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 October 12, 2010 at 7:00 PM. 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</u>. OF <u>MEETING MINUTES</u> — Mayor Didra asked for any corrections to the minutes for the August 24, 2010 Town Meeting. A motion was made by Commissioner Callahan and seconded by Commissioner Mumey to approve the minutes of August 24, 2010. The motion carried unanimously.

Mayor Didra asked for any corrections to the minutes for the September 14, 2010 Town Meeting and stated one correction; Troop 140 should be Troop 143. Commissioner Pierson made a motion, seconded by Commissioner Mumey, to approve the minutes with the correction. Motion carried unanimously.

Town Administrator Calvin Bonenberger read an executive session report for a meeting held at 7:00 p.m. on October 5, 2010. He reported on actions taken at the Executive Session, to include: A motion by Commissioner Callahan seconded by Commissioner Pierson to have Commissioner Mumey to take over Sewer and Water and for Commissioner Bowers to take over Parks and Recreation. The motion carried unanimously. Mayor Didra asked for a vote to approve the executive session report, Commissioner Pierson made a motion seconded by Commissioner Mumey to accept the executive session report, the vote was unanimous.

<u>PRESENTATIONS</u>, <u>ORDINANCES AND RESOLUTIONS</u> – Mayor Didra introduced Mr. Joe Mason from Davenport and Associates, to present an overview of the interim financing, for the new Waste Water Treatment Plant. He stated that we now have a commitment from the USDA for permanent financing for the new Waste Water Treatment Plant. He stated that RFP bids were sent





out to banks and PNC bank came back with the best rate of 2.23 fixed for three years. He elaborated on the cost associated with the sewer plant project which currently stands at roughly \$13 million dollars. He provided an overview of how the existing rate schedule was developed and reminded the board that the schedule was developed back in December of 2009 and was based upon the anticipation of only building a 275,000 gallon per day treatment facility. However, due to the pending lawsuits and other extraneous issues involving the Town's sewer and water systems, the Town has been forced to deal with several issues that cannot be paid for with the existing rate structure. In addition to the \$13 million dollar cost associated with the new sewer plant, the Town is faced with a \$7 million dollar cost associated with securing adequate water to supply the increased plant size. He stated that in order to fund the loan, PNC would need to have a comfort level knowing that the Town had a financial model that would prove that they could pay the loan back. He further stated to the board that the most, sure way to win approval of the loan request was to present a financial strategy that would show the Town's ability to fund this project on their own and without reliance on any promises or speculations of receiving future dollars from the development community or by way of grants. In order to move forward and present such a plan to the bank, the Town would have to initiate a utility rate increase that included a 38% rate increase each year, for the next four years, followed by an annual rate increase of 6% per year until year 2020. Mr. Mason reminded the board that this financial strategy would give the elected body a worst case scenario of what the rates would have to be if the Town had to move forward with the project without ever receiving any financial assistance. He further reminded the board that every dollar received by the development community or by grants would enable the Town to revisit the rate schedule in the future and potentially re-evaluate those rates and lower them in the future. All of the Commissioners expressed concerns and apprehension over raising the rates. Commissioner Pierson and Mumey expressed concerns that the Town may not rally have a choice and given the legal issues with MDE and the lawsuit with the developer, the Town could be facing even more significant financial hardship if they do not move forward with upgrading the sewer and water systems. After some additional discussion and comments by the board a motion was made by Commissioner Mumey and seconded by commissioner Pierson to accept the offer from PNC bank for 2.23 percent fixed rate over three years. The vote carried unanimous.

Mayor Didra asked for comments about the proposed utility rate change. Commissioner Pierson stated that the litigation against the town is causing us to go in a direction we had not anticipated a year ago. He also stated that the biggest thing of the new rate increase is that we will not be beholding to anyone, and we will be our own destiny holder. The positive of the rate increase is that it gives us time to pursue other grants and possibly other funding to help offset this. He stated that his understanding along with the other board members is that future boards will take any revenue that comes in from developers and put it toward paying down the debt.





Commissioner Mumey stated that the rate structure has other factors that will influence and help adjust the rate; he stated that developers, grants and negotiations with Chester Water will help reduce the rate. Mr. Mumey stated that we are continuously working to bring the rate down and make it pliable for everyone.

Mayor Didra stated that the rate increase also gives Mr. Mason collateral to apply for funding for us from banks. Mayor Didra asked Mr. Bonenberger if he would work on a resolution to reflect the rate increase.

Mr. Bonenberger stated that his understanding from the board is that a resolution needs to be written in two parts to reflect the rate increase. Part A would be the increase amounts and part B would be to work with the town attorney on enabling language that would trigger future boards to have to revisit rates as certain things occur. He stated that he has done the first half of the resolution using Joe's numbers and will forward them to the town attorney tomorrow for him to work on. Mayor Didra stated that she would like to post the resolution before the next meeting.

Moving onto the next order of business, Mayor Didra introduced Mr. Dave Taylor who gave a presentation on a proposal for a Disc Golf course at the Veterans Memorial Park. Mr. Taylor explained the game of disc golf to everyone, and the only equipment needed was baskets, and possibly, tees. He also stated that he felt that this would be an investment that would result in an increase in tourism for our business community.

Commissioner Mumey added that in other Counties this is a very popular sport. He stated that it's worth considering for our park,

<u>MAYOR'S REPORT</u> –Mayor Didra stated that she had no report. The Mayor commented on the week long gala and commented that everything was absolutely fantastic, everyone did a wonderful job.

<u>FINANCES</u> – Mr. Bonenberger presented the monthly financial report. He stated that we are tracking very well. Mr. Bonenberger suggested a financial oversight committee. He stated that the town's fiscal policy does include the concept of an oversight financial committee. He stated that the committee should consist of one person from the elected body and two to three qualified representatives from the community with a financial background. He stated that the committee could have the responsibility to research bonds CD's and other investment tools for the Town and to make recommendations to the elected body.

SEWER AND WATER REPORT - No report other then the Davenport Discussion.





STREETS AND SIDEWALKS REPORT — Commissioner Callahan reported on a situation, where a tractor trailer ran over the wall at Mount St. and Main St. He asked Mr. Bonenberger if responsibility had been determined yet. Mr. Bonenberger stated that it has been determined that the responsibility was ACE hardware. Mr. Bonenberger stated that ACE is having a dispute with the State Highway. He stated that we would have to follow up.

PUBLIC SAFETY - (No Report)

<u>PARKS AND RECREATION</u> — Commissioner Bowers reported on the Cabin project. He stated that he is working with a gentleman, to take the old cabin down. He stated that the fireplace will not come down during the cabin demolition. Quotes have been submitted for review to purchase a new cabin. Commissioner Mumey stated that there may be liability issues when the old cabin is taken down because there will be a foundation hole in the ground. Commissioner Pierson stated that a fence could possibly be put up around the foundation. Commissioner Bowers stated that he will work with Mr. Bonenberger to coordinate the project. He stated that he will keep in touch with the board if any liability issues arise.

Commissioner Mumey reported on a meeting with Mr. Rossetti from the Octoraro Watershed Association and DNR, at Triangle Park to discuss removal and new plantings. Commissioner Mumey stated that DNR is in favor of grants to fund the project he also stated that DNR is willing to help design and supply the labor.

TOWN ADMINISTRATOR'S REPORT – Mr. Bonenberger reported on the Meter change-out project. He stated that as of two weeks ago, we had about 150 properties still not consented to a change out. He stated that a small handful of property owners have moved and not notified us of address change. Mr. Bonenberger also stated that we have some properties for sale, and the realtors are not making arrangements for us to install the new meters, so we have started sending the message out that the properties will not go through settlement unless the new meters are in place, that would include properties in foreclosure. Mr. Bonenberger stated that some residents have gotten an incorrect message that the only reason we were putting the new meters in was to access their home to write violation notices. Mr. Bonenberger stated that we have been working to dispel any incorrect information.

Mr. Bonenberger reported on the grant from ARRA funding for the Water Meter Project. He stated that there are a lot of complications involved with Buy American Act that is required from ARRA.





<u>PLANNING AND ZONING BOARD</u>- Mr. Bonenberger stated that the next meeting is scheduled for October 25th

BOARD OF ZONING APPEALS — Mr. Bonenberger stated that we have a property on Brinker (t. with an existing deck in the rear yard, and it is clear that the deck does not comply with code. He stated that the property owner wants to replace the deck with a porch, and they cannot comply with the side yard setbacks. We are trying to get an emergency meeting to have a hearing to decide this special exception variance request.

<u>CODE ENFORCEMENT</u> — Mr. Bonenberger reported that the property at 110 Harrington Drive is moving along.

<u>HISTORICAL PRESERVATION COMMISSION</u> – Mr. Bonenberger reported that the property at 110 Harrington Drive is moving along.

OLD BUSINESS. (No Old Business)

<u>NEW BUSINESS</u>. Pierson voiced a concern that the letter that was drafted at the October 5th executive meeting was not sent out in a timely manner, by the Mayor as directed.

<u>CITIZEN'S INPUT</u> – Town Resident - Karen Majewski requested that the board air its dirty laundry with each other before the meeting and not out in the public.

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

Meeting Adjourned at 7: 57 PM.

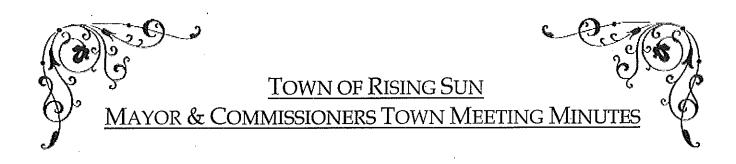
Respectfully submitted

Calvin A Bonenberger Jr.,

Town Administrator / Acting Town Clerk

Motion to approve the minutes made by Commissioner Chris Callahan, seconded by Commissioner Clinton E. Bowers at the October 26, 2010 Town Meeting

Motion Passed 4 to 0



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 27th day of October 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)