

Minutes of the County Commissioners of Worcester County, Maryland

October 4, 2016

Madison J. Bunting, Jr., President
Merrill W. Lockfaw, Jr., Vice President
Anthony W. Bertino, Jr.
James C. Church
Theodore J. Elder
Joseph M. Mitrecic
Diana Purnell

Following a motion by Commissioner Lockfaw, seconded by Commissioner Mitrecic, the Commissioners unanimously voted to meet in closed session at 9:00 a.m. in the Commissioners' Conference Room to discuss legal and personnel matters permitted under the provisions of Section 3-305(b)(1) and (7) of the General Provisions Article of the Annotated Code of Maryland and to perform administrative functions. Also present at the closed session were Harold L. Higgins, Chief Administrative Officer; Kelly Shannahan, Assistant Chief Administrative Officer; Maureen Howarth, County Attorney; and Kim Moses, Public Information Officer. Topics discussed and actions taken included: reviewing a personnel matter; receiving legal advice from counsel; and performing administrative functions.

After the closed session, the Commissioners reconvened in open session. Commissioner Bunting called the meeting to order and announced the topics discussed during the morning closed session.

The Commissioners reviewed and approved the minutes of their September 20, 2016 open and closed session meetings as presented.

The Commissioners presented a proclamation to Tourism Director Lisa Challenger, ShoreCraftBeer.com creator Ann Hillyer, and Assawoman Bay Brewing Company Head Brewer Jason Weissberg designating October as Shore Craft Beer Month in Worcester County, and promoting the capstone event, Shore Craft Beer Fest on October 29, along with other activities in October that promote the County and the surrounding region as a craft beer destination. Ms. Hillyer thanked the Commissioners for recognizing the five craft breweries in the county, which include Assawoman Bay Brewing Company, Backshore Brewing Company, Burley Oak Brewing Company, Fin City Brewing Company, and Ocean City Brewing Company, and advised that the craft beer market has grown from 19 to 26 breweries on the Eastern Shore in two years, and nine of these breweries are within a 30-minute drive of Ocean City. She concluded that her goal is for Worcester County to become a top 10 destination for craft beer, which will attract tourism that is going to other states right now.

The Commissioners presented a proclamation to Worcester County Fire Marshal Jeff McMahan and Deputy Fire Marshal Matt Owens recognizing October 9-15, 2016 as Worcester

County Fire Prevention Week and October as National Fire Prevention Month, with the theme *Don't Wait - Check the Date! Replace Smoke Alarms Every 10 Years*. Fire Marshal McMahon stated that the public has many misconceptions about smoke alarms, which may put them at increased risk in the event of a home fire; therefore, homeowners should replace their smoke alarms every 10 years.

The Commissioners presented an individual commendation to Worcester Technical High School (WTHS) student Lindsay Kremer for taking 2nd place in Principals of Engineering Technology, and recognized Keondra Snell, who could not attend the ceremony, for taking 2nd place in Building Maintenance at the 52nd annual SkillsUSA National Leadership and Skills Conference in Louisville, Kentucky, which took place June 20-25, 2016. The Commissioners also presented a group commendation that recognized WTHS for receiving the 2016 SkillsUSA Chapter of Excellence Award and all of the students who placed in the top 10 during the national competition. Zac Cioccio took 4th place in Medical Math; Kyle Fields took 4th place in Major Appliance and Refrigeration Technology; Victoria Moreau and Adam Taylor took 7th place in Community Action Project; Randy Odenwald, Alex Reznikov, Zachary Davis, Logan Romberger, and Deep Patel took 8th place in Quiz Bowl; Eve Watsky took 8th place in T-Shirt Design; and Emily Mast, Hannah Semsler, and John Paul Chamberlain took 10th place in Career Pathways Showcase STEM. Commissioner Elder stated that these students' accomplishments rank them among the top performing career and educational students in the nation. Program Coordinator Rick Stevens thanked the staff and Commissioners for their support and announced that 52 of the 93 students who competed on the State level finished in the top three in their categories. WTHS Principal Caroline Bloxom thanked the Commissioners for investing in the WTHS years ago and announced that enrollment at WTHS is up 10% this year over last year.

The Commissioners conducted a public hearing to accept comments regarding a proposed application to the Maryland Department of Commerce to re-designate certain areas of Berlin, Maryland as an Enterprise Zone, which will enable new businesses to qualify for real property tax credits and income tax credits for new employees. Also in attendance were Economic Development Director Merry Mears and Berlin Economic Development Director Ivy Wells. Ms. Mears stated that the County has Enterprise Zones in Berlin, Snow Hill and Pocomoke, but that the Enterprise Zone in Berlin had recently expired and the town is seeking to reinstate that designation to help further economic development. She advised that the Enterprise Zones program focuses local and State resources in economically distressed areas and encourages employment of the chronically unemployed. She further stated that primary benefits to businesses locating or expanding their operations in an Enterprise Zone include real property tax credits for 10 years after the improvements and income tax credits for up to three years for wages paid to new employees.

Commissioner Bunting opened the floor to receive public comment.

Linda Reiner of Berlin stated that she supports economic growth and helping people start businesses, but she views the Enterprise Zone benefits as a form of entitlement and cannot support exempting some businesses and not others from paying property taxes for 10 years. In response to a question by Ms. Reiner, Ms. Mears advised that the requirements for a business to qualify for Enterprise Zone tax credits is very stringent and is set up to reward businesses that

locate in economically depressed areas and provide jobs to disadvantaged residents.

Kenneth Graves of Berlin stated that he opposes some businesses getting a free ride, while others do not. In response to a question by Mr. Graves, Ms. Wells stated that the new Dollar General in Berlin is not in the Enterprise Zone, so it does not qualify for tax credits. She explained that the program encourages the creation of jobs in the County and specifically in Berlin to bolster the local economy.

There being no further public comment, Commissioner Bunting closed the hearing.

Upon a motion by Commissioner Church, the Commissioners unanimously adopted Resolution No. 16-25 consenting to the re-designation of an Enterprise Zone in Berlin.

Pursuant to the request of Budget Officer Kathy Whited and upon a motion by Commissioner Mitrecic, the Commissioners unanimously approved the proposed Year End Reserve for Assigned Encumbrances in the amount of \$1,756,905. Ms. Whited explained that these funds have been set aside in three separate categories: Currently Approved Projects not Completed by June 30, 2016 (\$714,688), Grant Funds Appropriated but Unobligated (\$894,120), and Other Projects and Programs (\$148,097). Ms. Whited explained that all encumbrances are for contracts and purchase orders that will be fulfilled in a subsequent fiscal year.

Pursuant to the request of Warden Garry Mumford and upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to waive the standard bid process and accept the lowest proposal from SureFire Protection, Inc. of Salisbury, Maryland to replace the existing fire pump and jockey pump at the County Jail at a total cost of \$15,671. Warden Mumford advised that staff also solicited a proposal from Bayside Fire Protection, the vendor that inspects the system quarterly, but that proposal came in at \$21,795. In response to a question by Commissioner Bertino, Assistant Chief Administrative Officer Kelly Shannahan stated that staff had requested authorization to waive the standard bid process to expedite the emergency replacement of the fire and jockey pumps, as the normal bidding process would take at least two months.

Pursuant to the request of Public Works Director John Tustin and upon a motion by Commissioner Elder, the Commissioners unanimously approved bid specifications for the purchase of two zero-turn mowers for the Maintenance Division of Public Works.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously agreed to waive the standard bid process and accept the proposal from WM Water & Sewer, LLC of Ocean View, Delaware, for Phase 5 of the Water Service Line Replacement Project in Ocean Pines, including five short water service lines at a cost of \$550 each and 53 long water service lines at a cost of \$900 each for service lines crossing Ocean Parkway at a total combined cost of \$50,450 for this final phase of the work. Mr. Tustin explained that WM Water & Sewer, LLC had satisfactorily completed the earlier phases and has agreed to maintain their original cost proposals for Phase 5. He advised that funding for this work comes from the 2013 bond issue. In response to a question by Commissioner Bertino, Mr. Tustin stated that this project should pose no notable inconvenience to area residents.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Elder, the Commissioners unanimously agreed to waive the standard bid process and accept the proposal from Sherwood-Logan & Associates, Inc. of Annapolis, Maryland for the purchase of one Flygt Pump at a total price of \$31,486 plus an estimated freight cost of \$800 to replace the second of three pumps at West Ocean City Pump Station No. 1. In response to a question by Commissioner Bertino, Mr. Tustin explained that the request to waive bidding was to ensure consistency in the pump brand, as Flygt pumps are now being installed in all County pump stations, as replacements are needed.

Pursuant to the request of Mr. Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously approved Change Order No. 1 in the amount of \$9,300 and a contract extension of three days to replace a leaking, three-inch vacuum line at Pump Station F in Ocean Pines. Mr. Tustin advised that funds for the work are available from contingency funds in the 2013 bond issue.

The Commissioners met with Mr. Tustin to review two proposals to replace fencing with wood or vinyl at Pump Stations C and G in Ocean Pines. The combined low proposal for vinyl fencing was from Long Fence at a cost of \$30,010, while the combined low proposal for wooden fencing was from Grasso Fence Company at a cost of \$23,315, nearly 30% less than vinyl. Mr. Tustin advised that the Water and Wastewater Division continues to recommend the use of wooden fences for these two stations due to the lower initial cost and ongoing replacement costs, ease of repair and consistency throughout the service area. He pointed out that County staff can replace sections of wood fencing, while any repairs of vinyl fencing would have to be outsourced. In response to a question by Commissioner Bunting, Mr. Tustin confirmed that the fencing at Pump Stations C and G are generally hidden from the view of the public. Commissioner Bunting stated that he would like the County to use vinyl in highly visible areas because it tends to be more attractive, but that he fully supports using wood at Pump Stations C and G due to their remote location and the difference in cost and ease of replacement. Commissioner Elder expressed his preference for vinyl fencing, which does not rot. Commissioner Bertino suggested that the project be competitively bid.

Following some discussion and upon a motion by Commissioner Lockfaw, the Commissioners voted 5-2, with Commissioners Bertino and Elder voting in opposition, to accept the low proposal from Grasso Fence Company of Fruitland, Maryland to replace the fences using pressure treated wood at a cost of \$12,176 for Pump Station C and \$11,139 for Pump Station G for a total cost of \$23,315.

Pursuant to the recommendation of Mr. Tustin and upon a motion by Commissioner Bertino, the Commissioners unanimously awarded bids for the purchase of 17 vehicles as follows: one Ford Expedition UIG Full-Size 4x4 SUV at a cost of \$37,258, one Ford F350 one ton 4x2 Stake Body Truck at a cost of \$35,293, one Dodge Ram 1500 ½-ton 4x2 Pickup Truck at a cost of \$18,998, and one Chevy 3500 Express one-ton 4x2 Cargo Van at a cost of \$26,658 to Hertrich Fleet Services of Milford, Delaware; one ¾-ton Ford F250 4x2 Pickup truck at a cost of \$23,652.16 to Sherwood Ford, Inc. of Salisbury, Maryland; one Chevrolet Tahoe full-size 4x4 SUV Patrol Vehicle for the Worcester County Sheriff's Office at a cost of \$35,887 and six

Chevrolet Tahoe full-size 4x2 SUV Police Pursuit Vehicles at a cost of \$33,611 each for a total cost of \$201,666 for all six vehicles to I.G. Burton and Company, Inc. of Milford, Delaware; and one Ford F350 one-ton 4x4 Utility Body Truck at a cost of \$32,881, one Ford F350 one-ton 4x2 Utility Body Truck at a cost of \$30,189, one Ford F450 1 ½-ton 4x2 Crew Cab at a cost of \$48,817, one Ford Transit Connect XL Compact 4x2 Cargo Van at a cost of \$22,101, and one Ford Expedition XL full-size 4x4 SUV at a cost of \$34,988 to Bayshore Ford of New Castle, Delaware.

The Commissioners resumed discussion from their September 20, 2016 meeting to consider additional information regarding the offer from Attorney Mark Cropper, on behalf of his client Mohamad “Mike” Ramadan, owner of Gold Coast Beer and Wine, located in the Gold Coast Mall at 114th Street in Ocean City, to purchase \$300,000 worth of inventory in the Shore Spirits Retail Liquor Store at the Gold Coast Mall, subject to approval by the License Commissioners for a Class “A” beer/wine/liquor license with the application to be acknowledged by the County Commissioners. In response to questions the Commissioners asked at their September 20 meeting, County Attorney Maureen Howarth advised that the Comptroller’s Office has agreed to allow the County to bulk transfer the remaining liquor inventory to other interested parties between now and June 30, 2017 when the County ceases Liquor Control operations. Furthermore, the Board of License Commissioners had advised her that, in accordance with State law, they can only accept an application for a Class “A” beer/wine/liquor license to be issued at the County’s Gold Coast Mall location with the Commissioners’ acknowledgment. Ms. Howarth noted that the distance restriction in the State law prohibits such an application within 10 blocks of the County store location prior to July 1, 2017 or after a license is issued at the Gold Coast Mall location. Therefore, unless the Commissioners acknowledge the application of the tenant chosen by the Gold Coast Mall landlord to occupy the County retail liquor store after the County’s lease expires December 31, 2016, no license can be issued between 104th Street and 124th Street in Ocean City until July 1, 2017 at the earliest. Assistant Chief Administrative Officer Kelly Shannahan stated that staff continues to unanimously support acceptance of Mr. Ramadan’s offer to purchase roughly \$273,000 of Liquor Control inventory at a 10% mark-up for a total purchase price of \$300,000 to the County, subject to the Commissioners’ acknowledgment of Mr. Ramadan’s application and contingent upon ratification of a formally-approved contract of sale prior to the License Commissioners’ hearing on Mr. Ramadan’s license application.

In response to concerns raised by Commissioner Mitrecic, Mr. Shannahan stated that it had been staff’s intent to extend the County’s lease for the retail liquor store at Gold Coast Mall, but that the mall landlord had denied their requested extension and had instead agreed to lease the space to Mr. Ramadan, an action that was beyond the County’s control. Commissioner Mitrecic stated that, at the very least, he would hope that Mr. Ramadan would also be required to purchase the shelving and other miscellaneous store equipment worth \$47,000. Commissioner Elder stated that Mr. Ramadan has made the County a good offer, which would not only help the County sell a good portion of the remaining inventory, but also prevent the cost of inventory removal back to the warehouse in Snow Hill, after the lease expires at the end of December 2016. Commissioner Church agreed with Commissioner Mitrecic that Mr. Ramadan should also purchase the assets, as otherwise the Commissioners would be lucky to recoup 10% of that cost if they sold the equipment on GovDeals.com. Following some discussion and upon a motion by

Commissioner Bertino, the Commissioners voted 6-1, with Commissioner Mitrecic voting in opposition, to accept the offer from Mr. Ramadan and directed staff to develop a formal contract for their consideration at a future meeting.

Pursuant to the request of Emergency Services Director Fred Webster and upon a motion by Commissioner Elder, the Commissioners unanimously authorized Commission President Bunting to sign a Memorandum of Understanding (MOU) between the Maryland Emergency Management Agency (MEMA) and Worcester County (sub-recipient) for Hazardous Materials Emergency Preparedness (HMEP) Planning and Training Grant funds of \$2,000, with a \$500 soft match of staff time, that would allow two people to attend training at the International Association of Fire Chief's annual Hazardous Materials Conference in Baltimore. In response to a question by Commissioner Bertino, Mr. Webster advised that the funds would be used to send either staff or volunteer fire fighters to the conference.

The Commissioners met with Mr. Webster to discuss the First Amendment to the System Purchase Agreement between Harris Corporation of Delaware (seller) and the County Commissioners of Worcester County, Maryland (buyer) to the Harris P25 Radio System Migration Agreement. Mr. Webster reviewed the change order, which includes site changes and additional charges at the following towers: Mystic Harbour (\$26,750), Pocomoke (\$25,641.55), KLES Grange (\$26,125), Nassawango (\$2,500), and Berlin (\$72,738 for labor and materials, and \$26,053 to be shared evenly between buyer and seller). Mr. Webster advised that the County would incur a net cost of \$87,823.97, with this change order, as staff saved \$78,993.08 through credits of \$18,300 for providing a warehouse for equipment storage and \$60,693 by providing the Nokia 7705 MPLS Routers. This change order will leave a remaining balance of \$34,383.03 in contingency funds, which were originally budgeted at \$122,207. In response to a question by Commissioner Bertino, Mr. Webster stated that the County will incur substantial additional expenses with a second change order, as the equipment at the Mystic Harbour Water Tower were determined to be above the height limitations for the adjacent Ocean City Municipal Airport approach zone, and a costly alternative will be required to bring the Mystic Harbour Water Tower into compliance with Maryland Aviation Administration (MAA) and the Federal Aviation Administration (FAA) requirements. Emergency Services Assistant Director James Hamilton explained that a tower at this location is critical to meet County and municipal infrastructure needs, as it is located in the County's growth corridor, and provides the antennas needed to permit radio communications between various public safety agencies.

In response to a question by Commissioner Bertino, Mr. Webster stated that staff could not have foreseen the impact of Mystic Harbour Water Tower height issues, as they only became aware of the situation when the MAA denied one of their permits after a survey was completed that identified the tank at 154 feet above ground level and nine feet above the mean sea level, and when factoring in the antenna height, the tank total height was 22 feet above the permitted 160-foot height above the mean sea level. In response to a question by Commissioner Bunting, Mr. Hamilton stated that the County owns enough land to build a new water tower approximately 200 yards east, southeast of the existing tower. Following much discussion and upon a motion by Commissioner Bertino, the Commissioners unanimously authorized Commission President Bunting to sign the First Amendment to the System Purchase Agreement with Harris Corporation

as presented.

Pursuant to the request of Mr. Webster and upon a motion by Commissioner Lockfaw, the Commissioners unanimously authorized Commission President Bunting to sign the Memorandum of Understanding (MOU) between the County Commissioners of Worcester County, Maryland and Pocomoke City, allowing the County to install, maintain and use a public safety communications system transmitter on the Pocomoke City Water Tower for daily police, fire, emergency medical services, and other governmental communications in return for the County providing the emergency radio system to the city at no cost, as well as providing software upgrades and radios to Pocomoke City for their use.

The Commissioners adjourned their open session meeting to meet in a work session, after which they adjourned to meet again on October 18, 2016.