

**Mayor and Council of Federalsburg
Monday, November 7, 2022
Public Hearing and Meeting @ 6:00 P.M.**

This Meeting is being held at the Mayor and Council Meeting Room located at 118 North Main Street. Citizens who wish to participate by video shall follow directions listed below:

Join Zoom Meeting

<https://us02web.zoom.us/j/87873929754?pwd=R1lqK1RoS0UwVjcveUF3SkFrdE9tQT09>

Meeting ID: 878 7392 9754

Passcode: TOFBusi

Agenda

- I. Call to Order**
- II. Welcome and Pledge of Allegiance, Invocation - Pastor Passion Tilghman**
- III. Public Hearing - Ordinance 2022-07 AN ORDINANCE OF THE MAYOR AND COUNCIL OF FEDERALSBURG TO AMEND CHAPTER 17 OF THE FEDERALSBURG TOWN CODE TITLED "ANIMALS" TO PROHIBIT THE KEEPING OF FARM ANIMALS IN ALL ZONING DISTRICTS AND TO PROHIBIT THE KEEPING AND MAINTAINING OF ANY EXOTIC ANIMALS AS DESCRIBED AND REGULATED BY STATE LAW**
- IV. Public Hearing - Ordinance 2022-08 AN ORDINANCE OF THE MAYOR AND COUNCIL OF FEDERALSBURG TO REPEAL IN ITS ENTIRETY AND REENACT CHAPTER 65 OF THE FEDERALSBURG TOWN CODE TO PROVIDE ETHICS PROVISIONS APPLICABLE TO THE LOCAL ELECTED OFFICIALS, EMPLOYEES, AND APPOINTEES TO THE BOARDS AND COMMISSIONS OF THE TOWN OF FEDERALSBURG**
- V. Public Comment**
- VI. Approval of Minutes**

- VII. Action on Ordinance 2022-07 AN ORDINANCE OF THE MAYOR AND COUNCIL OF FEDERALSBURG TO AMEND CHAPTER 17 OF THE FEDERALSBURG TOWN CODE TITLED "ANIMALS" TO PROHIBIT THE KEEPING OF FARM ANIMALS IN ALL ZONING DISTRICTS AND TO PROHIBIT THE KEEPING AND MAINTAINING OF ANY EXOTIC ANIMALS AS DESCRIBED AND REGULATED BY STATE LAW**
- VIII. Action on Ordinance 2022-08 AN ORDINANCE OF THE MAYOR AND COUNCIL OF FEDERALSBURG TO REPEAL IN ITS ENTIRETY AND REENACT CHAPTER 65 OF THE FEDERALSBURG TOWN CODE TO PROVIDE ETHICS PROVISIONS APPLICABLE TO THE LOCAL ELECTED OFFICIALS, EMPLOYEES, AND APPOINTEES TO THE BOARDS AND COMMISSIONS OF THE TOWN OF FEDERALSBURG**
- IX. Presentation – Town Comprehensive Financial Review by Ms. Jennifer Diercksen, Davenport & Company**
- X. Follow Up Discussion of Quit Claim Deed Request for Hayman Drive**
- XI. Review of Town Code of Ordinance Sections 239-8 and 239-12 (Private Well for Industrial Use)**
- XII. Proclamation – November is Municipal Government Works Month**
- XIII. Mayor & Council Action Items**
- * Councilmember Windsor**
 - * Councilmember Sewell**
 - * Councilmember Phillips**
 - * Councilmember Willoughby**
 - * Mayor Abner**
- XIV. Executive Session – Personnel**
- XV. Adjournment**

NOTES:

THE MEETINGS ARE BEING RECORDED, PLEASE TURN OFF ALL CELLULAR DEVICES AND PAGERS DURING THE MEETING, PLEASE REMAIN QUIET, UNLESS ADDRESSING THE COUNCIL.

Please Note: Pursuant to the Annotated Code of Maryland, State Government Article Section 10-508(a), the Council by majority vote may retire to executive or closed session at any time during the meeting. Should the Council retire to executive or closed session; the chair will announce the reasons and a report will be issued at a future meeting disclosing the reasons for such session. Meetings are conducted in Open Session unless otherwise indicated. All or part of Mayor and Council meetings can be held in closed session under the authority of the state open meetings law by vote of the Mayor and Council.

Rules for Public Comment

The Mayor and Council invite and welcome comments at public meetings. The Mayor or presiding officer will recognize you. Please introduce yourself at the podium (spelling your last name, for recording purposes) and give the name of your street and block number (e.g., 100 block of Main Street).

Time limits for speaking are indicated on the meeting agenda. While speaking, please maintain a courteous tone and avoid personal attack.

Mayor & Council of Federalsburg
Monday, October 3, 2022
6:00 pm

The Mayor & Council of Federalsburg held their regular monthly meeting on Monday, October 3, 2022 at 6:00 pm, in the Mayor and Council meeting room located at Town Hall. Those in attendance were Mayor Abner and Councilmembers Sewell, Phillips, Willoughby and Windsor. Lyndsey Ryan, Town Attorney, staff and members of the public were also present.

Mayor Abner called the meeting to order at 6:00 pm, welcomed all guests present and led the group in the pledge of allegiance.

Closed Session

Mayor Abner reported that a closed session was held from 5:35 pm to 5:55 pm to obtain legal advice. No action was taken.

Invocation – Pastor Stanford Ricks

A prayer of invocation was shared by Pastor Stanford Ricks.

Call to Order

Mayor Abner called the meeting to order at 6:00 pm, welcomed all guests present.

Public Comment

Bart Johnson – 106 Charlotte Avenue – Mr. Johnson reported that the Federalsburg Historical Society will host Heritage Day on October 15th. Mitch Northam, who wrote a book about High School Basketball on Eastern Shore and Tom Horton, CRHS and Hopkins graduate will be guests at the event. All are welcome.

Jim Thomas – 319 University Avenue – Mr. Thomas asked why the residents weren't notified about the pending Cannabis Plant. Mr. Thomas was advised that preliminary discussions have taken place with the Mayor and Council, and Planning Commission, and all meeting were advertised on the agenda, town website and Facebook.

Frank Adams – 6962 Reliance Road – Mr. Adams stated that he is a member of County and Town EDC and they were never notified of the Cannabis Plant. He stated that he felt the EDC Commission should have been consulted, so they could offer an opinion. Mr. Adams was asked

what the EDC would like the Town to do. He stated that they would like to be included/involved in discussions when new businesses are coming to Town. The Mayor and Council also reported that MAS (Cannabis Company) is planning to hold a workshop/educational meeting with Town representatives to inform the public about their company and its operations. This meeting has not been scheduled to date but is planned for the near future.

Councilmember Phillips reported that regarding the Aquacon facility, the only purge water that was discussed as being discharged into the river, was fresh water from the holding tanks at the end of the fish life cycle. There was question if there were two discharge tubes into the river. The preliminary plans that were shown, only included one discharge pipe into the river. The Town does not have a firm set of plans for the Aquacon project to date. The 211 acres of property have been annexed into Town, but nothing further.

Mary Webb – 211 West Central Avenue – Ms. Webb questioned if the Cannabis Plant is a done deal. She was advised that MAS has purchased the property and has begun interior demolition. She also questioned the smell from this project, and was advised that they have a State of the Art Odor Control process with a misting system that suppresses the odor. This should eliminate the smell. Most of their process involves indoor growing. They also have many, many regulations from the State that are mandatory. The operations of this plant will include medicinal cannabis, no recreational, and no dispensary will be onsite. They will be heavily regulated by the State and have top of the line security measures at all times.

Frank Adams – Mr. Adams stated that representatives from the town toured a facility similar to this several years ago. The facility was very clean and very well kept, safe and secure.

Allan Gerard – Mr. Gerard read from the Minutes of the Caroline County Planning & Zoning meeting in 2020. Discussion at that meeting referred to discharge water. He also issued copies to the Mayor and Council.

Gloria Dolan – 5116 Williamsburg Road – Ms. Dolan asked if the discharge from Aquacon is planned over a 90-day period – she doesn't understand how they plan to handle emergencies and discharge of the purge water. Ms. Dolan was advised that the town cannot answer these questions because they haven't seen any plans to date.

Susan Andrews – Liberty Road – Ms. Andrews stated that she gets calls about garbage collection and water leaks all the time through the emergency call system, why can't the Town send out info on these meetings as well. The meeting info is placed on the agendas and posted on the website and Facebook. She also stated that there was a problem with the November 3, 2020 audio link, Town Manager DiRe will look into it.

Mayor & Council Letter to MDE

The drafted letter was reviewed and discussed, and it was agreed that the Mayor and Council would like to request MDE obtain more information about this request prior to signing/approving it. Copies of the Mayor and Council's letter to MDE will be posted on the town website.

Councilmember Willoughby made a motion seconded by Councilmember Windsor and unanimously passed by a vote of five to zero requesting the MDE deny the permit request from Aquacon until more information is obtained.

Approval of Minutes

Councilmember Phillips made a motion seconded by Councilmember Sewell and unanimously passed by a vote of five to zero approving the previous month's minutes as corrected. The prayer of invocation was offered by Keith Colona.

Solar Project Wrap-Up – Scott Kane

Mr. Scott Kane, Solar Lane stated that the solar panel project wrapped up this week and will be transferred over to the Town. The system has been up and running for about a year and some minor tweaks have been made but it is running smoothly.

Mr. Kane stated that they would like to have a ribbon cutting ceremony with the Town. They have talked with Governor Hogan and Peter Franchot and they have expressed interest in attending a ribbon cutting for this project.

There were no further questions.

Request to End Municipal Trash Service – Laurel Grove Acres

Town Manager DiRe reported that Laurel Grove Acres Apartments has requested to be removed from municipal trash collection services. They need large scale collection and staff recommends the Mayor and Council approve their request.

Councilmember Willoughby made a motion seconded by Councilmember Windsor and unanimously passed by a vote of five to zero approving Laurel Grove Acres request to be removed from municipal trash collection. Town Manager DiRe will work with Laurel Grove to work out the details and time line.

Chapter 65 – Ethics Ordinance Text Amendments

Lyndsey Ryan, Town Attorney stated that the Town currently has an Ethics Ordinance, and the State recently adopted HB 363 and 1068, which establishes local commission guidelines. The State sent the Town a letter stating that all regulations must be updated to include the new guidelines. Ms. Ryan has reviewed the amendments and sent to Mayor and Council for review.

Councilmember Sewell made a motion seconded by Councilmember Windsor and unanimously passed by a vote of five to zero approving the amended draft and introducing Ordinance No 2022-08.

A public Hearing will be scheduled for the November regular meeting. Ms. Ryan asked if the Mayor and Council had any objections to holding the Public Hearing for the Animal Ordinance at the November Meeting also, there were no objections.

Old Denton Road Water Main Project Update

Town Manager DiRe reported that there is no update at this time, we are waiting for information from the Engineer.

Informational Report on Town Industrial Well Use Permit Process, Industrial Water and Sewer Connection Process to Include Fee Structure and Related Matters

Town Manager DiRe issued copies of the Information Report in the weekly packet. This is for informational purposes only and is available on the town's website.

There were a few questions and discussion from the audience. All information that the Town currently has, is available on the town's website. Residents were encouraged not to listen to "word on the street", because that info is likely not true. The Mayor and Council reiterated that no approvals have been given by the Town to date, and there will be several permits needed to proceed. Aquacon may have to redesign the project to get the necessary permits.

Mayor & Council Action Items

Councilmember Windsor – reported that the Planning & Zoning Commission met on September 22nd and approved a preliminary site plan and demo permit for Phase 1 of the Cannabis Plant. MAS (Cannabis Plant) requested a joint educational meeting with the Planning Commission, the Mayor and Council and the public. They will be in touch to schedule.

Lywood Electric received approval from the Board of Appeals for the site plan for new construction at Bloomingdale Avenue.

Wendy Garner is interested in the open position on the Planning and Zoning Commission.

Councilmember Sewell – reported that the Mayor and herself attended the Tawes Crab & Clam Bake it was a great event and they did some good networking.

Councilmember Sewell suggested that the signs showing the old town website be removed from the entrance signs coming into town.

Councilmember Phillips – thanked the public for coming and encouraged them to keep coming.

Councilmember Willoughby – reported that there are a couple spots on North Main and Bloomingdale Avenue where the limbs and growth are over taking space on sidewalk.

Councilmember Willoughby also thanked the public for coming to the meeting and expressing their comments/concerns. He also stated that he has personally responded to every email/person who has signed the online petition. He has offered them info on the proper contacts and thanked them for their input.

Frank Adams – asked if the Industrial Park Covenants can be amended, however, Aquacon is already invested in this property.

Pam Ayers – stated that she had no concerns about the Cannabis Plant, but requested the Mayor and Council deny the fish farm.

Roberta Butler – asked if the Mayor and Council would be paving/fixing roads in Brooklyn. She was advised that the Town plans to use spend approximately \$1 million dollars from the ARPA funds to begin paving street. Those first on the priority list include Greenridge Road, Brooklyn Avenue and Park Lane/Morris Avenue. The Town hopes repairs will start in the fall or spring.

Mayor Abner – reported that Councilmember Sewell and she went to Eastern Shore Assoc. of Municipalities quarterly meeting with other towns and discussed various topics of interest among them.

Mayor Abner thanked the Public Works Department for their extra cleanup efforts at the marina, and stated that it looks much better.

She also thanked the Lions Club and Councilmember Sewell, along with herself planted mums in various locations around town.

Mayor Abner reported that the Bi-Centennial Anniversary of the Town is next year. There is a kick-off event scheduled for October 15th after the Heritage Day event at FHS. This is a catered event and they will be unveiling the planned four core events sponsored by town next year.

She also reported that the Blue Catfish Tournament will be held on November 5th. This is an evasive species that is killing and eating everything in the river. Details for the tournament activities will be posted on the website and Facebook.

Adjournment

There being no further business, Councilmember Sewell made a motion seconded by Councilmember Windsor and unanimously passed by a vote of five to zero to adjourn the meeting at 7:38 pm.

Respectfully submitted,

Kristy L. Marshall
Clerk - Treasurer

ORDINANCE NO. 2022-___

Introduced by: _____

AN ORDINANCE OF THE MAYOR AND COUNCIL OF FEDERALSBURG TO AMEND CHAPTER 17 OF THE FEDERALSBURG TOWN CODE TITLED "ANIMALS" TO PROHIBIT THE KEEPING OF FARM ANIMALS IN ALL ZONING DISTRICTS AND TO PROHIBIT THE KEEPING AND MAINTAINING OF ANY EXOTIC ANIMALS AS DESCRIBED AND REGULATED BY STATE LAW

WHEREAS, pursuant to Md. Code Ann. Local Government Article § 5-202, the Mayor and Council have the authority to adopt ordinances to protect the health, comfort and convenience of the residents of the municipality; and

WHEREAS, the Mayor and Council have determined that it is desirable and in the public interest to amend the Town Code to prohibit the keeping of farm animals, except as permitted by the Zoning Ordinance, and to prohibit the keeping of exotic animals at any property within the corporate limits of the Town.

NOW, THEREFORE, be it ordained by the Mayor and Council of Federalsburg as follows:

Section 1.: Chapter 17 of the Federalsburg Town Code is hereby repealed and replaced as follows:

17-1. Definitions.

At large – An animal shall be deemed at large under one or more of the following circumstances:

- A. Whenever the animal is not on the owner's premises or property unaccompanied by the owner or other responsible person capable of physically restraining the animal and/or controlling its behavior.
- B. Whenever the animal is not under direct control by the owner or other responsible person by means of a leash or personal presence sufficient to control the animal's conduct.

Farm animal - for the purpose of this Ordinance, shall include, but not be limited to: cows, horses, mules, donkeys, goats, sheep, hogs, lama, chickens, turkeys, ducks, geese and pigeons, or similar fowl or hooved animals.

Keeping or Harboring — The act of feeding or sheltering an animal on the physical premises by the owner or occupant of those premises.

Owner — Any person having a right of property in an animal, and any person who keeps or harbors an animal, has it in his care, acts as a custodian, or

otherwise permits that animal to remain on or about any premises owned, occupied or controlled by him.

Public Nuisance — Any animal found repeatedly to be disturbing the public peace, damaging property, molesting, or showing intent to molest passersby, chasing vehicles, or acting in any manner which is deemed to be doing damage to public or private property or to the public health and safety, or which is known to have bitten two or more persons, which shall have been determined by any authorized health official to be a detriment to public health or safety, or depositing excretory matter on property other than that of the owner. The owner of any such animal may be charged with maintaining a public nuisance.

Vicious Animal — Any animal that constitutes a physical threat to human beings or other animals by virtue of its conduct, behavior, or specialized training, except animals belonging to a government agency and acting in the official performance of authorized duty or duties.

17-2. Licensing and vaccination.

- A. Licensing of any and all animals within the Town of Federalsburg shall be subject to the laws and requirements of Caroline County as adopted by the County Commissioners of Caroline County and as amended from time to time.
- B. Vaccination of animals within the Town of Federalsburg against rabies and any other communicable diseases shall be required by the applicable laws of Caroline County as amended from time to time.

17-3. Keeping of farm animals prohibited.

It shall be unlawful to keep and maintain within the corporate limits of the Town any animals generally considered to be farm animals, except as provided in Section 245-119.3 of the Federalsburg Zoning Ordinance.

17-4. Exotic animals prohibited.

- 1) No property owner shall allow any exotic animal described and regulated pursuant to Md. Code Ann. Criminal Law Article § 10-621 to be kept, possessed or maintained in any zoning district.
- 2) Notwithstanding the provisions of 1) above, nothing set forth in this Chapter shall prevent an animal from being treated, kept or maintained in a veterinarian clinic or an animal shelter or animal sanctuary where such use is authorized and permitted under this Zoning Ordinance.

17-5. Control of animals required.

All owners of any animal or animals shall exercise sufficient care and control of such animals to prevent those animals from being a public nuisance as defined in § 17-1.

17-6. Running at large prohibited.

It shall be unlawful for any owner or keeper of an animal to permit that animal to run at large as defined in § 17-1 within the corporate limits of the Town of Federalsburg.

17-7. Vicious animals.

Any vicious animal, or an animal which has demonstrated behavior which may be deemed vicious must be confined to the physical premises or property of its owner or custodian, at all times, in a manner sufficient to prevent that animal from reaching persons who may have reason to lawfully enter upon those premises at any reasonable time. Such animal shall not be taken from that confinement on the premises unless muzzled or under sufficient control to prevent threats to public safety.

17-8. Enforcement.

The Mayor and Council of Federalsburg through their agents, employees, and designees are hereby authorized and directed to administer and enforce this chapter within the municipal boundaries of the Town of Federalsburg.

17-9. Violations and penalties.

A. Any person who willfully violates any provision of this chapter shall be guilty of a municipal infraction, and upon conviction thereof by a court of competent jurisdiction shall be subject to the fines as set forth in Chapter 1, Article I.

B. Each and every day that such violation remains shall be deemed a separate offense.

C. Any and all court costs and/or costs of prosecution shall be paid by the violator upon conviction, in addition to any specified penalties described above.

Section 2. In accordance with Section C3-10, of the Federalsburg Town Charter, this Ordinance shall take effect and be in full force and effect twenty (20) days from and after the date of its final passage and adoption.

Yea/Nay

Kimberly Abner _____
Debra Sewell _____
Edward H. Windsor _____
Robert Willoughby _____
Scott Phillips _____

I hereby certify that the above Ordinance was passed by a ye and nay vote of the Council this _____ day of _____, 2022.

Kimberly Abner, Mayor

Delivered by the Mayor and recorded by me in the Minute Books of the Mayor and Council of Federalsburg this ____ day of _____, 2022.

Kristy Marshall, Town Clerk

Date Introduced: _____
Date Amendments Introduced: _____
Date Passed: _____
Effective Date: _____

ORDINANCE NO. 2022-07

Introduced by: _____

AN ORDINANCE OF THE MAYOR AND COUNCIL OF FEDERALSBURG TO REPEAL IN ITS ENTIRETY AND REENACT CHAPTER 65 OF THE FEDERALSBURG TOWN CODE TO PROVIDE ETHICS PROVISIONS APPLICABLE TO THE LOCAL ELECTED OFFICIALS, EMPLOYEES, AND APPOINTEES TO THE BOARDS AND COMMISSIONS OF THE TOWN OF FEDERALSBURG

WHEREAS, pursuant to Md. Code Ann. Local Government Article § 5-202, the Mayor and Council have the authority to adopt ordinances to protect the health, comfort and convenience of the residents of the municipality; and

WHEREAS, in 2010 the Maryland General Assembly required local governments to adopt conflict of interest, financial disclosure and lobbying provisions to local ethics ordinances; and

WHEREAS, on December 8, 2011, the Town was granted a partial exemption pursuant to COMAR 19A.04.03.03 which exempts the Town from adopting lobbying provisions; and

WHEREAS, on November 5, 2012, the Mayor and Council adopted Ordinance 2012-14, adopting a revised Ethics Code to provide conflict of interest and financial disclosure ethics provisions; and

WHEREAS, in 2017, the General Assembly passed House Bill 879 which made amendments to the Maryland Public Ethics Law; and

WHEREAS, during the 2021 General Assembly session, House Bill 363 and House Bill 1058 were enacted which made multiple modifications to the State Ethics Law, including new conflict of interest provisions and additional disclosures for State elected officials that local governments must incorporate into their ethics ordinances; and

WHEREAS, to comply with the changes to the State Ethics Law, the Mayor and Council have determined that it is desirable and in the public interest to repeal Chapter 65 of the Federalsburg Town Code in its entirety and to adopt a new ethics ordinance which contains the required conflict of interest and financial disclosure requirements.

Section 1. The Federalsburg Town Code, Chapter 65 is repealed in its entirety and reenacted as attached hereto as **Exhibit A**.

Section 2. In accordance with Section C3-10, of the Federalsburg Town Charter, this Ordinance shall take effect and be in full force and effect twenty (20) days from and after the date of its final passage and adoption.

Yea/Nay

| | |
|-------------------|-------|
| Kimberly Abner | _____ |
| Debra Sewell | _____ |
| Edward H. Windsor | _____ |
| Robert Willoughby | _____ |
| Scott Phillips | _____ |

I hereby certify that the above Ordinance was passed by a yea and nay vote of the Council this _____ day of _____, 2022.

Kimberly Abner, Mayor

Delivered by the Mayor and recorded by me in the Minute Books of the Mayor and Council of Federalsburg this ____ day of _____, 2022.

Kristy Marshall, Town Clerk

Date Introduced: _____

Date Amendments Introduced: _____

Date Passed: _____

Effective Date: _____

CHAPTER 65 – ETHICS PROVISIONS

§ 65-1. Applicability.

The provisions of this chapter apply to all Town elected officials, employees, and appointees to boards and commissions of the Town of Federalsburg.

65-2. Definitions.

In this chapter, the following terms have the meanings indicated.

(a) (1) *"Business entity" means a corporation, general or limited partnership, sole proprietorship, joint venture, unincorporated association or firm, institution, trust, foundation, or other organization, whether or not operated for profit.*

(2) *Business entity does not include a governmental entity.*

(b) *"Commission" means the Federalsburg Ethics Commission established under this chapter.*

(c) (1) *"Compensation" means any money or thing of value, regardless of form, received or to be received by any individual covered by this chapter from an employer for service rendered.*

(2) *For the purposes of §8 of this chapter, if lobbying is only a portion of a person's employment, "compensation" means a prorated amount based on the time devoted to lobbying compared to the time devoted to other employment duties.*

(c-1) *"Designated second home" means:*

(1) *If an individual owns one second home, the individual's second home; or*

(2) *If an individual owns more than one second home, any one second home the individual identifies to the Commission as the individual's designated second home.*

(d) *"Doing business with" means:*

(1) *Having or negotiating a contract that involves the commitment, either in a single or combination of transactions, of \$5,000 or more of Town of Federalsburg controlled funds;*

(2) *Being regulated by or otherwise subject to the authority of the Town of Federalsburg; or*

(3) *Being registered as a lobbyist under this chapter.*

(e) (1) *"Elected official" means any individual who holds an elective office of the Town of Federalsburg.*

(2) *"Elected official" does not include the Sheriff, State's Attorney, Register of Wills, or Clerk of the Court.*

(f) (1) *"Employee" means an individual who is employed by the Town of Federalsburg.*

(2) "Employee" does not include an elected local official.

(3) "Employee" does not include an employee of:

(i) The offices of the Sheriff, State's Attorney, Register of Wills, or Clerk of the Court;

(ii) The County Health Department; or

(iii) The County Department of Social Services.

(g) "Financial interest" means:

(1) Ownership of any interest as the result of which the owner has received, within the past 3 years, or is presently receiving, or in the future is entitled to receive, more than \$1,000 per year; or

(2) Ownership, or the ownership of securities of any kind representing or convertible into ownership, of more than 3 percent of a business entity by a Town official or employee, or the spouse of an official or employee.

(h) (1) "Gift" means the transfer of anything of economic value, regardless of the form, without adequate and lawful consideration.

(2) "Gift" does not include a contribution as defined in Election Law Article, Annotated Code of Maryland.

(h-1) "Home address" means the address of an individual's:

(1) Principal home; and

(2) Designated second home, if any.

(i) "Immediate family" means a spouse and dependent children.

(j) (1) "Interest" means a legal or equitable economic interest, whether or not subject to an encumbrance or a condition, that is owned or held, in whole or in part, jointly or severally, directly or indirectly.

(2) For purposes of this chapter, "interest" includes any interest held at any time during the reporting period.

(3) "Interest" does not include:

(i) An interest held in the capacity of a personal agent, custodian, fiduciary, personal representative, or trustee, unless the holder has an equitable interest in the subject matter;

(ii) An interest in a time or demand deposit in a financial institution;

(iii) An interest in an insurance policy, endowment policy, or annuity contract under which an insurer promises to pay a fixed amount of money either in a lump sum or periodically for life or a specified period;

(iv) A common trust fund or a trust which forms part of a pension or profit sharing plan which has more than 25 participants and which has been determined by the Internal Revenue Service to be a qualified trust under the Internal Revenue Code;

(v) A college savings plan under the Internal Revenue Code; or

(vi) A mutual fund or exchange-traded fund that is publicly traded on a national scale unless the mutual fund or exchange-traded fund is composed primarily of holdings of stocks and interests in a specific sector or area that is regulated by the individual's governmental unit.

(k) "Lobbyist" means a person required to register and report expenses related to lobbying under §8 of this chapter.

(l) "Lobbying" means:

(1) Communicating in the presence of a Town official or employee with the intent to influence any official action of that official or employee; or

(2) Engaging in activities with the express purpose of soliciting others to communicate with a Town official or employee with the intent to influence that official or employee.

(m) "Official" means an elected official, an employee of the Town, or a person appointed to or employed by the Town or any Town agency, board, commission, or similar entity:

(1) Whether or not paid in whole or in part with Town funds; and

(2) Whether or not compensated.

(n) "Person" includes an individual or business entity.

(n-1) "Principal home" means the sole residential property that an individual occupies as the individual's primary residence, whether owned or rented by the individual.

(o) "Qualified relative" means a spouse, parent, child, brother, or sister.

(p) "Quasi-governmental entity" means an entity that is created by State statute, that performs a public function, and that is supported in whole or in part by the State but is managed privately.

(q) "Second home" means a residential property that:

(1) An individual occupies for some portion of the filing year; and

(2) Is not a rental property or a time share.

§ 65-3. Ethics Commission.

A. There is a Town Ethics commission that consists of three members appointed by the Mayor and Council.

B. The Commission shall:

- (1) Devise, receive, and maintain all forms required by this chapter;
- (2) Develop procedures and policies for advisory opinion requests and provide published advisory opinions to persons subject to this chapter regarding the applicability of the provisions of this chapter to them;
- (3) Develop procedures and policies for the processing of complaints to make appropriate determinations regarding complaints filed by any person alleging violations of this chapter; and
- (4) Conduct a public information program regarding the purposes and application of this chapter.

C. The Town Attorney shall advise the Commission.

D. The Commission shall certify to the State Ethics Commission on or before October 1 of each year that the Town is in compliance with the requirements of State Government Article, Title 15, Subtitle 8, Annotated Code of Maryland, for elected local officials.

E. The Commission shall determine if changes to this chapter are required to be in compliance with the requirements of State Government Article, Title 15, Subtitle 8, Annotated Code of Maryland, and shall forward any recommended changes and amendments to the Town Council for enactment.

F. The Commission may adopt other policies and procedures to assist in the implementation of the Commission's programs established in this chapter.

§ 65-4. Conflicts of Interest

A. In this section, "qualified relative" means a spouse, parent, child, or sibling.

B. All Town elected officials, officials appointed to Town boards and commissions subject to this chapter, and employees are subject to this section;

C. Participation prohibitions.

(1) Except as permitted by Commission regulation or opinion, an official or employee may not participate in:

- (a) Except in the exercise of an administrative or ministerial duty that does not affect the disposition or decision of the matter, any matter in which, to the knowledge of the official or employee, the official or employee, or a qualified relative of the official or employee has an interest.

- (b) Except in the exercise of an administrative or ministerial duty that does not affect the disposition or decision with respect to the matter, any matter in which any of the following is a party:
- [1] A business entity in which the official or employee has a direct financial interest of which the official or employee may reasonably be expected to know;
 - [2] A business entity for which the official, employee, or a qualified relative of the official or employee is an officer, director, trustee, partner, or employee;
 - [3] A business entity with which the official or employee or, to the knowledge of the official or employee, a qualified relative is negotiating employment or has any arrangement concerning prospective employment;
 - [4] If the contract reasonably could be expected to result in a conflict between the private interests of the official or employee and the official duties of the official or employee, a business entity that is a party to an existing contract with the official or employee, or which, to the knowledge of the official or employee, is a party to a contract with a qualified relative;
 - [5] An entity, doing business with the Town, in which a direct financial interest is owned by another entity in which the official or employee has a direct financial interest, if the official or employee may be reasonably expected to know of both direct financial interests; or
 - [6] A business entity that:
 - [a] The official or employee knows is a creditor or obligee of the official or employee or a qualified relative of the official or employee with respect to a thing of economic value; and
 - [b] As a creditor or obligee, is in a position to directly and substantially affect the interest of the official or employee or a qualified relative of the official or employee.
- (2) A person who is disqualified from participating under paragraphs (1) or (2) of this subsection shall disclose the nature and circumstances of the conflict and may participate or act if:

- (a) The disqualification leaves a body with less than a quorum capable of acting;
 - (b) The disqualified official or employee is required by law to act; or
 - (c) The disqualified official or employee is the only person authorized to act.
- (3) The prohibitions of Subsection C(1)(a) and (b) of this subsection do not apply if participation is allowed by regulation or opinion of the Commission.

D. Employment and financial interest restrictions.

- (1) Except as permitted by regulation of the Commission when the interest is disclosed or when the employment does not create a conflict of interest or appearance of conflict, an official or employee may not:
 - (a) Be employed by or have a financial interest in any entity:
 - [1] Subject to the authority of the official or employee or the Town agency, board, commission with which the official or employee is affiliated; or
 - [2] That is negotiating or has entered a contract with the agency, board, or commission with which the official or employee is affiliated; or
 - (b) Hold any other employment relationship that would impair the impartiality or independence of judgment of the official or employee.
- (2) This prohibition does not apply to:
 - (a) An official or employee who is appointed to a regulatory or licensing authority pursuant to a statutory requirement that persons subject to the jurisdiction of the authority be represented in appointments to the authority;
 - (b) Subject to other provisions of law, a member of a board or commission in regard to a financial interest or employment held at the time of appointment, provided the financial interest or employment is publicly disclosed to the appointing authority and the Commission;
 - (c) An official or employee whose duties are ministerial, if the private employment or financial interest does not create a conflict of

interest or the appearance of a conflict of interest, as permitted by and in accordance with regulations adopted by the Commission; or

- (d) Employment or financial interests allowed by regulation of the Commission if the employment does not create a conflict of interest or the appearance of a conflict of interest or the financial interest is disclosed.

E. Post-employment limitations and restrictions.

- (1) A former official or employee may not assist or represent any party other than the Town for compensation in a case, contract, or other specific matter involving the Town if that matter is one in which the former official or employee significantly participated as an official or employee.
- (2) ~~Until the conclusion of the next regular session that begins after the elected official leaves office, a former member of the Town Council may not assist or represent another party for compensation in a matter that is the subject of legislative action.~~ ***A former member of the Town Council may not assist or represent another party for compensation in a matter that is the subject of legislative action for one calendar year after the elected official leaves office.***

F. Contingent compensation. Except in a judicial or quasi-judicial proceeding, an official or employee may not assist or represent a party for contingent compensation in any matter before or involving the Town.

G. Use of prestige of office.

- (1) An official or employee may not intentionally use the prestige of office or public position for the private gain of that official or employee or the private gain of another.
- (2) This subsection does not prohibit the performance of usual and customary constituent services by an elected local official without additional compensation.

H. Solicitation and acceptance of gifts.

- (1) An official or employee may not solicit any gift.
- (2) An official or employee may not directly solicit or facilitate the solicitation of a gift, on behalf of another person, from an individual regulated lobbyist.

- (3) An official or employee may not knowingly accept a gift, directly or indirectly, from a person that the official or employee knows or has the reason to know:
- (a) Is doing business with or seeking to do business with the Town office, agency, board, or commission with which the official or employee is affiliated;
 - (b) Has financial interests that may be substantially and materially affected, in a manner distinguishable from the public generally, by the performance or nonperformance of the official duties of the official or employee;
 - (c) Is engaged in an activity regulated or controlled by the official's or employee's governmental unit; or
 - (d) Is a lobbyist with respect to matters within the jurisdiction of the official or employee.
 - (e) ***Is an association, or an entity acting on behalf of an association that is engaged only in representing counties or municipal corporations.***
- (4) Subsection H(5) of this section does not apply to a gift:
- (a) That would tend to impair the impartiality and the independence of judgment of the official or employee receiving the gift;
 - (b) Of significant value that would give the appearance of impairing the impartiality and independence of judgment of the official or employee; or
 - (c) Of significant value that the recipient official or employee believes or has reason to believe is designed to impair the impartiality and independence of judgment of the official or employee.
- (5) Notwithstanding subsection H(3) of this subsection, an official or employee may accept the following:
- (a) Meals and beverages consumed in the presence of the donor or sponsoring entity;
 - (b) Ceremonial gifts or awards that have insignificant monetary value;
 - (c) Unsolicited gifts of nominal value that do not exceed \$20 in cost or trivial items of informational value;

- (d) Reasonable expenses for food, travel, lodging, and scheduled entertainment of the official or the employee at a meeting which is given in return for the participation of the official or employee in a panel or speaking engagement at the meeting;
- (e) Gifts of tickets or free admission extended to an elected local official to attend a charitable, cultural, or political event, if the purpose of this gift or admission is a courtesy or ceremony extended to the elected official's office;
- (f) A specific gift or class of gifts that the Commission exempts from the operation of this subsection upon a finding, in writing, that acceptance of the gift or class of gifts would not be detrimental to the impartial conduct of the business of the Town and that the gift is purely personal and private in nature;
- (g) Gifts from a person related to the official or employee by blood or marriage, or any other individual who is a member of the household of the official or employee; or
- (h) Honoraria for speaking to or participating in a meeting, provided that the offering of the honorarium is not related in any way to the official's or employee's official position.

I. Disclosure of confidential information. Other than in the discharge of official duties, an official or employee *or former official or employee* may not disclose or use confidential information, that the official or employee acquired by reason of the official's or employee's public position *or former public position* and that is not available to the public, for the economic benefit of the official or employee or that of another person.

J. Participation in procurement.

- (1) An individual or a person that employs an individual who assists a Town agency in the drafting of specifications, an invitation for bids, or a request for proposals for a procurement may not submit a bid or proposal for that procurement or assist or represent another person, directly or indirectly, who is submitting a bid or proposal for the procurement.
- (2) The Commission may establish exemptions from the requirements of this section for providing descriptive literature, sole source procurements, and written comments solicited by the procuring agency.

K. An official or employee may not retaliate against an individual for reporting or participating in an investigation of a potential violation of the local ethics law or ordinance.

§ 65-5. Financial disclosure – local elected officials and candidates to be local elected officials.

A. Applicability; filing deadlines.

- (1) This section applies to all local elected officials and candidates to be local elected officials.
- (2) Except as provided in subsection B of this section, a local elected official or a candidate to be a local elected official shall file the financial disclosure statement required under this section:
 - (a) On a form provided by the Commission;
 - (b) Under oath or affirmation; and
 - (c) With the Commission.
- (3) Deadlines for filing statements.
 - (a) An incumbent local elected official shall file a financial disclosure statement annually no later than April 30 of each year for the preceding calendar year.
 - (b) An individual who is appointed to fill a vacancy in an office for which a financial disclosure statement is required and who has not already filed a financial disclosure statement shall file a statement for the preceding calendar year within 30 days after appointment.
 - (c) An individual who, other than by reason of death, leaves an office for which a statement is required shall file a statement within 60 days after leaving the office. The statement shall cover:
 - [1] The calendar year immediately preceding the year in which the individual left office, unless a statement covering that year has already been filed by the individual; and
 - [2] The portion of the current calendar year during which the individual held the office.

B. Candidates to be local elected officials.

- (1) Except for an official who has filed a financial disclosure statement under another provision of this section for the reporting period, a candidate to be an elected local official shall file under a financial disclosure statement

each year beginning with the year in which the certificate of candidacy is filed through the year of the election.

- (2) A candidate to be an elected local official shall file a statement required under this section:
 - (a) In the year the certificate of candidacy is filed, no later than the filing of the certificate of candidacy;
 - (b) In the year of the election, on or before the earlier of April 30 or the last day for the withdrawal of candidacy; and
 - (c) In all other years for which a statement is required, on or before April 30.
- (3) A candidate to be an elected official:
 - (a) May file the statement required under § 65-5B(2)(a) of this chapter with the Town Clerk or Board of Election Supervisors with the certificate of candidacy or with the Commission prior to filing the certificate of candidacy; and
 - (b) Shall file the statements required under § 65-5B(2)(b) and (c) with the Commission.
- (4) If a candidate fails to file a statement required by this section after written notice is provided by the Town Clerk or Board of Election Supervisors at least ~~8~~ 20 days before the last day for the withdrawal of candidacy, the candidate is deemed to have withdrawn the candidacy.
- (5) The Town Clerk or Board of Election Supervisors may not accept any certificate of candidacy unless a statement has been filed in proper form.
- (6) Within 30 days of the receipt of a statement required under this section, the Town Clerk or Board of Election Supervisors shall forward the statement to the Commission or the office designated by the Commission.

C. Public record.

- (1) The Commission or office designated by the Commission shall maintain all financial disclosure statements filed under this section.
- (2) Financial disclosure statements shall be made available during normal office hours for examination and copying by the public subject to reasonable fees and administrative procedures established by the Commission.

- (3) If an individual examines or copies a financial disclosure statement, the Commission or the office designated by the Commission shall record:
 - (a) The name and home address of the individual reviewing or copying the statement; and
 - (b) The name of the person whose financial disclosure statement was examined or copied.
- (4) Upon request by the official or employee whose financial disclosure statement was examined or copied, the Commission or the office designated by the Commission shall provide the official with a copy of the name and home address of the person who reviewed the official's financial disclosure statement.
- (5) ***The Commission or office designated by the Commission shall not provide public access to information related to consideration received from:***
 - (a) ***The University of Maryland Medical Systems;***
 - (b) ***A governmental entity of the State or a local government in the State; or***
 - (c) ***A quasi-governmental entity of the State or local government in the State.***
- (6) ***For statements filed after January 1, 2019, the Commission or the office designated by the Commission may not provide public access to an individual's home address that the individual has designated as the individual's home address.***

D. Retention requirements. The Commission or the office designated by the Commission shall retain financial disclosure statements for four years from the date of receipt.

E. An individual who is required to disclose the name of a business under this section shall disclose any other names that the business is trading as or doing business as.

FE. Contents of statement.

- (1) Interests in real property.
 - (a) A statement filed under this section shall include a schedule of all interests in real property wherever located.

- (b) For each interest in real property, the schedule shall include:
- [1] The nature of the property and the location by street address, mailing address, or legal description of the property;
 - [2] The nature and extent of the interest held, including any conditions and encumbrances on the interest;
 - [3] The date when, the manner in which, and the identity of the person from whom the interest was acquired;
 - [4] The nature and amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired;
 - [5] If any interest was transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the consideration received for the interest, and the identity of the person to whom the interest was transferred; and
 - [6] The identity of any other person with an interest in the property.

(2) Interests in corporations and partnerships.

- (a) A statement filed under this section shall include a schedule of all interests in any corporation, partnership, limited liability partnership, or limited liability company, regardless of whether the corporation or partnership does business with the Town.
- (b) For each interest reported under this paragraph, the schedule shall include:
- [1] The name and address of the principal office of the corporation, partnership, limited liability partnership, or limited liability corporation;
 - [2] The nature and amount of the interest held, including any conditions and encumbrances on the interest;
 - [3] With respect to any interest transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the

consideration received for the interest, and, if known, the identity of the person to whom the interest was transferred; and

[4] With respect to any interest acquired during the reporting period:

[a] The date when, the manner in which, and the identity of the person from whom the interest was acquired; and

[b] The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.

(c) An individual may satisfy the requirement to report the amount of the interest held under item (b)[2] of this paragraph by reporting, instead of a dollar amount:

[1] For an equity interest in a corporation, the number of shares held and, unless the corporation's stock is publicly traded, the percentage of equity interest held; or

[2] For an equity interest in a partnership, the percentage of equity interest held.

(3) Interests in business entities doing business with the Town.

(a) A statement filed under this section shall include a schedule of all interests in any business entity that does business with the Town, other than interests reported under Subsection E(2) of this subsection.

(b) For each interest reported under this paragraph, the schedule shall include:

[1] The name and address of the principal office of the business entity;

[2] The nature and amount of the interest held, including any conditions to and encumbrances in the interest;

[3] With respect to any interest transferred, in whole or in part, at any time during the reporting period, a description of the interest transferred, the nature and amount of the

consideration received in exchange for the interest, and, if known, the identity of the person to whom the interest was transferred; and

[4] With respect to any interest acquired during the reporting period:

[a] The date when, the manner in which, and the identity of the person from whom the interest was acquired; and

[b] The nature and the amount of the consideration given in exchange for the interest or, if acquired other than by purchase, the fair market value of the interest at the time acquired.

(4) Gifts.

(a) A statement filed under this section shall include a schedule of each gift in excess of \$20 in value or a series of gifts totaling \$100 or more received during the reporting period from or on behalf of, directly or indirectly, any one person who does business with or is regulated by the Town ***or from an association, or any entity acting on behalf of an association that is engaged only in representing counties or municipal corporations.***

(b) For each gift reported, the schedule shall include:

[1] A description of the nature and value of the gift; and

[2] The identity of the person from whom, or on behalf of whom, directly or indirectly, the gift was received.

(5) Employment with or interests in entities doing business with the Town.

(a) A statement filed under this section shall include a schedule of all offices, directorships, and salaried employment by the individual or member of the immediate family of the individual held at any time during the reporting period with entities doing business with the Town.

(b) For each position reported under this paragraph, the schedule shall include:

[1] The name and address of the principal office of the business entity;

- [2] The title and nature of the office, directorship, or salaried employment held and the date it commenced; and
 - [3] The name of each Town agency with which the entity is involved.
- (6) Indebtedness to entities doing business with the Town.
 - (a) A statement filed under this section shall include a schedule of all liabilities, excluding retail credit accounts, to persons doing business with the Town owed at any time during the reporting period:
 - [1] By the individual; or
 - [2] By a member of the immediate family of the individual if the individual was involved in the transaction giving rise to the liability.
 - (b) For each liability reported under this paragraph, the schedule shall include:
 - [1] The identity of the person to whom the liability was owed and the date the liability was incurred;
 - [2] The amount of the liability owed as of the end of the reporting period;
 - [3] The terms of payment of the liability and the extent to which the principal amount of the liability was increased or reduced during the year; and
 - [4] The security given, if any, for the liability.
- (7) A statement filed under this section shall include a schedule of the immediate family members of the individual employed by the Town in any capacity at any time during the reporting period.
- (8) Sources of earned income.
 - (a) A statement filed under this section shall include a schedule of the name and address of each place of employment and of each business entity of which the individual or a member of the individual's immediate family was a sole or partial owner and from which the individual or member of the individual's immediate

family received earned income, at any time during the reporting period.

- (b) A minor child's employment or business ownership need not be disclosed if the agency that employs the individual does not regulate, exercise authority over, or contract with the place of employment or business entity of the minor child.

(9) ***Relationship with University of Maryland Medical System, State or Local Government, or Quasi-Governmental Entity.***

- (a) ***An individual shall disclose the information specified in General Provisions Article §5-607(j)(1), Annotated Code of Maryland, for any financial or contractual relationship with:***

- i. ***The University of Maryland Medical System;***
- ii. ***A governmental entity of the State or a local government in the State; or***
- iii. ***A quasi-governmental entity of the State or local government in the State.***

- (b) ***For each financial or contractual relationship reported, the schedule shall include:***

- i. ***A description of the relationship;***
- ii. ***The subject matter of the relationship; and***
- iii. ***The consideration.***

- (9) A statement filed under this section may also include a schedule of additional interests or information that the individual making the statement wishes to disclose.

GF. For the purposes of § 65-5E(1), (2), and (3) of this chapter, the following interests are considered to be the interests of the individual making the statement:

- (1) An interest held by a member of the individual's immediate family, if the interest was, at any time during the reporting period, directly or indirectly controlled by the individual.
- (2) ~~An interest held by a business entity in which the individual held a 30% or greater interest at any time during the reporting period.~~ ***An interest held, at any time during the applicable period, by:***

- (a) *A business entity in which the individual held a 10% or greater interest;*
 - (b) *A business entity described in subsection (a) of this section in which the business entity held a 25% or greater interest;*
 - (c) *A business entity described in section (b) of this section in which the business entity held a 50% or greater interest; and*
 - (d) *A business entity in which the individual directly or indirectly, through an interest in one or a combination of other business entities, holds a 10% or greater interest.*
- (3) An interest held by a trust or an estate in which, at any time during the reporting period:
- (a) The individual held a reversionary interest or was a beneficiary; or
 - (b) If a revocable trust, the individual was a settler.

HG. Compliance and enforcement.

- (1) The Commission shall review the financial disclosure statements submitted under this section for compliance with the provisions of this section and shall notify an individual submitting the statement of any omissions or deficiencies.
- (2) The Town Ethics Commission may take appropriate enforcement action to ensure compliance with this section.

§ 65-6. Financial disclosure – employees and appointed officials.

- A. This section only applies to all appointed Town officials and all employees who have decision-making and/or policy responsibilities, or are involved in the commitment of municipal public funds.
- B. A statement filed under this section shall be filed with the Commission under oath or affirmation.
- C. On or before April 30 of each year during which an official or employee holds office, an official or employee shall file a statement disclosing gifts received during the preceding calendar year from any person that contracts with or is regulated by the Town, including the name of the donor of the gift and the approximate retail value at the time of receipt.
- D. An official or employee shall disclose employment and interests that raise conflicts of interest or potential conflicts of interest in connection with a specific proposed action

by the employee or official sufficiently in advance of the action to provide adequate disclosure to the public.

E. The Commission shall maintain all disclosure statements filed under this section as public records available for public inspection and copying as provided in § 65-5C and D of this chapter.

§ 65-7. Exemptions and modifications.

The Commission may grant exemptions and modifications to the provisions of §§ 65-3 and 65-4 of this chapter to employees and to appointed members of the Town Board of Commissions, when the Commission finds that an exemption or modification would not be contrary to the purposes of this chapter, and the application of this chapter would:

- A. Constitute an unreasonable invasion of privacy; and
- B. Significantly reduce the availability of qualified persons for public service.

65-8. Lobbying Disclosures.

A. Any person who personally appears before any Town official, Board or employee, with the intent to influence that person in performance with his or her official duties, and in connection with such intent, expends or reasonably expects to expend in a given calendar year, in excess of \$250 on food, entertainment or other gifts for such officials, shall file a registration statement with the Commission not later than January 15 of the calendar year or within five days after making these appearances.

B. The registration statement shall include complete identification of the registrant and of any other person on whose behalf the registrant acts, and the subject matter on which the registrant proposes to make these appearances.

C. Registrants under this Section shall file a report within 30 days after the end of any calendar year during which they were registered, disclosing the value, date and nature of any food, entertainment or other gift provided to a Town official or Town employee. When a gift or series of gifts to a single official or employee exceeds \$50 in value, the official or employee shall also be identified.

D. The registrations and reports filed pursuant to this Section shall be maintained by the Commission for four years as public records available for public inspection and copying.

§ 65-9. Enforcement.

- A. The Commission may:

- (1) Assess a late fee of \$2 per day up to a maximum of \$250 for a failure to timely file a financial disclosure statement required under §§ 65-4 or 65-5 of this chapter;
- (2) Issue a cease and desist order against any person found to be in violation of this chapter.

B. Upon a finding of a violation of any provision of this chapter, the Commission may:

- (1) Issue an order of compliance directing the respondent to cease and desist from the violation;
- (2) Issue a reprimand; or
- (3) Recommend to the appropriate authority other appropriate discipline of the respondent, including censure or removal if that discipline is authorized by law.

A. Petition for relief.

(1) Upon request by the Commission, the Town Attorney may file a petition for injunctive or other relief in the circuit court of Caroline County, or in any other court having proper venue for the purpose of requiring compliance with the provisions of this chapter.

(2) The court may:

- (a) Issue an order to cease and desist from the violation;
- (b) Except as provided in Subsection C(3) of this section, void an official action taken by an official or employee with a conflict of interest prohibited by this chapter when the action arises from or concerns the subject matter of the conflict and if the legal action is brought within 90 days of the occurrence of the official action, if the court deems voiding the action to be in the best interest of the public; or
- (c) Impose a fine of up to \$5,000 for any violation of the provisions of this chapter, with each day upon which the violation occurs constituting a separate offense.

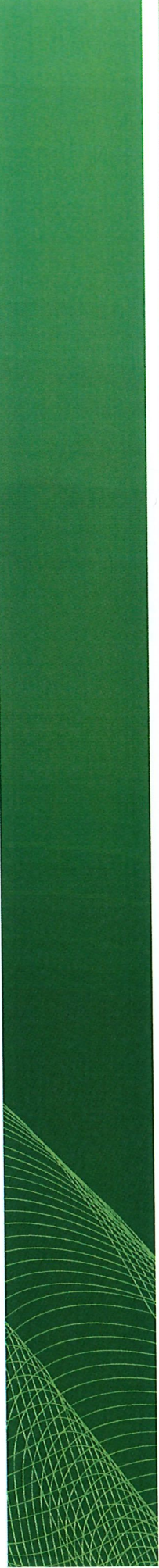
(3) A court may not void any official action appropriating public funds, levying taxes, or providing for the issuance of bonds, notes, or other evidences of public obligations.

D. In addition to any other enforcement provisions in this chapter, a person who the Commission or a court finds has violated this chapter:

- (1) Is subject to termination or other disciplinary action; and
- (2) May be suspended from receiving payment of salary or other compensation pending full compliance with the terms of an order of the Commission or a court.

E. A Town official or employee found to have violated this chapter is subject to disciplinary or other appropriate personnel action, including removal from office, disciplinary action, suspension of salary, or other sanction.

F. A finding of a violation of this chapter by the Commission is public information.



Town of Federalsburg, Maryland

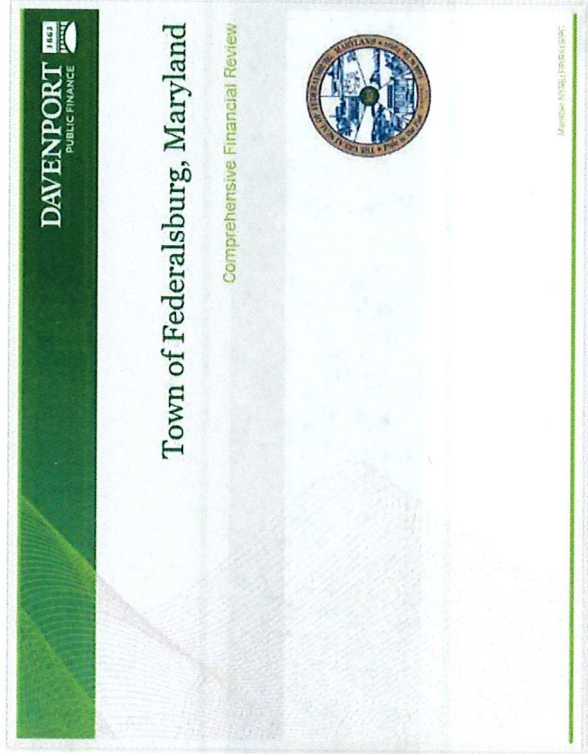
Overview of Comprehensive Financial Review



November 7, 2022

Overview

- The Town of Federalsburg, Maryland (the “Town”) is interested in retaining Davenport & Company LLC (“Davenport”) to compile a Comprehensive Financial Review.
- A Comprehensive Financial Review is a report that will provide the Town with an overview of its economic and demographic profile, financial and debt positions with respect to historical Town trends, current peers, and national medians.
- The purpose of the Comprehensive Financial Review is to provide initial observations on the strengths and potential challenges facing the Town and provide recommendations for moving forward to ensure that the Town maintains a healthy financial position while remaining inline with industry best practices and any established financial policies.
- The following slides will provide Town Council with additional information on what is included in a Comprehensive Financial Review, as well as provide a proposed timeline for this project.

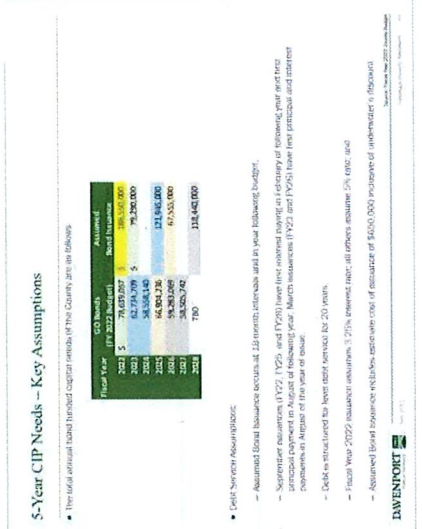
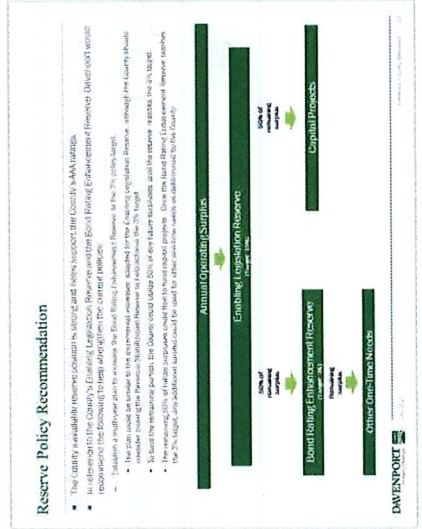


Comprehensive Financial Review Details

- The Comprehensive Financial Review will incorporate the following:
 - Analysis of historical trends of key financial ratios related to debt, capital funding, and fund balance, amongst others;
 - Projection of key financial ratios into the future to provide a basis for setting/updating formal or informal policy limits;
 - Comparison of the Town’s ratios to other Maryland towns and national peers;
 - Analysis of the Town’s debt capacity and debt affordability;
 - Recommendations on how to address any challenges the Town might face to ensure continuation of a strong financial position going forward; and
 - Summary findings to be presented to the Mayor and Town Council.

■ In addition to the information outlined above, Davenport would work with the Town to determine if there were any other areas of interest that should be included in the Comprehensive Financial Review.

■ Examples from other completed Comprehensive Financial Reviews are included below:



Historical Trends and Medians

Financial Policy Assessment and Recommendations

Debt Capacity and Affordability



Estimated Timeline - Comprehensive Financial Review

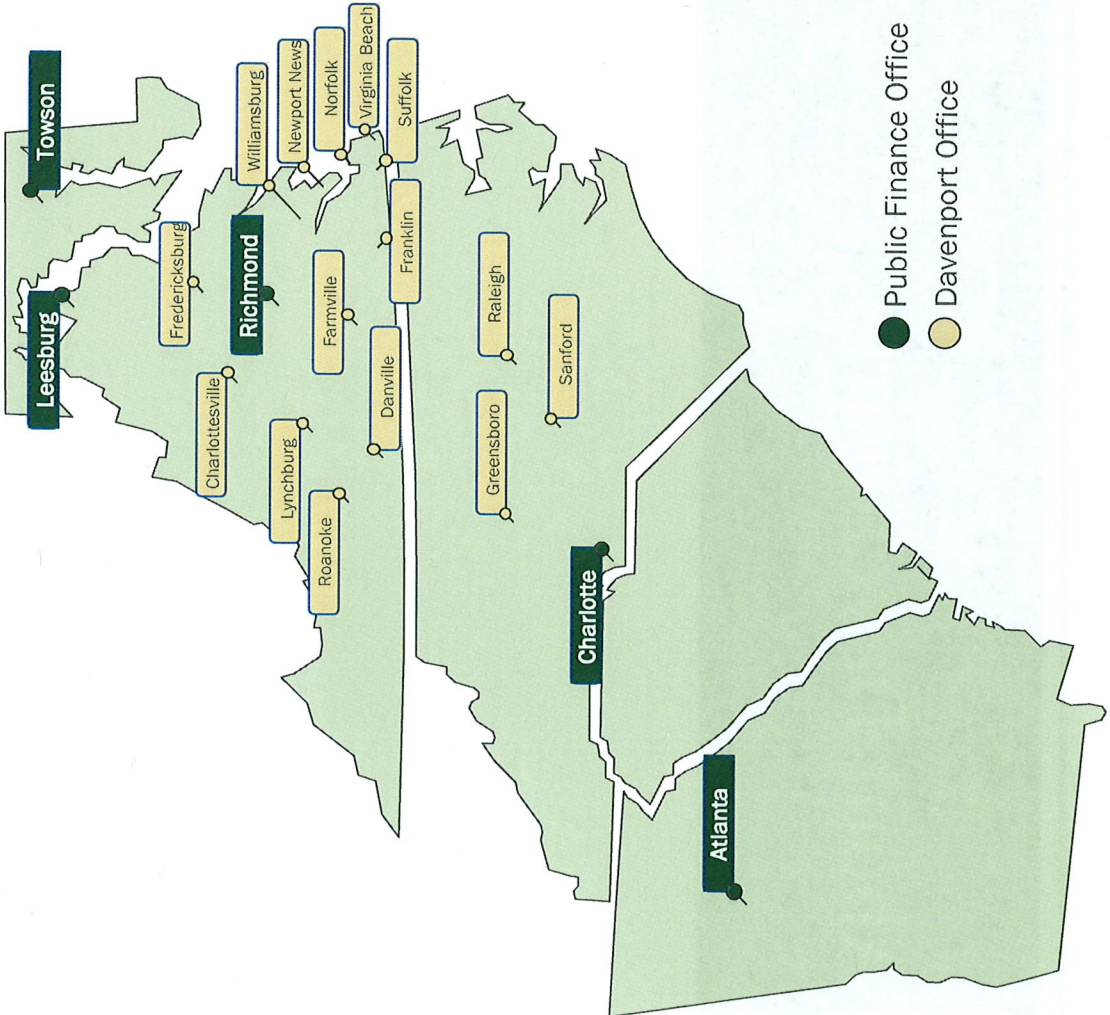
| Date | Task |
|------------------------------------|---|
| Week of November 14 | Davenport to submit data request to Town Staff. |
| Tuesday, November 22 | Kick-off call with Town Staff to discuss Town's important issues, expectations for the deliverable, and any information required from the Town. |
| Week of November 28 and December 5 | Development of the Town's Comprehensive Financial Review. |
| December 12 | Meet with Town Staff to review the initial draft of the Comprehensive Financial Review. |
| December 13 - December 16 | Refine Comprehensive Financial Review based on comments received from Town Staff. |
| Friday, December 16 | Submit updated Comprehensive Financial Review to Town Staff for comment. |
| Friday, December 23 | Final comments/edits from Town Staff due to Davenport. |
| Friday, December 30 | Submit final Comprehensive Financial Review to Town Staff. |
| January 17, 2023 | Present Comprehensive Financial Review to Mayor and Council. |



About Davenport



Firm Overview | Davenport & Company LLC



- Founded in 1863 in Richmond, VA, Davenport is nearly 160 years old.
- Commitment to Delaware through our Towson Office.
- Wholly owned by our Employees.
- Employees: 400+
- Client Assets: \$25.7 Billion
- Firm Assets: \$124.3 Million
- Firm Capital: \$28.2 Million
- Annual Revenues: Approximately \$175 Million.

Regional Rankings | Davenport & Company LLC



Davenport consistently ranks as the Top Financial Advisor in the Mid-Atlantic / Southeast states shown.

Financial Advisor Transactions*

2017-2021

Maryland
Virginia
North Carolina
South Carolina
Georgia

Transactions: 426

Par: \$21.1 Billion

Financial Advisor Transactions

Maryland, Virginia, North Carolina, South Carolina, Georgia

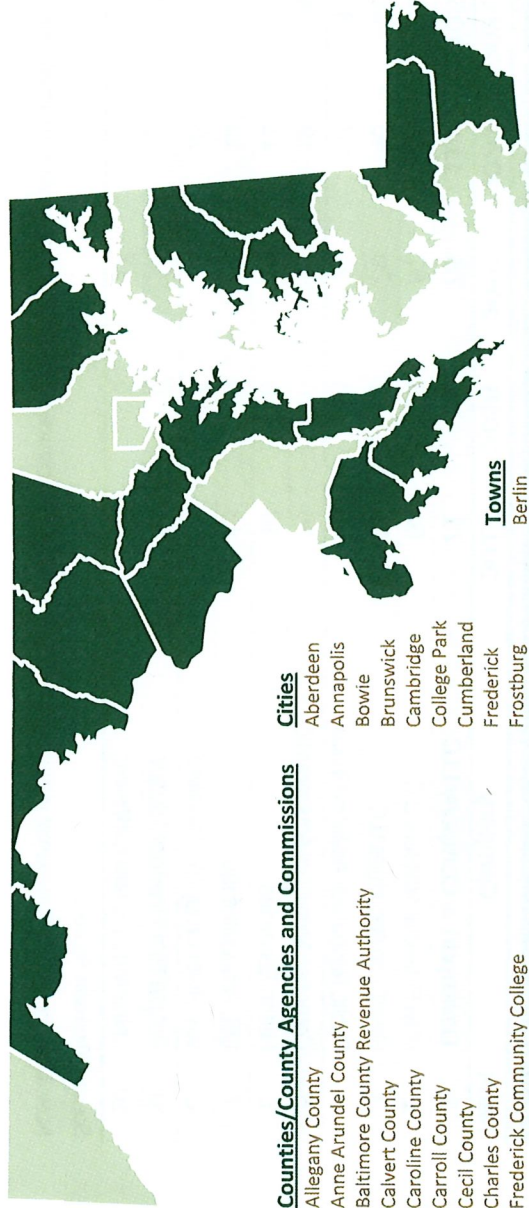
| Rank | Company | 2017 | 2018 | 2019 | 2020 | 2021 | Total |
|------|------------------------------------|-----------|-----------|-----------|------------|------------|------------|
| 1 | Davenport & Company LLC | 71 | 64 | 75 | 111 | 105 | 426 |
| 2 | PFM Financial Advisors LLC | 60 | 28 | 57 | 65 | 66 | 276 |
| 3 | First Tryon Securities LLC | 31 | 31 | 39 | 40 | 46 | 187 |
| 4 | Public Resources Advisory Group | 32 | 16 | 21 | 28 | 37 | 134 |
| 5 | Compass Municipal Advisors LLC | 26 | 20 | 27 | 19 | 9 | 101 |
| 6 | Hilltop Securities | 16 | 8 | 16 | 11 | 17 | 68 |
| 7 | DEC Associates Inc | 13 | 9 | 11 | 12 | 15 | 60 |
| 8 | Wye River Group Incorporated | 8 | 4 | 6 | 18 | 8 | 44 |
| 9 | People First Financial Advisor | 11 | 6 | 11 | 2 | 7 | 37 |
| 10 | Caine Mitter & Associates Inc | 8 | 5 | 17 | 1 | 3 | 34 |

Source: Thomson Reuters

Note: Data shown is for tax-exempt public bond offerings and does not include bank loans or privately placed transactions.

Maryland Experience

Over the last several decades, Davenport has represented more Maryland local governments than any other firm.



Counties/County Agencies and Commissions

Allegany County
 Anne Arundel County
 Baltimore County Revenue Authority
 Calvert County
 Caroline County
 Carroll County
 Cecil County
 Charles County
 Frederick Community College
 Frederick County Board of Education
 Frederick County
 Harford County
 Harford County Board of Education
 Howard County
 Maryland National Capital Park and Planning Commission
 Montgomery County
 Queen Anne's County
 Revenue Authority of Prince George's County
 St. Mary's County Building Authority Commission
 St. Mary's County
 St. Mary's Metropolitan Commission
 Talbot County
 Washington County
 Wicomico County
 Worcester County

Cities

Aberdeen
 Annapolis
 Bowie
 Brunswick
 Cambridge
 College Park
 Cumberland
 Frederick
 Frostburg
 Greenbelt
 Hagerstown
 Havre de Grace
 Rockville
 Salisbury
 Taneytown

Towns

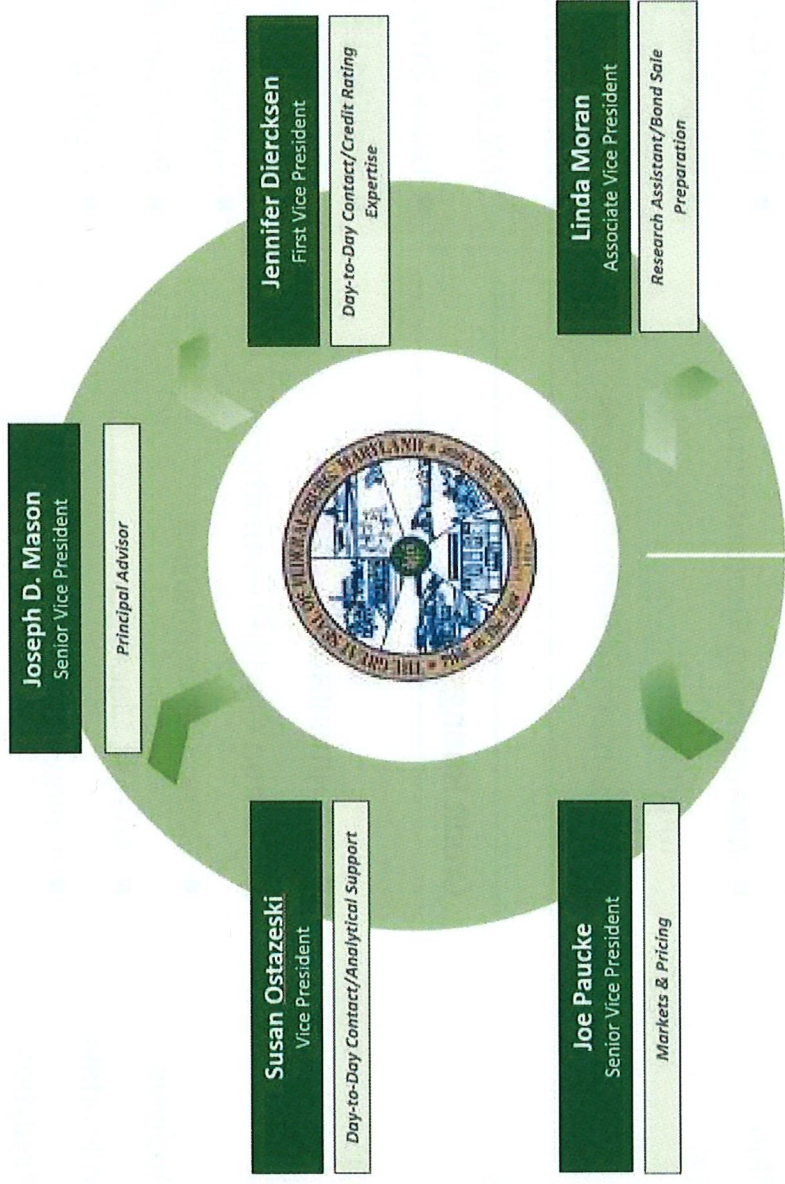
Berlin
 Chesapeake Beach
 Chesapeake City
 Cheverly
 East New Market
 Easton
 Emmitsburg
 Federalsburg
 Greensboro
 Myersville
 North Beach
 Ocean City
 Rising Sun
 Riverdale Park
 Rock Hall
 Somerset
 Sykesville
 Takoma Park
 Thurmont
 Union Bridge

State / State Agencies

State of Maryland Treasurer
 Maryland Department of Transportation
 Maryland Transportation Authority
 Community Development Administration
 Maryland Environmental Service

*This list denotes current and past clients.

Financial Advisor Team



Other Davenport Public Finance Professionals

- David Rose
Senior Vice President and Manager
- B. Mitchell Brigulio, Jr.
Senior Vice President
- Roland Kooch
Senior Vice President
- R.T. Taylor
Vice President
- Tyler Smith
Associate Vice President
- AJ Allen
Analyst
- Jack Casey
Analyst
- Edward Cole, III
Senior Vice President and Manager
- Ty Wellford
Senior Vice President
- James Sanderson
Senior Vice President
- Stephen Geisz
Associate Vice President
- Zachary Lucanile
Associate Vice President
- Sam Stewart
Analyst
- Carson Willey
Analyst
- Lucy Hooper
Executive Vice President
- Kyle Laux
Senior Vice President
- Ricardo Cornejo
First Vice President
- Christopher Holt
Associate Vice President
- Cole Clalborne
Associate Vice President
- Gregor Bates
Analyst
- Allie Baxter
Research Assistant
- Jamie Traudt
Senior Vice President
- Courtney Rogers
Senior Vice President
- Douglas Gebhardt
First Vice President
- Ben Wilson
Associate Vice President
- Tanner Smoak
Analyst
- Austin Sacks
Analyst



Services Provided

Planning and Analytical Services

- Strategic Planning
 - Financial Policies
 - Alternative Financing Structures
 - Strategic Financial Plan
 - Monitoring Refunding Opportunities
- Analytics
 - Quantitative Analysis
 - Financial Pro Forma
 - Debt Capacity Analysis
 - Peer Group Comparisons
 - Debt Structure
 - Debt Management Analysis
 - Computer Simulation Models
 - Cash Management Analytics

Investment Consulting

- Investment Policies
- Investment Strategy
- Cash Flow Forecasting
- Management Reporting and Interface
- Investment of Bond Proceeds

Credit Ratings

- Documentation
- Written Credit Presentation
- Comparative Analysis
- Analyst Meetings
- Follow Up

Transactional Services

- Time Schedule
- Bond Covenants
- Disclosure
- Market Conditions
- Bank Placements
- Method of Sale
- Competitive/Negotiated Sale Mechanics
- Issue Structure
- Mailing Lists
- Pre-Sale Marketing
- Analyze Bids/Pricing
- Post-Sale Analysis
- Closing

Disclaimer

The U.S. Securities and Exchange Commission (the "SEC") has clarified that a broker, dealer or municipal securities dealer engaging in municipal advisory activities outside the scope of underwriting a particular issuance of municipal securities should be subject to municipal advisor registration. Davenport & Company LLC ("Davenport") has registered as a municipal advisor with the SEC. As a registered municipal advisor Davenport may provide advice to a municipal entity or obligated person. An obligated person is an entity other than a municipal entity, such as a not for profit corporation, that has commenced an application or negotiation with an entity to issue municipal securities on its behalf and for which it will provide support. If and when an issuer engages Davenport to provide financial advisory or consultant services with respect to the issuance of municipal securities, Davenport is obligated to evidence such a financial advisory relationship with a written agreement.

When acting as a registered municipal advisor Davenport is a fiduciary required by federal law to act in the best interest of a municipal entity without regard to its own financial or other interests. Davenport is not a fiduciary when it acts as a registered investment advisor, when advising an obligated person, or when acting as an underwriter, though it is required to deal fairly with such persons.

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The value of and income from investments and the cost of borrowing may vary because of changes in interest rates, foreign exchange rates, default rates, prepayment rates, securities/instruments prices, market indexes, operational or financial conditions or companies or other factors. There may be time limitations on the exercise of options or other rights in securities/instruments transactions. Past performance is not necessarily a guide to future performance and estimates of future performance are based on assumptions that may not be realized. Actual events may differ from those assumed and changes to any assumptions may have a material impact on any projections or estimates. Other events not taken into account may occur and may significantly affect the projections or estimates. Certain assumptions may have been made for modeling purposes or to simplify the presentation and/or calculation of any projections or estimates, and Davenport does not represent that any such assumptions will reflect actual future events. Accordingly, there can be no assurance that estimated returns or projections will be realized or that actual returns or performance results will not materially differ from those estimated herein. This material may not be sold or redistributed without the prior written consent of Davenport.

Version 01/13/2014 SO/JD/JM



October 31, 2022

Mayor Kimberly M. Abner
118 N. Main Street
Federalsburg, MD 21632

Mayor Abner,

On October 17, 2022, Town Council held a workshop meeting to review a Quit Claim Deed from Royal Farms (Two Farms, Inc.), facilitating the transfer of the right-of-way parcel for Hayman Drive to the Town of Federalsburg. This parcel is essential to providing safe and effective access to our new Federalsburg Health Center between the existing sections of Hayman Drive and Hargreaves Drive.

Choptank Community Health System, Inc. will be responsible for completing the additional section of Hayman Drive which will traverse the parcel within the Quit Claim Deed. Choptank agrees to work in close consultation with the Town of Federalsburg to ensure the new street meets all Town guidelines and regulations, as well as all State and Federal regulations for new road construction, sidewalks, and critical infrastructure. Upon completion of road construction, the Town of Federalsburg will assume all responsibility for maintenance and repair of the roadway, underground utilities, and sidewalks not owned by Choptank Community Health.

With this letter of commitment, I hope Federalsburg can proceed with parcel acquisition and Choptank Community Health can begin consultation with all parties on the scope, planning and engineering for the extension of Hayman Drive. Please reach out if you have any questions or need additional information.

Sincerely,

A handwritten signature in black ink that reads "Sara Rich".

Sara K. Rich, MPA
President & Chief Executive Officer
Choptank Community Health System



Parcel Boundaries: ✕

Jurisdiction Code: CARO

Parcel Account Number: 0605029198

SDAT URL: [More info](#)

Zoom to: 444

AFTER RECORDATION RETURN TO:
Ryan D. Showalter
McAllister, DeTar, Showalter & Walker LLC
100 N. West Street
Easton, Maryland 21601
(410) 820-0259

***NO TITLE EXAMINATION
NO CONSIDERATION***

***Tax Account No.: 05-029198
CAROLINE COUNTY, MD***

THIS QUIT CLAIM DEED OF DEDICATION made this ___ day of _____, 2022,
by and between **TWO FARMS, INC., a Maryland corporation** (“Grantor”) and **MAYOR
AND COUNCIL OF FEDERALSBURG, a Maryland municipal corporation** (“Grantee”).

WHEREAS, Grantor is the owner in fee simple of the property hereby conveyed (the
“Property”) and more particularly described on Exhibit A attached hereto and made a part
hereof.

WHEREAS, Grantor wishes to grant, convey and relinquish to Grantee, all rights, title,
and interest in the Property, and thereby vest the entire fee simple interest in Grantee.

-WITNESSETH-

THAT IN CONSIDERATION OF THE SUM OF ZERO DOLLARS (\$0.00), the receipt
and sufficiency of which are hereby acknowledged, Grantor does hereby dedicate, grant, release,
confirm, convey, and quitclaim unto the said Grantee, its successors and assigns, forever, in fee
simple, all of Grantor’s right, title and interest whatsoever (except as reserved below), in and to
and to the following described land, and the said Grantee, by its acceptance of this Quit Claim
Deed of Dedication, as evidenced by the signature of the Mayor of the Mayor and Council of
Federalsburg affixed hereto, hereby accepts such dedication described as follows, to wit:

BEING KNOWN AND DESIGNATED as “Proposed 60’ R/W”, “Proposed R/W (R/W
Width Varies)”, and “Lot 8, 2.7823 ac.” as shown on a plat set entitled “Plat Showing
R/W for Proposed Federalsburg Shopping Center”, prepared by Godwin-Jordan &
Associates, P.A. and recorded among the Plat Records of Caroline County, Maryland in
Plat Book FDM 6, pages 45A and 45B.

BEING ALL OF THAT same lot or parcel of land conveyed by AC 21B LLC unto Two Farms, Inc. by Quit-Claim Deed dated August 22, 2019 and recorded among the Land Records for Caroline County, Maryland in Liber TBL 1375, folio 436.

TOGETHER with the buildings and improvements thereon erected, made or being, and all and every, right, alleys, ways, waters, privileges, appurtenances and advantages to the same belonging, or in anywise appertaining.

SUBJECT to any covenants, conditions, restrictions and easements of record.

RESERVING UNTO THE GRANTOR a right-of-way and easement, at all times, with or without vehicles, to enter upon, construct, install, operate, maintain, repair and replace: (i) any underground utility pipes, lines, mains, and manholes, together with any and all necessary appurtenances, fittings and fixtures, through, under and across the herein conveyed property, and (ii) road and sidewalk improvements across the herein conveyed property for access between public roads and certain parcels of land retained by Grantor and described by a deed recorded among the Land Records of Caroline County in Liber 1375, folio 394.

TO HAVE AND TO HOLD the said tract of ground and premises above described, and mentioned, and hereby intended to be conveyed, together with the rights, privilege, appurtenance and advantage thereto belonging, or in anywise appertaining, unto and for the proper use, benefit and behalf of the **MAYOR AND COUNCIL OF FEDERALSBURG, a Maryland municipal corporation**, its successors and assigns, in fee simple, forever.

SIGNATURES ON FOLLOWING PAGES

IN WITNESS WHEREOF, the hands and seals of Grantor and Grantee the day and year first above written.

WITNESS:

TWO FARMS, INC.
a Maryland corporation

By: _____(SEAL)

Name: _____

Title: _____

STATE OF MARYLAND, COUNTY OF _____, TO WIT:

On this ____ day of _____, 2022, before me, the undersigned officer, personally appeared _____, the _____ of TWO FARMS, INC., a Maryland corporation and the Grantor herein, known to me (or satisfactorily proven) to be the person whose name is subscribed to the within instrument, and acknowledged the foregoing deed to be the act and deed of Two Farms, Inc., and being authorized to do so, in my presence signed and sealed the same, giving oath under penalties of perjury that the consideration recited herein is correct.

In witness thereof I hereunto set my hand and official seal.

Notary Public

My commission expires: _____

This Deed of Dedication is accepted by the Mayor and Council of Federalsburg this ____ day of _____, 2022.

WITNESS:

Grantee
MAYOR AND COUNCIL OF
FEDERALSBURG, a Maryland municipal
corporation

(SEAL)

By: _____

Kimberly M. Abner, Mayor

STATE OF MARYLAND, COUNTY OF _____, TO WIT:

I HEREBY CERTIFY, that on this _____ day of _____, 2022, before me, a Notary Public in and for the State and County aforesaid, personally appeared *Kimberly M. Abner*, who acknowledged herself to be the Mayor of the MAYOR AND COUNCIL OF FEDERALSBURG, and that she as such Mayor, and being authorized so to do, executed the foregoing Quit Claim Deed of Dedication for the purposes therein contained by signing the name of the Town by herself as Mayor of the Grantee.

WITNESS my hand and Notarial Seal.

Notary Public

My Commission Expires:

Approved as to form and legal sufficiency.

Lyndsey Ryan, Esq.
Town Attorney

ATTORNEY CERTIFICATION

I hereby certify that I am an attorney admitted to practice before the Court of Appeals of Maryland and that the foregoing Quit Claim Deed was prepared by me or under my supervision.

Ryan D. Showalter

**NO TITLE EXAMINATION
NO CONSIDERATION**

Account No. 05-029198

TRANSFER TAX BASED ON ASSESSED VALUE OF \$23,600.00

QUIT-CLAIM DEED

THIS QUIT-CLAIM DEED (this "Deed") is made this 22nd day of August 2019 from **AC 21B LLC, a Delaware**, party of the first part, Grantors; and **TWO FARMS INC.**, a Maryland corporation, party of the second part, Grantee.

WITNESSETH, that in consideration of the sum of One Dollar and 00/100 (\$1.00), and other and good and valuable considerations the receipt whereof is hereby acknowledged, the said party of the first does grant and convey to the said party of the second part, their successors and assigns, all that property situate in Caroline County, Maryland, that is to say:

BEING KNOWN AND DESIGNATED as a Sixty (60') foot right of way Lot 8 (containing 2.78 acres of land +/-) as shown on a plat entitled "Title Plat Showing R/W for Proposed Federalsburg Shopping Center", which plat is recorded among the Land Records of Caroline County, Maryland in Plat Book 6 folio 45B.

ALSO BEING PART of the same lot of ground which by Deed dated December 1, 2017 and recorded among the Land Records of Caroline County, Maryland in Book 1290 page 285 was granted and conveyed by Oriole Pool I Owner LLC unto AC 21B LLC, the grantor herein.

SUBJECT, HOWEVER, to any covenants, conditions, restrictions and easements of record.

TOGETHER WITH the buildings thereupon, and the rights, alleys, ways, waters, privileges, appurtenances and advantages thereto belonging, or in anywise appertaining.

TO HAVE AND TO HOLD the said described lot(s) of ground and premises to the said party of the second part, its successors and assigns, forever, in fee simple.

AND the said party of the first part hereby covenants that it has not done or suffered to be done any act, matter or thing whatsoever, to encumber the property hereby conveyed; that it will warrant specially the property hereby granted; and that it will execute such further assurances of the same as may be requisite.

WHEREAS the party of the first part herein wishes to forever quit-claim, grant and convey its respective interests in the said described lot(s) of ground and premises.

CAROLINE COUNTY VIRGINIA COURTY (Lainu Records) IDL 1375, p. 4400, WDA_0E90_1140. Date available 08/20/2019. Printed 08/11/2024.

WITNESS the hand and seal of said Grantor.

WITNESS;

[Handwritten Signature]

AC 21B LLC, a Delaware limited liability company
By: Abinger Capital LLC, Sole Member Inc

BY: *[Handwritten Signature]* (Seal)
Name: R. Lupo Talamo
Title: Authorized Officer

| | |
|------------------------|--------|
| LR - Deed (w Taxes) | 20.00 |
| Recording Fee no RT | |
| Name: AC 21B LLC/Two | |
| Ref: | |
| LR - Deed (with Taxes) | |
| Surcharge | 40.00 |
| LR - Deed State | |
| Transfer Tax | 118.00 |
| LR - County Transfer | |
| Tax - linked | 118.00 |
| LR - NR Tax - 1kd | 0.00 |
| ===== | |
| SubTotal: | 296.00 |
| ===== | |
| Total: | 296.00 |
| 09/19/2019 12:23 | |
| CC05-CB | |
| #12732808 CC0201 - | |
| Caroline | |
| County | |
| Reg. No. 02 | |

STATE OF NEW YORK, New York County, to wit:

I HEREBY CERTIFY that on this 27th day of August, 2019, before me, the subscriber, a Notary Public of the State aforesaid personally appeared R. Lupo Talamo, Authorized Officer of Abinger Capital LLC, Sole Member of AC 21B LLC, known to me or satisfactorily proven to be the person whose name is subscribed to the within instrument and she/he acknowledged that she/he being authorized so to do, executed the same for the purposes therein contained.

IN WITNESS WHEREOF, I hereunto set my hand and official seal.

[Handwritten Signature]
Notary Public

My Commission Expires
2/28/2022

MACDONALD BUDD
Notary Public, State of New York...
No. 02BU0483285
Qualified in New York County
Commission Expires Feb. 28, 2022

The undersigned hereby certifies that the within instrument was prepared by or under the supervision of an attorney admitted to practice before the Court of Appeals of Maryland or a party to the instrument and named herein

This is to certify that the within instrument was prepared by or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.

[Handwritten Signature]
Stephen D. Huben, Attorney at Law

After recording mail to:
Residential Title & Escrow Co.
100 Painters Mill Road
Suite 200
Owings Mills, MD 21117

File # 88577-A

Quit Claim for 60' Right of Way Federalsburg - Two Farms/2019 deeds/hm/ Aug 2019

I hereby certify this 19 day of Sept 2019
That all public taxes, assessments and charges due on this property transferred by this deed have been paid.

Recordation Tax Amt 250
Property ID: 05-029198
[Handwritten Signature]

CAROLINE COUNTY TAX OFFICE

CAROLINE COUNTY CLERK (Land Records) 1 BL 1375, p. 0437, MSA_CE95_1145. Date available 09/23/2019. Printed 06/17/2022.

2019

MARYLAND
FORM
WH-AR

**Certification of Exemption from Withholding Upon
Disposition of Maryland Real Estate Affidavit of
Residence or Principal Residence**

Based on the certification below, Transferor claims exemption from the tax withholding requirements of §10-912 of the Tax-General Article, Annotated Code of Maryland. Section 10-912 provides that certain tax payments must be withheld and paid when a deed or other instrument that effects a change

in ownership of real property is presented for recordation. The requirements of §10-912 do not apply when a transferor provides a certification of Maryland residence or certification that the transferred property is the transferor's principal residence.

1. Transferor Information

Name of Transferor AC 21B LLC, a Delaware limited liability company

2. Description of Property (Street address. If no address is available, include county, district, subdistrict and lot numbers). 60' Right of Way , Federalburg, MD 21632

3. Reasons for Exemption

Resident Status As of the date this form is signed, I, Transferor, am a resident of the State of Maryland.

Transferor is a resident entity as defined in Code of Maryland Regulations (COMAR)03.04.12.02B(11), I am an agent of Transferor, and I have authority to sign this document on Transferor's behalf.

Principal Residence Although I am no longer a resident of the State of Maryland, the Property is my principal residence as defined in IRC 121 (principal residence for 2 (two) of the last 5 (five) years) and is currently recorded as such with the State Department of Assessments and Taxation.

Under penalty of perjury, I certify that I have examined this declaration and that, to the best of my knowledge, it is true, correct, and complete.

3a. Individual Transferors

Witness

Name

**Date

Signature

3b. Entity Transferors

Witness/Attest

AC 21B LLC, a Delaware limited liability company

AC 21B LLC

Name of Entity

By

Name

** Date

Managing Partner

Title

** Form must be dated to be valid.

Note: Form is only valid if it was executed on the date the Property was transferred and is properly recorded with the Clerk of the Court. To the Clerk of the Court: Only an un-altered Form WH-AR should be considered a valid certification for purposes of Section 10-912.

CAROLINE COUNTY CIRCUIT COURT (Laini Records) IDL 1375, p. 0436, MDA_UE93_1143. Date available 08/23/2019. Printed on 11/20/22.

Information provided is for the use of the Clerk's Office, State Department of Assessments and Taxation, and County Finance Office Only
 (Type or Print in Black Ink Only - All Copies Must Be Legible)

| | | | | | | | | |
|--------------------------------------|---|---|---|---|--------------------------|--|--|--|
| 1 | Type(s) of Instruments | <input checked="" type="checkbox"/> Deed <input type="checkbox"/> Deed of Trust | <input type="checkbox"/> Mortgage <input type="checkbox"/> Lease | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | |
| 2 | Conveyance Type Check Box | <input type="checkbox"/> Improved Sale | <input type="checkbox"/> Unimproved Sale | <input type="checkbox"/> Mult. Accounts | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> Not an Arms-Length Sale [9] | |
| 3 | Tax Exemptions (if Applicable) Cite or Explain Authority | Recordation | Quit Claim Deed - \$1.00 consideration | | | | | |
| | | State Transfer | | | | | | |
| | | County Transfer | | | | | | |
| 4 | | Consideration Amount | | | Finance Office Use Only | | | |
| Consideration and Tax Calculations | | Purchase Price/Consideration | 1.00 | Transfer and Recordation Tax Consideration | | | | |
| | | Any New Mortgage | | Transfer Tax Consideration \$ | | | | |
| | | Balance of Existing Mortgage | | X () % | = | \$ | | |
| | | Other Assessed Value | | Less Exemption Amount | - | \$ | | |
| | | Other | | Total Transfer Tax | = | \$ | | |
| | | Full Cash Value | | Recordation Tax Consideration | | \$ | | |
| 5 | | Fees | | Doc: 1 | | Doc: 2 | | |
| | | Amount of Fees | | | | Agent: | | |
| | | Recording Charge | 20.00 | | | Tax Bill: | | |
| | | Surcharge | 40.00 | 40.00 | | C.B. Credit: | | |
| | | State Recordation Tax | 240.00 | | | Ag. Tax/Other: | | |
| | | State Transfer Tax | 118.00 | | | | | |
| | | County Transfer Tax (if Applicable) | 118.00 | | | | | |
| | | Other -- | | | | | | |
| | | Other | | | | | | |
| 6 | | Description of Property | | District | | Property Tax ID No. (1) | | |
| | | SDAT requires submission of all applicable information. A Maximum of 40 characters will be indexed in accordance with the priority cited in Real Property Article Section 3-104(g)(3)(i). | | 05 | | 029198 | | |
| | | | | Grantor Liber/Folio | | 1290/285 | | |
| | | | | Map | | | | |
| | | | | Parcel No. | | | | |
| | | | | Var. LOG | | | | |
| | | | | Subdivision Name | | Lot (3a) | | |
| | | | | Block (3b) | | Sect/AR (3c) | | |
| | | | | Plat Ref | | Sq. Ft./Acreage (4) | | |
| | | | | 6/45B | | 60' Right of Way | | |
| | | | | Location/Address of Property Being Conveyed (2) | | 60' Right of Way, Federalsburg, MD | | |
| | | Other Property Identifiers (if applicable) | | | | Water Meter Account No. | | |
| | | | | | | | | |
| | | Residential or __xx__ Non Residential | | Fee Simple <input checked="" type="checkbox"/> or Ground Rent Amount: | | | | |
| | | Partial Conveyance? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No | | Description/Amt. Of Sq. Ft./Acreage | | | | |
| | | If Partial Conveyance, List Improvements Conveyed: | | | | | | |
| 7 | | Transferred From | | Doc: 1 - Grantor(s) Name(s) | | Doc: 2 - Grantor(s) Name(s) | | |
| | | AC 21B LLC | | | | | | |
| | | Doc: 1 - Owner(s) of Records, if Different from Grantor(s) | | Doc: 2 - Owner(s) of Record, if Different from Grantor(s) | | | | |
| 8 | | Transferred To | | Doc: 1 - Grantee(s) Name(s) | | Doc: 2 - Grantee(s) Name(s) | | |
| | | Two Farms, Inc. | | | | | | |
| | | New Owner's (Grantee) Mailing Address | | | | | | |
| | | 3611 Roland Avenue, Baltimore, MD 21211 | | | | | | |
| 9 | | Other Names to be Indexed | | Doc: 1 - Additional Names to be Indexed (Optional) | | Doc: 2 - Additional Names to be Indexed (Optional) | | |
| | | | | | | | | |
| 10 | | Contact/Mail Information | | Instrument Submitted By or Contact Person | | <input checked="" type="checkbox"/> Return to Contact Person | | |
| | | Name: Heldi Murphy | | | | <input type="checkbox"/> Hold for Pickup | | |
| | | Firm: Residential Title & Escrow Co. | | | | <input type="checkbox"/> Return Address Provided | | |
| | | Address: 100 Painters Mill Road, Suite 200, Owings Mills, MD 21117 | | | | | | |
| | | Phone: 410-653-3400 | | | | | | |
| Space Reserved for County Validation | | 11 | | | | | | |
| | | IMPORTANT - BOTH THE ORIGINAL DEED AND A PHOTOCOPY MUST ACCOMPANY EACH TRANSFER | | | | | | |
| | | Assessment Information | | X No | | Will the property being conveyed be the grantee's principal residence? | | |
| | | Yes | | X No | | Does transfer include personal property? If yes, identify: | | |
| | | Yes | | X No | | Was property surveyed? If yes, attach copy of survey (if recorded, no copy required). | | |
| | | Assessment Use Only - Do Not Write Below This Line | | | | | | |
| | | <input type="checkbox"/> Terminal Verification | | <input type="checkbox"/> Agricultural Verification | | <input type="checkbox"/> Whole <input type="checkbox"/> Part <input type="checkbox"/> Tran. Process Verification | | |
| | | Transfer Number | | Date Received | | Deed Reference | | |
| | | Year: 20 20 | | Geo. Map | | Sub. Assigned Property No. | | |
| | | Land Buildings | | Zoning Use | | Grid Plat | | |
| | | Total | | Town Cd. Ex. St. | | Section Occ. Cd. | | |
| | | REMARKS: | | | | | | |
| | | | | | | | | |
| | | Distribution: Clerk's Office SDAT Office of Finance Prepare | | | | | | |

Space Reserved for Circuit Court Clerk Recording Violation

CAROLINE COUNTY CIRCUIT COURT (Land Records) TBL 1375, p. 0439, MSA_CE95_1145, Date available 09/23/2019, Printed 06/17/2022.

TO: Mayor & Council Members
FR: Larry DiRe, Town Manager
DT: November 7, 2022
RE: Review of Town Code of Ordinance Sections 239-8 and 239-12 (Private Well for Industrial Use)

The proposed AquaCon industrial salmon grow and processing facility project raised a great deal of interest in the town's water and sewer utilities' processes and regulations. While all this information is posted on the town's website (www.townoffederalburg.org) finding the information may not be easy for those unfamiliar with the site or with municipal services in general. Indeed, residents of other jurisdictions would not need to visit the town's website except for a particular reason or interest. And that proposed development certainly classified as a particular reason or interest.

Staff brought forward the town's water and sewer ordinance sections as an informational report at the October 3, 2022 meeting. At that time staff stated the purpose was to provide a general overview of existing language without making specific recommendations for text amendment. Staff also stated at that time that such text amendment process was a worthwhile activity. To that end, staff is providing the Town Code sections regulating the use of private wells for industrial use. Specifically, staff is recommending review and proposed text amendment to the following two sections.

Attachment A cites sections specific to the role of the mayor and town council in issuing a groundwater use permit for private wells as water source for industrial process. These are from the Code Chapter 239 (sections 239-12 and 239-8) defining the requirement for a town permit, the process involved and the permit fee structure. For consistency, staff recommends removing the specific fee cited in 239 – 8 and replacing it with language along the lines of "a fee set by the Mayor and Council" which will be reviewed annually as part of the budget process and can be revised through that process rather than through ordinance text amendment. The current fee of \$25.00 seems arbitrary and recent experienced has shown not close to recovering staff time costs involved in the process. Likewise, the referencing of 239 – 8 in 239 – 12 cites a similarly arbitrary multiplier and ignores the cost of professional engineering and other services in determining the accuracy of the data provided in the permit application. Staff recommends language allowing for full cost recovery of any professional services incurred by the town or any town contractor or agent in the application review process.

While the current language of section 239 -12.A is descriptive, it remains somewhat procedurally ambiguous. As written the section speaks to "hearing thereon at one or more regular meeting of the Mayor and Council." Specifics such as a pre-application hearing, or hearing at the completion of the application process are absent and could make for a process which treats different applicants differently simply due to ambiguity of language. An applicant should have an understand of what would require more than one hearing. Likewise, the interested and impacted public should have clarity on the documentation available for review and comment, the duration of a comment period, the process(es) to file comment as part of the public record, and information on what

constitutes standing to appeal any decision. In fact, the ordinance would benefit from language defining an appeal process and standing to request appeal of the mayor and council's decision. As the recent experience demonstrated, by state and local law groundwater withdrawals are regulated by multiple jurisdictions. The town's ordinance is silent on the timing of application, review, and decision within the context of state permitting processes. While that silence allows discretion to allow an applicant to move forward ahead of, contemporaneously with, or only after the state's process the silence again can create a situation over time where different applicants are treated differently and can create a procedural due process conflict. Clarification of timing relative to the state permitting is advised.

Provided for information only at this time. Pending further discussion, provide direction to staff.

Chapter 239. Water Systems, Private

§ 239-8. Application; fee; drawings and specifications.

Any person contemplating the construction of a private well for domestic use, outside irrigation purposes, refrigeration cooling purposes or the filling of swimming pools shall, previous to the beginning of any construction, make a formal application. The permit fee shall be \$25 for each well. Applications for such permit, except wells referred to in Subsection C of this section, shall be in a form provided by the Codes Inspector. Whenever in the opinion of the Codes Inspector complete plans and specifications are needed to show definitely the desired installation for which the application is made, the applicant shall furnish such drawings and specifications. These drawings and specifications shall be drawn to scale and submitted in duplicate. If approved, one set shall be returned to the applicant marked approved, and one set shall be retained and filed as a permanent record in the office of the Codes Inspector.

§ 239-12. Use of private wells for industrial purposes.

- A. Notwithstanding any of the provisions of this chapter, the use or replacement of existing private wells for industrial purposes may be permitted only upon specific prior approval of the Mayor and Council after formal application thereto and hearing thereon at one or more regular meetings of the Mayor and Council. Such Mayor and Council approval shall be evidenced by a resolution adopted by the Mayor and Council and spread upon its minutes. Such resolution shall set forth in precise terms the exact size, location, depth, use or uses and all other pertinent details with respect to the particular private well approved.
- B. It shall be the intent of this section to permit the use of an existing well or to replace an existing well with one of equal depth, size and capacity but not to permit increased well capacity, except for uses permitted by this section. In the Mayor and Council's sole discretion, such resolution also may specify initial permit fees and annual permit renewal fees greater than those provided in § 239-8, but such fees in no event shall exceed five times the amounts specified in such section.
- C. No well shall be permitted nor used, if in the judgment of the Mayor and Council based upon the advice of its engineering firm, the use of the well shall adversely affect the public water supply and operation of the water system of the Mayor and Council of Federalsburg.

