

**BOARD OF COUNTY COMMISSIONERS
FOR SOMERSET COUNTY
SPECIAL SESSION
TUESDAY JUNE 26, 2012**

At 2:00 p.m., on a motion by Commissioner Laird, seconded by Commissioner Boston, the Board of County Commissioners for Somerset County met in special session with Commissioner President Rex Simpkins, Commissioner Vice President Charles F. Fisher, Commissioner Craig N. Mathies, Sr., Commissioner Jerry S. Boston and Commissioner Randy Laird.

County Administrator-Clerk Ralph D. Taylor, Executive Secretary Lory E. Ebron, Mr. Scott Tawes, CPA, P. A., Mr. Paul Benton and Mr. Ken Ballard of the Somerset County Liquor Control Board were also present.

Commissioner President Rex Simpkins called the meeting to order.

Mr. Taylor began by welcoming those attending the meeting today. Messer's Tawes, Benton and Ballard were present to discuss the fiscal year-end audit results for the Somerset County Liquor Control Board.

Mr. Tawes began by advising the board the year ended April 30, 2012, after which he distributed a copy of the audit report to each Commissioner and County Administrator Taylor. Mr. Tawes advised the Board that there was a decline in sales of approximately \$70,000 across the board, predominantly the Pocomoke store. A comparison of sales and net profits for all three stores was as follows:

<u>Sales</u>	<u>2012</u>	<u>2011</u>
Crisfield	\$ 518,348	\$ 523,458
Princess Anne	721,526	747,967
Pocomoke	<u>509,345</u>	<u>548,180</u>
	<u>\$ 1,749,219</u>	<u>\$ 1,819,605</u>
 <u>Net Profit</u>		
Crisfield	\$ 14,856	\$ 3,097
Princess Anne	33,649	43,769
Pocomoke	<u>17,564</u>	<u>46,067</u>
	<u>\$ 66,069</u>	<u>\$ 92,933</u>

Mr. Tawes explained that it was felt that the decline in sales regarding the Pocomoke store was the direct competition the store was against with the dispensary next to Lowes. Mr. Tawes continued, noting that the dispensary's experienced a similar year in 1988. A comparison

sheet was provided that showed the trends experienced from 2006 to 2012. Mr. Tawes explained that the 8% increase from 2006 to 2012 was strictly a price increase, for example the number bottles sold is down. It was felt discounts were down because of bars and restaurants closing in the Crisfield area. Because of the decreases incurred this past year, the Liquor Control Board has outlined and presented the following goals for FY2013 for the projected following savings:

• Reduce labor costs by 10%	\$ 25,000
• Reduce discounts to restaurants and bars from a 15% to 10% discount	11,500
• Eliminate Christmas bonuses	4,400
• Eliminate the truck	5,000
• Close the wine room at the Crisfield Store	4,200
• Eliminate sponsorships, ie: golf and calendar advertising	1,500
• Pay down the principal balance of the HSB LOC	<u>2,500</u>

Total anticipated savings for FY2013 \$ 54,100

Mr. Tawes concluded, noting that the Liquor Control Board was open to suggestions. Commissioner Mathies asked how many employees there were. Mr. Tawes stated 20. He noted the plan was to reducing the hourly pay 10% (\$11.50 to \$10.50) and number of hours worked for all employees, and not paying sick leave or holidays for part-time employees. Additionally, the stores will be reduced to three holidays off (Christmas, New Years and Thanksgiving). Commissioner Boston asked what the starting pay would be for new hires. Mr. Tawes stated probably \$9.00 per hour. Commissioner Boston also questioned the reason for sales decline being the competitor next to the Lowes store. Commissioner Boston stated the store has been there for three years. Mr. Tawes added that it is also possible that shoppers may be undercutting store prices. It was suggested that better oversight be paid to the stores due to the reported decline in sales.

At this time, with the results of the audit presented, Mr. Tawes presented the Board with the following checks totaling \$53,943:

• Pocomoke	\$17,564
• Princess Anne	\$25,237
• Crisfield	\$11,142

Next, Mr. Taylor requested the Board approval for a request presented by Mr. Charles Cavanaugh, Director of Solid Waste and Maintenance, on behalf of Crisfield Little League, for the use of an ECI inmate work crew to paint the bleachers at the little league ball field on July 9, 2012. The request was unanimously approved.

A brief recess was taken at 2:25 p.m.

The Special Session Meeting resumed at 2:35 p.m.

Now present before the Board were MACo President, Ms. Ingrid Turner and Executive Director Mr. Michael Sanderson and Chief of Staff Ms. Tamika Bumbry. Ms. Turner began by introducing those with her today. Ms. Turner thanked the Board, noting that they had spoken with other council members today to discuss current important issues. She then turned the meeting over to Mr. Sanderson.

Mr. Sanderson explained the purpose of the meeting today was to have exchange and discussion to see if there are any issues needing to be addressed. Mr. Sanderson said that there were two big issues facing counties this past year. The first was has been known to be called as the "Septic Bill". Mr. Sanderson explained that MACo was able to significantly amend proposed legislation that would have created a substantial State oversight role in local land use decision regarding developments on septic systems. The second was PlanMaryland, whereby MACo was successful in introducing and passing legislation that placed sensible and reassuring limits on the troubling scope and application of PlanMaryland. Mr. Sanderson continued with some of the other key points addressed this past year that included the shift in teacher pension to a four year phase in plan and funding for school construction and renovation. Mr. Sanderson referred the Board to the handout he provided for additional highlights from the 2012 Legislative Session. Mr. Sanderson then asked the Commissioners for any comments they may have.

Commissioner Fisher asked to discuss the episode which occurred at the end of the Legislative Session regarding Senate Bill 1073. Commissioner Fisher explained that the bill, designed to address high power line electricity, had an amendment included last minute that restricted a wind turbine project for Somerset County that had been worked on for the last 7 months. Commissioner Fisher expressed concern that our MACo representative was not aware, and that Somerset County had not been advised by MACo on an amendment that seemed to specifically affect Somerset County. Mr. Sanderson reviewed the issue as it occurred, noting that it was an opportunity for candor. Commissioner Fisher acknowledged that the events occurred in the "eleventh hour", and there may have not been an opportunity for MACo to have been made aware. Commissioner President expressed his concern, noting that the bill was discussed without amendments, and could understand why the sponsor would not want anyone to know about it, noting it was frustrating to be the last player to find out about it. Mr. Sanderson apologetically stated that he "plead guilty" in that MACo was not aware of the amendment, and

that the bill was never raised as a County Government Issue. Mr. Sanderson questioned as a practical matter, what would have happened if the bill had been done in the usual matter. It was noted that MACo has a sensible policy of not being involved in single county administration. Mr. Taylor noted that the bill affected other counties, but the "46" mile radius marks right up to Somerset County borders. Commissioner Fisher then stated that if Somerset County had known, the county would have probably gone to MACo to express the county's opinion on the matter. Mr. Sanderson said that he wants to make sure that MACo is responsive to these types of issues, stating that the bigger issue is MACo is hearing what the counties are saying. Commissioner Fisher then noted that highway user funding is a big issue, and a big source of income to Somerset County, noting that Program Open Space is lost revenue to the county.

Commissioner Boston asked President Turner how the other counties are affected by the teacher's pension issue. Ms. Turner stated that Prince Georges County fought it as hard as possible, and they are looking at other possible ways to get additional revenue as they are very concerned about the 'out years'. Commissioner Boston then asked Mr. Sanderson about PlanMaryland, and if it had passed. Mr. Sanderson explained the adoption of the law by the Governor. Commissioner Laird questioned Mr. Sanderson regarding his comments made about the school construction and asked if the county commissioners have no say what so ever on how the money is spent. Commissioner Laird asked if other county's go through the school board budget. Mr. Sanderson explained that State Law gives limited authority. County's only have authority over 14 categories, not line item authority. Mr. Sanderson explained that if a board were to cut funding in a specific category, the school board can take the funding cut from another line item from within the same category. They would only need approval to move funds from one category to another. Mr. Sanderson stated that it is a design of State law, and that there is not much the Commissioners can do. Mr. Sanderson offered to forward additional information on the matter to Mr. Taylor.

Commissioner Mathies expressed his concern with regard to the hardship that will be incurred by residents with regard to the new septic systems in that there will be many homeowners that can't afford it, and the State won't have funding available to assist. Commissioner Mathies is very troubled that this will affect a large number of people in Somerset County. Mr. Sanderson explained that the complexities and requirements over this topic was a "quirky" process and the debates last fall turned into this bill. Mr. Sanderson continued, saying

that there was much tension on this topic, and that the President of the Senate has expressed concern. Mr. Sanderson also advised that a letter of concern has been sent from MACo.


Commissioner President Simpkins expressed his concern, questioning "County Sovereignty", specifically referring to the "Sprinkler Bill", a bill that will mandate the fire sprinkler provision required by the International Residential Code, 2012 edition. Mr. Simpkins stated that initially, the county had the choice to opt out, and did so for a year. Now, the county is told it can't opt out, and the requirement will be imposed anyway. Next, Commissioner President Simpkins advised the MACo representatives regarding the sidewalk replacement underway by the State that will force homeowners to change their 'gravity feed' systems into a 'force feed' system. This is a direct result of the project, and there may be homeowners that may lose their homes because they can't afford to pay the bill. Mr. Sanderson said that this is the first he has heard of this issue. He felt the matter should have been made a part of the project cost. Commissioner President Simpkins advised Mr. Sanderson to discuss the matter in more detail with Robin Street, Manager of the Sanitary District.

Paige Hurley, Director of Recreation and Parks, was now present before the Board to answer any questions they may have with regard to the Land Preservation, Parks and Recreation Five-Year Plan. Mr. Hurley stated that the State comments were minimal and that there were no major changes to the plan as presented.

After a short discussion, on a motion by Commissioner Fisher, seconded by Commissioner Boston, it carried 4-0 to adopt the Land Preservation, Parks and Recreation Five-Year Plan as revised.


With no further business, the meeting was adjourned at 3:22 p.m.

Respectfully Submitted:



Lory E. Ebron
Executive Secretary

Approved by:



Board of County Commissioners
For Somerset County