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

June 15, 2009

PRESENT AT CONVENING

8 Mayor Robert C. Willey
9 Council President John F. Ford
10 Councilmember Kelley K. Malone
11 Councilmember Pete Leshner
12 Councilmember Leonard E. Wendowski
13 Councilmember Megan M. Cook

IN ATTENDANCE

Also in attendance were the Town Attorney Ms. VanEmburch and Town Clerk Ms. Ruf.

CONVENING

At 7:00 p.m., President Ford called the meeting to order.

Ms. Malone opened the meeting with prayer and led the audience in the Pledge of Allegiance.

APPROVAL OF MINUTES

Upon motion by Mr. Leshner seconded by Mr. Wendowski and carried unanimously, minutes of the June 1, 2009 meetings were approved with corrections as submitted by Mr. Leshner.

ITEMS BY MAYOR WILLEY

Mayor Willey thanked Mrs. Cook for standing in for him and presenting the Mayor's trophy at Easton Middle School to the Girl's Lacrosse Team.

APPOINTMENT TO THE HISTORIC DISTRICT COMMISSION

Upon motion by Mr. Leshner seconded by Mr. Wendowski and approved unanimously, Mayor Willey's appointment of Mr. Mark Beck to the Historic District Commission for a three year term expiring April 15, 2012.

ITEMS BY THE TOWN MANAGER

Mr. Karge asked for approval for the following Public Assembly Permits:

- Summer Concert Series – 2009
- Cinema By Starlight – 2009
- Independence Week Carnival and Fireworks
- Plein Air-Easton/Shakespeare Outdoor Theatre

Upon motion by Ms. Malone seconded by Mr. Leshner and carried unanimously, the Public Assembly Permits as recommended by Easton Police Department were approved.

Mr. Karge was in receipt of a letter requesting permission to erect temporary signs with private property owners' permission promoting the Talbot County Fair to be held July 8 through July 11.

Upon motion by Mr. Wendowski seconded by Ms. Malone and carried unanimously, approval was granted to place the signs.

ITEMS BY THE TOWN ATTORNEY

Ms. VanEmburch advised that in regards to the Affordable Housing payment by the Lakelands developer, the December 31, 2009 date is acceptable to them.

AMENDED BUDGET RESOLUTION NO. 5948 FOR FY2009/2010

President Ford stated that this resolution sets the budget for FY2009/2010. He stated that there have been three worksessions regarding the budget and that the budget as proposed keeps the taxation rate the same as last year's. He discussed Moody's rating and outlined the internal reallocations.

1 Mr. Leshar commended Mayor Willey and the staff on their prudent fiscal management.

2

3 Upon motion by Mr. Leshar seconded by Ms. Malone and carried unanimously, Resolution No. 5948
4 passed following a roll call vote.

5

6 **ORDINANCE NO. 553, "AN ORDINANCE TO PROVIDE FOR THE RAISING BY**
7 **TAXATION THE AMOUNT NECESSARY TO PAY THE ORDINARY EXPENSES OF THE**
8 **TOWN OF EASTON AND TO PROVIDE FOR THE PAYMENT OF INTEREST ON THE**
9 **VARIOUS BOND ISSUES AND THE REDUCTION OF CERTAIN BONDS AND NOTES FOR**
10 **THE PERIOD OF TWELVE MONTHS AND SETTING THE INTEREST AND PENALTY**
11 **FOR DELINQUENT BILLS, COMMENCING ON JULY 1, 2009 AND ENDING JUNE 30,**
12 **2010."**

13

14 Upon motion by Mr. Wendowski seconded by Mr. Leshar and carried unanimously, Ordinance No.
15 553 passed following a roll call vote.

16

17 **ORDINANCE NO. 554, "AN ORDINANCE OF THE TOWN OF EASTON APPROVING**
18 **AMENDMENTS TO THE PLANNED UNIT DEVELOPMENT ("PUD") ZONING DISTRICT**
19 **KNOWN AS "LAKELANDS" WHICH WAS APPROVED BY ORDINANCE NOS. 458 AND**
20 **505 UNDER THE PROVISIONS OF THE EASTON ZONING ORDINANCE."**

21

22 Upon motion by Mr. Leshar seconded by Ms. Malone and carried unanimously, Ordinance No. 554
23 passed following a roll call vote.

24

25 **RESOLUTION NO. 5950, "A RESOLUTION OF THE TOWN OF EASTON APPROVING AN**
26 **AGREEMENT BETWEEN THE MARYLAND STATE POLICE, THE EASTON POLICE**
27 **DEPARTMENT AND OTHER STATE AND LOCAL LAW ENFORCEMENT AGENCIES**
28 **PERTAINING TO THE TALBOT COUNTY DRUG TASK FORCE."**

29

30 Mr. Karge advised that this agreement is nothing new.

31

32 President Ford stated that the Task Force already exists.

33

34 Upon motion by Ms. Malone seconded by Mr. Leshar and carried unanimously, Resolution No. 5950
35 passed following a roll call vote.

36

37 **PUBLIC HEARING TO PROVIDE THE PUBLIC AN OPPORTUNITY TO COMMENT ON**
38 **PROPOSED GAS SERVICE RATE REVISIONS.**

39

40 At 7:17 p.m., President Ford opened the Public Hearing scheduled for 7:15 p.m.

41

42 President Ford introduced Mr. Hugh E. Grunden, CEO and President of Easton Utilities.

43

44 Mr. Grunden discussed the gas system in Easton and the proposed timeline to implementation of the
45 gas service rate revisions. He stated that the period from start to finish is fairly long but the customers
46 will not see any cost increase immediately. Mr. Grunden discussed the impact of Cadmus closing and
47 stated that the request has not been amended due to the plant closing. He stated that there is an
48 anticipated 20% decrease in the bill to customers in the next winter period due to the cost of gas to
49 Easton Utilities.

50

51 Mr. Grunden stated that there is currently \$600,000 in energy assistance provided in the Easton Area.

52

53 Mr. Grunden discussed the gas system overview. He stated that the base rate pays for operating and
54 maintenance of system. The last adjustment in the base rate was requested and approved in 2003.

55

56 Mr. Grunden stated that the gas system is an old system; some pipe has been in the ground as long as
57 the early 1900's. He stated that it is an aging system that needs some repairs and replacement. He
58 discussed upcoming improvements and cost saving measures.

59

60 Mr. Grunden stated that they need the increase to keep pace with rising costs, more customers and to
61 make more of an investment in plant property.

62

63 Mr. Grunden stated that they intend to fund the Other Post Employment Benefits as prescribed by
64 GASBY. He stated that even with the 4.5% requested increase, Easton Utilities would still be offering
65 the lowest gas rates in the area; 11% below other service providers.

1 Mr. Grunden discussed proposed tariff revisions and the timetable for the rate increase.

2

3 At 7:31 p.m., President Ford asked for Council questions.

4

5 Mrs. Cook asked if the rate increase could be pushed until April 1.

6

7 Mr. Grunden stated that they need to get this in place for the winter months. If not, their condition
8 could further erode into a negative cash balance.

9

10 Mr. Wendowski discussed the problem with the water and utility bills lumped together in one bill.

11

12 Mr. Leshner asked what is included in the capital expense.

13

14 Mr. Grunden discussed the separate capital budget.

15

16 Mr. Grunden stated that as CEO of Easton Utilities, it is his fiduciary duty to come before this body
17 when an increase is needed.

18

19 At 7:48 p.m., President Ford asked for audience comments.

20

21 Mr. Tim Quinn, 8856 Roundhouse Circle read a statement into the record. He stated that the timing is
22 wrong and discussed the situation with properties in his neighborhood.

23

24 Ms. Catherine Poe, 209 Brookletts Avenue was present and stated that this is not the time. She stated
25 that the middle class is being asked to shoulder another burden. She stated that Easton Utilities should
26 tighten their belts until the economy turns around.

27

28 Ms. Charlene Marcum, 8834 Roundhouse Circle stated that foreclosure is running rapid in their
29 neighborhood. She stated that this is not at all a good time for rate increases.

30

31 Mr. Ronald Mitchell, 202 Dover discussed wintertime at the Inn and stated that it is not busiest time in
32 Easton for tourists. He stated that he opposes the increase and asked the Council to deny the request.

33

34 Mr. Grunden discussed the preparation of the case and the associated costs. He stated that they have to
35 base the rate case on the last audited financial statement. Mr. Grunden stated that they have \$40,000
36 invested in the rate case request and they are trying to salvage their investment which is about to
37 expire.

38

39 President Ford stated that the record will remain open until the end of business Friday this week. He
40 stated that the council should intend to vote on the rate request at the next meeting.

41

42 At 8:03 p.m., President Ford closed the public hearing.

43

44 **REVIEW OF INVOICES TOTALING \$1,239,120.10**

45

46 Upon motion by Mr. Wendowski seconded by Ms. Malone and carried, invoices totaling
47 \$1,239,120.10 were approved.

48

49 **ITEMS BY MEMBERS OF THE COUNCIL**

50

51 Ms. Malone discussed the busy week and the shock of the shooting at the Holocaust Museum. She
52 referenced the second Ward 1 gathering and stated that Easton Police Department was present and
53 talked about crime in the area. She discussed a Neighborhood Watch and commented on the park
54 cleanup at RTC scheduled for June 27th at 8:00 a.m.

55

56 Mr. Wendowski stated that they are still raising funds for Talbot County Senior Center which is
57 scheduled to open the middle of July. He encouraged the public to eat locally when possible.

58

59 Ms. ~~Cook~~Malone encouraged her constituents to get in touch with her regarding the Easton Utilities
60 proposed gas service rate revisions. She congratulated Easton Police Department on their recent torch
61 run and the Easton High School Girl's Lacrosse team.

62

63 President Ford stated that he is very impressed with Talbot County's Senior Center and that it is a
64 terrific facility.

65

1 **AUDIENCE COMMENTS**

2

3 Mr. John Lopes, Easton Club East was present and discussed the recent election. He stated that he had
4 conducted an analysis insight observation concerning the President of the Council election and there
5 had been a 61% turnout in the community.

6

7 **ADJOURNMENT**

8

9 Upon motion by Ms. Malone seconded by Mr. Leshner and carried unanimously; President Ford
10 adjourned the regularly scheduled meeting at 8:11 p.m.

11

12

13

Kathy M. Ruf, Town Clerk