

**MINUTES
TOWN MEETING
WORKSHOP
APRIL 22, 2024
TOWN OFFICE – 300A SOUTH SETON AVENUE**

Present: *Elected Officials* - Mayor Frank Davis; Commissioners: Amy Boehman-Pollitt, President; Jim Hoover, Vice President; Valerie Turnquist, Treasurer; Timothy O'Donnell; and Clifford Sweeney. *Staff Present* - Cathy Willets, Town Manager; Jessica Housaman Recorder. *Others Present* – Leslie Powell, Town Attorney.

I. Call to Order

A quorum being present, Commissioner Boehman-Pollitt, President of the Board of Commissioners, called the April 22, 2024 Town meeting/workshop to order at 7:00 p.m. Pledge of Allegiance was recited. Upcoming meetings were announced.

Commissioner Boehman-Pollitt announced directly following the open meeting tonight there will be a closed executive session to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction, and any other Personnel matter that affects one or more specific individuals. The authority for meeting in the closed session is permitted by the general Provisions Article Section 3-35 B(1) Annotated Code of Maryland which authorizes us to meet in closed session to discuss employment.

Commissioner Comments:

- Commissioner O'Donnell: He mentioned that he attended the Spring Fling event sponsored by the Town and the Frederick County Library.
- Commissioner Turnquist: She stated she observed some concrete damage on the bridge on South Seton Ave. Staff mentioned that SHA investigated last year but will send a follow-up email.
- Commissioner Sweeney: None.
- Commissioner Hoover: None.
- Commissioner Boehman-Pollitt: She mentioned that she was unable to attend the Spring Fling events but did notice a lot of activity. She also mentioned that SHA may be conducting a traffic study around Rte. 140 and Tract Road to look at the speed limit in that area. Finally, she noted that there was increased vehicular traffic due to baseball and softball starting back up.

Mayor's Comments:

Mayor Davis mentioned he and the other Mayors have a meeting on April 25, 2024 with the County Executive to discuss quite a few items. He noted one issue will be about the homelessness issue in light of the new Supreme Court decision.

II. Agenda Items

Agenda #1 – Discussion related to FY23 Budget Transfers

Commissioner Hoover inquired about the budget transfers being moved to the general fund balance instead of Fund 2 Capital Improvements. Ms. Willets explained that historically the funds have been transferred to capital improvements or Fund 1 of the current budget year.

Commissioner O'Donnell inquired about the proposed new position and the budget transfer. Mayor Davis explained that the new position could be created and filled this fiscal year. The new position would assist him with the enormous number of projects including the Main Street program. He is working with our HR consultant on a job description and job title.

There was a brief discussion on the paving budget transfers in regard to Timbermill Run and Silo Hill. Ms. Willets mentioned there will be three other smaller paving projects included in the FY25 draft budget.

Commissioner Boehman-Pollitt mentioned that some of the budget transfers line up with the priority list the Commissioners worked on and some did not. She inquired about the process staff determine what is included in the budget transfer request. Ms. Willets explained that she, the Mayor, and department heads look to see what is needed in the general fund and all departments associated with Fund 2 Capital Improvement Projects. Some of the transfer requests are considered priorities but on a smaller scale some did not “make it” on the Commissioners’ priority list, such as the \$20,000 transfer for emergency maintenance/repairs at 22 East Main St.

Ms. Willets explained the request for funding for the electronic door locks on the park bathrooms would eliminate the approximate \$8,000 yearly budget for port-a-pots. Mayor Davis explained this will allow the bathrooms to be open more frequently.

Commissioner Boehman-Pollitt inquired as to what the budget transfer for “new MS4 permit term requirements” entails. Ms. Willets briefly explained the requirements of the unfunded MS4 permit mandate and that the transfer helps build the fund to pay for the larger projects as required. For this line item, \$17,600 is for the Cedar Ave. storm drain project and \$50,000 is for the MS4 permit term.

Commissioners asked questions related to MS4 and the credits. Ms. Willets mentioned according to the work plan the next large project would be the Northgate Stormwater Basin restoration project as well as the North Seton Ave. Green Street project. The Town will also need to complete additional projects such as street sweeping, storm drain inlet cleaning, IDDE inspections, etc.

Commissioner Boehman-Pollitt asked about the storm drain project in E. Eugene Myers Park walking trail and the cameras for the Town Office. Mayor Davis noted the storm drain project was along the walking trail that abuts the Frailey Farm. Ms. Willets advised that the camera project is to replace cameras that are broken and/or out of date as well as for adding some new cameras to the lobby and parking lot.

Commissioner Turnquist asked about the plan for a parking lot and the transfer of funds. Ms. Willets mentioned this item was added as a result of the Commissioners’ priority list as well as Mayor Davis priority. Staff had initially looked at the cost of purchasing and constructing a parking lot. Staff’s initial estimate to purchase the land is about \$150,000 with construction costing another \$150,000 or so. Mayor Davis mentioned there may be Main Street funding, but the Town should have some money ready to contribute.

Agenda #2 – Discussion related to FY25 water rates

Commissioner Hoover stated that, in his opinion, the 36% increase over a five consecutive year period is astronomical and it is going to become more difficult for people to afford. He mentioned that years one and two seem reasonably manageable but come year five the increase for 6,000 gallons goes from \$35 to \$163. He went to mention that he would like to find middle ground for the residents and the Town. Commissioner Hoover requested that the ordinance be modified so the Board can vote on the water rate increase annually instead of having a set rate for five years.

Mayor Davis agreed with Commissioner Hoover and stated that he would like to see the second year of rate increase stay in place because the Town does not even have a full year under its belt when it comes to revenue and expenses to see what impact the rate increase has made. He mentioned changing the rates after this upcoming year and not proceeding with a five-year rate increase.

There was a brief discussion on the water/sewer rate study and the options that the consultant offered to the Town. The rates ranged anywhere from a 120% increase in one year to three years at 44%. Ms. Powell mentioned that she felt the water/sewer rate study was very thorough. She also mentioned Emmitsburg is not alone in this process as Walkersville just imposed a \$100 yearly assessment and will be raising their rates.

Commissioner Boehman-Pollitt mentioned that she received complaints from residents and businesses regarding the water rate increase and how it was impacting their ability to live and work here. She was concerned that we are pricing some people out of Emmitsburg. Mayor Davis stated that his recommendation is to do one more year at 36% increase and then stop. He would like to see a small escalator each year after that. He also stated he would like to see the Commissioners send the complaints to him so he can look at the bills individually.

Commissioner O'Donnell mentioned that there seems to be an alignment amongst the Board to not doing a full five-year increase at 36%. He stated that there is no resource in the past 10 years that has gotten less expensive than water. He feels the Board needs to fine tune the increase. He agrees with Commissioner Hoover with looking at the rates on a year-to-year basis.

Commissioner Boehman-Pollitt inquired if there was a way to look at the rate increase now and see what kind of impact it had on the water fund. Mayor Davis and Ms. Willets both stated that, with only approximately six months of expenses and revenues, it would be difficult to get an accurate picture since many expenses are front and back loaded as well as usage increases in the spring and summer. Both felt after a full year of revenue and expenses, the Board would have a better picture of where the water fund stands.

Commissioner Turnquist mentioned that she has a large family, and they average between 28,000 and 30,000 gallons per quarter and her bill went up 51%. She stated that the largest group impacted by the water rates are the 20,000 – 30,000 gallon users (329 users) and that they saw the biggest increase. Ms. Willets mentioned that there are 580 customers that use between 0-10,000 gallons per quarter and their bills increased between \$12.60 and \$14.75.

After the continued discussion, the Board suggested to leave the rates the same and review the revenues and expenses after one full year of the 36% increase. Commissioner Hoover then requested to discuss tap fees. He wanted to look at the tap fees to make sure they are covering the actual cost of the operations and maintenance of the water and sewer fund.

Agenda #3 – Discussion related to Stormwater Management

Ms. Willets reviewed the requirements of the MS4 permit and reiterated that this is an unfunded Federal and State mandate that was imposed on municipalities. At this time, the EPA is actively enforcing and fining municipalities in Pennsylvania that are not in compliance. Ms. Willets stated that this permit term runs from October 2023 to October 2028 and the Town is required to “treat” 10.71 acres. The Town can achieve this through different initiatives such as tree plantings, street sweeping, basin restoration projects, stream restoration projects, etc. Ms. Willets noted that the staff has been successful over the years in obtaining grants to cover the larger restoration projects such as Silo Hill. Mayor Davis noted that Carroll County’s municipalities partner with the County on their MS4 requirements. He said he plans on discussing this with the County Executive.

Ms. Powell addressed the legal aspect of the stormwater restoration projects that are the property of developments such as Silo Hill and Northgate. She informed the Board that there is an easement that gives the Town the right to go onto the property. Ms. Willets mentioned that the Silo Hill SW basin project was fully funded by grants to include a three-year maintenance agreement. After the three years, the Town would need to turn the maintenance over to the residents and/or execute an agreement with the HOA. For Northgate, there have been initial discussions with the HOA related to the basin restoration project.

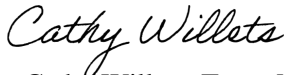
Commissioner Boehman-Pollitt asked if the stormwater utility fee was going to be used to cover the maintenance costs of the Silo Hill stormwater basin after three years? Ms. Willets noted that the SWM utility fee must be used only for Town stormwater specific projects such as street sweeping, storm drain inlet cleaning, annual IDDE inspections, training, and best practices. Ms. Willets mentioned that in the code, it is to be used for the management of stormwater. Commissioner Hoover clarified that the SWM utility was for Town projects not specific homeowner’s basin. Ms. Powell confirmed that.

Commissioner Turnquist asked about the calculations of ERU for the purpose of the SWM utility fee. Ms. Powell stated that there is a calculation of the overall lot size. The calculations were done by the University of Maryland who the Town contracted with for the development of the SWM utility fee and ordinance. She also asked about the SWM utility fee fund and whether money can be moved from general fund to the SWM fund. Ms. Powell and Ms. Willets said they will both look into and get back with the Board.

III. Adjournment

With no further business, Commissioner Hoover motioned to adjourn the April 22, 2024 town meeting at 8:58 p.m.; second by Commissioner O'Donnell. Yeas – 5; Nays - 0. The motion was adopted/rejected.

Respectfully submitted,



Cathy Willets, Town Manager

Minutes Approved On: May 6, 2024