

## **TOWN COUNCIL WORK SESSION MINUTES**

**Town Hall**

**Wednesday, April 26, 2017**

**3:30pm**

Mayor Paulin and Vice Mayor Sitoula met in work session on Wednesday, April 26, 2017 at the Town Hall. Councilman Smith joined the meeting via phone and was in attendance by 4:04pm. Also in attendance were Town Manager Hicks, Town Clerk Andrea Brady, Diane Mock of Bridgett Mock & Associates PA and Maryland Independent Reporter, Tiffany Watson.

Pavilion Usage Guide – The Council discussed the transfer of general currently required to cover the pavilion each year and the need to find a way for the pavilion to be more self-sustaining and cut general fund assistance. Councilman Smith put together a draft usage guide to provide the staff with guidance when a request is received for a waiver of fees for use of the pavilion. The Council recently received a request from the Western Charles County Interfaith Community organization called “Community Love in Action” to obtain a waiver of fees for use of the Pavilion. Councilman Smith voted to waive the usage fee for Community Love in Action. Mayor Paulin seconded the Councilman’s vote and said the Council should set guidelines moving forward. Town Manager Hicks will move forward with the draft usage guide and he will also reach out to comparable facilities to see what their usage rates are. Town Manager Hicks suggest that in order to help the pavilion become more self-sustaining it may be time for a rate increase as well as cutting back on the overtime needed for the facility, and advertise/push use of the building more. Vice Mayor Sitoula suggested having a partnership with comparable facilities to suggest the pavilion for rental needs if their facility becomes overbooked. Town Manager Hicks will have a draft usage guide and pavilion strategy for the May work session.

Auditor Report: Diane Mock – Ms. Mock gave a briefing on the Town’s annual audit report. The Town received an unqualified clean opinion and Ms. Mock said that is exactly what the Town wants. There were no major changes to the format of the financial statement. The highlighted areas of discussion included the narrative with tables and charts, a snap shot comparing 2015 to 2016, business activities, expense over revenue, incoming revenue, fixed asset listing, penalties and interest on utility bills, accounts receivable, review of utility accounts, budget to actuals comparison, detailed expenditures and capital assets. There was an excess of expense over revenue. The Town’s largest asset was cash. The Boardwalk fun currently has \$725,000 and a portion could be used toward other funds since only \$480,000 is designated for Boardwalk. The \$53,000 deficit at the pavilion was supported by the general fund. The Town needs to updated the fixed asset listing to remove any items that are no longer being used or may have been gotten rid of. The Town’s Finance Officer did analysis of old water/sewer accounts and cleaned up some of the balances, removing balances older than 3 years and removing any compounded debt that occurred during a change in software. The Council requested that the Town attorney give his input on the compounded debt that occurred on the past due utility bills and if he feels further account analysis is warranted. Vice Mayor Sitoula stated for the record that he questions the validity of the auditor’s report due to the size of the utility adjustment that was made. Ms. Mock explained that the adjustment did not affect the Town’s current or prior year’s bottom line and the matter has been listed in the management letter for years. Councilman Smith said there is clearly a mechanism in place that allowed us to correct the issue and therefore you cannot connect the issue to the validity of the report. Mayor Paulin agreed with Councilman Smith that the validity of the report is not in question. The auditors also helped catch an issue with real estate taxes being charged to the Town on the towers. Through the Finance Officer

and the lawyer also being involved the Town will be receiving a refund of \$21,000. Ms. Mock also reviewed the management letter included in the report and there were not disagreements with management and no need to consult with other auditors. Ms. Mock also reminded that Council to make sure budget amendments are being done when needed such as a situation where the expenditures exceed the appropriations.

CIRI Hearing Date – The Council would like to hold the public hearing for the CIRI map amendment on June 15<sup>th</sup> or June 22<sup>nd</sup>. Town Clerk Brady will contact the Town's attorney, Fred Sussman to see which date will work with his schedule.

Watershed Conservation District – The Council will review the recent article in the Maryland Independent and they have heard the positions on both sides of the argument. The Council will readdress this issue at the May work session to form an official opinion to be sent to the County.

Council Visit to Nepal – Vice Mayor Sitoula stated that the Council visit to Nepal will be postponed to September or October timeframe. Vice Mayor Sitoula still plans to go in May to lay the groundwork for the future visit and he feels September would be ideal since it will be right after the first local election held in several years. Vice Mayor Sitoula feels this will be an opportunity to extend friendship with Nepal. Vice Mayor Sitoula has requested community help with funding the visit and a nonprofit has already expressed support with a \$1,000 donation. Councilman Smith will not be attending the Nepal visit. The Council agreed to have Town Manager Hicks contact the Town's attorney to get his determination on possible ethics violations from soliciting donations for the visit to Nepal.

Review of May Town Meeting Agenda – No changes or additions.

Pavilion & CAC: Karen Williams – This agenda item is postponed until the May work session.

Roundtable:

Mayor – Mayor Paulin discussed the Velocity Center and the funding the project is receiving from the State as well as local entities. Mayor Paulin asked the Council to discuss a contribution from the Town and he said the Town still has \$47,000 of the return received from the Comptroller. Town Manager Hicks discussed funds he needs for the Waste Water Treatment Plant and Public Works. Councilman Smith suggested considering waiver of fees for the utilities or permits as opposed to cash. Mayor Paulin stated that the project is need of startup capital. The Council agreed to speak with Tommy Luginbill to get further information on the needs of the project and to discuss ways the Town is prepared to help, such as a waiver of fees and a partial cash contribution. Councilman Smith also stressed the need to know how this project will benefit the residents since the cash portion of the contribution would be coming from the tax payers. Mayor Paulin listed some of the benefits, including filling a vacant property, job opportunities and economic growth.

Vice Mayor – Vice Mayor Sitoula spoke about the recent visit with Senator Van Hollen and that the Senator appreciated the local participation and gave out point of contact information. At the Charles County Economic Development Quarterly Roundtable that was held today at the Waldorf West Library, Vice Mayor Sitoula thanked the County on behalf of the Town to recognize them for their contributions in Town.

Councilman – Councilman Smith spoke about the Town’s great partnership with the County. The P&R dance program is profitable and going well. The annual Taste of Indian Head is coming up and Councilman Smith hopes all of Council will attend. Councilman Smith has concerns about the arbitrary way the Town is finding vendors for the 4<sup>th</sup> of July celebration and he feels there needs to be equity in how the Town is distributing openings to the vendors and there needs to be clearly defined policies. For the Big Day of Play the Parks & Rec Commission is going to have a 5k run similar to the popular Color Run. P&R is hoping to solicit donations for the event and Councilman Smith would like to get the Town Attorney’s feedback on what is appropriate. Mike Hunninghake will be attending this evenings ESC meeting to make a presentation. Councilman Smith said the ESC is losing a couple of members but he still has plans to move forward with implementing the Town’s 3 year plan. Councilman Smith thanked the Public Works department for building the raised planters for the Senior Center.

Town Manager – Paving will take place on Ridge Road on April 27<sup>th</sup>. Striping will take place on May 22<sup>nd</sup> but that does not include River Watch which will be done on a different date. Town Manager Hicks received the appraisal for the Ely properties, 4445-4483 and 4501 Indian Head Highway. Taylor Yewell, the Redevelopment Manager with the Charles County Economic Development Department has requested to hold meetings with the Elys and Mr. Phillips. Mr. Yewell would also like to meet with the Town’s Zoning Administrator Lucinda Stevens to discuss the Town’s zoning. ARRO is handling MS4 for the Town and there will be a conference call with the EPA on April 27<sup>th</sup>. Town Manager Hicks said he may be suggesting to the Council to have ARRO handle the MS4 requirements instead of the County and have the Town request the funds back from the County.

Town Clerk – None

Councilman Smith made a motion to go into closed session. Vice Mayor Sitoula seconds the motion. Mayor Paulin adjourned the open session at 5:14pm.

  
Andrea Brady, Town Clerk