

COUNTY COUNCIL OF CECIL COUNTY
LEGISLATIVE SESSION MINUTES
LSD 2024-15
August 20, 2024

The County Council of Cecil County met in legislative session at the County Administration Building, 200 Chesapeake Blvd., Elk Room, Elkton, MD. The following members of the Council were present:

Jackie Gregory, Council President
Robert Meffley, Vice President
Rebecca Hamilton, Council Member
Al Miller, Council Member
Donna Culberson, Council Member

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

CALL TO ORDER

The meeting of the County Council of Cecil County of August 20, 2024, was called to order by Council President Gregory at 7:00 p.m.

ROLL CALL

Council Manager Culver called the roll and noted all five members were present.

OPENING PRAYER/MOMENT OF SILENCE

Pastor Steve Hokuf of North East Baptist Church in North East gave the opening prayer.

APPROVAL OF AGENDA

On motion made by Vice President Meffley, seconded by Councilwoman Culberson, the Council moved to approve the agenda of August 20, 2024. The motion was approved unanimously.

APPROVAL OF MINUTES

On motion made by Councilwoman Culberson, seconded by Vice President Meffley, the Council moved to approve the minutes of the legislative session of August 6, 2024. The motion was approved unanimously.

PUBLIC COMMENTS

Sean Brimm of North East spoke on the Ethics Commission bill and education issues.

PRESIDENT AND COUNCIL COMMENTS

Councilwoman Hamilton noted she attended the MACO Conference and attended numerous sessions including the Clean Chesapeake Coalition, Workforce and Economic Development, Opioid and Cannabis Funding, Rural Counties Coalition and the Upper Shore Regional Council Meeting. She noted the conference was well organized and well attended.

Vice President Meffley also attended the MACO Conference and met with the CareFirst representatives and discussed health coverage issues. He also attended the Rural Counties Coalition, Clean Chesapeake Coalition, Elected Officials breakfast and Energy Policy with U.S. Senator Ben Cardin as well as other sessions. He also attended the MRDC Meeting on August 20.

Councilman Miller also attended the MACO Conference and noted the Agricultural Preservation exhibit was very well done. He also noted the MACO staff does a fantastic job in setting up the conference and the many sessions. He also attended the August 19 Farm Bureau Meeting. He also noted that a Beef and Oyster event will be held on September 14 at the Rising Sun Fire Company Banquet Hall.

Councilwoman Culberson reviewed the intel numbers for the past week and noted for the 19th week this year, the County did not have a drug overdose death. She also noted she was unable to attend the MACO conference this year because of a previous commitment.

President Gregory noted she also attended the MACO Conference and along with the other sessions that were noted, she also attended the Blueprint Roundtable and noted some of the discussion at that meeting that most states BOE have taxing authority, and it was suggested Maryland study this issue. She also noted the challenges at the Conowingo Dam that were discussed at the Clean Chesapeake Coalition meeting including the age of the dam and the amount of silt behind the dam. She noted that the various Counties met with MDOT and were informed of the limited funding resources for projects in the upcoming years. She also noted that in several sessions the discussion of the State law may be amended to preempt Counties from regulating solar fields was fervently debated. She also noted at the Upper Shore Regional Meeting the Carter Project to open a mental health facility for youths with the 6 Upper Shore Counties was discussed and federal funding is available for this project. She also noted the North East River dredging project was delayed for a year, but it will receive additional funding to account for this delay.

INTRODUCTION OF BILLS

Council Manager Culver stated for the record:

Bill 2024-18 - Amendment – Ethics – Chapter 39, Section 39-4, Membership; Terms and Section 39-5, Chairman

A Bill to amend Chapter 39 – Ethics, of the Code of Cecil County, Sections 39-4, Membership; Terms and Section 39-5, Chairman, to reflect changes to the Charter of Cecil County as it relates to the membership and terms of the Cecil County Ethics Commission.

Introduced, read for the first time, order posted on August 20, 2024 and scheduled for public hearing on September 17, 2024 and consideration on October 1, 2024.

President Gregory noted that this bill is being introduced to amend the County Code to match Charter Section 607 which was amended in 2022 as part of the General Election. She also noted that Charter Section 413 states that Department heads may only serve in an acting capacity for 6 months but may be extended for another 4 month with Council consent. She also noted for Boards and Commissions, they may serve until a successor is appointed.

Council Manager Culver stated for the record:

Bill 2024-19 - An amendment to the Fiscal Year 2025 – Fiscal Year 2029 Capital Improvement Program – Accelerate North East Middle/High School Complex Construction – PR# 71273.

A Bill to amend the Annual Budget and Appropriations Ordinance for Cecil County, Maryland, for the fiscal year ending June 30, 2025, to authorize the acceleration of the construction of the North East Middle/High School complex to complete the project by the end of FY2027, Project Number 71273. This acceleration requires the County to use \$21,579,000 of PAYGO in FY2025, supplanting County bonds between FY2028 and FY2030.

Introduced, read for the first time, order posted on August 20, 2024 and scheduled for public hearing on September 17, 2024 and consideration on October 1, 2024.

Director of Administration Steven Overbay noted that this project is currently funded in the CIP, however, based on funding issues with the State, the project would take longer and could create safety issues with phasing of the two schools and construction on one school while the other is occupied. Director Overbay noted this Bill, along with Resolution 40-2024, would move \$21,500,000 to the FY25 budget as pay go funds to allow this project to be completed by FY27. The total County share would remain as \$78,000,000 and the State share at \$103,000,000. The accelerated building should also result in the County saving eight to ten million dollars in construction costs, have less impact on the community because of the shorten construction timeline and also allow students from the High and Middle school to be moved into the new facility at the same time thus preventing any safety concerns of students attending school at an active construction site. He also noted that the State would not be allocating any other funds at this point in time besides what is committed to the project.

Councilwoman Hamilton asked for confirmation that the County funds would be held in the Fund Balance and paid to the school when the invoices are received and Director Overbay noted that is how these payments are processed. Councilwoman Culberson noted that she supports the accelerated schedule because it will better accommodate the students and community as well as removing any potential safety conflicts of students in an active construction zone. President Gregory and Director Overbay both noted that this is only possible because of conservative budgeting and sound fiscal management over the past several years.

INTRODUCTION OF RESOLUTIONS

Council Manager Culver stated for the record:

Resolution 39-2024 - Appointment – Commission on Aging – John Kapral

A Resolution to confirm the County Executive's appointment John Kapral to the Cecil County Commission on Aging, to fill vacant three-year term that will expire on September 3, 2027.

Introduced, read for the first time, order posted on August 20, 2024 and scheduled for consideration on September 3, 2024, 2024.

Director of Administration Steven Overbay noted the importance of the Commission on Aging and how it serves the County and our citizens. He noted that Mr. Kapral is very well qualified and will be a great addition to the Commission. Councilwoman Culberson inquired if Mr. Kapral is a reappointment or a new appointment and Director Overbay noted he is a new appointment to the Commission.

Council Manager Culver stated for the record:

Resolution 40-2024 - An authorization to provide a loan to the Cecil County Public Schools to complete construction of the North East Middle/High School Complex.

A Resolution to amend the Annual Budget and Appropriation Ordinance for Cecil County, Maryland, for the fiscal year ending June 30, 2025, to allow the Board of Education of Cecil County to borrow from the County up to \$41,000,000 interest free to finish construction of the North East Middle/High School complex by the end of FY2027. This loan, which will result in creation of a Notes Receivable and Restricted Cash position on the County's Balance Sheet, is necessitated by the fact that the State of Maryland is unable to commit the balance of their full contribution of \$103,000,000 in order to allow the Board of Education to complete construction by the end of FY2027. Without this loan, the schools' construction cannot be completed until FY2032. As a result, the Board of Education of Cecil County will remit any and all school construction funds provided by the State for the North East Middle/High School Complex project to the County until the loan is fully paid, beginning in FY2026. It is agreed and recognized that the State funding for the North East Middle/High School Complex project will be the sole and exclusive source for the repayment of the loan and that no other funds or other sources of revenue budgeted for the Board of Education shall be used for repayment of the loan. It is further agreed and recognized that a \$4,000,000 funding request for the North East Middle/High School Complex must remain the highest ranked project submission for Cecil County Public School's annual State CIP school construction funding request throughout the duration of this loan, and that the first \$4,000,000 in annual State school construction funding must be used to satisfy the County debt. Should Cecil County Public Schools choose to apply some, or all, of their additional annual school construction funding allotment to extinguish the debt more rapidly, this may be done at their sole discretion without penalty.

Introduced, read for the first time, order posted on August 20, 2024 and scheduled for public hearing on September 17, 2024 and consideration on October 1, 2024.

Director of Administration Steven Overbay noted that this is the companion resolution to Bill 2024-19 and will provide the mechanism for the payback of State funds for this project to the Board of Education (BOE) and then to Cecil County. He noted the State is still committed to its allocation of \$103,000,000 for this project, but no additional funding beyond that will be allocated. He noted the Interagency Commission on School Construction (IAC) is unable to directly enter into an agreement for this front funding to be sent to the County and they can only send funding to the Local Education Agency (LEA). Director Overbay noted the language in the resolution is acceptable to both the IAC

and BOE. He noted that the IAC has had this type of agreement with other BOE and Counties throughout the State. He also noted that the accelerated project should save the County eight to ten million dollars. He also noted that the funding is only provided to the BOE once the invoices are received. He also noted the agreement would require that this project remain the number one priority project in the BOE CIP until the funds are repaid and the \$4,000,000 that is noted was added as a placeholder amount. He also noted that the term of the loan will be repayment in ten years, no interest would be charged to the outstanding amount and the BOE can repay the balance sooner if the funds are received.

Councilwoman Culberson inquired on the language as a loan and not a letter of credit and Director Overbay noted the language used the terms "borrower" and "loan" to make it clear for repayments. Vice President Meffley asked for clarification on the interest free loan language and Director Overbay noted the BOE would not be charged any interest on the loan. He also noted the opportunity cost to the County and that interest income would be lost on the funds once they are spent, however, the safety of the students does outweigh the lost interest opportunity.

Councilwoman Hamilton inquired if future administrations could change the terms of the agreement and Director Overbay noted that would involve several parties coming to an agreement for the change. He also noted this project has community support and moving the funds forward does save eight to ten million in long term costs. He also noted in the long term the money that is being front funded does get returned to the County from the State through the IAC and BOE agreement.

Councilwoman Hamilton inquired why does the resolution state they "may" enter into a MOU with the BOE instead of "shall" and Director Overbay noted that the intent is to have the MOU completed before the October 1, 2024 vote on the resolution. He again noted the loan is to be repaid within 10 years with no interest. Councilwoman Hamilton inquired if the \$4,000,000 was not allocated by the State would that affect the repayment and other school projects and Director Overbay noted the BOE CIP that is sent to the State would note this amount but would not affect future projects. He also noted the State is committed to these projects; it is just the final funding stream that is the issue. President Gregory inquired if the BOE received, for example, \$10,000,000 for this project can they only pay \$4,000,000 back and spend the remainder on other projects and Director Overbay noted they would still need to repay the loan within the terms of the agreement and spending money allocated to the project on other projects may create issues with the IAC and State. Councilwoman Culberson inquired if changing the language in the resolution from "may" to "shall" for the MOU would create any problems and Director Overbay noted that it should not create problems.

CONSIDERATION OF RESOLUTIONS

Council Manager Culver stated for the record:

Resolution 36-2024 - Appointment – Electrical Inspection Agencies - Bay Area Inspection Agency ar. American Inspection Agency

A Resolution to confirm the reappointment by the County Executive of Bay Area Inspection Agency and American Inspection Agency, Inc. to be the electrical inspection agencies in Cecil County, term to expire on July 31, 2025.

Introduced, read for the first time, order posted on August 6, 2024 and scheduled for consideration on August 20, 2024.

Director of Administration Steven Overbay noted that the County received two proposals for electrical inspections and both firms are being utilized. He noted both of these firms have been providing this service for over a decade to Cecil County.

Councilman Miller made a motion to approve Resolution 36-2024, which was seconded by Councilwoman Culberson.

Roll call vote: Hamilton – Y, Miller -Y, Culberson – Y, Meffley – Y, Gregory- Y
The motion was approved 5 to 0.

Council Manager Culver stated for the record:

Resolution 37-2024 - Supplemental Appropriation – FY2025 - General Fund Balance – Cecil County Public Schools – Rising Sun High School Water Line Replacement.

A Resolution to amend the Annual Budget and Appropriation Ordinance for Cecil County, Maryland, for the fiscal year ending June 30, 2025, to provide the Board of Education budget with additional expenditure appropriation authority to utilize \$100,600 in funds from the General Fund Balance to finish the Rising Sun High School Water Line Replacement. This Project was budgeted in Fiscal Year 2024 but was not completed in that Fiscal Year.

Introduced, read for the first time, order posted on August 6, 2024 and scheduled for consideration on August 20, 2024.

Director of Administration Steven Overbay noted this project was approved in FY24 but is still being completed so the funds need to be reallocated in FY25.

Vice President Meffley made a motion to approve Resolution 37-2024, which was seconded by Councilman Miller.

Roll call vote: Hamilton – Y, Miller -Y, Culberson – Y, Meffley – Y, Gregory- Y
The motion was approved 5 to 0.

NEW BUSINESS

Cecil County Public Schools Budget Amendment #126

President Gregory noted that the Cecil County Public Schools Budget Amendment #126 is for \$3,799,392. She asked for a motion to table Budget Amendment #126 until the Board of Education is able to present.

Councilwoman Hamilton made a motion to table Budget Amendment #126. The motion was seconded by Councilwoman Culberson. The motion was approved 3 to 2 (Yea – Hamilton, Culberson, Gregory; Nay – Miller, Meffley).

ADJOURNMENT

On motion made by Vice President Meffley, seconded by Councilwoman Culberson, President Gregory adjourned the meeting at 8:09 pm.

Council President Gregory announced that the next Council Legislative Session is scheduled on Tuesday, September 3, 2024 at 7:00 p.m. in the Elk Room of the County Administration Building. The legislative session will be livestreamed at the county's webpage at www.ccgov.org/council. The recording and transcription will be uploaded to the county's website as soon as possible.

Approved:


Jackie Gregory
Council President

Attest:


David M. Culver
Council Manager