

**COUNTY COUNCIL OF CECIL COUNTY
WORK SESSION MINUTES**

June 6, 2023

**OPEN SESSION – Elk Room
4:30 P.M.**

NOTE: The recording and transcription of this meeting are available on the County website at www.ccgov.org/council.

PRESENT: Council Members: Robert Meffley, Rebecca Hamilton, Al Miller, Donna Culberson, and Jackie Gregory; David Culver, Council Manager; Terry Hale, Council Assistant, members of the administration and members of the public.

Call to Order

Council President Gregory called the meeting to order at 4:30 pm and announced that there were five Council Members present, which constitute a quorum.

Approval of Minutes

On a motion made by Vice President Meffley, seconded by Councilwoman Culberson, the Council moved to approve the minutes of the Council work session of May 23, 2023, as presented. The motion passed 5 to 0.

Presentations

a. Monthly Review of Contracts

Director of Finance Shon McCollum noted that the contracts over \$100,000 for March were reviewed at the April 25, 2023 Budget Session. The list for contracts for April includes 2 that were for the Phase II Asphalt Overlay and for the Stoney Run Dredge Material site preparation.

b. 3rd Quarter Financial Review

Director of Finance Shon McCollum presented the 3rd Quarter Financial Review and noted that revenue should be over the projections and expenditures under the projections. Vice President Meffley noted the decrease in recordation fees and Councilman Miller noted that the investment earning are up. Director McCollum noted these are both due to the economic conditions. Director McCollum also noted that most Departments expenses should be around 75% or less for the year. He projected another 10 to 15 million to be added to fund balance. Director McCollum also discussed the natural accounts which are salary, fringe, overhead and so forth. Vice President Meffley noted the increase in legal fees. Councilman Miller noted he would like the quarterly reports sent earlier for review.

Review of Legislative Agenda

a. Public Hearings

1. Bill No. 2023-08 – Bond Authorization – General Obligation Project Bonds

Director of Finance Shon McCollum presented the bond numbers from the past issuance and discussed the projects for the upcoming Capital Improvement Program. He noted the bill is for the authority to sell bonds, but other funding mechanism can also be used such as pay go and grants. Vice President Meffley inquired as to total debt and refinanced debt and Director McCollum reviewed the outstanding bonds. Vice President Meffley noted the lower rates but higher terms on the old bonds and Director McCollum noted that was the decision of past administrations. Vice President Meffley and President Gregory both discussed the 2021 Bond issuance. President

Gregory and Councilwoman Culberson requested the total indebtedness of the County and Director McCollum noted he would get the exact amount but it is approximately 290 million. Councilman Miller inquired if all current County bonds are 30 years, and Director McCollum noted that they are 30 year term. President Gregory inquired what are the benefits of the 20- or 30-year terms and Director McCollum stated it depends on the economic conditions at the time. Councilman Miller inquired as to the cash flow and Director McCollum noted cash flow also plays a role in the term of the bond. Vice President Meffley inquired as to the bonding limits of the County and Director McCollum noted it varies, but the goal is to keep it below 10%. County Attorney Lawrence Scott opined that the bonding agencies review a variety of factors in determining the bond rating and the borrowing limits. President Gregory inquired if Finance knew what the rate would be, and Director McCollum noted that is still being determined based on the market at the time of sale.

2. Resolution 32-2023 – Grant Application – Community Development Block Grant
Holloway Beach Sewer Project – Habitat for Humanity Home Rehabilitation

Director of Community Services David Trolio noted the grant application is to help offset the cost of sewer connections for low to moderate households for the Holloway Beach Sewer project. He also noted the Habitat for Humanity would use some of the grant funds to help rehabilitate houses. He also noted that use of Bay Restoration funds could be used as part of the sewer project.

b. Introduction of Resolutions

Resolution No. 34- 2023 – Supplemental Appropriation – General Fund Balance – Law Enforcement Armored Rescue Vehicle and Crossover Utility Vehicle.

Director of Administration Steven Overbay thanked Sherriff Scott Adams for working with the administration on this resolution and stressed the importance of safety for the public and first responders. Sheriff Adams outlined that this has been requested so that the Sheriff's Office does not have to rely on other agencies equipment during an emergency when time is of the essence. The Armored Rescue Vehicle would be used in conjunction with the SWAT team and other emergencies. The Crossover Utility Vehicle would be used at special events and when needed for off road rescues or searches. Vice President Meffley noted that this is for two vehicles and inquired if additional vehicles would be needed. Sheriff Adams noted it was for two vehicles but they may need additional vehicles in the future. Councilman Miller noted this could also help with recruitment and training and Sheriff Adams indicated it could and Cecil County could also assist other jurisdictions during emergencies with the vehicles.

c. Consideration of Resolutions

Resolution 23-2023 - Adoption - Real Property and Personal Property Tax Rates - Fiscal Year 2024.

Director of Finance Shon McCollum noted this will set the tax rates for the next fiscal year. President Gregory inquired what is covered by personal property and Director McCollum outlined personal property is for businesses and equipment.

Resolution 31-2023- Reappointment – Electrical Examiners Board – Joshua Huegel, Frederick Craig, Jr., and Appointment -Paul Palmer.

Director of Administration Steven Overbay noted that Mr. Craig and Mr. Huegel have done an excellent job on the board and Mr. Palmer is well qualified. He also noted that this board is part of the licensing requirements and for appeals.

Resolution 32-2023 - Grant Application – Community Development Block Grant – Holloway Beach Sewer Project – Habitat for Humanity Home Rehabilitation Project.

Director of Administration Steven Overbay reviewed the projects being requested in this application. Director of Community Services David Trolio noted that the CDBG grant application would be for the Holloway Beach sewer project and for Habitat for Humanity housing rehab projects. The funds would assist low to moderate income people with the connection fees and the Habitat funds would assist 6 to 10 low to moderate household to rehabilitate property.

Resolution 33-2023 - Supplemental Appropriation - Grant Funds – Community Services – Prevention and Overdose Response and Trauma Supports.

Director of Administration Steven Overbay noted these are remaining funds from previous grants that were awarded and will be spent by the end of Fiscal Year 23 on supplies and salaries for the PORT program.

d. Old Business (call for final reading of bills)

1. Bill No. 2023-04 - Capital Improvement Program FY2024-2028

A Bill to approve the Capital Improvement Program for Cecil County for Fiscal Years 2024 through 2028.

Director of Finance Shon McCollum reviewed the CIP program and the change needed for the Holloway Beach sewer. Council Manager Culver noted there is Amendment 1 to the bill that will be on the Legislative Agenda.

2. Bill No. 2023-05 - Annual Budget and Appropriation Ordinance - FY 2024

A Bill to adopt the County Budget including the Current Expense Budget, Capital Budget, Special Purpose Budgets and Grants Budget for the fiscal year ending June 30, 2024, and to appropriate funds for all expenditures for the fiscal year beginning July 1, 2023.

Director of Finance Shon McCollum reviewed the overall budget and thanked the Council and departments for the cooperation during the budget process. Council Manager Culver noted this bill has two amendments that will be on the Legislative Agenda.

3. Bill No. 2023-06 - Authorization of Lease Purchase Equipment Financing

A Bill authorizing and empowering Cecil County, Maryland to enter into new financing under a lease purchase agreement or similar arrangement in an aggregate principal amount not to exceed Four Million Dollars (\$4,000,000) for Fiscal Year 2024 for the purpose of financing the acquisition of certain necessary and essential vehicles and equipment for use in the County's governmental programs; providing that the obligations of the County under the agreement shall not be a general obligation of the County, shall not constitute a pledge of the full faith and credit or the taxing

power of the County and shall not constitute a debt of the County within the meaning of any statutory or constitutional provision, but shall be subject to appropriation in each and every fiscal year during the term of the agreement; empowering the County Executive to execute and deliver an executive order prior to the execution and delivery of the agreement in order to award the agreement to the successful bidder and to fix, prescribe and determine the details of such financing; and relating generally to such financing.

Director of Finance Shon McCollum reviewed the leases and noted the amount is higher because additional trucks are being purchased at the landfill. Councilman Miller inquired as to the lease cost of copiers and Director McCollum noted about \$10,000 each. Councilman Miller inquired about the new trucks and additional cars. Director McCollum noted he anticipates 54 new replacement cars and the fleet is about 200 cars total. President Gregory inquired if the cars are rotated based on age or milage and Director McCollum noted both, but milage is a critical factor. Councilman Miller inquired about the maintenance and Director McCollum noted it is through Enterprise who contacts with First Vehicle. President Gregory inquired as to the lease rate of the vehicle and Director McCollum noted it is a combination of the treasury rate plus 3.5% and now it is about 8% total. Councilman Miller opined that in house maintenance would probably be cheaper.

Council Manager Report

Council Manager Culver noted the update Council Manager report is in the packet. He also noted the Board of Health Meeting is scheduled for June 13 and the August 1 Legislative Meeting may be scheduled to start at 8:00 pm to accommodate the Opioid Summit the State is hosting that evening.

Council Member Items

Councilmembers deferred comments to the Legislative Session of June 6, 2023.

President Gregory announced that no further items are on the June 6, 2023 Work Session agenda.

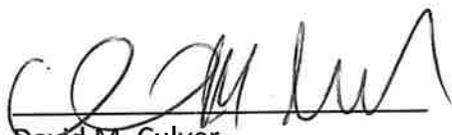
Adjournment

Councilwoman Culberson made a motion to adjourn, which was seconded by Vice President Meffley. Council President Gregory adjourned the work session at 5:49 pm.

The next Council work session will be held on Tuesday, June 13, 2023, at 4:30 pm in the Elk Room of the County Administration Building. The session will also be livestreamed on the County Council's webpage at www.ccgov.org/council.

Approved:


Jackie Gregory, Council President


David M. Culver
Council Manager