

**ST. MARYS COUNTY
BOARD OF COUNTY COMMISSIONERS MEETING
GOVERNMENTAL CENTER
Tuesday, June 3, 2008**

Present: Commissioner President Francis Jack Russell
Commissioner Kenneth R. Dement
Commissioner Lawrence D. Jarboe
Commissioner Thomas A. Mattingly, Sr.
Commissioner Daniel H. Raley
John Savich, County Administrator
Betty Jean Pasko, Sr. Administrative Coordinator (Recorder)

CALL TO ORDER

Commissioner President Russell called the meeting to order at 10:00 am.

APPROVAL OF CHECK REGISTER

**Commissioner Mattingly moved, seconded by Commissioner Jarboe, to authorize the Commissioner President to sign the Check Register for checks dated June 3, 2008, as submitted.
Motion carried 5-0.**

APPROVAL OF MINUTES

Commissioner Jarboe moved, seconded by Commissioner Dement, to adopt the minutes of the Commissioners meeting of May 27, 2008, as presented. Motion carried 5-0.

PROCLAMATIONS

National Nursing Assistants Week, June 12th through the 19th, 2008
Theme: Caring Hands, Loving Hearts

Present: Kim Wood, Director of Nursing; St. Marys Nursing Center
Tikisha Hall, Nursing Assistant of the Year

St. Marys County Crab Festival Day, June 8, 2008
Will be held at the St. Marys County Fairgrounds, Leonardtown, MD

Present: Carolyn Laray, Tourism Manager

Charlie Breck, Chairman, St. Marys County Crab Festival
Jim Raley, Crab Festival Founding Member
Dick Russell, King Lion of Leonardtown Lions Club, Crab Festival Event
Producer

INTRODUCE NEW HUMAN SERVICES DEPT. DIRECTOR BENNETT CONNELLY

Present: Bennett Connelly, Director, Dept. of Human Services
Julie Ohman, Mental Health Coordinator

Mr. Bennett Connelly was introduced and welcomed as the Director of the newly formed Department of Human Services, effective June 1, 2008. Prior to this appointment, Mr. Connelly was the Director of the Local Management Board in St. Marys County for the past five years.

Mr. Connelly defined the Dept. of Human Services (DHS) as a coordinating/planning office and clarified that the DHS will not actually provide the direct service; i.e., the direct service agencies will continue to operate. DHS will seek opportunities to have service agencies work closer together, providing a seamless system of services for all the citizens of the County, regardless of their ages.

The Human Services Council (HSC) members should be appointed over the next four to six weeks. The HSC will help guide the work of the DHS. Key strategies will be defined that cut across housing, transportation, health care, mental health, and substance abuse programs and services.

Mr. Connelly was joined at the presentation table by Julie Ohman, who was introduced as the new Mental Health Coordinator. Ms. Ohman has 10 years experience working with Mental Health services in St. Marys County.

Mr. Connelly said that he anticipates having DHS fully staffed by fall 2008 and plans to provide regularly scheduled updates to the Board of County Commissioners quarterly or as appropriate.

The Office of Human Services number is 301 475-4200 ext. 1601.

OFFICE OF THE COUNTY ATTORNEY: REQUEST AUTHORIZATION TO PROCEED WITH SCHEDULING OF PUBLIC HEARING ON PROPOSAL TO ALLOW A PROPERTY TAX CREDIT FOR THE INSTALLATION OF CERTAIN FIRE PROTECTION RESIDENTIAL SPRINKLER SYSTEMS

Present: Christy Holt Chesser, County Attorney
Denis Canavan, Director, LU&GM
Elaine Kramer, CFO, was also present

Ms. Chesser stated the purpose for today's presentation is to request BOCC direction and authorization to schedule a public hearing.

The following background information was reviewed:

- On October 29, 2007, the BOCC adopted Ordinance Number 2007-12, St. Marys County Residential Sprinkler and Fire Fighters Safety Ordinance amending Chapter 203 of the Code of St. Marys County to add certain provisions relating to residential sprinkler systems; i.e., requiring the installation of an interior automatic sprinkler system for all new one- and two-family residential construction served by centralized public water system or shared water system under the maintenance of the Metropolitan Commission as of the ordinance effective date of February 1, 2008.
- As an incentive to encourage homeowners to install sprinkler systems, Section 5 of Ordinance No. 2007-12 states The requirement for interior automatic fire sprinkler systems shall not apply to new homes in the County that are not served by a centralized public water systems or a shared water system, however, the homeowner may install an interior sprinkler system as an option and receive a tax credit as determined by the Board of County Commissioners under a separate ordinance. Section 6 states All homeowners that retrofit their existing homes by installing a sprinkler system may receive a tax credit as determined by the Board of County Commissioners under a separate ordinance.
- At the BOCC meeting on January 22, 2008, Mr. Canavan and Ms. Kramer requested BOCC authorization to proceed with scheduling a public hearing regarding the property tax credit proposal. At that meeting, the BOCC responded with several requests and questions.

Ms. Chesser presented two versions of a draft ordinance to amend Chapter 267 of the Code of Public Local Laws of St. Marys County Maryland to allow a property tax credit for certain fire protection residential sprinkler systems. Version annotated (1) applies to voluntary installations, houses outside of the development district, and those that retrofit existing homes. Version annotated (2) applies to all single family dwellings.

Ms. Chesser requested BOCC direction regarding credit applicability, amount, and duration. As drafted, a taxpayer may receive a one-time property tax credit; i.e., \$1,500 installed in a new single family dwelling, \$2,000 to retrofit existing qualifying single family dwelling, if an approved fire sprinkler system is voluntarily installed on or from February 1, 2008 through February 1, 2011. The authority to issue the tax refunds would end on April 1, 2012.

Mr. Canavan reviewed his May 30, 2008, memo: Staff Response to BOCC Fire Sprinkler Ordinance Questions. The memo addresses questions relative to a scenario where a home is converted to an antique shop. It clarifies the installation standard used is NFPA 13D. Also, it states that on June 17, 2008 the State Fire Prevention Commission will vote on the issue of allowing certification of plumbers to install NFPA 13D sprinkler systems. Mr. Canavan said he feels certain they will vote affirmative.

Mr. Canavan also reviewed his May 27, 2008, memo: Financial Rebate for the Installation of Fire Sprinkler in a Single Family Home. Seven hundred (700) single family residences were built in the County in 2007. Comparing the number of permits issued for single family homes (including modular and mobile) from January through April 2007 and for the same months in 2008, shows a 47% decrease in the number of permits issued. If this same percentage reduction continues for the entire year, the number of single family home permits will be 329 for 2008 (as compared to 700 in 2007).

Mr. Canavan reviewed projected rebate fiscal implications for both of the ordinance versions and based on both the \$1,500 and the \$2,000 rebate estimate figures.

\$1500 Rebate (tax credit)

A \$1500 rebate multiplied by the estimated 329 single family homes county-wide built in 2008 would yield ($329 \times \$1500 = \$493,500$). If a \$1500 was considered for an estimated 148 homes built in 2008 on private wells were offered the rebate would yield ($148 \times \$1500 = \$222,000$). That assumes that all estimated home owners would entertain the option and would install a sprinkler system. An assumption that is unlikely. If only 10% of the homeowners on private wells installed a system the rebate would be ($15 \text{ homes} \times \$1500 = \$22,500$). If 1% or only 2 homeowners entertained the option the rebate would be $2 \text{ homes} \times \$1500 = \$3,000$.

\$2000 Rebate (tax credit)

A \$2000 rebate multiplied by the same estimated 329 single family homes county-wide built in 2008 would yield ($329 \times \$2000 = \$658,000$). If the same rebate was offered only for an estimated 148 homes built in 2008 on private wells, the rebate would yield ($148 \times \$2000 = \$296,000$). Again that assumes that all estimated home owners would entertain the option and would install a sprinkler system. With only 10% of the homeowners participating the \$2000 rebate would yield ($15 \text{ homes} \times \$2000 = \$30,000$). If 1% or only 2 homeowners entertained the option the rebate would be $2 \text{ homes} \times \$2000 = \4000 .

Discussion ensued regarding:

- extending the tax credit deadline (the BOCC could vote to extend or revoke the tax credit)
- yearly budget implications
- tax credit is retroactive (within this tax year)
- Clarification that option (1) applies to voluntary installations; installations not required by County ordinances. Central water is not optional and does not apply to option (1). Option (2) applies to all, including required and voluntary installations.
- Option (2) has greater budget implications
- If both or one of the draft ordinance versions should be taken to public hearing.

Commissioner Russell expressed his preference for ordinance version option (1), which he feels is more in alignment with the original ordinance incentives.

Commissioner Jarboe moved, seconded by Commissioner Dement, that the Office of the County Attorney proceed with scheduling a Public Hearing on the proposal to allow a Property Tax Credit for the installation of certain fire protection residential sprinkler systems, presenting version option (2) of the draft ordinance. Motion carried 4-1. Commissioner Russell voted no.

**STATE HIGHWAY ADMINISTRATION MD 4 THOMAS JOHNSON BRIDGE
PROJECT PLANNING STUDY TEAM ALTERNATE PUBLIC WORKSHOP
PRESENTATION BRIEFING**

Present: Mike Perrotta, Project Mgr.

Mr. Perrotta provided a presentation and briefing on information that will be presented at the upcoming Alternates Public Workshop, to be held June 17, 2008, from 5:00 pm to 8:00 pm at the Town Creek Elementary School in Lexington Park, MD. The presentation addresses five alternatives for improving capacity and traffic operations and increasing vehicular and pedestrian safety relative to the Thomas Johnson Bridge. A workshop will also be held in Calvert County on June 16, 2008, at the Dowell Elementary School.

The project location and design public hearing is targeted for Fall 09 with the project location and design approval targeted for Winter of 2010/2011. The project is currently funded only for the planning phase.

Commissioner Jarboe expressed interest in considering ferry service (at the Navy Base Annex), such as during the construction phase. Commissioner Russell suggested pursuing short-term improvements. Mr. Perrotta said Alternate 2 Transportation System Management and Travel Demand Management addresses low cost, short-term improvements and strategies.

DEPT. OF FINANCE: REVIEW AND DISCUSS OPEB TRUSTS

Present: Elaine Kramer, CFO
Jeannett Cudmore, Deputy Director

A packet of four draft Other Post Employment Benefit (OPEB) trust documents were presented for BOCC input and questions prior to finalizing and returning on June 10, 2008, for BOCC approval.

The St. Marys County, Maryland, Retiree Health Benefit Plan (SMC Health Plan) and the Retiree Benefit Trust of St. Marys County, Maryland (SMC Trust) must be approved prior to June 30, 2008, in order to be fully compliant with the Governmental Accounting Standards Board Statement GASB for post employment health benefits.

- In FY2008, the ARC (Annual Required Contributions) is being fully funded and began adding some fund balance to pay down the liability. The FY2009 budget fully funds the ARC and again uses some fund balance to pay down the liability. Coupled with the benefit changes, this has helped reduce future recurring costs related to the cost of retiring health benefits.
- Started with liability of 60 million; FY2009 budget used just under 16.2 million (fund balance to pay down initial liability).

- Annual costs set aside for FY2008 and FY2009 are 4.6 and 4.7 million respectively. Some will go to Paygo Health Retiree Benefits (for the existing retirees already receiving benefits). The rest will go into the trust.
- End of FY2009, trust will be approximately 20 million.

The SMC Health Plan basically documents what is currently in effect relative to retiree benefits. This document, along with its attachment, sets forth the key components of the plan. The attachment, Exhibit A provides more details, consistent with the HR Policy Manual, about current information provided to employees regarding retiree health benefits. Ms. Kramer reviewed the SMC Health Plan draft document.

Legal consultant, Whiteford Taylor, retained as part of the Countys OPEB process, drafted the SMC Trust. This is the trust just for St. Marys County government retirees. There may also be a pooled investment trust with MetCom and the Library. The MD Associations of Boards of Education recently finalized and implemented its pooled trust and the individual trust, in which the St. Marys County Board of Education is participating. Ms Kramer said, as she understands, there has been some discussion about broadening their capability, to open their pool trust to county governments.

The suggested trustee make-up for the St. Marys County OPEB trust (identified in the SMC Trust by position) was the County Administrator, the Chief Financial Officer and the Director of Human Resources. Discussion ensued about additional membership including the County Attorney, a private citizen, and a County Commissioner. The pooled trust agreement stipulates the trustees as the County trustees and up to two members of each of the participating employer trusts.

Discussion and decisions:

- The County trust should consist of five members; i.e., County Administrator, CFO, HR Dir., County Commissioner, and a private citizen. The private citizen should probably have some institution investment experience.
- Term should be four years (for the County Commissioner and the private citizen) and should be defined in document. The BOCC will need to name a new representative after the election; Current Board terms will end in two years -- term rotation needs to be addressed).

LU&GM: DECISION ON PLUMBING & FUEL GAS ORDINANCE

Present: Adam Knight, Deputy Code Official

The BOCC Public Hearing was conducted on May 6, 2008. During the ten-day open record period, one letter was received from the St. Marys County Commission on the Environment in support of the proposed revision.

In response to discussion at the public hearing, a brief survey was sent to other jurisdictions.

Out of 26 counties in Maryland, 18 responded to survey questions as follows:

1. Do you allow homeowners in your county to do their own plumbing? (12-Yes, 6-No)
2. Do you allow homeowners in your county to do their own final connections? (8-Yes, 10-No)
3. Do you allow homeowners in your county to do their own fuel and gas work? (2-Yes, 16-No)
4. Do you require the home homeowner to pass an exam or apply for a permit to do their own work? (7-Yes, 11-No)

Mr. Knight presented three ordinance options:

Option A - allowing unlicensed individuals (homeowners) to perform plumbing installation only in their own home, after they have met the required five conditions as outlined in ARTICLE I Section G.

Option B - allowing unlicensed individuals (homeowners) to perform plumbing installation only in their homes after they have met the four conditions as outlined in ARTICLE I Section G.

Option C - allowing unlicensed individuals (homeowners) to perform plumbing installation only in their homes.

To allow for transition and training, the Plumbing and Fuel Gas Board recommended an October 1, 2008 Effective Date.

There was Board discussion about concern for unlicensed contractors doing substandard work (there have been occasions where the homeowner contacted the BOCC for help) and circumventing the system (not fair to master plumbers, who have a lot invested).

Commissioner Mattingly felt that Option B does not present a financial burden for the homeowner and is a step in the right direction toward protecting the homeowner.

Commissioner Mattingly moved, seconded by Commissioner Raley, in support of adopting Option B. Motion failed 2-3 (Commissioners Jarboe, Dement, and Russell voted no).

There was additional discussion about homeowner responsibility and concern for forcing restrictions. Option C revises the Code without enforcing additional restrictions on homeowners.

Commissioner Jarboe moved, seconded by Commissioner Dement, that the 1993 National Standard Plumbing Code Illustrated with 1994 and 1995 Supplements be repealed and the 2006 National Standard Plumbing Code Illustrated and the 2006

National Fuel Gas Code, ANSI Z223.1, NFPA 54 be adopted as the St. Marys County Plumbing and Fuel Gas Code, effective October 1, 2008, and to sign the Ordinance Option C allowing unlicensed individuals (homeowners) to perform plumbing installation only in their homes. Motion carried 3-2. (Commissioners Raley and Mattingly voted no).

COUNTY ADMINISTRATOR

1. Draft Agenda for June 10, 2008 (no BOCC meeting on June 17)
2. **Dept. of Public Works and Transportation** (*George Erichsen, P.E., Director*)

Commissioner Raley moved, seconded by Commissioner Jarboe, to approve and authorize Commissioner President Russell to sign the Sight Distance Easement Agreement between the Board of County Commissioners and Timothy Moore and Carolyn Mattingly, for the Moore and Mattingly site, located in the 8th Election District, being developed as a residential subdivision known as Ruefly Subdivision. Motion carried 5-0.

COMMISSIONERS TIME

The Commissioners highlighted upcoming events and events attended over the past week and personal interest items.

RIBBON CUTTING EVENT

The Board of County Commissioners attended the 7th District Park Renovation Ribbon Cutting Ceremony at 4:00 pm.

Minutes Approved by the Board of County Commissioners on _____

Betty Jean Pasko, Sr. Admin. Coordinator