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**TOWN OF EASTON, MARYLAND**  
**Easton Town Hall**  
**14 S. Harrison Street**

November 3, 2008

**PRESENT AT CONVENING**

8 Mayor Robert C. Willey  
9 Council President John F. Ford  
10 Councilmember Maureen Scott-Taylor  
11 Councilmember Scott R. Jensen  
12 Councilmember Leonard E. Wendowski

**IN ATTENDANCE**

Also in attendance were the Town Attorney Mr. Kehoe, Town Manager Mr. Karge and Town Clerk Ms. Ruf.

**CONVENING**

At 7:13 p.m., President Ford called the meeting to order.

Mr. Jensen opened the meeting with prayer and led the audience in the Pledge of Allegiance.

**APPROVAL OF MINUTES OF OCTOBER 20, 2008 MEETING**

Upon motion by Ms. Scott-Taylor seconded by Mr. Jensen and carried unanimously; minutes of the October 20, 2008 meeting were approved as written.

**EASTON VOLUNTEER FIRE DEPARTMENT REPORT**

Mr. Jamie McNeal was present on behalf of the Fire Department and updated on October's calls.

Mr. McNeal asked Council's permission to attend the first Council meeting of the month to update on the previous month's activities.

Mr. McNeal discussed the passing of Past Chief Giles Aldeman. He stated that deceased members should be recognized and suggested sending something to the family from the Town. The department will notify the town of such instances.

Mr. McNeal thanked Ms. Scott-Taylor for her service and wished her best of luck in her new endeavor.

Mr. McNeal stated that the Department is concerned with the size of streets in developments and the ability to maneuver fire engines and parking issues. He asked that the Planning Department consider their concerns when approving developments or ask for their input. Mr. McNeal stated that Douglas Landing is a real issue to get trucks into.

**ITEMS BY MAYOR WILLEY**

Mayor Willey stated that a Special Election date will be set for First Ward vacant seat.

Mayor Willey discussed Attorney General Doug Gansler's visit here last week. He stated that a representative from their office will be visiting November 25 to meet with the Police Department.

Mayor Willey stated that the City of Cambridge and the Town of Easton are considering plans to incorporate mutual aid between the two municipalities.

Mr. Jensen asked that a letter be sent to Wal Mart's corporate office regarding noise from the cleaning of the parking lot at the Easton store. Mayor Willey asked Mr. Jensen to forward an address.

**ITEMS BY THE TOWN MANAGER**

Mr. Karge is in receipt of a request from the Lions' Club to sell Christmas trees on town property between the Amish Market and VFW starting November 28.

Upon motion by Mr. Jensen seconded by Mr. Wendowski and carried unanimously; permission was granted.

1 Mr. Karge discussed new bulk regulations and the necessity to pre-schedule pickup. He asked the  
2 public to call the public works department directly to schedule pickup.

3  
4 Mr. Jensen suggested an e-mail address to request pickup.

5  
6 Mr. Karge had a request from the Shireton's Homeowner's Association for the designation of a  
7 handicapped parking space. The Police Department suggested the space on Hanson Street closest to the  
8 Shireton and Dover Street.

9  
10 Upon motion by Ms. Scott-Taylor seconded by Mr. Jensen and carried, permission was granted to  
11 construct mark a handicap space for the Shireton.

12  
13 Mr. Karge discussed the timetable for the bond ordinance and asked Council's consideration for the  
14 ordinance after the public hearing this evening.

15  
16 **ORDINANCE NO. 541, "AN ORDINANCE OF THE TOWN OF EASTON GRANTING THE**  
17 **APPLICATION OF KETTLER HOMES AT ASHBY COMMONS, LLC FOR AN**  
18 **AMENDMENT TO THE EXISTING PLANNED UNIT DEVELOPMENT KNOWN AS ASHBY**  
19 **COMMONS UNDER THE PROVISIONS OF THE EASTON ZONING ORDINANCE."**

20  
21 Upon motion by Mr. Jensen, seconded by Ms. Scott-Taylor and carried, Ordinance No. 541 passed 3 to  
22 1 with Mr. Wendowski voting no.

23  
24 **ORDINANCE NO. 542, "AN ORDINANCE OF THE TOWN OF EASTON TERMINATING**  
25 **THE TOWN'S RIGHT TO IMPROVE GLEBE ALLEY AND ASHBY LANE, TWO**  
26 **UNIMPROVED STREETS OF THE TOWN OF EASTON BUT RETAINING A UTILITY**  
27 **EASEMENT OVER GLEBE ALLEY AND ASHBY LANE, AND AUTHORIZING THE**  
28 **EXECUTION AND DELIVERY OF QUITCLAIM DEEDS OR OTHER INSTRUMENTS OF**  
29 **CONVEYANCE BY THE TOWN TO NEIGHBORING PROPERTY OWNERS."**

30  
31 Upon motion by Mr. Jensen seconded by Ms. Scott-Taylor and carried, Ordinance No. 542 passed 3 to  
32 1 with Mr. Wendowski voting no.

33  
34 **PUBLIC HEARING TO RECEIVE COMMENTS ON ORDINANCE NO. 543.**

35  
36 At 7:31 p.m., the President of the Council opened the Public Hearing scheduled for 7:15 p.m. to  
37 receive comments on Ordinance No. 543.

38  
39 Mr. Karge outlined the necessity of the bond ordinance and what the funds will be used for. He  
40 discussed the upcoming trip to New York to meet with bond rating agencies.

41  
42 Mr. Wendowski discussed his concerns with the bond market in the current economic climate.

43  
44 Mr. Karge stated that our financial advisor has stated that the bond market is firming up. He stated that  
45 if the rates come in and are not favorable, we still have the opportunity to reject the bids. Mr. Karge  
46 discussed bonds looking attractive for investors looking for a guaranteed rate of return. He stated that  
47 the first step is to get the rating.

48  
49 Mr. Karge stated that the Town has alternative plans to refinance locally if need be. He stated that we  
50 won't know what the rates are until we have competitive bids on the day of the sale.

51  
52 Mr. Karge stated that the negative outlook that Moody's attached to the Town was removed two years  
53 ago and the expectation is that the rating agency should raise the Town's rating.

54  
55 Mr. Wendowski asked for a five year roll out of income and expenses and suggested taking a hard look  
56 forward budget wise due to the possibility of state cuts to municipalities.

57  
58 The Town Attorney stated that the crucial step is not how we are rated by the agencies but rather what  
59 interest rate the Town may get. If that is unacceptable, there is willingness from our lender to extend  
60 into the future as to such time we do have a bond issue.

61  
62 Dr. Callum Bain, member of Talbot River Protection Agency stated that this Ordinance is a major  
63 project. He stated that they would like to be on record and make some suggestions the council may  
64 find helpful. Dr. Bain commended the Mayor and Council on their long range plans to develop Easton  
65 Point. He stated that they think that parkland would be very desirable to the Town of Easton. He asked

1 that plans be shared with the taxpayers of the Town of Easton. Dr. Bain stated that the Tred Avon  
2 River is severely polluted near Easton. He stated that he supports Ordinance No. 543 but with  
3 reservations. Dr. Bain asked that holding ponds be considered to slow the entrance of stormwater into  
4 the river. He commended Easton Village's stormwater management practices. He stated that they  
5 question the decision to sell to a developer and paving large areas which they feel may worsen the  
6 stormwater runoff. He stated that they favor limited construction large enough to generate the  
7 necessary tax income or if possible the creation of parklands as an alternative which would be  
8 beneficial to all taxpayers. Dr. Bain discussed traffic on Route 322. Dr. Bain stated that TRPA is in a  
9 position to assist the Council due to their studies of the pollutants of the Tred Avon River.

10  
11 Ms. Eileen Deymier, P.O. Box 2706, Aurora Street, asked the Town Manager to explain what the  
12 budget was 12 million dollars short of real revenue means (April 26, 2007 minutes) and that all the  
13 capital requests are borrowed.

14  
15 Mr. Karge stated that he would like to look at what she is referring to. He stated that it probably has to  
16 do with budget requests and what is actually funded. Mr. Karge stated that it is not uncommon for the  
17 departments to come in with all kinds of requests and he expects that what the minutes are related to;  
18 requests versus available revenue.

19  
20 Mr. Peter Howell, 311 S. Aurora Street, asked what the annual cost is of ongoing debt service and if  
21 there is enough projected revenue to cover that cost or if the town will need to find additional revenue  
22 to fund ongoing debt service on a bank loan.

23  
24 Mr. Karge discussed the market determining the final cost and the factors involved. He stated that if  
25 the Mayor and Council commit to the bond issuance, it will pledge the full faith and credit and taxing  
26 authority of the Town of Easton to that end. He stated that this does not guarantee a tax increase; all it  
27 says that they will increase if need be which is a decision made by the elected officials at the time of  
28 every budget.

29  
30 Mr. Howell asked if the Town Council should conclude if the interest rates on the bond issue or bank  
31 financing are excessive in terms of the Town's ability to service the debt, does the Town has the option  
32 of scrubbing any of these line items for which the bond is proposed.

33  
34 Mr. Karge stated that somewhat. He discussed what contract has been signed and what has been  
35 approved and committed to. Mr. Karge stated that a bulk of the projects to borrow for had been  
36 decided on during the previous budget.

37  
38 President Ford stated that the record would be left open until close of business Friday. Written  
39 comments can be submitted to the Town Manager.

40  
41 Mr. Karge stated that there has been no action to dispose of the Public Works facility at this time.

42  
43 Ms. Patricia A. Betlejewski, President/Treasurer Talbot River Protection Agency, asked for  
44 clarification for Bryan Property and the total cost.

45  
46 Mr. Karge stated that the negotiated price with the Bryans for that property and the adjoining property  
47 is \$2.702 million. He stated that the short term financing at Talbot Bank was for \$2.75 million in case  
48 of closing or related costs. Mr. Karge discussed the process of declaring town property a surplus.

49  
50 **ORDINANCE NO. 543, "AN ORDINANCE TO AUTHORIZE AND EMPOWER THE TOWN**  
51 **OF EASTON (THE "TOWN") TO ISSUE AND SELL, UPON ITS FULL FAITH AND**  
52 **CREDIT, ELEVEN MILLION NINE HUNDRED NINETY-FIVE THOUSAND DOLLARS**  
53 **(\$11,995,000) MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF ITS SERIAL OR TERM**  
54 **MATURITY GENERAL OBLIGATION, FULLY REGISTERED BONDS PURSUANT TO**  
55 **THE AUTHORITY OF SECTIONS 31 TO 37, INCLUSIVE, OF ARTICLE 23A OF THE**  
56 **ANNOTATED CODE OF MARYLAND (2005 REPLACEMENT VOLUME AND 2007**  
57 **SUPPLEMENT) AND SECTION 19 OF ARTICLE VI OF THE CHARTER OF THE TOWN**  
58 **OF EASTON, THE BONDS, TO BE DESIGNATED "TOWN OF EASTON PUBLIC**  
59 **FACILITIES BONDS OF 2008", THE NET PROCEEDS OF THE SALE THEREOF TO BE**  
60 **USED AND APPLIED FOR THE PUBLIC PURPOSE OF FINANCING OR REFINANCING:**  
61 **(A) THE ITEMS DESCRIBED ON EXHIBIT A TO THIS ORDINANCE (COLLECTIVELY,**  
62 **THE "2008 UTILITIES PROJECTS"); (B) THE ITEMS DESCRIBED ON EXHIBIT B TO**  
63 **THIS ORDINANCE (THE "2008 PUBLIC FACILITIES PROJECTS"); (C) ALL RELATED**  
64 **ARCHITECTURAL, FINANCIAL, LEGAL, PLANNING AND ENGINEERING EXPENSES,**  
65 **AND (D) ALL EXPENSES INCURRED IN THE ISSUANCE OF THE BONDS, WHICH**

**EXPENSES INCLUDE COSTS OF DOCUMENT PRODUCTION AND REPRODUCTION, AND FINANCIAL ADVISORY AND COUNSEL FEES AND EXPENSES; PRESCRIBING THE FORM AND TENOR OF THE BONDS AND THE TERMS AND CONDITIONS FOR THE ISSUANCE AND SALE OF THE BONDS AT PUBLIC SALE, INCLUDING THE FORM OF THE NOTICE OF SALE; PRESCRIBING THE TERMS AND CONDITIONS OF THE BONDS AND ALL OTHER DETAILS INCIDENT TO THE ISSUANCE, SALE AND DELIVERY OF THE BONDS; PROVIDING FOR THE TOWN'S EASTON UTILITIES COMMISSION TO CHARGE, COLLECT AND REMIT TO THE TOWN FROM TARIFFS, SERVICE CHARGES OR OTHERWISE, REVENUES SUFFICIENT TO MEET THAT PORTION OF THE DEBT SERVICE REQUIREMENTS ON THE BONDS ATTRIBUTABLE TO THE 2008 UTILITIES PROJECTS, AND IN THE EVENT SUCH UTILITY REVENUES ARE INSUFFICIENT TO MEET SUCH DEBT SERVICE REQUIREMENTS, AND TO MEET THAT PORTION OF THE DEBT SERVICE REQUIREMENTS ON THE BONDS ATTRIBUTABLE TO THE 2008 PUBLIC FACILITIES PROJECTS, FURTHER PROVIDING FOR THE LEVY AND COLLECTION OF TAXES SUFFICIENT FOR THE PROMPT PAYMENT OF THE MATURING PRINCIPAL OF AND INTEREST ON THE BONDS AND PLEDGING THE TOWN'S FULL FAITH AND CREDIT AND UNLIMITED TAXING POWER TO THE PROMPT PAYMENT OF SUCH PRINCIPAL AND INTEREST; GENERALLY RELATING TO THE ISSUANCE, SALE AND DELIVERY OF THE BONDS; AND AUTHORIZING THE ISSUANCE OF A NOTE IN THE MAXIMUM PRINCIPAL AMOUNT OF ELEVEN MILLION NINE HUNDRED NINETY-FIVE THOUSAND DOLLARS (\$11,995,000) UNDER THE AUTHORITY OF SECTION 12 OF ARTICLE 31 OF THE ANNOTATED CODE OF MARYLAND (2003 REPLACEMENT VOLUME AND 2007 SUPPLEMENT) AND SECTION 19 OF THE CHARTER OF THE TOWN OF EASTON IN ANTICIPATION OF THE ISSUANCE OF THE TOWN OF EASTON PUBLIC FACILITIES BONDS OF 2008."**

Upon motion by Mr. Jensen seconded by Ms. Scott-Taylor and carried; Ordinance No. 543 was passed 3 to 1 with Mr. Wendowski voting no.

**ORDINANCE NO. 544, "AN ORDINANCE OF THE TOWN OF EASTON AMENDING ORDINANCE NO. 461 WHICH GRANTED THE APPLICATION OF ELM STREET DEVELOPMENT, LC FOR AN AMENDMENT TO AN EXISTING PLANNED UNIT DEVELOPMENT TO MODIFY THE REQUIREMENTS FOR THE OFF-SITE AFFORDABLE HOMES."**

President Ford introduced Ordinance No. 544 for a first reading.

President Ford stated that there will be an Affordable Housing workshop on the three homes soon to be available in the program on November 5 at 6:30 p.m. in the Council's Chambers.

**PUBLIC HEARING TO RECEIVE PUBLIC COMMENTS ON THE PROPOSED ISSUE OF ECONOMIC DEVELOPMENT REVENUE BONDS FOR THE WILLIAM HILL MANOR INCORPORATED**

At 8:15 p.m., President Ford opened the public hearing scheduled for 7:30 p.m., to receive public comments on the proposed issue of Economic Development Revenue Bonds for the William Hill Manor Incorporated.

On behalf of William Hill Manor, Mr. John Murray was present and introduced Ms. Donna Taylor, Executive Vice President of Operations for EMA and William Hill Manor; Mr. Charles Clark, Vice President of Facilities Development EMA; Ms. Kristine Hughes, EMA Corporate Counsel; Bill Stagg from Lane Engineering and Mr. John Devine, a partner to Mr. Murray who specializes in public finance.

Mr. Murray briefed the Council on the history of the conduit financing for some expansion at William Hill Manor. He stated that they are asking for an additional year from the effective date of this amendment.

Ms. Donna Taylor updated the Council on the status of the project.

Mr. Stagg distributed a site plan of the William Hill Manor property at 501 Dutchman's Lane.

Ms. Taylor discussed the improvements that have been underway. She stated that construction commenced in May and they are on target to complete this project by the summer of 2009.

1 | Mr. Kehoe stated [this is](#) not like bond discussed earlier in the meeting, the Town is acting as a conduit  
2 and the actual borrower is the Episcopal Ministry for the Aged and they are responsible for paying the  
3 loan back. He stated that this does not affect the Town's credit rating and does not involve the Town's  
4 full faith and credit and we are not liable but recognize this as a significant economic development  
5 project for the town.

6  
7 Mr. Wendowski stated that the Town receives a small fee for their services.

8  
9 Mr. Murray stated that it has been his privilege to work with Ms. Scott-Taylor in over 20 years in  
10 different capacities and he appreciates her service to this Town Council and he looks forward to  
11 working with her in her new capacity.

12  
13 President Ford stated that the written record will be kept open until the close of business on Friday.  
14 Written comments can be forwarded to Mr. Karge.

15  
16 At 8:27 p.m., President Ford closed the Public Hearing.

17  
18 **ITEMS FROM THE COUNCIL**

19  
20 Council members present thanked Ms. Scott-Taylor for her service to this Council.

21  
22 Mr. Ford reminded everyone that tomorrow is Election Day.

23  
24 Ms. Scott-Taylor stated that it has been a privilege to be a member of the Town Council. She thanked  
25 her constituents in Ward I that elected her. She stated that it is her goal to make Easton truly the best  
26 place in the State of Maryland to live.

27  
28 Mr. Kehoe stated that it has been a pleasure to work for her and it will be a greater pleasure to work  
29 with her.

30  
31 Ms. Scott-Taylor resigned her position as Councilmember for Ward I effectively immediately.

32  
33 **ADJOURNMENT**

34  
35 Upon motion by Mr. Jensen seconded by Mr. Wendowski and carried unanimously; President Ford  
36 adjourned the regularly scheduled meeting at 8:30 p.m.

37  
38 \_\_\_\_\_  
39 Kathy M. Ruf, Town Clerk