

May 4, 2009

Executive Session

At 6:07 PM on this date the Denton Town Council held an executive session under the MD Annotated Code, State Government Article 10-508 (a), 2004 (1) (i) to discuss a personnel issue. All members of the Denton Town Council were present for this discussion. This session was held at the Denton Police Department.

At 7:00 PM the executive session was adjourned and the Town Council relocated downstairs for their regular meeting.

Regular Meeting

Mayor Foster called the regular meeting of the Denton Town Council to order at 7:04 PM on this date leading everyone in the Pledge of Allegiance to the Flag.

Mayor Foster asked that the record reflect that the Council had met earlier on this date in executive session to discuss a personnel issue.

Mayor Foster asked that the record reflect that all Council members were present.

Councilman Clendaniel made a motion to approve the minutes of the April 6, 2009 regular meeting and the April 20, 2009 working session, seconded by Councilman Branson, passing unanimously.

Public Hearing

Constant Yield

Mayor Foster opened a public hearing at 7:06 PM to receive public comments on the Fiscal Year 2010 Constant Yield tax rate.

Mayor Foster asked for comments from the Council – there were none

Mayor Foster asked for comments from the Staff – Staff advised of the State requirements for publishing and holding the constant yield public hearing.

Mayor Foster asked for comments from the Public –

Ms. Mary Brittingham, resident property owner, expressed her concerns over the proposed increase in real property taxes and questioned how the Council could justify the increase when income is less for many residents affected by the economy.

Councilman Branson explained that the Council is not looking to raise the tax rate; the increase is due to the rise in property value assessments which are determined by the State of Maryland. The State mandates the language of the constant yield notice and that makes it appear as though the Council is raising taxes.

Mr. Alfred Asche, resident property owner mentioned that the public notice calls for a 7.7% increase, that would be like raising the tax rate to \$.95. Staff clarified that the assessment is increasing 7.7% but that the tax rate itself is proposed to stay at \$.65 per \$100 of full property value.

Mr. Jeff Wright inquired as to what would happen when the property assessments go down in a couple years.

Councilman Clendaniel stated that no matter how you look at it, this is a tax increase to the residents, maybe not a rate increase but still a tax increase.

Councilman Porter stated that the value of property will decrease the next time assessed and that it will become a huge issue in about two years, but the 5% Homestead tax cap will help keep the taxes down.

Mr. Mike Asche, owner of the car wash on N. 6th St., mentioned that the property taxes on that property have doubled in the past six years. Increasing taxes is putting a squeeze on everyone who lives in Denton. Mr. Acshe recommended cutting out the flowers or the holiday decorations downtown and to trim the main street budget.

Mayor Foster thanked everyone for their comments and expressed that the Council understands the economic conditions.

With no further comments Mayor Foster closed this public hearing at 7:21 PM.

Ordinance #575 – Critical Area Lot Amendment

Mayor Foster opened a public hearing at 7:22PM to receive public comments on Ordinance# 575- An ordinance of the Town of Denton amending the Denton Town code by adding § 128-142.1 to adopt procedures for notifying the Critical Area Commission of project approvals and denials and by amending § 128-159 and adding § 128-159.1 for the purpose of complying with House Bill 1253 to ensure that non-conforming lots in the Critical Area are brought into conformance with the Critical Area Program and generally relating to the consolidation or reconfiguration of existing lots of record in the Critical Area in the Town of Denton.

Mayor Foster asked for comments from the State – there were none

Mayor Foster asked for comments from the County – there were none

Mayor Foster asked for comments from the Council – there were none

Mayor Foster asked for comments from the Public – there were none

With no further comments, Mayor Foster closed this public hearing at 7:23PM.

Ordinance #576 – Residential Rental Housing License and Inspection Program

Mayor Foster opened a public hearing at 7:24 PM to receive public comments on Ordinance #576 –An ordinance of the Town of Denton to amend the Denton Town Code to add Chapter 98 titled “Residential rental housing license and inspection” to establish a licensing and inspection program for residential rental dwelling units within the Town of Denton.

Mayor Foster asked for comments from the State – there were none

Mayor Foster asked for comments from the County – there were none

Mayor Foster asked for comments from the Council – there were none

Mayor Foster asked for comments from the Public –

Mr. Jeff Wright, Real Estate Agent owning several properties in town and a resident, asked for additional information regarding what this ordinance was about.

Mr. Bill Kastning, Director of Planning and Codes, advised that with the adoption of this program it would recognize and establish a registered rental inspection program that would begin 60 days after passage. The ordinance would allow the Town to periodically inspect rental dwelling units to insure the health and public safety of the tenants. Mr. Kastning advised that this would not apply to bedroom rentals, only those with out a separate kitchen and bathroom. Staff will work with the owners to make the necessary repairs before issuing fines, if the property is not brought into compliance with the recommendations.

Mr. Wright expressed that he was in favor of this program as it affects the whole town.

Mr. Larry Porter, Manager of several rental properties and resident, questioned that the Town already had an ordinance in effect for property maintenance and was there need to have both.

Staff replied that the property maintenance ordinance applies mostly to the outside of the dwelling and that the inside is only covered when complaint driven. Staff advised that the fees have yet to be determined, however, they will be brought before the Council at a later date for consideration.

Mr. Porter mentioned that existing governmental rental units are already required to have inspections, would the town recognize those inspections or require a separate inspection, and asked if this was to protect the resident's health and safety or to generate additional monies.

Staff replied that the fees will be similar to neighboring towns and that this program was drafted to protect the health, safety and welfare of the citizens. Staff will take into consideration those units that are already required to have inspections as to how to handle them.

Mr. John Griffin of County Management raised a concern about the fees the Town would charge, mentioning that the property managers are already paying a fee to the insurance companies to do inspections every two years.

Mr. Michael Daniels, resident, expressed that it was not the government's role. Having an ordinance like this goes beyond the authority to govern, that it's the people's property and telling them how to handle their property is wrong.

Mayor Foster mentioned that there are a segment of people who do not do the things our forefathers would approve of, but as a government body, we are obligated to maintain and have a decent place for our residents to live.

Councilman Gregory clarified that the property maintenance allows the town to address the outside but limits the interior unless complaint driven.

Ms. Mary Brittingham expressed that they keep their rental houses decent and this just gives one more level of bureaucracy. She suggested to the Town keep the rental fee reasonable and but have high fines for not complying.

With no further comments, Mayor Foster closed this public hearing at 7:56PM.

Ordinance #577 – FY2010 General Fund Appropriation

Mayor Foster opened a public hearing at 7:56 PM to receive public comments on Ordinance #577 – An ordinance of the Town of Denton to appropriate funds and estimate income in accordance with the budget adopted for fiscal year beginning July 1, 2009 and ending June 30, 2010.

Mayor Foster asked for comments from the State – there were none

Mayor Foster asked for comments from the County – there were none

Mayor Foster asked for comments from the Council – the Council agreed to look at the budget more closely to see if the tax rate could be decreased. The Council decided to hold a special budget working session on Wednesday, May 13, 2009 at 6:00 PM to take a closer look at the budget.

The Council agreed to change the working session meeting scheduled for May 18, 2009 to a special meeting to adopt the FY2010 General Fund Budget and to set the tax rates.

Mayor Foster asked for comments from the Public – there were none

With no further comments, Mayor Foster closed this public hearing at 8:03PM.

Petitions, Remonstrance's and Communication

Letter from Janet Fountain

Ms. Janet Fountain came before the Council requesting that modifications be made to the original infrastructure improvement plans in front of her property located at 530 High Street. A letter from Ms. Fountain along with two site maps was reviewed. Ms. Fountain advised that her property is the only one that does not have a driveway and or back yard for her to park her car in. She asked the Council to consider amending the curbing to allow her a place to park her car.

Mr. Getchell, Director of Public Works, provided some options to the Council and advised that each would have a cost associated with it. The curb could be cut out to provide a handicap assessable ramp or create a bump out; which would eliminate a sidewalk there. Staff advised the Council of the need to make a decision soon to avoid holding up the project any further.

Presently Ms. Fountain is parking her car on the Town's right of way which goes up to the fence in the front yard. With the proposed sidewalk and curb there will still be adequate on street parking.

The Council said they will consider what had been presented and make a decision soon.

Ordinances and Resolutions

Ordinance #575 - Critical Area Lot Consolidation and Reconfiguration

An ordinance amending the Denton Town Code by adding § 128-142.1 to adopt procedures for notifying the Critical Area Commission of project approvals and denials and by amending § 128-159 and adding § 128-159.1 for the purpose of complying with House Bill 1253 to ensure that non-conforming lots in the Critical Area are brought into conformance with the Critical Area Program and generally relating to the consolidation or reconfiguration of existing lots of record in the Critical Area in the Town of Denton.

Mr. Bill Kastning, Director of Planning & Codes, provided an overview of the two ordinances. The newest ordinance includes the amendments and comments from the Critical Area Commission. Whatever ordinance is adopted, the Critical Areas Commission must approve in order for it to be enforced.

Councilman Branson made a motion to adopt ordinance #575 that complies with the Critical Area Commission's recommendations, seconded by Councilman Gregory.

Discussion was held in which some of the Council members supported adopting the ordinance with the stricter language and see if the Critical Area's Commission would support.

Councilman Branson rescinded his motion.

Councilman Clendaniel made a motion to adopt the original version of Ordinance #575 with the stricter language, seconded by Councilman Gregory, passing unanimously.

Ordinance #576 - Rental and Group Home Registration and Notification

An ordinance to amend the Denton Town Code to add Chapter 98 titled "Residential rental housing license and inspection" to establish a licensing and inspection program for residential rental dwelling units within the Town of Denton.

Councilman Branson made a motion to defer until the June 1, 2009 meeting until fees are determined, seconded by Councilman Clendaniel, passing unanimously.

Ordinance #577 - Appropriations Ordinance

An ordinance to appropriate the General Fund Budget revenues and expenditures and to set the tax rates for FY2010.

Councilman Branson made a motion to defer adoption of this ordinance until the special meeting to be held on May 18, 2009, seconded by Councilman Gregory, passing unanimously..

Councilman Gregory made a motion to direct staff to schedule a working session on the budget for May 13, 2009 at 6:00 PM and to change the May 18, 2009 from a working session to a special meeting so the Council can adopt the budget and set the FY2010 tax rates, seconded by Councilman Porter, passing unanimously.

Ordinance #578 – Zoning Amendment to define “lodging house”

An ordinance of the Town of Denton amending the Denton Town Code Chapter 28, Section 128-8 to add a definition of “lodging house.”

Councilman Porter made a motion to introduce Ordinance #578, seconded by Councilman Clendaniel, passing unanimously.

Resolution #714 – CDBG Application Completion of North Denton Phase I Part II

A resolution to authorize the submission of an application for CDBG funds in the amount of \$403,276 for the completion of the North Denton – Phase I project.

Councilman Gregory made motion to adopt Resolution #714, seconded by Councilman Branson, passing unanimously.

Resolution #715 – CDBG Application Completion of Denton Town Office

A resolution to authorize the submission of an application for CDBG funds in the amount of \$75,000 to address accessibility issues in the Denton Town Office.

Councilman Branson made a motion to adopt resolution #715, seconded by Councilman Clendaniel, passing unanimously.

Reports of officers, board and committees

Utility Commission

On behalf of the Utility Commission and as a follow up to the previous working session, Mr. Andy Mackel came before the Council to continue discussion about the water and sewer rate model. Mr. Mackel provided the Council with three alternatives for raising the administration fees and usage rates:

Alternative #1 would increase the admin fee only.

Alternative #2 would raise the cost of the admin fee and the cost per thousand gallons of usage.

Alternative #3 would only increase the cost per thousand gallons of usage.

Discussion continued on the effect each option would have on the funds and the citizens and the fact that the Town is required to have a balanced budget and for the water and sewer fund to be self sufficient. At this time the water fund continues to run a deficit and in the next couple years both funds will be in the same situation.

Councilman Porter advised that this needs to be done.

Councilman Clendaniel wondered if Alternative #3 is selected, how much would the citizens conserve and the funds would still struggle.

Councilman Branson inquired when the billing would take affect. Staff advised that if the ordinance was adopted by June 1, 2009, the rates would begin July 1, 2009 and the citizens would see the first billing increase in October.

At the consensus of the Council, Councilman Porter directed staff to draft an ordinance for consideration to reflect Alternative #2.

Unfinished Business

Agenda #1- FY2010 Budget

The FY2010 General Fund Budget was presented to the Council for consideration of adoption.

Councilman Gregory made a motion to defer adoption until the May 18, 2009 special meeting, seconded by Councilman Clendaniel, passing unanimously.

New Business

Agenda #1 – Consulting Engineering Services:

Councilmember Gregory requested the opportunity to discuss Denton's present Consulting Engineering Services. Councilman Gregory stated that the Town has been using the current engineering firm since the early 1990's and that maybe the Town should consider bidding out these services. Councilman Gregory expressed that the Town should consider bidding out special services every three years to eliminate complacency.

Councilman Branson recommended that the Council get in put from the Staff on picking a firm, Councilman Clendaniel agreed with Councilman Branson.

Mr. Getchell, Director of Public Works advised the Council that presently the engineering services are divided between two engineering firms. Staff uses a RFP (request for proposal) for all new infrastructure projects. This helps to divide them up, giving more firms the opportunity to bid and gives staff the advantage of knowledge and diversity.

The Town Administrator provided an overview of the different projects handle by each firm, development consulting, public infrastructure, planning and inspections, and advised that GMB has many years of knowledge of the Town's existing infrastructure.

Councilman Gregory asked staff to put together an RFP for review.

Agenda #2 - LGIT Board of Trustees Election Ballot:

As a member of the Local Government Insurance Trust, the Town has the opportunity to participate in the election for the Board of Trustees.

Councilman Clendaniel made a motion to authorize the Mayor to cast the vote on behalf of the Town, seconded by Councilman Branson, passing unanimously.

Agenda #3 - Old High School Architectural Services

Chesapeake Culinary Center is ready to proceed with the development of plans and specifications for the renovations to the Old High School and submitted a request seeking the Town's approval to award the contract to BMK.

Councilman Gregory made a motion to proceed with the architectural services, seconded by Councilman Porter.

In discussion the Council asked to have Mrs. Beth Brewster do a presentation of the project for the Council at the June 1, 2009 meeting.

The motion passed unanimously.

Agenda #4 - Audit Bid Award

The bid proposal's for the Town's annual audit and financial report preparation for FY2009 through FY2011 have been reviewed and were presented to the Council for

consideration of awarding. Staff made a recommendation to the Council to award to Cherry, Bekeart & Holland.

Councilman Branson made a motion to award to the firm of Cherry, Bekeart & Holland, the motion was seconded by Councilman Porter.

In discussion Councilman Gregory wanted to know the reason for selecting this firm. Staff advised that it was important to consider the cost of staff time for the transition to a new firm, the difference between the bids would not provide a savings to the town at this time.

Councilman Branson expressed the importance of having a firm that is familiar and understands the Town.

The Mayor called for the vote on the motion. The motion passed unanimously.

Agenda #5 - Sharp & Lupine Deed – Second Street Easement

To comply with the County's request and to secure rights to future utility improvements, the Director of Public Works and the Town Attorney are requesting the Mayor sign one quitclaim deed for Sharp Rd, a portion of Lupine Lane (annexed in as part of the Glenfield Subdivision), and a right-of-way easement for the County's portion of Second Street.

Mr. Stephen Kehoe, the Town Attorney, provided an overview and the reason for getting an easement on the streets that are actually located in the County.

Mr. Getchell provided additional information.

Councilman Porter made a motion to authorize the Mayor to sign the quit-claim deed, right away and easement, seconded by Councilman Branson, passing unanimously.

Agenda #6 - Property Acquisition

Jim Benchoff, owner of the property located at 708 Gay Street, has agreed to sell his property to the Town for \$200,000. The Public Works Director discussed this potential purchase at the April 6, 2009 meeting of the Council and requested approval for this purchase. If approved, an additional \$10,000 will be included in the mortgage to make improvements to the site. The property was appraised at \$220,000, so the total cost involved is less than the appraised value. The costs have also been allocated in the FY10 Highway, Water, Sewer and General Funds.

Councilman Porter questioned the zoning and was advised by staff that the zoning does not apply for governmental use.

Councilman Gregory made a motion to purchase the property, seconded by Councilman Clendaniel, passing unanimously.

Agenda #7 - Line of Credit Renewal Consideration

PNC Bank has provided a Line of Credit Renewal letter.

Councilman Porter made a motion to renew the line of credit as presented, lowering back to \$200,000, seconded by councilman Branson, passing unanimously.

Agenda #8 - Small Business Loan

Mr. Michael McCrea submitted an application for a Small Business Loan. This has been reviewed by the Loan Review Committee and recommended for approval.

Councilman Porter made a motion to approve the small business loan request for Mr. McCrea, seconded by Councilman Branson, passing unanimously.

Miscellaneous

Mr. Bill Kastning advised that there have been no additional applicant to serve on the Board of Appeals. Consideration of appointment will be placed on the June agenda.

With no further discussion, Councilman Branson made a motion to adjourn this meeting at 10:06 PM, seconded by Councilman Clendaniel, passing unanimously.

Respectfully submitted,

*Karen L. Monteith
Clerk-Treasurer*