

**October 7, 2021**

**Regular Meeting**

Mayor McNinch called the Regular Meeting of the Denton Town Council to order at 7:00 PM on this date, leading everyone in the Pledge of Allegiance to the Flag.

Mayor McNinch thanked everyone for coming and explained how to use the chat feature for those joining us online.

Mayor McNinch asked that the record reflect that all Councilmembers were present.

Councilman Johnson made a motion to approve the minutes of the Sept. 2, 2021 Executive Session and Regular Meeting; the September 27, 2021 Executive Session, Special Meeting and Joint Working Session with the Planning Commission as presented. The motion was seconded by Councilman Branson.

Mayor McNinch mentioned that the September 27<sup>th</sup> meeting were held at the Visitor Center. The motion passed unanimously.

**Public Hearing**

**Ordinance #721 – Denton Water Main Project**

Mayor McNinch opened a public hearing at 7:06 PM to receive public comments on Ordinance # 721 - An Ordinance of the Denton Town Council, authorizing the issuance and sale by the Town of Denton (the "Borrower") of its General Obligation Bond in an aggregate principal amount not exceeding \$633,388.00 pursuant to the authority of the Maryland Water Quality Financing Administration Act (codified as Sections 9-1601 to 9-1622, inclusive, of the Environment Article of the Annotated Code of Maryland (2014 Replacement Volume and 2020 Supplement); Section 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland (2013 Replacement Volume and 2020 Supplement); and Section C6-21 of the Charter of the Town of Denton, the bond, to be designated "Town of Denton Drinking Water Bond" (with such modifications or other designations or titles as may be agreed to by the Borrower and Maryland Water Quality Financing Administration (the "Administration"), the net proceeds of the sale thereof to be used and applied for the public purpose of financing or refinancing costs of a project generally referred to by the Borrower as the Denton Water Main Replacements Project.

Mayor McNinch asked for comments from the State: there were none

Mayor McNinch asked for comments from the County: there were none

Mayor McNinch asked for comments from the Council:

Councilman Lister mentioned that this bond is to support infrastructure growth and to move forward with antiquated infrastructure improvements.

Mayor McNinch asked for comments from the Public: there were none

With no further comments, Mayor McNinch closed this Public Hearing at 7:06 PM.

**Ordinance #722 – Refinancing Infrastructure Debt**

Mayor McNinch opened a public hearing at 7:07 PM to receive public comments on Ordinance #722 - An Ordinance of the Denton Town Council authorizing an aggregate principal amount not to exceed \$2,400,000 of public debt (the "Bonds") to be issued under the State of Maryland's Local Government Infrastructure Financing Program, pursuant to the authority of Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended. The purpose of this debt is to (i) finance or refinance a portion of the costs for financing and/or refinancing the following projects: infrastructure loan

debt associated with utility upgrades and road restoration of S. Fifth Ave. and portions of Market Street and S. Eight Street, (ii) to pay the costs of issuance of the Bonds.

Mayor McNinch asked for comments from the State: there were none

Mayor McNinch asked for comments from the County: there were none

Mayor McNinch asked for comments from the Council:

Councilman Lister mentioned this is an opportunity for the Town to refinance some existing infrastructure debt with a potential savings of around \$300,000 on the interest payout on the debt.

Mayor McNinch asked for comments from the Public: there were none

With no further comments, Mayor McNinch closed this public hearing at 7:08 PM.

### **Petitions, Remonstrance's, and Communication**

Councilman Johnson mentioned the Town's Halloween Policy has not been updated since 1996. When Halloween falls on a Sunday the policy establishes for Trick or Treating to be held on Saturday, and currently the hours observed are from 6:00 – 7:30PM.

Councilman Johnson recently hosted an online survey to hear from the community. He received 236 responses to the survey and shared that most of those who participated in the survey want the hours to be from 6:00 - 8:00 PM and the majority would like for Halloween to be observed on the traditional Oct. 31<sup>st</sup>, no matter what day of the week it falls on. Councilman Johnson shared that it has been eleven years since Halloween fell on a Sunday, and he asked for support to change the policy.

There was discussion on the timing of the request, maybe too late to change this year. Many local churches and organization have scheduled their events to be held at the same time and based on the Town's existing policy which has been posted. Those participating are encouraged to turn their outside light on and if they do not, keep the light off.

Councilman Lister made a motion to following Halloween 2021, that the Town will not move the date and will always observe Halloween on the 31<sup>st</sup> regardless of which day of the week it falls on. Motion was seconded by Councilwoman Wilson, passing 4-1, with Councilman Johnson voting no.

Mayor McNinch shared a letter received, seeking the Town's support to proclaim November as Family Court Awareness Month. She will provide the letter to staff to place on the November agenda for consideration.

### **Ordinances and Resolutions**

#### **Ordinance #721 – Denton Water Main Project**

An Ordinance of the Town of Denton authorizing the issuance and sale by the Town of Denton (the "Borrower") of its General Obligation Bond in an aggregate principal amount not to exceed \$633,388.00 pursuant to the authority of the Maryland Water Quality Financing Administration Act.

Councilman Johnson made a motion to adopt Ordinance #721, seconded by Councilman Lister.

In discussion, Mr. Don Mulrine, Town Administrator, provide a summary of the water infrastructure project.

Mr. Chris Drummond, Town Attorney, shared that the funding will be through a tax-exempt bond issuance.

With no further discussion, Mayor McNinch asked for a vote on the motion on the floor to adopt Ordinance #722.

The motion passed unanimously.

**Ordinance # 722 – Refinancing Infrastructure Debt**

*An Ordinance of the Denton Town Council authorizing an aggregate principal amount not to exceed \$2,400,000 of public debt (the “Bonds”) to be issued under the State of Maryland’s Local Government Infrastructure Financing Program, for the purpose of refinancing existing infrastructure loan debt associated with utility upgrades and road restoration of S. Fifth Ave. and portions of Market Street and S. Eight Street, and to pay the costs of issuance of the Bonds.*

*Councilman Lister made a motion to adopted Ordinance #722, seconded by Councilman Johnson.*

*In discussion, Mr. Don Mulrine, Town Administrator, shared that this provides the Town the opportunity to potentially see a \$300,000 saving on interest of the life of the loans.*

*Mr. Chris Drummond, Town Attorney, shared that the funding is through a tax-exempt bond issuance.*

*With no further discussion, Mayor McNinch asked for a vote on the motion on the floor to adopt Ordinance #722.*

*The motion passed unanimously.*

**Reports of Officers, Boards, and Committees**

*Councilman Lister provided a summary of the Utility Commission Meeting where they discussed the American Rescue Plan funding and support moving forward with expanding water and sewer infrastructure and getting services to areas where is not currently available. The Utility Commission also supports looking into providing broadband infrastructure.*

*Councilman Lister mentioned that Utility Commission chair Mr. Scott Getchell’s term will be expiring soon. Mr. Getchell is interested in being reappointed but not be the chairman.*

*Councilman Johnson shared concerns of the Planning Commissions survey efforts, stating it is a lot of work with very little participation in the comprehensive plan discussion from the local churches.*

*Councilman Johnson mentioned that the residents of the Gardens have shared concerns about water issues and the sulfur smell. He complimented staff on their knowledge and assistance. Further stating that Mr. Mark Chandler, the Water/Wastewater Treatment Plant Superintendent, explained that the smell is due to the hot water heaters being supplied with a magnesium rod, when the developers had been advised to make sure the heaters were supplied with a zinc rod.*

*Mr. Chandler further explain that with the chlorinated water, there is a reaction when the water mixes with magnesium rods.*

*Mr. David Renshaw, Senior Codes Enforcement Officer, has contacted the developer of the issues and he thinks his plumber did not switch out the rods, but will have this taken care of.*

*Councilman Johnson complimented Mr. Phil Clark, Superintendent of Public Works, Water & Sewer, and Ms. Joanna Reedy, Account Clerk, on their assistance in helping Calvary Baptist Church, by notifying them quickly of high-water usage and then further assisting in finding the leaks so the Church can work to make repairs.*

*Councilman Johnson mentioned he is going to work with Angel Perez of the YMCA, on the Holiday Decorating Contest, decorating the lot downtown and Downtown Denton Main Street will be hosting a decorating contest for the store windows downtown.*

*Mayor McNinch announced that the North Carolina High School Bulldogs Homecoming Parade will be held tomorrow evening, October 8, at 5:00 and asked if anyone was available to ride with her. Council Branson said he would participate; Councilwoman Wilson and Councilman Johnson might be able to as well.*

Mayor McNinch announced that the Local Government Insurance Trust recently used the Visitor Center to hold their Defensive Driving Training Program. They had 29 participants, 8 of which were Town employees.

Mr. Mulrine provide an update on the funding for the Fourth Street Park and Sharp Road Park.

**Unfinished Business**

No unfinished business was discussed

**New Business**

**Agenda #1 – FY2023 Homestead Tax Credit Cap**

The Town's current Homestead Tax Credit Percentage Cap for Denton was reduced from 5% to 3% in 2019. Staff provided a five-year homestead tax credit statistics and the 2022 estimates.

Discussion was held to see if the Council wanted to make any changes for Tax Year beginning July 1, 2022.

Councilman Lister made a motion to continue the tax credit cap at 3% for the following tax year, seconded by Councilman Branson.

Councilman Lister shared the tax credit statistics and how keeping the cap lower benefits and helps to reduce the tax burden for many households, as the Council continues to find ways to reduce taxes.

Councilman Johnson added that Denton has the lowest cap in the mid-shore region and he would hesitate to lower it more until the Town realizes the full effect of COVID and what the 2024 reassessed values will be.

Mayor McNinch asked for vote on the motion to keep the credit tax cap percentage the same for 2022.

The motion passed unanimously.

**Agenda #2 – Public Works Snowplow Purchase**

Mr. Phil Clark asked for consideration to move forward with purchasing a snowplow for the new dump truck. A quote for the purchase from Brass Sales for a price of \$9,573.00.

Councilman Lister made a motion to make the purchase for \$9,573, seconded by Councilman Johnson, passing unanimously.

**Agenda #3 - St. Luke's UMC Parking Lot Request**

Mr. Mulrine shared a request received from St. Luke's United Methodist Church seeking a contribution from the Town to repave the church parking lot.

Mr. Mulrine mentioned that the Town's Road Money has already been designated towards street repairs, if the Council is inclined to contribute, funding would need to come from the Town's General Fund. The lot is used occasionally for the car show that was hosted by former Councilman Danielson.

Councilman Lister added that the Town does not use the parking lot anymore.

No action was taken on the request.

**Agenda #4 - Franklin Street Municipal Lot**

Following up on the previous discussions, Mr. Mulrine shared a letter received from Mr. JOK Walsh, Chairman of the Denton Development Corporation, supporting eliminating two parking spaces of the Franklin Street Municipal Lot to create an egress for the owners of 322 Market Street. Mr. Mulrine provided additional details of the project. The DDC letter references that the proposed project will facilitate improvements, bring job creation, and provide additional municipal parking spaces in the downtown.

*Mr. Drummond asked that the owners of 322 Market St., need to submit a proper plat to be used to create the cross easements and have agreements drawn up to be recorded among the land records so that years from now everyone understands the arrangements.*

*Mayor McNinch asked if anyone wanted to make a motion contingent to the Attorney's recommendation.*

*Councilman Johnson stated he would make that motion, seconded by Councilwoman Wilson, the motion passed unanimously.*

**Agenda #5 - Caroline County Council of Arts – Property Inquiry**

*Mr. Nicholas Tindall, President of the Caroline County Arts Council spoke with Council seeking the Town to donate or consider leasing a portion of parcel located next to their building known as 6 N. Fourth St. The CCAC has been using the grass area for parking, however they would like to make improvements, consider paving it to create four parking spaces and be able to use it for special events.*

*Discussion was held pertaining to possible restrictions from the grant funds originally used to acquire the land, in which the Town may not be able to sell the lands but to consider having the Town Attorney draft a lease agreement.*

*Councilman Lister made a motion to have the Attorney draft and extend a five-year lease agreement for the proposed property at \$1 a year lease rate, seconded by Mayor McNinch, passing 4 votes. Councilwoman Wilson abstained as she serves on the CCA Board.*

**Miscellaneous**

*Councilman Johnson followed back up on a previous citizen complaint about the Third St. Basketball Courts, he went around and visited the neighborhood and talked to other residents of the area and found that they do not want to see the courts moved. He acknowledged that a couple of residents in the audience were present in support for it staying a basketball court.*

*Discussion was held on extending the fence higher or installing a sport type netting to keep the balls from going out onto the street and keep the kids from having to run out in the street to get the balls. Staff will continue to explore safety options.*

*Mayor McNinch mentioned Mr. Terae Warner's basketball painting project with those in the audience and how it will be good to get the kids in the community involved to help with the project.*

*With no further discussion, Mayor McNinch adjourned the meeting at 8:10 PM.*

*Respectfully submitted,*

*Karen L. Monteith,  
Clerk - Treasurer*