



AGENDA
January 24, 2017
BOARD OF COUNTY COMMISSIONERS
FOR SOMERSET COUNTY
11916 Somerset Avenue
Room 111/Meeting Room
Princess Anne, MD 21853
2:00 p.m.

Appointments:

- 2:00 p.m. - Public Hearing/Community Development Block Grant Program Disaster Recovery Status Report – Mr. Gary Pusey
- * 2:15 p.m. - Mr. Tom Lawton
 - Rural Legacy Application
- * 2:30 p.m. - Mr. Herb Geary, TGM, Mr. Gene Adkins
Fiscal Year 2016 Audit Report
- * 2:45 p.m. - Ms. Sherree Marshall re: SSTAP Grant Application
 - General Assurances
 - Resolution

Correspondence:

Received

Ms. Cindy Stone, DHCD re: Waiver of Minimum Draw Requirement MD-17-CD-23
Maryland Department of Transportation re: State Report on Transportation
Mr. Michael M. Grimm, FEMA re: Appeal Decision/SCLTRC
Maryland Department of Commerce re: Private Activity Bonds 2017

Sent

- * Mr. Robert Murphey re: Purchasing of County Tax Sale Certificate
- Reverend Phillip Huber re: Request for Funding Assistance
- Mr. Thomas Schisler re: Appointment to Tourism Commission
- Mr. Kirkwood Cottman re: Appointment to Tourism Commission

Discussion:

- * 1. Planning & Zoning Commission Appointment (1)

3:00 p.m. - Closed Session – Ralph D. Taylor, Louis Hickman, Erica Ruiz

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; and Section 10-508 (a) (3) consider the acquisition of real property for a public purpose and matters directly related thereto.

- * Denotes Action Item

BOARD OF COUNTY COMMISSIONERS
FOR SOMERSET COUNTY
TUESDAY JANUARY 24, 2017

At 2:00 p.m., the Board of County Commissioners for Somerset County opened in Regular Session. Present for the meeting were Commissioner President Randy Laird, Commissioner Vice President Charles F. Fisher, Commissioner Jerry S. Boston, Commissioner Rex Simpkins and Commissioner Craig N. Mathies, Sr.

County Administrator-Clerk Ralph D. Taylor and Executive Aide Lory E. Ebron were also present.

President Laird 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.

Meeting minutes were presented for the Boards approval later in the meeting.

At this time, Mr. Taylor asked Mr. Gary Pusey, Director of the Department of Technical and Community Services to come forward for the Public Hearing. Mr. Taylor proceeded to read the notice of public hearing in the record as follows:

“NOTICE OF PUBLIC HEARING, BOARD OF COUNTY COMMISSIONERS FOR
SOMERSET COUNTY, CDBG DISASTER RECOVERY.

Tuesday, January 24, 2017 at 2 P.M.
County Commissioners' Meeting Room, Room 111, 11916 Somerset Avenue
Princess Anne, Maryland

Somerset County will conduct a Public Hearing to provide citizens with a status report of activities undertaken by the County through its implementation of six Hurricane Sandy Disaster Recovery Grants at the above-referenced time and location.

The County Commissioners entered into grant agreements with the Maryland Department of Housing & Community Development (DHCD) to use Community Development Block Grant (CDBG) funds for Hurricane Sandy recovery efforts (1) in February 2015 for a Housing Study and Repair Assistance to the Crisfield Housing Authority; (2) in November 2015 for Housing and Economic Recovery; (3) in September 2014 for Infrastructure projects throughout the County; (4) in February 2016 for Head Start at Crisfield High School; (5) in April 2016 for additional funding for certain Infrastructure projects; and (6) in December 2012 for funding to provide temporary housing assistance primarily to residents of the Crisfield Housing Authority immediately following Hurricane Sandy.

A summary of funding allocated and spent on each of these grants will be provided at the Public Hearing.

Efforts will be made to accommodate the disabled and non-English speaking residents with five days advance notice to Gary Pusey at 410-651-1424. Board of County Commissioners for Somerset County Randy Laird, President”.

Mr. Pusey explained that per the County's grant agreements, a public hearing is required to be held every six months to provide an update of completed and anticipated grant activities. This Hurricane Sandy Disaster Recovery Grants status report consists of six phases, which began as two basic grants of

\$8.6 Million for housing and economic recovery efforts, and \$16.7 Million for infrastructure. With the grants being completed in phases, he noted there have been three phases for the \$8.6 Million grant; \$4.2 Million and \$1.1 Million; with one phase still underway. Regarding the \$16.7 Million grant, there have been three phases (one completed and two underway), with a fourth pending. Mr. Pusey noted that this status report will not include the first phase of the \$4.2 Million grant, as it was summarized in previous reports, and was also completed in December 2015. Mr. Pusey also advised that a second public hearing, as required, was not held for the grant the county received to provide temporary housing for Crisfield Housing Authority residents, so a public hearing will need to be scheduled to satisfy the requirement. Mr. Pusey then provided the following update regarding the various phases as follows:

Housing and Economic Recovery - \$1.1 Million (MD-14-DR Phase 2):

This funding was allocated to do repairs at the Housing Authority (\$1 Million) and to hire a consultant to conduct a housing study for the entire county, which included the Town of Princess Anne and the City of Crisfield. This grant was completed as of December 31, 2016. All work is completed at the Housing Authority, and the Housing Study was also completed. Mr. Pusey stated the information contained in the Housing Study will be helpful when applying for future grants that address housing issues in the county.

Housing and Economic Recovery - \$2.94 Million (MD-14-DR Phase 3):

This funding was allocated to continue the housing and economic activities that were started with the initial \$4.2 Million grant the county received. New replacement homes are being built for qualified homeowners whose homes were damaged by Hurricane Sandy. Business loans are being offered and job training activities are also funded with assistance of the Somerset County Board of Education. Additionally a broadband extension for the City of Crisfield is being provided, and a consultant will be hired to conduct a market analysis to determine the types of businesses that could be supported in the County in addition to a feasibility analysis of commercial and industrial real estate. A preliminary architectural design and structural analysis of commercial building in the City of Crisfield that were impacted by flooding will also be completed. The end date for this grant is August 31, 2017, and to date, \$1.3 Million has been spent, and \$1.1 Million committed, therefore leaving approximately \$500,000 remaining. Mr. Pusey stated that staff is confident that these funds will be spent by the grant completion date deadline.

Infrastructure:

\$5,116,156 Million (MD-15-DR-1)

The start date of this grant was September 29, 2014 in the amount of \$16.7 Million. Infrastructure funding to date is \$5,116,156 for 15 projects throughout the county (detailed in an attachment provided). The end date for this grant is July 3, 2016. It was noted that all funds have been spent.

\$2.35 Million (MD-15 DR-1 Phase 2)

This grant covers costs associated with the construction of the Head Start addition/renovation project at Crisfield High School and the demolition of the Whittington School in Crisfield. The end date for this grant is August 31, 2017. Demolition of the Whittington school has recently begun, and is expected to be completed next month. The Board of Education is a Subrecipient for this phase, handling all bidding and construction of the Head Start project. We have been assured that all construction will be completed prior to the grant end date.

\$4.872 Million (MD15-DR-1 Phase 3)

This phase of the grant covers additional funding for the Homeless Shelter near Princess Anne (\$150,000), funding to be provided to the Army Corps of Engineers for the Rhodes Point Jetty (\$1,630,000) and funding for the Rhodes Point Shoreline Stabilization project (\$3,092,000). This grant phase began on April 14, 2016 and is scheduled to end on January 31, 2018. Funding for the Homeless Shelter has been spent. The Rhodes Point Jetty project is awaiting final

approval of additional funding to be used to supplement the County's share so that the project can be completed. Approximately \$3 Million of the Rhodes Point Shoreline Stabilization project has been spent. The remainder is expected to be spent this spring/summer for plantings behind the structures built. Mr. Pusey noted that if the Army Corps federal funding is not secured, the funds will be moved to the Shoreline Stabilization project and additional rock structures will be placed to prevent erosion at Rhodes Point.

Housing Relocation Assistance - \$395,000 (MD-13-CD-4):

Shortly after Hurricane Sandy in late October 2012, HUD, DHCD and the State Department of Human Resources cooperated to provide funding to temporarily relocate residents of the Crisfield Housing Authority (CHA) to area hotels while their units were repaired. The state agencies asked the County to administer this grant, and the County agreed. This grant, which began on December 5, 2012 also allowed the County to provide free lead paint training courses for area contractors. A total of 234 CHA residents from 116 households were temporarily relocated at a cost of \$258,500. Forty four local contractors attended the lead paint certification courses, costing \$7,500.00. Additionally, \$7,033.18 in administrative fees were reimbursed to the County for administering this grant. The grant ended December 31, 2013. Funding not spent with this grant was returned to the State as required, as it was not permitted to be used for another purpose.

Mr. Pusey closed his comments by noting the total amount of funding spent by the County for the six grants summarized totals approximately \$16.7 Million. After adding in the initial \$4.2 Million spent on Housing and Economic Recovery, and the \$3.8 Million recently directed to be used on the Fairmount Wastewater Treatment Plant Decommissioning, the final total of grant funding to date is almost \$25 Million.

President Laird asked if there was anyone present wishing to speak. Being that no one wished to speak, the Public Hearing was declared closed at 2:18 p.m.

Mr. Pusey remained present, noting Mr. Dick Scott, Somerset Committee for the Homeless Inc., present in the audience. He advised that there has been a funding shortfall in the amount of \$4,668.44 for the Homeless Shelter project. Mr. Pusey then presented, on behalf of Mr. Finith Jernigan, Design Atlantic, Change Order #3, for the shortfall amount that will balance changes for items such as geotechnical engineering, site fill, bonds, case work, as well as changes that were required as the detailed design of the mechanical systems were finalized. It was noted that many of the mechanical changes dramatically increased efficiency, meeting the projects energy goals, which is very important to HUD. Mr. Pusey then requested the Boards approval of Change Order #3 regarding the Homeless Shelter project as presented.

Upon a motion made by Commissioner Fisher, seconded by Commissioner Simpkins, it carried 5-0 to approve Change Order #3 regarding the Homeless Shelter project in the amount of \$4,668.44.

Mr. Tom Lawton, Department of Technical and Community Services came before the Board to present the Dividing Creek Rural Legacy (RLA) Area funding request for fiscal year 2018. He explained that Somerset County partners with Worcester County, the Nature Conservancy and the

Lower Shore Land Trust for this plan which has been in place for 10 years. He noted that the area in the plan is 27,650 acres in size and protects productive farmland, forestry resources and important natural resources. Specifically, Somerset County contains 10 protected farms totaling 1,120 acres, with one farm close to settlement totaling 293 acres. Mr. Lawton then requested the Boards approval to proceed with the Dividing Creek Rural Legacy Area application. He advised that he will be back in the fall to receive the Boards formal signature on the grant.

Upon a motion made by Commissioner Boston, and seconded by Commissioner Fisher, Mr. Lawton received the Boards approval to proceed with the Dividing Creek Legacy Area application. The motion carried 5-0.

Next, Mr. Taylor invited Mr. Herb Geary, TGM Group, Mr. Gene Adkins, Finance Director, Ms. Vicki Miller, Finance and Accounting Supervisor and Ms. Sharon Muir, Internal Auditor to come forward to present the Somerset County Financial and Compliance Audit report for year ended June 30, 2016.

Mr. Geary thanked the Board for allowing him to present the results of the County's audit. He also expressed his appreciation to his staff as well as Mr. Adkins, Ms. Miller and Ms. Muir for their hard work and due diligence resulting in the timely completion of the FY16 audit. Mr. Geary then provided a PowerPoint presentation which highlighted the following information within the audit:

- Somerset County and its component units have approximately \$163 million in assets, and \$105 million in revenues.
- The county received an "unmodified opinion" which is the highest level of assurance that an independent audit firm can provide.
- He referred to the 'Management's Discussion and Analysis' summary, noting that it is a well written explanation of the audit in laymen's terms.
- Fund balances were reviewed for FY11-FY16. Mr. Geary stated that Somerset County is at 33% of Operating Expenses, which is exactly what's recommended.
- Total Debt Obligations for FY11-FY16 were also reviewed as well as total debt to fund balance. He again complimented the county as being in good shape with a debt ratio of 1.79 to 1.
- Results of operations of the General Fund for FY16 were estimated to be a \$1.4 Million decrease; but actually resulted in a \$1.1 Million increase. General Fund revenues and expenditures were also reviewed and discussed.
- Results of Operations of the Roads Board for FY16 reported an overall increase in fund balance of \$259,493. He also advised the Roads Board Fund Balance is \$1.6 Million for FY16.
- GASB #68 Accounting and Financial Reporting for Pensions for the County, Board of Education and the Sanitary District were reviewed. He also advised the County continues to disclose the Other Post-Employment Benefits (Health Insurance) liability.
- Federal funding awards in the amount of \$7.2 Million, as well as Hurricane Sandy funding totaling \$6.4 Million for FY16 were reviewed. No findings or questioned costs were found.

Mr. Geary concluded his presentation, and the Board thanked him attending the meeting today.

Ms. Sherree Marshall, Somerset County Department on Aging came forward to present her request for the Boards authorization to apply for the Statewide Special Transportation Assistance Program (SSTAP) in the amount of \$117,447. She explained that this grant will fund transportation services to the elderly and handicapped. Ms. Marshall also requested the Boards approval for a resolution authorizing the Director of Somerset County Commission on Aging to file an application with the Maryland Transit Administration of the Maryland Department Transportation for sections 5303, 5304, 5307, 5309, 5310, 5311, 5316, and/or 5317 Grants under the Federal Transit Act. The Resolution will support their FY18 funding application.

Upon motion made by Commissioner Boston, seconded by Commissioner Fisher, it was carried 5-0 to adopt Resolution No. 1118 to support the FY18 funding application submitted by Somerset County Commission on Aging.

Mr. Taylor continued with correspondence and discussion items at this time.

A letter was received from Ms. Cindy Stone, DHCD, approving the county's request for a waiver to expend 5% of the grant funds by January 7, 2017, regarding the Housing Rehabilitation Grant, # MD-17-CD-23.

Reverend Huber has forwarded a letter he received from Federal Emergency Management Agency (FEMA) which advised that the Somerset County Longterm Recovery Committee (SCLRC) and Maryland Emergency Management Agency (MEMA) appeal to FEMA with regard to the decision to deny approval for a scope of work change regarding SCLRC's Elevation Project was approved. Mr. Taylor also forwarded Reverend Huber's sincere appreciation to the Board for their funding assistance that was approved during the January 10, 2017 meeting.

Letters were sent to Mr. Thomas Schisler and Mr. Kirkwood Cottman advising them of their appointments that were approved to serve as members of the Somerset County Tourism Commission.

The request received from Mr. Robert W. Murphey to purchase the county's tax sale certificate regarding account 01-004484 (30494 Broad Street), presented during the January 10, 2017 meeting was revisited. As a book keeping note, we received a payoff amount of taxes and attorney fees owed totaling \$22,055.63, and reported this amount during the January 10, 2017 meeting. Mr. Taylor advised that it has come to our attention that the actual amount owed is \$21,508.49, a difference of \$545.14, and requested the amount be correctly reflected in the minutes.

Commissioner Fisher withdrew his motion made during the January 10, 2017 meeting, to accept Mr. Murphey's offer to purchase the certificate/foreclosure regarding account 01-004484 (30494 Broad Street) in the amount of \$22,055.63. Commissioner Simpkins seconded his motion to withdraw.

Commissioner Fisher then made the motion to accept Mr. Murphey's offer to purchase the certificate/foreclosure regarding account 01-004484 (30494 Broad Street) in the amount of \$21,508.49. Commissioner Simpkins seconded the motion. Commissioner Mathies abstained; therefore the motion carried 4-0-1.

Meeting minutes were now presented for the Boards approval. Upon a motion made by Commissioner Simpkins, and seconded by Commissioner Boston, Commissioner and Closed Session minutes for the January 10, 2017 meeting were approved, as corrected. The motion carried 5-0.

With no further business, the Board was advised of the need to enter into Closed Session. Therefore, at 2:44 p.m. upon a motion made by Commissioner Simpkins and seconded by Commissioner Mathies, it carried 5-0 to enter 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; and Section 10-508 (a) (3) consider the acquisition of real property for a public purpose and matters directly related thereto.

Upon a motion made by Commissioner Fisher and seconded by Commissioner Simpkins, it carried 5-0 to adjourn the Open and Closed Session Meetings at 3:03 p.m.

Respectfully Submitted:



Lory E. Ebron
Executive Aide



Approved by:
Board of County Commissioners
For Somerset County