

**MAYOR AND COUNCIL OF FEDERALSBURG REGULAR MONTHLY MEETING
MONDAY, APRIL 7, 2008 @ 7:30 P.M.**

The Regular Monthly Meeting of the Mayor and Council of Federalsburg was held on Monday, April 7, 2008 at 7:30 p.m. in the Mayor and Council Office on the 2nd Floor. Those in attendance were Mayor Ballas and Councilmembers Gasser, Willis, Gutkin and Fluharty. Also in attendance were citizenry, guests and local media.

The meeting was called to order by Mayor Ballas.

MINUTES

A motion by Councilmember Gasser, seconded by Councilmember Willis and passed by a vote of five to zero approving the minutes of March 3, 2008 as corrected.

GUESTS

Eric Padgett

Eric Padgett gave an update on the progress of the work on Marshyhope Hardware. He thanked the Mayor and Council for approving the small business loan and working with him. He said the work should be completed by the end of the month. He is going to start stocking inventory during the month of May. He plans to open on Tuesday, May 27th with the Grand Opening to be held on May 31st.

OLD BUSINESS

T & C Contractors

T & C Contractors has requested the Mayor and Council for a Quit Claim Deed to property in Rifkin Village. In the 1976 plat it shows Charlotte Avenue, with lots fronting on it. At that time, the land was not in town limits. It was subsequently annexed into the Town. In 2005, the Town's Planning and Zoning Commission approved the resubdivision of Rifkin Village. When the resubdivision occurred, Charlotte Avenue was relocated. It had never been improved, so it was relocated on paper only. T & C Contractors would like for the town to convey the land that is now shown as part of the lots, but was previously part of Charlotte Avenue to T & C contractors. The Town would still retain its interest in Charlotte Avenue as shown on the new plat.

In order to do a quit claim deed the town would have to give a general consensus to allow the attorney to proceed with the process to convey the land to T & C Contractors. This would mean a notice would have to be placed in the paper and an ordinance drafted. All the expense would be borne by the developer. At the time the ordinance is adopted the developer/contractor would be asked to attend the meeting to answer any questions.

After some general discussion it was the general consensus of the Mayor and Councilmembers to grant the town attorney approval to proceed with the necessary paperwork to prepare for a hearing for the

ordinance and to advertise the conveyance of land. Councilmember Willis, Gasser, Fluharty, and Ballas were in agreement with Councilmember Gutkin abstaining from voting.

Shoregood Water Bottling Company

JOK Walsh, Caroline County Economic Development Consultant and Frank Adams, Federalsburg Economic Development President were present to request the Mayor and Council to ratify a decision made by a previous Mayor and Council to grant Shoregood Water Bottling Company a five year personal property tax abatement for the years of 2003-2008. There was legislation approving the sale but not the abatement of the personal property taxes. Mr. Adams and Mr. Walsh asked the Mayor and Council to follow through with formal approval to show the good will of the EDC and the Town.

The original agreement to abate the taxes were agreed upon in a closed session by a previous Mayor and Council but were not ratified at a public meeting. The State Assessment Office has just billed Shoregood for all five years because their accountant has just sent in the paperwork for the personal property tax assessments. JOK Walsh advised the Council that the Mayor and Council have two choices and that would be to have Shoregood pay the taxes, or they can do what the county did and abate the personal property taxes for five years. Shoregood has paid their Real Estate Taxes and they have never been abated.

Councilmember Gutkin asked what the Town received in return for these abatements. He was advised that their company provides a good tax base, and they were the first business in the Frank M. Adams Industrial Park and this business could attract other businesses. The Town did not give the company any special privileges other than the five year personal property tax abatement.

Councilmember Willis questioned whether or not there was a motion made at that meeting. He said that he questioned it because he didn't see the motion. Councilmember Gutkin said the Mayor and Council are being asked to make a decision on an abatement of taxes based on the minutes of a meeting, which only two of the current Mayor and Councilmembers were in attendance. Councilmember Gutkin questioned if there was a signed agreement of this abatement. JOK said the abatement was granted at a closed session and was never brought before the Mayor and Council at an open meeting. Therefore, the decision to ratify the minutes has to be done now to follow through with the verbal agreement.

Councilmember Willis stated that this is because Shoregood did not send in the necessary paperwork to the Department of Assessments and Taxation, so that they could be taxed. Once Shoregood had their accountant send in the paperwork to the State, then the State could issue the assessments for the past five years.

Tim Foley said he had a question for Frank Adams and JOK Walsh, he wanted to clarify that this is not property/Real Estate tax, it is Personal Property. Mr. Foley stated that this requires completion of a Form 1 that goes to the State Comptroller's Office, then it would be assessed, and then the assessment is taxed. Mr. Foley wanted to confirm that the town is asking for an abatement on the Personal Property Tax, not the Real Estate Tax because ShoreGood has paid the Real Estate Tax. Frank Adams and JOK Walsh both agreed with Mr. Foley's summary of the abatement request.

Councilmembers Gutkin, Gasser, and Willis stated that they are not comfortable making a motion to approve the request for the abatement from a previous Mayor and Council. Councilmember Gutkin stated that since Councilmember Fluharty and Mayor Ballas were on the Mayor and Council at that time, he felt that Councilmember Fluharty should make the motion and he would take his word for it because they (Gutkin, Gasser, and Willis) were not present at the time.

A motion by Councilmember Fluharty, seconded by Mayor Ballas and approved by a vote of five to zero to accept the agreed upon conditions of the sale of the property to KW Electric, later known as Shoregood Water Bottling Company.

COMMITTEE REPORTS

Federalsburg Historical Society

Mr. Joe Glime, President of the Federalsburg Historical Society, reported the organization now has a web site, www.historicfederalsburg.org. He advised that the organization is pleased with the progress on the museum.

Councilmember Gasser asked Mr. Glime why the Historical Society declined the Federalsburg Police request to use a portion of their museum for storage. Mr. Glime read the minutes from the meeting where the Board of Directors denied the request for storage.

Federalsburg Volunteer Fire Department

Councilmember Fluharty advised that the Federalsburg Fire Company would be having a Chicken Barbeque on Saturday, April 5th, 2009 beginning at 10:00 a.m. at the Federalsburg Fire House.

PUBLIC CONCERNS

Karen Rowe

Mrs. Karen Rowe said she asked at the last public hearing, why the Company who she understood to be banned from doing work in the State of Maryland was apparently doing the work on the memorial. She stated that she also asked if what is being built at the triangle, is what was initially approved and who exactly it was that told the family that they would be able to move ahead without the proper permits.

Mrs. Santos stated that the person who was there working was volunteering his time. She said her husband, Presley Santos lives in Federalsburg and is a licensed sub-contractor and he works under his boss's license number. The person that was there was volunteering his help and just happened to be driving a company truck.

Mrs. Rowe asked if what is being built is what was initially approved. Mrs. Santos stated that in their first couple of meetings they have to meet with codes and enforcement before they move ahead with anything else.

Mrs. Rowe asked Mrs. Santos who told them to move ahead without going through the proper channels. Mayor Ballas said that was discussed at a workshop and there was a disagreement about whether they needed a permit or not. Mayor Ballas said that whether they needed permits or not, she felt that it needed to be inspected by code enforcement. Mayor Ballas said her opinion at that point, was the town has never required anything on town property to have permits before. She stated that this would mean the town would be taking from their right hand pocket and to put money into your left hand pocket.

Mrs. Rowe said she asked Kristy in person and via email on March 10th regarding the Mayor's authorization to give the Ministerial Association exclusive use of the community center. Mayor Ballas advised that the Mayor did not authorize the Ministerial Association exclusive use. She said the Council voted by majority to allow the Ministerial Association to use the community building. The Council seated at that time voted by majority to not rent it to private citizens because the town was having so many problems there and receiving so many complaints because there were BYOB parties being held and admission was being charged. The Council by majority, voted to allow the Ministerial Association to use it on Tuesday and Thursday nights exclusively for a community youth center. The Council allowed them to put the equipment in the building for the community youth center. Mrs. Rowe questioned if that meant that basically a private citizen could not rent the community center. Mayor Ballas stated that currently a non-profit group, if they are a recognized non-profit group, can rent the facility. She stated that the Historical Society used it while the equipment was in there. She advised Mrs. Rowe that if she was a recognized non-profit group she would be permitted to use the facility. Mrs. Rowe said that they do not pay any charges to rent the facility and the town pays their electric, so as a taxpayer she said she is supporting a religious organization. Mrs. Rowe asked Mayor Ballas if she had to give back \$10,000 because it was religiously affiliated. Mayor Ballas said they gave up the \$10,000 grant because the chaperones were members of religious affiliations. She stated that it is not a religious service at the community building. She said youth come to play pool, air hockey, basketball, etc. Mrs. Rowe said bottom line is that private citizens can no longer rent.

Mrs. Rowe stated that she also asked, dating back to April 2005, because that is when they bought property in Federalsburg, up until the date that Shirley could gather the information but no earlier than March 28th, how many errors in judgment made by both the elected and appointed officials of Federalsburg have been made that have cost her money. She stated that she is not interested in the names, addresses, or the scope of the issue, just in what the town has paid to correct mistakes that it has made since 2005. She feels that as a taxpayer of the Town, she has a right to know. She said she submitted a written request about the third week of March and has not heard anything to date.

Mayor Ballas advised that attendance at the town meeting would give an opportunity for the public to see the mistakes that are made.

Mrs. Rowe asked if there was a record of the amount of money that mistakes have cost the taxpayers of the Town. Mayor Ballas said if an employee makes a mistake then that employee is either fired, or they are censored, and the town can not discuss that with the public. Mayor Ballas said to do what Mrs. Rowe has asked, she doesn't see how it can be done. She asked Mrs. Rowe that if she sees mistakes made don't hesitate to ask the Mayor and Council and they will discuss them. Mrs. Rowe stated that she is not asking about employee related things, she wanted to know about errors in judgment. Sharon VanEmburch stated that the Town keeps records, however, she said did not know how the Town could possibly answer that question, unless she could be more specific, a specific topic maybe. Mrs. Rowe said she understood there

was a drainage issue with a property near the Post Office, where there were monies spent by the Town, to correct that problem supposedly because of an error in judgment. She said it was also her understanding and she may have been misinformed, that money was spent on Carol Evans property by the town because supposedly the town made a mistake. She said those are the kind of things she was taking about. She said she was talking about the money that was reimbursed to the Willis'.

Mayor Ballas advised that the two examples that Mrs. Rowe just described, she had no idea what she was referring to. Mayor Ballas said if Mrs. Rowe was referring to when the town put a bridge on the Evans property years ago and that was a deal with Mrs. Evans and no tax monies were used.

Mrs. Rowe stated so basically it has not cost any of the Town's tax dollars for any errors in judgment, for lack of a better term, by elected or appointed officials; and Mayor Ballas stated not that she is aware of. Mayor Ballas stated that there may be something somewhere because none of the Mayor and Council are perfect, however, the Town does not track it.

Mrs. Rowe stated that she also asked what would be the requirements with regard to a petition, and I was advised that the only thing in the Town Charter, provides for the ability to put a name on the ballot to run for election. Mrs. Rowe requested the Mayor and Council of Federalsburg to change the town ordinance and/or amend the Town Charter, so as to include the right to ask for a recall vote, a vote of confidence or no confidence of any elected town official and request the town to hold a special election within sixty days of the same. Mayor Ballas said the Town Charter cannot be changed that quickly. Sharon VanEmburch said she is currently researching that issue and what mechanisms the Town has for a recall, and if it is even legal. She will get something to the Mayor and Council and they would need to decide how they want to proceed.

Mrs. Rowe said that she had heard, and she again said she may be misinformed, that there is potential that the town might be going through the same issues with the football field as with the other mess because maybe some things were not done right. Mayor Ballas stated that she has been misinformed because the football people are working very closely with the Code Enforcement Officer on that project.

STREET LIGHT

The Mayor and Council were thanked for installing a street light on the corner of Greenridge and Park Lane.

HOBBY FAIR

Bart Johnson advised that the Annual Federalsburg Community Hobby Fair would be held on Saturday, May 17, 2008 at the Federalsburg Elementary School from 10 a.m. to 2 p.m.

DEPARTMENTAL REPORTS

Police Department

Chief Nagel presented the monthly statistical police report. He said that he ran out of copies for the public and if anyone wanted copies to please contact him. The newest reports give a breakdown by month for 2007 and 2008.

Chief Nagel stated that there has been a lot of information in the newspaper recently about speed cameras, however, in his opinion, he does not feel that it is cost effective.

Chief Nagel was asked how citizens are notified when there are residential break-ins, and how the residents are informed about what has happened. There was general discussion about perhaps putting out flyers, knocking on doors, putting an article in the News Brief section of the newspaper, or posting it on the Police website. Councilmember Fluharty questioned what happened to reverse 911, he said that it worked because he received calls when there were things going on in town. Chief Nagel will check on the reverse 911 and get back with Councilmember Fluharty.

Public Works Department

Steve Dyott, Public Works Director reported the following:

1. The Water Tower is full and the bacteria results were clear. They are installing a valve on the Caroline Industrial Park Water Tower because they can't shut it off or tear it down until it is empty. Once the tank is empty they can begin the process to tear it down. Mr. Dyott advised he was not sure what the change in pressure would be but residents should see a small change in their water pressure.
2. The Wastewater Treatment Plant Upgrade Project is progressing and he asked the Mayor and Councilmembers to visit the site to see the work that is going on.
3. The Covey/Williams Historical Society Museum is just about complete and they are waiting on the roll up door. Steve said as far as he knew it had been ordered. The windows are in and have been installed and the electrical work is complete. He also invited the Mayor and Council to visit the site.
4. Public Works installed a storm drain on Morris Avenue closest to Dollar General because there was problem with the drainage. He said when they dug it up they found that there was a storm drain there previously, however, it was covered over/dismantled. Public Works has reconnected it and cleaned it out, and everything is working well. The work that they did took care of the water problem.

Councilmember Gasser questioned if the roof on Pumping Station #1 on South Main Street Extended has been completed. Steve Dyott reported to the best of his knowledge the work has been completed.

Mrs. Karen Rowe questioned when the patch would be repaired on Academy Avenue. Steve Dyott advised that he would contact the contractor to inquire when he would be coming back to make the final repairs to the road.

Mrs. Amanda Morris questioned when the road would be repaired in front of Café Milano on East Central Avenue. Steve Dyott advised that he would check with the contractor to find out when he would pave the road.

Main Street/Grants Department

Happy Mayer, Main Street and Grants Administrator reported the following:

1. Eric Padgett, Marshyhope Hardware received the bank financing for his project.
2. The permit approvals for the Marina Drainage Project have finally been approved, and the Contractor can now begin the project. The project should take approximately two weeks to complete, weather permitting.
3. The agreement between General Mills and the Town has been completed and all parties have signed it. The agreement outlines the guidelines for the replacement of the municipal town sign on the corner of Reliance Avenue and Route 318. This sign would replace the sign that was destroyed during the storm. The sign that will be reconstructed will be a masonry type sign.
4. The next step of applications for the dock project in the parking lot area behind BB&T Bank has been sent to REC Trails. Representatives from REC Trails are very interested in the project and requested Mr. Mayer submit the application for the second phase of the dock project. This would mean approximately \$30,000 in additional monies toward a lineal boardwalk alongside the dock area.
5. Mr. Mayor invited everyone to attend the Second Annual Mayor's Prayer Breakfast, sponsored by the Federalsburg Business and Civic Organization. It will be held on April 16, 2008 at 7 a.m. on the second floor of the town hall. The guest speaker will be a State Police Sgt from the Easton Barracks. The cost for the tickets is \$8.00 each.
6. Councilmember Gutkin asked whether or not they could talk publicly about the letter that was received from the owner at 115-117 South Main Street. Happy Mayer advised it was public knowledge and that she wanted to sell the business. Once the property is sold, all monies that were loaned to the business by the Town, would be paid back to the Small Business Revolving Loan Fund. The owner of 115-117 South Main Street is current with their monthly payments to date.

Code Enforcement/Inspections Department

Steve Watson asked the Mayor and Council if they had any questions regarding the report that he submitted in the weekly report. There were no questions from the Mayor and Council.

Ms. Marion Cooper questioned the status of the drainage problem behind her property and her neighbor's property located on Holland Drive. She said the first of March, water started backing up again. When it rains the whole area floods because the ditch is full of vegetation. She stated that it is hard for her to get out, especially since she has a child in a wheel chair. Ms. Cooper said this problem has been going on for the past five years. She said this is the rainy season and something has to be done with the ditch. Steve Watson advised that he would come out in the morning and look at the site. Steve Watson advised that he would also invite Steve Dyott to visit the site with him and they will review the problem and proceed from that point.

Steve Watson stated that if anyone needed to contact him regarding town any issues, please use the office telephone or his cell phone, do not call his home.

Mayor Ballas advised that she left a note for Steve Dyott advising him that one of the things that her work crew does is clean ditches and she has taken a class with Caroline County Planning and Zoning and she knows how to clean a ditch or how not to clean a ditch. She said there are certain things in the ditch that can not be taken out because the integrity of the ditch would be destroyed. She said her crew could clean up the ditch if it is owned by a non-profit organization or a governmental agency. Mayor Ballas said that her crew can not come on privately owned property. She also advised that in order for her crew to do the work he would have to request it and she would put him on the schedule.

Planning and Zoning Commission

Howard Bradley, Planning and Zoning Co-Chairperson advised that at their meeting they had a visitor from Bee's Trailer who was looking for zoning guidance. The Commissions next workshop will be held on April 14th. The Commission has changed the time of their regular monthly meetings from 7 p.m. to 6 p.m. beginning with the April Meeting.

ACTION ITEMS

FERAL CATS

Councilmember Fluharty stated he understands the town has a couple of feral cat colonies, and he questioned whether or not they posed any type of hazard to the town. There are some that are located behind Food Lion and several people are feeding them. Councilmember Fluharty questioned whether or not this should be a public concern. Councilmember Gasser said there is a problem with rabies in Caroline County. Councilmember Gasser said there is a trap neutering program, which would require they be trapped then they can be spayed or neutered, and given the proper vaccinations. When they are wild, they do kill indigenous wildlife and they breed prolifically. Councilmember Gasser recommended that Animal Control be contacted. Councilmember Fluharty questioned whether or not the town should initiate the contact. Chief Nagel was instructed to contact animal control to get things in motion. These cats have also been seen in other locations in town limits.

COMCAST CABLE

Councilmember Fluharty questioned whether or not there was anyone in the municipal limits of Federalsburg that does not have access to Comcast Cable. He said he knows that on Morris Avenue Comcast cable is not available. He said that Creative Hair Studio does not have cable and they were informed by Comcast that cable does not run down Morris Avenue. Councilmember Fluharty stated that if that is the case then the town should be in contact with Comcast Cable to make sure that the availability of cable should be throughout town. The Town Manager will be instructed to contact Comcast Cable and investigate this concern. Steve Dyott advised that the Town Hall and Public Safety Building have Comcast.

HAZARDOUS WASTE RECYLCING

Mayor Ballas reminded everyone that Saturday, April 12, 2008 is the Hazardous Waste Recycling day that is sponsored by the counties of Queen Anne, Caroline and Talbot Counties.

RECYCLING BINS

Mayor Ballas advised that there are people who are leaving their cardboard outside the cardboard recycling bins. She said she picked up approximately 15 cardboard boxes. Mayor Ballas asked those present to get the word out that the town could be fined for the excess because the cardboard people have to clean up the mess before they can go in with their machine to empty the recycling bin. The town has already received one warning letter. If citizens would break down the cardboard boxes there would be room to place them in the existing bin. Councilmember Fluharty stated that it would be helpful if the citizens knew when the cardboard was picked up. It would assist with when they would leave their boxes.

ADJOURNMENT

A motion by Councilmember Gasser, seconded by Councilmember Willis and unanimously passed by a vote of five to zero to adjourn at 9:14 p.m.

Submitted by,

Shirley A. Greene
Clerk