

# The Mayor and Commissioners of the Town of Elkton

## MINUTES

November 9, 2011

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 and Earl M. Piner, Sr.; Town Administrator Lewis H. George, Jr.; Finance Director Steven Repole; Planning Director Jeanne Minner; Administration Office Secretary L. Michelle Henson; and Town Attorney H. Norman Wilson, Jr. Commissioner Charles E. Hicks, V was excused from the meeting.

Special Notice: The Mayor and Commissioners met prior to the Workshop at the following times and locations to discuss development of a Community / Recreation Center:

- 3:00 p.m. – Area adjacent to J. Evans McKinney Memorial Park – Delaware Avenue
- 3:30 p.m. – Area adjacent to 200 West Pulaski Highway

The purpose of the site visits was to discuss possible locations for a Community / Recreational Center.

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

### **Discussion – Community / Recreation Center**

Mayor Fisona queried the Board for a consensus regarding a location for a Community / Recreation Center.

It was the consensus of the Board to develop the site adjacent to 200 West Pulaski Highway for a Community / Recreation Center.

### **Discussion – Ordinance 5-2011 Water / Sewer Rate Adjustment**

Mayor Fisona, referring to a water/sewer rate analysis provided by Mr. Repole, stated his water/sewer payments would increase approximately \$22.00 per quarter under Ordinance 5-2011.

Mayor Fisona stated the Board needed to make a decision regarding Ordinance 5-2011, because by not acting on increases previously recommended by Municipal Financial Services (MFS), the water fund’s deficiencies grew, requiring the Board to consider larger increases.

Mr. Repole stated the proposed rate increases included MSF recommendations from the August 2010 rate study. He stated the proposed increases were necessary to maintain water and sewer processing and distribution operating costs, adding the water fund balance deficit would continue to grow without needed increases in revenue.

Mr. Repole stated the Board was faced with subsidizing the water fund from the general fund. He stated he recognized the difficulty of the Board’s decision and emphasized the water fund was in a growing deficit.

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Commissioner Piner questioned the feasibility of using borrowed funds to subsidize the water fund. Mr. Repole stated borrowing funds would increase debt load.

Discussion ensued regarding various ways to lower operating expenses. Commissioner Jablonski, referring to a letter from Severn Trent Environmental Services (ST) operator of the Town's Water Treatment Plant (WTP) and Wastewater Treatment Plant (WWTP), stated the Town should investigate ST's offer of substantial savings on treatment chemicals.

Mr. George stated the offer from ST would be considered during the contract renewal process.

Mr. George reiterated Mr. Repole's comments regarding the water fund deficit. He stated the Board needed to make a decision regarding water sewer rate adjustments in order to pull the fund from its negative balance.

Mr. Repole stated the water fund balance was \$60,000 and had \$110,000 in payables.

Discussion continued regarding renegotiation of renewal of the Artesian Water Maryland water purchase contract upon its June 2014 expiration.

Mayor Fisona queried the Board for a consensus regarding Ordinance 5-2011 Water / Sewer rate adjustment.

It was the consensus of the Board to direct a letter to Artesian Water Maryland to request that the new contract include reversion to the minimum 50,000 gallon "take or pay" clause.

Hearing no additional business to come before the Board, Mayor Fisona adjourned the meeting at 5:32 p.m.

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L. Michelle Henson  
Administration Office Secretary

A RECORDING OF THIS MEETING RETAINED  
AT THE ADMINISTRATION OFFICE