

COUNCIL OF TRAPPE
TRAPPE TOWN HALL
JANUARY 3, 2018

Public Hearing – 6:45 pm: Vice-President Diefenderfer opened the public hearing for Ordinance 7-2017 and Ordinance 8-2017. Attorney Booth read Ordinance 7-2017 – An Ordinance of the Town of Trappe, a municipal corporation of the State of Maryland (the “Issuer”), providing for the issuance and sale of no more than Two Million Dollars (\$2,000,000.00) par amount of general obligation bond and grant anticipation notes to be known as “The Town of Trappe General Obligation Bond Anticipation Notes” and “The Town of Trappe General Obligation Grant Anticipation Notes”, to be issued and sold pursuant to the authority of Section 19-212 of the Local Government Article of the Annotated Code of Maryland (2013 replacement volume and 2016 supplement), as amended, and section 612 of the Charter of the Town of Trappe, for the purpose of providing funds necessary to pay the costs of a well replacement, installation of a flow meter, upgrades to hypochlorite feed system, and other public improvement for the Town of Trappe, and paying capitalized interest on and the costs of issuing the notes, all in anticipation of the future issuance of the issuer’s general obligation bonds or the receipt of grants for such purposes; providing that the notes shall be issued upon the full faith and credit of the Town of Trappe; providing for the disbursement of the proceeds of the sale of the notes and for the levy of annual taxes upon all assessable property within the corporate limits of the issuer subject to assessment for the payment of the principal of and interest on the notes as they shall mature; providing for the form, tenor, denomination, maturity date, interest rate and other provision of the notes; providing for the sale of the notes; and providing for the designation of specific projects to be financed with the proceeds of the notes and related purposes. Attorney Booth stated that Ordinance 7-2017 would authorize the issuance of general obligation bonds and grant anticipation notes in an amount not to exceed \$2,000,000.00. The actual costs of the project are expected to be closer to \$1,140,000.00 but given that the Town is hoping to get MDE grant funding the Bond Counsel recommended that the Town increase the amount so if the Town actually gets a grant the Town can issue grant anticipation notes. Both of these Ordinances only authorize the issuance and sale of grant and general obligation notes, it does not actually issue them. The purpose of this borrowing would be for a new well (Well 6) to be drilled and additional improvements. No public comment.

Attorney Booth read Ordinance 8-2017 - An Ordinance of the Town of Trappe, a municipal corporation of the State of Maryland, providing for the issuance and sale of up to (and including) One Million One Hundred Forty Thousand Dollars (\$1,140,000.00) par amount of general obligation bonds, to be issued and sold pursuant to the authority of sections 19-301, et seq. of the Local Government Article of the Annotated Code of Maryland (2013 replacement volume and 2016 supplement), as amended, and section 612 of the Charter of the Town of Trappe, for the purpose of providing funds necessary to pay the costs of upgrades to a well replacement, installation of a flow meter, upgrades to hypochlorite feed system, and other public improvement for the Town of Trappe, and paying capitalized interest on and the costs of issuing the bonds; providing that the bonds shall be issued upon the full faith and credit of the Town of Trappe; providing for the disbursement of the proceeds of the sale of the bonds and for the levy of annual taxes upon all assessable property within the corporate limits of the issuer subject to assessment for the

payment of the principal of and interest on the bonds as they shall mature; providing for the form, tenor, denomination, maturity date, interest rate and other provisions of the bonds; providing for the sale of the bonds; and providing for the designation of specific projects to be financed with proceeds of the bonds and related purposes. Attorney Booth stated that this Ordinance relates to the authorization for the Town to borrow interim financing from Shore United Bank to fund the construction of the Well 6 project. Once construction is completed the USDA loan and/or MDE grant funds will be used to close out the interim financing. No public comment.

With no further comments the public hearing was closed at 6:50 pm.

Council of Trappe Meeting:

Vice-President Diefenderfer called the regular meeting to order at 7:00 pm. Council members: Nick Newnam, Tonya Pritchett and Walter Chase were present. Other attendees for the Town: Administrator Braband, Attorney Booth and Lt. Wanda Green from Talbot County Sheriff's Office. Public attendees: Bobby & Shirley Quidas.

Amendments to the Agenda: No amendments made to the agenda.

Presentation of Minutes: Commissioner Chase made a motion to approve the December 6, 2017 Council minutes as presented. Commissioner Pritchett seconded the motion. All approved.

Clerk's Report: Administrator Braband presented the Clerk's report, the general fund and enterprise fund budgets that are filed in the records. Administrator Braband stated that she is still working with GMB on the grant applications to MDE. The grant application submission deadline is January 31st so all applications will be finalized and submitted prior to that date.

COMMITTEE AND DEPARTMENT REPORTS

Talbot County Sheriff's Department: Lt. Green stated that the Town only had 12 calls last month. There have been reports of thefts from vehicles on Rumsey Drive and patrols have been increased in that area. For the month of December, the Sheriff's office conducted 56 patrol checks, issued 13 warnings and issued 3 citations.

Public Works: Vice-President Diefenderfer reviewed the public works report that is filed in the records.

Planning & Zoning: Administrator Braband stated that the Planning Commission is scheduled to meet on January 16th at 7 pm. The Planning Commission has also been invited to attend the Rt. 565 sidewalk meeting with SHA on January 16th at 5 pm.

Attorney Updates: Attorney Booth stated that she has the agreement between GMB and the Town for engineering services related to the Well 6 project. This agreement was submitted and reviewed during a workshop in August but the Town wanted to hold off on signing until the funds for the project were secured. Attorney Booth stated that it is a standard EJDCD contract and is required by USDA. The Town is unable to make changes to the contract unless USDA pre-approves them. The total design for the project is \$60,439.00 and the total contract amount is \$70,601 which includes the design, reviews with

USDA, bidding, negotiations with contractors, etc. This contract cost is included in the total project cost of \$1,140,000.00 and if approved the effective date would be when the financing is approved. Attorney Booth stated that she has reviewed the contract and recommends that the Town approve it if they wish to proceed with this project.

Executive Session: An executive session was held on December 6, 2017 to discuss a personnel matter.

ORDER OF BUSINESS BEFORE THE COUNCIL

Ordinance 7-2017 – An Ordinance of the Town of Trappe, a municipal corporation of the State of Maryland (the “Issuer”), providing for the issuance and sale of no more than Two Million Dollars (\$2,000,000.00) par amount of general obligation bond and grant anticipation notes to be known as “The Town of Trappe General Obligation Bond Anticipation Notes” and “The Town of Trappe General Obligation Grant Anticipation Notes”, to be issued and sold pursuant to the authority of Section 19-212 of the Local Government Article of the Annotated Code of Maryland (2013 replacement volume and 2016 supplement), as amended, and section 612 of the Charter of the Town of Trappe, for the purpose of providing funds necessary to pay the costs of a well replacement, installation of a flow meter, upgrades to hypochlorite feed system, and other public improvement for the Town of Trappe, and paying capitalized interest on and the costs of issuing the notes, all in anticipation of the future issuance of the issuer’s general obligation bonds or the receipt of grants for such purposes; providing that the notes shall be issued upon the full faith and credit of the Town of Trappe; providing for the disbursement of the proceeds of the sale of the notes and for the levy of annual taxes upon all assessable property within the corporate limits of the issuer subject to assessment for the payment of the principal of and interest on the notes as they shall mature; providing for the form, tenor, denomination, maturity date, interest rate and other provision of the notes; providing for the sale of the notes; and providing for the designation of specific projects to be financed with the proceeds of the notes and related purposes. A public hearing was held tonight at 6:45 pm. Commissioner Chase made a motion to approve Ordinance 7-2017. Commissioner Newnam seconded the motion.

Vote:

Newnam – Y Diefenderfer – Y Pritchett – Y Chase – Y
All approved, motion carried.

Ordinance 8-2017 - An Ordinance of the Town of Trappe, a municipal corporation of the State of Maryland, providing for the issuance and sale of up to (and including) One Million One Hundred Forty Thousand Dollars (\$1,140,000.00) par amount of general obligation bonds, to be issued and sold pursuant to the authority of sections 19-301, et seq. of the Local Government Article of the Annotated Code of Maryland (2013 replacement volume and 2016 supplement), as amended, and section 612 of the Charter of the Town of Trappe, for the purpose of providing funds necessary to pay the costs of upgrades to a well replacement, installation of a flow meter, upgrades to hypochlorite feed system, and other public improvement for the Town of Trappe, and paying capitalized interest on and the costs of issuing the bonds; providing that the bonds shall be issued upon the full faith and credit of the Town of Trappe; providing for the disbursement of the proceeds of the sale of the bonds and for the levy of annual taxes upon all assessable property within the corporate limits of the issuer subject to assessment for the

payment of the principal of and interest on the bonds as they shall mature; providing for the form, tenor, denomination, maturity date, interest rate and other provisions of the bonds; providing for the sale of the bonds; and providing for the designation of specific projects to be financed with proceeds of the bonds and related purposes. A public hearing was held tonight at 6:45 pm. Commissioner Newnam made a motion to approve Ordinance 8-2017. Commissioner Chase seconded the motion.

Vote:

Newnam – Y Diefenderfer – Y Pritchett – Y Chase – Y
All approved, motion carried.

Other Business:

Commissioner Newnam made a motion to authorize the Council President to execute the agreement with GMB for the design and bidding services for the Well 6 project. Commissioner Pritchett seconded the motion.

Vote:

Newnam – Y Diefenderfer – Y Pritchett – Y Chase – Y
All approved, motion carried.

Public Questions/Comments:

Commissioner Chase stated that he has talked to a Commercial realtor in reference to a couple of properties on the outskirts of Town limits and the question of how the Town can get the water to these properties was brought up for each property. This is also the same problem that the Lakeside developers have and the previous Castle Racket project had. Commissioner Chase stated that he would like to see if there is anything that the Town can do to help so these projects can get started.

Commissioner Chase stated that the Town received a letter from Bob Rauch a while back regarding the expansion of the treatment plant and that the cost would be paid by the development. However, when Ryan Showalter, Lakeside developer’s attorney, was last here and asked about it, he was unaware of this letter and commitment. Attorney Booth stated that no allocations have been purchased for the Lakeside Development and if someone approaches the Town looking for additional allocations the Town is able to sell them. The issue in some of these cases is the actual installation of the water and sewer lines to these properties and the cost to do so. Commissioner Chase stated that he would like the Town to sit down and talk to Nick Rocks directly and find out exactly where they are and where the Town is. Attorney Booth stated that she will work on getting a meeting set up.

Executive Session: No executive session is requested.

There being no further business to discuss, Commissioner Newnam made a motion at 7:13 pm to conclude the meeting. Commissioner Chase seconded the motion and it was unanimously approved.

Respectfully submitted,
Erin Braband, Town Administrator/Clerk