

Village of Martin's Additions
7013 Brookville Road, Suite B, Chevy Chase, MD 20815
Minutes for Council Meeting on
December 6, 2018

Council Members Present: Richard Krajeck; Arthur Alexander; Susan Fattig; Katya Hill; Tiffany Cissna (arrived at 8:25pm); **Village Manager:** Matthew Trollinger; **Assistant Village Manager:** Tina Lurie; **Attorney:** Ron Bolt; Doug Lohmeyer, Building Administrator; **Residents and other attendees:** Keith Allen (Turner Ln.); David Bjorklund (Turner Ln.); Elissa Bean (Turner Ln); Lynn Welle (Oxford St.); Marty Langelan (Chestnut St.); Eva Webb (LSWG Certified Public Accountants)

7:30PM Call to Order: Krajeck

Council member Krajeck called on Keith Allen (Turner Ln.) to give the weather. Mr. Allen predicted that we will have a mild winter and that it could get up to 60 degrees on Christmas day.

7:32PM Presentation of FY2017 Audit: Eva Webb, LSWG Certified Public Accountants.

Ms. Webb reviewed the audit report, a copy of which is included below. She reported the Village had a clean audit without any irregularities.

VILLAGE OF MARTIN'S ADDITIONS
Presentation of Audit Report
Fiscal Year Ended June 30, 2018

C. Eva Webb, CPA
Linton Shafer Warfield & Garrett, P.A.

I. INDEPENDENT AUDITORS' REPORT:

The report indicates that we have conducted our audit in accordance with auditing standards generally accepted in the United States of America, and we found that the financial statements present fairly, in all material respects, the financial position and the results of operations for the years ended June 30, 2018 and 2017 in conformity with U.S. generally accepted accounting principles.

Basic Financial Statements - Include:

Management Discussion and Analysis - Prepared by the Village to summarize the year's results.
Exhibit A-1, A-2 & A-3 presented under full accrual, to include fixed assets and depreciation.

(Presentation similar to business reporting.)

Exhibit A-4 & A-5 - Modified accrual basis. Fixed assets and depreciation not included.

(Presentation using budget basis)

See reconciliations between the two methods on Exhibit A-4 and A-6.
 Notes to financial statements - Provide additional explanatory information.
 Exhibit B-1 - Detail of budgetary comparisons.

II. SEPARATE LETTER - Dated October 23, 2018

Our responsibility under U.S. Generally Accepted Auditing Standards

Significant Accounting Policies are included in Note 1 to financial statements
 Significant Estimate includes the Wynne liability to the State. The amount owed at June 30, 2018 is \$196,571. (Note 5)

Audit adjustments - No significant impact on revenue or expenditures.

Disagreements with management - none

Consultation with other independent accountants - none known

Difficulties encountered in performing the audit - none

III. COMPARISON OF BUDGET TO ACTUAL:

GENERAL FUND - Exhibit B-1

	Final Budget	2018 Actual	Over (Under)
	\$	\$	\$
Revenues (15% over budget)	959,100	1,106,278	147,178
Expenditures (71% under budget)	2,241,500	654,199	(1,587,301)
	\$	\$	\$
Revenues Over (Under) Expenditures	(1,282,400)	452,079	1,734,479

Expenditures under budget primarily attributable to street, sidewalk and street light repairs budgeted for \$1,500,000 with none expended in 2018.

IV. SIGNIFICANT BUDGET VARIANCES:

GENERAL FUND - Exhibit B-1

Revenues:

	Budget	Actual	Over (Under) Budget
	\$	\$	\$
Income taxes	700,000	811,748	111,748

Interest income	5,000	33,158	28,158
Local real and property tax	168,300	181,582	13,282
Permit fees	20,000	9,716	(10,284)
All other accounts	65,800	70,074	4,274
	\$	\$	\$
Total Revenues	959,100	1,106,278	147,178
Expenditures:			
General Government:			
	\$		\$
Financial administration	346,100	315,166	(30,934)
Other general government	80,359	74,058	(6,301)
Public Works			
Designated - streets, sidewalks & lighting	1,500,000	-	(1,500,000)
Highway and streets	148,041	111,992	(36,049)
Sanitation and waste removal	102,000	100,498	(1,502)
Public Safety	40,000	37,247	(2,753)
Recreation	25,000	15,238	(9,762)
	\$	\$	\$
Total Expenditures	2,241,500	654,199	(1,587,301)

**V. COMPARISON TO PRIOR YEAR:
Revenues (Budget Basis) - Exhibit A-5**

	Year 2017	Year 2018	Increase (Decrease)
	\$		
Property taxes	175,398	181,582	6,184
Income taxes	717,755	811,748	93,993
Interest	15,666	33,158	17,492
Reimbursement from WSSC	72,898	-	(72,898)
All other accounts	81,668	79,790	(1,878)
	\$	\$	
Total Revenues	1,063,385	1,106,278	42,893

General Government	\$ 352,598	\$ 389,224	\$ 36,626
Public Works	1,022,878	212,490	(810,388)
Public Safety	40,276	37,247	(3,029)
Parks and Recreation	20,447	15,238	(5,209)
	\$	\$	\$
Total Expenditures	1,436,199	654,199	(782,000)
	\$	\$	\$
Revenue Over (Under) Expenditures	(372,814)	452,079	824,893

Income tax revenues as percent of total revenue is 67% in 2017 and 73% in 2018.

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Significant Changes in Expenses:	Fiscal Year 2017	Fiscal Year 2018	Change
	\$	\$	\$
General government - managerial & office salaries	103,585	119,878	16,293
General government - office furniture & equipment	11,177	27,665	16,488
Public works - Street maintenance - other	804	14,299	13,495
Public works - designated	865,205	-	(865,205)
Public works - snow removal	10,801	26,940	16,139
Public works - tree maintenance	5,693	24,082	18,389
All other expenditures	438,934	441,335	2,401
	\$	\$	\$
Total Expenditures	1,436,199	654,199	(782,000)

V. BALANCE SHEET (Exhibit A-4)

Fiscal Year 2017	Fiscal Year 2018	Change
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Cash and cash equivalents	\$ 317,220	\$ 302,641	\$ (14,579)
Investments	2,154,564	2,655,688	501,124
Other assets	20,241	20,870	629
Total Assets	<u>2,492,025</u>	<u>2,979,199</u>	<u>487,174</u>
Liabilities	27,154	62,249	35,095
Fund balances			
Nonspendable	5,213	7,595	2,382
Assigned	584,795	1,696,571	1,111,776
Unassigned	1,874,863	1,212,784	(662,079)
Total Fund balances	<u>\$ 2,464,871</u>	<u>\$ 2,916,950</u>	<u>\$ 452,079</u>

Cash, cash equivalents and investments represent 99% of total assets in FY17 and FY18.

7:46PM Opportunity for Council to hear resident comments:

Marty Langelan (Chestnut St.) congratulated the Village on the clean audit. She mentioned the streetlight at 7215 Chestnut is dark, and suggested that area needs additional street light.

7:47PM Committee Updates:

Marty Langelan (Chestnut St.) reported that the Election Committee meeting on November 27th was productive – Committee members introduced themselves and went over procedures. She asked if there was a typo on the Rules and Regulations of the election materials relating to whether candidate nominations be submitted 30 or 45 days prior to the

7210 Chestnut St.

The Village has received an application for a new house to be built on the vacant lot. The information meeting with the residents was held on Monday Sept. 17th.

The County issued their building permit on Oct. 1, 2018 and the Village issued their building permit on Oct. 11, 2018. Work begun at the site on Oct. 11th.

3421 Cummings La.

The applicant has submitted a building permit to the County and the Village. The staff has completed the initial review. The applicant may apply for a variance for the EBL setback along Cummings La. for the house addition and the detached garage. They may also apply for a variance of the 30% non-vegetative surface, so they can install a circular driveway.

7208 Delfield St.

A dumpster permit has been issued for interior kitchen improvements in the ex. house. A performance bond has been posted to cover any damage to the Village right of way. The applicant recently amended the MCDPS permit for additional interior improvements. A Village building permit is pending for enclosing the existing screened porch.

7213 Delfield St.

The property owners have submitted a permit to replace with ex. driveway. The existing concrete driveway apron will remain. The Village permit is being processed.

3404 Shepherd St.

The proposed improvements were not completed prior to the original building permit expiration date. The Village has extended the applicant's building permit until May 16, 2019.

3501 Shepherd St.

The applicant has submitted a building permit application to make several improvements to the existing house. The County and Village has issued building permits and the work is proceeding.

3508 Shepherd St.

The applicants have submitted at building permit package to the County and the Village. The neighborhood information meeting was held on Nov. 7th and the Village permit has been issued. The applicant is preparing the documents abandoning the existing shared driveway and creating an easement for the neighbor.

3412 Taylor St.

An application for a County and Village building permit has been submitted. A resident's information meeting was held on Tuesday, June 19th. A Village right of way permit will required for this connect, since the proposed 6" pipe will pass through the Village right of way. The Village building permit has been issued. The contractor stated work will begin soon.

3512 Taylor Street

The staff noticed that when the retaining wall was re-built, the contractor left a 2-inch-wide depressed area between the existing Village sidewalk and the base of the new wall, which may cause a pedestrian to trip and fall. The staff is attempting to contact the homeowner to correct the situation.

3405 Thornapple St.

The house construction is completed. However, several sections of ex. curb in front of the house have chips and cracks and I recommend they be replaced. MCDPS has release their building permit and the staff recommends releasing the Village's building permit.

MCDPS will not release the sediment control permit until the applicant removes the excess dirt that was placed on the lot at 3407. The additional grading was not approved by MCDPS. The owner has removed the stockpiled material at the rear of the lot but has not re-graded to the lot to comply with the County approved sediment control plans. I recommend the Village retain the performance bond until the grading has been completed, the MCDPS has released their sediment control permit, the old driveway apron has been removed, and the damaged section of curb are replaced.

3407 Thornapple St.

The applicant has submitted a building permit application to the County and the Village. The plans have received the initial Village review and a neighborhood information meeting will be scheduled.

Miscellaneous Items

The staff is presently working with the following properties:
6701 Brookville Rd.- concept plan for improvements to house and lot
7209 Delfield St. - concept plan for improvements to house and lot
MSHA Brookville Rd. and Quincy intersection ponding rainwater

8:05PM Public Hearing & Action on Code Amendments introduced on 9/2/18: Bolt

Mr. Bolt noted that the Code Amendments are primarily technical corrections. Council member Fattig moved to adopt Ordinance 9-18-1, an Ordinance to amend the Code of Ordinances to correct typographical errors in diagrams relating to building height; amend the definition of wall plane height; clarify the required additional side setback; define "maintain" and "repair" with respect to developmental nonconformities; and otherwise clarify the Code. Council member Alexander seconded, all in favor.

8:08PM Financial Matters, including possible introduction of Budget Amendments:
Alexander

**Village of Martin's Additions
Financial Report for Nov. 2018
Arthur Alexander, Treasurer
Dec. 6, 2018**

July 2018 through November 2018

	<u>Actual</u>	<u>Budgeted</u>
Revenues	\$ 364,393	389,715

Expenses (excluding capital projects)	303,034	303,575
Net Income (revenues minus expenses)	61,359	86,140

Capital expenditures	\$0
Allocated capital improvements funds	\$ 1,000,000

Reserve account (current assets less designated allocations): \$ 1,996,698

The first large income tax distribution arrived at the end of November, \$282,000, 10% below the average of the last five years, suggesting that the full year amount will also be smaller. Our conservative budgeting is based on an estimate income, so the actual payment is not a concern, yet.

Although total expenses are running just about as budgeted, specific accounts have jumped above budget because of unanticipated price increases, timing issues, and more work than originally anticipated. Some of the items that will require budget amendments are noted below:

- Waste Management, our contractor for trash pickup and recycling service, had been miscalculating the price for some years and just recently discovered its internal error.
- We added police patrols to monitor vehicular safety beyond regular policing activity.
- The geographic information system (GIS) had been scheduled for last year, but slipped into the current fiscal calendar.
- Building reviews and enforcement is more intense because of several larger construction projects and pre-construction reviews.

Proposed budget amendments

<u>Budget item</u>	<u>Account</u>	<u>Current</u>	<u>Proposed</u>	<u>Increase</u>
5030	Insurance	6,000	6,500	500
5222	Building review & permits	30,000	40,000	10,000
5224	Enforcement & oversight	12,000	18,000	6,000
5226	Municipal operations	12,000	18,000	6,000
5240	Police	31,000	37,000	6,000
5247	GIS update	5,000	30,000	25,000
5410	Waste collection & recycling	85,000	153,600	68,600
	Total			122,100

Council member Fattig moved to approve the budget report and the proposed budget amendments, Council member Hill seconded, all in favor.

8:11PM Discussion of Small Cell Towers: Bolt

Mr. Bolt discussed small cell towers, which involves equipment for 5G (5th generation) wireless service. He recommended that the Village legislation with the other nearby municipalities to set uniform standards for telecom companies to place small cell towers in the right-of-way.

8:25PM Council member Cissna arrives.

8:28PM Manager's Report: Trollinger

Manager Trollinger went over his report (below). He stated that there is an opportunity for municipalities to opt in to a dockless bicycle program. However, given that it is still in an early phase, the Village may opt to let others municipalities try it out first to see how it works. The main concern is that bikes will be left anywhere, including on people's property, and we don't know when they will get picked up.

Mr. Trollinger met with the Dan Baden, the Village accountant, to discuss taking on accounting function in the office. He also notes that five residents are taking part in the tree subsidy program this season, and that the Village got approval from the State to remove five right of way trees. Mr. Trollinger also mentioned that the Village now has an ADA compatibility button on our website and is developing intranet capabilities for access to an online directory for Village residents.

WSSC work should finish in March, at which point the Village will begin repaving the streets. The handicapped sign has been re-installed at the Brookville Market, but it may need moving or we may do some marking on the street to make it more visible. Since we are not able to move forward with street repaving due to the weather and cold temperatures, AB Viers will patch pot holes. Mr. Trollinger talked about the possibility of installing sidewalks in areas of the Village that currently do not have any. Council member Krajeck suggested reaching out to Chris Jakubiak.

Manager's Report December 5, 2018

Administrative Matters:

- ***Holiday Fund:*** The Village has begun its 2018 holiday fund. Residents are asked to donate by Thursday December 13 so that the Village will be able to present checks and cards to the Waste Management workers before the holidays.
- ***Small Cell Towers:*** A meeting was held on November 29 to discuss uniform legislation with the other “down-County” municipalities. The Village was represented by attorney Ron Bolt, Council member Arthur Alexander, and Assistant Village Manager Tina Lurie.
- ***Dockless and e-Bicycles and Scooters:*** Montgomery County is looking to extend its current pilot program for dockless bikes into other parts of the County, including Martin's Additions and nearby municipalities. Municipalities can either opt in or out.
- ***Audit:*** The Village has retained LSWG for its annual audit. The audit has been completed.
- ***Accounting:*** The Village is currently in discussions with its accountant to set up a new access to Quickbooks software so Village staff will be able to create reports and more closely handle day-to-day bookkeeping records.
- ***Online Payments:*** Village staff is looking into options that would allow residents to make online payments for permits.
- ***Leaf Bags:*** Leaf bags were delivered throughout the Village on November 8.

- **Leaf Vacuuming:** Leaf Vacuuming has begun in Martin’s Additions – the first two pickups were on the weeks on November 5 and November 12 by Lee’s Tree Service. The Village has switched to Rolling Acres for the rest of the season. One pickup was completed in November, and another the week of December 3. A final leaf vacuuming pickup is scheduled for the week of December 17.
- **Tree City USA:** Village staff is finalizing the Village’s Tree City application so the Village is re-certified for 2019.
- **Tree Planting:** The Village is waiting for confirmation from the State on tree removal. Tree plantings will begin at the same time as removals.
- **Tree Maintenance:** Pepco will be doing regular tree maintenance in the Village within the next couple of weeks. Village staff is working to get a list of addresses where Pepco will do pruning.
- **Village Website:** The Village has added a new ADA compatibility button to the website.
- **Community Events:**
 - **Halloween:** The Village held its annual Halloween party on Sunday, October 28 from 3:00 – 5:30 p.m. Pizza was provided by Ledo Pizza, magic from WonderBunny, pumpkin painting, and residents brought homemade cookies for a “cookie potluck.” There was also be a costume parade and music. Roughly 175 attended. Special thanks to Kristi Tampio and Lacie Holway-Wooten of the Community Engagement Committee for their hard work in planning and putting on the event; and to Keith Allen and Riley Markham for help setting up on the day of the event.
 - **Playground Equipment:** Chevy Chase Village, Section 3, and Rollingwood all signed onto a letter asking for an upgrade to the Shepherd Park playground. We have not received any response yet. With a new Council, Executive, and delegates being just elected, it may have gotten lost in the transition. A follow up email was sent to the Parks and Planning Chair and the new Council on December 5, 2018 after their inauguration.
- **Contractors and Contracts:**
 - **GIS:** The Village has access to online software, and has been meeting with E.N.E. to tweak various aspects of the layout. E.N.E. will be able to input new data, including update tree sizes, locations, and type; new streetlights; speed bumps; changes to fronts of houses; utility pipes; and traffic data. E.N.E. will perform a survey to get some of the new information.
 - **Street Maintenance:** The Village may be interested in hiring a contractor for general street maintenance after all streets have been repaved to fill large potholes and make repairs as necessary between now and the next major repaving.
 - **Leaf Vacuuming:** We have had two pickups, one the week of 11/5 and 11/12. The Village terminated its contract with Lee’s Tree Service, and Rolling Acres is finishing out the season. Rolling Acres did one pickup in November, and a second pickup, combined with a curb-to-curb street cleaning, the week of December 3. The Village will have one final leaf vacuuming the week of December 17.
 - **Landscaping/Lawn Service (Abraham’s):** Village staff is putting together a new RFP for the contract, which runs out at the end of the calendar year.

- *Rolling Acres*: Contract runs out this year. They have recommended incorporating brine into snow removal strategy for this upcoming winter.
- *Arborist*: The Village arborist contract is up and the Village may want to add new provisions to the contract.
- *Office Utilities*: The Village is looking to renegotiate Ricoh and Verizon contracts in the office to save money on internet/phone and copying bills.

Utilities: WSSC

- WSSC has finished sewer repairs on Quincy and Raymond Streets, and are now underway on Thornapple.
- Additional streets that will need sewer work: Chestnut, Taylor, and Thornapple, along with a section of Brookville Road near Cummings Lane. All the streets should be completed by mid-May 2019, and we will finish with repaving at that point as well.
- The Village has put up a new parking sign reserved for persons with disabilities in front of the Brookville Market. The space was removed when State Highway re-did the intersection earlier this year.

Utilities: Road Repairs

- A.B. Veirs began concrete repairs on Raymond Street the week following Thanksgiving. Originally the Village had planned to finish Raymond Street and Quincy Street before the winter, but a wet fall and low temperatures in late November-early December have led the Village to make the difficult decision to postpone re-paving until the spring. This decision was made on the advice of AB Veirs, and the Village's two contracted engineers – Joe Cutro and Doug Lohmeyer – who have all cautioned that repaving and pouring concrete now runs a risk of a compromised final product. The concrete would be in danger of chipping, spalling, and cracking; and the streets would not compact right, causing cracking, chipping, and potholes. Asphalt plants close during the winter, so the Village will begin work once the plans re-open in the spring. By that time Chestnut Street and Thornapple Street are scheduled to have been finished by WSSC, and the entirety of Martin's Additions will (finally) be repaved.

Utilities: Sidewalks

- The Village has reached out to nearby municipalities to learn about their processes for deciding to install new sidewalks; and to get a list of contractors they have used for surveying for new sidewalks.

Sanitation:

- The last bulk pickup occurred on November 9. The next pickup will be on January 11, with a Wider Circle pickup on January 10. Martin's Additions has confirmed bulk pickup dates and Wider Circle pickups for 2019.

Building Administration:

- Please see report from Doug Lohmeyer, attached.

8:59PM Opportunity for Council to hear residents' comments: Krajeck
Lynn Welle (Oxford St) stated that he has further comments and wants to speak. He asks about the dockless bike program, and reiterated some of the Council's stated concerns.

9:08PM Adjournment: Krajeck

Council member Fattig makes a motion, Council member Hill seconds, all in favor.
The meeting is adjourned.

DRAFT