

**Village of Martin's Additions
Council Meeting
7013 B Brookville Road, Chevy Chase, MD 20815
Minutes March 15, 2012**

COUNCIL MEMBERS AND VILLAGE REPRESENTATIVES PRESENT: Council Members: Richard Krajeck, Chris Mueller, Jill Filipczyk, Arthur Alexander and Mike Zielinski. Village Manager: Jean Sperling. Assistant Manager Deb Schmal. Attorney: Ron Bolt. Building Administrator: Alan Beal

RESIDENTS PRESENT: Bill Catherwood, Keith Allen, Steve Schmal, Hanne Correl, Frank Correl
7:30 PM Call to Order: Chairman Krajeck

RESIDENTS' CONCERNS AND CONTRIBUTIONS

Steve Schmal: Summit Ave. Mr. Schmal urged the Council to adopt the constant yield tax rate for two reasons:

- (1) to sustain the property tax revenues generated by the local real property tax levy. He is concerned about the community infrastructure repairs that are needed; including street lights, sidewalks and streets, and
- (2) to restore Village funding of social events. He felt that the community social events provide an important opportunity for community interaction and he urged the Council to take back at least one event.

Frank Correl: Turner Lane.

- (1) Mr. Correl endorsed the improvements of street lights and sidewalks,
- (2) He felt that the support of social events would not benefit the community as a whole and he doubted that involvement would change; he was not sure what these event added to the goal to preserve, protect and advance the community.

Keith Allen, former Verizon Weather Man and resident of Turner Lane

Summer Weather prediction: It will not be overly hot but the current unseasonal temperatures will persist.

ELECTION UPDATE: Frank Correl

Mr. Correl reported that six nominations have been received to date for the three positions open for Council elections. Two of those nominations have been declined by nominees; there has been one acceptance from an incumbent and the committee is still waiting for decision from other candidates. Council member Richard Krajeck has declined the nomination that would allow him to be a candidate again. Nominations close on Monday March 26, 2012.

ACTION ON RESOLUTION 1-12-1: A RESOLUTION TO AMEND THE VILLAGE BUILDING PERMIT FEE SCHEDULE

Chairman Krajeck asked for comments on Resolution 1-12-1 to amend the formula for calculating building permits. Attorney Bolt noted that in response to comments that were received at the last meeting the schedule of building permit fees was amended slightly-- the "and" has been bolded and the "or" was removed. It was not clear to the resident that both conditions applied to the calculation of the fee. No additional comments were made. Christoph Muller made a motion to adopt the new Village Building Permit fee schedule. 2nd Filipczyk. All voted in favor.

APPLICATION OF CHAPTER 19 OF COUNTY CODE, EROSION AND SEDIMENT CONTROL REQUIREMENTS IN MARTIN'S ADDITIONS: Attorney Bolt

Village attorney Bolt provided the background on the issue of whether all municipalities need to adopt a resolution confirming the applicability of Chapter 19 of the County Code on Erosion and Sediment Control Requirements. Bolt reported that Maria Warburton, of the Maryland Department of the Environment, Water Management has confirmed that municipal governments in Montgomery County do not need to submit a resolution or agreement confirming adoption of the County Code (Art. I, Ch. 19) in order to comply with State erosion/sediment control requirements, unless the municipal government in the County has elected to exempt itself (in whole or in part) from County Code. The County has agreed to provide the list of municipalities to the Maryland Department of the Environment which includes Martin's Additions.

FY 2013 BUDGET DISCUSSION: PROJECTED REVENUE, TAX RATES AND EXPENDITURES

Review of Revenues projected for FY 2013:

County Revenue Sharing estimates: Manager Sperling noted that County Executive's Budget proposed an 11.2 % increase in our county revenue sharing budget, bringing the total for that category to \$26,800, instead of \$20,000 originally projected. Total revenues would rise to \$620,000 with that change.

Permit Fees Estimates: Sperling recommended increasing the estimate for permit fee revenues. Currently there are at least three tear-down and rebuild projects on the horizon; these projects alone would result in fees of \$12,000. Add in the new fee structure just adopted and the usual incidental permits and the Village should be able to realize at least \$20,000 in permit fees. Council agreed to \$20,000.

Tax Rates:

The Council agreed to set certain tax rates at their current rates per \$100 of assessed value as follows:

- **Personal Property Tax Rate:** Arthur Alexander made a motion to direct Counsel to prepare a resolution to set the Personal Property Tax for FY 2013 at \$0.50; 2nd Zielinski; all voted in favor.

- **Utility Tax Rate and Commercial Tax Rate:** Arthur Alexander made a Motion to direct Counsel to prepare a resolution to maintain the Utility tax rate at \$1.45 and the Commercial Property Tax Rate at \$0.10; 2nd Filipczyk. All voted in favor.

The Council agreed to adopt the real property tax rate at the constant yield rate which adds \$0.0006 to the rate:

- **Real Property Tax Rate:** Arthur Alexander made a motion to direct Counsel to prepare a resolution to set the Real Property Tax for FY 2013 at the Constant Yield rate of \$0.0466; 2nd Filipczyk: all voted in favor. On Average this would add \$6.00 to the taxes paid on home valued at a million dollar.

Review of Expenditures Projected for FY 2013

Street and Sidewalk Maintenance:

Manager Sperling explained that plans for sidewalk repairs were identified with photos and address identifications. Estimates will be solicited from Chamberlain Contractors. Based on the estimated costs the Council can decide how to parcel out the work through the end of the current fiscal year and budgeted for next year. The Council recommended that the sidewalk repairs funds be left at \$20,000 for this year and next year until further estimates are developed

Street Repairs:

The Council discussed the condition of Oxford Street and a portion of Quincy Street where WSSC replaced the water lines and expressed concern that the rest of the Village streets will look like that after the water line replacement project is complete. Sperling assured the Council that the repairs to Oxford are only temporary and that permanent repairs will be made when the project is finished in Chevy Chase Village. Martin's Additions may have some streets repairs associated with the water project in FY 2013 but it is difficult to know at this point in the process when the street repairs will be needed. It may be that repairs can be made as WSSC progresses through the Village, rather than wait until the whole project is complete. That determination can't be made yet.

- **Capital expense set aside for streets.** The Council agreed that a sizeable amount of money should be allocated to a capital Capital Fund to have available for street repairs that will result from the water project. It was agreed that \$200,000 should be designated for this purpose.

Street Light Improvements:

\$100,000 has already been set aside in anticipation of needed future improvements in our street lights; Sperling has received information from Scott Watson, our lighting consultant, that major changes have occurred the lighting industry that he believes will affect our original decision to install induction lighting. Watson feels that the future of street lighting is LED's BUT LED's are not ready for street lights. A recent demonstration indicated that the technology is at least a year away from acceptable street lighting. The LED technology is changing so rapidly that within 5 years the street light put in now may be obsolete. Watson's estimate was that new street light will likely cost us half a million dollars. Watson suggested a couple of options—keep on saving money; find out if PEPCO might stock the induction bulbs and lamp ballasts for the induction lights and guarantee 50 years. The other issues to be aware of include whether the induction lights can be transformed into LED? How quickly will the LED's become obsolete? Would we be able to retrofit them as the technology develops? Watson will keep us informed and pursue answers to some of these questions His bottom line recommendation: Save our money—in five years the Village will have enough stashed away.

- **Capital Expense set aside for Street Lights.** The Council agreed to add \$200,000 to the existing \$100,000 that has been designated for street light upgrades, for a total of \$300,000 set aside for that category,

Councilman Alexander asked if the Village could just install new lights in the areas where it is very dark. Sperling agreed to look into that matter, get a price. Alexander would like to join in the discussions with PEPCO and Scott Watson.

INTRODUCTION OF RESOLUTION 3-12-2 TO ADOPT VILLAGE INVESTMENT POLICY:

Chairman Krajeck explained that the Council has been reviewing the investment of municipal funds in an effort to improve the returns on these investments. Article 95, Section 22F of the Maryland Code requires all municipal corporations within the State to adopt by resolution a local investment policy that is consistent with the local investment guidelines adopted by the State Treasurer and meets the individual needs of the local government unit.

The policy includes definitions of policy, scope, and prudence; it sets objective related to safety, liquidity and return on investments. The policy delegates authority to the Village Manager and Treasurer. It defines the express requirements that must be adhered to and includes a statement of ethics and conflict of interest. It restricts the types of securities that the Village may invest in to any obligation for which the United States has pledged its faith and credit for the payment of the principal; and interest; and federally-insured accounts at one or more banks or savings and loan associations. Diversification is defined and provides that no more than 50% of the Village's total investment portfolio to be invested in a single financial institution. The Village will attempt to match its investments with cash flow requirement. An independent auditor shall review the year's investments to determine compliance with this policy and the policy shall be reviewed at least every two years. This resolution can be adopted at the April 15th Council Meeting.

BUILDING ADMINISTRATOR'S REPORT : Alan Beal

Bond Return Pending

7404 Summit Ave: Construction completed; final patch from Washington Gas needed. Beal urged the Manager to go ahead and return the bond and then work with the residents to get action from Washington Gas; this bond return has been delayed far too long.

Construction Completed:

3503 Bradley: Signed, sealed and sold.

Ongoing Construction Projects:

7318 Delfield Street- (demo and new construction) Project is well underway. It has required extensive supervision because of narrowness of the street and dueling projects. This startup period is the most difficult and has required parking restrictions and monitoring for cement trucks, lumber and steel deliveries. Much of the material needs to be off-loaded from Thornapple Street and required traffic control.

7315 Delfield Street- Garage addition moving along rapidly. Large crane was needed on site to remove tress overhanging the house. Street needed to have parking restrictions posted for this also.

3518 Bradley Lane- Garage demo and re-build; construction is well underway.

3502 Cummings Lane- Fence placement dispute continues between neighboring property owners (3502 and 3418 Cummings Lane). Martin’s Additions stands by its permit issuance authority and had referred disputing parties to the Courts.

New Permit-Construction Inquiries/ Pending Building Issue:

3508 Taylor St: Unpermitted Wall. Demolition was already well underway when it was discovered. Permit application forced along with fee. License to use the ROW needs to be executed.

3503 Bradley Lane: Fence Permit. New owners putting up fence.

3504 Bradley: Enclosed Deck. The application has been reviewed and found to be non-confirming with our building regulations.

3505 Raymond Street: Possible Tear down and Rebuild. Beal conducted a preliminary consultation. Lot configuration poses a problem. Resident will work with architect to determine whether a variance will be requested.

3401 Thornapple Street : Curb cut permit. ROW has been restored. Bond retained for curb cut. Pending potential variance addendum for rear steps and deck.

3502 Cummings Lane: No fence has been constructed yet. Plans for swimming pool and landscaping are currently being developed. May include accessory structure.

Project Information Updates:

3414 Cummings Lane: Cafritz Builders purchase of lot at 3414 Cummings Lane. Building project currently under review and discussion with Mr. Beal regarding front loading garage. Large elaborate house. No formal documents received or processed on this project. Pre-construction photos taken.

3410 Cummings Lane: Builder Warren Barnard has expressed interest in building a “Craftsman-Style” house on this lot. No formal documents have been received or processed on this project. Pre-construction photos taken.

163 Quincy: Sandy Spring Builders is developing plans for this site. Property includes ownership of small parcel of neighboring lot that is outside of the corporate boundaries of Martin’s Additions.

Other projects supported by Mid-Atlantic

- Assistance in resolving sewage problem at 7310 Delfield Street.
- Videoing the line and flushing the sewer.
- Identifying signs needing replacement repaired; removal of broken Street sign at Summit and Thornapple; working with Joe Cutro, VMA Traffic engineer.
- Monitoring condition of a property on Taylor St.
- Frozen discharge on sidewalk
- Parking restriction management (for tree removal, construction, etc.)
- Traffic management of through traffic (necessitated by large deliveries.
- Monitoring illegal parking (Quincy Street)
- Identifying unpermitted work (3508 Taylor)
- Picking up and delivery of recycling bins.
- Building Plans/ other items to/from storage
- Tagging and photos of sidewalk repair needs.
- Preparation for Survey Update

FINANCIAL MATTERS: Report for the Month of February 2012 Alexander

July 2011-February 2012

	Actual	Budgeted
Revenues	\$550,575	405,604
Expenses	292,500	330,878
Net Income	258,075	74,726

Reserve account: \$1,351,956

Budgeted Expenses and Budgeted Net Income include only current actual and budgeted amounts. They do not include \$100,000 in planned capital improvements for Street Lighting.

Income tax revenues include a windfall from earlier years’ late payments as well as higher regular payments. Unless we receive some nasty surprises, deferred capital improvement projects may be undertaken with the improved revenues.

Administrative expenses are running below the pro-rated annual budget amounts due to several cost-cutting measures taken by the Village manager. We are deferring street maintenance until water main replacement is completed.

The reserve account is roughly 2.0 times the projected expenditures over the current fiscal year, giving us a cushion against unexpected occurrences and a source for needed capital investments such as improved street lighting and repaved roads.

ACTION ON ALL FINANCIAL REPORTS:

Motion to Approve: Mueller; 2nd Filipczyk; Vote: All in favor

ACTION ON MINUTES of February 16, 2012. Approved by email earlier in the month.

Motion to Approve: Filipczyk; 2nd Alexander; Vote: All in favor

ACTION ON NOTES OF EXECUTIVE SESSION, March 1, 2012: Unanimous vote to approve.

MANAGER'S REPORT

Street and/Or Utility Services:

•**WSSC Water Line : Permit** letter sent to WSSC: Combination of Street evaluation by WSSC street man (Keith Tyson) and Dan Shaw's evaluation used; basically built in maximum flexibility allowing us to re-negotiate. Chevy Chase Village helped us out here.

•**Water Line:** The project has been broken into 2 phases because of the difficulty WSSC is having with easements along our eastern boundary.

•**Pepeco** continues to work on the pole replacements and line upgrades in several areas.

Trees: Tree pruning continues in Village

•**Tree removals** for WSSC have been discussed with our arborist, Paul Wolfe and Tree supervisor, Dan Gardner. We will plan a meeting with WSSC's arborist. One tree of greatest concern is a huge American Elm on Shepherd Street. Paul is looking into the possibility of boring under the tree to replace the water line.

Traffic: Traffic signs and street sign work has been necessary-re-install no outlet signs. Replace missing street signs, add NO parking signs etc. Assessment of traffic signage has been incorporated into the category of Municipal Operating Support provided by MAI. New PEPCO poles require signs to be moved or new ones installed.

Streets/Sidewalks: Sidewalk repairs: Areas where sidewalks have heaved have been marked and photographed for estimates to be made; will start with Chamberlains and decide whether to get additional bids.

Maintenance and Services

•**Survey:** AMT (Surveyors) – Has provided an estimate for the cost of updating the Village's Survey. The proposal is that the project is not to exceed \$9,000. The Council recommended that this limit be lowered to \$7,000 to allow for better control of the expenses.

•**Sewer Problems.** Problem on Delfield was launched in response to resident concern. WSSC brought in a video truck to check out the sewer lines.

•**Leaf and Debris removal:** Was re-started earlier than planned--February 27th—because of the warm weather.

Community Activities and Issues

•Preparation for **Celebration on Sidewalk** is well underway

•All businesses are participating except for Dry Cleaner. Many community artists and authors will be participating.

•**Police incident** at 7316 Delfield Street—person in the house.

Administrative Work/ Broader Issues

•Attended **LGIT Conference;** have papers for FY 2013 Application. Don't expect major cost change. Will have Council members review before the papers are submitted. We do have some paperwork we need to develop to satisfy LGIT—personnel manual; Risk Management Policy. LGIT has a great new Website.

•**Pre-construction conference** with Alan and a resident of 3505 Raymond Street was very helpful to the resident and I think reduced our time requirements. This model will be used more in the future.

•**Resident Complaints.** Dog barking, parking, dog poop, fire in yard; parking; construction; new construction.

•**Admin:** Newsletter; minutes, postings, budget meetings.

9:00PM

ADJOURNMENT