

Regular Meeting Minutes

The meeting of the Pocomoke City Mayor and Council was held in the Council Chambers at City Hall on Monday, October 7, 2019. The meeting was called to order at 6:33 PM.

Present: Mayor Bruce Morrison
First Vice President: Todd J. Nock
Council Members: R. Scott Holland, Diane Downing,
Esther Troast, Dale Trotter
City Attorney: Paul Wilbur
City Manager Interim Basis: David J. Deutsch
City Clerk: Michelle Beckett-EI Soloh

Pledge of Allegiance, Prayer by Marlene Milbourne and Call to Order @ 6:33PM:

Reading and Review of Council Meeting Rules of Order:

1. Everyone in the audience will have 3 minutes to speak, if they choose.
2. There will be no interrupting or comments while other parties are speaking.
3. When at the podium, you must state your name and address or you will be asked to sit down.
4. Speakers will face the council and at no time address the audience.

Review and Approval of Minutes from Meeting of September 16, 2019:

Motion to approve Minutes from September 16, 2019 (Troast, Trotter passed) @ 6:34 PM

Acclamation: Trotter-aye, Holland-aye, Nock-aye, Downing-aye, Troast-aye; none opposed; motion carried

Review and Approval of Current Bill List:

Motion to approve current bill list (Trotter, Troast passed) @ 6:35 PM.

Acclamation: Trotter-aye, Holland-aye, Nock-aye, Downing-aye, Troast-aye; none opposed; motion carried

PKS & Company, Presentation of Pocomoke City Financial Audit:

Leslie Michalik. PKS & Company, said in their opinion, the financial statements present fairly, in all material respects the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Pocomoke City, Maryland as of June 30, 2019 and for the year then ended in accordance with accounting principles generally accepted in the United States of America. Report on internal control over financial reporting and on compliance and other matters. This was not an opinion report. We did not identify any material weaknesses in internal control over financial reporting and We did not identify any instances of noncompliance that we were required to report under *Government Auditing Standards*. The report findings on compliance for major Federal programs and on internal control over compliance required by the Uniform Guidance found unmodified opinion on compliance with major Federal Programs and we did not identify any material weaknesses in internal control over compliance. General Fund expenditure changes from the previous year were due to several things. Payroll and related costs for positions added were Human Resources, Housing Enforcement Officer and a Recreational Director. Raises to most fulltime employees, decrease in Police salaries due to understaffing, change in allocation of salaries and benefits, shifting expenses from water and Sewer Fund to the General Fund. Increase in paving costs that was funded by timber sales in the previous year. Increase in demolition costs that was billed to property owners but not yet collected. Increase in costs for restaurant repairs and for the Discovery Museum. Capital Outlay costs include City Manager vehicle, playground equipment and computer 7 camera equipment for Police vehicles. The General Fund balance on June 30, 2019 of \$278,471.00 represents 18 days of expenditures. Government Finance Officers Association recommends, at a minimum, 2 months of regular operating expenditures. City's balance is well below the GFOA recommendation. Fund balance might not be sufficient to provide for future risks such as unexpected events, revenue shortfalls or unanticipated expenditures. Community Development Block Grants

(CDBG) Three grants were under review by MD Dept. of Housing and Community Development. All grant findings were cleared from 2008. The 2009 grant is still under review. It is anticipated that the City will have to pay back between \$13,000.00 and \$18,000.00 to close that grant. For the 2012 grant, it was found that a recipient was ineligible and the City is required to repay \$8,100.00. The individual is making payments to the City and should be recovered in the next 2 to 3 years. Until the open balances are resolved, CDBG will not consider any new applications from the City. *(Floor opened for Public questions or comments)*

Bobby Cowger, 334 Winter Quarters Dr, wanted to know what the final balance for the City was for surplus or deficit before any adjustments were done? The fiscal report that was given on June 30, 2019 showed a \$486,000.00 surplus but understands that adjustments can be done. Did any of that money get put into the reserve fund? When he was terminated on April 15, 2019 the City was in a good financial state. Last year, the main recommendation from PKS was to increase the reserve fund. In 2017 and 2018 Mr. Cowger increased the reserve fund and currently, in 2019, there should be \$400,000.00. PKS said this year, the City fell a little short of that. The General Fund balance increased by \$87,000.00. That's a little short of \$100,000.00. The Fund balance is \$300,000.00 but that is the low side of the minimum recommendation. In the FY19 budget, there was \$250,000.00 income from a lawsuit that was awarded to the City. The Council designated that money specifically to be used for lift stations because the suit involved Water/Wastewater. There was \$200,000.00 left that was designated for lift stations. Councilmember Nock asked if PKS found any amount of money near \$700,000.00 that could be windfall money? PKS said some of the money that was being referred to as windfall was grant and loan reimbursements from USDA and MDE. The money has to spend money upfront and then submit reimbursements. There were some positive things that happened. The City had an increase in some areas such as septage and some decreases in certain expense areas. That provided available funds. Most of that went to pay for unbudgeted expenses.

Approve Hunting on City Property for Bob Telford:

Bob Telford, 6812 Public Landing Rd, Snow Hill, MD, said he is asking for permission to hunt on City owned land. The land is located behind Cobb-Vantress. It is approximately 8 1/2 acres wooded area located well behind the industrial park businesses.

Motion to allow hunting on City owned property, Parcel# 2401039857 and adjoining Parcel (behind Cobb-Vantress and Ricca Chemical) for the 2019-20 deer season (Trotter, Downing passed) @ 7:04PM

Acclamation: Trotter-aye, Holland-aye, Nock-aye, Downing-aye, Troast-aye; none opposed; motion carried

Council request to Worcester County Commissioners to Reduce Speed Limits to 25 MPH in School Zones:

Councilmember Nock said this effort was spearheaded by the Mayor and Cpl. Trotter

Councilmember Nock read the letter:

Dear Commissioner Purnell:

On September 13, 2019 a Pocomoke High School student was struck by a car while crossing Old Virginia Road. Fortunately, no one was injured, but we need your assistance in helping to protect the volume of pedestrians in the area. The City of Pocomoke therefore requests that you have the speed limit lowered from 30 mph to 25 mph on Old Virginia Road in the area of the Pocomoke Elementary School and Pocomoke High School. We also request that a crosswalk be installed on Old Virginia Road near its intersection with Hillcrest Drive. The City appreciates your support for these public safety requests. Sincerely, Mayor Bruce Morrison

Chief Brumley also drafted a letter voicing his concerns for the speed limit change that was sent to the County.

Motion to approve letter as written to be sent to Worcester County Commissioners to request crosswalks be installed and speed limits be lowered from 30 MPH to 25 MPH in front of Pocomoke Elementary and Pocomoke High Schools (Trotter, Nock passed) @ 7:10PM

Acclamation: Trotter-aye, Holland-aye, Nock-aye, Downing-aye, Troast-aye; none opposed; motion carried

Nominate Worcester County Elected Official to Serve on Tri-County Council, New Term January 1, 2020 to December 31, 2020:

Councilmember Nock said Councilmember Troast has had the distinct pleasure in serving on Tri-County Council for the current term. She stepped in mid-term and she should be nominated to serve another term from January 1, 2020 to December 31, 2020.

Motion to Nominate Councilmember Troast to serve on Tri-County Council for new term beginning January 1, 2020 to December 31, 2020 (Nock, Downing passed) @ 7:14PM

Acclamation: Trotter-aye, Holland-aye, Nock-aye, Downing-aye, Troast-aye; none opposed; motion carried

Discuss Recruitment for New City Manager:

Interim City Manager David Deutsch said that a couple weeks ago a memorandum was presented that outlined a couple options to consider to determine what procedure the Mayor & Council might want to use to look for a full-time city manager. The first option was an in-house driven recruitment method, the same thing the City did last spring. The second option was to request RFPs from executive search firms and the third option was to sole-source the search to the Mercer Group. On September 16th the Mayor & Council wanted the Mercer Group to provide a proposal and that proposal was presented to Mayor & Council on September 18th. That proposal was \$18,873 and included a 10% reduction from the rate charged by that firm in 2015.

Councilmember Nock said he would feel more comfortable with the in-house search. He feels that \$18,873.00 is a little expensive to begin with that process even though the Mercer Group has extreme expertise in this area. The first search was viable for the City. It just didn't go quite as expected. Councilmember Downing said she also feels that is a bit too expensive as we are trying to save the City money. She preferred that the Mayor & Council meet and interview the candidates. Councilmember Trotter said he feels that advertising like the City did last time through MML and MACo and the other associations. Interim City manager Deutsch said if that's the Mayor & Council decision he will work with the Human Resources Director, Mr. Gleason and place an advertisement with different associations. There's no cost for the MML and MACo advertisements and people are used to checking those sites. That process can be started tomorrow. The only caution he has is that the City has to be realistic about the time frame. The City needs to move quickly but as we get into November, the holidays start to have an impact. Some people might have contracts or charter requirements that oblige them to give a 30 or 60 day-notice. It is our goal to have someone on board before the end of the calendar year but there shouldn't be any surprises if it takes a little longer into January. Councilmember Nock said there will be a memo drafted and sent to the Interim City Manager by close of business tomorrow.

Council Comments:

Councilmember Trotter thanked the Interim City Manager for drafting regarding the request for change of speed limits so quickly.

Councilmember Holland thanked the Finance Director, Janet Wilson for a job well-done. He also congratulated Councilmember Nock for being elected as the ESAM Treasurer.

Councilmember Nock thanked the Interim City Manager, Bill East and the Police Dept. for acting quickly to get speed limit signs on Laurel, Bishop Isaac Jenkins and 7th Streets. He would like to see these signs posted all through town and the Police Dept spending less time on the highway and more time in the nooks and crevices of the town.

Councilmember Downing thanked Bill East for responding to her call after she got a call from a citizen. She appreciates his attention and quick response.

Councilmember Troast said she was contacted by Senator Marybeth Carozza's office. The Senator is requesting to have a "listening hour" open to the public and they stay for the Council meeting to speak. To be held November 4th, 2019. Councilmember Nock said his only reservation is the City is nonpartisan and doesn't think one or the other party should be favored. The citizens should have the opportunity to voice their opinions. Councilmember Troast said she can also invite Senator Charles Otto to have the same opportunity. The City

needs the support of our State representatives and this is the first time someone has reached out to the City. Councilmember Holland said he doesn't have any issue with her coming here. He thinks it is a good idea. She reached out to the City to offer assistance and the City shouldn't reject an offer because of the party affiliation.

Motion to accept Senator Carozza's offer for a public forum from 4 to 6PM and add to Mayor & Council meeting Agenda for Monday, November 4, 2019 (Troast, Trotter passed) @ 7:25PM

Acclamation: Trotter-aye, Holland-aye, Nock-aye, Downing-aye, Troast-aye; none opposed; motion carried

Councilmember Trotter also thanked Karah Lacey, Events Coordinator, for a successful and well-run series of 4th Friday events.

Department Comments:

Bill East, Public Works Director, there was a major water leak on Friday on Old Virginia Rd due to a water main being hit. A lot of people lost water pressure. It was fixed in a timely manner. Digging will begin again in the Heights to get that project caught up now that grass season is dying down. There has been some equipment breaking down. Most can be fixed in-house.

Mike Thornton, EMS/Safety Director, thanked the City for getting the new stretchers ordered. They should be here in 3 weeks. He had a meeting at McCready Hospital. New emergency services run by Peninsula Regional Medical Center that will be available and they discussed ambulance response. There is 1 ambulance still out of service due to an injector pump. It will be approximately \$3,700.00 for that repair.

Frank Daniels, Water/Wastewater, a monitoring system called High Tide was installed at the water treatment plant, the Dunn Swamp water tower passed testing and was put back online, 3 airlifts on the EMR filter wastewater plant were replaced due to wear from sand, TK Construction put diversion pipe in at 10th St lift station so the emergency diesel pump can be used when needed, chlorine auto adjustment system was installed on the chlorine analyzer and chlorine tanks at the water treatment plant, CR Jones Septic finished cleaning the grit from the septic receiving area at the north lagoon of the wastewater treatment plant, infrastructure for odor control system is being installed in Jenkins Orchard lift station #2. Hungerford & Terry, Inc from New Jersey are the ones who built the filters came down and did a yearly service check and concluded that the water treatment plant was running satisfactorily with good water quality, Somerset finished cleaning and servicing of Maryland Ave well and recommended a variable frequency drive be installed due to higher pressures and GPM, Cedar St lift station temporary pump came in and will be installed and the orange pump can be removed from the street. There are plans for permanent fixes for Cedar, Dorchester and Payne St lift stations. The estimates came in at an estimated cost of \$170,000.00 per lift station so we are waiting for funds. The estimate for 10th St lift station came in at \$500,000.00.

Jeremy Mason, Code Enforcement Officer, the department is seeing a lot of compliance with zoning violations, there has been an increase in new single-family homes, an increase for permits for electrical and new roof repairs, we are following through with ticketing and court to people who refuse to cooperate with the City. The City is working with people but holding them responsible for the condition of their properties. Councilmember Nock commended Mr. Mason on his work and knows that he was very busy during the summer.

Janet Wilson, Finance Director, commented that the finance Department functions as a well-oiled machine and everyone knows their job. She takes the finances of the City very personal. They try to work with the employees and with the public and be consistent.

Karah Lacey, Events Coordinator, 4th Friday Street festivals wrapped up. Weather was difficult this year but September's last event was a success. These events earn money for the Downtown Pocomoke Association. Last week Delmarva Life Small Town Series aired and featured Pocomoke City. She will be getting a link from WBOC that will be posted if anyone missed it. This Saturday is the 8th Annual Downtown Fall Festival with lots of events.

Interim City Manager, David Deutsch, he suggests that the Council schedule a work session to discuss Code Enforcement and to present some changes to amendments to the Zoning Ordinance. The 2 dates suggested are October 28, 2019 and November 12, 2019.

Lt. Hancock, Pocomoke City Police Department, he created 2 lesson plans for Work Place Harassment and Cultural Diversity. He sent those lesson plans to MPCTC and they were approved. There will be annual training for civilian and non-civilian department employees. The other thing to mention is that there will be 2 officers at the Fall Festival.

Audience Comments:

Susan Harrison, 2610 Cambrook Dr, said that in August, she and Becky Jones, attended a meeting in Berlin concerning opportunity zones. The opportunity zone program is a nationwide program administered by the US Treasury. It was created as part of the 2017 tax cut and jobs act. The program spurs long-term investments in low income communities by providing federal tax incentive for investments in stressed communities for the next 10 years. Up to 589 low income communities in Maryland were eligible. Governor Hogan selected 149 communities in the state of Maryland. The communities were designated as "qualified opportunity zones". The zones are in every jurisdiction in the state and will remain designated for the next 10 years. The zones will be able to reap the benefits of capital gains to help develop underserved communities. In January 2019 Governor Hogan signed an executive order establishing the "Maryland Opportunity Zone Leadership Taskforce". This taskforce develops a state opportunity plan that lies in the zones. The EARN Program which is "Employment Advancement Right Now" is the state's industry lead nationally workforce solution. This program expands its focus to the State's opportunity zones and has invested \$3 million to establish Opportunity Works. Opportunity Works connects residence in the zones to training programs that results in careers that pays Family-sustaining wages in the community. Opportunity Works specifically benefits residents, employees and training programs located in and around Maryland's 149 opportunity zones. Through Opportunity Works, DLLR will provide funding to the strategic industry partnerships comprised of employer and industry partners nonprofit and community-based organizations, workforce economic development and education partners. Where was our leadership when Governor Hogan was selecting 149 communities? At the meeting, we learned that Snow Hill Berlin and Ocean City were the 3 places chosen in Worcester County. She specifically asked why Pocomoke was not chosen and she was specifically told that no one asked. She wanted to know why no one was advocating for Pocomoke City when there's millions of dollars available in programs to help the community?

Council unanimously answered that they had no knowledge of the program. It had not been mentioned in any of the meetings they had attended. The program had been implemented before Mr. Cowger had the position of City Manager.

Monda Marsh, 1 2nd St, said she is part of the Economic Development Commission and she has been able to make contact with State, Federal and Tri-County, Dept of Commerce, Wallops and NASA. In regards to special zones and opportunity zones, Pocomoke is, in fact, already a part of the opportunity zone and enterprise zone in Maryland. Unfortunately, most of the focus of the Tri-County Council has been in 2 hubs of Ocean City and Salisbury. They have just put out a comprehensive economic development report that helps us tremendously. We might not have applied for specific grants but because we are in the enterprise zone there are grants available through USDA and they want to work with us on a pilot program. These incentives are federal as well as statewide. Councilmember Nock added the pilot that we are about to be a part of benefits the whole eastern shore. Pocomoke will be the first town on the eastern shore to be a part of the program. We will set a precedence. It will require the City to come together and present a demographic study and an abstract that focuses on our crown jewel being the Pocomoke River. The Economic Development Commission is working in conjunction with the Revitalization/Beautification Commission are working on this as a joint effort.

Motion to adjourn meeting (Troast, Nock passed) @ 7:45PM

Acclamation: Trotter-aye, Holland-aye, Nock-aye, Downing-aye, Troast-aye; none opposed; motion carried

Approved: *Michelle Beckett-El Soloh* | City Clerk