

**Mayor and Council of Federalsburg  
Monday, November 1, 2021  
Monthly Meeting @ 6:00 P.M.**

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

**Join Zoom Meeting**

<https://us02web.zoom.us/j/81753273747?pwd=R0c5aDBoT0NlVzdWMzUrNFhmd00rdz09>

**Meeting ID: 817 5327 3747  
Passcode: eCGT74**

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**Agenda**

- I. Call to Order**
- II. Welcome\ Pledge of Allegiance**
- III. Approval of Previous Month's Minutes**
- IV. Public Comment**
- V. Choptank Community Health System – Sara Rich**
- VI. Caroline County Economic Development Strategic Plan – Debbie Bowden**
- VII. Broadband Fiber Extension – Andrew Helton\Bret Davis**
- VIII. Federalsburg Ballfields Report – Chris Parks**
- IX. Old Denton Road Watermain Project Bond Ordinance**
- X. Waterfront Debris Removal Contract Award**

**XI. Electricity Rates\Constellation Energy Contract**

**XII. Discussion of Code Enforcement Function Staff Line**

**XIII. Mayor & Council Action Items**

- \* **Councilmember Windsor**
- \* **Councilmember Sewell**
- \* **Councilmember Phillips**
- \* **Councilmember Willoughby**
- \* **Mayor Abner**

**XIV. 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 and Council of Federalsburg**  
**Regular Monthly Meeting**  
**October 4, 2021 @ 6:00 pm**

The Mayor & Council of Federalsburg held their regular monthly meeting on Monday, October 4, 2021 at 6:00 pm. Those in attendance were Mayor Abner and Councilmembers Sewell, Phillips, Morean, and Windsor. Staff and members of the public were present. Lyndsey Ryan was excused to due to a personal commitment.

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

**Welcome of Guests and Pledge of Allegiance**

Mayor Abner welcomed all guests present, then led the group in reciting the Pledge of Allegiance, and called the meeting to order at 6:02 pm.

**Swearing In of Mayor and Council**

Mayor Abner stated that she was sworn into office by the Caroline County Clerk of Court. Mayor Abner also swore newly elected Councilmember Robert Willoughby and re-elected Councilmember Scott Phillips, into office.

**Appointments**

Mayor Abner stated she would like to reappoint Scott Phillips as Council President Pro Tem; and that the following offices would be reappointed to office - Lyndsey Ryan, Town Attorney; Mike McDermott, Chief of Police and Larry DiRe, Town Manager.

Councilmember Windsor made a motion seconded by Councilmember Sewell and unanimously approved by a vote of four to zero to re-appoint Scott Phillips as Council President.

Councilmember Windsor made a motion seconded by Councilmember Sewell and unanimously approved by a vote of five to zero to re-appoint Lyndsey Ryan, Town Attorney, Mike McDermott, Chief of Police and Larry DiRe, Town Manager.

**Approval of Previous Month's Minutes**

Councilmember Phillips made a motion seconded by Councilmember Sewell and unanimously approved by a vote of five to zero approving the previous months' minutes as presented.

**Solar Panel Project Update - Scott Kane/Larry DiRe**

Mr. Scott Kane, Solar Lane thanked the Mayor and Council and especially Councilmember Morean for all their support and hard work on the Solar Project. Mr. Kane gave a brief summary of the project and discussed some of the obstacles that this project has presented, however, he stated that everything is working perfectly at this time. All power is being properly delivered to the grid and Delmarva Power & Light should have all documentation finalized soon. Once Mr. Kane receives this documentation, he will forward it to the Town.

## **Discussion of Halloween & Trick or Treat**

There was discussion regarding the Town's Halloween Policy. The Mayor and Council agreed to change the current policy to reflect that Halloween would be observed on October 31st and all other aspects of the policy would remain the same.

Councilmember Phillips made a motion seconded by Councilmember Willoughby and unanimously approved by a vote of five to zero to change the current policy to observe Halloween on October 31st and keep all other aspects the same.

## **ARPA/CSLFRF Drawdown**

Town Manager DiRe requested a drawdown from the American Rescue Plan Act (ARPA) funds for air purification equipment, information technology, and premium pay for essential town staff for a total of \$46,100. Mr. DiRe stated that the RFQ for the Virtual Water Meters is still out at this time, and the remaining funds is being set aside for this project.

Councilmember Windsor made a motion seconded by Councilmember Sewell and unanimously approved by a vote of four to zero to approve the requested drawdown in the amount of \$46,100 for air purification equipment, IT equipment and premium pay for the staff.

## **Request for Qualifications - Professional Engineering Services Update**

Town Manager DiRe reported that at the August 16th, 2021 meeting, staff brought a recommendation to advertise a request for qualifications for professional engineering services to ensure a competitive and public process. The deadline for submission of bids was September 22, 2021. There were five total bids received and it was agreed that the Mayor and Council would review and determine how to proceed.

## **University Avenue Speed Control Measures**

Town Manager DiRe stated that he has received some reports of speeding issues on University Avenue. University Avenue is a wide, straight road with a mix of residential, commercial and institutional uses. Signage and marked crosswalks aiding in pedestrian safety are located at the intersection of University and Academy, but are absent at other intersections along the length of University Avenue. Town Manager DiRe suggested speed bumps, which are frequently used for the purpose of slowing down traffic. Chief McDermott stated that he did not think speed bumps would be a good idea for many reasons. Most importantly because the Fire House is located on this street and it would not be wise to have emergency equipment slowing down because of speed bumps if answering emergency calls. It would also create problems for the Town snow plows and clearing equipment. Chief stated that he wasn't aware of this topic of discussion in advance, therefore, he wasn't fully prepared to offer suggestions, however, he could certainly research the matter and come up with other options.

Chief stated that traffic safety issues should be driven by data and he doesn't have data to support this at this time. The school is a low impact area and there are signs posted there. He is working on installation of a speed camera in that area and will compose a report based on data collected. There has been a lot of improvements done to improve safety at the school intersection, including signs, lights and new crosswalks.

Councilmember Willoughby requested Town Manager DiRe keep a tally of the number of calls received for speeding complaints, between now and the next town meeting.

There have also been some complaints from residents on Vesper Avenue. There are no speed limit signs, no sidewalks and kids are playing in or near the street.

### **Public Comments -**

Bart Johnson - Mr. Johnson asked about residents ability to pay water bills online and what the fee is for doing so. The fee is 3%.

### **Mayor & Council Action Items**

**Councilmember Windsor** - Councilmember Windsor thanked everyone for their condolences for the recent loss of his wife, and also thanked the Police Department and Federalsburg Fire Company for all their help and support.

**Councilmember Sewell** - Councilmember Sewell reported the following upcoming events:

October 16th - Heritage Day at the Federalsburg Historical Museum from 10 am - 4 pm

October 16th - Night at the Races

October 22nd - Lions Club Sandwich Sale

**Councilmember Phillips** - Councilmember Phillips asked the status of the chickens on Bloomingdale Avenue. Kristy Marshall advised that the Code Enforcement Officer is working on that matter.

Councilmember Phillips asked for a listing of the Planning and Zoning Members and their terms. He also questioned the status of the zoning map update reducing the R-2 districts. Lyndsey Ryan, Town Attorney stated that they have worked on the maps and need to get changes finalized. The Planning Commission has also been working for the past several months on updating the Comprehensive Plan.

**Councilmember Willoughby** - Councilmember Willoughby thanked everyone for their support during the election. He also questioned if there was an updated version of the Town Charter. Lyndsey Ryan stated that the Code Book, which includes the Charter, is updated by ordinance and the changes are uploaded once per year. Councilmember Willoughby also asked for an updated list of the committees and commissions for the Town, when they meet and what their terms are.

**Mayor Abner** - Mayor Abner thanked everyone for their support, and would like to encourage more residents to vote.

### **Adjournment**

There being no further business, Councilmember Phillips made a motion seconded by Councilmember Sewell and unanimously approved by a vote of five to zero to adjourn the meeting at 7:04 pm.

Respectfully submitted,

*Kristy L. Marshall*

Clerk-Treasurer

**TOWN OF FEDERALSBURG  
ORDINANCE NO. 2021-6**

**DRINKING WATER BONDS  
SERIES 2021**

AN ORDINANCE OF THE TOWN OF FEDERALSBURG, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND, PROVIDING FOR THE ISSUANCE AND SALE OF UP TO SIX HUNDRED THIRTY-EIGHT THOUSAND THREE HUNDRED FIFTY AND 0/100 DOLLARS (\$638,350) AGGREGATE PAR AMOUNT OF BONDS TO BE KNOWN AS THE “TOWN OF FEDERALSBURG DRINKING WATER BONDS, SERIES 2021” (THE “**BONDS**”), TO BE ISSUED AND SOLD PURSUANT TO THE AUTHORITY OF SECTION 19-301 *ET SEQ.* OF THE LOCAL GOVERNMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS AMENDED, SECTIONS 9-1601 THROUGH 9-1622 OF THE ENVIRONMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS AMENDED, AND THE CHARTER OF THE TOWN OF FEDERALSBURG, SECTION C11-3, FOR THE PURPOSE OF PROVIDING FUNDS NECESSARY TO PAY THE COSTS OF THE FEDERALSBURG OLD DENTON ROAD WATER MAIN PROJECT, CONSISTING OF, BUT NOT LIMITED TO, THE REPLACEMENT OF EXISTING WATER MAIN ALONG OLD DENTON ROAD, NEW SERVICE LATERALS, METER PITS, VALVES, HYDRANTS, AND APPURTENANCES INCIDENTAL TO THE WATER MAIN INSTALLATION ALONG OLD DENTON ROAD, THE MILLING AND OVERLAY OF OLD DENTON ROAD FROM LAUREL GROVE ROAD TO JUST NORTH OF IDLEWILD ROAD, AND OTHER PUBLIC IMPROVEMENTS FOR THE TOWN OF FEDERALSBURG AND PAYING CAPITALIZED INTEREST ON AND THE COSTS OF ISSUING THE BONDS; PROVIDING THAT THE BONDS SHALL BE ISSUED UPON THE FULL FAITH AND CREDIT OF THE TOWN OF FEDERALSBURG; PROVIDING FOR THE DISBURSEMENT OF THE PROCEEDS OF THE SALE OF THE BONDS AND FOR THE LEVY OF ANNUAL TAXES UPON ALL ASSESSABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE TOWN OF FEDERALSBURG SUBJECT TO ASSESSMENT FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS AS THEY SHALL MATURE; AUTHORIZING THE FORM AND EXECUTION OF ONE OR MORE LOAN AGREEMENTS BETWEEN THE MARYLAND WATER QUALITY FINANCING ADMINISTRATION AND THE TOWN OF FEDERALSBURG; PROVIDING FOR THE FORM, TENOR, DENOMINATION, MATURITY DATE AND OTHER PROVISIONS OF THE BONDS; PROVIDING FOR THE SALE OF THE BONDS; AND PROVIDING FOR THE DESIGNATION OF SPECIFIC PROJECTS TO BE FINANCED WITH PROCEEDS OF THE BONDS AND RELATED PURPOSES.

**WHEREAS**, the Town of Federalsburg (the “**Borrower**”), is a municipal corporation of the State of Maryland organized and operating under a charter adopted in accordance with Article XI-E of the Constitution of Maryland, and Title 4 of the Local Government Article of the Annotated Code of Maryland, as amended; and

**WHEREAS**, pursuant to the authority of Section 19-301 *et seq.* of the Local Government Article of the Annotated Code of Maryland, as amended, Sections 9-1601 through 9-1622 of the Environment Article of the Annotated Code of Maryland, as amended (the “**Act**”), and Section

C11-3 of the Charter of the Borrower (the “**Charter**”), the Mayor and Council of the Borrower (the “**Mayor and Council**”) has determined to issue two subseries of its general obligation bonds to be known as the “Town of Federalsburg Drinking Water Bonds, Series 2021,” as such designation may be modified (the “**Bonds**”), in the aggregate principal amount not to exceed Six Hundred Thirty-Eight Thousand Three Hundred Fifty and 0/100 Dollars (\$638,350) for the purpose of providing all or a portion of the funds necessary to pay the costs of the Federalsburg Old Denton Road Water Main Project, consisting of, but not limited to, the replacement of existing water main along Old Denton Road, new service laterals, meter pits, valves, hydrants, and appurtenances incidental to the water main installation along Old Denton Road, the milling and overlay of Old Denton Road from Laurel Grove Road to just north of Idlewild Road and other public improvements for the Borrower (collectively, the “**Project**”), capitalized interest on the Bonds and payment of the costs of issuing such bonds, all in accordance with the terms and provisions of this Ordinance; and

**WHEREAS**, the Borrower proposes to issue and sell the Bonds to the Maryland Water Quality Financing Administration, a unit of the Maryland Department of the Environment (the “**Administration**”), in connection with the Administration’s Drinking Water Revolving Loan Fund Program (the “**Program**”) and to enter into a Loan Agreement with the Administration with respect to each subseries of the Bonds (each a “**Loan Agreement**” and together, the “**Loan Agreements**”) in substantially the forms which are attached hereto as **Exhibit A** and **Exhibit B**; and

**WHEREAS**, the Borrower intends by this Ordinance to provide for the issuance and sale of the Bonds and the obtaining of the loans (each a “**Loan**” and collectively, the “**Loans**”) from the Administration pursuant to the Program and as further described in the Loan Agreements.

**NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF FEDERALSBURG:**

**Section 1. Authorization, Terms, Form of Bonds.**

(a) The Borrower shall borrow upon its full faith and credit and shall issue and sell the Bonds as two subseries of its general obligation bonds in the aggregate principal amount not to exceed Six Hundred Thirty-Eight Thousand Three Hundred Fifty and 0/100 Dollars (\$638,350) to be designated the “Town of Federalsburg Drinking Water Bonds, Series 2021A (Taxable)” (the “**Series 2021A Bond**”) and the “Town of Federalsburg Drinking Water Bonds, Series 2021B (Taxable – Principal Forgiveness)” (the “**Series 2021B Bond**”), and to be issued pursuant to the authority of Sections 19-301 *et seq.* of the Local Government Article of the Annotated Code of Maryland, as amended, Sections 9-1601 through 9-1622 of the Act, and Section C11-3 of the Charter. The proceeds from the sale of the Bonds shall be used for the purpose of providing a portion of the funds necessary to finance and refinance the costs of the Project and the payment of issuance costs and other related costs. Notwithstanding anything in this Ordinance to the contrary, the Borrower shall use and apply proceeds of the Bonds only as permitted by the Loan Agreements, the Safe Drinking Water Act (as defined in the Loan Agreements) and the Act.

(b) The Series 2021A Bond shall be issued as one or more fully registered bonds in the aggregate principal amount not to exceed Three Hundred Nineteen Thousand One Hundred

Seventy-Five and 0/100 Dollars (\$319,175), payable to the Administration as the registered owner thereof. The Series 2021B Bond shall be issued as one or more fully registered bonds in the aggregate principal amount not to exceed Three Hundred Nineteen Thousand One Hundred Seventy-Five and 0/100 Dollars (\$319,175), payable to the Administration as the registered owner thereof. The Bonds shall be issued in such amount or such lesser amount as determined by the Mayor of the Town of Federalsburg (the “**Mayor**”) pursuant to Section 1(h) of this Ordinance, which shall be the amount of the Loans to be financed under the Program.

(c) The Bonds shall be dated as of the issue date; shall be numbered sequentially RA-1 and RB-1 and upward, as applicable; shall be initially registered in the name of the Administration or its designee; shall bear interest from its dated date payable in semiannual installments, at the designated office of the Administration.

(d) The Series 2021A Bond, or so much of the principal amount thereof as shall have been advanced from time to time under the terms of the corresponding Loan Agreement (the Series 2021A Loan Agreement”), shall bear interest at an annual rate or rates of interest as noted in the Series 2021A Bond (which rate shall not exceed 25% of the average of the Bond Buyer 11-Bond Index for the month preceding the month in which the loans are closed) and shall mature no later than thirty years after the date of completion of the Project, the actual rate or rates of interest to be borne by the Series 2021A Bond, scheduled principal payments and maturity to be determined with the approval of the Mayor acting pursuant to Section 1(h) of this Ordinance.

(e) The Series 2021B Bond, or so much of the principal amount thereof as shall have been advanced from time to time under the terms of the Series 2021B Loan Agreement, shall bear interest at the rate of 0.00% per annum. The principal of the Series 2021B Bond advanced under the corresponding Loan Agreement (the “Series 2021B Loan Agreement”) shall be payable upon demand by the Administration in accordance with the Series 2021B Loan Agreement, together with interest at an annual rate not to exceed one hundred percent (100%) of the average of the Bond Buyer 11-Bond Index for the calendar month prior to the month in which the Series 2021B Bond is delivered accruing from the date on which such demand is made by the Administration, which demand may be made at any time prior to that date which is the ten (10) year anniversary of the date of delivery of the Series 2021B Bond.

Because the Series 2021B Bond bears interest at the rate of 0.00% per annum, no actual interest shall be due on the Series 2021B Bond except to the extent interest on overdue installments of principal and interest on any Series 2021B Bond is due in accordance with the Series 2021B Loan Agreement, and any provisions of this Ordinance referring to the payment of interest on the Series 2021B Bond shall be disregarded except to the extent applicable in accordance with the Series 2021B Loan Agreement.

The Series 2021A Bond and the Series 2021B Bond are not issued as tax-exempt obligations of the Borrower.

Pursuant to the Safe Drinking Water Act and Section 9-1605.1(d)(8) of the Act, the Administration shall forgive repayment of the principal amount of the Loan made in connection with the Series 2021B Bond (the “**Series 2021B Loan**”) and the interest payable



thereon under Article III of the Series 2021B Loan Agreement and repayment of the Series 2021B Bond and the interest payable thereon so long as the Borrower performs all of its other obligations under the Series 2021B Loan Agreement. Upon determination by the Administration that any such other obligations under the Series 2021B Loan Agreement have not been performed by the Borrower, payment of the principal of the Series 2021B Loan and the interest thereon will be due and payable upon demand. If the Administration has not demanded payment of the principal of and interest on the Series 2021B Bond prior to the date provided for therein, then the Administration shall be deemed to have forgiven repayment of the Series 2021B Loan evidenced by the Series 2021B Bond and interest thereon, the Series 2021B Bond shall be deemed cancelled and the Series 2021B Loan Agreement shall be terminated and of no further force and effect.

(f) Each subseries of the Bonds shall be in substantially the form set forth on Exhibit F to the applicable Loan Agreement, which form of Bonds, together with all of the covenants and conditions therein contained, is hereby adopted by the Borrower as and for the form of obligation to be incurred by the Borrower and such covenants and conditions are hereby made binding upon the Borrower, including the promise to pay therein contained.

(g) The Bonds are to be issued in connection with the Program to finance the Project and to pay costs of issuance and other related costs. The Borrower will enter into the Loan Agreements with the Administration in substantially the forms which are attached hereto as **Exhibit A, with respect to the Series 2021A Bond**, and **Exhibit B, with respect to the Series 2021B Bond**. The Borrower also will execute and deliver in connection with the issuance of the Bonds, additional documents, agreements, instruments and certificates (which, together with the Loan Agreements are herein referred to as the “**Loan Documents**”). The Loan Documents shall be in such form and shall contain such terms and conditions as contained in this Ordinance, as approved by the Mayor in accordance with subsection (h) below, and acceptable to the Administration. The Borrower agrees to perform the covenants and agreements set forth in the Loan Documents and hereby expressly acknowledges its absolute and unconditional obligation to pay the Administrative Fee of the Administration in accordance with the Loan Agreements.

(h) Because this Ordinance is being adopted before completion of the financing, the details of the Loans to be made by the Administration to the Borrower have not yet been finalized; the Mayor is hereby authorized to make such changes to the amount, terms and form of the Bonds and each respective Loan Agreement, including insertions therein or additions or deletions thereto, as may be necessary to conform the terms of the Bonds and the Loan Agreements to the terms of the financing to be provided to the Borrower by the Administration. Without limiting the foregoing, it is presently contemplated that the Loans will be in an aggregate amount not to exceed the maximum principal amount of the Bonds hereby authorized, subject to final approval by the Administration. Accordingly, the Mayor is specifically authorized: (i) to make changes to the principal amount of the Bonds in order to reflect the final principal of each Loan as approved by the Administration and accepted by the Borrower up to the amount authorized by this Ordinance, (ii) to authorize and approve an interest rate or rates as limited by this Ordinance, and payment schedule reflecting the principal and interest payments with respect to the Bonds, and (iii) to change the year of the

series designation of the Bonds as described herein to the actual year in which the Bonds are issued.

**Section 2. Execution.** The Bonds and the Loan Documents shall be executed on behalf of the Borrower by the manual signature of the Mayor, and the seal of the Borrower shall be affixed thereto or reproduced thereon and attested by the manual signature of the Town Clerk of the Borrower (the “**Town Clerk**”). In the event any official whose signature appears on the Bonds or the Loan Documents shall cease to be an official prior to the delivery of the Bonds or the Loan Documents, or, in the event any official whose signature appears on any of the Bonds or the Loan Documents becomes an officer after the date of the issue, the Bonds or Loan Documents shall nevertheless be valid and binding obligations of the Borrower in accordance with their terms. The Mayor is hereby authorized, empowered and directed to complete the applicable form of the Bonds and the Loan Documents and to make modifications, deletions, corrections or other changes thereto in any manner which the Mayor, in his or her discretion, shall deem necessary to complete the issuance and sale of the Bonds and the execution and delivery of the Loan Documents, as will not alter the substance thereof. The Mayor is hereby also authorized to execute other documents relating to the Loans and the Bonds and its administration, including subsequent modifications, deletions, corrections and other changes thereto in any manner which the Mayor, in his or her discretion, shall deem appropriate. The execution of the Bonds and the Loan Documents and any other documents relating to the Loans and the Bonds by the Mayor shall be conclusive evidence of his approval of the form and substance thereof.

**Section 3. Registration of Bonds.** The Town Clerk shall act as registrar for the Bonds and shall maintain registration books for the registration and registration of transfer of the Bonds. No security or bonds shall be required of the Town Clerk in the performance of the duties of registrar for the Bonds. The Borrower may from time to time by resolution adopted by the Mayor and Council, either prior to or following the issuance of the Bonds, designate and appoint one or more substitute or successor registrars or paying agents for the Bonds.

The Bonds will be transferable by the Town Clerk only upon the register for the Bonds maintained by the Town Clerk. Any Bond presented for transfer, exchange or registration, shall be accompanied by a written instrument or instruments of transfer or authorization for exchange, in form and with guaranty of signature satisfactory to the Town Clerk, duly executed by the registered owner thereof or by such owner’s duly authorized attorney. Upon any transfer or exchange, the Borrower shall execute and deliver in the name of the registered owner or the transferee or transferees, as the case may be, a new registered Bond of authorized denomination(s) in the outstanding and unpaid principal amount of the Bond, payable or maturing on the same date or dates and bearing interest at the same rate as the surrendered Bond. In each case, the Borrower may require payment by the registered owner requesting the exchange or transfer of any tax, fee or other governmental charge and of any shipping and insurance charges that may be required to be paid with respect thereto, but otherwise no charge shall be made to the registered owner for the exchange or transfer. The Registrar shall not be required to transfer or exchange any Bond after the mailing of a notice of redemption.

The Borrower may deem and treat the person in whose name any Bond shall be registered upon the books of the Borrower as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal, premium, if any, of and interest on such Bond and for all other purposes.

**Section 4. Prepayment.** The Loan Agreements limit the ability of the Borrower to prepay the Bonds. The Bonds are subject to mandatory prepayment as required under the Loan Agreements and optional prepayment in whole or in part only at such times and in such amounts, and upon the payment by the Borrower of such premium or penalty, as the Administration may specify and approve.

**Section 5. Replacement of Mutilated, Lost, Stolen, or Destroyed Bonds.** In case the Bonds shall become mutilated or be destroyed, lost or stolen, the Borrower may cause to be executed and delivered, a new Bond of like date and tenor and bearing the same or a different number, in exchange and substitution for each Bond mutilated, destroyed, lost or stolen, upon the owner paying the reasonable expenses and charges of the Borrower in connection therewith and, in the case of any Bond being destroyed, lost or stolen, upon the owner filing with the Borrower evidence satisfactory to it that such Bond was destroyed, lost or stolen. Any Bond so issued in substitution for a Bond so mutilated, destroyed, lost or stolen: (i) may be typewritten, printed or otherwise reproduced in a manner acceptable to the owner thereof, and (ii) shall constitute an original contractual obligation on the part of the Borrower, whether or not the Bond in exchange for which said new Bond is issued shall at any later date be presented for payment and such payment shall be enforceable by anyone, and any such new Bond shall be equally and proportionately entitled to the benefits of this Bond with all other like Bonds, in the manner and to the extent provided herein.

**Section 6. Use of Proceeds; Records.**

(a) The proceeds of the Bonds shall be held, invested, administered and disbursed by the Administration pursuant to the Loan Agreements and shall be used, when and as required, to pay the costs of the Project.

(b) The Loan Commitment (as defined in the applicable Loan Agreement) is subject to reduction in accordance with the applicable Loan Agreement. In the event of any reduction in the amount of the Loan Commitment, the Administration may prepare, and the Borrower shall repay the Loans in accordance with, a revised principal amortization schedule.

(c) The Town Clerk shall create and maintain, or cause to be created and maintained, full and complete books and records of account for the receipt, investment and disbursement of the proceeds of the Bonds.

**Section 7. Covenants.** The Borrower covenants with the Administration and for the benefit of the owners from time to time of the Bonds that so long as the Bonds or installments of principal thereunder shall remain outstanding and unpaid:

(a) For the purpose of paying the maturing principal of and interest on the Bonds when due, the Borrower has established or shall establish a dedicated source of revenue as described in the applicable Loan Agreement which may include, but not be limited to, water and wastewater system user fees.

(b) The Borrower will duly and punctually pay, or cause to be paid, to the Administration the principal of the Bonds and interest accruing thereon, at the dates and places and in the manner mentioned in the Bonds from unlimited ad valorem taxes in the

event that available monies or revenues of the Borrower are inadequate to make such payment.

(c) The Borrower covenants that so long as the Bonds are outstanding and not paid, unless other monies or revenues are available for payment of principal of, premium (if any) and interest on the Bonds, it will levy annually, in the manner prescribed by law, an ad valorem tax on all taxable property within its corporate limits subject to assessment for unlimited taxation, in rate and amount and sufficient, to provide for the payment of the principal of and interest on the Bonds as the same become due and payable. In the event that the monies or revenues available or the taxes so levied in any fiscal year shall prove inadequate for the above purposes, the Borrower shall levy additional taxes in the succeeding fiscal year to make up such deficiency. The full faith and credit and the unlimited taxing power of the Borrower are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Bonds as the same become due.

(d) The Borrower will promptly provide to the Administration (or to any person designated by the Administration) all financial information and operating data concerning the Borrower as may be required by the Administration in its discretion in order to comply with the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission, as in effect from time to time, applicable to the Administration's bonds.

**Section 8. Ordinance a Contract.** The provisions of this Ordinance shall constitute a contract with the purchasers and registered owners from time to time of the Bonds, and this Ordinance shall not be repealed, modified or altered in any manner materially adverse to the interests of such purchasers or owners while the Bonds or any portion thereof remain outstanding and unpaid without the consent of the owners of the Bonds.

**Section 9. Purchase Price of Bonds.** The Bonds shall be sold for cash in accordance with the terms and provisions of this Ordinance, at par in accordance with the terms and provisions of this Ordinance, and as authorized by Section 19-301 *et seq.* of the Local Government Article of the Annotated Code of Maryland, as amended and Sections 9-1601 through 9-1622 of the Act.

**Section 10. Sale of Bonds.** The Bonds shall be sold to the Administration at private sale, as authorized by Section 9-1606(b) of the Act.

**Section 11. Pledge of Local Government Payments.** As contemplated and authorized by Section 9-1606(d) of the Act, the Borrower hereby pledges, assigns and grants a security interest to the Administration, its successors in trust and assigns, all right, title and interest of the Borrower in and to money that the Borrower is entitled to receive from the State of Maryland, to secure payment of the principal of, premium, if any, and interest on the Bonds and any other local obligations issued and to be issued from time to time by the Borrower under the Program.

**Section 12. Authority to Take Action.** The officers and employees of the Borrower are hereby authorized and directed to do all acts and things required of them by the provisions of this Ordinance, for the full, punctual and complete performance of all the terms, covenants and provisions of the Bonds, the Loan Documents and this Ordinance and to do and perform all acts and to execute, seal and deliver all documents, certificates or instruments of writing which may be necessary or desirable to carry out the full intent and purposes of this Ordinance and the Loan

Documents. Any and all acts heretofore taken by the officers or employees of the Borrower in connection with the authorization, offer, sale and delivery of the Bonds are hereby approved, ratified and confirmed.

**Section 13. Effective Date; Miscellaneous.**

(a) **Effective Date.** This Ordinance shall become effective upon passage by the Mayor and Council.

(b) **Referendum.** In accordance with Section C3-10 of the Charter, this Ordinance is subject to referendum until the expiration of 20 days following the effective date set forth herein.

(c) **Governing Law.** The laws of the State of Maryland shall govern the construction of this Ordinance and the Bonds.

(d) **Filing of Ordinance; Certified Copies of Ordinance.** The Town Clerk shall cause a true and correct copy of this Ordinance to be filed in the permanent records of the Borrower and kept available for public inspection. Any copy of this Ordinance duly certified by the Town Clerk or any successor in office shall constitute evidence of the contents and provisions hereof.

(e) **Severability.** The provisions of this Ordinance are severable, and if any provision, sentence, phrase, clause, section or part of this Ordinance shall be held or deemed to be illegal, invalid, inoperative, or unenforceable, the same shall not affect or impair any other provision, sentence, phrase, clause, section or part of this Ordinance. Any references in this Ordinance to any provisions of state, federal or local law are not exclusive of any other provisions of federal, state or local law applicable to any provisions hereof. It is hereby declared to be the legislative intent that this Ordinance would have been adopted if such illegal, invalid or unconstitutional provision, sentence, phrase, clause, section or part had not been included herein.

(f) **No Personal Liability of Officers, Agents or Employees.** No stipulation, obligation or agreement herein contained or contained in the Bonds or in any Loan Documents executed on behalf of the Borrower shall be deemed to be a stipulation, obligation or agreement of any officer, agent or employee of the Borrower in his or her individual capacity, and no such officer, agent, or employee shall be personally liable on the Bonds or be subject to personal liability or accountability by reason of the issuance thereof.

(g) **Amendments and Supplements.** The Mayor and Council may supplement or amend this Ordinance with respect to the terms of any series of Bonds issued under the authority of this Ordinance.

[Signature Page Follows]

**Section 14.** This Ordinance was introduced on \_\_\_\_\_, 2021, and read and adopted this \_\_\_ day of \_\_\_\_\_, 2021.

[SEAL]

**THE TOWN OF FEDERALSBURG**

\_\_\_\_\_  
Kimberly M. Jahnigen Abner, Mayor

\_\_\_\_\_  
Robert Willoughby, Councilmember

\_\_\_\_\_  
Scott Phillips, Councilmember

\_\_\_\_\_  
Debra V. Sewell, Councilmember

\_\_\_\_\_  
Edward Windsor, Councilmember

I hereby certify that the foregoing Ordinance No. 2021-6 of the Town of Federalsburg was duly read and enacted in accordance with the applicable provisions of the Charter of the Town of Federalsburg.

ATTEST:

\_\_\_\_\_  
Kristy L. Marshall  
Town Clerk

EFFECTIVE DATE OF ORDINANCE: \_\_\_\_\_, 2021

**Exhibits**

A – Form of Loan Agreement (Taxable)

B – Form of Loan Agreement (Taxable – Principal Forgiveness)

**Exhibit A to  
Ordinance No. 2021-6**

**Form of Loan Agreement (Taxable)**

**Exhibit B to  
Ordinance No. 2021-6**

**Form of Loan Agreement (Taxable – Principal Forgiveness)**



TO: Mayor & Council Members  
FR: Larry DiRe, Town Manager  
DT: November 1, 2021  
RE: Project award for Marshyhope Debris Removal Project

The project cited above received grant funding from Maryland state agencies and is included in the FY2022 budget. The town put out a public call for bids and held a pre-bid site visit prior to the deadline submission date. Bids were received in sealed envelopes, opened, and read in public as required. The responsible bids received were as follows:

- There was one bid for the debris removal project – Living Ecosystems, of Easton, MD, bid at \$6,150.00. The bid is less than the grant award of \$10,000.00. Pending any additional review staff recommends Living Ecosystems be awarded the project and it will be under budget.

Pending mayor and council discussion and action, provide direction to staff.

*Living Ecosystems*  
P.O. Box 2752  
Easton, Maryland 21601  
410-476-4580; Fax: 410-476-5742  
Cell: 410-310-1842  
[ecosystems@goeaston.net](mailto:ecosystems@goeaston.net)

October 22, 2021

Town of Federalsburg  
118 North Main Street  
Federalsburg, Maryland 21632

Bid Opening: Friday, October 22, 2020                      Time: 1:00 PM

CONTRACT BID: \$ 6,150.00  
Six Thousand & One Hundred & Fifty & no cents

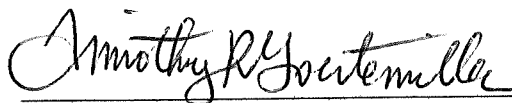
Scope of Work:

The Town of Federalsburg contract with Living Ecosystems, through Timothy Goertemiller, for the Marshy Hope Creek Debris Removal Project 2021. This project entails the clean-up of: 1) debris, trash, woody material, logs, sticks and dead trees in the water and along the edge of the Marshy Hope; 2) trim all brush under bypass bridge apron in the town limits of Federalsburg; 4) remove all saplings and kudzu from the living shorelines. 5) remove all vegetation from the stone revetments of the living shorelines; 6) trim vegetation along pathways.

TERMS & CONDITIONS:

- 1) This work will begin immediately after the award of this contract or at a time designated by the <sup>Town</sup> Grants Manager.
- 2) The contract price is due upon completion of this work.
- 3) Additional work may be added to this contract at the discretion of the <sup>TOWN</sup> Grants Manager.

ACCEPTANCE OF CONTRACT:



Timothy R. Goertemiller  
Living Ecosystems

October 22, 2021

Date

\_\_\_\_\_  
Town of Federalsburg

\_\_\_\_\_  
Date



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
10/15/2021

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must have ADDITIONAL INSURED provisions or be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

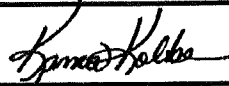
<b>PRODUCER</b> PIEDMONT GROUP LLC 5283 CORPORATE DRIVE STE 203 FREDERICK, MD 21703  47837                      P50571	<b>CONTACT NAME:</b> PIEDMONT GROUP LLC
	<b>PHONE (A/C, No, Ext):</b> (866) 620-7260 <b>FAX (A/C, No):</b>
	<b>Email Address:</b> info@tpgins.net
<b>INSURER(S) AFFORDING COVERAGE</b>	
INSURER A: CHESAPEAKE EMPLOYERS' INSURANCE COMPANY	
<b>NAIC #</b>	
11039	
<b>INSURED</b> Timothy Goertemiller 5521 OLD TRAPPE RD TRAPPE, MD 21673-1937	INSURER B:
	INSURER C:
	INSURER D:
	INSURER E:
	INSURER F:

<b>COVERAGES</b>	<b>CERTIFICATE NUMBER:</b>	<b>REVISION NUMBER:</b>
------------------	----------------------------	-------------------------

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INS LTR	TYPE OF INSURANCE	ADDL INSRD	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YY)	POLICY EXP (MM/DD/YY)	LIMITS	
	<b>COMMERCIAL GENERAL LIABILITY</b>  <input type="checkbox"/> CLAIMS -MADE <input type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input type="checkbox"/> POLICY <input type="checkbox"/> PROJECT <input type="checkbox"/> LOC <input type="checkbox"/> OTHER						EACH OCCURRENCE	\$
							DAMAGE TO RENTED PREMISES (Ea occurrence)	\$
							MED. EXP (Any one person)	\$
							PERSONAL & ADV INJURY	\$
							GENERAL AGGREGATE	\$
							PRODUCTS - COMP/OP AGG.	\$
								\$
	<b>AUTOMOBILE LIABILITY</b>  <input type="checkbox"/> ANY AUTO <input type="checkbox"/> OWNED AUTOS ONLY <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS ONLY <input type="checkbox"/> NON-OWNED AUTOS ONLY						COMBINED SINGLE LIMIT (Ea accident)	\$
							BODILY INJURY (Per person)	\$
							BODILY INJURY (Per accident)	\$
							PROPERTY DAMAGE (Per accident)	\$
								\$
	<b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS - MADE DED    RETENTION \$						EACH OCCURRENCE	\$
							AGGREGATE	\$
								\$
A	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> Y / N ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) <input checked="" type="checkbox"/> N If yes, describe under DESCRIPTION OF OPERATIONS below    N / A			8005411-00	12/16/2020	12/16/2021	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH - ER	
							E.L. EACH ACCIDENT	\$ 100,000
							E.L. DISEASE - EACH EMPLOYEE	\$ 100,000
							E.L. DISEASE - POLICY LIMIT	\$ 500,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required) PER AGREEMENT

<b>CERTIFICATE HOLDER</b> TOWN OF FEDERALSBURG 118 N MAIN ST FEDERALSBURG, MD 21632-1003	<b>CANCELLATION</b> SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

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**MARYLAND**  
DEPARTMENT OF  
NATURAL RESOURCES

Larry Hogan, Governor  
Boyd Rutherford, Lt. Governor  
Jeannie Haddaway-Riccio, Secretary

August 9, 2021

Mr. George E. Mayer, Jr.  
Grants Administrator  
118 North Main Street  
Federalsburg, MD 21632

RE: Abandoned Boat and Debris Grant Award  
FY 22 – K00P2600280

I am writing to inform you that Town of Federalsburg's request for funds from the Maryland Abandoned Boat and Debris (AB&D) Program has been approved. A grant in the amount of **\$10,00.00** has been awarded and is available for immediate use. **Purchase Order K00P2600280 is attached. Please cite this number on the reimbursement form.**

Under the terms of this grant, all legitimate expenses associated with the removal of abandoned boats and debris is 100% reimbursable. Please be sure to maintain documentation of all expenditures including invoices, receipts, and photographs.

All expenses related to this grant must be used by **June 30, 2022**. Any funds that are not expended by that date will be reverted to the program.

**Please use this funding for debris in navigable waterways only, if you are unsure, please contact me before you proceed. Also please note that the application and reimbursement forms are available on our website:**

**<http://dnr.maryland.gov/Boating/Pages/abandonedboats.aspx>**

If you have any questions or concerns regarding this award, please contact me directly at (410) 643-6521 or [matt.negley@maryland.gov](mailto:matt.negley@maryland.gov)

Sincerely,

Matthew Negley  
DNR Fishing and Boating Services  
Abandoned Boat and Debris Program

TO: Mayor & Council Members  
 FR: Larry DiRe, Town Manager  
 DT: November 1, 2021  
 RE: Electricity rate\Constellation Energy contract

The town's contract with Constellation Energy (attached) expires on December 16, 2021. This contract was a one-year agreement entered into last November. While this is generally a routine process, staff recognizes this year is unique since it is the first year of the solar panels in use. There are other providers in the electricity market. Below are rates received from Constellation Energy:

Months	12	24	36	48
Offer Number	OF-0000399979	OF-0000399979	OF-0000399979	OF-0000399979
Start Date	12/16/2021	12/16/2021	12/16/2021	12/16/2021
End Date	12/15/2022	12/15/2023	12/15/2024	12/15/2025
<b>Fixed Price</b>	<b>0.08197</b>	<b>0.07578</b>	<b>0.07323</b>	<b>0.07237</b>
Covered Bandwidth %	100	100	100	100
Green Energy %	0	0	0	0
Number of Accounts	26	26	26	26

**Fixed in Price:** Energy, Energy Losses, AEPS, Ancillary, Capacity, Transmission, Transmission Enhancement, TEAC Blackbox, TEAC Adjustment, ARR, TLC, RMR, FERC745, BCC, Congestion, OREC

Pending mayor and council discussion, provide direction to staff.

**Constellation NewEnergy, Inc.  
Electricity Supply Agreement – Fixed Price Solutions**

**TOWN OF FEDERALSBURG ("Customer") AND Constellation NewEnergy, Inc. ("Seller") AGREE AS FOLLOWS:**

**Defined Terms.** Capitalized terms have the meanings set out in this Electricity Supply Agreement, including the attached General Terms and Conditions ("Agreement"); generally the words "you" and "your" refer to the Customer listed above and the words "we" and "us" refer to Seller, unless the context clearly requires otherwise.

**Purchase and Sale of Electricity.** You will purchase and receive, and we will sell and supply all of your electricity requirements at the prices set forth below for each account identified in the Account Schedule below ("Account"). By signing this Agreement, you authorize us to enroll each Account with your UDC so that we can supply those Account(s). You will take such actions as we request to allow us to enroll each Account in a timely manner. You agree that we may select such sources of energy as we deem appropriate to meet our obligations under this Agreement. We will enroll each Account with the applicable UDC as being supplied by us and will take such other actions with the applicable UDC and ISO necessary for us to meet our obligations under this Agreement.

The specific prices for each Account are set forth in the Account Schedule, below. You are also responsible to pay (1) Taxes - which we will pass through to you on your bill or as part of the price of electricity, as may be required by law, rule or regulation and (2) UDC charges for delivery/distribution services if we provide you a single bill that includes UDC charges. **We will apply all appropriate Taxes unless and until you provide a valid certification of tax exempt status.** Your prices are fixed for the existing term of this Agreement and only subject to change if there is a change in law, as described in Section 5 of the General Terms and Conditions below. The UDC charges (if any) and Taxes are charged to you as a "pass-through," which means they will change during the existing term of this Agreement if and as the related charges assessed or charged vary for any reason, including but not limited to the types of changes described above.

**Cost Components.** For each of the items listed as "Fixed" below, this means the item is included in your contract prices as set forth in the Account Schedule. For each of the items listed as "Passed Through" below, this means that you will be charged the costs associated with the line item in accordance with the definitions of each item in Section 1 Definitions of the General Terms and Conditions.

Energy Costs	Fixed
Ancillary Services And Other ISO Costs	Fixed
Auction Revenue Rights Credits	Fixed
Capacity Costs	Fixed
Transmission Costs	Fixed
Transmission Loss Credits	Fixed
Line Loss Costs	Fixed
FERC Order 745 Costs	Fixed
Balancing Congestion Costs	Fixed
Transmission Reallocation Costs	Fixed
Renewable Portfolio Standards Costs	Fixed
Maryland OREC Costs	Fixed

The contract prices contained in the Account Schedule include credit costs and margin. Any applicable RMR Costs are also included in the contract prices. Selecting "Transmission Costs" as "Fixed" means that these costs are included in your contract price and are not subject to change unless there has been a Change in Law pursuant to Section 5 of the General Terms and Conditions below. For clarity, we will not pass through any future changes in Transmission Costs based on the UDC's regular adjustments to Network Transmission Service and Transmission Enhancement rates.

**Retail Trade Transactions.** At any time during the term of this Agreement, you may request the purchase of renewable energy certificates in an amount equal to a prescribed percentage of your load volume by entering into one or more Retail Trade Transactions ("RTTs") between us. If we both agree to the

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pricing and terms of the renewable energy certificates purchase, a separate RTT Confirmation signed by both of us will document each such purchase and be incorporated herein.

**Term.** This Agreement will become effective and binding after you have signed this Agreement and we have counter-signed. Subject to successful enrollment of your Account(s), this Agreement shall commence on or about the date set forth under "Start Date", and end on or about the date set forth under "End Date", unless extended on a holdover basis as described in this Agreement. The actual Start Date is dependent on the UDC successfully enrolling the Account(s) and furnishing us with all necessary information regarding the Account(s) meter read cycle and meter read date(s). The dates set forth in the Account Schedule below reflect UDC information available at that time or as otherwise estimated by us. The actual meter read dates may occur on or about the dates set forth herein. We will use commercially reasonable efforts to begin service to each Account(s) on the actual meter read date on or about the Start Date set forth herein. If we are unable to timely enroll an Account, the Start Date will commence on the next regularly scheduled UDC meter read cycle date following successful enrollment. The End Date will remain the same unless extended for a holdover term. We shall not be liable for any failure to enroll or drop an Account by the Start and End Date due to circumstances beyond our control. We will not be responsible for any gaps in service that may occur between the termination of your service from a prior supplier and the commencement of supply from us.

Nothing in this Agreement shall be deemed to require or otherwise obligate us to offer to extend the term of this Agreement. If following termination or expiration of this Agreement (whether in whole or in part), for any reason, some or all of the Accounts remain designated by the UDC as being supplied by us, we may continue to serve such Account(s) on a month-to-month holdover basis. During such holdover term, we will calculate your invoice as follows: (Each Account's metered usage, as adjusted by the applicable line loss factor) times (the ISO-published Day Ahead Locational Based Marginal Price for the applicable residual zone ("LMP") + \$.015000/kWh) + (a pass through of all costs and charges incurred for the retail delivery of energy to you) + Taxes. This Agreement will continue to govern the service of such Accounts during such holdover term. Either party may terminate the holdover term at any time within its discretion at which time we will drop each Account as of the next possible meter read date to the then applicable tariff service, whether default service or otherwise.

**Your Invoice.** Your invoice will contain all charges applicable to your electricity usage, including Taxes (which are passed through to you). You will receive one invoice from the UDC for UDC charges and one invoice from us for all other charges ("Dual Billing") unless we agree otherwise, or your Account(s) eligibility changes. All amounts charged are due in full within twenty (20) days of the invoice date, and we reserve the right to adjust amounts previously invoiced based upon supplemental or additional data we may receive from your UDC. Your invoices will be based on actual data provided by the UDC, provided that if we do not receive actual data in a timely manner, we will make a good faith estimate using your historical usage data and other information. Once we receive actual data we will reconcile the estimated charges and adjust them as needed in subsequent invoices. If you fail to make payment by the due date, interest will accrue daily on outstanding amounts from the due date until the bill is paid in full at a rate of 1.50% per month, or the highest rate permitted by law, whichever is less. All invoices (including adjustments to those invoices) are conclusively presumed final and accurate unless such invoices are objected to by either you or us in writing, including adequate explanation and/or documentation, within 24 months after the date such invoice was rendered, provided however, we may rebill based on post-period audits or adjustments made by the ISO, UDC, or other governmental authority, commission or agency with jurisdiction in the state in which the Accounts are located.

**Certain Warranties.** You warrant and represent that for Account(s) located in the State of Maryland, your maximum demand exceeds 100 kilowatts and that the electricity supplied under this Agreement is not for use at a residence.

**Notices.** All notices will be in writing and delivered by hand, certified mail, return receipt requested, or by first class mail, or by express carrier to our respective business addresses. Our business address is 1001 Louisiana St. Constellation Suite 2300, Houston, TX 77002, Attn: Contracts Administration. Either of us can change our address by notice to the other pursuant to this paragraph.

**Customer Service.** For questions about your invoice or our services, contact us at our Customer Service Department by calling toll-free 844-636-3749, or by e-mail at CustomerCare@Constellation.com. Your prior authorization of us to your UDC as recipient of your current and historical energy billing and usage data will remain in effect during the entire term of this Agreement, including any renewal, unless you rescind the authorization upon written notice to us or by calling us at 844-636-3749. We reserve the right to cancel this Agreement in the event you rescind the authorization.

**Consumer Protections, State Public Utility Commission, and UDC Information.** If you are a Maryland consumer, you acknowledge Consumer Protection Orders adopted by the Maryland Public Service Commission in Case No. 8738 and Order Nos. 75949, 76110, 76931, and to the extent they can be waived under applicable law, you affirmatively waive those protections, including but not limited to the right of a 10 day rescission period, evergreen or automatic renewal requirements, "wet" signature requirements, price comparison guidelines, second notice for renewals requirement, and termination and price change notice requirements, except to the extent specifically provided for herein. If there is any conflict between this Agreement and the referenced orders or tariffs, you agree that this Agreement shall control to the extent permissible under applicable law.

**IN THE EVENT OF AN EMERGENCY, POWER OUTAGE OR WIRES AND EQUIPMENT SERVICE NEEDS, CONTACT YOUR APPLICABLE UDC AT:**

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UDC Name	UDC Abbreviation	Contact Numbers
Delmarva Power & Light Company - MD	DPL-MD	1-800-898-8045

Additional information may be obtained by contacting the Public Service Commission ("PSC") of Maryland at: 1-800-492-0474, 6 St. Paul Street, Baltimore, MD 21202-6806, OR the PSC of the District of Columbia at: (202) 626-5100, 1333 H Street, NW, 6<sup>th</sup> Floor, East Tower, Washington, D.C. 20005, OR the Pennsylvania Public Utility Commission at: (717) 783-1740, P.O. Box 3265, Harrisburg, PA 17105-3265, OR the Delaware PSC at (302) 739-4247, **861 Silver Lake Boulevard, Cannon Building, Ste 100, Dover, DE 19904.**

[REMAINDER OF PAGE LEFT INTENTIONALLY BLANK.]

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Each party has caused this Agreement to be executed by its authorized representative on the respective dates written below.

Constellation NewEnergy, Inc.

Customer: Town of Federalsburg

Signature: \_\_\_\_\_

Signature: Kimberly M. Abner

Printed Name:

Printed Name: Kimberly M. Jahnigen Abner

Title:

Title: Mayor

Date: 11/18/2020

Address: 1001 Louisiana St. Constellation Suite 2300  
Houston, TX 77002

Address: 118 N Main St  
Federalsburg, MD 21632-1003

Attn: Contracts Administration

Fax: 888-829-8738

Fax:

Phone: 844-636-3749

Phone: 4107458173

Email: kmabner@federalsburg.org

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## General Terms and Conditions

### 1. Definitions.

**"Ancillary Services And Other ISO Costs"** means for any billing period the applicable charges regarding ancillary services as set forth in the applicable ISO Open Access Transmission Tariff ("OATT") and for other ISO costs not otherwise included in any of the defined cost components in this Agreement. We will reasonably determine your Account's monthly Ancillary Services And Other ISO Costs based on the Account's \$/kWh share of costs for Ancillary Services And Other ISO Costs or otherwise reasonable allocation method as we may determine from time to time based on how Ancillary Services And Other ISO Costs are assessed by the ISO.

**"Auction Revenue Rights Credits"** means revenue credits resulting from the annual financial transmission rights auction conducted by the ISO that are applicable with respect to transmission peak load contribution. If Auction Revenue Rights Credits are "Passed Through", such credits shall be reasonably calculated by us as the monthly product of the (i) total Auction Revenue Rights Credits expressed in dollars per planning year for the applicable zone, as published by the ISO; divided by (ii) the total Network Service Peak Load for such zone, as published by the ISO; divided by (iii) the number of days in the applicable planning year; multiplied by (iv) by an Account's applicable Network Service Peak Load; multiplied by (v) the number of days in the billing period or such other reasonable calculation method applied by us.

**"Balancing Congestion Costs"** means any costs or charges imposed by the ISO in complying with the Federal Energy Regulatory Commission's Order on Rehearing and Compliance regarding Docket Nos. EL16-6-002, EL16-6-003 and ER16-121-001 (January 31, 2017).

**"Capacity Costs"** means a charge for fulfilling the capacity requirements for the Account(s) imposed by the ISO or otherwise. Capacity Costs includes, but is not limited to, the cost for procuring Capacity Performance resources (as currently required and defined by the ISO) in accordance with the provisions of Federal Energy Regulatory Commission Order on Proposed Tariff Revisions (Docket No. ER15-623-000, et al, issued June 9, 2015).

**"Deration Credits"** means the transmission loss deration value for each Account as accounted for by the ISO for the applicable UDC. Only if Deration Credits are noted as included in the contract price will (a) the Retail Service Price reflect the transmission loss deration value and (b) the Line Loss Costs be calculated in accordance with Line Loss Costs as "Passed Through" (as further described below and expressly not including the transmission loss deration value).

**"Energy Costs"** means a charge for the cost items included in the Locational Marginal Price for the ISO residual zone identified in the Account Schedule.

**"FERC Order 745 Costs"** means any costs or charges imposed by the ISO in accordance with complying with the provisions of Federal Energy Regulatory Commission ("FERC") in Order No. 745 18 CFR Part 35 (March 15, 2011). Any modifications or conditions to the treatment of FERC Order 745 Costs under the ISO tariff or otherwise shall be deemed a change in law pursuant to Section 5 of the General Terms and Conditions of this Agreement.

**"ISO"** means the independent system operator or regional transmission organization responsible for the service territory governing an Account, or any successor or replacement entity.

**"Line Loss Costs"** means the costs (to the extent not already captured in the applicable Energy Costs) applicable to each Account based on the kWh difference between the UDC metered usage and the ISO settlement volumes. If Line Loss Costs are "Fixed," the Line Loss Costs are included in

the Energy Costs and will not be invoiced as a separate line item. If Line Loss Costs are "Passed Through," the Line Loss Costs will be invoiced as a separate line item and calculated based on the applicable fixed price or locational marginal price for the corresponding usage.

**"Maryland Offshore Renewable Energy Certificate Costs"** or **"Maryland OREC Costs"** means all costs related to complying with the state of Maryland's renewable portfolio standard requirement for the purchase of offshore wind energy. If Maryland OREC Costs are not included in the contract price, then at such time when we are required to pay for ORECs, we will invoice you the incremental costs of the OREC obligations (at the levels required by currently applicable Law) as the product of (i) the Monthly Maryland OREC Price (as converted to \$/kWh); and (ii) an Account's monthly kWh usage. The "Monthly Maryland OREC Price" is the price of renewable portfolio standards compliance for Offshore Wind RECs for the Account, for a particular month, as set by the Maryland Public Service Commission.

**"Non Time Of Use" or "NTOU"** means all hours of each day.

**"Off Peak"** means all hours other than Peak hours.

**"Peak"** means the hours designated as peak from time to time by the UDC.

**"Renewable Portfolio Standards Costs"** or **"RPS Costs"** means the costs associated with meeting renewable portfolio standards costs at the levels required by applicable Law, provided however, if Maryland OREC Costs (defined above) are selected as "Passed Through," those costs will be charged separately from RPS Costs. If Renewable Portfolio Standards Costs are not included in the contract price, such costs for a particular month will be the product of (i) the Monthly RPS Price; and (ii) an Account's monthly kWh usage. The Monthly RPS Price is the price of renewable portfolio standards compliance for the Account, for a particular month, fixed by reference to the renewable portfolio standards forward price curve for the state where the Account is located.

**"RMR Costs" or "Reliability-Must-Run Costs"** means the generation deactivation charges and other such charges, if any, imposed by the ISO on load served in a particular load zone to recover the cost for any generation units that plan to retire but are required by the ISO to run for reliability purposes beyond their intended retirement date, in accordance with the applicable ISO rules and OATT provisions.

**"Taxes"** means all federal, state, municipal and local taxes, duties, fees, levies, premiums or other charges imposed by any governmental authority, directly or indirectly, on or with respect to the electricity and related products and services provided under this Agreement, including any taxes enacted after the date we entered into this Agreement.

**"Transmission Costs"** means the charge for Network Transmission Service and Transmission Enhancement Charges, each as identified in the applicable OATT Tariff for the provision of transmission service by the ISO within the UDC's service territory, and expressly excluding costs separately detailed as Transmission Reallocation Costs as defined below.

**"Transmission Loss Credits"** means the credit amounts applicable to the Accounts under the ISO's marginal loss construct.

**"Transmission Reallocation Costs"** means a charge or credit, as applicable, imposed by the ISO specifically for: (i) the Current Recovery Charges; and (ii) the Transmission Enhancement Charge Adjustments (each of (i) and (ii) as defined in the settlement agreement approved by FERC as of May 31, 2018 in Docket Number EL05-121-009 for the time periods identified therein and implemented in the OATT Schedule 12-C Appendices A and C, respectively, and as may subsequently be amended). Any modifications or conditions to the treatment of the Transmission Reallocation Costs under the ISO tariff or otherwise shall be deemed a change in law pursuant to Section 5 below.

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“UDC” means your local electric distribution utility owning and/or controlling and maintaining the distribution system required for delivery of electricity to the Accounts.

“UDC Charges” means all UDC costs, charges, and fees, due under UDC’s delivery services rates associated with your use of UDC’s distribution network, all as defined by the UDC tariffs, and any similar or related charges the UDC may impose from time to time.

**2. Cash deposit and other security.** At any time, we may require that you provide information to us so that we may evaluate your creditworthiness. We reserve the right to require that you make a cash deposit or provide other security acceptable to us if your financial obligations to us increase under this Agreement, or if, in our opinion, your credit, payment history, or ability to pay your bills as they come due becomes a concern. You will deliver any required cash deposit or other required security (or any increase therein) within three (3) business days of our request.

**3. Default under this Agreement.** You will be in default under this Agreement if you fail to: pay your bills on time and in full; provide cash deposits or other security as required by Section 2 above; or perform all material obligations under this Agreement and you do not cure such default within 5 days of written notice from us; or if you declare or file for bankruptcy or otherwise become insolvent or unable to pay your debts as they come due. We will be in default under this Agreement if we fail to perform all material obligations under this Agreement and do not cure such default within 5 days written notice from you, or if we declare or file for bankruptcy or otherwise become insolvent or unable to pay our debts as they come due.

**4. Remedies upon default; Early Termination Payment.** If you are in default under this Agreement, in addition to any other remedies available to us, we may terminate this Agreement entirely, or solely with respect to those Accounts adversely affected by such default, and switch your Account(s) back to UDC service (consistent with applicable regulations and UDC practices); and/or you will be required to pay us an early termination payment to compensate us for all losses we sustain due to your default, including:

- all amounts you owe us for electricity provided to you;
- the positive difference, if any, between (A) the price you would have paid us under this Agreement had it not been terminated early (including our margin), less the then-current market price of electricity and services under terms substantially similar to the terms of this Agreement, as reasonably calculated by us based on information available to us internally or supplied by one or more third parties; multiplied by (B) the estimated undelivered volume of electricity you would consume through the end of the term, as reasonably calculated by us; and
- all costs (including attorneys’ fees, expenses and court costs) we incur in collecting amounts you owe us under this Agreement.

The parties agree that any early termination payment determined in accordance with this Section is a reasonable approximation of harm or loss and is not a penalty or punitive in any respect, and that neither party will be required to enter into a replacement transaction in order to determine or be entitled to a termination payment.

**5. Changes in law.** We may pass through or allocate, as the case may be, to you any increase or decrease in our costs related to the electricity and related

products and services sold to you that results from the implementation of new, or changes (including changes to formula rate calculations) to existing, Laws, or other requirements or changes in administration or interpretation of Laws or other requirements. "Law" means any law, rule, regulation, ordinance, statute, judicial decision, administrative order, ISO business practices or protocol, UDC or ISO tariff, rule of any commission or agency with jurisdiction in the state in which the Accounts are located. Such additional amounts will be included in subsequent invoices to you. The changes described in this Section may change any or all of the charges described in this Agreement, whether described as "fixed," "variable," "pass-through" or otherwise. Your first bill reflecting increased costs will include a bill insert describing the increase in costs in reasonable detail.

**6. Events beyond either of our reasonable control.** If something happens that is beyond either of our reasonable control that prevents either of us from performing our respective obligations under this Agreement, then whichever one of us cannot perform will be relieved from performance until the situation is resolved. Examples of such events include: acts of God, fire, flood, hurricane, war, terrorism; declaration of emergency by a governmental entity, the ISO or the UDC; curtailment, disruption or interruption of electricity transmission, distribution or supply; regulatory, administrative, or legislative action, or action or restraint by court order or other governmental entity; actions taken by third parties not under your or our control, such as the ISO or a UDC. Such events shall not excuse failure to make payments due in a timely manner for electricity supplied to you prior to such event. Further, if such an event prevents or makes it impossible or impracticable for the claiming party to carry out any obligation under this Agreement due to the events beyond either of our reasonable control for more than 30 days, then whichever one of us whose performance was not prevented by such events shall have the right to terminate this Agreement without penalty upon 30 days’ written notice to the other.

**7. UDC or ISO obligations.** We will have no liability or responsibility for matters within the control of the UDC or the ISO-controlled grid, which include maintenance of electric lines and systems, service interruptions, loss or termination of service, deterioration of electric services, or meter readings. .

**8. Limitation on Liability.** IN NO EVENT WILL EITHER PARTY OR ANY OF ITS RESPECTIVE AFFILIATED COMPANIES BE LIABLE FOR ANY CONSEQUENTIAL, EXEMPLARY, SPECIAL, INCIDENTAL OR PUNITIVE DAMAGES, INCLUDING, WITHOUT LIMITATION, LOST OPPORTUNITIES OR LOST PROFITS NOT CONTEMPLATED BY SECTION 4. Each party’s total liability related to this Agreement, whether arising under breach of contract, tort, strict liability or otherwise, will be limited to direct, actual damages. Direct, actual damages payable to us will reflect the early termination payment calculation in Section 4. Each party agrees to use commercially reasonable efforts to mitigate damages it may incur. NO WARRANTY, DUTY, OR REMEDY, WHETHER EXPRESSED, IMPLIED OR STATUTORY, ON OUR PART IS GIVEN OR INTENDED TO ARISE OUT OF THIS AGREEMENT, INCLUDING ANY WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE.

**9. DISPUTE RESOLUTION.** THIS AGREEMENT WILL BE GOVERNED BY AND INTERPRETED IN ACCORDANCE WITH THE LAWS OF THE STATE IN WHICH ANY ACCOUNT IS LOCATED, WITHOUT GIVING EFFECT TO ANY CONFLICTS OF LAW PROVISIONS, AND ANY CONTROVERSY OR

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CLAIM ARISING FROM OR RELATING TO THIS AGREEMENT WILL BE SETTLED IN ACCORDANCE WITH THE EXPRESS TERMS OF THIS AGREEMENT BY A COURT LOCATED IN SUCH STATE. IF THE MATTER AT ISSUE INVOLVES ACCOUNTS OR MATTERS IN MORE THAN ONE STATE, THE GOVERNING JURISDICTION AND VENUE SHALL BE DEEMED TO BE NEW YORK. TO THE EXTENT ALLOWED BY APPLICABLE LAW, WE ALSO BOTH AGREE IRREVOCABLY AND UNCONDITIONALLY TO WAIVE ANY RIGHT TO A TRIAL BY JURY OR TO INITIATE OR BECOME A PARTY TO ANY CLASS ACTION CLAIMS WITH RESPECT TO ANY ACTION, SUIT OR PROCEEDING DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT.

**10. Relationship of Parties; Representations and Warranties.** We are an independent contractor, and nothing in this Agreement establishes a joint venture, fiduciary relationship, partnership or other joint undertaking. We are not acting as your consultant or advisor, and you will not rely on us in evaluating the advantages or disadvantages of any specific product or service, predictions about future energy prices, or any other matter. Your decision to enter into this Agreement and any other decisions or actions you may take is and will be based solely upon your own analysis (or that of your advisors) and not on information or statements from us. You represent (i) you are duly organized and in good standing under the Laws of the jurisdiction of your formation; (ii) you are authorized and qualified to do business in the jurisdiction necessary to perform under this Agreement; (iii) execution, delivery and performance of this Agreement are duly authorized and do not violate any of your governing documents or contracts or any applicable Law; and (iv) if you are a Governmental Entity, you further warrant (a) you have complied with all applicable bidding and procurement laws in awarding this Agreement, (b) you will not claim immunity on the grounds of sovereignty or similar grounds from enforcement of this Agreement; and (c) you will obtain all necessary budgetary approvals, appropriations and funding for all of your obligations under this Agreement, the failure of which shall not be an excuse for Governmental Entity's performance or failure to perform hereunder and upon request will provide proof of such authority. "Governmental Entity" means a municipality, county, governmental board or department, commission, agency, bureau, administrative body, joint action agency, court or other similar political subdivision (including a public school district or special purpose district or authority), or public entity or instrumentality of the United States or one or more states.

**11. Confidentiality.** Consistent with applicable regulatory requirements, we will hold in confidence all information obtained by us from you related to the provision of services under this Agreement and which concern your energy characteristics and use patterns, except that we may, consistent with applicable law and regulation, disclose such information to (a) our affiliates and such affiliates' employees, agents, advisors, and independent contractors, (b) third parties representing you in this purchase of electricity, and (c) other third parties, if the information (i) is presented in aggregate and (ii) cannot be reasonably expected to identify you. Except as otherwise required by law, you will agree to keep confidential the terms of our Agreement, including price.

**12. Miscellaneous Provisions.** If in any circumstance we do not provide notice of, or object to, any default on your part, such situation will not constitute a waiver of any future default of any kind. If any of this Agreement is held legally invalid, the remainder will not be affected and will be valid and

enforced to the fullest extent permitted by law and equity, and there will be deemed substituted for the invalid provisions such provisions as will most nearly carry out our mutual intent as expressed in this Agreement. You may not assign or otherwise transfer any of your rights or obligations under this Agreement without our prior written consent. Any such attempted transfer will be void. We may assign our rights and obligations under this Agreement. This Agreement contains the entire agreement between both of us, supersedes any other agreements, discussions or understandings (whether written or oral) regarding the subject matter of this Agreement, and may not be contradicted by any prior or contemporaneous oral or written agreement. A facsimile or e-mailed copy with your signature will be considered an original for all purposes, and you will provide original signed copies upon request. Each party authorizes the other party to affix an ink or digital stamp of its signature to this Agreement, and agrees to be bound by a document executed in such a manner. The parties acknowledge that any document generated by the parties with respect to this Agreement, including this Agreement, may be imaged and stored electronically and such imaged documents may be introduced as evidence in any proceeding as if such were original business records and neither party shall contest their admissibility as evidence in any proceeding. Except as otherwise explicitly provided in this Agreement, no amendment (including in form of a purchase order you send us) to this Agreement will be valid or given any effect unless signed by both of us. Applicable provisions of this Agreement will continue in effect after termination or expiration of this Agreement to the extent necessary, including those for billing adjustments and payments, indemnification, limitations of liability, and dispute resolution. This Agreement is a "forward contract" and we are a "forward contract merchant" under the U.S. Bankruptcy Code, as amended. Further, we are not providing advice regarding "commodity interests", including futures contracts and commodity options or any other matter, which would cause us to be a commodity trading advisor under the U.S. Commodity Exchange Act, as amended.

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**ACCOUNT SCHEDULE:**

**For: Town of Federalsburg**

**The Pricing set forth below is only valid until 5:00 PM Eastern Prevailing Time on November 17, 2020**

We shall have no obligation to enroll or supply electricity to any account(s) that are not identified on the Account Schedule below.  
Please verify that your specific information is **COMPLETE** and **ACCURATE**.  
Your review and acceptance of this information will help ensure accurate future invoices

Notes: Accounts or Service Addresses listed in the Account(s) Schedule may be updated or replaced with a new account number issued by the UDC, ISO or other entity.

**THIS DOCUMENT MAY BE RETURNED TO SELLER BY FAX TO (888)-829-8738 OR AS OTHERWISE DIRECTED.**

No. of Service Accounts: 26

UDC	UDC Account Number	Service Address	Start Date	End Date	Energy Price Non TOU (\$/kWh)
DPL-MD	0550002099107001900058	102 S. Main St, Federalsburg, MD 216321215	12/15/20	12/16/21	\$0.05268
DPL-MD	0550023527007000730868	River Marina Park, Federalsburg, MD 21632	12/14/20	12/15/21	\$0.05268
DPL-MD	0550032863787000867650	305 Reliance Ave, Federalsburg, MD 216322721	12/15/20	12/16/21	\$0.05268
DPL-MD	0550035656497000907425	408 RAILROAD AVE, FEDERALSBURG, MD 21632-1413	12/14/20	12/15/21	\$0.05268
DPL-MD	0550036094477000914983	1001 Industrial Park Rd Sign, Federalsburg, MD 21632	12/14/20	12/15/21	\$0.05268
DPL-MD	0550041891007000048616	202 W Central Ave, Federalsburg, MD 216321243	12/15/20	12/16/21	\$0.05268
DPL-MD	0550044625317000098033	River Rd, Federalsburg, MD 21635	12/14/20	12/15/21	\$0.05268
DPL-MD	0550049261217000182115	106 E. Central Ave, Federalsburg, MD 216321310	12/15/20	12/16/21	\$0.05268
DPL-MD	0550053890977000257211	Railroad Ave, Federalsburg, MD 21653	12/14/20	12/15/21	\$0.05268
DPL-MD	0550059581077000343763	118 N. Main St, Federalsburg, MD 216321003	12/15/20	12/16/21	\$0.05268
DPL-MD	0550062210597000196443	104 Morris Ave, Federalsburg, MD 216321001	12/15/20	12/16/21	\$0.05268
DPL-MD	0550062215057000391831	Town Of E Central Ave, Federalsburg, MD 21658	12/15/20	12/16/21	\$0.05268
DPL-MD	0550062423457000394029	Street Lights, Federalsburg, MD 21632	12/15/20	12/16/21	\$0.05268
DPL-MD	0550062910607000402218	305 Reliance Ave, Federalsburg, MD 216322721	12/15/20	12/16/21	\$0.05268
DPL-MD	055006453777000439413	300 RELIANCE AVE, FEDERALSBURG, MD 216322720	12/15/20	12/16/21	\$0.05268
DPL-MD	0550067592727000490990	404 S. Main St, Federalsburg, MD 216321447	12/14/20	12/15/21	\$0.05268
DPL-MD	0550069458067000633199	Reliance Ave, Federalsburg, MD 21639	12/15/20	12/16/21	\$0.05268
DPL-MD	0550070572547000549738	106 New Rd, Federalsburg, MD 21659	12/15/20	12/16/21	\$0.05268

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DPL-MD	0550073540997000595827	Main St, Federalsburg, MD 21645	12/14/20	12/15/21	\$0.05268
DPL-MD	0550075450357000627619	408 Railroad Ave, Federalsburg, MD 216321413	12/14/20	12/15/21	\$0.05268
DPL-MD	0550082314117000731100	141 Liberty Rd, Federalsburg, MD 216321318	12/15/20	12/16/21	\$0.05268
DPL-MD	0550082321467000731152	300 Reliance Ave, Federalsburg, MD 216322720	12/15/20	12/16/21	\$0.05268
DPL-MD	0550082330787000732428	218 Morris Ave, Federalsburg, MD 216321021	12/15/20	12/16/21	\$0.05268
DPL-MD	0550089394197000839032	327 N. Main St, Federalsburg, MD 216321008	12/15/20	12/16/21	\$0.05268
DPL-MD	0550095684077000941625	3305 Hayman Dr, Federalsburg, MD 21657	12/15/20	12/16/21	\$0.05268
DPL-MD	0550104895107000021618	Rt. 306 Federalsburg, Federalsburg, MD 21641	12/15/20	12/16/21	\$0.05268

TO ACCEPT THE PRICING ABOVE, PLEASE FAX A SIGNED COPY OF THIS AGREEMENT TO US AT 888-829-8738.

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TO: Mayor & Council Members  
FR: Larry DiRe, Town Manager  
DT: November 1, 2021  
RE: Code Enforcement Function Staff Line

Within the town code the roles of code official\code enforcement officer\building official\building inspector are interrelated as evidenced by a general review of the code's index section (attached). Section 27-21.B.2 Appointment reads as follows: "The code official shall be the Town Clerk – Treasurer or any person or entity designated or appointed by the Mayor and Council of Federalsburg to serve as code official. The code official shall have full enforcement authority of this code." In practice the town's clerk – treasurer should be expected to hold a skill set different and distinct from that of the code official.

The interrelated roles and default appointment of another essential staff member to this function demonstrates, at best, a less than well-defined understanding of these multiple and yet interrelated functions, duties and responsibilities across the organization. The organization and community are not best served by this complex administrative structure. Likewise, the individual appointed to these interrelated roles has many responsibilities, some of which may require balancing time commitment and priority setting to serve the multiple constituents cited within the town regulatory and enforcement structure. In addition to these code requirements, a 2014 staff-level documents posts this litany of enumerated duties:

*Code Enforcement Officer, Building Inspector, Housing Inspector, Floodplain manager, Planning and Zoning Administrator. To achieve this priority my responsibilities are as follows:*

- 1) Maintain housing, zoning and code enforcement ordinances.*
- 2) Enforce all zoning, code and housing ordinances with proper local, State and Federal agencies, and issue permits and citations.*
- 3) Review all permit applications, building plans, site plans for zoning and code compliance.*
- 4) Personally invoice rental property owners for the annual rental fees and monitor payments.*
- 5) Inspect approximately 200 rental properties per year for compliance of the Property Maintenance Code, current Building Code and the Minimum Livability code.*
- 6) Inspect properties for code and clean lot violations.*
- 7) Conduct follow up inspections.*
- 8) Investigate all complaints related to the job description.*
- 9) Attend necessary meetings conducted by Critical Areas, FEMA, MDE, Non-Tidal wetlands and Army Corps of Engineers.*
- 10) Serve as advisor to the Planning and Zoning Commission with attendance at all meetings.*
- 11) Advise the M&C and the Town Manager of needed changes, updates in adopted Codes and Ordinances.*



- 12) *Review and update fee schedules for presentation to the Planning and Zoning and the M&C.*
- 13) *Must be able to attend all M&C meetings and workshops as called upon by the M&C or the Town Manager.*
- 14) *Be able to maintain strict confidentiality when required.*
- 15) *Submit a weekly report.*
- 16) *Maintain certifications required for the position.*

Irrespective of the incumbent code official, this list represents a comprehensive list (not priority-ranked) of functions. If the town, both as community and as an organization, expects these functions to be carried out effectively for all, then a thorough review, and where necessary, and restructuring is required.

The recent retirement of the town staff member responsible for these functions, and the corresponding short-term contracting out of certain functions to a professional inspection service, acted as both a stop-gap measure to ensure continuity of function, but also a de facto forced prioritization of these functions. While "code enforcement" as a practical synonym of property maintenance holds a premium in the community, the array of functions assigned to this one position work against that high-level value of function. The opportunity to restructure and prioritize the entire approach (including outsourcing when appropriate) is at hand, as is the opportunity to make necessary text amendments to the town code. Staff will be bringing forward a formal job description and scope of responsibilities to the mayor and council at the November 15, 2021 work session. Staff believes keeping some of the above enumerated responsibilities in house is important for accountability and expedience. To do so organizational and community priorities must be set and made known. Likewise, decisions must be made about required and desired skill sets necessary for the future of the organization and community well-being.

Presented for discussion only at this time. Pending mayor and council discussion, provide direction to staff.