

COUNCIL OF TRAPPE
TRAPPE TOWN HALL
MARCH 11, 2020

Council of Trappe Workshop – President Newnam called the workshop to order at 7:00 pm. Council members RD Diefenderfer, Norm Fegel, Tonya Pritchett and Walter Chase were present. Other attendees for the Town: Town Administrator Erin Braband and Town Attorney Lyndsey Ryan. Public attendees: Don English

FY 2020-2021 Budget

General Budget – Administrator Braband presented a proposed General budget showing the real property tax rate remaining at .33 per \$100 of assessed value, the corporation/personal property tax rate remaining at 0.54 per \$100 of assessed value and the annual trash rate reduced to \$130.00 per year. Administrator Braband requested a cost of living raise of 3% for all employees. After discussion the Council agreed to proceed with the General Budget as presented.

Enterprise Budget – Administrator Braband presented a proposed Enterprise budget showing an increase of \$2.50 per month for the basic sewer charge which was approved last fiscal year to pay for the pumping station repair and rehab project. The proposed budget also showed an increase of 7% for the water and sewer usage charges. In using the usage numbers that the Town billed for in 2019 it shows that the Town billed for 2,000,000 gallons less than was billed in 2018. This will create a deficit in the budget. The revenue collected from water usage if the rates remain the same will be \$96,800. That is a loss of \$9,513 from FY 2019/2020. If the water usage rate is raised 7%, the rate goes to \$4.71 per 1,000 gallons, which is an income of \$103,620, which is an increase of \$6,820 from FY 2019/2020. The revenue collected from sewer usage if the rates remain the same will be \$215,880. That is a loss of \$28,124 from FY 2019/2020. If the sewer usage rate is raised 7%, the rate goes to \$11.00 per 1,000 gallons, which is an income of \$231,000. That is an increase of \$15,120 from FY 2019/2020. If the Town does not increase the water and sewer usage rates the Town will lose a projected amount of \$37,637 in comparison to FY 2019/2020. President Newnam asked how the Town is doing financially. Administrator Braband stated that the Town is doing better than we have been in previous years but we are still operating in the red after the audit has been completed. The reserve funds are building but they are to be used to pay for any projects that that Town is doing, such as the new well, the pumping station rehab/upgrade and the possible ENR upgrade of the treatment plant. Administrator Braband stated that she has figured the proposed budget based on raising the usage rates 7% like the Council has previously done but if the Council wishes to do something different the budget can be refigured. After discussion the Council asked Administrator Braband to refigure the budget showing no increase in water/sewer usage rates and an increase of 3.5% increase in water/sewer rates. Commissioner Chase asked to show the possible capacity fee income if Lakeside were to connect some of their sewer to the Town's plant in the no increase usage rate budget.

Town owned rental – Sullivan Street

Attorney Ryan read Ordinance 2-2020 – An Ordinance of the Town of Trappe for the conveyance of property located at 29428 Sullivan Street, Trappe, Maryland, and identified in the tax records of Talbot County as parcel 1807 of map 300 to Edward Moore and Jonathan Moore. Attorney Ryan stated that this Ordinance was drafted based on a bid that was received on the RFP that was done for the sale of the Town

property. The local government article requires that the Town give at least 20 days' notice prior to selling any property so this Ordinance can be introduced tonight, advertised tomorrow and then a public hearing will be held on April 1st. The Ordinance can be adopted April 1st and then the property can be sold 20 days after the adoption. Commissioner Pritchett made a motion to introduce Ordinance 2-2020. Commissioner Fegel seconded the motion. All approved. Commissioner Pritchett made a motion to schedule a public hearing for Ordinance 2-2020 on April 1st at 6:45 pm. Commissioner Chase seconded the motion. All approved.

Attorney Ryan presented the Council with the Purchase Agreement for the sale of the property. Ordinance 2-2020 authorizes the Council President to sign the Purchase Agreement. The Agreement states that the purchase price is \$95,005.00, the purchaser is to pay the closing costs, states that a deposit of \$9,500.00 was given to the Town and that this Agreement is contingent upon the introduction and approval of an Ordinance authorizing the sale and that the property is being sold as is. Commissioner Pritchett made a motion to enter into the Purchase Agreement which is contingent upon the introduction and passage of an Ordinance conveying the property. Commissioner Fegel seconded the motion. All approved.

Attorney Ryan presented the Council with an Indemnity Agreement which would allow the purchaser the right to go into the apartment and start making repairs prior to settlement. This was discussed because the Council felt that it would be at least May before the public hearing for the Ordinance could be held. However because the Ordinance was introduced tonight and the public hearing is scheduled for April 1st, Attorney Ryan asked the Council if they still felt it necessary to enter into this agreement. There are potential liability issues with allowing them to start making repairs and the possibility that the sale doesn't go through. After discussion the Council decided to not approve the Indemnity Agreement and Attorney Ryan will call Mr. Moore and let him know.

The Council inquired about the property lines and who the parking lot between the Town Office and the property belongs to. The Council asked Attorney Ryan to contact a surveyor to inquire about getting the Town Office property surveyed and that will show if the parking lot stays with Town Hall or goes with the property.

A budget workshop was scheduled for April 1st at 6:00 pm.

Commissioner Fegel made a motion to enter into executive session for legal advice at 5:30 pm. Commissioner Chase seconded the motion and it was unanimously approved.

At the conclusion of the closed session at 5:56 pm the open meeting was reconvened.

There being no further business to discuss, Commissioner Fegel made a motion at 5:56 pm to conclude the meeting. Commissioner Diefenderfer seconded the motion and it was unanimously approved.

Respectfully submitted,

Erin Braband, Town Administrator/Clerk