of the beach party expenses so it ended up only costing us \$1,500 a month for the barricade rentals. We are just asking to finish out the outdoor season and go ahead and cover that which we can cover out of Community Development as there is \$1,200 left from Beach Party funding that we did not use and we would need to add \$300 dollars from Community Development. The outdoor season is expected to end October 24, 2020.

Councilmember Slade inquired about liability issues.

Mayor Burris remarked that businesses are responsible but the Town does have coverage under our policy.

Councilmember Mattingly noted that outdoor seating has been very popular, he has enjoyed it himself, and it has been very beneficial to all the local businesses.

**Councilmember Mattingly moved to approve funding of the rental of the outdoor seating barricades for one month funded by the Community Development budget; seconded by Councilmember Alt, no further discussion, motion passed unanimously.**

Ms. McKay provided an update on grant activity.

- Paddle Wheel grant of \$100,000 which will be discussed today.
- Emergency grant from the Maryland State Arts Council for an additional \$3,000 for our virtual programming.
- Received \$172,000 for phase two of the boat slips.
- Received St. Mary's County Arts Council grant for a beach party and the concerts which they allowed us to go ahead and use even though we didn't have the events for virtual programming and for the music festival that's going to be this weekend.

- We submitted a \$5,000 grant for the Maryland State Arts Council for planning for the LTown Alley project. Once we have a plan in place, we can apply for another \$20,000 in implementation for the artwork portion. We have been working with the owners in the alleyway network coming up with a plan and obtaining prices. We submitted an application for a community parks and playground grant for \$225,000 for part of the alleyway improvements. The other portion, of about, \$125,000 we will be submitting for another community legacy grant. Each grant has requirements of what can be funded and what cannot, so we broke them out according to what would be allowed in each grant. Then, depending on what we get, we can prioritize. Council previously budgeted some money to go towards that as well.
- We are wrapping up the first Facade Improvement Grant for \$50,000. We received \$25,000 this last round of community legacy money and just last week we finalized the applications. We kept the program the same with a \$5,000 match, which is the maximum. The committee remains active and we would need to discuss if we pursue this year after year. It has been a very popular program and we know of a couple of projects that are waiting to be able to facilitate this grant resource.

For clarification, these grants are actually coming from the State. It is not Town money going into these projects.

Mayor Burris moved on to the next agenda item and asked Ms. McKay to provide a brief summary to begin.

#### **Purchase of Black-Eyed Susan Paddleboat Discussion and Decision**

A special Town Council meeting was held on September 24, 2020 whereupon Council approved moving forward to do due diligence with the intent to sign a sale agreement to purchase and form a committee to oversee the process.

We received over a hundred letters of support and against up until 3:30 pm today. Council has copies of everything up to this point. We have until tomorrow, as the contract expires tomorrow. We did receive the \$100,000 Maryland Heritage Areas grant to go toward the purchase.

One of the committee members, Doug Isleib, is here today to present a power point presentation on the findings of the committee and can answer questions after the presentation.

Mr. Isleib presented the power point presentation, which can be found on BoardDocs on the Town's website [www.leonardtown.somd.com](http://www.leonardtown.somd.com) or on the Town's YouTube Channel Town of Leonardtown <https://youtu.be/5ePZdqpUbz0>

Mr. Isleib thanked the committee members who worked very hard to get a true picture to give to the Council.

Mayor Burris thanked Mr. Isleib for the informative presentation and asked Ms. McKay to provide some background information.

Ms. McKay thanked the committee who worked very hard to get a true picture to give to Council to help facilitate a decision. Ms. Katherine Stormont St. Mary's County's Economic Development and Mr. Andrew Ponti, St. Mary's County Tourism but also a former director of a riverboat when he worked in Pennsylvania. Mr. Wynne Briscoe, Small Business Development Commission, Mr. Eric Cerjanic, Captain, Pride of Susquehanna, riverboat. Mr.

Doug Isleib, resident and Mr. John Fleury, commercial real estate, Mr. Matt Vilbas, 200-ton boat captain who also has a wealth of experience running boats and has his own marine services company, he did extensive survey on the boat and was able to provide us the overview of the cost that he thinks would be needed over the next five years. Mr. and Mrs. Ludwig, residents, who are here with us today, Council Member Slade, Mayor Burris and myself. No one on this committee has any financial gain from this project and they volunteered their own time.

There are several questions that have come up many times that need to be addressed.

We have known since we began the waterfront development that parking cannot be addressed on site. We know that a shuttle is imperative. We have a thousand spaces in Town that are available nights, weekends and holidays. Running a shuttle will not only benefit this boat, but other businesses, as well as, the businesses in the north part of Town at the shopping centers and the winery.

We heard many say that this is a money pit. The committee has been very conservative with their estimates for the usage and fees. Extensive surveys and work were done to find out the condition of the boat. We do show a loss in the beginning of the first year, but even considering putting \$200,000 back into the boat, we believe there will be a profit starting in the second year.

The options for operating the boat. The Town does not want to operate the boat. We have the opportunity to purchase the boat and can put an out an RFP for a non-profit or a private entity to operate the boat. There would be agreements and MOUs on how those funds would be allocated.

We have \$100,000 immediately in equity upon purchase of the boat. If we needed to, it would take approximately a year to sell the boat and the only real cost would be the loan payment and the insurance which would be about \$24,000 a year.

Council received all correspondence we received up until 3:45 p.m. today. We received a letter from the Maryland State Tourism in support and the LBA provided us with correspondence from many of the businesses.

This is letter we received from the Maryland Tourism Department of Commerce "on behalf of the Maryland Department of Commerce, Office of Tourism and film, I wish to convey my support for the Leonardtown Wharf paddlewheel boat project. The State of Maryland has demonstrated strong commitment over the years to the promotion of Maryland tourism and its associated impacts on job creation, revenues and local business development. The paddlewheel boat project will promote the Leonardtown waterfront's history and culture, support local businesses, the growing arts community and will strengthen the positive momentum that's already transforming your Town. The events held on the paddlewheel boat are expected to attract a wide variety of visitors who have the ability to significantly impact the local and state economy with increased day trips and overnight stays. I am pleased to support this project for the Town and look forward to expanding our marketing and promotional partnerships to include the paddlewheel boat and related events and activities. Projects such as this have the opportunity to transform the area into a more authentic and prosperous community". Ms. Liz Fitzsimmons, Managing Director of the Office of Tourism.

Mayor Burris remarked that there have been folks who have stepped up in support to sponsor this project. My wife and I are one of the sponsors, through our company, and are

putting up \$25,000 as a donation/sponsorship, if the Council approves this project. We also have had other people step up, such as Mr. Mike Mummaugh with \$5,000, Colonel Rich Richardson with \$5,000 and Mr. and Mrs. John Fleury with \$10,000 for a total of \$45,000. These are not a loan or a partnership, it is just a donation/sponsorship.

Mayor Burris stated that he spoke with Mr. Gary Bell, LVFD highlighting how this could be a fundraising venue for the fire and rescue squad.

Ms. McKay noted that we presently have 12 people watching live on Zoom.

**Mr. Hernandez, resident.** It is a beautiful boat and would love to have the boat there but as a taxpayer I believe it is a huge risk. The non-profit organization that Mr. Ponti spoke of working have public tax records. I was able to view some of the years and they incurred a loss for 2016, 2017 and 2018. They also gained \$100,000 grant each year. If we were not able to get that grant then we are talking about a \$150,000 loss each year. We would not get the same traffic that Harrisburg, PA gets and we would not make the same money. This should be a private ownership and the Town should not own a boat, we can wait, we do not need to rush into this purchase.

**Roger Mattingly, LVFD, representing President Bell** who could not be here today, but wanted to relay the safety aspects. The LVFD does not, at this moment, have a water boat, but we are looking into purchasing one. The nearest boat to Leonardtown is either Valley Lee or Seventh District. For either one of those boats, it is a five-minute dispatch time and then another 15 to 20 minutes to get to Breton Bay. Leonardtown Wharf is set up nicely for an emergency fire as there are standpipes out there and water lines, and dry hydrants. We are just pointing out the aspect of the safety concerns.

**Sean Lawson, resident.** I think this is a good idea and on positive note this shouts inclusion as a community project. There are a lot of people that do not have access to the water, be it school children or people with disabilities, that do not get the opportunity to enjoy the water. I also believe the funds will be returned to the Town, this being some sort of business competition is normal, as businesses are always competing. A wedding event is not directly competing, it is giving money back to the Town through using local caterers and other local businesses within the Town and that's more of a community feel. We have \$100,000 in the bank on this already, so this puts us ahead of the game as well. Because of Covid, we are at a kind of a lull and can work with the Fire Department on the safety issues before the boat is ready. Some of my neighbors mentioned, how can a place that says it is an arts and entertainment destination pass up such a perfect opportunity, the enrichment that it would give this community is priceless. Another neighbor said, growing up, we went to the Susquehanna for our class field trips that was four and a half hours away. That is bringing people from exponentially longer distances than probably come here. There are over 200 companies on the navy base that will pay to hold employee Christmas parties and pay to stay at the hotel. I am very much in support of purchasing the paddlewheel boat.

**Joe Boden, resident.** I am not in favor of the Town purchasing the boat. I do not think the use of public funds to buy the boat is appropriate. I see the opportunity, the benefits and advantages but I feel that it should be run by private business. Many people thought the grant money was going to entirely pay for the boat and another one thought that the County was going to pay for it. Not everybody in the Town understood that that their money was going to be used to buy the boat.

**Ken Held, business owner, Slice House I/II.** We have a group of all Leonardtown residents that are willing to assume all the financial risk of the boat. The conversation should be about parking and the shuttle. This group would be the private entity willing to take on the financial risk.

**Shawn Richie, resident.** I was not aware of the paddleboat Facebook page and am concerned if the likes and dislikes were the only results counted. I'm a budget analyst and feel this presentation did not include enough information such as any marketing reports to be able to see what we would be voting on to spend our money.

**Chris Bates, resident.** What makes us believe that we can succeed where Havre De Grace failed? Why are they selling the boat? Did we investigate their financials? What assurances do we have that this will not cost the taxpayers any dollars? What assurances do we have that this won't be turned into a gambling site? I feel this is significant financial burden on our Town.

Mayor Burris remarked that the owner has some serious health issues and is unable to continue to operate the boat.

**Christina Jayroe, resident.** The total purchase cost of the boat appears to be \$300,000 with a \$100,000 grant and a low interest loan, but there are obviously additional purchase costs and infrastructure cost that haven't really been detailed and addressed along with the cost to the taxpayer and the sponsorships. Those numbers need to be more defined before we make any kind of a purchase of this magnitude, as well as, the operational agreement as to who's going to run the boat. I appreciate the research that was done. The committee has done a wonderful job of providing an informational presentation but where is the detail that provides us the assurance that this can be run at a profit for the Town. There is mention of an MOU, has that been negotiated? Do we know that any of the revenue would be coming back to the Town or the non-profit?

**Susan Dyer, business owner, Sweetbay.** I grew up in Leonardtown and as a child watched Leonardtown become a thriving Town and I also have seen it boarded up. When considering, with my business partners, coming into the Town with a restaurant, we looked at what was happening and the positive things obviously as investors, we want our business to thrive. What we saw were some really great things happening. We saw the winery as a huge important step that the leadership of the Town took to make sure that the Town continued to move forward and I would applaud the leadership by saying what a great investment. What I would like to see this for Leonardtown to be a real destination so that people come and from their visit then they go to the various businesses around. So, for instance, they come in they take a cruise, perhaps they take the shuttle to the winery, they go to one of the restaurants to eat, they go to an art gallery all of a sudden Leonardtown has more to offer than a single stop and right now as a business owner I will tell you I think we draw on our customers, other businesses draw their customers but there is not a lot of interaction. I think increasing the patronage could happen if we have Leonardtown being more of a destination. I am very hopeful that we take advantage of this opportunity. It would be awesome for our community to have a way to appreciate our beautiful waterways because they are incredible.

**Kenny Scully, resident.** I am not in favor of the Town purchasing the boat with tax payers funds but, if there is a private entity that wants to undertake this endeavor that would be better. Also, if a boat that carries a 140 people were to have an accident out in Breton Bay, St. Mary's County does not have the resources available to respond to such a large amount of people. A few years ago, when the El Toro sank down at Point Lookout there was a lot of



difficulties getting resources out to retrieve those people and unfortunately, some people perished from hypothermia because they weren't able to get them out of the water. That's just something else that the Town needs to take into consideration.

**Mike Mummaugh, business owner, Paragon Properties.** My business is located in the Drury building. Twenty years ago, I purchased Frank Combs building in the square and wanted to make changes. There were only three parking spaces in the rear of the building meaning I could not make the changes. The Mayor and Council at that time decided to change the parking regulations in Town and in the parking lots. The Town lost money while investing in the parking lots but the Town realized the potential as new buildings were built and we could never have done this if the Town had not invested in the Town itself. The winery would not be here if the Town had not invested in the creation. This is another investment in the Town that I think would be very beneficial.

**Jaime Weber, resident.** I did not know about this meeting until about Friday as it was not advertised for any residents in Leonardtown, so I'm a little disappointed in that. I too feel that safety is important as we do not have a rescue boat that can get to any person if there is a medical emergency. As a taxpayer and safety, I vote No.

**Ellen Lewis, President, LBA / business owner, Crazy for Ewe.** I am in total support and think it is important to look at this not as an expenditure, but as an investment. Business owners put money into things, they put money into appreciating assets on which they expect return on investment and that is exactly what this is. It's not simply a return on investment of a particular vehicle but a return on investment in our Town. It is a way to bring people in. I own a business and I see people coming in for day trips from folks who live hours away from Leonardtown. I wish there was more to do on the water. This is what I hear again and again. This boat project provides that destination. It brings a steady flow of tourism traffic into the area that encourages other businesses to put their business in Leonardtown, which in turn is part of the machine that makes money and helps fill the coffers of our tax revenue. This is how it works. This is why the boat is important. It's not just a money thing. It's not a money pit. This is an investment, in what we, as a community, see for ourselves, how we see Leonardtown going forward and how we provide an opportunity for our local visitors and our out-of-town visitors that drives business and the economy not just in Leonardtown, but throughout the county. I implore you to consider this not as an expenditure, but as an investment.

**Mary Cox, resident.** I've been a resident of Leonardtown for 15 years and a member of the rescue squad for about eight to ten years. I am not in favor of the purchase of the boat at this point in time. I don't feel the concerns have been adequately answered and there hasn't been enough public input. I just became aware of the slide presentation this afternoon. I don't know when it was put on the website, but I've been checking the Town website fairly regularly. I would support more informational meetings and then bring it to a vote among the Town residents. At this point today, I would urge you to vote no.

**Tommy Mattingly, Sr., resident.** Two questions that stand out in my mind is why is there still \$190,000 of debt against this boat if this gentleman was so profitable and I don't understand why he has this amount of assumable debt that the Town would assume. The second thing is you need to do a real good survey of the depth of the water in Breton Bay. The last time I was on it, it was 6 feet out away from the wharf and should be surveyed the entire channel going out. I think if you ever want to make a real investment that's good for the wharf is to acquire some of the other vacant land that's there and try to clean up the remnants of the old ice plant to be useable.

**Tommy Mattingly, Jr. resident.** I am opposing the proposed paddleboat project mainly because I don't believe it should be a taxpayer funded project. I think it should be private sector type of deal. I also believe there is a public safety concern in regards to not only emergencies but also environmentally, if there was some type of spill or something, how will that affect us? What studies have been done environmentally and how it's going to affect it. I encourage you to vote no.

**Jeff Sherman, resident.** From the perspective of a government support contractor, fifteen years ago, I started a small business and today we have over 300 people and we support Patuxent River Navy base. We have experienced quite a hardship, if you will, on finding something/someplace to host company-wide events or executive level activities and providing something for them to do. As a company owner, as well as, a county resident, I support the paddlewheel boat project as a possible sponsor, as well as, a client.

**Rich Price, resident.** I completely oppose this idea. As a taxpayer, I don't want to spend my money on something like this. I don't see the benefit. Where is the research and data to support this project? I do not support this purchase.

**Joe Kurley, resident and business owner, The Rex.** I think it's a good opportunity to bring more people into Town. I think it ties us to the water for people who don't know about Leonardtown. I think next summer is going to be a tough summer and a lot of people are going to go to other places trying to find things to do. Leonardtown has done a great job supporting us so far, and I think we need something and I hate to sit around next summer and say what can we do to get people in here? I hope you vote in support of this opportunity.

**Sean Coogan, business owner, Social Coffeehouse.** I do believe we need something in Town and it could be this boat. It has been difficult for me when customers have asked my opinion and I have not had any information to tell him that I think this is a great idea. The financials on the slideshow did not provide adequate information. Anyone who buys a business wants to do their due diligence should pull the financials from the past few years. We are not just buying a boat; we are buying a business and there needs to be more market research. I want to be able to tell my customers this is a great idea and why I support this project. I don't want to say because I think it might be a good idea.

**Ms. McKay noted that there are eleven people on Zoom and asked them if they had any questions. There is no response from the Zoom participants.**

**Mayor Burris asked if Council Member had any comments or questions?**

Councilmember Mattingly expressed his thanks to the committee for doing such a great job. First, I want to ask if our treasurer, Ms. Sothoron was involved and ask her for her comment.

Ms. Sothoron remarked that she did not participate in any of the committee meetings. All I have is what year one total use of fund balance would be.

Mayor Burris stated that we try to keep a fund balance of about 50% in reserve and until the audit we do not know what exactly that is going to be. There have been times that Council has decided to go below 40% when making investments, we could reduce that fund balance, so there is precedence for this.

Councilmember Hollander inquired about the dock, will Phase II be completed and if it could support the boat?

Ms. McKay responded that we use wood piles and the engineers recommended that we do steel piles. We would swap these out for an additional cost but not a significant amount and no redesign.

Councilmember Alt inquired as to where the boat would be docked until that is completed?

Ms. McKay stated that the boat could be docked there or we could moor the boat out off the dock or possibly look at a different location. Phase II should be done about the same time that the boat would be ready next spring.

Councilmember Alt asked if St. Mary's County had been approached about getting involved financially and hosting the boat or if it stayed here operating part of the time and/or moved to some place like Point Lookout?

Mayor Burris, responded, yes, he had reached out to the County Commissioners, but because Commissioner Eric Colvin is the brother of our Councilmember Nick Colvin, they did not want to comment or get involved.

Councilmember Colvin wanted to know if we planned to have four public cruises a week, what's the minimum number of people that need to be on the boat for that boat still go out? What if only five people get on the boat, we may lose money on that cruise. So, will the boat go out or do we tell them to wait another day?

Ms. McKay stated that estimates were worked out on what we think is reasonable operationally to make it profitable. This is all part of setting up the organization and putting a business plan together.

Councilmember Hollander noted that parking is one of the biggest issues and we have discussed options such as a shuttle or trolley. Do we know what the costs are associated with transportation and how long it would be to put something in place?

Mayor Burris remarked that many of the businesses have talked about participating and we have reached out to the hotel to see if they're going to have any type of shuttle.

Councilmember Mattingly asked if we had approached all the businesses outside of the Town Square?

Ms. McKay responded that the marketing committee personally delivered 190 packets individually for the welcome back campaign and the representatives talked to many of the business owners through that process about the paddleboat.

Councilmember Mattingly asked if we knew the what the depth of the water is at the wharf?

Ms. McKay responded that we did not just stick a stick in the water. We had a very extensive survey done by the US Army Corp of Engineers and updated by DNR recently.

Mayor Burris noted that the paddleboat only draws only four feet of water.

Councilmember Mattingly inquired if we were able to obtain the past financials from the owners?

Ms. McKay responded that we do not have the financials, but we have been in communication with the State who did the business works loan. That was a loan from a Baltimore company that owned the boat prior to the Havre De Grace company and my understanding from the State is that it was a very profitable business. The gentleman was 86 years old and just couldn't handle the business side of it anymore. The very low interest loan was transferred over to the new buyer. The State does have the financials and it has been a very profitable business in the past.

Councilmember Colvin asked where the pump out station would be placed? Will it go in the front or the end of the pier?

Ms. McKay responded we have a design and we have a separate grant for the pump out station as part of Phase II. The station itself is on land, near the rock boat launch and the equipment will be run under the dock into the pier and it will be tied into our sewer system.

Councilmember Colvin inquired that when this committee was formed, was anybody put on the committee that was not in favor of the boat?

Ms. McKay responded that Mr. and Mrs. Ludwig, who are here today, were not in favor and were invited to join the committee. We asked for volunteers and tried to look for people who had expertise. We reached out to three captains who were familiar and had expertise in this sort of venture.

Councilmember Hollander stated that as these funds are not in our current budget then we will be pulling it from our reserves. What funds the reserve fund? Is it money left over from the operating budget?

Ms. Sothoron responded that in any given year when the final numbers are audited and we issue the financial statements, we can have revenue and expenditure items that generate surplus and that would ultimately fall to the bottom line. Generally speaking, our two main sources of income are property tax and income tax and that funds a large portion of the budget. Highway User funds pretty much stand alone because that is a State revenue and can only be spent for certain road maintenance type items. Any expenditure savings in any given year can be more than any revenue surplus, it varies from year to year, but the two major sources of income are our property tax and income tax.

Councilmember Alt inquired if we can we continue to obtain grants, is this grant a one-time grant or can we apply for more?

Ms. McKay responded that we can apply again but there is no guarantee we would be awarded the grant. Grant opportunities come up at different times for different types of uses.

Ms. McKay noted that she did confirm there is no specific length of time we are required to keep the boat. There are no liens against the boat in regard to the grant. It is a one-time grant they think is a good opportunity to promote tourism and economic development, as well as, the historical aspect. There are no stipulations that would keep us from selling the boat after we receive the grant.

Councilmember Mattingly stated that he does have a concern about what could happen out in the water.

Ms. McKay remarked that we would certainly work with Emergency Operations. The earliest that the boat would be out for use would be next spring to get everything operational.

Councilmember Mattingly also inquired about security.

Ms. McKay responded that there are protections already in place and we currently have a security system with cameras at the Wharf.

Councilmember Colvin noted his concern about ADA accessibility and that we may need to make improvements.

Mayor Burris remarked that the boat is ADA Compliant and Coast Guard approved.

Councilmember Mattingly wondered what course of action would be taken if we could not find a group to operate the boat.

Mayor Burris responded that Leonardtown Recreation, Inc. (LRI) was set up 20 years ago as a non-profit and if needed, we could set up a Board of Directors who would then oversee the operations. We do have other options such as putting out an RFP to see if there is any private interest.

Mr. Larry Lugwig noted that he and his wife are in favor of the purchase of the boat. We see this as an opportunity to have a variety of choices of entertainment.

Mrs. Lugwig agreed and disagreed with her husband. Yes, she is absolutely for the boat but she is concerned about the safety issues.

Ms. McKay stated that a decision has to be made at today's meeting to meet tomorrow's deadline.

Councilmember Mattingly stated that as much as he is a proponent of Leonardtown businesses, he has concerns about the safety issues and is not in favor of moving forward.

Councilmember Colvin stated that he feels there is too much risk and there are still concerns to be considered so he is not in favor of moving forward.

Councilmember Alt said he ran the numbers himself and does feel like this is a similar situation of investment made for the Wharf project and feels it would benefit the Town residents and commercial businesses and is in favor of the purchase of the boat.

Ms. McKay stated that this is a project that requires the right kind of marketing to enhance tourism to assist in bringing people into Town to shop at the stores, dine at the restaurants, lodge in the area and increase tourism dollars to benefit the entire community.

Councilmember Slade stated that she was at first objective and wanted to learn more about the numbers and having an exit strategy. She sees the value in offering this type of investment to our community and voted in favor of the purchase of the boat.

Councilmember Hollander stated that she too is concerned about some of the issues, such as parking, the shuttle, safety and will this be profitable? She feels she does not have enough information to make a clear decision.

**Councilmember Alt moved to approve the purchase of the Black-Eyed Susan in the amount of \$322,000 per the purchase agreement dated July 24, 2020; seconded by Councilmember Slade, no further discussion.**

**Councilmembers Alt and Slade voted in favor. Councilmembers Colvin, Hollander and Mattingly opposed. Motion did not pass.**

**Mayor's Report** – Mayor Burris

Mayor Burris stated he has no report at this time.

**Events** – Tyler Alt

The Leonardtown Summer Music Festival, scheduled for Sunday, September 20, 2020, will include a full day of exciting performances from talented local performers Robbie Boothe, HydraFX and Wes Ryce.

We are going to host a virtual Veterans Day, which has not yet been announced, but will be announced shortly with details on the event.

**Community Development and Planning** – Nick Colvin

Councilmember Colvin does not have a report at this time.

**Utilities** – Christy Hollander

Councilmember Hollander asked what the update for the treatment upgrade is to date?

Ms. McKay remarked that it is about three years out to completion.

**SMMA Update** – Jay Mattingly

Councilmember Mattingly reported that he plans to attend the MML Virtual Fall Conference, scheduled to be held October 8 and 9, and to please let Ms. Dimsey know if they would like to participate.

**Business Development and Retention – Mary Slade**

Councilmember Slade noted sadly that another local small business was unable to stay open due to these economic times. On a better note, she attended the open house for the new Fenwick Inn and also the outdoor seating in Town has been a great success. The new LBA brochure is fantastic. There is a show on YouTube called the Haunting of Southern Maryland and she highly recommends it, especially as it features Moll Dyer and she hopes that a new larger more interesting sign can be displayed before the Moll Dyer rock.

**Mayor Burris entertained a motion to adjourn.**

**Councilmember Mattingly moved to close the regular meeting at 6.30 p.m.; seconded by Councilmember Alt, motion passed.**

Respectfully Submitted:

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Teri P. Dimsey

Approved:

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Daniel W. Burris, Mayor

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Tyler Alt, Councilmember

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Nick Colvin, Councilmember

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Christy Hollander, Councilmember

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J. Maguire Mattingly IV, Councilmember

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Mary Maday Slade, Councilmember

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