

Tri-County Council
for the Lower Eastern Shore of Maryland
Serving Somerset, Wicomico and Worcester Counties

Executive Board Meeting Minutes
January 23, 2019

Larry Dodd, Chair, called the meeting of the Tri-County Council for the Lower Eastern Shore of Maryland Executive Board to order on Wednesday, January 23, 2019, at the Tri-County Council Multi-Purpose Center in Salisbury at 6:19 p.m.

Voting Members in attendance: Larry Dodd and John Cannon, Wicomico County, Joe Mitrecic, Worcester County, Eldon Willing, Somerset County, Randy Laird in proxy for Rex Simpkins.

Non-Voting Members in attendance: Pat Schrawder, Representative of Senator Mary Beth Carozza, and Mindy Burgoyne, Maryland Department of Commerce.

Staff in attendance: Greg Padgham, Holly Giffin, Brad Bellacicco, John Donegan, and Becca Webster.

A quorum was present.

On a motion by Mr. Cannon, seconded by Mr. Mitrecic and Mr. Laird, the minutes of the Executive Board meeting on July 25, 2018, were approved.

Old Business

A. Shore Transit Update – Brad Bellacicco

FY 19 operating and capital grants are flowing. Shore Transit will watch their expenses this winter to cover the remainder of the year.

The federal shutdown has caused the Maryland Transit Authority to cover the Federal Transit Administration payments.

Shore Transit has requested all of the funds for Phase III Construction Funds from MTA and EDA. They are slowed to get paid by both because of the federal shutdown.

Shore Transit is entering its fifth and final year of advertising contract with Vector. They are currently working on a new RFP. Last year, the advertising revenue generated \$48,358.86.

There are no route changes until the late spring with the potential addition of more regional loops. Continued support will be given to Salisbury University. The fall semester ridership totaled 46,794. The new Salisbury University loops start on January 28, 2019. Changes have been made to the Downtown Trolley at the City's request. The Trolley starts back on January 31, 2019.

There are forty-four vehicles in the fleet. FY19 Capital have ordered two medium buses and one small bus off of state contract.

Shore Transit has ninety-four employees, fifty-seven are drivers with one on light duty. There is currently one driver on extended medical leave. Looking to find two or three more drivers. Currently, there are two new dispatchers in training with another dispatcher starting in February. Shore Transit is actively recruiting for a mechanic.

The Maryland Transit Authority visit went very well and the National Transit Database reports have been completed.

Phase III (parts I and II) sewer and water is currently hooked up and working. The final payments have been requested. Phase III (part III) wash equipment is in and working.

Mr. Mitrecic asked about starting wages for bus drivers. Mr. Bellacicco stated that part-time drivers start at \$14 per hour and we have very good benefits.

B. Lower Shore Workforce Alliance (LSWA) Update – Becca Webster

The Workforce Development Board (WDB) currently has three vacancies for Somerset County and one vacancy for Worcester County. Requests to fill these vacancies will be sent to the counties.

LSWA has a newly elected board chair, Mr. Tony Nichols and co- chair, Mr. Jason Cunha. They are focused on compliance and retention.

Mrs. Webster stated that the old Mobile One-Stop bus just sold today, January 23, 2019, on the state website for \$5,000. LSWA has sent out two letters of intent to the Weinberg Foundation and the USDA. The Weinberg Foundation of MD notified LSWA to proceed with filing for the grant. LSWA will be coming up with a final total cost to replace the mobile.

The state Program Monitoring Reports both came back completely clean. Mrs. Webster stated that the staff deserved credit.

C. Administrative Services Update- John Donegan

The FY18 audit was completed on-time with no findings. Mr. Donegan stated that the finances are cleaner and the finance team is doing well.

The FY18 budget is currently in process. The goal is to have the preliminary budget completed in April, and the final draft of the budget will be brought to the board to vote on prior to the end of the fiscal year in June. The FY 2020 indirect cost rate was completed by December 31, 2018. The percentage (13.67%) has remained consistent over the last four years.

The Shore Transit Capital Cash Flow for FY20- TCC has two lines of credit- One for \$500k and one for \$250k. Each year ST capital purchases must be purchased on a reimbursement basis causing ST to have large outlays for several months as it waits for MTA to pay their portion back to TCC. As part of the budget approval vote in June TCC will be asking the board to approve

the use of the two lines of credit as necessary for ST capital purchases. These will be paid back immediately upon TCC receiving reimbursement from MTA.

Mr. Donegan also spoke to the issue of the federal government shutdown stating that TCC is evaluating at what point TCC's programs would be vulnerable and at what point management and the board would have to make decisions regarding the shutdowns impacts.

With regards to the MPC MR. Donegan discussed how the facility is in its sixth year since being renovated and that while TCC has kept up with systems maintenance and not deferring maintenance that it is normal and expected for some systems to degrade and need significant repair or replacement in the next few years. TCC will focus on the plans and funding for these issues in this and the upcoming fiscal year.

D. Executive/Economic Development Update- Greg Padgham

The Skipjack Loan Fund has an established committee of eight, with prospects of adding an additional commercial banker to the committee. Ideally, the committee looks favorably on loans collateralized with real estate. There will be an internal loan administrator from TCC finance to bring the process in-house. The next loan committee meeting will be held in February.

We are awaiting a draft lease for the Walston Switch Road corner property to put a full gas station in with underground gas tanks. Mr. Padgham stated that the area is zoned for this use. Mr. Padgham also raised a question about if the gas station were to eventually leave or if there were to be a leak, what kind of problems it could potentially cause being so close to a large storm water management system. The lease would bring in \$85k a year in rent, but that would not start until year three.

Mr. Cannon urged Mr. Padgham to reach out to Sperry Van Ness to make sure they are only bringing the best and highest bid options to the table. Mr. Mitercic brought up reaching out to Royal Farms to see if they would be interested in the property, not for development, but to ensure no competition goes there.

The Taste of the Eastern Shore (TOTES) planning is in full swing. Victoria Matthews, Kim Whayland, and Holly Giffin are organizing the event. Sponsorships and RSVP's are coming in steadily. The website and social media are gathering attention.

Mr. Padgham stated that the TOTES bus, provided by Shore Transit, will be back again this year. The bus will depart from TCC at 3 PM to arrive in Annapolis at 5 PM. Mr. Bellacicco urged everyone to RSVP for the TOTES bus to ensure we have the correct size vehicle.

Mr. Cannon suggested the TOTES committee reach out to the MD Department of Commerce to see if they would want to sponsor.

The Comprehensive Economic Development Strategy (CEDS) initial strategy group has met for the five-year redevelopment of the strategy. The CEDS group will also encompass regional branding as it is a collaboration of the three lower counties. The EDA is pushing for the CEDS to focus on economic resiliency. The next meetings for CEDS will be: February 26 at Salisbury University, February 28 at Worcester Tech, March 5 and University of Maryland Eastern Shore

with the final meeting being held in May back at Salisbury University.

Reports to the MDDoC, RMC RMPIF, EDA Planning Grant and USDA RBDG are all being completed for this quarter.

New Business

A. Maryland Broadband

Mr. Padgham discussed updates with Maryland Broadband during the past quarter.

Other Business

Mr. Dodd informed the group about the regional healthcare committee. The committee met on January 17, 2019. Mr. Nicholas Thompson, Supervisor of Physical Education, Health & Family and Consumer Sciences was the keynote speaker. Discussions of childhood obesity and building sports programs were had. Wicomico County is looking to start a middle school travel sports program to keep kids active, but they will need \$8,000 to get started.

Mr. Cannon asked how the regional healthcare committee fit in the TCC's mission. Mr. Padgham and Mr. Dodd stated that it fits in with economic development/workforce development.

Mr. Padgham noted that he would like to revive the water/sewer infrastructure committee. He is also going to put together a small presentation for the Board regarding TCCLES sources of funding and the regional functions it serves.

There being no further business, on a motion from Mr. Mitrecic, seconded by Mr. Cannon, the meeting was adjourned at 7:35 p.m.