

COUNCIL OF TRAPPE
TRAPPE TOWN HALL
DECEMBER 4, 2019

Public Hearing – 6:50 pm –

Vice-President Diefenderfer read Ordinance 6-2019 - An Ordinance supplementing Ordinance 6-2017 to extend the time period for issuance of the bonds which were authorized by Ordinance 11-2006 passed on December 6, 2006 (the "Original Ordinance") (as supplemented by Ordinance 11-2007 passed on November 7, 2007, Ordinance 8-2008 passed on November 5, 2008, Ordinance 7-2009 passed on November 4, 2009, Ordinance 8-2011 passed on November 2, 2011, Ordinance 6-2013 passed on November 6, 2013, Ordinance 6-2015 passed on December 2, 2015 and Ordinance 6-2017 passed on December 6, 2017) by the Council of the Town of Trappe (the "Town"), which original Ordinance, among other things, confirmed the creation of the Lakeside Special Taxing District (the "Lakeside District"); provided for the creation of the Lakeside Special Fund (the "Special Fund"); provided for the levy of a special tax on all real property subject to tax within the Lakeside District; pledged the special tax on real property within the Lakeside District to the special fund and promised that the proceeds of the special tax will be paid into the special fund; provided for the use of moneys in the special fund; authorized the Town to enter into construction and funding agreements with the current owner of all the property within the Lakeside District; made certain legislative findings, among others, concerning the public benefit and purpose of special obligation bonds to be issued by the Town; authorized and empowered the Town to issue, sell and deliver, at any one time or from time to time, its special obligation bonds in one or more series in an aggregate principal amount not to exceed \$60,000,000; provided that such special obligation bonds and the interest thereon shall never constitute a general obligation debt of or a pledge of the Town's full faith and credit or taxing powers; authorized and empowered the Trappe Town Council to adopt a Resolution prior to the issuance, sale and delivery of such special obligation bonds, to prescribe the rate or rates of interest such special obligation bonds are to bear, the form, tenor, terms and conditions of and security for such special obligation bonds, and to prescribe, determine, provide for and approve various other matters, details, documents and procedures in connection with the authorization, issuance, security, sale and payment for such special obligation bonds; and generally provided for the financing of public infrastructure improvements within and outside the Lakeside District and for the imposition and levy of a special tax and the issuance of special obligation bonds, all in accordance with Article 23A, Section 44A of the Annotated Code of Maryland, as amended. Attorney Ryan stated that this Ordinance extends the ability to issue bonds until December 31, 2021. Attorney Showalter stated that he does not expect the developer to require bonds in Phase 1.

With no further comments the public hearing for Ordinance 6-2019 was closed at 6:55 pm.

Council of Trappe Meeting: President Newnam called the regular meeting to order at 7:00 pm. Council members Norm Fegel, Tonya Pritchett, RD Diefenderfer and Walter Chase were present. Other attendees for the Town: Town Administrator Braband and Attorney Ryan. Public attendees: Attorney Ryan Showalter, Don English, Chris Polk from the Star Democrat, Bobby & Shirley Quidas, Billy Sard and Edgar Harrison.

Amendments to the Agenda: Commissioner Chase made a motion to approve the agenda as presented. Commissioner Diefenderfer seconded the motion. All approved.

Presentation of Minutes: Commissioner Diefenderfer made a motion to approve the November minutes as presented. Commissioner Fegel seconded the motion. All approved.

COMMITTEE AND DEPARTMENT REPORTS

Clerk's Report: Administrator Braband presented the Clerk's report, the General Fund and the Enterprise Fund budgets that are filed in the records.

Talbot County Sheriff's Department: Not in attendance, no report submitted

Public Works: President Newnam read Superintendent Callahan's report that is filed in the records.

Planning & Zoning: Commissioner Fegel stated that the November meeting was cancelled due to lack of preparation from Lakeside. The Planning Commission will hold a public hearing on December 17th for the Town's comprehensive plan.

Communications: Administrator Braband stated that the street sweeper will be here tomorrow to clean all curbed streets. Commissioner Pritchett asked about the trash 6 bag limit and the impact to Scott's Church when they have an event.

Attorney Updates: Attorney Ryan stated that she has been working with Attorney Showalter on the Talbot County Comprehensive Plan Water and Sewer amendment and presented the Council with a draft of the amendment. This amendment changes the entire Lakeside development from W2/S2 to W1/S1 and provides that Lakeside will be served by the Town's existing water system and will connect the Piney Point well and eventually an additional Matawan well. Lakeside will also construct a 250,000 gallon water storage tank when required. Lakeside will be served by its own treatment plant and will have a sanitary sewer service district. The treatment plant will be an ENR plant constructed in phases with each phase being able to treat 100,000 gallons per day of wastewater and the effluent will be disposed of by spray irrigation. Attorney Ryan stated that she will be adding the Town's capital projects into the amendment and then it will be submitted to Talbot County. Commissioner Pritchett made a motion to allow Attorney Ryan to finalize the amendment and submit to Talbot County when completed. Commissioner Diefenderfer seconded the motion.

VOTE:

Newnam – Y Fegel – Y Pritchett – Y Diefenderfer – Y Chase – Y
Motion approved.

Executive Session: President Newnam stated that an executive session was held on November 6, 2019 to obtain legal advice.

ORDER OF BUSINESS BEFORE THE COUNCIL

New Business:

Ordinance 6-2019 – Commissioner Pritchett made a motion that the first line reading is acceptable as a full reading of Ordinance 6-2019. Commissioner Chase seconded the motion. All approved. President Newnam read Ordinance 6-2019 – An Ordinance supplementing Ordinance 6-2017 to extend the time

period as the full title. Commissioner Fegel made a motion to adopt Ordinance 6-2019. Commissioner Chase seconded the motion. A public hearing was held tonight prior to the Council meeting.

VOTE:

Newnam – Y Fegel – Y Pritchett – Y Diefenderfer – Y Chase – Y
Motion approved.

Resolution 2-2019 – A Resolution of the Town of Trappe authorizing the renewal of a Line of Credit Promissory Note with Shore United Bank in the principal amount of \$100,000.00, of which the sum of \$47,844.78 has been drawn and borrowed for various Town expenses pursuant to prior legislative acts of the Council of Trappe was read by President Newnam. Attorney Ryan stated that this Resolution renews the line of credit and extends the maturity date to December 31, 2020. The prior interest rate was 3.9% and is now 3.7%. Commissioner Fegel made a motion to adopt Resolution 2-2019. Commissioner Diefenderfer seconded the motion.

VOTE:

Newnam – Y Fegel – Y Pritchett – Y Diefenderfer – Y Chase – Y
Motion approved.

Resolution 3-2019 - A Resolution of the Town of Trappe authorizing the renewal of a Line of Credit Promissory Note with Shore United Bank in the principal amount of \$200,000.00, of which the sum of \$167,433.99 has been drawn and borrowed for various Town expenses pursuant to prior legislative acts of the Council of Trappe was read by President Newnam. Attorney Ryan stated that this Resolution renews the line of credit and extends the maturity date to December 31, 2020. The prior interest rate was 3.9% and is now 3.7%. Commissioner Diefenderfer made a motion to adopt Resolution 3-2019. Commissioner Fegel seconded the motion.

VOTE:

Newnam – Y Fegel – Y Pritchett – Y Diefenderfer – Y Chase – Y
Motion approved.

Other Business

Town owned rental on Sullivan Street – Administrator Braband presented the Council with a quote from a contractor to do repairs on Apt 2. 4 companies were contacted and only 1 responded that they were interested and provided the attached quote. Administrator Braband stated that the contractor found the roof to be in needed of replacement as well but he does not do roofing work. The roof work would need to be completed before any interior work would be started. The quote presented is to fix all the interior work and came in at \$8,528.36. After discussion the Council asked Administrator Braband to obtain quotes to replace the roof and bring those quotes to the next Council meeting.

LaTrappe Heights sewer line easements – Attorney Ryan stated that she will have the draft easements prepared and given to President Newnam and Commissioner Diefenderfer so they can go talk to the owners of those properties.

Lakeside Discharge Permit – Attorney Ryan stated that MDE held a public hearing on November 19th in regards to Lakeside’s discharge permit application. Due to some of the comments and concerns MDE has extended the comment period to January 20, 2020. The draft application is getting ready to be sent to Talbot County which was one of the concerns. President Newnam asked if the corrected letter that the Town sent to the County was given to MDE. Attorney Ryan clarified for the other Council members that at the public hearing a resident read a portion of a letter signed by President Newnam to Talbot County stating that the Town requested the discharge permit to be withdrawn. This is not correct and was not sent so Attorney Ryan stated that she submitted to MDE the actual letter that stated that when the Town was ready, they would apply to the County for the amendment.

Urban Analytics, Inc. proposal – Attorney Ryan stated that the Council previously discussed the infrastructure, economic and fiscal impact study fees for Lakeside and how the study was done in the early 2000’s. The consensus was to look into having the study updated and revised. Attorney Ryan stated that she reached out to the same company and they provided a proposal to update the study. The proposal is broken down into 3 sections – infrastructure, impact fee/economic and fiscal. Attorney Ryan stated that the economic portion is what will show what benefit the development will bring, the fiscal portion will show what jobs will be necessary for the Town to bring in versus taxes that the development will generate and infrastructure portion will show what the Town currently provides and what the Town will need to provide for the development. Attorney Ryan stated that the infrastructure portion is the same as the capital assessment fee which is currently in the DRRRA and is \$2,761 now. Commissioner Chase asked how will the development impact the homes that are currently here and will the study show that information. Attorney Ryan stated that this study does not show that information but there may be another study that could be done. Attorney Ryan stated that this proposal is for \$24,250 and would update all 3 sections. Attorney Showalter stated that they have received a copy and do not feel that the economic component is necessary because it doesn’t address costs to the Town or property values. Attorney Ryan stated that the economic component shows what benefit Lakeside has and that was initially done due to the push back from the public when the project first started. Attorney Ryan stated that the fiscal section may not be necessary either because taxes are something that the Town can calculate and control themselves. Attorney Showalter stated that when there is additional economic benefit to the Town there will be a raise in value for the existing properties. Attorney Ryan stated that Phase 1 and Phase 6 are what the Town needs to have updated. Attorney Showalter stated that Lakeside is happy to pay for the cost of the study. Commissioner Pritchett made a motion to accept the proposal with an amendment to take out everything with the exception of the infrastructure impact analysis portion provided that the developer reimburses the Town for the cost. Commissioner Chase seconded the motion.

VOTE:

Newnam – Y Fegel – Y Pritchett – Y Diefenderfer – Y Chase – Y
Motion approved.

Public Questions/Comments:

Chris Polk – asked when the next Planning Commission meeting is and was told it is December 17th with a public hearing at 6:45 pm.

Attorney Ryan stated that the County Council also has their meeting on December 17th to introduce the Water/Sewer Comp Plan amendment and if any of the Council members would like to attend they are welcome to do so. Kurt Booth will attend on behalf of the Town since Attorney Ryan will be at the Planning meeting.

Executive Session: President Newnam stated that an executive session is requested to obtain legal advice. Commissioner Fegel made a motion to enter into executive session at 7:40 pm. Commissioner Diefenderfer seconded the motion and it was unanimously approved.

At the conclusion of the closed session at 7:45 pm the open meeting was reconvened.

There being no further business to discuss, Commissioner Fegel made a motion at 7:46 pm to conclude the meeting. Commissioner Diefenderfer seconded the motion and it was unanimously approved.

Respectfully submitted,

Erin Braband, Town Administrator/Clerk