

COUNCIL OF TRAPPE
TRAPPE TOWN HALL
MAY 1, 2019

PUBLIC HEARING – 6:30 PM - President Fegel opened the public hearing for Ordinance 1-2019, Ordinance 2-2019, Ordinance 3-2019 and Ordinance 4-2019.

President Fegel read Ordinance 1-2019 - An Ordinance of the Town of Trappe to amend Section 14 of the Trappe Town Code titled “Water and Sewer”, table 1 titled “Fees and Charges” to increase the monthly water usage rate to \$4.40 per thousand gallons, and the monthly sewer usage rate to \$10.28 per thousand gallons and to increase the basic monthly sewer service charge for in town properties to \$52.50 per month and the basic monthly sewer service charge for out-of-town properties to \$105.00 per month. No public comment.

President Fegel read Ordinance 2-2019 - An Ordinance of the Town of Trappe adopting a General Budget for the fiscal year beginning July 1, 2019 and ending June 30, 2020, and establishing a tax rate of \$.33 per \$100 of assessed real property value and a tax rate of \$.54 per \$100 on all commercial or business personal property and public utilities; and establishing an annual fee of \$180 per residential household for trash collection services, and also adopting an Enterprise Budget for the Town’s water and sewer operations. No public comment.

President Fegel read Ordinance 3-2019 - An Ordinance of the Town of Trappe, a municipal corporation of the State of Maryland, providing for the issuance and sale of up to (and including) One Million Three Hundred Seventy-Six Thousand Dollars (\$1,376,000) par amount of bonds, to be issued and sold pursuant to the authority of Sections 19-301, ET SEQ. of the Local Government Article of the Annotated Code of Maryland, as amended, and Section 612 of the Charter of the Town of Trappe, for the purpose of providing funds necessary to pay the costs of repairing, upgrading or replacing sanitary sewer pumping stations and other public improvements for the Town of Trappe, and paying capitalized interest on and the costs of issuing the bonds; providing that the bonds shall be issued upon the full faith and credit of the Town of Trappe; providing for the disbursement of the proceeds of the sale of the bonds and for the levy of annual taxes upon all assessable property within the corporate limits of the issuer subject to assessment for the payment of the principal of and interest on the bonds as they shall mature; providing for the form, tenor, denomination, maturity date, interest rate and other provisions of the bonds; providing for the sale of the bonds; and providing for the designation of specific projects to be financed with proceeds of the bonds and related purposes. No public comment.

President Fegel read Ordinance 4-2019 - An Ordinance of the Town of Trappe, a municipal corporation of the State of Maryland, providing for the issuance and sale of no more than One Million Nine Hundred Seventy-Five Thousand and Five Hundred Dollars (\$1,975,500) par amount of General Obligation Bond and Grant Anticipation Notes to be known as “The Town of Trappe General Obligation Bond Anticipation Notes” and “The Town of Trappe General Obligation Grant Anticipation Notes”, to be issued and sold pursuant to the authority of Section 19-212 of the Local Government Article of the Annotated Code of Maryland, as amended, and Section 612 of the Charter of the Town of Trappe, for the purpose of providing funds necessary to pay the costs of repairing, upgrading or replacing sanitary sewer pumping station, and other public improvements for the Town of Trappe, and paying capitalized interest on and the costs of

issuing the notes, all in anticipation of the future issuance of the issuer's General Obligation Bonds or the receipt of grants for such purposes; providing that the notes shall be issued upon the full faith and credit of the Town of Trappe; providing for the disbursement of the proceeds of the sale of the notes and for the levy of annual taxes upon all assessable property within the corporate limits of the issuer subject to assessment for the payment of the principal of and interest on the notes as they shall mature; providing for the form, tenor, denomination, maturity date, interest rate and other provisions of the notes; providing for the sale of the notes; and providing for the designation of specific projects to be financed with proceeds of the notes and related purposes. No public comment.

With no further comments the public hearing for Ordinance 1-2019, Ordinance 2-2019, Ordinance 3-2019 and Ordinance 4-2019 was closed at 6:37 pm.

Council of Trappe Meeting: President Fegel called the regular meeting to order at 7:00 pm. Council members Nick Newnam and Walter Chase were present. Other attendees for the Town: Town Administrator Braband, Attorney Ryan, Superintendent Callahan, Apprentice Wood and 1st Sargent Dobson from the Talbot County Sheriff's Office. Public attendees: Don English, Bobby and Shirley Quidas, Edgar Harrison, Rose Potter and Chris Polk from the Star Democrat.

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

Presentation of Minutes: Commissioner Newnam made a motion to approve the minutes as presented. Commissioner Chase seconded the motion. All approved.

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

COMMITTEE AND DEPARTMENT REPORTS

Talbot County Sheriff's Office: 1st Sargent Dobson read the April report that is filed in the records.

Public Works: Superintendent Callahan read his report that is filed in the records.

Planning & Zoning: President Fegel stated that no meeting was held in April. The next Planning meeting is scheduled for May 21st. Attorney Ryan stated that she has edits to the Comprehensive Plan that need to be discussed with the Planning Commission.

Communications: None

Attorney Updates:

Howell Point Sewer Extension update – Attorney Ryan stated that she and Administrator Braband talked to Ray Clarke and he suggested that the Town contact USDA to inquire about a grant/loan possibility for the project. Attorney Ryan stated that she called Terry Fearins at USDA and is awaiting a call back from her. Ray Clarke did say that applying for this funding would require the Town to have a PER (preliminary engineering report) completed which would not be covered by grant funding and usually costs between \$11,000 - \$15,000.

Talbot County Water/Sewer Comprehensive Plan – Ray Clarke reached out to Attorney Ryan and Administrator Braband and stated that the County is updating their plan and he will be sending Trappe’s portion to be reviewed by the Town.

Interim Financing – Attorney Ryan stated that she received a call from Taylor at 1880 Bank and they are interested in offering financing for the pumping station project. After receiving and reviewing the Town’s information they declined to offer funding on this project but asked to be kept in mind for future projects.

Executive Session: President Fegel stated that an executive session was held on April 3, 2019 to obtain legal advice and discuss a personnel matter.

ORDER OF BUSINESS BEFORE THE COUNCIL

New Business:

Ordinance 1-2019 - An Ordinance of the Town of Trappe to amend Section 14 of the Trappe Town Code titled “Water and Sewer”, table 1 titled “Fees and Charges” to increase the monthly water usage rate to \$4.40 per thousand gallons, and the monthly sewer usage rate to \$10.28 per thousand gallons and to increase the basic monthly sewer service charge for in town properties to \$52.50 per month and the basic monthly sewer service charge for out-of-town properties to \$105.00 per month was read by President Fegel. President Fegel stated that a public hearing was held this evening at 6:30 and received no public comment. Rose Potter stated that she was upset with the increase and asked when the bills would level out. President Fegel stated that the Town’s debt service is the biggest portion of the Town’s bills and with the aging infrastructure, on-going repairs and necessary replacement projects the Town is forced to increase the rates. Commissioner Newnam made a motion to adopt Ordinance 1-2019. Commissioner Chase seconded the motion. No discussion.

VOTE:

Newnam – Y Fegel – Y Chase – Y

Motion approved

Ordinance 2-2019 - An Ordinance of the Town of Trappe adopting a General Budget for the fiscal year beginning July 1, 2019 and ending June 30, 2020, and establishing a tax rate of \$.33 per \$100 of assessed real property value and a tax rate of \$.54 per \$100 on all commercial or business personal property and public utilities; and establishing an annual fee of \$180 per residential household for trash collection services, and also adopting an Enterprise Budget for the Town’s water and sewer operations was read by President Fegel. President Fegel stated that a public hearing was held this evening at 6:30 and received no public comment. Commissioner Chase made a motion to adopt Ordinance 2-2019. Commissioner Newnam seconded the motion. No discussion.

VOTE:

Newnam – Y Fegel – Y Chase – Y

Motion approved

Ordinance 3-2019 - An Ordinance of the Town of Trappe, a municipal corporation of the State of Maryland, providing for the issuance and sale of up to (and including) One Million Three Hundred Seventy-

Six Thousand Dollars (\$1,376,000) par amount of bonds, to be issued and sold pursuant to the authority of Sections 19-301, ET SEQ. of the Local Government Article of the Annotated Code of Maryland, as amended, and Section 612 of the Charter of the Town of Trappe, for the purpose of providing funds necessary to pay the costs of repairing, upgrading or replacing sanitary sewer pumping stations and other public improvements for the Town of Trappe, and paying capitalized interest on and the costs of issuing the bonds; providing that the bonds shall be issued upon the full faith and credit of the Town of Trappe; providing for the disbursement of the proceeds of the sale of the bonds and for the levy of annual taxes upon all assessable property within the corporate limits of the issuer subject to assessment for the payment of the principal of and interest on the bonds as they shall mature; providing for the form, tenor, denomination, maturity date, interest rate and other provisions of the bonds; providing for the sale of the bonds; and providing for the designation of specific projects to be financed with proceeds of the bonds and related purposes was read by President Fegel. President Fegel stated that a public hearing was held this evening at 6:30 and received no public comment. Commissioner Newnam made a motion to adopt Ordinance 3-2019. Commissioner Chase seconded the motion. No discussion.

VOTE:

Newnam – Y Fegel – Y Chase – Y

Motion approved

Ordinance 4-2019 - An Ordinance of the Town of Trappe, a municipal corporation of the State of Maryland, providing for the issuance and sale of no more than One Million Nine Hundred Seventy-Five Thousand and Five Hundred Dollars (\$1,975,500) par amount of General Obligation Bond and Grant Anticipation Notes to be known as “The Town of Trappe General Obligation Bond Anticipation Notes” and “The Town of Trappe General Obligation Grant Anticipation Notes”, to be issued and sold pursuant to the authority of Section 19-212 of the Local Government Article of the Annotated Code of Maryland, as amended, and Section 612 of the Charter of the Town of Trappe, for the purpose of providing funds necessary to pay the costs of repairing, upgrading or replacing sanitary sewer pumping station, and other public improvements for the Town of Trappe, and paying capitalized interest on and the costs of issuing the notes, all in anticipation of the future issuance of the issuer’s General Obligation Bonds or the receipt of grants for such purposes; providing that the notes shall be issued upon the full faith and credit of the Town of Trappe; providing for the disbursement of the proceeds of the sale of the notes and for the levy of annual taxes upon all assessable property within the corporate limits of the issuer subject to assessment for the payment of the principal of and interest on the notes as they shall mature; providing for the form, tenor, denomination, maturity date, interest rate and other provisions of the notes; providing for the sale of the notes; and providing for the designation of specific projects to be financed with proceeds of the notes and related purposes was read by President Fegel. President Fegel stated that a public hearing was held this evening at 6:30 and received no public comment. Commission Chase made a motion to adopt Ordinance 4-2019. Commissioner Newnam seconded the motion. No discussion.

VOTE:

Newnam – Y Fegel – Y Chase – Y

Motion approved

Other Business:

Interim financing with Shore United Bank for Pumping Station Upgrade project – Attorney Ryan stated that Shore United Bank has offered Interim financing for the pumping station upgrade project in the principal amount of \$1,975,500 for 5 years with a fixed rate of 3.55%. Commissioner Chase asked how the Town picks which bank they receive offers from to make sure the Town is getting the best rate. Attorney Ryan stated that the Town has worked with Shore United in the past but in the future the Town can post the information and seek out additional banks if the Council wishes to do so. Attorney Ryan stated that when she spoke with 1880 Bank she provided them with Shore United’s offer and 1880 Bank stated that they were unable to meet Shore United’s offer at this time. Commissioner Chase made a motion to approve Shore United Bank’s interim financing offer for the pumping station upgrade project. Commissioner Newnam seconded the motion. No discussion.

VOTE:

Newnam – Y Fegel – Y Chase – Y
Motion approved

Public Questions/Comments:

Rose Potter stated that it is a normal process to get at least 3 proposals from banks to compare the offers.

Announcements:

President Fegel stated that May 14th is the Town Election and polls will be open from 7:00 am to 7:00 pm.

Commissioner Chase stated that he would like the Council to take a close look at Lakeside and the DRRR regarding the upgrade of the existing wastewater plant and the related financing. Attorney Ryan stated that the Council will discuss it with Ryan Showalter and Lakeside when the DRRR is being renegotiated. Commissioner Chase also stated that he would like to see Lakeside do a home impact analysis on the existing homes with the new homes coming.

No executive session was requested.

There being no further business to discuss, Commissioner Chase made a motion at 7:36 pm to conclude the meeting. Commissioner Newnam seconded the motion and it was unanimously approved.

Respectfully submitted,

Erin Braband, Town Administrator/Clerk