

The Mayor and Commissioners of the Town of Elkton

MINUTES

March 11, 2009

A public meeting (workshop) of the Mayor and Commissioners of the Town of Elkton (“the Board”) was held on this date at 4:00 P.M., with the following persons present: Mayor Joseph Fisona, Commissioners Charles H. Givens, Sr.; Mary Jo Jablonski; Earl M. Piner and C. Gary Storke; Town Administrator Lewis H. George, Jr.; Assistant Town Administrator Kim Kamp; Finance Director Steven Repole; Director of Parks and Recreation Mary Magaw; Assistant Planner Terri Thomas; Administration Office Secretary L. Michelle Henson; and Town Attorney H. Norman Wilson, Jr.

Mayor Fisona called the Workshop meeting to order at 4:00 p.m.

Discussion - Municipal Financial Services Group Water & Sewer Rate Study Proposal

Mr. David Hyder and Ms. Lisa Zitomer, representing Municipal Financial Services Group (“MFSG”), introduced themselves to the Board. Mr. Hyder stated MFSG conducted a water and sewer rate study in 2006 to determine if payment revenue was appropriate. He said a recommendation of the study was that the Town should establish a 90-day operating reserve as well as a capital reserve to repair and replace aging infrastructure. He said MFSG proposed to utilize data from the 2006 study to reflect increased costs associated with the upgrades to the Wastewater Treatment Facility (“WWTP”) to determine if the current rate structure was correct.

Discussion ensued regarding “in town” rates vs. “out of town” rates. Ms. Zitomer stated MFSG would develop payment models to determine if out of town rates were proportionately correct.

Discussion - Parks & Recreation Budget

Ms. Mary Magaw, Director of Parks & Recreation, referring to the previously distributed FY 2009 budget draft, queried the Board for questions or comments.

Discussion ensued regarding increased enrollment in Parks & Recreation programs and utilization of online registration and payment services.

Discussion - Planning Department Budget

Ms. Terri Thomas, Assistant Planner, referring to the previously distributed FY 2009 budget draft, queried the Board for questions or comments.

Discussion ensued regarding engineering fees and advertising costs.

Discussion - KCI Engineering

Commissioner Jablonski expressed concerns regarding engineering costs and questioned the feasibility of hiring an on-staff engineer.

Mr. George said a single engineer would not be versed in each of the varied disciplines required to review and design the range of projects in which the Town was involved. Discussion ensued regarding improvement of the plan review process.

Discussion - Constant Yield Tax Rate

Mr. Steven Repole, Finance Director, stated the Board reviewed and determined the Constant Yield Tax Rate ("CYTR") annually, in conjunction with the budget adoption process.

Mr. Repole stated the CYTR was used to determine revenue, and was based upon property assessments as determined by the State Department of Assessments and Taxation. He said the current CYTR of .504/one hundred dollars of assessed value would generate approximately \$6 million in property tax revenue.

Mr. Repole said the information was being presented to the Board to provide ample time for discussion prior to the May 20, 2009 Mayor and Commissioners meeting, at which time the Board was required to adopt the CYTR.

General Discussion

Mayor Fisona stated he was traveling to Annapolis on March 12, 2009 in order to lobby the State Legislature for stimulus money to improve Elkton's train station.

Commissioner Storke questioned the status of penalties imposed on the Town by the Maryland Department of the Environment ("MDE") due to the failure of Severn Trent Environmental Services to perform required tests at the Wastewater Treatment Facility. Mr. George stated the Town, as the owner of the facility, was obligated to pay the fine.

Hearing no additional business to come before the Board, Mayor Fisona adjourned the meeting at 5:36 P.M.

L. Michelle Henson
Administration Office Secretary