



MAYOR & COUNCIL
REGULAR BUSINESS MEETING MINUTES
April 13, 2023

****Meeting minutes are prepared in a summarized format. For full discussion and further detail of the meeting you can view the streamline video at the following link: <http://townhallstreams.com/locations/rock-hall-md>. They are also available at Town Office****

Mayor Jacobs called the meeting to order at 6:10 p.m. In attendance were Vice Mayor Jones, Councilmember Cook, Councilmember Collyer, Town Manager Resele, Code Enforcer Whitman, and Police Chief Dempsey. Councilmember Edwards was absent.

Agenda

Councilmember Cook made a motion to approve the agenda as amended. Councilmember Collyer seconded the motion. All present in favor. Motion carried.

Meet and Greet

The new owners of Whispering Pines Assisted Living Facility wanted to introduce themselves to the Council and Community.

Presentation of Certificates of Recognition and Appreciation

The Council presented the following with Certificates of Recognition and Appreciation:

Stanley Ralph – Building Advisory Committee
William Weldon – Waterman's Crab House
John Buckley – Donations to Town

Invited Speaker – Sarah Rich, Executive Director, Choptank Medical System

Choptank Community Health System is a private non-profit community health center providing medical, dental, and behavioral health care services for all ages in Carline, Dorchester, Talbot and now Kent County. Choptank Health is committed to providing access to exceptional, comprehensive (dental and behavioral health), and integrated health care.

They participate with Medicare, Medicaid, and many local insurance plans. They offer a patient financial assistance program including a sliding fee to those who don't have insurance and/or meet eligibility requirements.

Rock Hall Elementary is the first school-based Health Center in the County.

Rock Hall Election Plans – Saturday, May 6th – Discussion with Patrick Thomas Legal Counsel

There was a discussion about how the Election might go. Council has 45 days to fill the vacant seat on the Council or there will have to be another Election. The new Councilmember will only fill in for the remaining two terms and will have to run in the 2025 Election.

There will need to be an Organizational meeting the 1st Monday following the Elections.

Minutes

Councilmember Cook made a motion to approve the Regular Business Meeting Minutes for March 9, 2023. Vice Mayor Jones seconded the motion. All present in favor. Motion carried.

Councilmember Cook made a motion to approve the Closed Session Minutes for March 9, 2023. Councilmember Collyer seconded the motion. All present in favor. Motion carried.

Correspondence

Main Street Rock Hall will have John Elburn restore Old Salt with the \$10,000.00 grant they received.

MHAA is requesting a Letter of Support from the Council for a grant they want to apply for which will be written by Mayor Jacobs.

There was a discussion about Crosswalks needed at Walgreens, Shore Stop and the Main Street intersection. State Highway will have to do a study and this could take over a year to complete.

Administrative Reports

The Financial Report was given by Town Manager Resele.

Audit for FY'22 will be starting soon.

Mayor Jacobs stated that constant yield tax rate reporting has been eliminated for the Real Estate Taxes. Legislation passed so the only time to reports publicly is when there is an increase in Real Estate Property Tax Rate.

Police Chief Dempsey gave the Police Report.

Chief Dempsey stated that the Police Department received a \$1,000.00 donation from Mr. John Pia.

Mayor Jacobs read Ordinance 2023-02 - Chapter 215 (Vehicles and Traffic) of the Code of the Town of Rock Hall, Maryland

FOR the purpose of amending Chapter 215 (Vehicles and Traffic) of the Code of the Town of Rock Hall to modify the degree of infraction associated with the receipt of a parking ticket, clarify language regarding multiple offenses, amend prohibited parking locations by street name for accuracy, and update certain language to reflect the current Annotated Code of Maryland referenced; providing that the title of this Ordinance shall be deemed a fair summary, and generally relating to municipal infractions in the Town of Rock Hall.

Councilmember Collyer made a motion to approve Ordinance 2023-02 concerning Chapter 215 (Vehicles and Traffic) of the Code of the Town of Rock Hall, Maryland. Vice Mayor Jones seconded the motion. All present in favor. Motion carried.

Code Enforcement Report was read by Code Enforcer Dave Whitman.

Mayor Jacobs read Ordinance Chapter 153 (Municipal Infractions) of the Code of the Town of Rock Hall, Maryland.

FOR the purpose of amending Chapter 153 (Municipal Infractions) of the Code of the Town of Rock Hall to amend the schedule of fines for, and classes of, municipal infractions and to amend outdated language; providing that the title of this Ordinance shall be deemed a fair summary, and generally relating to municipal infractions in the Town of Rock Hall.

Vice Mayor Jones made a motion to approve Ordinance 2023-01 concerning Chapter 153 (Municipal Infractions) of the Code of the Town of Rock Hall, Maryland. Councilmember Cook seconded the motion. All present in favor. Motion carried.

Streets and Sanitation

Need to amend Ordinance Chapter 125 (Garbage, Rubbish and Waste) of the Code of the Town of Rock Hall to amend outdated and inconsistent language; providing that the title of this Ordinance shall be deemed a fair summary, and generally relating to garbage, rubbish, and waste in the Town of Rock Hall. There was a discussion and will be sent back to legal for revisions.

Working with the State Highway to repair the sidewalk on North Main Street.

Pothole patching on Liberty, Chesapeake, Lawton, West Sharp and East Sharp started in March.

Still need more residents to sign up for the smaller trash cans.

Water Operations

Set up trial for liquid Chlorine from Coyne Chemical. Waiting in Walid permit requirements. There was a discussion about the liquid Chlorine. Also, when you smell Chlorine in your water you automatically think it's too high but in reality, the specs are too low so there is not enough Chlorine going through the system.

Rock Hall Elementary School wants to tour the Water Plant on Liberty Street.

Sewer Plant Operations

99% completion on Headworks (4/12/2023)
Construction cost - \$321,250.00 (ARPA)

Councilmember Collyer approved the payment to Water-Higgins in the amount of \$321,250.00 to be paid out of the ARPA Funds. Vice Mayor Jones seconded the motion. All present in favor. Motion carried.

There were 2 SSO events:

On April 8, 2023 the RAS Pump clogged up with flushable wipes which caused the clarifier to overflow in the filter room.

On April 13, 2023 the #1 clarifier clogged up again with flushable wipes.

Parks & Recreation

Easter Egg Hunt at the Fire Company was a success.

Community Yard Sale will be held on Saturday, April 22nd with a rain date of Saturday, April 29th. The American Legion will be selling their Pit Beef that day.

Kickball Tournament at Kendall Field will be held on Saturday, May 20, 2023.

Discussing the possibility of having a Kick-off to Summer Fun Night and Dance on June 3, 2023.

Drainage construction could start as soon as next week – bid review tomorrow.

Quote for Storm Water runoff is \$10,950.00.

Vice Mayor made a motion to spend \$10,950.00 for the Storm Water Drainage Project at the Civic Center. Councilmember Cook seconded the motion. All present in favor. Motion carried.

Baseball Fields:

- Ready for use
- Need lines layout out before games start.
- Still no schedule of games

Next Parks & Rec. meeting will be Monday, April 17, 2023 at 7:00 pm.

Planning and Zoning

The next meeting on May 10th will show the full draft of the Comp Plan for the Planning Commission to look over.

Next Planning and Zoning meeting will be Wednesday, May 10, 2023 at 7:00 pm.

Museum Board

Museum Contract is being reviewed by Legal for the Artifacts relocation.

Smithsonian exhibit starts on April 27th and will run through May 31st at the Kent Alliance Cultural Building.

Next Museum Board meeting will be April 10, 2023 at 6:30 pm.

Communication Board

Legal is still looking at proposed Code Changes.

Transportation

Rick Carter from Delmarva Craft requested that the Council consider a \$5,000.00 contribution to help with transportation this year. Hours of operation are from Friday to Sunday, May 26, 2023 through October 15, 2023.

There was a discussion about the funds available in the Transportation account.

Councilmember Collyer made a motion to free up the Transportation account funds because there is no plan subsidizing a Town transportation system for operating expenditures. Councilmember Cook seconded the motion. All present in favor. Motion carried.

Ethics Board

Found out that Ethics Board members do not have to be residents of Rock Hall.

Other Organization

COGS meeting/luncheon will be held on Wednesday, April 19, 2023 at St. Johns Church Hall at 12:00 pm.

The Rock Hall Business Association will be attending the College and Career Fair at the High School on April 20, 2023.

Events

Witches Weekend - October 27th -28th

Veteran's Day Parade – November 11th

Rock Hall Porch Fest – June 11th

Artisans Market (Fresh Start) - April 22nd

Waterman's Day – July 2nd

(8) Library events (Civic Center) June 21st, June 28th, July 12th, July 19th, July 26th, August 2nd, August 9th and August 16th (all 11am to 12:30pm)

Councilmember Collyer made a motion to approve all the above listed Events. Vice Mayor Jones seconded the motion. All present in favor. Motion carried.

Old Business

Auditor RFP

Will discuss at the next Workshop Meeting.

Town Hall Building Project

Sale of Property

Mayor Jacobs read Resolution 2023-01 (Declaration of Surplus Real Property).

A Resolution of the Council of the Town of Rock Hall declaring all that certain real property owned by the Town of Rock Hall, shown on Tax Map 501, Parcel 868, Tax Identification Number 05-020182, consisting of 1.351± acres of land,

located at 5585 S. Main Street, Rock Hall, Maryland, as surplus and no longer needed for any present or anticipated future public purpose or use.

Councilmember Collyer made a motion to adopt Resolution 2023-01 (Declaration of Surplus Real Property). Councilmember Cook seconded the motion. Mayor Jacobs – No, Vice Mayor Jones – Yes, Councilmember Collyer – Yes and Councilmember Cook – Yes. Motion carried.

Purchase of Property

Town Manager Resele is still looking at different properties around the Town.

Tidewater Properties Appraisers appraised the Old Municipal Building for \$600,000.00.

American Rescue Plan

Will discuss at the next Workshop Meeting.

Project Financing Forecasting

No Change.

New Business

Kent County proposed Closing of the Rock Hall Swimming Pool.

With possible budgets cuts the Kent County Commissioners has suggested closing the Rock Hall swimming pool this summer. It roughly costs \$30,000.00 a summer to open it.

Water Tower Issues (Southern Corrosion)

Lease Agreements / Franchise Agreements with the following companies:

Verizon

Delmarva Wi-Fi

Cambio

BridgeMAXX High Speed Wireless

MDE Mosquito Control

Mosquito control will cost \$1,700.00 this year. There was a discussion about using mosquito logs in the ditches and standing water.

Mayor's Annual Report

My last Annual Report covered a two-year period from May 2019 through March 2021. This report will pick up where that one left off and again cover a two-year period.

And I will begin again by referencing the last thing I said in the Election Forum of Candidates for Office in May of 2019, which was "Let's Get to Work!" because that is what this administration has continued to do. Many of the challenges encountered in the first two years carried into the last two, and some new ones came along as well. COVID peaked and declined during the past two years, but many of the consequences left in its wake compounded our challenges in moving forward.

BUDGETING

Our FY21 budget held expenses in line with FY20 except for a merit-based salary adjustment for employees as there had been none for the past three fiscal years. All Council Members again chose to forego their compensation. A 5% fund balance increase was again budgeted. There was no increase in the real estate tax rate or utility rates. For FY21 the actual General Fund surplus was \$417,042 and the fund balance increased by \$493,138, which was 32% of the year's revenue primarily reflecting the impact of \$151,677 in unexpected COVID related and other grant revenue. The Utility Fund had a net operating profit of \$220,000 mostly due to budgeted staffing vacancies. Our FY22 budget held expenses in line with FY21 except for a merit-based salary adjustment for employees. Council Members, with the exception of the Mayor, again chose to forego their compensation. A nominal .6% fund balance increase was budgeted. There was \$.04 increase in the real estate tax to \$.38 per \$100 of assessed value and a 25% increase in utility rates. Pending finalization of the audit for FY22 the actual General Fund surplus was \$469,556 primarily reflecting the impact of \$207,936 in unexpected insurance claim proceeds and grant revenue. The Utility Fund had a net operating profit of \$56,164 mostly due to use of American Rescue Plan funds for covered expenses. Our FY23 budget held expenses in line with FY22 except for a merit-based salary adjustment for employees, a new police car and allowances for costs associated with the old Town Hall and new administration offices. Council Members, with the exception of the Mayor, again chose to forego their compensation. There was no fund balance increase budgeted. There was no increase in the real estate tax. The Utility rate minimum was lowered from 15,000 gallons to 12,000 gallons and the utility rate increased 2.5%. As of March 31, 2023, the General Fund had a \$352,306 surplus which is \$71,514 ahead of budget expectations. The Utility Fund had a net operating loss of \$127,064 primarily due to costs incurred for which grant reimbursement funds have not yet been received.

Budget variances are subject to change between now and the end of the year due to timing differences and other unforeseen expenditures. In working on our FY24 budget we may need to consider a real estate tax increase and an additional utility rate adjustment due to inflation and expected increases in operating costs. We also need to consider some sort of additional utility rate factor to begin to over capital investment costs associated with necessary improvement projects that will be coming on line in the next few years.

PUBLIC WORKS

Over the course of the last two years, we have come to understand that all of our public works facilities are in serious need of

upgrade or replacement. In addition to the significant headworks, pumps, orbiter, and filter issues identified in our Sewer Plant, significant clarifier, well, alarm and delivery system issues in our Water Plant needed to be dealt with. The nine sewer pump stations in the Town are in chronic need of expensive repair and the street lines that deliver water and sewer lines that service the sewer system likewise are in need of serious replacement as the pace of street breakdowns has increased. Despite the dedication of the Town's operating staff over the years, the facilities' age and wear and tear has outpaced their best efforts to fix things and keep going. GMB, the Town's Project and On-Call Engineering firm, along with SERCAP and several other state agencies has been instrumental in helping understand what needs to be done. The Town Council recently held a special Conversation Session for the Community to attend to share information about all the projects related to our public works challenges. The total cost of all projects is estimated to be \$62mil with identified state and federal grants and low interest loans potentially funding about 70% and ARP funds about 2% of that cost. The source of the remaining funds is being worked on, as is the planned timing of the projects in line with funding.

SEWER PLANT OPERATIONS

The ENR upgrade project for the Sewer Plant is now underway. Current estimates are that the project will cost about \$21 million with state grant funding expected for half the cost. Low interest long term debt financing from both state and federal sources will be needed to be secured for the balance. The engineering plan for the plant's upgrade is expected to be completed and preliminarily approved by the state sometime this year, after which it will be presented to Council for final sign off. Completion of the upgrade will take until 2026. Post COVID, the Town received \$1.2million from the federal American Rescue Plan (ARP). These have been primarily planned to be spent on public works needs that will not be covered by grant sources. So far, \$321,250 has been spent on replacing the sewer plant's headworks. An additional \$70,000 is planned to be spent on sand filters, and \$100,000 on other repairs and upgrades at the sewer plant.

SEWER PUMP STATIONS

The Town's 9 sewer pumps are currently costing an average of \$65,000 a year in repairs due to their age and ineffectiveness. The estimated cost to replace the pumps is \$7.0 million which would be funded by state grants and loans. Planning for this project is just getting started. Three of the pumps are in serious need of immediate replacement - \$2.0 million has been requested from federal discretionary funds for this purpose. About \$189,000 of ARP funding is currently planned to be spent on urgent pump station related repairs and upgrades.

SEWER LINES and STORM WATER MANAGEMENT

We continue to experience an increase in sewer collection line breakdowns due to the age and type of lines that were installed over the years. Repairs have cost over \$300,000 over the past two years. About \$172,000 of ARP funding is going to be used to offset this year's repair costs. A collection line replacement project is estimated to cost about \$9.0mil, funding for which would be applied for from state grants and low interest loans. In addition, we need to tackle town wide ditch restoration to reduce street and residence flooding, as well as the amount of rainwater getting into our sewer plant for processing. Planning for these projects is expected to start in the next few months.

WATER PLANT OPERATIONS & WATER LINES

The design of our system of water delivery street lines, in combination with their age, type of line, and the high iron content of our well water, continues to frustrate residents with periodic brown water. Over the past two years actions were taken to stabilize the plant's water output and regularly flush hydrants to clear problems in the street lines. The much-needed preliminary engineering report for a system wide project solution was completed by GMB and is about to be submitted to the state for review. This project which will upgrade the plant and replace the water delivery lines in the street is estimated to cost about \$22million. It is expected to

take until 2026 to complete. Federal grants and loans will be sought to fund these projects – a total of \$10.0 million has been requested from federal discretionary funds for this purpose. About \$144,000 of ARP funding is planned to be spent on repairs and upgrades that will not be covered by the project over the next two years.

AUTOMATION OF WATER METERS

A third major public works related project that was started in June of 2019 was to upgrade to automated water meters (an AMI system) which will include a new utility billing software system. About 150 lateral lines on Sharp Street will also be replaced as part of the project to help to reduce brown water in that area. Cost savings to residents have already resulted as potential water leaks at a residence can be detected daily by the town office wherever the new meters have been installed. Installation of new meters and some meter pits using town staff resources began in late 2019. Due to emergency and other demands on the staff, installation progress has been much slower than expected. About 700 meters remain to be upgraded. An outside contractor is being sought to finish the project and an amendment to the original grant to fund the project has been applied for to cover the additional cost that will be incurred. The project is expected to be completed by December of this year. The original cost of this project was estimated to be \$1million funded by \$500,000 in state grants, \$250,000 principal forgiveness on a \$500,000 SLRF low interest state loan and \$250,000 by new Town debt service.

UTILITY RATE STUDY

In late 2019 the Town began working with SERCAP on a utility rate study. Several billing structure alternatives were considered. The study was tabled until data from the new automated billing system was available which may not be until next Spring. An interim temporary rate adjustment may be considered if warranted in doing the FY24 Utility Fund budget along with a gradual capital reserve charge in anticipation of funding for the public works projects coming on line in the next few years.

ADMINISTRATION

Town Manager

Our Town Manager's strong engineering background and experience has continued to be a key to progress and dealing with the many challenges in the Public Works operations over the past two years. The engineering background of Councilmember Cook, along with the 30 years of experience of Councilmember Edwards in operating all aspects of our public works facilities, have been invaluable support to all of us in figuring everything out!

PLANNING & ZONING AND CODE ENFORCEMENT

Much work has been done over the past two years by the Town's Planning and Zoning Administrator to update and expand regulatory and zoning map information on the Town's website. The Town's office staff provided permit processing support to the Administrator. This past year a Code Enforcement Officer was hired that has helped with abandoned property and other regulatory issues. Together a streamlined permit application process has been developed to better serve all interested parties on a project. This past January, the Administrator began working with the Town's Planning and Zoning Board on recommendations to update the Town's 10 Year Comprehensive plan. Housing, economic development, senior services and zoning changes have been topics of discussion in monthly meetings since then. The project will involve public hearings at both the Board and Council level over the next couple of months and may take until September to complete. Grants and Grant Writing

The Town continued to work with SERCAP, the Southeast Regional Rural Community Assistance Program, in support of grant work on public works projects. In addition, in FY23, the Town began working with MRDC, the Maryland Rural Development Corporation, using its Circuit Rider Grant Management services to support the Town Administration on other grant applications and financial related projects. This additional support has proven to be invaluable. MRDC was very instrumental in requesting the \$12.0mil of federal discretionary funding for public works projects referenced above. Both SERCAP and MRDC are federally

funded municipal service organizations for which the Town pays a nominal annual partnership fee. In FY22 the Town received a grant award of \$251,000 for a Civic Center Drainage and Restroom Improvement project, and in FY23 an additional award for \$151,000 for Civic Center and Ferry Park Beach facility improvements. Both were specially directed to municipalities by Governor Hogan. Despite COVID related setbacks, work on the income survey of all users of our water and sewer systems in order to qualify to apply for annual Community Development Block Grants (CDBG) of \$800,000 a year, continued through 2021 and was finally completed in 2022. As a result, the town was awarded an \$800,000 grant in FY22 to replace part of the water main on Haven Road, and in FY23 a \$590,000 grant to replace part of the water main on Boundary Ave. The total cost of both projects is estimated to be \$2.0 mil – additional CDBG grant funds will be applied for in FY24 to cover the shortfall. Both projects are underway and are expected to be completed by the end of this year.

PUBLIC SAFETY

There was turnover of only one officer in our Police Department in the last two years. While crime related activity saw a slight downturn, drug related activity and overdoses unfortunately increased. Our Officers continue to save lives administering Narcan on the scene of many of the overdose situations. The Department continues to be actively involved with our elementary school, providing daily security at the beginning and end school days, and interacting with school children both in classrooms and during lunch periods as COVID restrictions have permitted. Originally, for an interim period the Police Office was located in space in the Rock Hall Elementary School. It was very well received and is expected to continue as a satellite office for the time being. Event related safety was professionally managed for the 2020 summer season around ever changing COVID related challenges. The events of the summer of 2021 came back on line with record crowds returning to the events of the summer of 2022. Safety was again expertly managed during all of our events by our police force in coordination with assisting county and state agencies. We are blessed and grateful for their service. A new police vehicle and mobile computer equipment was purchased this year through the generosity of two very loyal town supporters. We are very grateful.

STREETS

The State is responsible for all maintenance and repairs to Rt20 and Main Street as they are state highways. Many of our Town streets need repair and replacement. For those in need of replacement the estimated cost is \$1.5 million. The cost of current needed street repairs is estimated to be \$100,000. About \$235,000 of ARP funding is planned to be spent on street exit valves, culverts and parking upgrades in the next twelve months. The town will continue to work within its budget to address street repair priorities. The search for funding sources for major work is ongoing.

A much-needed new dump truck, mini excavator and snow plow costing a total of \$108,000 was purchased and financed in FY22 with the help of a financial donation from a loyal town supporter. The Town has contracted with a new trash service company and now provides large and small lidded trash cans to residents that will support automated trash truck pickups in the near future. The Town has also contracted with a grass cutting service company to cut all town properties as needed. Emergency public works issues made support of this work by Town staff problematic. Additional public works staff was budgeted in both FY22 and FY23, but due to COVID and employment market issues, positions went unfilled.

TRANSPORTATION

At the end of the summer of 2019, the Council decided that the trams needed to be taken out of service for safety reasons. A Transportation Task Force was formed and just before COVID hit the Town was ready to purchase a \$120,000 new Trolley. Unfortunately, that trigger was not pulled due to the uncertainty of the impact COVID restrictions would have on events and tourism for the summer of 2020. Transportation support was not available again until the

summer of 2022 when it resumed on a limited weekend schedule provided by an independent local shuttle service funded by fares, local business advertisers and a Kent County subsidy. Grant funding for the establishment of public or commercial charging facilities for electric vehicles in the Town is being researched.

TOWN HALL BUILDING

The Town Hall was closed to the public in April of 2020 due to COVID restrictions. The Council held meetings in the Town Hall with the public attending virtually. In October of 2021, based on structural and environmental concerns, the Council decided to close the building entirely. The administrative staff and police force moved to interim rented office space on Rt 20. The library temporarily relocated to a storefront on Main Street. HVAC support for the Museum artifacts that remained in the building was continued.

A Building Advisory Committee (BAC) was appointed to study restoration, rebuild and relocation options. The total restoration or rebuild cost estimates ranged from \$3mil to \$8mil. The Council held a special Community Conversation session in May of 2022 to review the options identified by the BAC. Through the efforts of Maryland State Delegate Jay Jacobs, a total of \$750,000 in Capital Grants was awarded to the Town in 2021 and 2022 to replace the roof and begin restoration efforts on the building. These funds can also be used for construction or renovation of an alternate Town Hall building. The Midshore Community Foundation awarded an additional \$20,000 grant in 2021 toward the cost of replacing the roof. State and Federal earmark capital grant requests for the potential \$7mil difference did not come through. In February of this year the Council decided to put the building up for sale and began to search for an alternative location for the Town's administration and police offices. The Town recently received a formal appraised value of the building and property of \$600,000.

PARKS & RECREATION

Post COVID our small but mighty Parks and Recreation Committee made a strong effort to re-establish our traditional events including the July 4th Parade and Civic Center festivities, and the Easter Egg Hunt for the past two years held at the firehall. New big hit events included an Annual Townwide Yard Sale and a Spook Festival for Halloween. The Committee has put efforts and focus on our ball fields in response to the receipt of a generous donation from a loyal town supporter in memory of dedicated fans of the town's baseball teams over the years.

MUSEUM & HERITAGE TOURISM

In FY22, the Town and Museum Board were awarded a MHAA grant for \$10,000, half the cost of contracting an independent professional consultant to assist the Board in developing and implementing plans for long term show casing of the Town's Museum collection, as well as other historical and heritage related aspects of the Town, for the purpose of developing year-round tourism. Due to a combination of COVID and Town Hall access complications, the Planning Project still has about half of its tasks to complete.

In the meantime, a group of members of the current Museum Board have formed a 501c3 organization with the purpose being to take ownership of the Museum artifacts and relocate, restore and redisplay them in alternative locations. It is anticipated the 501c3 organization will also take over completion of the Planning Project. Tolchester Marina has generously offered a portion of its office building, rent free, as an interim storage and workshop facility for the museum artifacts. Moving plans are in the process of being finalized using volunteers and Tolchester Marina employees.

FINANCING

Work started in FY20 resulted in the \$618,777 balance due on the 1993 Wastewater Treatment Plan Upgrade, being refinanced at an interest rate of 2.2% down from 5% - a savings of about \$5,000 per year in interest payments. This was one of the Town's largest loan balances. A line of credit for \$250,000 was established with Chesapeake Bank and Trust for gap funding of the Water Meter

Automation project but has not been used to date. In the future, a line of credit in support of the timing of cash requirements in advance of funding receipts on other projects may also need to be arranged.

AUDITS & ACCOUNTING OPERATIONS

Key to both grants and financing alternatives are the annual audited financial statements of the Town. The financial audit report for the Town for FY21 was recently completed with few exceptions noted, all of which management has responded to and agreed to consider implementation of recommended corrective actions. Delays in completion of the report were primarily COVID related. The audit for FY22 is still in progress.

Work still needs to be done to restructure the Town's finance operations and reporting. Daily process and accounting changes are needed to provide financial information more efficiently between audits as well as required grant application fund level financial statements. A third-party accountant is currently assisting in these efforts on a part-time basis. Automated timekeeping clocks and software have been purchased and are expected to be in place in the next month or so which will improve payroll accuracy and cut down on the time it takes to do biweekly payroll. Although staff time to support Planning and Zoning Administration has recently been somewhat reduced with the Code Enforcement Officer picking up permit processing support activities, the automated meter upgrade project that is only partially complete, has doubled the time it takes to do quarterly utility billing. Additional office staff was budgeted for FY23, but since no one has been hired the current staff continues to be overloaded.

GOVERNANCE

Resolutions and ordinances were passed dealing with increases in permit fees, contractors' permission for work performed within the town and special events permits. Charter changes were passed to address municipal infractions and parking violation.

COUNTY ISSUES

The billing basis, among other Issues regarding the water service agreement between the Town and the County for service to surrounding county residents remained unresolved over the past two years. The current contract expires in June 2024. Attempts to resolve these issues continues. As of a year ago the County no longer provided a Superintendent for the Town's water and sewer plants causing the Town to incur the additional cost of a third-party contractor to provide the required regulatory oversight of our public works operations. The Town, along with other Towns in the County have been involved in multiple conversations with the County seeking the re-establishment of an annual grant in aid for offset of these kinds of costs.

EVENTS

All events for the summer of 2020 were shut down due to COVID restrictions. As mentioned earlier, popular annual signature events came back on line in the summer of 2021 and drew record crowds throughout 2022. We look forward to the Town and community partnerships that make Rock Hall the special place that it is for residents and visitor alike. The visitor page on the Town's website has been actively supported with a full calendar of events last year and is currently loaded with all known plans for this year.

OTHER NOTES

An update of the Town's personnel policy was tabled due to other administrative demands but is expected to get back underway in the next couple of months. The establishment of an Ethics Committee as allowed for in the Town Charter remains a work in progress. An audit of the Town's power sources and uses did not happen as planned but it's expected to be made a priority in the next few months to ascertain possible cost savings.

THE MAYOR'S ROLE

I have been honored to serve as Mayor for the past four years. It has been a lot of work, but important things have gotten underway. Of critical importance, however, is the current role of the Mayor as changed in the Charter about ten years ago. In simple terms, contrary to public perception, the Mayor is no longer in charge of anything except the agenda for Council meetings and presiding over the meetings. All operating and administrative responsibilities fall to the Town Manager, a paid employee, who reports to all five members of the Town Council. This arrangement has been problematic on many occasions given that issues often fall to the mercy of personalities, personal attitudes and personal agendas. Monthly public meetings do not provide enough oversight or engagement with the Town Manager. The current arrangement results in the Mayor being a disenfranchised Council member. If an alternative middle ground structure of government cannot be found and put in place, there is really no need for the election of a Mayor. Rock Hall is a small town, and in my view a meaningful Mayor position should be put back in place.

And FINALLY . . .

A lot of work has been done in the past two years on many fronts with much more ahead of us. I want to personally thank Councilmembers and all of our Town employees and supporting contract consultants who have put in tremendous hours to make it all happen.

It is all For the Good of the Town – the Pearl of the Chesapeake!

Respectfully Submitted,

Dawn Jacobs, Mayor

For the Good of the Town

Nothing

Next Meeting Dates

Monday, April 24, 2023 – Mayor and Council Regular Budget Workshop Meeting.

Tuesday, May 3, 2023 – Utilities Board Meeting and Mayor & Council Regular Workshop Meeting.

Wednesday, May 10, 2023 – Planning & Zoning Town Meeting – Rock Hall Comprehensive Plan.

Thursday, May 11, 2023 – Mayor & Council Regular Business Meeting.

Special Workshops – TBD

Town Hall Building Discussions/Plans


Planning & Zoning Board – Comprehensive Plan Workshops

Rock Hall Town Election Day – Saturday, May 6, 2023 – St John's Hall from 10:00 am to 8:00 pm.

Adjournment


A motion to adjourn the Regular Workshop Meeting at 9:55 pm. was made by Councilmember Cook. Vice Mayor Jones seconded the motion. All present in favor. The motion carried.

Respectfully Submitted:



Cheryl M. Butler

Approved by:

Dawn Jacobs, Mayor


Carolyn Jones, Vice Mayor


Timmy Edwards, Councilmember


Eleanor Collyer, Councilmember


James Cook, Councilmember