# Town of Rising Sun Mayor & Commissioners Town Meeting Minutes

Let it be remembered that the Mayor and Board of Commissioners of the Town of Rising Sun, held a Town Meeting on the 3rd floor of the Town Hall on Tuesday evening August 10, 2010. For the record the meeting place and time were duly posted as required.

<u>MEMBERS IN ATTENDANCE</u>: Mayor Sandra Didra, Commissioner Clinton E. Bowers, Commissioner Chris Callahan, Commissioner Thomas S. Mumey and Commissioner Augie Pierson.

MEMBERS ABSENT: (None)

STAFF/CONSULTANTS PRESENT: Town Administrator Calvin A Bonenberger, Jr.

GUESTS: See Attached List

<u>MEETING OPENING</u> – The meeting was called to order at 7:00 PM by Mayor Sandra Didra followed by a pledge of allegiance and a moment of silence.

<u>APPROVAL OF MEETING MINUTES</u> – Mayor asked for any corrections to the minutes for the July 13, 2010 Town Meeting. A motion was made by Commissioner Pierson and seconded by Commissioner Mumey to approve the minutes of July 13, 2010. Motion carried unanimously.

Town Administrator Calvin Bonenberger read an executive session report for a meeting held a 4:50 p.m. on August 10, 2010. The purpose of the meeting was to consult with counsel to obtain legal advice and to consult with staff and consultants or other individuals about pending or potential litigation. A motion was made by Commissioner Pierson, seconded by Commissioner Mumey to accept the minutes of the closed session. The motion carried unanimously.

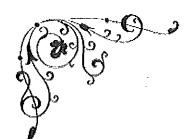
PRESENTATIONS, ORDINANCES AND RESOLUTIONS — Mayor Sandra Didra introduced Mr. Mason from Davenport and Associates. Mr. Mason provided a brief overview of the scope of responsibilities that Davenport has been charged with to include (1) the development of a financial strategy to help finance the current waste water treatment plant expansion project, (2) to make a recommendation as to the level of the user rate changes required to finance the project and (3) to assist the Town in finding a single financing vehicle, meaning government loan program, bank, or combination of both. The initial cost of the project was estimated at six million for a 275 thousand gallon per day wastewater treatment plant. Davenport prepared their numbers based upon those figures and presented the Town with a financial model proposing a rate increase over a 5 year period





as opposed to dealing with the required rate increase over a one year period to avoid sticker shock. Mr. Mason stated that a couple of changes have occurred since Davenport presented this model to the Town and adopted in December 2009. Since that time, the Town Administrator Calvin Bonenberger Ir., has undertaken a comprehensive review of the Town's overall financial operations and has allocated various funds to accurately reflect the level of personnel staff time expended on utility matters, and as such, the Towns budgets have reflected a reallocation of those funds. Mr. Mason stated that the reallocation impacted the rates. Secondly the Town's decision to pursue a 500 thousand gallon per day wastewater treatment plant has increased the project cost from six million dollars to thirteen million dollars. Mr. Mason stated that the rates put in place in December 2009 are sufficient to fund the 500 thousand gallon per day plant and to maintain an adequate level of reserves to maintain the proposed system going forward. Mr. Mason reminded the Commissioners that although there is an eight hundred thousand dollar grant available from the Maryland Department of The Environment, the balance of the project will have to be financed, which will be broken into two phases with the first phase being interim financing and the 2<sup>nd</sup> phase being permanent financing through a loan from the USDA rural development program. He provided details on a resolution being presented tonight that would authorize the Town to borrow up to \$20 million Dollars. The plan is to have the Town secure a two year interim construction loan at a bank rate of four percent. This loan would then be replaced by the permanent financing provided by USDA, however the application for the USDA financing must be submitted by Thursday August 12, 2010. If all goes as according to plan, Mr Mason opinioned the Town could have a commitment letter for permanent financing from USDA by the end of September and could offer that as collateral to banks providing the 2 year interim construction loan. He further opinioned that the Town could have offers for such construction loans back at the end of September also. Upon reviewing the offers back from the banks, Davenport could then come back to the Board and advise the various options available for financing and the Town could conceivably go to settlement for this construction loan by mid October.

Continuing with the presentation, Mayor Didra introduced Pat Arey the Town's Bond Counsel. Mr. Arey provided a technical overview of resolution 2010-13 and 2010-14 which authorize both the issuance and sale of general bonds which provides the long term financing; and bond anticipation notes, which is needed because USDA does not provide construction financing. Mr. Arey opened the floor for questions. With no questions from the audience, Mayor Didra opened the floor to conduct a public hearing of the Town of Rising Sun's intent to apply for federal funding to upgrade and expand the wastewater treatment plant. Mayor Didra introduced Mr. Bonenberger, the Town Administrator who read the public notice advertisement posted August 3rd and August 9th for the Town's intent to hold a public hearing to discuss the Town's intent to apply for funding assistance for the upgrade and expansion of the wastewater treatment plant. Mayor Didra opened the floor for public comment. There was no comment from the public. Commissioner Pierson commented that the financing was only





part of the process; other considerations have to be met. Commissioner Mumey commented that within two years, if everything goes as planned, we should have the expanded wastewater plant up and running. Commissioner Bowers made a motion, seconded by Commissioner Pierson, to proceed with the application for financing the upgrading of the wastewater treatment plant, with USDA Rural Development and to submit the application by the August 12, 2010 deadline. Motion passed unanimously.

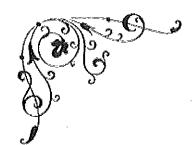
The Mayor advised the audience that the board had previously read resolutions 2010-13 and 2010-14 into the minutes at the previous Town meeting and had posted them on the Town's website. Commissioner Pierson made a motion, seconded by Commissioner Mumey, to accept Resolution 2010-13 titled "General Obligation Bond". Motion carried unanimously. Mayor Didra identified Resolution 2010-14 at which time Commissioner Pierson made a motion, seconded by Commissioner Mumey, to accept Resolution 2010-14 titled "Bond Anticipation Notes". Motion carried unanimously.

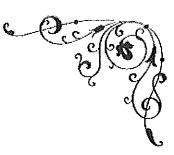
Mayor Didra introduced resolution 2010-15 titled "Authorization for a Project Administrator". Mayor Didra asked Mr. Bonenberger to read the resolution into the minutes. Commissioner Pierson, seconded by Commissioner Mumey, made a motion to accept Resolution 2010-15. Motion carried unanimously. Mayor Didra informed the audience that the reason for the resolution was that Calvin has been the one constant participant in the water and sewer project and although many Commissioners have come and gone, Calvin has been involved in the day to day details and in order to keep the project moving in a timely manner, it made sense to have Calvin serve in this capacity.

With all the resolutions and actions items related to the sewer and water issue completed, the Mayor advised the Town's consultants that they could leave the meeting if they wanted. All consultants left the meeting.

Upon calling the meeting back to order, Mayor Didra introduced Mr. Buddy Cathers who was prepared to provide a presentation to have a Hunter Safety program for the Town of Rising Sun. Mr. Cathers commented on the Maryland responsible gun act, stating that anyone buying a gun with the exception of black powder will be required to take a gun safety course. He went on to highlight the 16 years that he has been offering this safety program at the American Legion Post. After a brief discussion and comments of support from the Commissioners and audience, Commissioner Mumey made a motion, seconded by Commissioner Pierson, to hold a Hunter Safety course at the American Legion in September and October of 2010. Motion carried unanimously.

MAYOR'S REPORT - Mayor Didra reported the only thing she currently has is at the next Town meeting of August 24th, Mr. Ruppert Rossetti and Mr. Brian Seipp will be doing a presentation on





Stone Run water shed assessment.

FINANCES - Mr. Bonenberger reported on the year-end financial statement. He stated that the General Fund ended with a positive of \$118,149.71. Mr. Bonenberger compared total expenditures against total revenue. He stated that in the General Services line which is Town Administration, which does not include Police, Public Works, Trash Collection, and Code Enforcement the revenue, came in at \$90,658.00 more than projected. He further explained that despite the fact that the Police revenue was \$98,000.00 less than projected, the total expenditures were \$128,215.00 less than what was projected. Code Enforcement revenue was \$19,400.00 less than what was projected, but total expenditures were \$47,768.00 less than projected. Public Works revenue was \$900.00 less than projected, but total expenditures were \$85,145.00 less than projected. Due in large part to the loss of the State's Highway User Funds, the Streets and Sidewalks revenue was \$172,000.00 less than projected, but total expenditures were \$40,000.00 less than projected. Solid Waste and Trash Collection revenue was \$6,600.06 less than projected, while total expenditures were \$20,950.00 more than projected. Parks and Recreation revenue was \$299,000.00 less than projected, due in large part to the anticipation of using previously awarded grant money. However, total expenditures were \$259,958.00 less than projected, again because of anticipated grant money not being utilized this past year. Debts Service revenue was \$21,116.00 less than projected. Mr. Bonenberger stated that the elected body did a good job operating the town efficiently. In other business, he stated that the annual audit will start at the end of August, and that we are ready. Mr. Bonenberger also reported that the County tax collection has given us our first installment of roughly \$388,000.00. of real property tax collection.

SEWER AND WATER REPORT – A question was asked by a resident, if the Town was still paying a fine to MDE for non-compliance with the lagoon. Mayor Didra's answered yes, a minimal fine. Mr. Bonenberger stated that we were paying about \$18,000.00 a quarter. Mr. Bowers provided his report starting with two action items. The first was a motion by Commissioner Bowers, seconded by Commissioner Pierson, to approve an amendment to the previous agreement with the Town's Bond Counsel, establishing legal fees not to exceed \$65,000.00. Motion carried unanimously. Commissioner Bowers made a second motion, seconded by Commissioner Mumey, to renew the annual maintenance contract for the generator at the wastewater treatment plant, at a cost of \$815.00 a year. Commissioner Bowers reported on the Towns efforts to amend the County's Master Sewer and Water plan to reflect the construction of a new 500 thousand gallon per day waste water treatment facility. Commissioner Bowers reported that he discovered that the inflow meter at the wastewater treatment plant is not working. Chris will be getting quotes to replace the instrument. Commissioner Bowers reported on a sewer backup on July 30, 2010 at 102 Reynolds Ave, the sewer backed up into the basement of that resident. Calvin is taking care of the insurance for the minimal damage done.





Commissioner Bowers also reported on the Chester water line right of way. He stated that Calvin and he, met with the Dept. of Public Works for Cecil County, and felt things went well. Commissioner Bowers stated on a water leak at Queen and Main St on July 22, 2010. The maintenance crew dug up the street and evaluated options. Commissioner Bowers reported on another water leak on Cooper Ave.

# STREETS AND SIDEWALKS REPORT - (No Report)

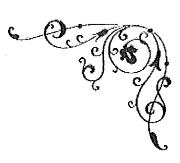
<u>PUBLIC SAFETY</u> — Chief Peterson reported on a previous request by the Board involving the parking on Pearl St. He stated that on July 20<sup>th</sup> he met with Mr. James Gilmer about the vehicles parked alongside the bank. Mr. Gilmer was able to work out with the landlord of his property to find optional parking.

<u>PARKS AND RECREATION</u> – Commissioner Mumey reported on a meeting with a local boy scout who is looking to make improvements to the pavilion in center square as part of his eagle-scout badge. The boy-scout has a lot of good ideas to enhance the site.

TOWN ADMINISTRATOR'S REPORT — Calvin Bonenberger reported on the meter project. He stated that we are about half way through the installation. We still have a fairly large number of properties that have not been connected. Additional mailers will be sent out for installation. He stated that the contractors will have three crews in town the week of August 23rd through Sept. 7th to complete the project. Mr. Bonenberger reported on the Rising Hills dedication. Issues have been discovered about several public works agreements between the Town and developers in which the agreements were not consistent with existing guidelines and ordinance covering such agreements. He stated that sufficient bonds were not held as part of the public works agreements and as required by the Town's Ordinances. Mr. Bonenberger stated the Planning and Zoning Board will be initiating an effort to make changes to the current land development ordinance in order to better protect the Town going forward. Commissioner Mumey stated that a change should be a priority. Mr. Bonenberger also reported on the Cecil County Hunger Walk on October 3rd. He stated that there could possibly be cost for the town. Commissioner Mumey stated that the route needs to be evaluated by Chief Peterson and possible recommendations for an optional route.

<u>PLANNING AND ZONING BOARD</u> – Mr. Bonenberger reported that the planning commission is still working on appointments for the seventh position on the board. He also reminded the board of the need to consider reappointments as terms on the board might be set to expire. Mr. Bonenberger stated that we have gotten back our review letter from the state, on the comprehensive plan, but he had not gotten a chance to review yet.





#### BOARD OF ZONING APPEALS - No Report

CODE ENFORCEMENT — Mr. Bonenberger reported about a garbage complaint at 13 Pogue Ave. After tracking down the bank that owns the property, we sent e-mail informing them that they had twenty four hours to respond to a clean-up, or the town would take action. Commissioner Bowers motioned a vote for a dumpster delivery, to clean up 13 Pogue Ave. seconded by Commissioner Mumey, the vote was unanimous for approval.

<u>HISTORICAL PRESERVATION</u> COMMISSION – Ms. Diane Earhart handed out fliers for the  $150^{th}$  fashion contest and an application for displays. She stated that there will not be a meeting for the  $150^{th}$  on Monday.

OLD BUSINESS - No Report

<u>NEW BUSINESS</u> – No Report

<u>CITIZEN'S INPUT</u> – Mr. and Mrs. Deming of the Rising Hills Development expressed concerns about the Town's dedication of the Rising Hills Development. After a brief discussion on the subject the Town Administrator was requested to work with the Town Attorney to see if we could get a letter of commitment from the Developer, in lieu of a surety bond, to pay for any problems associated with the utilities and roads.

<u>ADJOURNMENT</u> – With no other business before the board a motion was made by Commissioner Clinton E. Bowers to adjourn the meeting.

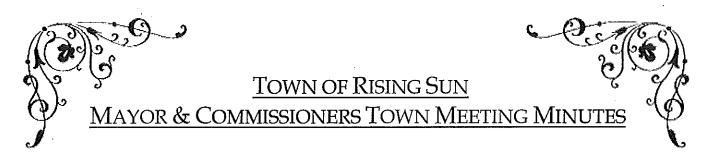
Meeting Adjourned at 8: 35 PM.

Respectfully submitted

Calvin A Bonenberger Jr.,

Town Administrator / Acting Town Clerk

Motion to approve the minutes made by Commissioner August Pierson, seconded by Commissioner Chris Callahan at the August 24, 2010 Town Meeting



# DECLARATION AND VERIFICATION OF AUTHENTICITY

I, Calvin A Bonenberger, Town Administrator and Interim Town Clerk for the Town of Rising Sun, Maryland, do herby certify that the above and foregoing minutes are a true, perfect and complete copy of the Minutes adopted by the Mayor and Commissioners of the Town of Rising Sun, Maryland, and is identical to the original thereof appearing in the official records of the Town of Rising Sun, Maryland and the same has not, since its adoption, been rescinded or amended in any respect.

IN TESTIMONY WHEREOF, I have hereunto set my hand and have affixed the seal of the Town of Rising Sun as of this 25th day of August 2010.

Respectfully submitted

Calvin A Bonenberger Jr.,
Town Administrator / Acting Town Clerk

CERTIFICATE & TOWN SEAL

(STATE OF MARYLAND)

(COUNTY OF CECIL)

(TOWN OF RISING SUN)