

BOARD OF COUNTY COMMISSIONERS

FOR SOMERSET COUNTY

MARCH 25, 2014

At 2:00 p.m. the Board of County Commissioners for Somerset County met in regular session with Commissioner Vice-President Charles F. Fisher, Commissioner Craig N. Mathies, Sr., Commissioner Jerry S. Boston and Commissioner Randy Laird. Executive Aide Cynthia R. Ward and Executive Secretary Lory E. Ebron were also present.

Commissioner President Rex Simpkins and County Administrator-Clerk Ralph D. Taylor were absent from today's meeting as they were attending a meeting in Annapolis.

Vice President Fisher called the meeting to order, and asked Commissioner Mathies to lead those attending the meeting in repeating the Lord's Prayer and the Pledge of Allegiance.

Upon a motion made by Commissioner Mathies, second by Commissioner Laird, it carried 4-0 to dispense with the reading of the Board of County Commissioner and Closed Session Meeting Minutes held Tuesday, February 25, 2014 and March 11, 2014, and approve the minutes as presented.

Ms. Ward asked Dr. John Gaddis, Superintendent of Somerset County Public Schools to come forward to present their proposed FY15 Budget. Also coming forward were Ms. Nancy Smoker, Assistant Superintendent and Ms. Wendy Harrison, CFO.

Dr. Gaddis began by advising the Board that the FY15 proposed budget being presented today was approved by their Board during the last meeting held on March 18, 2014. It was also noted that the numbers being presented today were temporary, as this proposed budget will be submitted the state who will advise them of the final funding numbers. Dr. Gaddis then reviewed the following highlights from within the proposed budget as follows:

- Expected unrestricted revenues include at least \$10,101,019 in local and \$27,745,512 state funding
- All current positions have been preserved with no positions eliminated
- Seven new positions have been created three positions have been moved from RTTT into the local budget
- Four new contractual positions have been created
- The area's where significant increases were made were presented
- The increase with regard to Technology
- The Maintenance category included approximately \$145,000 in non-recurring funds

Dr. Gaddis requested the Board to refer to the last page of the package, which provided a breakdown of proposed revenue vs. expenses. Proposed local revenue was presented in the amount of \$10.1 million. State revenue in the amount of \$27.7 brought total revenue to \$38.2. Total expenses were calculated to be \$38.7, netting in a difference of \$928,670. Dr. Gaddis explained that he has placed calls into the State requesting funding assistance, noting that Somerset County is the poorest county in the state, and much of the increased expenses are a result of State mandated changes.

Vice President Fisher questioned why the retirement pension appropriation increased (\$490.0 vs. \$778.5). Ms. Harrison explained the calculation, noting that it is a very complex matter. She explained that the figure is not simply a percentage of salaries, but rather a figure that the State has provided. Finance Director Gene Adkins commented that the amount that the county is appropriating is what was mandated by law last year.

Commissioner Laird inquired about the need for internal bandwidth, noting that he thought fiber was available. Ms. Smoker explained that the Deal Island and Ewell schools are not connected to fiber which is available externally, not internally. Funding assistance has been requested from the state on this matter.

A discussion was then held with regard to the breakdown of the non-recurring cost request that was being presented today. Dr. Gaddis noted that the request, in the amount of \$430,000, is half of the \$861,000 that was returned to the County in December 2013 from the Washington High School Renovation Project. He stated that he would require the Boards approval of the list before March 31, 2014. Spending would begin after July 1, 2014. Dr. Gaddis explained that the plan is to bid out the projects locally, so that local contractors will have the ability to meet state proposals if possible, thereby keeping jobs/revenue within the county.

Ms. Vicki Miller, Finance and Accounting Officer questioned if the non-recurring costs listed were allowable by the State. Her concern was focused on the maintenance items noted. Ms. Miller questioned if the items should perhaps fall under capital improvements rather than non-recurring costs. Dr. Gaddis replied that he has been assured by the State that the items on the list would be accepted, however he will double check on the matter to be sure.

The Board advised Dr. Gaddis that they will take the request into consideration, and make their decision later in the meeting. Dr. Gaddis, Ms. Smoker and Ms. Harrison were excused from the meeting at this time.

Ms. Ward asked Ms. Gail Sheldon, Library Director, to come forward to discuss a funding matter.

Ms. Sheldon explained that the Princess Anne Library Grant has a remaining fund balance of \$103,000 because bids were not in line with actual costs. The State has advised that this remaining balance will be rescinded. However, Ms. Sheldon said that she has been advised that the funds could be placed in a contingency fund and reallocated to be used for the Crisfield Library Project. Currently the cost share of the grant is 50/50. If the re-allocation request is approved for the Crisfield project, cost share will be changed to 90/10, a benefit to the county. If approved, this funding would be in addition to what has already been approved for the Crisfield project, and would not impact that grant in any way. Ms. Sheldon noted that there is no guarantee that the request will be approved, however if nothing is done, the funds will be rescinded anyway. Vice President Fisher questioned if there is a deadline date to submit for the reallocation. Ms. Sheldon replied before the end of the month, or as soon as possible. Commissioner Laird asked how the Library Board feels about the reallocation. Ms. Sheldon stated they are in favor of moving the funds as opposed to losing the funds all together. Commissioner Mathies expressed his concern, questioning if it is realistic to move funds towards the Crisfield project, when currently there is limited funding in place to even complete the project. Ms. Sheldon stated that they are in the process of obtaining from MDE what can and can't be done and she has heard that the permit is working its way through the process. The consensus appeared to be that rather than lose the funding, reallocating the funds would be the better option.

Therefore, on a motion made by Commissioner Laird, seconded by Commissioner Boston, it carried 4-0 to agree with Ms. Shelton's request to reallocate the \$103,000 fund balance from the Princess Anne Library Renovation Project to the Crisfield Library Project.

Next, Ms. Sheldon advised the Board that she is moving forward with preparing a disaster plan for the Library as a recommendation made by LGIT. As a part of the plan, she is in the process of forming a group that will serve as a Response Committee in the event of a disaster. Ms. Sheldon asked the Boards consideration to appoint a liaison that will serve on the committee that could be the contact between the Library and the County Commissioners. The Board took Ms. Sheldon's request into consideration and Ms. Sheldon was excused from the meeting at this time.

Next, Mr. Charles Cavanaugh, Director of Solid Waste and Maintenance, was present before the Board to discuss the Smith Island Visitor's Center. Mr. Cavanaugh advised that the duct work under the building has deteriorated, and needs to be replaced. Additionally, one of the AC heating units is not functioning. A contractor was taken to the Visitor Center last week to assess the situation. His recommendation was to use spiral ductwork inside the building, as the only way to replace the existing duct work under the building would be to cut the floor out. Mr. Cavanaugh distributed the proposal provided by Wilfre Co., in the amount of \$17,540.00 to replace the air handler and duct work. Due to the estimated cost of the project, Mr. Cavanaugh will seek sealed bids. Commissioner Laird stated that he would advise Smith Island Alliance that the project is required to be bid out. Mr. Cavanaugh was excused from the meeting at this time.

At this time, Ms. Ward reviewed correspondence received with the Board.

A letter received from the Maryland Department of the Environment dated March 14, 2014, advised that the Department has drafted a renewal Part 70 Operating Permit for the Calpine/Crisfield Energy Center, based in Crisfield Maryland. Ms. Ward stated that this project was not new construction, and information is available for review at the Corbin Library in Crisfield. It is noted that this permit is mandated for certain types of sources, such the Crisfield Energy Center, a potential major Nitrogen Oxides emissions source. As more information regarding this matter is received, it will be relayed to the Board.

The City of Crisfield has submitted a request to waive tipping fees with regard 106 Cove Street. The City is working with the Somerset County Long Term Recovery Committee to demolish the house and build a new house and work to qualify a client to reside in the new home. The City is therefore requesting the waiver of the landfill tipping fees at the County Landfill.

On a motion made by Commissioner Laird, and seconded by Commissioner Boston, the Board authorized the waiver of tipping fee's relating to the disposal of the home at 106 Cove Street, Crisfield, MD. The motion carried 4-0.

A copy of the letter sent to Mr. Keith Morris, Wal-Mart Public Affairs Director, from the Honorable Thomas V. Mike Miller, Jr., and James N. Mathies, Jr., was received on March 20, 2014. The letter advised that Senate Bill 600 passed the Maryland Senate, allowing for a 10 Year property tax credit against the increased value, income tax credits for new employees and 100% accelerated depreciation of new construction. It is the hope of these Senators, as well as

Somerset County Leaders that with the passage of this bill, Wal-Mart moves forward with the development of a Distribution Center in Somerset County. Ms. Ward noted that President Simpkins and County Administrator Taylor were in Annapolis today to garner support for this project. It was noted that we have not heard from Wal-Mart representatives as of yet.

Mr. Stephen Megronigle, Chairman of the Somerset County Planning Commission, has submitted a letter to the Board expressing the Planning Commission's concern regarding the possible "tax-exempt" status of the Hawk Plaza Graduate Student Apartment Project. The Commission wanted to make the Board aware that this project began as a non-tax exempt property, and was presented as such. If Maryland Hawk Corporation were to apply for a tax exempt status, this filing would directly contradict what was represented to the Planning Commission during their meeting held on June 6, 2013, when the site plan received approval.

Mr. Gary Pusey has advised the Board of a vacancy on the Agricultural Preservation Advisory Board. It was noted that term limitations exist with this board, and the term of Mike Dryden is expiring on May 4, 2014. Commissioner Laird offered to find a replacement.

A letter was received from Mr. Danny Thompson, EDC Executive Director, regarding the nominations for EDC Executive Board. EDC members recommended for reappointment were Mr. Harry Gemmell, Ms. Regina Bell and Mr. Fred Lankford as Somerset County representatives. Nominated for reappointment were Ms. Joy Strand for the City of Crisfield, and for the Town of Princess Anne, Mr. Dennis Williams. All terms expire June 30, 2016.

On a motion made by Commissioner Laird, seconded by Commissioner Boston, it carried 4-0 to approve the EDC Board Member terms as presented.

The Maryland Historical Trust presented a request for a letter of support for a proposed heritage-based signage project in Crisfield. Because the letter was needed before the next scheduled meeting, the Board was polled by phone to authorize the letter, and Ms. Ward was asking the Board to provide their formal approval of the request.

Therefore, on a motion made by Commissioner Laird, seconded by Commissioner Boston, the letter of support as requested by The Maryland Historical Trust was approved. The motion carried 4-0.

Ms. Ward explained that URS is the county's consultant with regard to the Crisfield Airport, and because most of the funding received is through the Federal Aviation Administration (FAA), the project is required to have a 5-Year Capital Improvement Plan. As a

part of the plan requirement, meetings are occasionally held, and it was noted that Mr. Taylor attended a meeting was held this morning at the airport regarding the plan. There are no significant changes to the plan which involves continued removal of obstructions during Phase II and Phase III.

A request has been received from the Community and Technical Services Department for a proclamation declaring April 2014 Fair Housing Month in Somerset County. It was noted that this proclamation will tie in directly with funding that the county receives through the Community and Development Block Grant Program.

On a motion made by Commissioner Mathies, seconded by Commissioner Boston, it carried unanimously to proclaim April 2014 to be Fair Housing Month in Somerset County.

Vice President Fisher asked if there was anyone present wishing to speak.

Mr. Phil Riggin asked to address the Board. Mr. Riggin first apologized to the Board for his short notice requesting the letter of support with regard to the Crisfield Signage Project and noted others who had also provided letters supporting the project. Mr. Riggin also stated that he appreciated both local and state leadership that has been shown with regard to the Wind Turbine projects, and he hopes that this leadership aides the county in attracting other initiatives such as the Wal-Mart project. Additionally Mr. Riggin commented on the 5 Year Capital Improvement Plan for the airport in that there were no changes reported, and that there appears to be conflicting information being provided with regard to future plans at the airport.

Mr. Terry Pehan asked to address the Board. Mr. Pehan advised the Board of internet outages experienced in his community last week, which continues to be a troublesome issue.

Mr. Dan Kuebler asked to address the Board. Mr. Kuebler addressed the Crisfield Airport Project, and volunteered his services/knowledge to the Board at no cost, to serve as consultant for the county.

With no further business, at 3:17 p.m., on a motion made by Commissioner Laird and seconded by Commissioner Boston it carried 4-0 to go into Closed Session by Authority of State Government Article of the Annotated Code of Maryland, Section 10-508 (a) (1) (i) the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom it has jurisdiction.

At 4:30 p.m., a motion was made by Commissioner Boston, seconded by Commissioner Laird, and carried unanimously by all present to resume in open session. At this time, the Commissioners reviewed the list of items totaling \$430,000, which Dr. Gaddis requested as non-recurring costs in his FY2015 Budget Proposal. If approved, this amount would be taken from the \$861,000 that was returned to the County in December 2013 from the Washington High School Renovation Project. After a review of the list, the following action was taken:

A motion was made by Commissioner Boston, seconded by Commissioner Mathies, to return \$400,000 to the Board of Education as non-recurring costs for FY15. The motion carried 4-0.

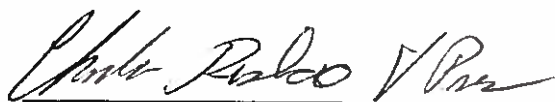
With no further business, a motion was made by Commissioner Mathies, seconded by Commissioner Boston, to adjourn the meeting. The motion carried 4-0 and the meeting was adjourned at 4:45 p.m.

Respectfully Submitted:



Lory E. Ebron
Executive Secretary

Approved By:



Board of County Commissioners
For Somerset County