

**May 12, 2016**

**Regular Meeting**

*Mayor McNinch called the regular meeting of the Denton Town Council to order at 7:00 PM on this date, leading everyone in the Pledge of Allegiance to the Flag.*

*Mayor McNinch asked that the record reflect that all members were present.*

*Councilman Clendaniel made a motion to approve the minutes of the April 7, 2016 Regular Meeting as presented, seconded by Councilman Branson, passing unanimously.*

*Councilman Branson made a motion to approve the minutes of the April 18, 2016 and May 2, 2016 Working Session as presented, seconded by Councilman Lister, passing unanimously.*

**Public Hearing**

**Constant Yield Tax Rate**

*Mayor McNinch opened a public hearing at 7:04 PM to receive public comments on the Fiscal Year 2017 Constant Yield Tax Rate.*

*Mayor McNinch read the contents of the Constant Yield Tax Rate Public Hearing Notice. The current tax rate is \$.71 per \$100 of assessed value. The State Certification shows the constant yield tax rate should be at \$.7109 to maintain the same revenues for next year. The Council is proposing with the adoption of the FY2017 General Fund Budget to set the tax rate at \$.72 the upcoming tax year.*

*Mayor McNinch asked for comments from the State: there were none*

*Mayor McNinch asked for comments from the County: there were none*

*Mayor McNinch asked for comments from the Council:*

*Councilman Lister stated for the record that he is a big anti-tax person. He took a moment to explain the effects of having several years of reduction in assessments, deferring a tax rate increase in the past and the effects this has had on public safety. Councilman Lister mentioned that crime has been a significant issue over the past year for the community, with the bank robberies and increases in thefts. To offset some of the issues for the Police Force and to assist with economic development, a small increase in the tax rate this year will help to get these items back on track.*

*Councilman Clendaniel took a moment to clarify that the Town cannot raise the tax rate by a fraction of a cent, and instead would need to do a whole cent, and going with the modest increase possible. He mentioned, that for the most part, he agreed with what Councilman Lister had to say about the issues the Town is faced with.*

*Councilman Branson shared that the Police Budget has increased significantly and the Council is hoping to fill three police positions. He expressed that public safety is of the utmost importance and is the majority of the Town's budget.*

*Mayor McNinch added that the Town did not get the extra State Highway User Revenues that were anticipated. The Police Dept. has had a vacancy since 2010, the crime issues are higher and there is a significant increase in opioid use in Maryland, and these are issues that need to be addressed.*

*Mayor McNinch asked for comments from the Public:*

*Mrs. Mary Fowler, of 508 Market St., spoke in opposition of a tax rate increase, raised concerns about transparency of what is in the budget and suggested the Town*

could make some changes to stop wasting money on services and provide for the Police Department.

Mrs. Elinor Taylor, of 12 N. 7<sup>th</sup> St., expressed that her taxes are already high and that it is difficult for those living on a fixed income and asked the Council to take that into consideration.

The Mayor thanked everyone for their comments.

With no further comments, Mayor McNinch closed this public hearing at 7:12 PM.

**Ordinance #678 – FY2017 General Fund Budget and Appropriations**

Mayor McNinch opened a public hearing at 7:13 PM to receive public comments on Ordinance #678 - An Ordinance of the Town of Denton to appropriate funds and estimate income in accordance with the General Fund Budget being adopted for Fiscal Year beginning JULY 1, 2016 through JUNE 30, 2017.

Mayor McNinch asked for comments from the State: there were none

Mayor McNinch asked for comments from the County: there were none

Mayor McNinch asked for comments from the Council:

Councilman Lister talked about the Council's budget discussions that have all been held during public meetings over the last couple of months. He shared that the Council has been trying very hard to be responsible with the tax payer's money while working on balancing the budget and maintaining services. He mentioned that many cuts have been made to reduce the original deficit from \$180,000 to \$34,000 prior to coming up with the smallest amount of tax increase possible to balance the budget and to work toward handling the crime and heroin issues that are becoming more prevalent.

Mayor McNinch asked for comments from the Public:

Mrs. Mary Fowler, of 508 Market St., shared concerns about money being spent on equipment; recommending that some cuts can be made; Town does not need large trucks; she suggested that Police Officers and Property Inspectors could be riding scooters instead of having so many vehicles.

Mayor McNinch thanked Mrs. Fowler for her comments.

Mr. Chris Drummond, Town Attorney, asked the Mayor to announce when the Council would be setting the FY2017 tax rate.

Mayor McNinch stated that the Council would set the tax rate tonight before moving onto Resolutions.

With no further comments, Mayor McNinch closed this public hearing at 7:20 PM.

**Petitions, Remonstrance's and Communication**

**Letter from Mr. Jesmer**

Mayor McNinch acknowledged that the Council had received some letters from Mr. Jesmer, which have been forwarded on to the attorney.

**Constant Yield - FY2017 Tax Rate**

Councilman Lister made a motion to set the Real Property Tax Rate at \$.72. The motion was seconded by Councilman Branson. Passed 4-1 with Councilman Porter voting no.

**Ordinances and Resolutions**

**Resolution #829 – CDBG Grant Application**

*This item was removed from the agenda, as requested by the Town Administrator, and will be back for consideration at a future meeting.*

**Ordinance #674 – Vacant and Abandoned Properties**

*An Ordinance amending Chapter 94, Property Maintenance, the Town of Denton Code regarding unsafe, abandoned, and vacant properties and adding a new Chapter 119, entitled, “Vacant and Abandoned Properties” of the Denton Town Code.*

*This item was tabled for clarity at the April Town Council Meeting.*

*Staff requested this Ordinance be withdrawn and allowed to die due to the comprehensive changes that are being made. A new revised version will be submitted for introduction for the June Council Meeting.*

*No action taken at this time, the Ordinance died.*

**Ordinance #678 – FY2017 General Fund Budget & Appropriations Ordinance**  
**FY2017 General Fund Budget**

*The FY2017 General Fund Budget was presented to the Town Council for continued discussion and consideration of adoption. The budget presented reflected the one cent real property tax increase that was adopted earlier this evening.*

*Councilman Porter made a motion to adopt Fiscal Year 2017 General Fund Budget, seconded by Councilman Branson.*

*In discussion: The Mayor and Councilmembers talked about additions and cuts made to balance the budget.*

*Councilman Porter expressed that there isn't any waste in this budget. It reflects added expenses for the Police Dept. for new radios, new computer servers for the Town Office and the Police Dept. The budget does not include any new projects, and short of eliminating an officer completely, that there is no other way to balance the budget.*

*Councilman Branson added that they are still deferring the one Police Officer vacancy for six months to be able to reach a balanced budget.*

*Councilman Clendaniel inquired about the status for a K9 replacement.*

*Councilman Lister provided an update, mentioning the goal is to fill the officer vacancies, keep officers on the street, and then focus attention on a replacement plan.*

*Councilman Clendaniel made a suggestion to not support funding the Caroline Economic Development and give it to the Downtown Denton Main Street Program.*

*Councilman Lister mentioned the sizeable reduction in Highway User Revenues from the State, which is down \$134,000 from what was originally anticipated this year.*

*Councilman Lister asked the citizens to reach out to their Delegates, Senator and the Governor with their concerns on street conditions to seek support to have these funds given back to the Municipalities.*

*The Mayor called for a vote on the motion on the floor to adopt the FY2017 General Fund Budget.*

*The motion passed unanimously.*

**Ordinance #678- FY2017 General Fund Appropriations**

*An Ordinance of the Town of Denton to appropriate funds and estimate income in accordance with the General Fund Budget adopted for Fiscal Year beginning JULY 1, 2016 through JUNE 30, 2017.*

*Councilman Branson made a motion to adopt Ordinance #678, seconded by Councilman Lister. Motion passed 4-1 with Councilman Porter voting no.*

**Ordinance #679 – A&E District Expansion Map Amendment**

*An Ordinance of the Denton Town Council to amend the current Official Zoning Map for the Town of Denton to include the Arts and Entertainment District Expansion. The Council approved the renewal and expansion of the Arts & Entertainment District by adopting Resolution #810 on March 12, 2015. The State of Maryland has approved the designation renewal and expansion for ten years.*

*Councilman Branson made a motion to introduce Ordinance #679, seconded by Councilman Porter.*

*In discussion: Mr. Mulrine provided a summary and explained that with the State approval of the expanded area, the Town Zoning Map has been updated to reflect the change and was before the Council for consideration of adoption.*

*Councilman Lister inquired about the benefits of the designation and expansion.*

*Mr. Mulrine and Mr. Thomas Batchelor, Senior Codes Enforcement Officer, provided additional information on tax credits that could be available for live-work programs; this has no effects on the occupants and will not restrict an owner's ability to do things with their property.*

*Councilman Clendaniel summarized concerns he previously expressed about this taking too many residential properties in to this designated area; and he shared that he is concerned that the state will eventually create an extra tax on properties within this zone.*

*With no further discussion, Mayor McNinch asked for a vote on the motion on the floor to introduce Ordinance #679.*

*The Motion passed 4-1 with Councilman Clendaniel voting no.*

**Ordinance #680 – Annexation Map Amendment**

*An Ordinance of the Town of Denton amending the Official Zoning Map of the Town of Denton to apply the RHC Zoning District to a parcel of land annexed to the Town of Denton by Resolution No. 827, located generally north of Deep Shore Road and west of Blades Farm Road and consisting of 2.160 acres of land, more or less.*

*Councilman Branson made a motion to introduce Ordinance #680, seconded by Councilman Clendaniel.*

*In discussion: Mr. Mulrine provided an overview.*

*Mayor McNinch called for a vote on the motion on the floor, to introduce Ordinance #680.*

*The motion passed unanimously.*

**Reports of Officers, Board and Committees**

*Mayor McNinch provide a detail synopsis list of all of the projects accomplished this year, and the many road blocks the Town is still facing and encouraged the residents again to write to their Legislative Representatives about their concerns on state cuts an how it is affecting their community.*

*Councilman Lister thanked the Mayor for pulling together this listing.*

*Councilman Clendaniel recommended posting these items on the Town website.*

**Unfinished Business**

**Agenda #1-FY2017 General Fund Discussion and Adoption of the Highway Fund Budget**

*The General Fund Budget was adopted earlier this evening – no further discussion was held regarding it.*

*The Fiscal Year 2017 Highway Fund Budget was balanced using General Fund Real Property Tax Revenues and was presented for consideration of adoption.*

*Councilman Porter made a motion to adopt the FY2017 Highway Fund Budget, seconded by Councilman Branson.*

*In discussion: Councilman Branson mentioned having to take \$130,000 from the General Fund to balance the Highway Fund, due to the continued cuts from the State on the Highway User Funds. He encouraged residents to write their State Delegation.*

*Councilman Clendaniel mentioned the cuts to the Highway User Revenues, but recognized the efforts that Governor Hogan has done in delegating more funding to improve Route 404.*

*Mayor McNinch also took a moment to recognize Delegate Jeff Ghrist and his efforts to push for more funding.*

*Councilman Porter clarified to everyone that the Highway User Revenues are the gas tax that everyone pays at the pumps, and that it should be distributed equally back to the communities that pay the tax.*

*Councilman Lister mentioned that not all letters need to be negative, that everyone should also send letters of support for the efforts of Delegate Ghrist and Governor Hogan.*

*With no further discussion, the Mayor called for a vote on the motion on the floor, to adopt the FY2017 Highway Fund Budget.*

*The motion passed unanimously.*

#### **Agenda #2 –LEOPS – Law Enforcement Officer Pension System**

*The State of Maryland Actuarial Cost Study for transferring and enrolling the Police Officers into the LEOPS – Law Enforcement Officer Pension System, was submitted to the Town Council for discussion and consideration.*

*Mr. Mulrine and Mrs. Karen Monteith, Clerk-Treasurer provided an update and overview of the results of the State's preliminary valuation and the financial affects to the Town, if implemented.*

*Mrs. Monteith explained that per the valuations received, which is based on the 10 officer positions at the current rate of salary, that the cost for the transfer of service would net the Town a credit of approximately \$212,000, which could be reimbursed to the Town over 25 years with interest. The Town currently has a \$400,000 debt for the initial buy in, for the current Employee Pension System, that is due to be paid off in 2019. The Employer Annual Contribution would, however, increase from 8.53% of salary per year to 31.14%. For the current annual salary, the increase in employer contribution could be an additional expense of approximately \$122,359 per year. This amount will increase as salaries rise. For FY2017, it would be an estimated additional increase of \$134,000 over budget. Staff asked the Council for direction, as the State is requesting a decision by May 27<sup>th</sup> for July 1, 2016.*

*Additional discussion was held pertaining to the Town's option for moving forward; after which the Council gave staff direction that they could not adopt to enter into the LEOPS Program at this time, because of the additional cost. However, they did support creating a committee to look into this in the future.*

#### **New Business**

#### **Agenda #1 – Denigroup, Inc., Mallard Landing Phase IV, Amended Public Works Agreement**

*A request was submitted to the Town Council seeking authorization for the Mayor to sign the Second Addendum to Second Public Works Agreement for Mallard Landing*

Phase IV owned by Denigroup, Inc. This will convert three buildable lots into a single green open space lot.

The Town Attorney previously reviewed and approved the amended Public Works Agreement.

Councilman Porter made a motion to authorize the Mayor to sign the amended Public Works Agreement, seconded by Councilman Branson, passing unanimously.

**Agenda #2 –LGIT Board of Trustees – Election and Ballot**

Annually LGIT's Nominating Committee meets and submits to the LGIT Board of Trustees a list of candidates for nomination to serve as members on their board for a three year term beginning July 1, 2016.

Councilman Porter made a motion to authorize the Town Administrator to cast a vote on their behalf for Tracy Farrish Grant, seconded by Councilman Branson, the motion passed unanimously.

**Agenda #3 - Corsica Computer Maintenance Contract Renewals**

This item was removed from the agenda, as requested by staff, and will be back for consideration at a future meeting.

**Agenda #4 - Maryland Courts and Law Enforcement MOU**

A Memorandum of Understanding by and between the Maryland Judiciary, Administrative Office of the Courts (AOC), the Caroline Co. Sheriff's Office, the Town of Denton Police Department, and the Town of Federalsburg Police Department (collectively known as the "Police Departments") collectively known as the "Parties," was presented to the Council for consideration.

Chief Cox provided an overview of the advantages of being able to utilize videoconferencing technology as a manner in which to conduct these proceedings to address issues related to security concerns, associated costs and administrative challenges. Chief Cox asked for authorization for the Mayor to sign the MOU.

Councilman Clendaniel made a motion to authorize the Mayor to sign the MOU, seconded by Councilman Branson, passing unanimously.

**Agenda #5 - USDA Predevelopment Planning Grant – UV Disinfection and System Improvements.**

The Public Works Department submitted a request seeking the Council's approval for the Mayor to sign grant documents received from USDA, pertaining to a Predevelopment Planning Grant for ~~Ultra-Violet~~ Ultraviolet<sup>1</sup> Disinfection and System Improvements to the Waste Water Treatment Plant.

Mr. Mulrine shared that this is the next step in the process. One cell is down, and the Town is seeking funding to repair the cell and eliminate the use of chlorine chemicals. This portion of the USDA Grant will provide \$24,000 for the preliminary planning for the project. The Town is required to contribute \$8,000 as a match, to be paid by the sewer fund.

Councilman Porter made a motion to authorize the Mayor to sign and submit the grant, seconded by Councilman Clendaniel, passing unanimously.

**Agenda #6 - Pump Station Controls / WWTP SCADA Computer Upgrades**

The Public Works Department submitted a request seeking approval to move forward with upgrading the pump station controls for: Cattail Commons (Savannah Overlook), Second Street, Goose Creek, and Lockerman St. In addition, the HMI

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<sup>1</sup> Amended 6/2/2016

computer and the programming laptop will be replaced, due to being outdated. These upgrades are imperative to the Town's infrastructure. They are outdated and will be difficult to find replacements, in the event of a failure. These Capital Improvement Items were approved in the FY2016 Sewer Budget. The total amount will be \$73,255.

Councilman Clendaniel made a motion to approve the upgrades, seconded by Councilman Branson, passing unanimously.

**Agenda #7 - Public Works Vehicle Purchase**

This item was removed from the agenda, as requested by staff, and will be back for consideration at a future meeting.

**Miscellaneous**

Mayor McNinch shared how honored the Town was for the Police Unity Tour consisting of about 860 Police Officers on bicycles and several others on motor cycles, along with their support crew, ventured through Denton last week. The Denton Volunteer Fire Dept. opened their doors to welcome them and the Chesapeake Culinary School fed them lunch.

Mayor McNinch mentioned that LGIT recently sponsored for her to attend a conference in San Antonio.

Mayor McNinch announced that many of the Council Members will be attending the Maryland Municipal League Conference next month. That it is very valuable and a great opportunity for the board members to learn and network with other municipal communities.

The Mayor asked if there were any public comments:

Mrs. Elinor Taylor, of 12 N. 7<sup>th</sup> St., came forward and read a letter that she received from Mr. Bill Jesmer making a formal notice, that he was going to seek relief through legal and judicial proceedings, listing the Town, and several others, and that he will be naming her in the suit. Mrs. Taylor went on record to state that she owns the 12 N. 7<sup>th</sup> St. property and that Mr. Jesmer has not submitted one dime to pay for it and that he took advantage of her because she is elderly and was ill.

Mr. Drummond mentioned that the Town has already received a similar notice.

With no further discussion, Mayor McNinch adjourned the meeting at 8:31 PM.

Respectfully submitted,

Karen L. Monteith,  
Clerk - Treasurer