



Talbot County, Maryland



Easton, Maryland

MINUTES

July 9, 2013

Present – President Dirck K. Bartlett, Vice President Corey W. Pack, Thomas G. Duncan, R. Andrew Hollis, Laura E. Price, Assistant County Manager Jessica K. Morris, Assistant County Manager, Clay B. Stamp and County Attorney Michael Pullen. County Manager John C. Craig was absent.

- I. Agenda – Mr. Bartlett requested and received Council’s unanimous consent for approval of the Agenda of Tuesday, July 9, 2013.
- II. Minutes – Mr. Bartlett requested and received Council’s unanimous consent for approval of the Minutes of June 25, 2013.
- III. Disbursements – Mr. Bartlett requested and received Council’s unanimous consent for approval of the Disbursements of July 2, 2013 and July 9, 2013.
- IV. Presentation of Certificate of Recognition for 30th Anniversary of Talbot County Fair - Karen Callahan, Superintendent of the Talbot County Fair, briefed the Council on upcoming events of the Talbot County Fair which begins on Wednesday, July 10, 2013 and runs through Saturday, July 13, 2013 at the Talbot Agriculture and Education Center, Inc. on Hiners Lane. Kara Hutchison, 4-H Ambassador, outlined several activities which she would be participating in at this year’s Fair. The Clerk then read the Certificate of Recognition into the record in acknowledgment of the 30th anniversary of the Talbot County Fair which continues its tradition of providing a wide array of competitions, exhibits, rides and entertainment for attendees of all ages. Upon motion by Mr. Pack, seconded by Mr. Hollis, the Council approved the Certificate of Recognition by voting 5 – 0 as follows:

Mr. Bartlett – Aye
Mr. Hollis – Aye
Mr. Pack – Aye
Ms. Price – Aye
Mr. Duncan – Aye

Mr. Bartlett presented the Certificate of Recognition to Kara Hutchison and Hayden Hutchison who accepted on behalf of the Talbot County Fair. Karen Callahan, Superintendent, Talbot County Fair, Debbie Thomson, Fair Board Secretary, Shannon Dill, County Extension Director/Extension Educator, AGNR, Talbot County University of Maryland Extension Office, and Tresa Hutchison, Fair Board Treasurer, were also in attendance.

- V. Update on Regional Medical Center Project – John Dillon, Chair, University of Maryland Shore Regional Health Board of Directors; John Ashworth, Senior Vice President, Network Development, University of Maryland Medical System and Associate Dean, University of Maryland School of Medicine; Ken Kozel, President & CEO, University of Maryland Shore Regional Health; Patti Willis, Senior Vice President, University of Maryland Shore Regional Health – Members of the Easton Town Council were seated with members of the County Council for an update on the Regional Medical Center Project. Prior to the update, Mr. Kozel expressed the regrets of Robert Chrencik, President and CEO, University of Maryland Medical System, who was unable to be in attendance due to a scheduling conflict he had not been able to resolve; Mr. Kozel stated that Mr. Chrencik had requested that Mr. Ashworth’s comments be considered as if Mr.

Chrencik were making them himself. Mr. Kozel stated that several factors at the federal and State levels, including a reduction in the rate of Medicare reimbursement resulting from Sequestration, the pending implementation of the Affordable Care Act, and the State's disallowance of adequate rate adjustments for the past several years, are causing unprecedented financial uncertainties for hospitals; most are unable to proceed with major capital programs at the present time. He stated that 42% of hospitals in Maryland are projected to lose money for the fiscal year just ended and that Shore Regional Health is one of those hospitals. He advised that as a result of lost revenues, Shore Regional Health has had to implement a reduction in its workforce, as well as some programs and services. Mr. Kozel stated that the University of Maryland Shore Regional Health continues to await the decisions of the Maryland Healthcare Commission (MHCC) and the Maryland Health Services Cost Review Commission on its application on a Certificate of Need (CON) for a new regional medical center. He stated that during this interim timeframe, the highest levels of the organization are discussing the current financial pressures and challenges, are exploring all options and are studying the impact of possible changes to the anticipated construction schedule. He stated that in light of the current financial situation and the uncertainty of several factors at the federal and State levels, the Board of Directors of Shore Regional Health has made the decision to delay the construction of the new regional medical center in Easton on a "rolling basis" until conditions are more favorable for incurring a financial commitment of such magnitude. Mr. Kozel emphasized that although the timeframe is undefined, it is likely to be a "rolling delay," but that Shore Regional Health and the University of Maryland Medical System (UMMS) are unwaivering in their decision to build a regional medical center on land adjacent to the Talbot County Community Center. He stated that Shore Regional Health will continue to work with the State on the CON, including providing updated financial information. He respectfully requested that the County and the Town also continue their respective enabling processes for the regional medical center. Mr. Ashworth briefly outlined his role with UMMS and stated that one of his first responsibilities as Senior Vice President for Network Development was to bring Shore Health System into UMMS. He stated that he has been very involved and engaged in the process of delivery of healthcare as it relates to the Shore and assured those in attendance that building a new regional medical center is high on the list of priorities of UMMS. He stated that the concept of "rolling delays" for capital projects is not unique to either Shore Regional Health or in the State of Maryland due to the current uncertainties as outlined by Mr. Kozel. He stated that healthcare systems are trying to deal with the issues of uncertainty by not overexposing themselves in making major capital investments during a time of uncertainty; that the commitment for the project remains, and once the uncertainty is gone, the project will move forward. Mr. Dillon stated that he currently serves as the Chairman of the Shore Regional Health Board of Directors and is also a member of the Board of Directors of UMMS, and as such, he is very involved in the governance process for UMMS. He stated that the healthcare system in the State and the nation is faced with an ever-growing number of changes and challenges but that the reasons for Shore Health System's affiliation with UMMS, beginning in 2006, have all been realized and UMMS has been true to its word. He stated that, in his opinion, he has seen no evidence or knows of any reason that UMMS will pull back funding for the regional medical center project. Mr. Dillon concluded his comments by stating that he looked forward to an improved financial status so the project can move forward, and assured those in attendance that the Board of Directors of Shore Regional Health is committed to moving forward with the project. Mr. Kozel thanked all parties for their efforts thus far to move the project forward and expressed the desire of Shore Regional Health to continue to work with all parties. Discussion with the Shore Regional Health and UMMS representatives ensued. Members of the Easton Town Council and the County Council thanked the representatives for the update; the County Council expressed their appreciation to the members of the Easton Town Council for their participation. Representatives of University of Maryland Shore Regional Health will continue to update the County Council and the Easton Town Council on a regular or as needed basis.

VI. Introduction of Legislation:

As the Capital Enabling legislation was brought forward for introduction, Finance Director Angela Lane read each of the bills into the record and gave a brief outline of the purpose of same, including all funding sources for the projects. She stated that funding for all the capital projects listed was approved in the FY 2013-2014 Budget adopted by the Council in May 2013. Introduction of legislation for the projects fulfills the requirement of the County Charter that all capital projects have enabling legislation. Council discussion ensued with Ms. Lane and/or staff as each bill was brought forward.

A BILL TO AUTHORIZE TALBOT COUNTY'S SHARE OF THE UPGRADE OF THE UPPER MARYLAND EASTERN SHORE RADIO SYSTEM was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack, and Ms. Price as Bill No. 1238. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE GLEBE ROAD WATER QUALITY DEMONSTRATION PROJECT was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack, and Ms. Price as Bill No. 1239. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE PRELIMINARY ENGINEERING REVIEW OF GOLDSBOROUGH NECK AND AIRPORT ROADS was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack and Ms. Price as Bill No. 1240. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE SHORELINE IMPROVEMENTS AT KINGSTON LANDING was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack and Ms. Price as Bill No. 1241. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE THE DREDGING OF KNAPPS NARROWS AND DOGWOOD HARBOR was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack and Ms. Price as Bill No. 1242. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE THE TALBOT COUNTY PUBLIC SCHOOLS' ONE-TO-ONE LAPTOP INITIATIVE was introduced by Mr. Bartlett, Mr. Hollis and Mr. Pack as Bill No. 1243. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE ROOF REPLACEMENT AT THE TALBOT COUNTY COURTHOUSE SOUTH WING was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack and Ms. Price as Bill No. 1244. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE DESIGN OF ROOF REPLACEMENT SYSTEMS AT ST. MICHAELS ELEMENTARY AND MIDDLE/HIGH SCHOOLS was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack and Ms. Price as Bill No. 1245. A public hearing was scheduled for Tuesday, August 13,

2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE A CAPITAL PROJECT FOR THE PLANNING, DESIGN AND CONSTRUCTION OF IMPROVEMENTS TO ALLOW THE ACCEPTANCE, PROCESSING, AND DISPOSAL OF GREASE BY UPGRADING THE COUNTY'S EXISTING BIO-SOLIDS TREATMENT FACILITY LOCATED ON 9786 KLONDIKE RD., EASTON, MARYLAND, IN AN AMOUNT NOT TO EXCEED \$3,350,000, AND TO AUTHORIZE REFINANCING OF \$2,650,000 ON THE LOAN INCURRED TO PURCHASE THE FACILITY, FOR A TOTAL CAPITAL EXPENDITURE OF \$6,000,000, ALL OF WHICH SHALL BE REPAID EXCLUSIVELY FROM THE REVENUES GENERATED FROM OPERATION OF THE FACILITY was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack and Ms. Price as Bill No. 1246. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE EXPENDITURE OF UP TO \$25,000 FOR A CAPITAL PROJECT TO MAINTAIN BLACK WALNUT POINT STONE REVETMENT, TO INCLUDE PLACEMENT OF NEW STONE was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack and Ms. Price as Bill No. 1247. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE REPLACEMENT OF THE AIR CONDITIONING CHILLER AT THE CHAPEL DISTRICT ELEMENTARY SCHOOL was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack and Ms. Price as Bill No. 1248. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE A CAPITAL PROJECT FOR TALBOT COUNTY'S SHARE OF THE DESIGN, CONSTRUCTION AND EQUIPMENT COSTS OF THE CENTER FOR ALLIED HEALTH AND ATHLETICS AT CHESAPEAKE COLLEGE was introduced by Mr. Bartlett, Mr. Hollis and Mr. Pack as Bill No. 1249. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AMEND BILL NO. 1016, INCREASING THE APPROPRIATION FOR IMPROVEMENTS TO THE CLAIBORNE JETTY PARKING AREA was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack and Ms. Price as Bill No. 1250. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO AUTHORIZE DRAINAGE IMPROVEMENTS AT DEEP WATER POINT ROAD was introduced by Mr. Bartlett, Mr. Duncan, Mr. Hollis, Mr. Pack and Ms. Price as Bill No. 1251. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

A BILL TO INCREASE THE APPROPRIATION FOR DESIGN, ENGINEERING AND CONSTRUCTION OF DUTCHMANS LANE IMPROVEMENTS was introduced by Mr. Hollis and Mr. Pack as Bill No. 1252. A public hearing was scheduled for Tuesday, August 13, 2013 at 2:00 p.m. in the Bradley Meeting Room, South Wing, Talbot County Courthouse, 11 North Washington Street, Easton, Maryland 21601.

VII. Public Hearing:

Resolution No. 206, A RESOLUTION TO AMEND THE BYLAWS OF TALBOT FAMILY NETWORK (“TFN”) TO ELIMINATE THE POSITION FOR AN ELECTED OFFICIAL FROM THE EXECUTIVE COMMITTEE, TO PERMIT THE COUNTY COUNCIL TO APPOINT ONE OF THEIR MEMBERS, OR A DESIGNEE, TO THE TFN BOARD, TO PERMIT PUBLIC SECTOR AGENCY HEADS TO APPOINT A DESIGNEE TO REPRESENT THEM IF THEY ARE UNABLE TO ATTEND A MEETING, AND TO DEFINE THE TERM “QUORUM” was read into the record by the Clerk and brought forward for public hearing. Prior to the public hearing, County Attorney Mike Pullen briefed the Council on the purpose of the resolution. He stated that the purpose of amending the bylaws was to bring the bylaws into compliance with the manual of the Governor’s Office for Children which governs similar organizations throughout the State, and to bring the practices of the TFN Board more in line with the vision of current board members. He stated that some of the requested changes were identified in a recent audit of Talbot Family Network; all requested amendments had been reviewed and approved by a bylaws subcommittee and the Talbot County Office of Law. The public was then afforded an opportunity to comment on the legislation. Upon motion by Mr. Pack, seconded by Mr. Hollis, the Council approved bringing Resolution No. 206 to final reader by voting 5 – 0 as follows:

Mr. Bartlett – Aye
Mr. Hollis – Aye
Mr. Pack – Aye
Ms. Price – Aye
Mr. Duncan – Aye

Upon motion by Mr. Pack, seconded by Ms. Price, the Council approved Resolution No. 206 by voting 5 – 0 as follows:

Mr. Bartlett – Aye
Mr. Hollis – Aye
Mr. Pack – Aye
Ms. Price – Aye
Mr. Duncan – Aye

VIII. Presentation of Forest Harvest Recommendations – Sandy Coyman, Planning Officer – Mr. Coyman briefed the Council on recommendations for forest harvest procedures following residents’ concerns in the Sailors Retreat neighborhood about the aesthetics and condition of the roadway in the area following a recent forest harvest adjacent to their neighborhood. Mr. Coyman stated that the Council had referred the concerns to the Planning Commission for their review and recommendation, and on March 26, 2013 the Council had reviewed those recommendations. The recommendations include: (1) legislation to implement a voluntary sign program for placement of signage at the proposed location of a forest harvest, prior to the harvest; and (2) clarification that silviculture (forestry) is covered by the County’s Right to Farm legislation. He stated that following discussion of the Planning Commission’s recommendations in March, the Council had directed staff to meet with representatives of the forestry industry, residents of Sailors Retreat Homeowners’ Association and other citizens to gather comments for development of a proposal to include in legislation for consideration by the Planning Commission. Mr. Coyman stated that staff had prepared legislation for Council’s consideration which included language for a mandatory signage program notifying adjacent property owners of a pending forest harvest and emphasizing that silviculture is incorporated in the County’s Right to Farm legislation. Mr. Coyman stated that the matter was initially scheduled to be considered by the Planning Commission at their July 3, 2013 meeting; however, the Planning Commission had tabled their consideration of the proposed legislation at the July meeting, but is anticipated to review same and to make a recommendation to the Council at their meeting on Wednesday,

August 7, 2013. Council discussion ensued with Mr. Coyman. Following discussion of the forest harvest recommendations, Mr. Coyman provided information on an upcoming public meeting for builders and contractors. He stated that the meeting would be held on Wednesday, July 24, 2013 from 7:00 a.m. to 9:00 a.m. in the Wye Oak Room at the Talbot County Community Center located at 10028 Ocean Gateway, Easton. The purpose of the meeting is to review and answer questions concerning new requirements related to the 2012 Building and Energy Code, new Flood Insurance Maps and Regulations, the new office arrangement for the County Planning & Permits Office and new procedures implemented by the Planning & Permits Office to better assist citizens with making the permitting process.

IX. County Manager's Report:

- A. Blue Ribbon Commission Oversight Committee – Requested Council approval for the appointment of Laura Dennis to a three-year term on the Talbot County Blue Ribbon Commission Oversight Committee; said term will expire April 1, 2016. Upon motion by Mr. Pack, seconded by Ms. Price, the Council approved the appointment by voting 5 – 0 as follows:

Mr. Bartlett – Aye
Mr. Hollis – Aye
Mr. Pack – Aye
Ms. Price - Aye
Mr. Duncan – Aye

- B. Talbot County Historic Preservation Commission – Requested Council approval for the reappointment of Ward Bucher to a three-year term on the Talbot County Historic Preservation Commission; said term will expire July 1, 2016. Upon motion by Mr. Pack, seconded by Mr. Duncan, the Council approved the reappointment by voting 5– 0 as follows:

Mr. Bartlett – Aye
Mr. Hollis – Aye
Mr. Pack – Aye
Ms. Price - Aye
Mr. Duncan – Aye

- C. Talbot County Tourism Board – Requested Council approval for the appointment of Jeff Schneider to a four-year term on the Talbot County Tourism Board as a representative of the Town of Easton; said term will expire July 1, 2017. Upon motion by Ms. Price, seconded by Mr. Pack, the Council approved the appointment by voting 5 – 0 as follows:

Mr. Bartlett – Aye
Mr. Hollis – Aye
Mr. Pack – Aye
Ms. Price - Aye
Mr. Duncan – Aye

- D. Request by Talbot County Department of Emergency Services – Requested Council approval to purchase a replacement Motorola TRAK 9100 GPS unit for the Upper Maryland Eastern Shore Department of Emergency Services (UMDES) radio system in the sum of \$19,000; the purpose of the purchase is to prevent failure of the UMDES radio communications system prior to an upgrade or replacement of the system. Mr. Stamp stated that Queen Anne's County and Caroline County have each agreed to reimburse Talbot County for one-third of the cost, or

\$6,334.00, for the unit. Upon motion by Mr. Pack, seconded by Mr. Hollis, the Council approved purchase of the GPS unit, by voting 5 – 0 as follows:

Mr. Bartlett – Aye
Mr. Hollis – Aye
Mr. Pack – Aye
Ms. Price - Aye
Mr. Duncan – Aye

- E. Claiborne Jetty Shoreline Protection – Requested Council approval of the recommendation of the Department of Public Works to enter into an agreement with the Maryland Department of Natural Resources for a no interest loan in the amount of \$75,119 plus an administrative fee in the sum of \$3,766 for a total loan sum of \$78,885; said funds will be used for the creation of approximately 300 linear feet of living shoreline at the subject location. Upon motion by Mr. Pack, seconded by Mr. Duncan, the Council approved entering into the Agreement, subject to pending approval of the capital enabling legislation (Bill No. 1250) just introduced, by voting 5 – 0 as follows:

Mr. Bartlett – Aye
Mr. Hollis – Aye
Mr. Pack – Aye
Ms. Price - Aye
Mr. Duncan – Aye

- F. Bid No. 13-13, ST. MICHAELS MIDDLE/HIGH SCHOOL–REPLACEMENT OF “RE-COVER” ROOF COVERING SYSTEM, ROOF AREAS 1, 2, 9, 13 &14 – Requested Council approval of the Department of Public Works recommendation to award Bid No. 13-13 to the low bidder, Alliance Roofing & Sheet Metal, Inc., in the sum of \$769,000.00; said sum includes the base bid amount of \$749,000.00 and an Add Alternate in the sum of \$20,000.00 for the installation of an 80 ml reinforced membrane for the roof versus the 60 ml membrane included in the original specifications. Upon motion by Mr. Hollis, seconded by Mr. Pack, the Council approved the award by voting 5 – 0 as follows:

Mr. Bartlett – Aye
Mr. Hollis – Aye
Mr. Pack – Aye
Ms. Price – Aye
Mr. Duncan – Aye

- G. Change Order for Bid No. 13-13, ST. MICHAELS MIDDLE/HIGH SCHOOL–REPLACEMENT OF “RE-COVER” ROOF COVERING SYSTEM, ROOF AREAS 1, 2, 9, 13 &14 – Requested Council approval of a change order for roofing consulting services related to Bid No. 13-13 to Russell Cather Levi & Associates in the sum of \$34,000; said change order is for construction monitoring and inspection of the re-roofing project at St. Michaels Middle/High School. Council discussion ensued. Upon motion by Mr. Hollis, seconded by Mr. Pack the Council approved the Change Order by voting 5 – 0 as follows:

Mr. Bartlett – Aye
Mr. Hollis – Aye
Mr. Pack – Aye
Ms. Price - Aye
Mr. Duncan – Aye

X. Council Comments:

Mr. Duncan - Mr. Duncan thanked Shore Regional Health representatives for coming in to present their case for a “rolling delay” on the new regional medical center. Mr. Duncan stated that he was concerned about the representatives’ request that the County and Town continue to proceed with their enabling processes with regard to the project, particularly with the continuation of the County’s plans for installation of a multi-million dollar sewer line to the property for the regional medical center, without a definitive timeline as to when the line is anticipated to be used. He stated that, in his opinion, it was counterproductive to the County to proceed, especially in light of the opinion of some that the economy is not really getting better; further discussion by the Council would be needed. He stated that, in his opinion, the Council could not, in good conscience, spend that kind of money on a sewer line when it may not be used for years, although he hoped that scenario did not play out. Mr. Duncan concluded his comments by stating that he hoped everyone had had a good 4th of July.

Ms. Price- Ms. Price stated that she concurred with Mr. Duncan’s comments regarding Shore Regional Health. She stated that since Shore Regional Health representatives did not specifically state which items the County should continue “rolling forward” with, that, in her opinion, is a big concern, and until the County has some definitive answers as to a timeline, she was not sure how the County could move forward. Ms. Price stated that she hoped everyone had had a good 4th of July and encouraged everyone to attend the Talbot County Fair beginning on Wednesday, July 10, 2013.

Mr. Hollis- No comments.

Mr. Pack– No comments.

Mr. Bartlett - No comments.

XI. Upon motion by Mr. Pack, seconded by Mr. Duncan, the Council voted to adjourn to Executive Session for discussion of legal, personnel and real estate matters then to reconvene at 4:00 p.m. for a Work Session on the Riverwoods at St. Michaels Project; and to reconvene in Executive Session on Tuesday, July 23, 2013 at 5:00 p.m. for discussion of legal, personnel, and real estate matters, and at 6:00 p.m. for the regularly scheduled legislative session by voting 5– 0 as follows:

Mr. Bartlett – Aye
Mr. Hollis– Aye
Mr. Pack – Aye
Ms. Price - Aye
Mr. Duncan - Aye

The meeting adjourned at 3:44 p.m.

The transcript of the July 9, 2013 County Council meeting is available for review in the Office of the County Manager during regular office hours.

- XII. On Tuesday, July 9, 2013, an Executive Session of the Talbot County Council convened at 12:40 p.m. in the County Council Conference Room and the Bradley Meeting Room. Upon motion by Mr. Hollis, seconded by Ms. Price, the Council met in Executive Session by voting 4 – 0 as follows:

Mr. Bartlett - Aye
Mr. Duncan - Aye
Mr. Hollis – Aye
Mr. Pack – Absent
Ms. Price – Aye

Mr. Pack arrived at 12:45 p.m.

In accordance with State Article § 10-508 (a)(1)(i)(3)(8) the purpose of the Executive Session was for a personnel matter to discuss appointments to various County boards and committees; for a legal matter for an update on a legal matter involving the County; and for a real estate matter to discuss a proposal to acquire property for a public purpose. The Executive Session ended at 1:30 p.m.

- XIII. Work Session on Riverwoods at St. Michaels Project with Andrew Hanson, Vice President, Osprey Property Company, LLC; Don Bibb, Executive Director, Housing Commission of Talbot – Mr. Hanson briefed the Council on plans by Osprey Property Company, in partnership with the Housing Commission of Talbot, for the redevelopment of property at 111 Mitchell Street in St. Michaels. The property, known as the St. Michaels House Apartments, currently contains 17 apartment units which have outlived their useful life. Mr. Hanson stated that his company’s plans for the property call for demolishing the current structure and building a 40-unit workforce housing complex to serve individuals earning 60% of the area median income for Talbot County, and below (up to \$42,300). He stated that the units will include the amenities of an on-site leasing office, computer center, library, community garden, central laundry and playground as well as closer access to public transportation provided by Delmarva Community Transit; rents would range from \$675 to \$750 for 1 or 2 bedroom units of 696 to 958 sq. ft., respectively, and the property would be deed restricted for a period of 40 years. He stated that the project is anticipated to cost approximately \$7.25 million, the financing of which involves funding from various sources, including the Maryland Department of Housing and Community Development and the Housing Commission of Talbot. Mr. Hanson provided financial information related to tax and other local revenue anticipated to be generated during and following construction of the proposed project. Mr. Bibb stated that as the federal government has reduced funding for similar projects throughout the nation in recent years, partnerships between for profit development companies and non-profit organizations (quasi-governmental agencies) have become much more commonplace in bringing housing projects such as proposed by the Riverwoods at St. Michaels Project to fruition. Mr. Hanson then requested Council’s consideration of a waiver of the County impact fee of \$89,861 for the project, calculated on a fee of \$3,907 per unit for 23 units (40 new units minus 17 existing units). Council discussion ensued with Mr. Hanson and Mr. Bibb as various matters related to the project were brought forward, including rehabilitation and extension of sewer for the project; representatives of the Town of St. Michaels expressed their support for the project and have dedicated funding toward same, contingent upon receipt of Maryland Community Development Block Grant funding. County Attorney Mike Pullen stated that §64-12 D (2) of the Talbot County Code provides that “*No development impact fee shall be imposed on housing constructed by a public housing authority or by a nonprofit organization whose primary purpose is to provide affordable housing.*” Council discussion again ensued. Several Council members expressed a willingness to work with Osprey Property Company and the Housing Commission of Talbot to consider possible alternatives to a waiver of the impact fee in order to

make the project a reality. At Council’s request the County Engineer and staff of the Department of Public Works will work toward developing the value of sewer-related work for the project. Council also requested that Mr. Pullen ascertain if an affordable housing project qualifies for different connection rates to public utilities than other housing projects. Council also agreed to review the current ordinance which prohibits waiver of impact fees for construction of housing by for-profit organizations.

CASH STATEMENT 7/2/2013

BALANCE 6/25/2013		\$12,570,364.66
RETURNED CHECK		(202.25)
UHC CLAIMS THRU 6/25/2013		(78,013.68)
STATE BOARD OF ELECTIONS PPE 6/11/2013		(4,938.30)
RONB QTRLY BOND PAYMENT		(9,478.60)
INTEGRA 7/2013		(15,181.58)
INCOME TAX 6/2013		3,723,738.95
DEPOSITS		1,343,634.74
CHECKS		(961,355.93)
VOID CHECK NO. 284221		49.55
BALANCE 7/2/2013		<u>16,568,617.56</u>

AIRPORT ACCOUNTS

AIP-RUNWAY 4-22 EXTENSION ANALYSIS			--
AIP34	BALANCE	43,565.34	
	DEPOSIT	11,418.00	54,983.34
AIP35			55,428.23
AIP36			36,088.87
AIP37			324.62
AIP38			3,257.70
AIRPORT ACCOUNTS TOTAL BALANCE			<u>150,082.76</u>

INVESTMENTS – CERTIFICATES OF DEPOSIT

<u>CERTIFICATE DATE</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>AMOUNT</u>
PNC-MLGIP INVESTMENTS TOTAL		0.07%	18,000,000.00
TOTAL INVESTED			<u>\$18,000,000.00</u>

PETTY CASH BALANCE **\$8,320.00**

GRAND TOTAL ALL FUNDS **\$34,727,020.32**

CASH STATEMENT 7/9/2013

BALANCE 7/2/2013			\$16,568,617.56
UHC CLAIMS THRU 7/2/2013			(43,227.76)
PAYROLL – FD/SS/MS WH 7/5/2013			(144,102.53)
SECUR DED			(7,017.91)
DEFERRED COMP DED			(9,540.60)
MD WH			(34,729.28)
PENSION DED			(28,515.71)
ACH TRANSFER			(10,281.75)
FLEX SPENDING ACCT			(2,742.57)
DEPOSITS			683,367.73
CHECKS			(1,261,325.15)
VOID CHECK NO. S 284276,284280,284443			27,323.04
BALANCE 7/9/2013			<u>15,737,825.07</u>
<u>AIRPORT ACCOUNTS</u>			
AIP-RUNWAY 4-22 EXTENSION ANALYSIS			--
AIP34			54,983.34
AIP35			55,428.23
AIP36			36,088.87
AIP37			324.62
AIP38			3,257.70
AIRPORT ACCOUNTS TOTAL BALANCE			<u>150,082.76</u>
INVESTMENTS – CERTIFICATES OF DEPOSIT			
<u>CERTIFICATE DATE</u>	<u>MATURITY DATE</u>	<u>RATE</u>	<u>AMOUNT</u>
PNC-MLGIP INVESTMENTS TOTAL		0.08%	18,000,000.00
TOTAL INVESTED			<u>\$18,000,000.00</u>
PETTY CASH BALANCE			<u>\$8,570.00</u>
GRAND TOTAL ALL FUNDS			<u>\$33,896,477.83</u>