

MINUTES
BEL AIR BOARD OF TOWN COMMISSIONERS
Budget and Work Session/Public Meeting Agenda
May 10, 2022

The Budget and Work Session of the Board of Town Commissioners was called to order on Tuesday, May 10, 2022 at 4:30 p.m. at Town Hall, 39 Hickory Avenue, Bel Air, Maryland.

MEMBERS PRESENT: Kevin M. Bianca, Chair
Mary F. Chance
Paula S. Etting
Erin S. Hughes

PRESENT: L. Jesse Bane, Town Administrator
Trish Heidenreich, Director of Economic Development
Kevin Small, Director of Planning
Michael Krantz, Director of Administration
Lisa Moody, Director of Finance
Trish Heidenreich, Director of Economic Development
Steve Kline, Director of Public Works
Patti Parker, Community & Public Relations Manager
Don Stewart, Bel Air Independence Day Committee
Catherine Butrim, Recording Secretary

APPROVAL OF AGENDA:

Commissioner Chance moved and Commissioner Hughes seconded the motion to approve the agenda for this afternoon's Budget and Work Session.

Ayes: Commissioners Chance, Etting, Hughes and Chair Bianca

Nays: none

The motion carried.

TENTATIVE AGENDA FOR TOWN MEETING (May 16, 2022 at 7:30 p.m.)

- a. Public Hearing
 - 1. Resolution 1184-22 Fiscal Year 2023 Tentative Budget
- b. New Business
 - 1. Resolution 1186-22 Fiscal Year 2023 Final Budget
 - 2. Acceptance of Fiscal Year 2021 Audit

Ms. Moody reported that the 2021 Audit is complete, and there were no internal control issues. The Town is currently out to bid with auditors.

Ms. Moody reported that the Unassigned Fund balance is still at a healthy level at just shy of \$2.7 million. There is a balance of \$130,503 in the Stormwater

Management Reserve after a transfer of \$50,000. There is a balance of \$1,246,000 in the Stabilization Reserve after a transfer of \$41,000. The Town was able to transfer a little over \$1 million to the Capital Reserve after a one-time influx of income tax revenue in the amount of \$775,000. The Town Administrator also has the authority to transfer up to a \$50,000 maximum to the Capital Reserve when there are excess revenues or expenditures.

Ms. Moody advised that the Audit is on the Town's website, and she will send the PDF to the Commissioners.

Ms. Moody advised that the Parking Fund did have a \$120,000 loss. The Sewer Fund had a \$269,000 loss, but that is solely because of the massive increase in bulk rate in FY21.

3. McCormick Street/Daniel Court Stormwater Closed System Design

Mr. Kline advised that he sent an email to the Town Commissioners today regarding the engineers reports. The Town told engineers that it wants to move forward and requested a proposal to redesign the system. That proposal has been provided to the Commissioners. He advised that the Town would like to proceed with their proposal at \$53,200 to redesign the system. Mr. Kline advised that the Town feels that ARPA funding would be a good source for this project since this is one of the original devices ARPA was interested in funding. Mr. Kline recommended that the Town proceed with the design contract with George W. Stephens, Jr. and Associates, Inc. for \$53,200 using ARPA funding. He advised that it will take 6-8 weeks to design the system; at that time, the Town will have a much better idea of how much it will cost to construct that project. He advised that he sent the Commissioners a rough estimate of \$150,000-\$250,000.

STAFFING UPDATE

Mr. Krantz advised that there haven't been any changes since the last Work Session. A dispatcher will be joining the Police Department shortly, and they are looking at the possibility of bringing on another dispatcher.

CALENDAR

Mr. Krantz advised that the Town Board typically meets one time in July and August. Typically, the July and August meeting will be held on the third Monday of the month.

Mr. Krantz advised that the MML meeting is being held June 12-15. He suggested cancelling the June 14 Work Session.

MISCELLANEOUS

Affordable Connectivity Program (ACP)

Mr. Krantz advised that he and Josh Forth attended a Municipal Leader Broadband Webinar and learned of the Affordable Connectivity Program (ACP), which replaces the prior program

with the FCC and allows eligible households to earn up to \$30/month in discounts for internet service through the Federal program or up to an additional \$15/month Maryland discount or a discount of \$100 to purchase a laptop, tablet or desktop computer. He advised that that the Town generate a newsflash or a temporary webpage with information about the ACP and how citizens can apply. Commissioner Etting suggested visiting the FCC page to review notices and flyers about the ACP.

Discuss Proclamation Request for National Gun Violence Awareness Day

The Commissioners present requested to see the wording of the proclamation for National Gun Violence Awareness Day before they decide to include the proclamation on the agenda to the Town Board Meeting on May 16.

Code Discussion – Hickory Flats

Mr. Small advised that the Board of Appeals granted to Hickory Flats a Variance to take the building height from 45 feet to 46 ½ feet. The Board of Appeals denied the request for a Variance that would allow Hickory Flats to have 30% onsite parking and have the rest of the parking offsite in the parking garage.

Mr. Small advised the comprehensive plan promotes high-density residential use if desired and suggested the following options the Town Commissioners can pursue:

- Create a subcategory in the Development Regulations allowing 75% offsite parking if within 250 feet of a land use you want to share parking with. Those within 250-500 feet will be kept at 50% offsite parking.
- The entity that approves offsite parking is the Planning Commission. Mr. Small suggested that the Planning Commission be the entity to decide if Hickory Flats can go offsite for more than 50% of its parking in order to avoid review conflicts.
- Allow B-2A zoning to pay cash fee-in-lieu, but B-2A zoning is located all over the Town; and if those in B-2A pay fee-in-lieu, the parking could impact a neighbor.

Mr. Small advised that the Town has an agreement with 23 N. Main to park during the weekday evenings and on weekends. There are 80 spaces on that lot. The changes that are happening with this site may require the Town to redo the agreement, so that it is a little less than 80. But it would be an impact to take 30 spaces, and there will likely be more than that parking from the apartments. Mr. Small noted that parking enforcement does not work on evenings and weekends, so it would fall on the Police to give out tickets; and the Town would need to get 23 N. Main's permission to give out tickets. He advised that this will be revisited in more detail next month along with more changes to the Code in the coming months.

Mr. Small advised that Hickory Flats will have 101 units on four floors with four studio apartments, 69 one-bedroom apartments, and the rest are two-bedroom apartments.

FISCAL YEAR 2023 BUDGET DISCUSSION

Presentations

Independence Day Committee

Ms. Moody advised that the Independence Day budget is on page 196.

Mr. Stewart, President of the Independence Day Committee, reported that the Town has been a huge help with Independence Day planning. He advised that the amount he has asked requested to plan Independence Day has not been increased in the last 15 years, but the costs keep going up; so the Committee needs to find ways to reduce costs and obtain sponsors.

Mr. Stewart advised Chief Moore that it is time to begin obtaining the permits for road closures.

Chief Moore inquired how many live firework shells are found each year. Mr. Stewart advised that about a few dozen have been found collectively over the years. He advised that he usually has the Fire Co. or the police remove them.

Commissioner Chance inquired how much the Independence Day celebrations cost in total. Mr. Stewart advised that the total cost is approximately \$60,000. He advised that the high school bands are paid, fireworks costs have increased dramatically and liability insurance costs over \$6,000. Mr. Stewart advised that the Committee limits what they pay in accordance with the amount they bring in. He advised that the Committee likes to have enough money in the till as a fallback if they cannot pay their bills in the event of a total economic failure. Commissioner Chance inquired if the \$60,000 budget covers things like overtime for the Police Department or DPW. Mr. Stewart advised that the Town pays for the overtime for the Police Department and DPW.

Mr. Bane inquired if a price has been locked in for fireworks this year. Mr. Stewart advised that he recently switched to a local group for a one-year contract, and they came it at \$16,000 for fireworks, which he was pleased with.

Mr. Stewart advised that there is core group of volunteers who organize everything, but the group of volunteers is aging. Chair Bianca stated that both Mr. Stewart and Mr. Blum both do a wonderful job, and the Town greatly appreciates it.

Continued Detailed Review of General Fund Expenditures

Enterprise Funds

Sewer Fund – Revenue Justification

Ms. Moody reported explanations for the following line items:

Page 209

8-0300-0100 – Sewer Service Charges

This account reflects a base charge for all customers based on meter size and a sewer rate increase from \$6.19 to \$6.48 per 1,000 gallons of sewage effective July 1, 2022. This increase is a \$.29 increase based on the average water usage for the last five years from metered water readings from Maryland American Water Co. and Harford County. Also included are the 13 flat rate customers. The estimated budget amount is \$2,450,000.

8-0303-0101 American Rescue Plan (ARPA)

This is a new account in FY23. This account reflects the monies spent on projects in this fiscal year. The estimated budget is \$890,000.

8-0305-0100 – Connection Fees

This account represents funds that are collected from new sewer connection to the Town system. These are collected on behalf of Harford County. The estimated budget amount is \$50,000.

8-0305-0101 – User Benefit Fees

This account reflects the actual increase in the number of new connections in FY22, which will be billed for the first time in FY23. The estimated budget amount is \$37,030.

Sewer Fund – Expense Justification

Ms. Moody reported explanations for the following line items:

Page 219

8-8400-0301 – Harford County Charges

This account is based on projected gallons billed to Town customers plus a 20% I&I factor. The FY23 Harford County rate will not be provided to the Town until November 2022; therefore, the rate was maintained at the FY22 rate of \$3.86/1,000 (\$3.70 bulk rate and \$.16 ENR). The requested budget amount is \$1,573,024.

Page 220

8-8400-0550 – Processing Fees

This account covers the costs of outsourcing the printing and mailing of the Town's monthly utility bills. For approximately 32,000 utility bills, the cost includes the following: paper, processing fee, mailing service, postage and envelopes. The requested budget amount is \$23,000.

Pages 221-222

8-8400-0903 Debt Service – JC Sewer Main

This account represents two semi-annual debt service payments of interest only on the installation of the new sewer main on the John Carroll School property. Payments are per a set schedule at a fixed interest rate (2.29%). The principal payment of \$18,049 reduces the loan, which is shown as a liability on the balance sheet. The final payment will be made on October 1, 2024. The JC School borrowed their 50% share from the Town, \$84,901, with the agreement to pay the Town back in semi-annual installments over five years at the same interest rate. The final payment was paid on December 29, 2019. The requested budget is \$857.

8-8400-0904 – Debt Service -DHCD Refinance 2

This account represents two semi-annual debt service payments of interest only on the refinancing of the remaining capital improvement charge paid to Harford County. Payments are per a set schedule at a variable rate (2%-4.625%). The principal payment of \$34,000 reduces the loan, which is shown as a liability on the balance sheet. The final payment will be made on May 1, 2024. The requested budget is \$3,807.

8-8400-0905 – Debt Service – Sewer System Capital Improvement Plan

This account represents two semi-annual debt service payments of interest only to fund the \$251,700 project with Maryland Environmental Services (MES) to prepare an updated Sewer Capital System Improvement Plan. The tasks included in the development of the plan are system mapping and pipe/manhole inspection; GIS data and mapping; pump station capacity testing; flow monitoring; hydraulic modeling; publishing of the final capital improvement plan. The financing does not include any “as needed” engineering and GIS services in support of the plan scope. Payments are per a set schedule at a fixed interest rate (1.7%). The principal payment of \$22,206 reduces the loan, which is shown as a liability on the balance sheet. The final payment will be made on March 15, 2025. The requested budget is \$948.

8-8400-0906 – Debt Service – Inflow & Infiltration

This account represents the following:

- Two semi-annual debt service payments of interest only (\$1,131) on the FY13 financing of \$300,000 for inflow, which will cover the costs to continue follow-up inspections and perform repairs to the Town’s Sanitary Sewer System found during the smoke testing Inflow & Infiltration inspection program performed in FY10 in conjunction with Harford County. These follow-up inspections and repairs include video inspections, main and lateral linings and repairs, manhole lining, and other repairs and maintenance measures to reduce inflow and infiltration into the Town’s Sanitary Sewer System. Payments are per a set schedule at a fixed interest rate (2.29%). The principal payment of \$42,519 reduces the loan, which is shown as a liability on the balance sheet. The final payment will be made on October 1, 2024.
- Two semi-annual debt service payments of interest only (\$2,019) on the FY15 financing of \$400,000 for inflow and infiltration projects. These funds were used for TV inspections and to perform repairs to the Town’s Sanitary Sewer in an effort to reduce Inflow & Infiltration. The neighborhoods rehabilitated were Homestead, Shamrock and Bradford Heights. Payments are per a set schedule at a fixed interest rate (2.29%). The

principal payment of \$42,519 reduces the loan, which is shown as a liability on the balance sheet. The final payment will be made on October 1, 2024.

- Two semi-annual debt service payments of interest only (\$4,816) on the FY17 financing of \$400,000 to fund a pipe bursting contract, purchase of a main line camera to replace the existing TV sewer mains to determine rehabilitation requirements, sanitary sewer manhole repairs/rehabilitation, inline sanitary sewer repairs, and manhole to manhole sewer main lining. Payments are per a set schedule at a fixed interest rate (2.58%). The principal payment of \$40,000 reduces the loan, which is shown as a liability on the balance sheet. The final payment will be made on June 5, 2027.

The total requested budget is \$7,966.

Page 223

8-8400-1002 – Transfer to SSCI

This account represents funds to be reserved for future sanitary sewer capital improvements. As of June 30, 2021, the balance in the reserve is \$178,737.

8-8400-1003 – Transfer to General Fund

This account includes personnel, overhead and benefit costs. Personnel costs include portions of salaries in the Finance and Public Works Departments. Overhead costs are calculated at 10.70% of audit telephone, utilities, office supplies, janitorial supplies, shop, computer network, postage contracts and building maintenance. Benefit costs are calculated at 10.70% of the total cost of benefits provided to Town employees. The requested budget is \$382,580.

8-8400-1050 – Depreciation

This account is based on actual costs for FY21 and projected for FY22. The requested budget is \$82,077.

8-8400-1051 – Amortization Expense – Sewer Agreement HC

This account represents the amortization expense related to the prepayment of the capital improvement debts paid to Harford County through a refinancing in FY04. The final payment will be made on June 30, 2025. The requested budget is \$24,248.

Mr. Kline reported on some of the operational aspects the Public Works Department does to operate the sanitary sewer system on a regular schedule. The Town's sanitary sewer system is made up of approximately 40 miles of sewer main, 1,041 manholes, 13 pump stations, and it collects nearly 1 million gallons of sewage per day. The system is primarily operated by Wayne Smith and Steve Green for 365 days per year. The regular costs to operate the system include Wayne and Steve's salaries, \$16,000/year for the utilities to run the pump stations, \$30,000 for equipment, maintenance and supplies. A root control program is done every year for terra cotta piping at a cost of \$35,000/year. Main and lateral repairs are done for broken mains in the roadways. There are \$3,050 of Miss Utility markings to located sewers in roads and sidewalks.

Mr. Kline reported on the following line items:

Page 220

8-8400-0303 – Pump Station Engineering

This account will cover the cost for comprehensive engineering evaluations for the Roland Avenue, Baltimore Pike and Kelly Avenue Pump Stations. The comprehensive evaluation is necessary to determine the extent of specific condition issues and the recommended course of action to rehabilitate the stations. This may include drawdown tests, electrical, instrumentation and control inspection, detailed mechanical or structural inspections or odor monitoring. The requested budget amount is \$40,000 (ARPA).

Page 221

8-8400-0801 – Pump Station Repairs/Replacement

This account funds to make substantial repairs and replacement to the Shamrock and Gateway Pump Stations. The requested budget amount is \$850,000 (ARPA). (TOBA 1020) Commissioner Bianca inquired if the Engineering Report last year assessed those two stations solely. Mr. Kline advised that it did, and it recommended what should be done to bring those stations up to good operating condition. He advised that three more will be evaluated this year, but it looks like the ARPA funding will not be there; nevertheless, he feels that it is needed to have those evaluations to know how much it will cost to upgrade those pump stations.

Parking Fund – Revenue Justification

Ms. Moody reported explanations for the following line items:

9-0300-0100 – Meter Collections

This account consists of meter collections from all the Town's meters, parking garage vouchers, smartcard parking cards and ParkMobile, and it is based in FY22, which as projected will decrease \$57,000. The projected revenue is \$125,000.

9-0300-0101 – Parking Fines

This account is based on two full-time parking enforcement personnel and is based on FY22, which as projected will decrease \$10,000. The projected revenue is \$115,000.

9-0300-0102 – Leased Fees

This account reflects actual lease agreements as follows: Bond/Thomas (\$16,800 – 40 leased spaces), Hickory Avenue (\$3,000 – 10 leased spaces), Lee Street (\$13,020 -42 leased spaces including four no charge for Harford County and seven Town Economic Development and Technology), the parking garage (\$35,280 – 84 leased spaces), and the agreement with Main Street Tower to lease two parcels of land (\$3,311). The projected revenue is \$71,411.

Ms. Moody advised that the above three accounts are not enough to fund the Parking Fund.

9-0305-0100 – Transfer from Retained Earnings

This account is used to balance the budget. Since expenses exceed revenues, it is necessary to transfer these monies from retained earnings to fund the excess expenses. The projected amount is \$85,401.

Ms. Moody advised that the Finance Department is doing an analysis of other jurisdictions and is considering an increase in the Town's \$15 parking meter fine. Commissioner Chance inquired if the Town owns its parking meters. Ms. Moody advised that the Town does own its parking meters. Commissioner Chance inquired if the Town documents where in the Town the meter fines are coming from. Ms. Moody advised that the Town does not, but it has done studies from time to time on how much is being collected on specific streets. She advised that garage money is kept separate from street money. Chair Bianca advised that he would be interested in an analysis of what other municipalities are charging for parking fines.

Commissioner Etting inquired how many spaces are in the parking garage. Mr. Kline reported that there are 1,010 parking spaces in the garage. Commissioner Etting inquired how many garage spaces are leased. Mr. Small reported that 84 spaces are currently leased, and there is capacity for leasing 130 more spaces.

9-0302-0100 – County Share Operations

This account reflects the County's payment of 67.2% of the various operating expenses, such as insurance, maintenance contracts and pro-rata owed to the General Fund for salaries, benefits and overhead associated with the parking garage as well as the parking garage sweeper (\$174,973). The projected revenue is \$117,582.

9-0302-0101 – County Share Capital

This account reflects the County's payment of 67.2% of the capital repairs expense line item (\$15,000) that is deposited in the Capital Improvement Reserve each year. The balance in the reserve account as of June 30, 2020 is \$103,292. The projected revenue is \$10,080.

Parking Fund – Other

Ms. Moody reported explanations for the following line items:

Page 236

9-9400-0302 – Parking Fine Charges

This account reflects a 19% collection fee paid to Passport for the processing of parking tickets using the FastTrack Parking Ticket Management System. The contract with Passport renews annually on January 2023. The requested budget amount is \$21,850.

9-9400-0903 – Debt Service – Parking Jeep

This account also funds two debt service payments of interest only for the new hybrid Parking Enforcement vehicle, which was purchased in FY21. Payments are per a set schedule at a fixed interest rate (1.08%). The principal payments totaling \$1,600 will reduce the loan, which is shown as a liability on the balance sheet. The final payment will be made on November 21, 2017. The requested budget amount is \$179.

9-9400-1050 – Depreciation

This account is based on actual depreciation from the FY21 audit and capital improvements in FY22. The requested amount is \$132,960.

Parking Fund – Lots and Meters

Ms. Moody reported explanations for the following line item:

Page 237

9-9400-1001 – Transfer to General Fund – Lots

This account includes personnel, overhead and benefit costs for the lots and meters portion. Personnel costs include portions of salaries in the Finance, Public Works, Planning and Police Departments. Overhead costs are calculated at 1.70% of audit, telephone, utilities, office supplies, janitorial supplies, computer network, postage/other contracts and building maintenance. Benefit costs are calculated at 1.70% of the total cost of benefits provided to Town employees. The requested budget amount is \$171,648.

Parking Fund – Parking Garage

Ms. Moody reported explanations for the following line item:

Page 239

9-9400-1002 – Transfer to General Fund -PG

This account includes personnel, overhead and benefit costs for the parking garage portion. Personnel/overhead costs cover areas of administration, operation and enforcement. Administrative costs include supervision, accounting, permit issuance and time keeping. Enforcement costs include calls from the garage to the communication operator and parking enforcement patrol. Operation costs include inspection, cleaning, trash removal, sweeping and scrubbing floors, relamping light fixtures, parking meter repair, landscaping, mowing and snow removal. Overhead costs are calculated at .99% of audit, computer network, telephone, utilities, office supplies, janitorial supplies, postage/other contracts and building maintenance. Benefit costs are calculated at .99% of the total cost of benefits provided to the Town employees. The requested budget amount is \$100,066.

Page 238

9-9400-0215 – Insurance – PG

This account covers the cost of property, liability, and garage keepers insurance for the parking garage and the parking garage sweeper and includes a preliminary rate increase of 10%. The requested budget amount is \$23,992.

9-9400-0835 – Capital Repairs – PG

This account provides funds to the Capital Improvement Reserve Account to be used for major future capital improvements to the garage. The County's portion is \$10,080 while the Town funds \$4,920. The requested budget amount is \$15,000.

9-9400-0901 – Debt Service – PG Maint/Rep

This account reflects two semi-annual debt service payments of interest only for the funds borrowed (\$270,334) to perform the repairs and maintenance on the Parking Garage as identified as years 1-3 in the Condition Assessment & Master Plan Report prepared by Desman Associates (\$250,654) as well as two engineering service contracts with Desman Associates (\$19,680). Payments are per a set schedule at a fixed interest rate (1.85%). The principal payments totaling \$29,215 will reduce the loan, which is shown as a liability on the balance sheet. The final payment will be made on February 15, 2023. The requested budget amount is \$207.

9-9400-0902 – Debt Service – PG JCI

This account reflects two semi-annual debt service payments of interest only for the funds borrowed to complete the JCI energy retrofit lighting upgrade to the parking garage (\$95,516). Harford County funded their portion of the project separately. Payments are per a set schedule at a fixed interest rate (2.79%). The principal payments totaling \$4,699 will reduce the loan, which is shown as a liability on the balance sheet. The debt will be paid for by the energy savings shown in account 9400-0420, hence being budget neutral. The final payment will be made on April 19, 2032. The requested budget amount is \$1,430.

Mr. Kline reported explanations for the following line items:

Page 237

9-9400-0602 – Operating Expenses – Lots

This account includes parking meter repairs, repairs and purchase of signs and other equipment and materials to operate the Town's parking lots (\$5,900) as well as monies to fund the annual cost of printing 280 hang tag permits for all Town lots (\$560), which is based on history. The requested budget amount is \$6,460.

9-9400-0617 – Maintenance – Lots

This account includes patching, seal coating, striping, crack filling and other various items to maintain the Town's parking lots. The requested budget amount is \$3,000.

Page 238

9-9400-0601 – Operating Expenses-PG

This account covers the cost of all utilities, including electric at the garage. In addition, the account includes plumbing, signs, sweeper brushes, mowing, and all other miscellaneous expenses associated with operating the parking garage (\$35,000). It also includes funds to cover the annual printing costs of 1,000 hang tag permits for the garage only (\$2,000), which is based on history. The requested budget amount is \$37,000.

Special Revenue Fund

Ms. Moody reported explanations for the following line items:

Page 247

3-3400-0785 – Community Parks & Playground Grant

A Maryland Department of Natural Resources Community Parks & Playground (CP&P) grant was awarded in the amount of \$115,000 in FY21 with an additional \$35,000 to be funded through the Town. This project, which was started in FY22, will provide for new recreational activities, provision of off-street parking and handicapped access to Homestead Park. Also included is the installation of a multi-use court accommodating both pickleball and basketball and improvements to ensure added safety and accessibility. Projected revenue is \$115,000.

3-3400-2000 – Community Legacy Grant

The Town was awarded \$100,000 in FY22 from the State FY21 grant application to support Phase II of the Court House Square Project. This phase will improve Courtland Street between Main and Bond. The total project is estimated to cost \$400,000, and the Town will utilize encumbered monies from years ago in the amount of \$124,949 to match the State grant as well as ARPA monies in the amount of \$175,261 to complete the project, which includes new paving, sidewalks, landscape, lighting, curbs and graphics. Projected revenue is \$100,000.

3-3400-2001 – Community Development Block Grant (CDBG)

Revenue in this account will be provided through the CDGB program, which is part of the federal HUD allocation to Harford County. Remaining FY21 funds in the amount of \$11,465 plus \$28,939 from the FY22 allocation will be used for the Howard Street/Rock Spring Road resurfacing projects. The FY23 funding is expected to be approximately \$27,000. A COVID-related CDGB-CV allocation is funding in the amount of \$39,953 and is expected to be used to replace the Armory windows. Projected revenue is \$80,357.

Page 248

3-3400-3052 – Cultural Arts Projects

Funding in this account provides seed money for special events and activities to support the arts in Bel Air, especially those within the Arts & Entertainment District, including art shows at Harford Artists Gallery and events hosted in the Bel Air Armory, such as the Authors & Artists Holiday Gift Sale, which is expected to generate \$1,440 in revenue. Other projected revenue

includes income from arts-related grants in the amount of \$15,000 to support marketing and rental expenses for events and initiatives supported by the A&E Entertainment District. Projected revenue is \$16,440.

List of Outstanding Items

Discuss 2% COLA (Aberdeen 5% COLA and 3% average step increase; Havre de Grace 5% average increase)

Chair Bianca advised that the questions seem to be can money be found for COLA and can money be found to refund the 35% HSA benefit. He advised that to find money for COLA will cost \$93,000 for 1 percentage of COLA. Chair Bianca advised that he thinks everyone understands the gravity of the situation with benefits and salaries, which at 72% of the budget is unsustainable moving forward. Chair Bianca advised, however, that it is a tough labor market and inflation is very high. Chair Bianca proposed that the Town find a way to refund the HSA benefit's \$28,000 with a very clear understanding that it is unsustainable moving forward. Chair Bianca advised that Ms. Moody had suggested in discussions that one road that needs to be paved could be funded with Capital Reserve funds. Mr. Kline advised that this option would be fine with him. Commissioner Chance advised that refunding the \$28,000 should be done, but it is unsustainable; and the Board will need to really take time to figure things out for next year. Commissioner Hughes advised that she would be on board for the \$28,000 this year, but it is unsustainable; and people need to be encouraged to contribute to their HSA and plan ahead for themselves. Commissioner Etting advised that in the bigger picture, the Town needs to consider what it will do to maintain competitiveness in the hiring package.

Ms. Moody advised that for now, the Town can say it will fund the \$28,000 through Capital Reserve; however, the Town will have to watch the Highway User revenues. The Highway User budget is about \$505,000, and the Town needs to report to SHA how it is spending that money.

Discuss one-time increase in funding using ARPA to Bel Air Recreation Committee, Bel Air Volunteer Fire Company and the Bel Air Alliance

Ms. Moody proposed that the Town leave the FY23 budget as is, and in the first six months of the fiscal year, she will have conversations with the leaders of these nonprofits; and, by midyear budget, the Town may have some savings to fund them rather than using ARPA funds. She advised that these organizations will be informed that their recommended increases have been approved, but the Town doesn't know at this time which funding source the increases will come from.

Discuss funding for Army Alliance (\$1,000) contribution. Discuss funding for Lasos.

The Commissioners present agreed that the \$1,000 contribution for the Army Alliance should instead be contributed as funding for Lasos, which will be receiving \$8,500.

Discuss funding of parking study – can be funded through ARPA.

Mr. Small advised that he would like to conduct a parking study in FY23 because it will affect how the Planning Department will move forward with any regulation changes.

The Commissioners present agreed that ARPA funding in the amount of \$65,000 should be used to fund a parking study in FY23.

Discuss funding for market study – can be funded through ARPA.

Ms. Heidenreich advised that the ideal situation would be to conduct an FY23 market study. If she sends out the RFP now, it would not likely be complete until November. When the new market study is done, it will have been 7-8 years since the previous market study was completed. Ms. Heidenreich advised that the previous market study does not justify a hotel in the Town, but a subsequent tier one study does justify a small hotel in Town, and a second tier should be incorporated into a new market study. She advised that a market study was done in 2008 and in 1997 or 1998. Usually, a market study accompanies the Comprehensive Plan.

Ms. Heidenreich advised that she had proposed spending \$11,000 on the Placer.AI licensing when she thought the market study was completely off the table. The Placer.AI cellphone tracking would have served as a substitute for not having a full market study. She advised that she still could utilize the Placer.AI tracking; but it would be secondary to the market study, which is more comprehensive. The Placer.AI is a one-year subscription, and she is working with the County to determine if they have any tools she can use. If so, she would not need to obtain the Placer.AI license.

The Commissioners present agreed that ARPA funding in the amount of \$50,000 should be used fund a market study in FY23.

ADJOURNMENT

The meeting was adjourned at 6:37 p.m.

Approved: May 16, 2022

Signature on file
Kevin M. Bianca, Chair
Board of Town Commissioners

Signature on file
Michael L. Krantz, Town Clerk