

## **TOWN COMMISSIONER'S MEETING**

CHARLESTOWN, MARYLAND

December 23, 2013

Special Meeting

The Town Meeting was called to order by President Robert Gell at 7:00pm. Commissioners present were Renee Capano, Ken Confalone, and Bruce Hechmer, Joe Letts was absent.

Approval of the Minutes of December 10, 2013: Commissioner Hechmer motioned to approve the minutes and Commissioner Confalone seconded it. All were in favor, approved 4 – 0.

Accounts Payable Review – Commissioner Confalone motioned to approve in the amount of \$4726 and Commissioner Capano seconded it. All were in favor, approved 4 – 0.

It was found that the accounts payable was incorrect in the material that was given to the commissioners. Mr. Pumpaly had the correct sheets and a copy was given to the commissioners. Commissioner Confalone approved an additional accounts payable in the amount of \$7360.66 in addition to the previous amount. The total amount is \$15,088.66. Commissioner Capano seconded it and all were in favor, approved 4 – 0.

Commissioner Hechmer inquired if anyone had heard from Commissioner Letts. No one had heard from him recently. Commissioner Hechmer called and left a voice mail for Commissioner Letts. Janine Antoshak texted Commissioner Letts and there was no response from Commissioner Letts. The Board of Commissioner skipped to “old business” to wait for commissioner Letts to arrive.

### Town Administrator's Report

#### Old Business

- N.E.R.M. Encroached Slip Lease Up-date: Mr. Pumpaly stated that he has made several attempts to contact North East River Marina concerning their encroached slip lease, but to no avail. They have not responded. Mr. Pumpaly stated that we have given them ample time to review the documents and in his last correspondence to N.E.R.M, he wrote that “continued use of slips and land within the encroached area may become a problem if this situation remains unresolved.”

#### Resolution 2013-07- Asset Purchase Water Properties (C-Dock)

While waiting for Commissioner Letts to arrive, Commissioner Confalone discussed his “talking points” concerning the asset purchase with water street properties. Commissioner Confalone stated that he can speak to the “economic soundness of doing this”. He stated that the advantage with the new lease is that it effectively, will double the annual amount that the town currently receives for the “C” dock lease. He is not speaking to any of the other merits of the deal, only economic. It is equivalent of 6% of our real estate taxes. He stated that it will enable the Town to “go forward and not raise taxes.” Commissioner Confalone asked Mr. Pumpaly to have the resolution and the “talking points” explanation available for review for all citizens in Town Hall.

Commissioner Confalone stated that the fund will be repaid with 3.35% interest, after we secure a loan, which is more than the interest it would earn in the bank.

Commissioner Capano inquired which account the \$260k was taken from and what amount is currently in there? Mr. Pumpaly answered the utility account and \$600k. Mr. Pumpaly corrected the amount and stated that between the water and the sewer funds, there is one million, two hundred fifteen thousand dollars (\$1,215,000). Commissioner Hechmer asked if our auditor would care about this transaction. Commissioner Confalone said that he has spent some time with the chief financial researcher for MML, Jim Peck and “we can do this”. Commissioner Capano commented with taking out the \$260k that will leave the utility fund with \$280k. Commissioner Hechmer wanted it to be noted that Commissioner Letts was called and texted during the meeting and that the vote taken on the resolution was left until the last possible time at the meeting.

Commissioner Hechmer motioned to approve Resolution 2013-07. Commissioner Confalone seconded it, three were in favor, Commissioner Capano opposed. Motion carried, 3 – 1.

Mr. Pumpaly stated that he asked the book keeper to transfer funds to the general fund and to issue a check for \$260k to be made out to Robert V. Jones, attorney for Water Street Properties LLC. Commissioner Hechmer wanted it noted that this payment is being handled like a settlement and funds will be dispersed to PNC to pay off their loan.

Commissioner Confalone motioned to approve the Accounts payment of this transfer of \$260k to the general fund and for payment to be issued to Robert V. Jones, attorney for Water Street Properties, LLC. Commissioner Hechmer seconded it. Three were in favor, Commissioner Capano opposed. Motion carried, 3-1.

President Gell brought up for discussion impact fees in respect to the Cool Springs development. It was debated whether the \$750 being collected from Cool Springs for each new unit can be defined as an impact fee? It was discussed that impact fees need to be kept in a separate account and designated for community improvement. Commissioner Confalone said that he is concerned about “creating a paper trail history” if past commissioners did not designate where the fee would go and just deposited it in the general fund. Commissioner Hechmer stated that he tasked the Town attorney with defining what the fees being collected are and if we can charge an impact fee for future development.

#### New Business

- No New Business to Discuss

#### Period of Public Comment –

There was not any public in attendance.

The meeting was adjourned at 7:40pm.

*Respectfully submitted by: Janine Antoshak, Town Clerk*