

Town Commissioners' Meeting Minutes
March 26, 2013, 7:00 pm

Meeting was called to order at 7:00pm by President Robert Gell. Commissioners Gell, Capano, Letts, Confalone and Hechmer were in attendance.

The Pledge of Allegiance was led by: Bruce Hechmer

Approval of Minutes – The minutes from the March 12, 2013 meeting were presented for approval. Commissioner Confalone motioned to approve the minutes and Commissioner Hechmer seconded it. All were in favor, approved 5-0.

Accounts Payable Review - The Accounts Payable report provided to the Commissioners was reviewed. Commissioner Confalone motioned to accept the Accounts Payable report, Commissioner Hechmer seconded it. All were in favor, approved 5-0.

Cecil County Community Transit – Commissioner Capano along with the Director of Senior Services, Gary Blazinsky have been discussing bus service for the Town of Charlestown. She presented a survey that could be placed in the Chatter to see if there is an interest to the residents for bus service. After discussion, the Commissioners decided that the survey could be placed in the Chatter and utility bills, as it would not add postage if it was kept at a half page.

Cecil Inn Restoration Grant Up-date, Commission Gell – Commissioner Gell stated that since the Board of Commissioners could not make a commitment to participate in the matching \$100K bond from the State for the Cecil Inn “that we had missed it” and would not be able to participate in it. He stated that he thought we should have committed to it.

“C Dock” Transformer at Charlestown Marina Up-date- Mr. Pumpaly has three quotes to repair the area of the transformer and one quote for a new pole & updated transformer. It is apparent that it is going to be less expensive to replace the transformer and place it on a new pole and repair what has eroded. President Gell asked if the town will own the transformer and Mr. Pumpaly answered “no”. Commissioner Confalone asked if any of this will be on Town’s Property and Mr. Pumpaly answered “no”. It is all on Mr. Prices’ property. He stated that this is all on Mr. Prices’ side of the Marina which is from the wooded walkway on C-dock North. Mr. Pumpaly stated that he will also ask Mr. Price to sign a release so that the Town will not be responsible for any further repair.

Ice House Roof Replacement up-date – Mr. Pumpaly stated that the maintenance staff is moving forward in clearing the inside of the Ice House so that work can begin shortly. Mr. Pumpaly has ordered all the materials.

Water Service Rates – Mr. Wib Pumpaly

Mr. Pumpaly stated that the Town is generating approximately \$33,000 per quarter (\$132,000 per annum) in water service revenue from approximately 575 residential units. Additional revenue is generated from new housing connection fees and the water tower antenna rental program. This revenue, however, should be moved into the Capital Budget for anticipated and unanticipated future expenses (major repairs & water line installations, tower repainting, new tower in Cool Springs, emergency inter-connect, new wells, repairs to existing wells, etc.). Mr. Pumpaly stated that the quarterly rates for water service should maintain and pay the expense of operating the system and they do not. The annual expenses for water service to the community are approximately \$140,000 and growing.

Due to this fact, Mr. Pumpaly suggested a water service rate increase. He proposes that we increase the water service rates for minimum service in the amount of (3%) three percent, per year, each year for the next (5) five years. He also proposes to reduce the water service quarterly minimum from 13,500 gallons per quarter to 10,000 gallons per quarter.

Also, he suggested that the revenue that comes from the water tower antenna and the new water service connection fees go toward the capital budget for utilities instead of the operating budget where it currently

goes. Mr. Pumpaly explained a chart that stated that the increase would increase \$1.72 quarterly for the first year and go up to an increase of \$1.93 per quarter in the fifth year for the minimum water usage of 10,000 gallons. Mr. Pumpaly also suggests a one-time increase for each 1000 gallons over the minimum. That increase would be 3% over the current rate. The proposed rate would be \$1.30 for each 1000 gallons over the minimum. With this increase it would generate approximately \$153,399 in the first year. He stated for a resident that uses the minimum amount, their quarterly bill would go from \$57.23 to \$58.95. This equates to \$1.72 per quarter or \$6.88 per annum. Mr. Pumpaly acknowledged that approximately 51% of the residents would go over the minimum of 10,000.

Mr. Pumpaly reiterated that this increase would get our expenses in line and would allow us to use the new connect fees and the water tower antenna rental to fund the capital budget.

Commissioner Gell said that he agrees that the new connect fees should go to the capital budget.

Commissioner Confalone' opinion is that the water tower antenna should go to the general fund and not the water fund.

Sewer Service Rates

Mr. Pumpaly stated that Cecil County has announced that the county sewers fees are going up as well as their new sewer connect fees.

Mr. Pumpaly stated that the sewer minimum is at 10,000 gallons per quarter. He proposed that if we raise it the 5.7% as in the Cecil County Budget and add a 1% M&O factor

Commissioner Confalone suggested that the county increases at a rate of 25%.

Mr. Pumpaly proposed an administration fee of \$2 per quarter for the next 5 years. He explained that with the increase from the county the quarterly invoice would be \$83.86 including the bay restoration fee, or with the additional 1% increase it would be \$84.49 per quarter. And the addition per 1000 gallons over the minimum would \$6.69.

Mr. Pumpaly stated that the additional proposed revenue would be \$2418 per quarter or \$9672 per annum.

Commissioner Confalone asked if for budget consideration we could look at the gross bill and not the net bill from the County. If we were collecting the county fees from every resident we would have had been building a capital reserve. Due to our unique situation, we are being charged \$6.33 instead of \$8.44 per 1000 gallons. Commissioner Confalone said that we are paying the discounted rate because we are accepting that liability of maintaining the system.

Commissioner Confalone said that we have an aging sewer system and we need to prepare and plan for repairs and maintenance in the future. Mr. Pumpaly stated that we would need to have a public hearing on this and that the hearing could be planned once the budget is worked out and it can be known what the needed increase is.

Constant Yield Tax Rates

Mr. Pumpaly said that the constant yield rate has not changed much. It was 0.3139 (per \$100) in 2012 and it is 0.3086 (per \$100) for this year. Mr. Pumpaly suggests that we do not lower the rate since the difference is less than \$25,000. Dr. Gell stated that the difference would be about \$11 per residence.

Commissioner Hechmer stated that in his opinion it makes sense to continue with the current tax rate.

Commissioner Confalone motioned to maintain the current tax rate of 0.3139 and Commissioner Hechmer seconded it. All were in favor, approved 5 – 0.

Senior Group/Young at Heart

Commissioner Capano said that a group is going to meet at the United Methodist church on Tuesday, April 16 from 11 to 1:00. It is in the budget for Town to provide lunch that day. And then it is expected that the group will become self –sustaining and will gather to have lunch and play games and cards on every Tuesday forward.

Commissioner Gell presented the flyer for the River fest Dinner Dance on Friday April 19th to all the commissioners.

Period of Public Comment

Mr. Richardson asked if a public hearing is necessary to raise the Constant yield taxes. Dr. Gell said that it is not unless it is over \$25000.

Mr. Taylor had asked if the budget workshop would be open for public input. President Gell stated that it is open to the public but there will not be a period of public comment or input.

Lori Wankel wanted to address the noise that is caused by the Wellwood Restaurant and banquet hall. She wants to know what the commissioners can do to make him lower the volume. Commissioner Confalone said that he would like to meet with Ms. Wankel to work on a solution to this issue.

Dr. Gell adjourned the meeting at 8:45pm.

Respectfully submitted by Janine Antoshak, Town Clerk

Approved 4/9/2013