

**Mayor and Council of Federalsburg  
Monday, March 7, 2022  
Monthly 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/81145424977?pwd=Z2l3NHZhQ2lhaWkxZnBwZmt6c1h5Zz09>**

**Meeting ID: 811 4542 4977  
Passcode: TOFBusi**

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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. Request for Proposals for Chambers Park Ballfield Improvements – Selection of Qualified Firm**
- VI. Request for Qualifications for Professional Planning, Building and Inspection Services – Designation of Qualified Firms**
- VII. Request to End Municipal Trash Collection Services – Laurel Grove Acres**
- VIII. Request for Proposal to Provide Residential Trash Collection – Review of Qualified Bidder's Proposal**

**IX. Low Income Household Water Assistance Program**

**X. Review of Grant and Appraisal for Town-Owned Building at 115-117 North Main Street**

**XI. Executive Session to Discuss Personnel Matters**

**XII. Mayor & Council Action Items**

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

**XIII. 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**  
**February 7, 2022 @ 6:00 pm**

The Mayor & Council of Federalsburg held their regular monthly meeting on Monday, February 7, 2022 at 6:00 pm, in the Mayor & 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.

**Approval of Previous Month's Minutes**

Councilmember Sewell made a motion seconded by Councilmember Windsor and unanimously passed by a vote of five to zero approving the minutes from the previous meeting as presented.

**Public Comment**

Dan Franklin, candidate for Caroline County Sheriff, introduced himself and told the audience about his history in Law Enforcement and as a County Commissioner. Mr. Franklin also addressed some of his goals if elected Sheriff.

**Prayer of Invocation**

Pastor Larry Messick, Interim Pastor at First Church of God, offered the prayer of invocation.

**LouLou - Certificate of Recognition**

Mr. Cory Pack of the Talbot County Council presented Ms. Loulou with the Martin Luther King Image Award. This award is given to one participant in each of the four participating communities in the tri-county area, who best represents the life and legacy of Dr. Martin Luther King throughout his or her life. These are pplk who have given back to their communities by teaching, coaching, mentoring or leading the youth in their communities. Ms. Loulou was recognized for being a bridge for the Haitian community and to ensure access to resources that they need. The Image Award is normally awarded during the Basketball Classic Event, which started in 1996. Due to Covid they have not been able to hold this event in the past two years.

**Aquacon - Request for Road Access Off Frank Adams Industrial Way Cul-De-Sac**

The Mayor and Council received a request for roadway access permission from Aquacon through the Frank Adams Industrial Park cul-de sac. The Mayor and Council are in agreement with this request and asked the Engineer to forward all necessary paperwork to start this process.

Bob Rauch, Engineer for Aquacon stated that he planned to present the preliminary site plan to the Planning Commission at their February 22nd meeting for approval. He also planned to show the Planning Commission the roadway access request and if they agreed, Mr. Rauch will draw up the paperwork and come back to the Mayor and Council for approval.

### **ClearPoint Strategy Program Demonstration - Aman Kaur**

The Mayor and Council viewed a demo of the Clearpoint Strategy Program, which is designed to assist staff with necessary planning for projects, assign work to staff for said projects and coordinate regular tasks to staff. This program will go a long way in helping the Town to plan for the future.

### **Request for Connection to Public Wastewater Utility - 616 Academy Avenue**

A request for connection to the public wastewater utility was received by the town on January 21, 2022 (attached). The property owners making the request are current town water customers with a failing private sanitary system. The applicant is aware of the town fee for connecting to the system. If connected, the property owners shall comply with all town wastewater regulations, fees, and maintenance obligations.

Town Manager DiRe was asked to contact the property owner to obtain proof of the failing septic system, and then the Town will proceed with drawing the proper agreements.

### **Appointment of Councilmember Windsor - Planning & Zoning Commission**

During the January 29th strategic planning session, the Mayor and Council discussed the importance of the roles and responsibilities of all town boards and commissions. The Mayor and Council were selected to serve as liaisons between these boards. Councilmember Ed Windsor was officially appointed to the Planning and Zoning Commission.

As a followup to this work session a community form was posted on Facebook outlining the the vacant positions that are in need of being filled. Residents were encouraged to complete the form if they would like to volunteer for any of the open positions.

Councilmember Willoughby made a motion seconded by Councilmember Phillips and was unanimously approved by vote of four to zero approving the appointment of Councilmember Windsor as the Planning Commission Liaison.

### **2021 State of the Town Annual Report**

The Mayor and Council and Town Manager DiRe will be creating an annual report. The annual report is a way to inform residents of the town, how the Town and each department is performing, with regard to established objectives and other measures. The annual report will highlight the organization's commitment to transparency and help town staff better monitor progress on goals and regulatory reporting.

Staff recognizes that providing such information is important for facilitating communication pathways between government and all interested parties, and fulfilling the democratic goals of accountability and transparency in governance.

Later this month the town staff will prepare and present to the mayor and town council, an annual report for calendar year 2021 as a state of the town, broadly defined. Features of the report will include:

- A letter from the mayor detailing high-level accomplishments and updates from the previous year.



- An overview of organizational vision, mission, and values that will help put the information into perspective.
- An organizational chart, which provides a visual representation of the municipality's governing and administrative structure.
- Noteworthy awards and recognitions given or received by town government or by any outside source.
- A departmental overview that details the different divisions of the department, the number of staff, and the main functions of department.
- Accomplishments and events to include any major or special undertakings over the past year.
- An on-going calendar of noteworthy events, including holiday and special events, major planned construction, or maintenance projects.
- A town council, boards, and committees meeting schedule, including digital access information and links to the town website.
- Departmental contact information.

The intention being this annual report grows to include important qualitative and quantitative data to show progress over time, with the current year serving as the baseline.

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

**Councilmember Windsor** - Councilmember Windsor requested a 10 minute closed session regarding finance.

**Councilmember Sewell** - Councilmember Sewell questioned the status of the huge magnolia limb laying on the sidewalk on West Central and Buena Vista Avenues. Town Manager DiRe stated that this is the owner's responsibility to remove and cleanup. The property owner will be contacted.

**Councilmember Phillips** - Councilmember Phillips expressed concern regarding the importance of attendance at the committee meetings and making sure the members understand.

**Councilmember Willoughby** - Councilmember Willoughby asked about the status of the RFP for trash collection. Town Manager DiRe stated that if the Mayor and Council are in agreement, he will update the previous RFP and advertise in the paper as soon as possible. All Mayor and Council agreed and requested he proceed.

**Mayor Abner** - Mayor Abner stated that she would be sending our evaluation forms for Town Manager DiRe to all the Councilmembers. She requested that they complete them and get them to her before the next meeting.

Mayor Abner stated that she will be meeting with representatives from the Lions Club, Historical Society and Ruritans in the next few weeks to discuss the Bi-Centennial Committee/Celebration and any possible ideas they may have.

Mayor Abner reminded everyone that the Caroline County Association of Municipalities Meeting would be held on Wednesday at the Lions Club Hall at 6 pm.

### **Closed Session**

Councilmember Sewell made a motion seconded by Councilmember Windsor and was unanimously approved by vote of five to zero to go into closed session at 7:09 pm to discuss finance matters.

Councilmember Windsor made a motion seconded by Councilmember Phillips and was unanimously approved by vote of five to zero to reconvene the regular meeting at 7:41 pm. There was no action taken.

### **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 7:45 pm.

Respectfully submitted,

*Kristy L. Marshall*

Clerk - Treasurer

TO: Mayor & Council Members  
FR: Larry DiRe, Town Manager  
DT: March 7, 2022  
RE: Request for Proposals for Chambers Park Ballfield Improvements – Selection of Qualified Firm

The Town of Federalsburg requested bids from qualified roofers and general contractors for the following improvements to the ballfields at Chambers Park. This is a grant-funded project with a firm budget of \$20,000.00. Bids were accepted until 2:00 pm on Thursday February 10, 2022. At that time bids were opened and read in public. The selected firm should be able to complete all work by mid-March 2022. Sealed bids were required to include the name and contact information of the firm bidding, proof of insurance, and an itemized cost estimate for the scope of work below.

Concession Stand:

- supply and install new metal roof over the existing roof
- supply and install roof trim
- remove T1-11 plywood from both gable ends and replace with metal and necessary trim
- supply and install a replacement entrance door
- remove the interior dilapidated cabinets and countertops

Dug outs:

- remove all wood, wire and damaged block from both dugouts
- supply and replace framing with pressure treated wood framed 16" on center
- supply and install materials necessary to raise the ceiling height a minimum of 3"
- supply and install 1" by 4" purlins 16" on center
- supply and install metal and trim to match that chosen for the concession stand
- supply and install new chain link fence along the front of the dugouts
- supply and install the materials necessary to replace the 2 courses of block knee wall along the front of the 1<sup>st</sup> base dugout
- supply and install new aluminum bench seats
- new paint on the dugouts

Two qualified firms submitted bids – J&L Services, Inc bid \$18,239; C&E Construction, LLC bid \$19,890.

Pending additional discussion, staff recommends mayor and town council select J&L Services, Inc as qualified to complete this project according to the advertised scope of work and submitted cost proposal, and direct the town attorney to draft the necessary agreement documents.

TO: Mayor & Council Members  
FR: Larry DiRe, Town Manager  
DT: March 7, 2022  
RE: Request for Qualifications for Professional Planning, Building and Inspection Services – Designation of Qualified Firms

At the December 20, 2021 mayor and town council meeting staff brought forward a request for qualifications to provide professional planning, building, and inspection services to the town. That was approved at that time, and staff advertised the public notice to ensure a competitive and public process as a good procurement practice. Two qualified firms submitted qualification packet – First State Inspection Agency, with whom the town has a short-term service agree currently in place, and Bureau Veritas.

Both firms have a distinct set of organizational and staff strengths that will serve the town well. At present, and for the near term, a variety of projects will require review and permitting. These projects range from typical single family residential units to small mixed-use buildings to the new medical center to the thirty-acre industrial fish farm structure. Much as the more tools in the toolbox makes for a better handyman, the wider the skill set available to the town the better the process. With that in mind, staff recommends the mayor and town council designate both firms as service providers available to be tasked with a project and scope of work appropriate to their capabilities. First State Inspection Agency is most qualified for small projects typical of the town's needs. Bureau Veritas is well suited to provide services for the large scale, and complex projects proposed for the next few years.

Pending additional discussion, staff recommends mayor and town council designate both firms as qualified to provide professional planning, building, and inspection services.

TO: Mayor & Council Members  
FR: Larry DiRe, Town Manager  
DT: March 7, 2022  
RE: Request to End Municipal Trash Collection Services – Laurel Grove Acres

A request to end once weekly municipal trash collection service was received by the town on February 9, 2022 (attached). The management company making the request is a current town rate payer for municipal trash collection on a weekly basis. They believe more frequent service best serves their interest and wish to opt out of town service to be replaced by a private residential trash collection contractor.

Pending further discussion, provide direction to staff.



Laurel Grove Acres Apartments I, II, III  
Sherita Cottom, Property Manager  
Email: laurelgrove@pbhboard.com

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3460 Laurel Grove Road, Federalsburg, MD 21632 phone: 410-754-5513 fax: 410-754-5071

**TO:** Larry Dire, Federalsburg Town Manager  
**FROM:** Sherita Cottom, Property Manager  
**DATE:** February 9, 2022  
**RE:** Opting out of Trash

Mr. Dire, per our conversation today regarding Laurel Grove Acres Apartments opting out of the Town of Federalsburg's trash services.

The Town of Federalsburg trash services is not accommodating to the needs of Laurel Grove Acres Apartments a 73-unit apartment complex. We need at least two trash pickups per week, instead of once per week. In addition, we need several more trash cans to accommodate all the trash that is collected at the complex. Ideally, we would like to have dumpsters.

We ask that you take this request into consideration.

Thank you,

Sherita Cottom, Property Manager

**Gateway Management Services, L.L.C.**



TO: Mayor & Council Members  
FR: Larry DiRe, Town Manager  
DT: March 7, 2022  
RE: Request for Proposal to Provide Residential Trash Collection – Review of  
Qualified Bidder's Proposal

Staff advertised a request for proposals to provide residential trash collection services. The deadline for submitting proposals was February 28, 2022 at 4:00 pm. At time bids were publicly opened at town hall and read. One bid was received at that time from Eastern Shore Environmental. This firm has provided residential collection to the town during period when the town staff and equipment could not. Their service has been consistent and reliable. The bidder has provided base line collection service as well as an alternative with associated costs (attached).

From Eastern Shore Environmental:

*OPTION 1*

*TRASH \$16,260 a month\ \$195,120 a year - PRICE STAYS THE SAME FOR 5 YEARS*

*Hauler pays landfill*

*OPTION 2*

*TRASH \$7,200 a month\ \$86,400 a year - PRICE STAYS SAME FOR 5 YEARS*

*Town pays landfill*

*PICKUP DAY WOULD BE THURSDAY*

Pending mayor and council discussion, staff recommends direction to pursue contract discussions with Eastern Shore Environmental to provide above cited Option 1 service for a period of four years with a two-year option as advertised.

# Eastern Shore

Environmental

P.O Box 617 Greensboro, Maryland 21639

4108291717

Jasoneasternshore@gmail.com

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February 28, 2022

## Town of Federalsburg:

### Option 1

Waste and Disposal:

\$13.55 per can

\$16, 260 per month

\$195, 120 per year

5-year contract with a 2-year option

**Household trash only**

### Option 2

Waste

The town pays Landfill on their account

\$6.00 per can (1200 cans)

\$7, 200 a month

\$86, 400 a year

5-year contract with a 2-year option

**Household trash only**

Would need a copy of the towns' rules on trash.

Thursday is trash pickup day

**Eastern Shore Environmental LLC. Services**

Town of Denton (1550 homes)

Phil Clark 410-924-1181



Town of Rock Hall (850 homes)  
Bob Resele 443-801-1297

Town of Chestertown (1600 homes)  
Bill 410-708-7487

Town of Trappe (425 homes)  
Nick Newman 443-786-2035

Town of Sudlersville (210 homes)  
Keith Griffth 410-708-6781

Town of Betterton (255 homes)  
Sheila 410-348-5522

**Payment**

**Invoices will go out bi-weekly & will be paid every two weeks when invoices are sent out**

Sincerely,

Jason Bishop

Eastern Shore Environmental LLC.

[Jasoneasternshore@gmail.com](mailto:Jasoneasternshore@gmail.com)

TO: Mayor & Council Members  
FR: Larry DiRe, Town Manager  
DT: March 7, 2022  
RE: Low Income Household Water Assistance Program

The Low Income Household Water Assistance Program (LIHWAP) program is a new, Federally-funded program, providing benefits for water and wastewater costs for low-income households. LIHWAP assists Maryland families who are behind on their drinking water and wastewater bills focusing on accounts that are 30 days or more past due. The State of Maryland is making payments on behalf of customers who are past due so they don't have water services cut off, or to have their water services restored.

LIHWAP staff are requesting assistance with public water/wastewater suppliers and treatment works who are interested in participating in the LIHWAP program.

The Maryland State LIHWAP plan will provide specific details that may be beneficial utility suppliers to begin to learn about the program and may answer most, if not all, questions. The Maryland State LIHWAP Plan can be found here: [Approved Maryland State LIHWAP Plan](#).

Pending mayor and council discussion, staff recommends the town participate in the LIHWAP.

**Maryland Department of Human Resources  
Office of Home Energy Programs**

**INSTRUCTIONS**

**LIHWAP WATER/WASTEWATER SUPPLIER MEMORANDUM OF AGREEMENT (MOU):**

On the front-page blank line, at the top enter your business name. In the first paragraph, enter the date, month, address, your federal tax identification number. The agreement must be signed in blue ink (page nine) by an authorized company representative and his/her signature must be witnessed and attested by another person.

**CONTRACT AFFIDAVIT**

Complete all spaces on the Contract Affidavit (DHR-653/Attachment C). Sign and date the form.

**W-9 FORM**

Please complete and sign the W-9 Form and ensure that the information on the W-9 matches the information provided on Water/Wastewater Supplier Data Form. Sign and date the form.

**WATER/WASTEWATER SUPPLIER DATA FORM:**

Complete the Home Energy Programs Water/Wastewater (LIHWAP) Supplier Data Form. Payment of benefit grants on behalf of customers to your company depends on the information supplied on this form. This information is entered in our database and used for the issuance of payments. Please print all responses clearly.

**Company Name:** Enter the name of the company as you want to appear on checks sent to the company.

**Business Address:** Enter the address where the business is located. No Post Office Boxes.

**Mailing Address:** Leave blank if the same address as the business address. Otherwise, enter the address where checks are to be mailed. Post Office Boxes are allowed.

**Phone numbers:** Enter the main business phone, toll free number and fax number.

**Service Provider Contact:** Please provide a direct contact number that DHS frontline staff can call to verify utility account information on behalf of the customer.

**Contact Persons:** Always list as the first contact person the individual who is to receive the OHEP Water Delivery Statements and checks. Please include email, if available.

**Utility Provided:** Place a checkmark next to the utility service you provide to customers.

**County you want to serve:** Place a check mark next to the County names for which you wish to deliver water/wastewater service. If you only deliver to part of a county, check it and write **partial** next to the county.

**Billing /Usage Measurement or Rate:** Indicate the rate or unit of quantity measurement (gallons, cubic feet, rate, etc.).

Please complete and return all the DOCUMENTS and the signed Memorandum of Agreement (MOU). You will receive a signed copy of the MOU once the MOU has been approved at the Department of Human Services.

OHEP LIHWAP Water/Wastewater Supplier Data Form

Company Name (To appear on checks.): \_\_\_\_\_

Business Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Mailing Address (If same as above leave blank):

P.O. Box: \_\_\_\_\_

P.O. Box City: \_\_\_\_\_ P.O. Box State: \_\_\_\_\_ Zip: \_\_\_\_\_

Phone Numbers General: \_\_\_\_\_

Toll Free: \_\_\_\_\_ FAX: \_\_\_\_\_ Other 1: \_\_\_\_\_

Service Provider Contact to verify customer utility account information:

Name \_\_\_\_\_ Phone \_\_\_\_\_ E-mail \_\_\_\_\_

Type of Corporation (Check):  Incorporation  Partnership  Sole Ownership

Is your Company Regulated by the Public Service Commission? (Please Circle) Yes No

Executive Level Contact Persons (Please put LIHWAP contact first. Include name, title, e-mail):

1: \_\_\_\_\_ Phone/Ext \_\_\_\_\_ e-mail: \_\_\_\_\_

2: \_\_\_\_\_ Phone/Ext \_\_\_\_\_ e-mail \_\_\_\_\_

3: \_\_\_\_\_ Phone/Ext \_\_\_\_\_ e-mail \_\_\_\_\_

Minority Business Enterprise (MBE) Designation (Circle): Yes No

MBE State of Registration: \_\_\_\_\_ MBE Number: \_\_\_\_\_

Federal Tax ID Number or Social Security Number: \_\_\_\_\_

Water System ID: \_\_\_\_\_

Billing /Usage Measurement or Rate: \_\_\_\_\_

Describe any special conditions that apply to payment plans, reconnect fee, special charges, etc.:

\_\_\_\_\_

Describe any special discounts or service your company offers (Attach a separate page, if necessary):

\_\_\_\_\_

Does your company impose fees? (Specify amounts below)

Reconnection Fee \$ \_\_\_\_\_ Late Fee \$ \_\_\_\_\_ or % \_\_\_\_\_ Other Fees (please specify) \_\_\_\_\_

What utility services do you provide to consumers? (Check all that apply):

- Water  Other
- Wastewater/Sewer (Specify) \_\_\_\_\_

In what Maryland counties do you deliver the above utility services (Check all that apply)

- |   |                                     |  |                                     |
|---|-------------------------------------|--|-------------------------------------|
| <input type="checkbox"/> Allegany       | <input type="checkbox"/> Cecil      | <input type="checkbox"/> Howard          | <input type="checkbox"/> St. Mary's |
| <input type="checkbox"/> Anne Arundel   | <input type="checkbox"/> Charles    | <input type="checkbox"/> Kent            | <input type="checkbox"/> Talbot     |
| <input type="checkbox"/> Baltimore City | <input type="checkbox"/> Dorchester | <input type="checkbox"/> Montgomery      | <input type="checkbox"/> Washington |
| <input type="checkbox"/> Baltimore      | <input type="checkbox"/> Frederick  | <input type="checkbox"/> Prince George's | <input type="checkbox"/> Wicomico   |
| <input type="checkbox"/> Calvert        | <input type="checkbox"/> Garrett    | <input type="checkbox"/> Queen Anne's    | <input type="checkbox"/> Worcester  |
| <input type="checkbox"/> Caroline       | <input type="checkbox"/> Harford    | <input type="checkbox"/> Somerset        |                                     |
| <input type="checkbox"/> Carroll        |                                     |  |                                     |

Printed name and phone number of the person completing this form: \_\_\_\_\_

Signature of person completing this form: \_\_\_\_\_

Name \_\_\_\_\_ Title \_\_\_\_\_ Date \_\_\_\_\_

**MEMORANDUM OF AGREEMENT**  
**BETWEEN**  
**THE MARYLAND DEPARTMENT OF HUMAN SERVICES**  
**AND**

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**A COMPANY PROVIDING WATER AND/OR WASTEWATER UNDER THE  
AMERICAN RESCUE PLAN ACT OF 2021 AND THE CONSOLIDATED  
APPROPRIATIONS ACT, 2021 (PUBLIC LAW NO: 116-260)**

**THIS MEMORANDUM OF AGREEMENT** (“Agreement”) is entered into and effective this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_ by the State of Maryland, by and through the Maryland Department of Human Services, Office of Home Energy Programs (the “DEPARTMENT”), located at 311 W. Saratoga Street, Baltimore, Maryland 21201, and \_\_\_\_\_ (“UTILITY” and, collectively with the DEPARTMENT, the “PARTIES”), whose principal address is \_\_\_\_\_.

The UTILITY’s Federal Tax Identification Number is \_\_\_\_\_.

**WHEREAS**, the DEPARTMENT is seeking to enter into agreements with water and/or wastewater utilities for the purpose of supplying eligible households with rate reduction or arrearage assistance funding to assist eligible households with their home water and wastewater bills; and

**WHEREAS**, the DEPARTMENT agrees to provide to the UTILITY, and the UTILITY agrees to apply to customers’ accounts, assistance funding for water and/or wastewater bills of eligible households under the terms and conditions set forth below. The LOCAL OFFICE, as a representative of the DEPARTMENT, will process the applications of eligible households, authorize the payment of such assistance funding to the utility, and provide notices of assistance funding to eligible households.

**NOW THEREFORE**, the Parties mutually agree as follows:

**I. DEFINITIONS**

For purposes of this Agreement, the following terms have the meaning indicated:

**Assistance funding** means the maximum payment amount authorized by the OHEP for reduction of arrearages or rates charged to such Households.

A. **DEPARTMENT** means the Maryland Department of Human Services, an agency

within the State of Maryland.

B. **Eligible Household** means “low-income households, particularly those with the lowest incomes, that pay a high proportion of household income for drinking water and wastewater services” as defined under Section 533 Title V of Division H of the Consolidated Appropriations Act, 2021, Public Law No: 116-260.

C. **Federal Statute** means the American Rescue Plan Act of 2021 and the Consolidated Appropriations Act, 2021 (Public Law No: 116-260).

D. **Local Office(s)** means the local Department of Social Services managing the customer application process and authorizing assistance funding in each jurisdiction.

E. **Low Income Household Water Assistance Program (“LIHWAP”)** means benefit assistance program that is being federally funded and distributed through the Consolidated Appropriations Act of 2021 and American Rescue Plan. This benefit will supply eligible households with rate reduction or arrearage assistance funding with their home water and/or wastewater bills.

F. **Network** means any secure computer system hosted by the Department.

G. **Office of Home Energy Program (“OHEP”)** means the unit within the Department responsible for implementing the Low Income Household Water Assistance Program.

H. **Program year** means the State of Maryland’s fiscal year.

I. **UTILITY** means owners or operators of public water systems or treatment works

J. **Water Delivery Statement (“WDS”)** means a list of program eligible households containing necessary customer and benefit information and serves as the authorization to deliver.

## II. PAYMENT PROCESS

During the term of this Agreement, the DEPARTMENT will make assistance funding payments to the UTILITY for water and or/wastewater billed to eligible households as set forth on the WDS. The UTILITY shall reduce the amount of water and/or wastewater charged to the household by the payment made by the DEPARTMENT.

At least once per month, the DEPARTMENT will provide the UTILITY a WDS that shows the dollar value of each eligible household’s assistance funding. The WDS represents the DEPARTMENT’s authorization to deliver water and/or wastewater services with a value up to the full amount of the eligible household’s assistance funding. The Comptroller of Maryland will issue checks to the Utility for each payment of assistance funding made by the Utility on an eligible household's account; the checks may contain reimbursement for multiple payments made on the same eligible household's account and/or multiple household’s accounts. The Comptroller will not issue checks containing reimbursement for assistance funding payments made on multiple eligible household accounts.

### **III. NO DIRECT PAYMENT OF GRANT TO HOUSEHOLDS**

The UTILITY is prohibited from making direct cash payments of assistance funding to any eligible household. Direct payments of assistance funding by UTILITY to any eligible household are contrary to this Agreement.

### **IV. PRICE**

An eligible household's receipt of assistance funding shall not affect the price charged to the household by the UTILITY.

### **V. AVAILABILITY OF FUNDS**

Payments of all assistance funding are contingent upon the DEPARTMENT receiving funds to pay for the cost of water and/or wastewater assistance from the United States Department of Health and Human Services and the State of Maryland and as disbursed by the State of Maryland. In the event the DEPARTMENT receives such funds in an insufficient amount to satisfy its total obligations for the projected number of eligible households, the DEPARTMENT shall have the sole discretion as to the disbursement of funds according to the provisions of the American Rescue Plan Act of 2021 and the Consolidated Appropriations Act, 2021 (Public Law No: 116-260) and any other applicable laws.

### **VI. NOTIFICATION OF BENEFIT TO ELIGIBLE HOUSEHOLD**

The DEPARTMENT will provide a notice of assistance funding to the eligible household identifying the dollar amount of assistance paid on the household's behalf, the type of water and/or wastewater services to be delivered and the name of the participating UTILITY chosen by the household at the time of application.

### **VII. TIMELY DELIVERY AFTER WDS AND BILLING PROCESS**

After receiving notification by a WDS that assistance funding will be sufficient in amount to continue or restore water and/or wastewater services, the UTILITY shall provide or continue to provide water and/or wastewater services, except in the case of an eligible household's request that deliveries be delayed. In cases where an eligible household's service is disconnected at the time of WDS delivery, the service shall be restored within 24 hours of the UTILITY's receipt of the WDS.

### **VIII. DATA EXCHANGE**

The DEPARTMENT will provide the eligible household data to the UTILITY by means of the WDS sent through the DEPARTMENT'S File Transfer Protocol (FTP) server or

other electronic means established by the DEPARTMENT.

THE UTILITY will provide to the LOCAL OFFICE individual bill information necessary for the processing of water and/or wastewater service assistance applications within three (3) business days of a request.

#### **IX. TECHNOLOGY COST**

The UTILITY is responsible for the cost to provide, install, and maintain all mutually agreeable necessary computer hardware, software, and communications technologies that are needed in its business operations with the DEPARTMENT.

#### **X. NON-DISCRIMINATION IN PROGRAM**

The UTILITY shall not discriminate against any eligible household covered by this Agreement in its terms and conditions of sale, credit, delivery or price, including service charges, reconnection charges and payment plan arrangements, or in any other services provided, except as permitted by law or regulation. No household receiving assistance pursuant to this Agreement shall be treated adversely from any other household because of such assistance.

#### **XI. RETURN OF BENEFIT FUNDS TO THE DEPARTMENT**

When a LIHWAP assistance funding customer has died, moved from the UTILITY's service area, or is otherwise unavailable to receive the assistance funding, and there are no other eligible household members, the UTILITY's obligation to the household under the Agreement ends. Any undelivered funding assistance balance that cannot be applied to a household account shall be returned to the LOCAL OFFICE within 60 days from the date the payment is received or the date the account is no longer eligible for assistance funds, whichever date is later, along with a report of applicant refunds.

When returning assistance funds to the LOCAL OFFICE, the UTILITY must provide the following information to the LOCAL OFFICE: account holder name, account number, service delivery address, program year of refunded benefit, original assistance funding amount, dollar amount returned and the reason for the return of assistance funds.

#### **XII. TERMINATION OF SERVICE**

The UTILITY agrees that in the event it terminates service to an eligible household which has received assistance funding for home water and/or wastewater service under this Agreement, it will do so in accordance with all applicable regulations governing termination. Assistance funding not credited to the account is to be returned to the LOCAL OFFICE.



### **XIII. FISCAL RECORDS AND AUDIT REVIEW**

The UTILITY shall establish such fiscal control and fund accounting procedures as is necessary to assure the proper invoicing, disbursement and accounting for assistance funds paid under this Agreement. The UTILITY shall maintain an accounting system and supporting fiscal records adequate to allow the DEPARTMENT to verify the amount of home water and/or wastewater service delivered to eligible households covered by this Agreement and the amount of the assistance funding payments made for home water and/or wastewater service on behalf of eligible households. The UTILITY's records, for the period of this Agreement, shall be maintained for three years after the program year or upon conclusion of any internal and external audits, whichever is later, and shall be made available for inspection and copying by DEPARTMENT representatives upon reasonable notice to the UTILITY. Upon request from the DEPARTMENT, the UTILITY agrees to submit to the DEPARTMENT information related to units delivered, dates of delivery, and costs per unit of home water and/or wastewater service.

The UTILITY recognizes that legislative regulations may require an independent accounting firm to audit the grant transactions. The UTILITY shall cooperate with the auditors performing the review.

The UTILITY shall cooperate with any reasonable requests for information relating to the performance of this Agreement

### **XIV. FEDERAL AND STATE COMPLIANCE**

The UTILITY shall comply with all applicable federal, state, and local government regulations, statutes, standards, licensing and permit laws and ordinances, and such other requirements as are necessary for the lawful provision of the services required for the UTILITY under the terms of this Agreement

### **XV. CONFIDENTIALITY OF INFORMATION**

The DEPARTMENT and the UTILITY agree to expressly abide by all applicable Federal, State and local laws and regulations regarding confidential information. The use or disclosure by any PARTY of any information concerning a recipient of these services or assistance funding for any purpose inconsistent with the responsibilities and/or official duties of the DEPARTMENT or UTILITY under this Agreement or applicable provision of law is prohibited, except on written consent of the other PARTY and the recipient, or, if he or she be under a disability, the responsible parent, guardian or legal representative of the recipient. In addition, in carrying out their respective responsibilities, each PARTY shall respect and abide by the confidentiality policies and legal requirements of the other PARTY and enter into data sharing agreements as appropriate, to protect the

confidentiality and security of shared data and to comply with governing law. Each PARTY to the Agreement must ensure that the collection and use of any information, systems, or records that contain personally identifiable information will be limited to purposes that support the programs and activities described in this Agreement.

**XVI. NON-DISCRIMINATION**

The UTILITY will not, on the grounds of race, color, national origin, disability, age, sex (gender), religion, physical or mental disability, exclude any person from participation in, deny any person the benefits of, or subject any person to discrimination under, the benefit program funded under this Agreement.

**XVII. NON-HIRING OF EMPLOYEES**

No employee of the State of Maryland, or any department, commission, agency, or branch thereof, whose duties as such employee include matters related to or affecting the subject matter of this Agreement shall, while in such employment, become or be an employee of the UTILITY.

**XVIII. AMENDMENTS AND MODIFICATIONS**

This Agreement may be amended to the extent that the DEPARTMENT and UTILITY mutually agree in writing. Except for the specific provision(s) thereby amended, the Agreement shall remain in full force and effect after such amendment subject to the same laws, obligation, conditions, rules, provisions, and regulations as it was prior to said amendment.

**XIX. MARYLAND LAWS**

The laws of the State of Maryland shall govern the terms and enforcement of this Agreement.

**XX. TERM OF AGREEMENT**

(a) This Agreement is effective as per the date first written above and shall remain in effect for a period of five (5) years. The PARTIES, however, may mutually agree in writing to an earlier termination.

(b) Termination for Default. If either of the PARTIES fails to fulfill its obligations under this Agreement properly and on time, or otherwise violates any provision of this Agreement, the other PARTY may terminate the Agreement. Prior to termination this Agreement, the terminating PARTY shall give the defaulting PARTY thirty (30) days prior written notice of such default and if the defaulting PARTY has not cured such default within the thirty (30) day period, the terminating PARTY may, by written notice, within five (5) days after expiration of this period,

terminate the Agreement. The thirty (30) day default notice shall specify the act or omissions relied on as cause for termination. The defaulting PARTY shall remain liable after termination for any damages caused by the defaulting PARTY's breach.

(c) The rights of eligible households which have received water and/or wastewater service under this Agreement shall not be prejudiced in the event of early termination of this Agreement, provided however that, upon termination of this Agreement, the UTILITY shall have no obligation to make any further benefits available to any otherwise eligible households.

## **XXI. INDEMNIFICATION AND CLAIMS**

(a) The UTILITY shall indemnify the DEPARTMENT against liability for any suits, actions, or claims of any character arising from or relating to the negligent performance of the UTILITY under this Agreement.

(b) The DEPARTMENT has no obligation to provide legal counsel or defense to the UTILITY if a suit, claim or action of any character is brought by any person not a party to this Agreement.

(c) The DEPARTMENT has no obligation for the payment of any judgments or the settlement or any claims against the UTILITY as a result of or relating to the UTILITY's obligations under this Agreement.

(d) The UTILITY shall immediately notify the Department of any claim or suit made or filed against the UTILITY regarding any matter resulting from or relating to the UTILITY's obligations under this Agreement, and will cooperate, assist and consult with the DEPARTMENT in the defense or investigation of any claim, suit or action made or filed against the DEPARTMENT as a result of or relating to the UTILITY's performance under this Agreement.

## **XXII. SEVERABILITY**

If any part of this Agreement is found to be null and void or is otherwise stricken, the rest of the Agreement shall remain in force.

## **XXIII. MISCELLANEOUS TERMS AND CONDITIONS**

The UTILITY shall submit a Water and/or Wastewater Supplier Data Form to the DEPARTMENT with the signed Agreement. Periodically, as requested by the DEPARTMENT, an updated Water and/or Wastewater Supplier Data Form may be requested.

The UTILITY shall notify the DEPARTMENT within thirty (30) days of any change in

address or business operation which affects the payment of grants to the UTILITY.

The UTILITY shall notify the DEPARTMENT of mergers and/or acquisitions as these may affect the UTILITY'S policies and service areas.

The rights and obligations of the UTILITY under this Agreement may not be assigned or delegated, by operation of law or otherwise, without prior written consent of notification to the DEPARTMENT.

The DEPARTMENT will notify the UTILITY where Agreements are not renewed for failure to supply requested information or where monitoring reviews reveal lack of compliance with Agreement requirements.

IN WITNESS WHEREOF, THE PARTIES have executed this Agreement on the date(s) written below.

ATTEST:

FOR THE UTILITY:

\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
Print Name of Utility Representative

\_\_\_\_\_  
(Signature)

\_\_\_\_\_  
Title

\_\_\_\_\_  
Date Signed

ATTEST:

FOR THE DEPARTMENT:

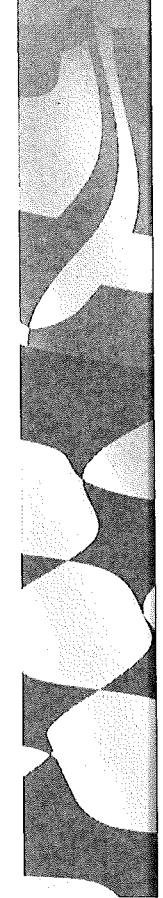
\_\_\_\_\_  
Signature of Witness

\_\_\_\_\_  
LA SHERRA AYALA  
Executive Director  
Family Investment Administration  
Department of Human Services

\_\_\_\_\_  
Date Signed

APPROVED FOR FORM AND LEGAL SUFFICIENCY BY THE OFFICE OF THE  
ATTORNEY GENERAL





# DHS



MARYLAND DEPARTMENT OF  
**HUMAN SERVICES**



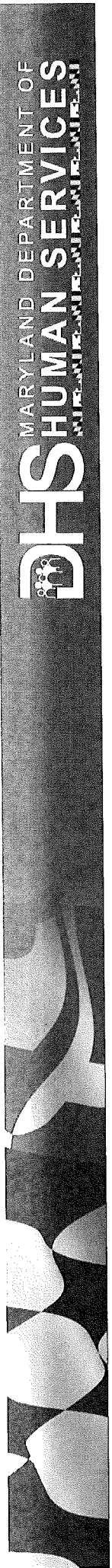


# **Family Investment Administration**

## **Office of Home Energy Programs**

**Emily Bauer**  
**Deputy Director Office of Home Energy Programs**  
**January 2021**





Maryland State Overview of:

# **LOW INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM (LIHWAP)**



# LIHWAP

## What is LIHWAP and how is it funded?

- The Low Income Household Water Assistance Program (LIHWAP) is a new federally funded grant program providing benefits for water and/or wastewater costs for low-income households. Funding is being distributed through the Consolidated Appropriations Act of 2021 and American Rescue Plan and was developed in response to the COVID 19 pandemic. The program is administered at the federal level by the Division of Energy Assistance within the U.S. Department of Health and Human Services' (HHS) Administration for Children and Families.
- This program is currently only funded through December of 2023. Allocations have to be designated to the utility providers by September 2023 and funds dispersed by December of 2023.



# LIHWAP

## What does LIHWAP look like in Maryland?

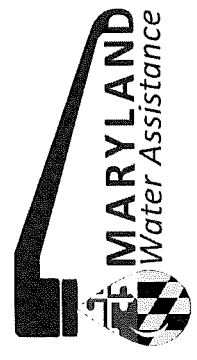
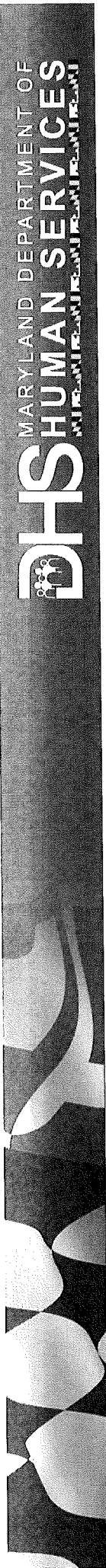
- Maryland's total allocation for LIHWAP is \$14,061,546.
  - The approach at the federal level is to implement LIHWAP as closely as possible to the model established for the Low Income Home Energy Assistance Program (LIHEAP).
- The Maryland State LIHWAP plan was approved on September 27, 2021.
  - Maryland will focus on the immediate restoration of water and/or wastewater services and the payment of arrearages to prevent disconnection of service.
  - Maryland will use categorical eligibility to expedite the processing of applications when applicable.
  - The Local Department of Social Services will administer the LIHWAP program in 24 county/jurisdictions throughout Maryland.



# LIHWAP

## **Who is eligible and what are the eligibility requirements for LIHWAP?**

- The applicant must be a Maryland resident who is responsible for a water and/or wastewater bill issued by a public water system or treatment works.
- Applicants will be required to submit proof of physical residency.
- The applicant must live at the property for which assistance is being provided.
- Applicants must submit a current water and/or wastewater bill showing accrued arrearages of at least \$100.
- The total household income (previous 30 days) may not exceed the gross income threshold which is 60% of the State Median Income.
- Only one bill account per service address per utility (water and/or wastewater) is eligible to receive this benefit..



# LIHWAP

• **Income Categorical Eligibility:**

• A household where at least one member of the household is currently receiving one of the following benefits is considered automatically eligible for the Maryland Low Income Household Water Assistance Program (LIHWAP).

- Office of Home Energy Programs (OHEP)
- Temporary Cash Assistance (TCA/TANF)
- Supplemental Nutrition Assistance Program (SNAP)
- Temporary Disability Assistance Program (TDAP)
- Supplemental Security Income (SSI)
- Means-tested Veterans Programs
- Emergency Rental Assistance Program (ERAP)
- WSSC Customer Assistance Program
- 

• Applicants who are income categorically eligible for LIHWAP must be actively receiving benefits at the time of the LIHWAP application and must meet all other eligibility criteria.

• Proof of benefits received must be included with the application.



# LIHWAP

## What is the LIHWAP benefit?

- LIHWAP is a one-time benefit grant of \$100 - \$2,000 that can be paid toward residential water and/or wastewater accounts that have accumulated arrearages.
- LIHWAP will assist in the payment of arrearages for immediate restoration of residential water and/or wastewater services and/or to prevent disconnection of service.
  - Arrearages are defined as the amount past-due greater than 30 days.
  - Arrearages must be a minimum of at least \$100.
  - Payment may include standard charges and fees included in the household water bill. (This may include standard reconnection fees)
- Benefit payment amount must satisfy the account to be in “good standing” with the utility provider.
  - This can be in combination with the customer contributing to the difference of the grant and what is due to result in “good standing”.



# LIHWAP

- Applications will be first-come first-served in each county.
  - Direct Service allocations have been made to each of the 24 jurisdictions
  - Benefits must be paid directly to the utility supplier.
  - Renters are eligible, if they are responsible for paying a water/wastewater bill or their water/wastewater is included in their rent. However, if the bill is in the landlords name, the landlord has to comply with providing the account information and willing to deduct the rent for the portion of the water/wastewater that is being charged. The payment to the utility supplier will be on behalf of the customer to the landlords account.
  
- LIHWAP is **NOT**:
  - An approved on-going federally funded program. Essentially it is a “one-and-done”.
  - An auto enrollment program. Customers must apply for LIHWAP.
  - A grant benefit that will pay for water and/or wastewater repairs or replacements
  - A grant benefit that is allowable for household costs associated with private wells and septic systems. These would not be payments to owners or operators of public water systems or treatment works..
  - A grant benefit that can be applied to an account that has stolen or fraudulent water and/or wastewater services.



# LIHWAP

## How do you apply for LIHWAP?

- An application for LIHWAP can be submitted with or without an energy assistance application through the Office of Home Energy Programs (OHEP). Joint applications will be established for LIHEAP, Emergency Assistance for Families with Children, and eviction prevention/rental assistance programs.
- The Local Department of Social Services will be administering the program in collaboration with the Office of Home Energy Programs (OHEP) in each of the 24 Maryland counties/jurisdictions. Applicants can apply for LIHWAP at the local DSS or can apply online through the Maryland Department of Human Services (DHS) consumer portal. Other community-based organizations will also be provided guidance and materials to make referrals for the program.





# LIHWAP

## **When will Maryland LIHWAP benefits begin?**

- Estimated date for Statewide rollout and implementation of the LIHWAP program is early 2022.

## **What Communication will there be?**

Logo Design, Applications, Brochure/Flyer, working on statewide communications campaign.

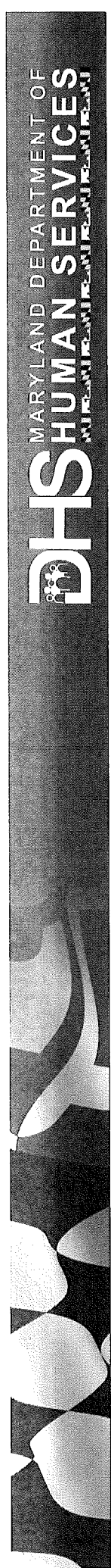


# LIHWAP

## Water Supplier Documents/Info

Email was sent to all water suppliers with 7 attachments

- Check List
- Cover Letter
- Instructions
- MOU
- Affidavit
- W-9
- Data Supplier Info



# LIHWAP

## Payment Process

Assign Water Distribution Statement (WDS) in the OHEP Data Management System. Water and Wastewater will be separate programs and will have a separate WDS for each program for each supplier/vendor.

[https://drive.google.com/file/d/1WN0xC91yMrsrYa\\_T66D2lQSWmdpLHc4v/view?usp=sharing](https://drive.google.com/file/d/1WN0xC91yMrsrYa_T66D2lQSWmdpLHc4v/view?usp=sharing)

The LAA will submit each WDS to the local LDSS finance officer to process the payments

The OHEP certifier will enter the DV (direct voucher number) in the OHEP Data Management System to each coordinating vendor WDS.

The OHEP certifier will then update the WDS's to "PAID" in the OHEP Data Management System.

Once complete the local OHEP will fax/email the WDS to each vendor.

When the vendor receives the check from the Comptroller it will show the DV number on the remittance stub and the vendor can pull the coordinating WDS and post to the customer's account.



**LIHWAP**

# Questions ?



# LIHWAP

All current LIHWAP information can be found here:

<https://www.acf.hhs.gov/ocs/programs/lihwap>.



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**Emily Bauer, MBA**  
Deputy Director, Office of Home Energy Programs  
Maryland Department of Human Services  
311 W. Saratoga Street  
Baltimore, MD 21201  
[emily.bauer1@maryland.gov](mailto:emily.bauer1@maryland.gov)  
[dhs.maryland.gov](http://dhs.maryland.gov)  
(443) 257-0223 (cell)

TO: Mayor & Council Members  
FR: Larry DiRe, Town Manager  
DT: March 7, 2022  
RE: Review of Grant and Appraisal for Town-Owned Building at 115-117 North Main Street

The town received grant funding from the Maryland Department of Housing and Community Development to bring the town-owned building at 115-117 N. Main Street up to code and repair certain interior and exterior features. The goal of that funding support was to bring the building up to a sufficient level of repair and service to function as a restaurant, according to the original documentation of several years ago. To date no work has been done on the building. A recent correspondence between staff and DHCD staff provides context on the eligible use of funding and use of the building. The town recently had a professional commercial appraisal firm assess the building. Both the DHCD staff correspondence and the main sections of the appraisal report are attached, as is the grant application submitted by the town for funding support. As a point of interest, the town lists the building as \$200,000 and contents at \$10,000 values for insurance purposes. The disposition of the building has been a source of inquiry on several occasions and at present there is no discernible town objective on the grant funding or the building,

Pending mayor and council discussion, provide direction to staff.



Larry DiRe <townmanager@federalsburg.org>

## Follow-up to our call

3 messages

Ashlee Green -DHCD- <ashlee.green@maryland.gov>

Thu, Jan 13, 2022 at 11:32 AM

To: townmanager@federalsburg.org, George Mayer <mayergeorge46@gmail.com>, George Mayer <george@raucheng.com>

Hi Larry:

Thank you again for our call today. The Department understands in the current market, opening and maintaining a restaurant may not be feasible. Therefore, we can offer some flexibility by doing a modification.

We would just need a letter from the Town signed by you or the Mayor that states the following:

- Due Covid-19, opening and maintaining a restaurant may not be feasible. The Town currently owns the property and would like the flexibility to market the property to a wider variety of potential buyers.
- The Town would like to use the grant to bring the building "up to code" by upgrading the electric, installing fire sprinkler, fixing windows, repairing the roof, etc.
- The Town would also like the grant terms to be extended until June 30, 2023 (NOTE: This would buy you some more time in case you have problems finding contractors, which is another issue we are running into across other towns and cities).

This letter will essentially help us remove the language in the grant agreement about it being converted solely into a marketable restaurant property and give you the freedom to market to whatever potential buyer (or potential renter) you see fit.

Once you have submitted the letter, we can add you to the modification list. Please note, the process for approval usually takes 3-6 months, so if you don't hear back right away, don't be alarmed.

During the waiting period, you will still need to submit quarterly reports. You can also issue your RFP and start the work.

Initially, Happy submitted the attached Maryland Historical Trust review to us. It was determined that the building is a historical structure and will have to comply with the Maryland Historical Trust review. If there are any significant changes outside of what was submitted previously, please submit them to us prior to any work beginning.

Let me know if you have any additional questions via e-mail or my cell (219-789-7923).

Best,

Ashlee


--


**NOTE: Due to Covid19 Restrictions, as of 3/13/20, I will be teleworking which may delay responses. Your patience is greatly appreciated.**

Ashlee Green  
Program Officer  
Maryland Department of Housing and Community Development  
2 N. Charles Street #450  
Baltimore, MD 21201  
ashlee.green@maryland.gov  
410-209-5815 (office)

Click here  
<<http://www.doit.state.md.us/selectsurvey/TakeSurvey.aspx?agencycode=DHCD&SurveyID=86M2956>> to complete a three-question customer experience survey

**2 attachments**

 **101722\_8052440-115-117NMain\_Submission.pdf**  
1148K

 **101722\_8052022-115NMain\_determination.pdf**  
320K

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**Lawrence DiRe** <townmanager@federalsburg.org>

Thu, Jan 13, 2022 at 11:45 AM

To: Ashlee Green -DHCD- <ashlee.green@maryland.gov>

Cc: George Mayer <mayergeorge46@gmail.com>, George Mayer <george@raucheng.com>

Thanks for talking with me this morning. I appreciate the assistance. I'll forward this email to Mayor Abner and we'll get back to you in a few days.

[Quoted text hidden]

--

Lawrence DiRe, MPA  
Town Manager  
Town of Federalsburg  
118 N. Main Street  
Federalsburg, MD 21632  
410-754-8173 - office  
410-443-1354 - cell  
www.townoffederalsburg.org

---

**Lawrence DiRe** <townmanager@federalsburg.org>

Thu, Jan 13, 2022 at 11:47 AM

To: "Kimberly M. Abner" <kmabner@federalsburg.org>, Edward Windsor <ewindsor@federalsburg.org>, "Debra V. Sewell" <dsewell@federalsburg.org>, Scott Phillips <sphillips@federalsburg.org>, Robert Willoughby <rwilloughby@federalsburg.org>, Lyndsey Ryan <lryan@bbcmlaw.com>


FYI.


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**2 attachments**

 **101722\_8052440-115-117NMain\_Submission.pdf**  
1148K

 **101722\_8052022-115NMain\_determination.pdf**  
320K





# PROJECT REVIEW FORM

Request for Comments from the Maryland Historical Trust/  
MDSHPO on State and Federal Undertakings

<b>MHT USE ONLY</b>	
Date Received: 5/9/19	Log Number: 201902249

Project Name	Revitalization of Federalsburg "Town" Restaurant for Sale	County	Caroline
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### Primary Contact:

Contact Name	George E. Mayer, Jr.	Company/Agency	Town of Federalsburg
Mailing Address	118 North Main Street		
City	Federalsburg	State	Maryland
		Zip	21632
Email	georgemayer@federalsburg.org	Phone Number	+1 (410) 754-8173
		Ext.	106

### Project Location:

Address	115-117 North Main Street	City/Vicinity	Federalsburg
Coordinates (if known):	Latitude 38 41' 41.02" N	Longitude 75 46' 25.35" W	Waterway Marshyhope Creek

### Project Description:

List federal and state sources of funding, permits, or other assistance (e.g. Bond Bill Loan of 2013, Chapter #; HUD/CDBG; MDE/COE permit; etc.).	Agency Type	Agency/Program/Permit Name	Project/Permit/Tracking Number (if applicable)
	State	Community Legacy	SRP-CL-2020-Federals-00029
	State	DHCD	

This project includes (check all applicable):

New Construction     Demolition     Remodeling/Rehabilitation

State or Federal Rehabilitation Tax Credits     Excavation/Ground Disturbance     Shoreline/Waterways/Wetlands

Other\Additional Description: This project is design to get the restaurant ready for a local buyer to restart the downtown restaurant.

### Known Historic Properties:

This project involves properties (check all applicable):

Listed in the National Register     Subject to an easement held by MHT

Included in the Maryland Inventory of Historic Properties     Designated historic by a local government

Previously subject to archeological investigations

Property\District\Report Name: Federalsburg West Historic District, CAR-338-115-117 N. Main St. Federalsburg, MD 21632

### Attachments:

All attachments are required. Incomplete submittals may result in delays or be returned without comment.

Aerial photograph or USGS Quad Map section with location and boundaries of project clearly marked.

Project Description, Scope of Work, Site Plan, and/or Construction Drawings.

Photographs (print or digital) showing the project site including images of all buildings and structures.

Description of past and present land uses in project area (wooded, mined, developed, agricultural uses, etc.).

### MHT Determination:

There are **NO HISTORIC PROPERTIES** in the area of potential effect     The project will have **NO ADVERSE EFFECT WITH CONDITIONS**

The project will have **NO EFFECT** on historic properties     The project will have **ADVERSE EFFECTS** on historic properties

The project will have **NO ADVERSE EFFECT** on historic properties     **MHT REQUESTS ADDITIONAL INFORMATION**

MHT Reviewer: \_\_\_\_\_ Date: \_\_\_\_\_

Submit printed copy of form and all attachments by mail to: Beth Cole, MHT, 100 Community Place, Crownsville, MD 21032

115-117 N. Main St

Legend

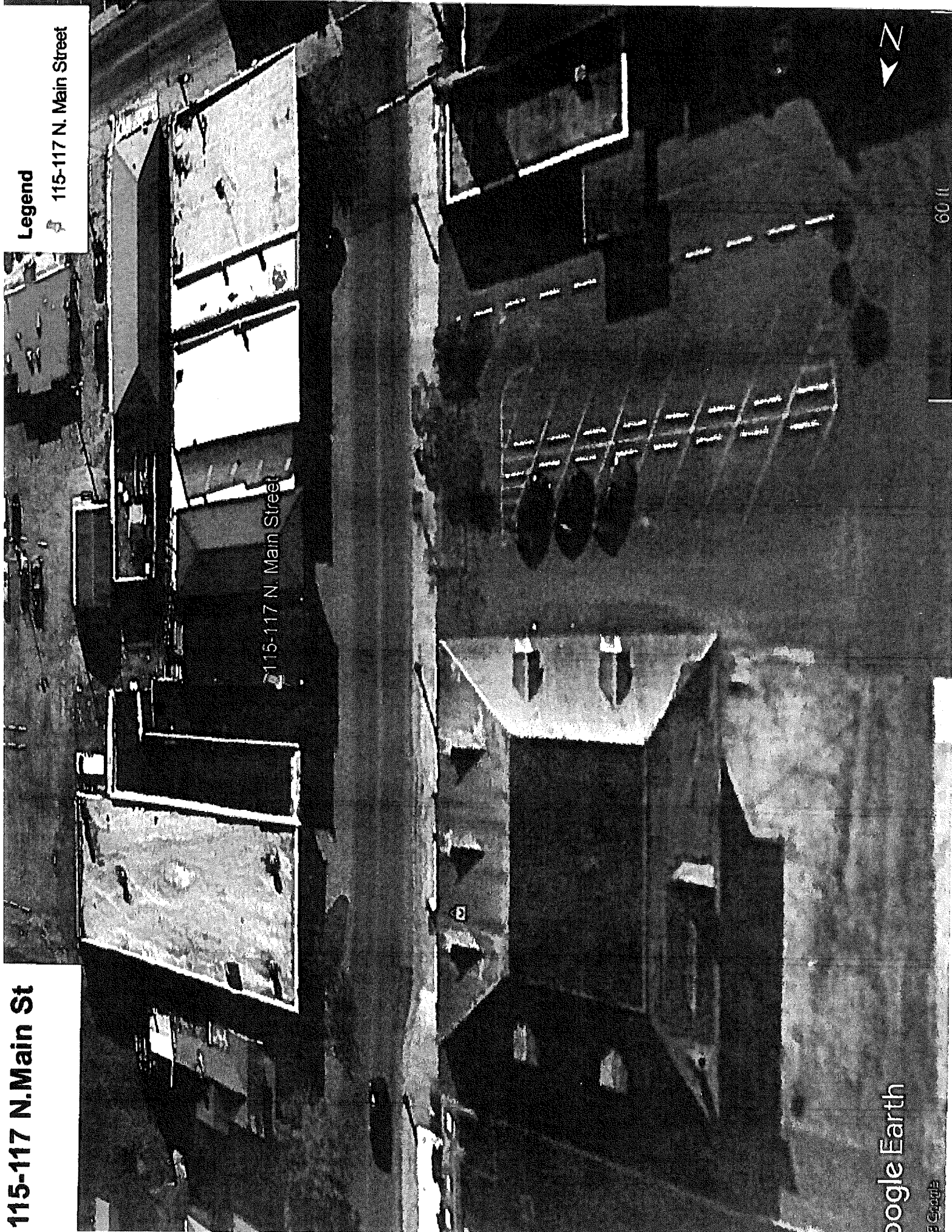
115-117 N. Main Street

115-117 N. Main Street

Google Earth

© 2006

60 ft



Google Maps 115 MD-315

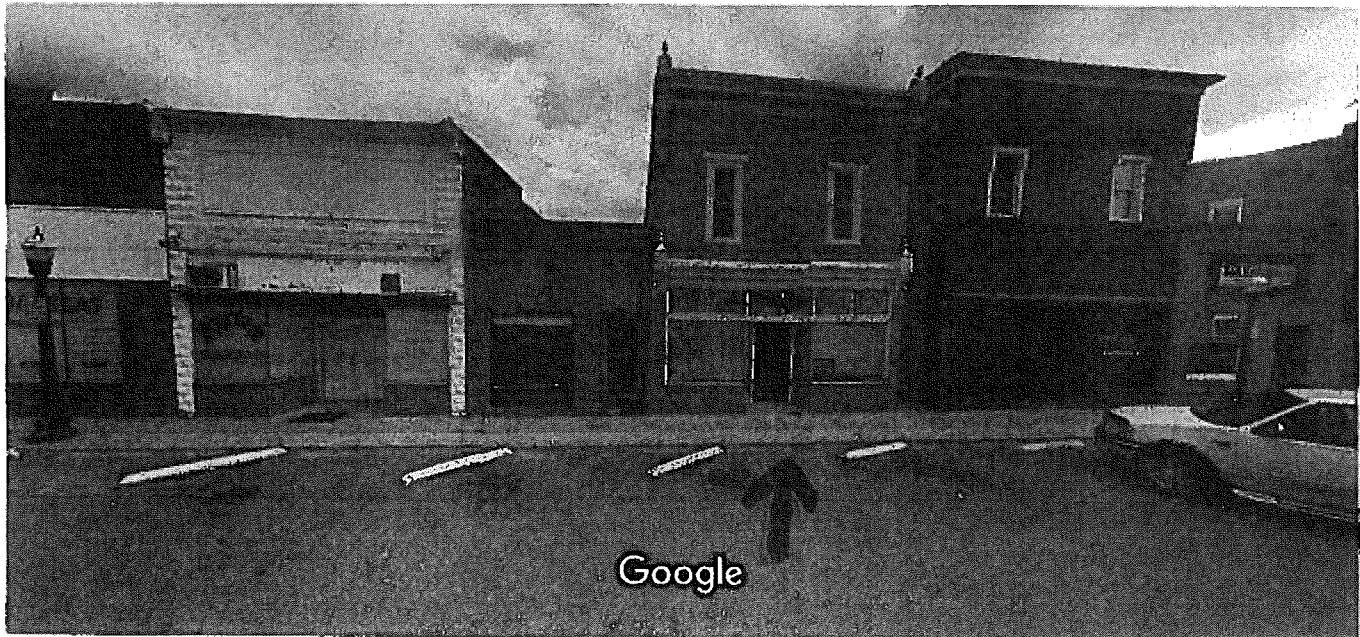


Image capture: Oct 2013 © 2019 Google

Federalsburg, Maryland

Google

Street View - Oct 2013

Local Home PA

United States  
Postal Service

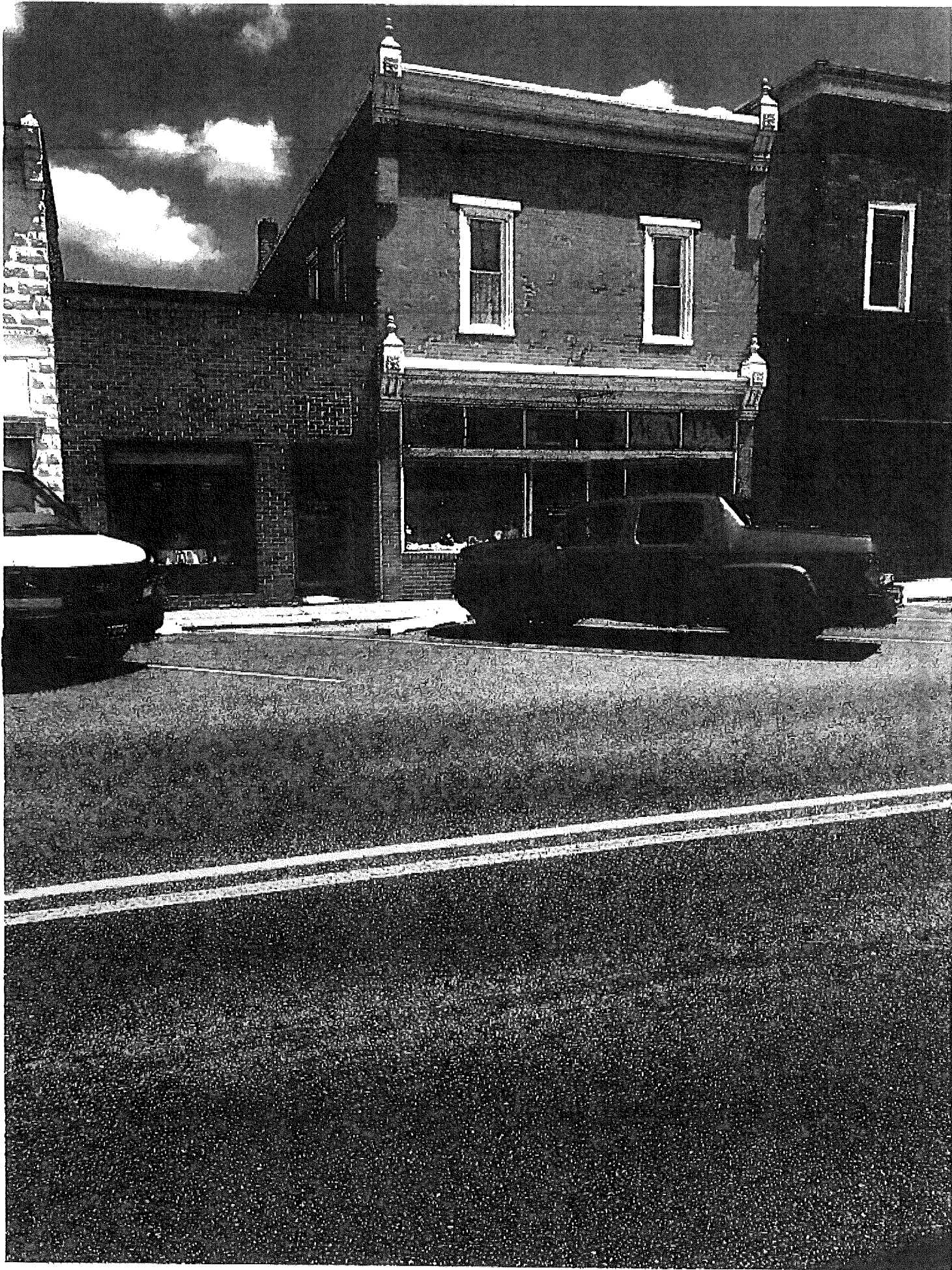
A Sewing Outlet

Federalsburg

MD

Re







115-117 N. Main St

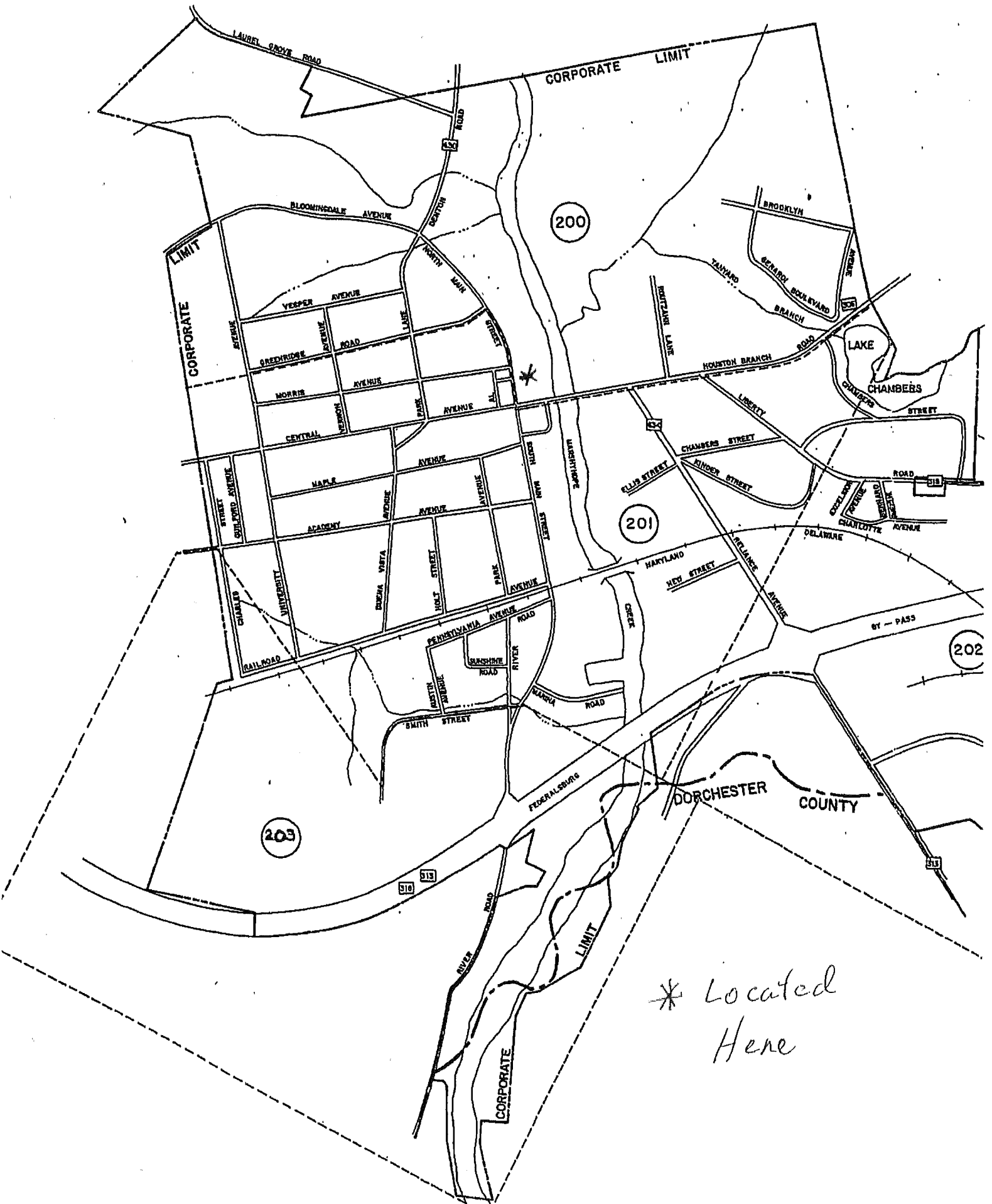
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Google Earth

2019 Google  
2016 Google

10 ft





\* Located Here

United States Department of the Interior  
National Park Service

## National Register of Historic Places Continuation Sheet

Federalsburg West Historic District, CAR-338

Name of Property

Caroline County, Maryland

County and State

Section 10 Page 3

### Federalsburg National Register List of Contributing and Non-Contributing Resources

#### North Main Street

1. 101-05 North Main Street, c. 1920-30, **Contributing**, Two-story, seven-bay by five-bay stretcher bond brick commercial block, flat roof with parapet wall featuring corbelled and dentiled cornice on street elevations, recessed entrances with plain cornice, brick jack arches span each window opening.
2. 102 North Main Street, c. 1910, **Contributing**, Federalsburg Bank, Single-story, neoclassical brick bank building with finely executed exterior detailing including narrow Roman sized brickwork, corner quoins accented with stone, stone watertable cap, round window arches flanked by Corinthian order pilasters, intricately detailed modillion block cornice, decorative iron grilles and gate survive on east (rear) of bank building, mid 20<sup>th</sup> century Modernist addition to north side executed in Roman sized brick.
3. 107 North Main Street, c. 1920-30, **Contributing**, Two-story, three-bay, stretcher bond brick commercial block with basketweave brick patterning across top of front wall, brick jack arches, altered first floor storefront.
4. 109 North Main Street, c. 1940-50, **Contributing**, One-story, two-bay brick office building, stretcher bond brick front, recessed entrance.
5. 111 North Main Street, c. 1920, **Contributing**, Two-story, two-bay brick and concrete block commercial block capped by low hip roof, replacement windows, and recessed store entrance.
6. 115 North Main Street, c. 1910-20, **Contributing**, Two-story, two-bay common bond brick commercial block with intact first floor storefront, recessed entrance and Victorian cornice with decorative end cast iron end blocks, identical cornice finishes parapet wall.
7. 117 North Main Street, c. 1940-50, **Contributing**, Single-story stretcher bond brick commercial block.

# ARMOR FIRE SPRINKLER SERVICE

524 Old Denton Road  
Federalsburg , Maryland 21632  
Phone(302)682-4227 [armorfiresprinklerservice@outlook.com](mailto:armorfiresprinklerservice@outlook.com)

## FIRE SPRINKLER PROPOSAL

---

Date: December 11, 2018

To: TOWN OF FEDERALSBURG  
118 NORTH MAIN STREET  
FEDERALSBURG MD 21632  
410-754-8173

Fire Sprinkler System Install / 515 NORTH MAIN STREET , FEDERALSBURG MD

Armor Fire Sprinkler Service is pleased to offer our proposal for the new install of a Fire Protection System.

✓ **Scope of Services to be provided.**

We will design and install one NFPA 13 wet type system per NFPA and local requirements for the referenced project noted above. All fire sprinklers are to be semi recessed quick response pendent type chrome or white finish where acoustical tiles are installed 1<sup>st</sup> & 2<sup>nd</sup> level. All sprinklers located above ceiling tile within combustable spaces will be brass upright type quick response. All sprinkler piping to be black schedule 40/10 steel piping. All connecting fittings will be grove type approved for the use in a fire protection system.

We will provide and install one Back-flow Preventer including all necessary system riser assembly components. Required alarm device will be provided and installed but to be wired by licensed electrician.

All material items necessary to complete the full install of one Fire Protection System from Back-Flow and above are included in this price and all are listed for use in Fire Protection.

Price is based on drawing provided to us , any field changes that impact the fire suppression will be issues a change order. Any additional detached structures are not included.

BASE PRICE \$57,000.00



**EXCLUSIONS**

- NO UNDERGROUND PIPEWORK OR METERS , Its the owners/contractors responsibility to ensure underground pipe work is done properly and conforms with system calculations. Sprinkler work starts at Back-Flow
- NO WIRING HIGH OR LOW VOLTAGE
- NO FIRE OR DRAFT STOPPING
- NO ACCESS PANELS
- NO BOOSTER PUMP OR TANK INCLUDED
- ITS THE OWNERS RESPONSIBILITY TO ENSURE ANY WATER FILLED PIPING EXPOSED TO COLD TEMPERATURES IS CONDITIONED/INSULATED PROPERLY ( THIA MAY INCLUDE SYSTEM RISER/VALVE ROOM.
- NO PAINTING OF PIPEWORK OR EQUIPMENT
- NO CUTTING OR BURNING HOLES IN STRUCTURE BEAMS ( ALL TO BE DONE BY OTHERS IF NECESSARY )

**Terms of Billing:**

**A DEPOSIT OF 1/3 OF THE AGREED AMOUNTG WILL BE REQUIRED TO BIND CONTRACT.  
1/3 REQUIRED AFTER COMPLETION OF ROUGH IN OF SYSTEM  
BALANCE OF CONTRACT DUE UPON FINAL ACCEPTANCE BY FIRE MARSHAL**

I fully understanding and agree the Terms & Conditions of this Agreement as indicated with my signature \_\_\_\_\_  
Authorized Signature.

\_\_\_\_\_  
**Name of Authorized Party**

\_\_\_\_\_  
**Acceptance Date**

\_\_\_\_\_  
**Signature**

\_\_\_\_\_  
**Title**

\_\_\_\_\_  
**Contact Person**

\_\_\_\_\_  
**Phone**

\_\_\_\_\_  
**Billing Address**

\_\_\_\_\_  
**E-mail Address**

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Real Property Data Search

Search Result for CAROLINE COUNTY

<a href="#">View Map</a>		<a href="#">View GroundRent Redemption</a>				<a href="#">View GroundRent Registration</a>			
<b>Tax Exempt:</b>		<b>Special Tax Recapture:</b>							
<b>Exempt Class:</b>		NONE							
<b>Account Identifier:</b>		<b>District - 05 Account Number - 010519</b>							
Owner Information									
<b>Owner Name:</b>		TOWN OF FEDERALSBURG THE			<b>Use:</b>		EXEMPT COMMERCIAL		
<b>Mailing Address:</b>		PO BOX 471 FEDERALSBURG MD 21632-0471			<b>Principal Residence:</b>		NO		
					<b>Deed Reference:</b>		/00911/ 00203		
Location & Structure Information									
<b>Premises Address:</b>		115 N MAIN ST 0-0000			<b>Legal Description:</b>		LOT 2,667 SQ FT N MAIN ST FEDERALSBURG		
<b>Map:</b>	<b>Grid:</b>	<b>Parcel:</b>	<b>Sub District:</b>	<b>Subdivision:</b>	<b>Section:</b>	<b>Block:</b>	<b>Lot:</b>	<b>Assessment Year:</b>	<b>Plat No:</b>
0200	0022	0912		0000				2018	<b>Plat Ref:</b>
<b>Special Tax Areas:</b>		<b>Town:</b>			FEDERALSBURG				
		<b>Ad Valorem:</b>							
		<b>Tax Class:</b>							
<b>Primary Structure Built</b>		<b>Above Grade Living Area</b>		<b>Finished Basement Area</b>		<b>Property Land Area</b>		<b>County Use</b>	
1930		2100				2,667 SF			
<b>Stories</b>	<b>Basement</b>	<b>Type</b>		<b>Exterior</b>	<b>Full/Half Bath</b>	<b>Garage</b>	<b>Last Major Renovation</b>		
		RESTAURANT							
Value Information									
		<b>Base Value</b>		<b>Value</b>		<b>Phase-in Assessments</b>			
				<b>As of</b>		<b>As of</b>		<b>As of</b>	
				01/01/2018		07/01/2018		07/01/2019	
<b>Land:</b>		25,000		20,000					
<b>Improvements</b>		134,800		116,400					
<b>Total:</b>		159,800		136,400		136,400		136,400	
<b>Preferential Land:</b>		0						0	
Transfer Information									
<b>Seller:</b> CISSY'S SPECIALTIES, LLC				<b>Date:</b> 06/03/2010			<b>Price:</b> \$185,000		
<b>Type:</b> ARMS LENGTH IMPROVED				<b>Deed1:</b> FDM /00911/ 00203			<b>Deed2:</b>		
<b>Seller:</b> BAHAR HOLDINGS LLC				<b>Date:</b> 08/04/2006			<b>Price:</b> \$137,000		
<b>Type:</b> ARMS LENGTH IMPROVED				<b>Deed1:</b> FDM /00704/ 00634			<b>Deed2:</b>		
<b>Seller:</b> FLUHARTY, MICHAEL W				<b>Date:</b> 09/29/2004			<b>Price:</b> \$150,000		
<b>Type:</b> NON-ARMS LENGTH OTHER				<b>Deed1:</b> FDM /00563/ 00615			<b>Deed2:</b>		
Exemption Information									
<b>Partial Exempt Assessments:</b>		<b>Class</b>		07/01/2018		07/01/2019			
<b>County:</b>		690		136,400.00		136,400.00			
<b>State:</b>		690		136,400.00		136,400.00			
<b>Municipal:</b>		690		136,400.00		136,400.00		136,400.00 136,400.00	
<b>Tax Exempt:</b>		<b>Special Tax Recapture:</b>							
<b>Exempt Class:</b>		NONE							
Homestead Application Information									

**Homestead Application Status: No Application**

Homeowners' Tax Credit Application Information

---

**Homeowners' Tax Credit Application Status: No Application**

**Date:**

# PROPOSAL

H.S.Freeman Construction Co. LLC  
206 Railroad Ave.  
P.O.Box 355  
East New Market, MD. 21631  
410-943-1074/410-251-3646  
MHIC #97326

---

Town of Federalsburg  
P.O. Box 471  
Federalsburg, MD. 21632

410-754-8174

Dec. 30, 2017

---

115 North Main St.

Remove fake stain glass windows on front of building.  
Frame in area where windows were.  
Stop from further leaking.  
Finish exterior with vinyl beaded ceiling material.  
Insulate wall from the inside.  
Cover interior with wains coting paneling.

---

We propose hereby to furnish materials and labor-complete in accordance with above specifications, for the sum of.

Three Thousand Four Hundred Sixty Dollars & 00 cents.....\$3,460.00

Any repairs that need to be made to something outside the scope of this proposal will be done on a time and materials bases and billed accordingly.

---

Please note; if you wish to accept this proposal, sign [1] copy and return to us.  
Thank you

---

Authorized Signature  
Scott Freeman

This Proposal may be withdrawn by us  
if not accepted within 30 days.

---

Acceptance of Proposal-The above prices, specifications and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payment will be made in full upon completion.

Date of Acceptance: \_\_\_\_\_ Signature \_\_\_\_\_

**115 North Main St.  
Scoop of work  
And projected cost**

---

Town of Federalsburg P.O. Box 471 Federalsburg, MD. 21632	410-754-8174	Dec. 13, 2018
---	--------------	---------------

---

#1 First floor.  
Front of building  
Remove fake stain glass windows on front of building.  
Frame in area where windows were.  
Stop from further leaking.  
Finish exterior with vinyl beaded ceiling material.  
Insulate wall from the inside.  
Cover interior with wains coting paneling.  
Replace 4 Lower plate glass windows and frames. \$11,055.00

#2 First floor.  
Roof  
Find & repair leak in roof in kitchen area. \$1,500.00

#3 First Floor.  
Mechanical room  
Remove as much electric & water as possible.  
Frame around things to make possible to finish.  
Dry wall interior of room.  
Finish & paint.  
Reinstall electrical And Water. \$6,200.00

First Floor Total \$18,755.00

#4 Second floor  
Windows  
Replace 11 windows. \$5,500.00

#5 Second floor  
Ceiling & roof main room 20' x 40'.  
Take down drop ceiling. (For ease of working)  
Install weight bearing header to support roof where post is in room.  
Spray 8" open cell foam to bottom of roof decking. 800 sq. ft.  
Install sprinkler system. (Price not included here)  
Relocate some duck work to help heat & cool properly.  
Reinstall Drop ceiling.  
Install new lighting in drop ceiling. \$1,4206.00

**#6 Second Floor**

Walls Main room 20' x 40' x 9'

Insulate walls by drilling holes and blowing in from the inside.

Remove all old window, Base & door trim. 9 windows & 1 door. (Lead paint)

Dry wall over existing plaster covered walls. (Painted with lead paint)

Finish & paint walls.

Install new Base, Window & door trim. Paint all trim.

\$13,300.00

**#7 Second floor**

Stairs & Hallway.

Repair and paint walls & ceiling.

Remove & replace 2 interior doors. (Lead paint)

Remove & replace trim on 2 windows. (Lead paint)

Remove, Cover & or replace any old trim painted with lead paint.

Paint all new trim.

\$4,500.00

**#8 Second floor**

Electrical

Replace & or repair any electric fixture in need.

\$4,800.00

**#9 Second floor**

½ bath & unfinished room/kitchen

Leave as they are.

**#10 Second floor**

All floors

Leave as they are.

**Second Floor Total \$42,306.00**

United States Department of the Interior  
National Park Service

## National Register of Historic Places Continuation Sheet

Federalsburg West Historic District, CAR-338

Name of Property

Caroline County, Maryland

County and State

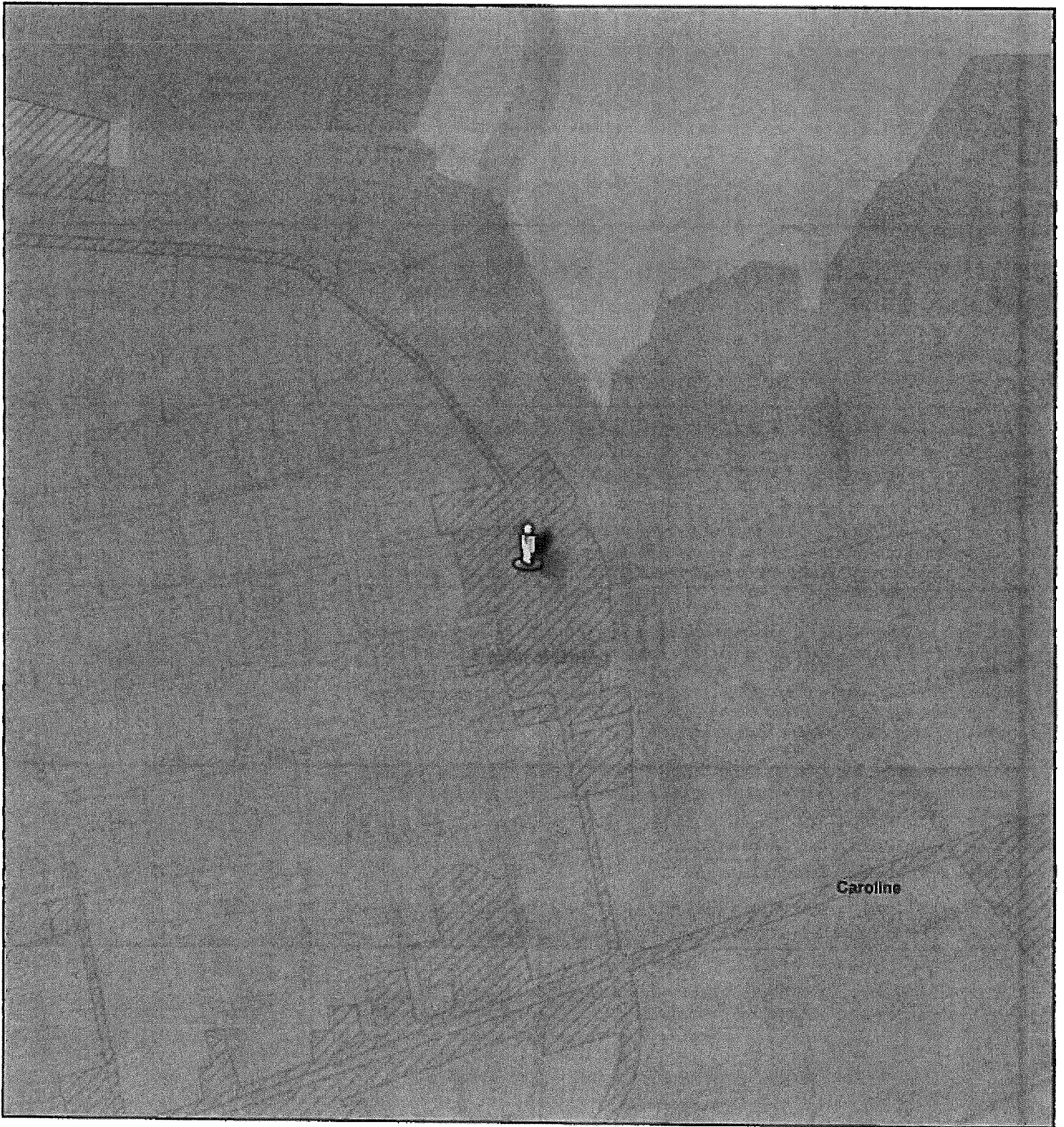
Section 10 Page 3

### Federalsburg National Register List of Contributing and Non-Contributing Resources

#### North Main Street






1. 101-05 North Main Street, c. 1920-30, Contributing, Two-story, seven-bay by five-bay stretcher bond brick commercial block, flat roof with parapet wall featuring corbelled and dentiled cornice on street elevations, recessed entrances with plain cornice, brick jack arches span each window opening.
2. 102 North Main Street, c. 1910, Contributing, Federalsburg Bank, Single-story, neoclassical brick bank building with finely executed exterior detailing including narrow Roman sized brickwork, corner quoins accented with stone, stone watertable cap, round window arches flanked by Corinthian order pilasters, intricately detailed modillion block cornice, decorative iron grilles and gate survive on east (rear) of bank building, mid 20<sup>th</sup> century Modernist addition to north side executed in Roman sized brick.
3. 107 North Main Street, c. 1920-30, Contributing, Two-story, three-bay, stretcher bond brick commercial block with basketweave brick patterning across top of front wall, brick jack arches, altered first floor storefront.
4. 109 North Main Street, c. 1940-50, Contributing, One-story, two-bay brick office building, stretcher bond brick front, recessed entrance.
5. 111 North Main Street, c. 1920, Contributing, Two-story, two-bay brick and concrete block commercial block capped by low hip roof, replacement windows, and recessed store entrance.
6. 115 North Main Street, c. 1910-20, Contributing, Two-story, two-bay common bond brick commercial block with intact first floor storefront, recessed entrance and Victorian cornice with decorative end cast iron end blocks, identical cornice finishes parapet wall.
7. 117 North Main Street, c. 1940-50, Contributing, Single-story stretcher bond brick commercial block.

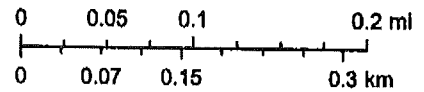
# Sustainable Community Mapper



January 2, 2019

1:7,055

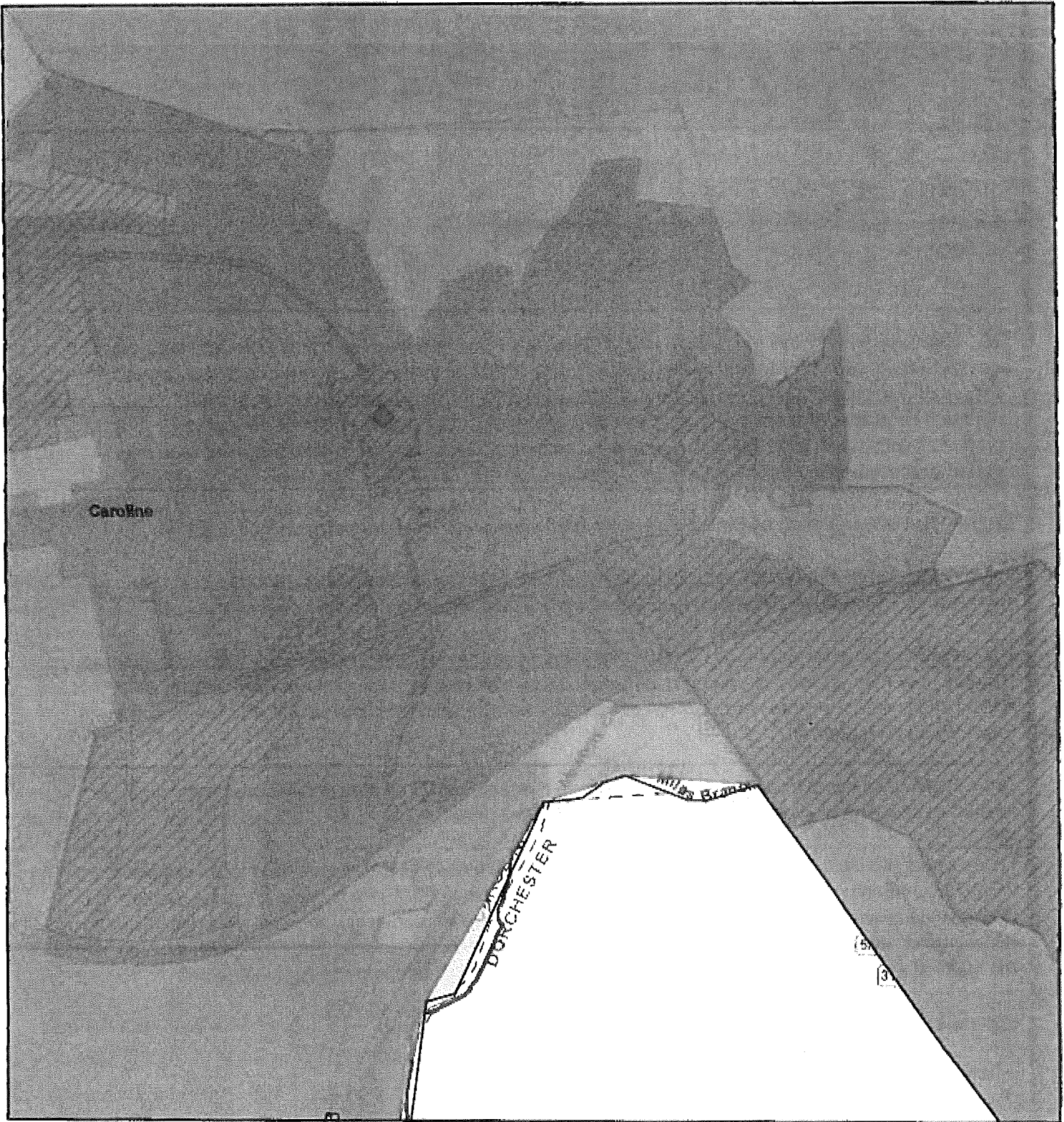
-  Search Address
-  County Boundary
-  Maryland Opportunity Zones (DHCD)
-  Sustainable Communities (DHCD)
-  Enterprise Zones (Commerce)
-  Municipal Boundaries



MD IMAP, MDP, SDAT, MD IMAP, DoIT, MDP, MDOT, MDOT SHA, Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community



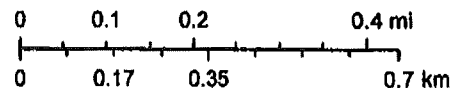
# Sustainable Community Mapper



April 17, 2019

1:14,112

- ◆ Search Address
- ▭ County Boundary
- ▨ Maryland Opportunity Zones (DHCD)
- ▩ Sustainable Communities (DHCD)
- ▨ Enterprise Zones (Commerce)
- ▩ Heritage Areas (MHT)
- ▭ Municipal Boundaries



MD IMAP, MDP, SDAT, MD IMAP, DoIT, MDP, MDOT, MDOT SHA, Sources: Esri, HERE, Garmin, Intermap, InCREMENT P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, © OpenStreetMap contributors, and the GIS User Community



118 NORTH MAIN STREET  
P. O. BOX 471  
FEDERALSBURG, MARYLAND 21632

410-754-8173

May 8, 2019

The "Town" Restaurant was the location of the Chesapeake and Potomac Telephone Company business and operator location for the firm in the 1930's. During the Great Flood of 1935 where the flood stage reached 17.4 feet, this building house for C & P the operators for the phone connections for the community and area. The operators stay their post upstairs in 115 North Main Street during the complete storm event. Food was delivery to them by men in row boats and handed them the food they needed to continue their job.

Later in the building's life it was the downtown laundry mat and it was also check cashing business.

The building stayed empty until a husband and wife came to the Town and requested funds from the Town's small business revolving loan fund to buy the building and create the downtown restaurant.

The operation of the restaurant last about three years when the two owners had a huge argument over how the operation of the restaurant was being handled which end up in the of the owner's relationship ending and then the business itself. Since Federalsburg was the "Bank" for the project, the Town have to foreclose on the property.

Since the building has been vacant, its has been rented three times to persons who wanted to try their abilities to start and create a successful restaurant. All have failed.

Federalsburg has been approached by a restaurant owner who has a successful restaurant in a neighbor Caroline Community. With the major improvements were done by this Grant to make the restaurant a reasonable buy and with his investment, Federalsburg believes can reopen and succeed and bring back this missing business to Federalsburg and get this building back on the tax rolls. The new owner will buy the building and do the interior remodeling to fit his business plan and the restaurant will be his!

Federalsburg believes this is the opportunity its has been waiting for!

Description by:

George E. Mayer, Jr.  
Grants Administrator

Mayor  
Charles K. Planner

Council  
David A. Morean, Pres. Pro Tempore  
Stephen J. Bollinger  
Scott Phillips  
Edward H. Windsor

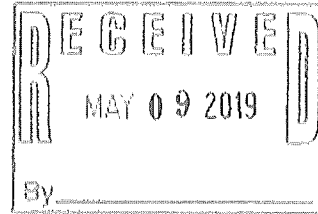


Town Manager  
Shirley A. Greene

Clerk and Treasurer  
Kristy L. Marshall

118 NORTH MAIN STREET  
P. O. BOX 471  
FEDERALSBURG, MARYLAND 21632

410-754-8173



May 8, 2019

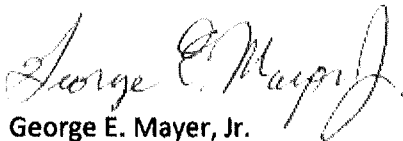
Ms. Beth Cole  
Maryland Historical Trust  
100 Community Place  
Crownsville, MD 21032

Dear Ms. Cole:

Enclosed please find the Project Review Form with accompanying attachments for you to review the Federalsburg's "Town" Restaurant Project that Federalsburg is requesting funds from Community Legacy to revitalize the Restaurant for sale to a local restaurant owner with a great track record in the business.

If once you have reviewed all the information I have sent to you and find you need some additional information to complete your review, please email me at [georgemayer@federalsburg.org](mailto:georgemayer@federalsburg.org) or call me at (410) 754-8173.

Sincerely,

  
George E. Mayer, Jr.



## SRP Historic Preservation Review Form

**Project/Program Name:** Revitalization of Federalsburg "Town" Restaurant  
**Awardee:** Town of Federalsburg  
**Project #:** SRP-CL-2020-Federalsburg-00029  
**Address(es):** 115 N Main Street, Federalsburg  
**County:** Caroline  
**Scope of Work:**

Install sprinkler system on first and second floors, upgrade electrical and bring electrical closet up to code, repair roof, replace second floor vinyl windows, replace four plate glass windows in storefront, replace non-historic transom windows.

### DHCD DETERMINATION:

- There are **NO HISTORIC PROPERTIES** in the area of potential effect
- The project will have **NO EFFECT** on historic properties
- The project will have **NO ADVERSE EFFECT** on historic properties
- The project will have **NO ADVERSE EFFECT** if the follow conditions are followed:

The transom window opening on the storefront must not be infilled. The non-historic plexiglass may be replaced; however the transom windows must remain glazed and must not be infilled with vinyl beadboard or wainscoting.



**Historic Preservation Officer, DHCD**

10/17/2017

**Date**





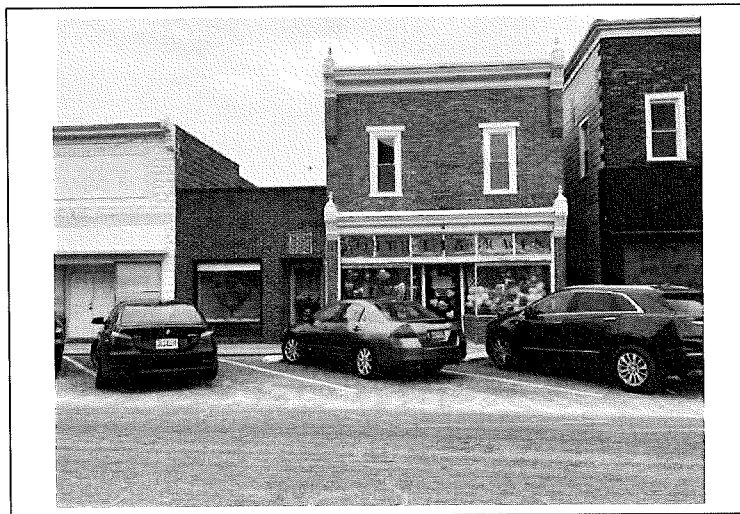
**W.R. McCain**

**& ASSOCIATES**

REAL ESTATE VALUATION & CONSULTATION

**APPRAISAL REPORT OF  
REAL PROPERTY IDENTIFIED AS**

Mixed Use Building  
115-117 N Main St  
Federalsburg, MD 21632



**PREPARED FOR**

Mayor & Council of Federalsburg

**FILE NUMBER(S)**

CC16941

**PREPARED BY:**

W. R. McCain & Associates  
205 Executive Plaza  
Salisbury, Maryland 21804

205 Executive Plaza  
Salisbury, MD 21804

410-742-3201  
888-400-2766  
Fax 410-860-5313

[www.wrmccain.com](http://www.wrmccain.com)



Delaware Office  
Route 26  
Atlantic Avenue  
Ocean View, DE 19970



R. Braxton Dees, MAI  
President/CEO

Ginger P. Williams, CCRA  
Vice President  
Senior Analyst

William R. McCain, MAI, MBA  
Founder/Chairman

Shelly Durham  
Senior Analyst  
Residential Division

Lee Gosnell  
Manager - Ag/Conservation  
Division

Lori Mrohs - Senior Analyst

Valuation Analysts

Gretchen Nichols  
Karen Ranney  
Bridget Peters  
Benjamin Bauer  
Matthew Polly  
Julie Horner  
Heather Hazewski  
Stefan Gabrielson  
Amanda Mrohs  
Kyle Hamblin

Office Administration

Jackie Ford, Controller  
Tami Harris, Receptionist  
Jordan Teagle, Researcher



CELEBRATING OVER

**30**

YEARS OF SERVICE



February 9, 2022

Mayor & Council of Federalsburg

Re: Mixed Use Building  
115-117 N Main St  
Federalsburg, MD 21632  
CC16941

As requested, the above referenced subject property has been inspected and investigated for the purpose of preparing an appraisal report which establishes an opinion of its current market value. The subject property includes a 3434 +/- sf building, located at 115-117 Main Street in Federalsburg, Maryland, that was a former restaurant on the first floor with open space on the 2<sup>nd</sup> floor. It has been vacant for many years and is in need of major repairs. The property contact indicated that they have received a federal grant to address the repairs. At the client's request, the property is being appraised "as-is."

The global outbreak of a "novel coronavirus" known as COVID-19 was officially declared a pandemic by the World Health Organization (WHO). The reader is cautioned and reminded that the conclusions presented in this appraisal report apply only as of the effective date(s) indicated. The appraiser makes no representation as to the effect on the subject property of any unforeseen event, subsequent to the effective date of the appraisal.

This Appraisal Report is subject to the limiting conditions and assumptions that are included in the introductory section of this report. It has been prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) of the Appraisal Foundation and Title XI of the Financial Institutions Reform, Recovery and Enforcement Act of 1989



(FIRREA). The appraisal Report presents summary discussions of the data, reasoning and analysis used in the appraisal process to develop the value opinion(s).

As a result of the valuation procedure and analysis, it is the opinion of the appraisers that the current market value for the Fee Simple interest in the subject property, as of January 28, 2022 is:

<b>NINETY THOUSAND DOLLARS</b>
<b>\$90,000</b>

All indications are that the fee simple value is consistent with the leased fee.

The supporting data, analysis, and conclusions upon which this valuation is based are contained in the accompanying appraisal report and the appraisers' workfile. **THIS LETTER MUST REMAIN ATTACHED TO THE REPORT IN ORDER FOR THE VALUE OPINION(S) SET FORTH TO BE CONSIDERED VALID.**

Respectfully Submitted,



---

Gretchen M. Nichols  
MD Certified General # 04-32182  
DE Certified General # X1-0000483



---

**R. Braxton Dees, MAI**  
**MD Certified General #04-31651**  
**DE Certified General #X1-0000592**  
**VA Certified General #4001-016237**  
**GA Certified General #307258**

**Contents**

CERTIFICATION ..... 1

ASSUMPTIONS AND LIMITING CONDITIONS ..... 3

SUBJECT PHOTOGRAPHS..... 5

SUMMARY OF IMPORTANT DATA AND CONCLUSIONS ..... 7

DEFINITION OF MARKET VALUE ..... 8

DATE OF INSPECTION AND EFFECTIVE DATE OF APPRAISAL..... 8

PROPERTY RIGHTS APPRAISED ..... 8

SCOPE OF WORK..... 9

PROPERTY IDENTIFICATION..... 11

TITLE DATA & SALES HISTORY ..... 12

PRESENTATION OF DATA ..... 13

MARKET AREA ANALYSIS ..... 14

SITE ANALYSIS..... 23

ZONING..... 26

IMPROVEMENT DESCRIPTION..... 27

REASONABLE EXPOSURE / MARKETING PERIOD ..... 28

HIGHEST AND BEST USE..... 28

VALUATION, ANALYSIS AND CONCLUSIONS ..... 30

PROPERTY VALUE BY SALES COMPARISON APPROACH ..... 31

SALES COMPARISON ANALYSIS/CONCLUSION ..... 40

INCOME APPROACH TO VALUE ..... 42

CAPITALIZATION RATE AND METHOD ..... 45

STABILIZED INCOME AND EXPENSE STATEMENT & CONCLUSION..... 46

RECONCILIATION AND FINAL OPINION OF VALUE..... 47

ADDENDUM

## **CERTIFICATION**

**CERTIFICATION: The appraisers certify and agree that, to the best of their knowledge and belief:**

1. The statements of fact contained in this report are true and correct.
2. The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and are our personal, unbiased professional analyses, opinions, and conclusions.
3. The appraisers have no present or prospective interest in the property that is the subject of this report, and have no personal interest or bias with respect to the parties involved.
4. The appraisers have no bias with respect to the property that is the subject of this report or to the parties involved with this assignment.
5. The engagement in this assignment was not contingent upon developing or reporting predetermined results.
6. The compensation of the appraisers is not contingent upon the developing or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal.
7. Our analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Uniform Standards of Professional Appraisal Practice.
8. Gretchen Nichols has inspected the subject property. R. Braxton Dees has not inspected the subject property.
9. No one provided significant real property appraisal assistance to the persons signing this certification.
10. The reported analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the Code of Professional Ethics and Standards of Professional Appraisal Practice of the Appraisal Institute.
11. The use of this report is subject to the requirements of the Appraisal Institute relating to review by its duly authorized representatives.

12. As of the date of this report, R. Braxton Dees has completed the continuing education program for Designated Members of the Appraisal Institute.
13. I/We have not performed appraisal services, as appraisers, regarding the property that is the subject of this report, within the three-year period immediately preceding acceptance of this assignment. I/We have performed no other services in any other capacity regarding the property that is the subject of this report, within the three-year period immediately preceding acceptance of this assignment.

Respectfully Submitted,



---

Gretchen M. Nichols  
MD Certified General # 04-32182  
DE Certified General # X1-0000483



---

**R. Braxton Dees, MAI**  
**MD Certified General #04-31651**  
**DE Certified General #X1-0000592**  
**VA Certified General #4001-016237**  
**GA Certified General #307258**

## **ASSUMPTIONS AND LIMITING CONDITIONS**

**This appraisal report has been made with the following general assumptions:**

1. No responsibility is assumed for the legal description provided or for matters pertaining to legal or title considerations. Title to the property is assumed to be good and marketable unless otherwise stated.
2. The property is appraised free and clear of any or all liens or encumbrances unless otherwise stated.
3. Responsible ownership and competent property management are assumed.
4. The information furnished by others is believed to be reliable, but no warranty is given for its accuracy.
5. All engineering studies are assumed to be correct. The plot plans and illustrative material in this report are included only to help the reader visualize the property.
6. It is assumed that there are no hidden or unapparent conditions of the property, subsoil, or structures that render it more or less valuable. No responsibility is assumed for such conditions or for obtaining the engineering studies that may be required to discover them.
7. It is assumed that the property is in full compliance with all applicable federal, state, and local environmental regulations and laws unless the lack of compliance is stated, described, and considered in the appraisal report.
8. It is assumed that the property conforms to all applicable zoning and use regulations and restrictions unless a nonconformity has been identified, described and considered in the appraisal report.
9. It is assumed that all required licenses, certificates of occupancy, consents, and other legislative or administrative authority from any local, state, or national government or private entity or organization have been or can be obtained or renewed for any use on which the value opinion contained in this report is based.
10. It is assumed that the use of the land and improvements is confined within the boundaries or property lines of the property described and that there is no encroachment or trespass unless noted in the report.
11. Unless otherwise stated in this report, the existence of hazardous materials, which may or may not be present on the property, was not observed by the appraiser. The appraiser has no knowledge of the existence of such materials on or in the property. The presence of substances such as asbestos, urea-formaldehyde foam insulation, and other potentially

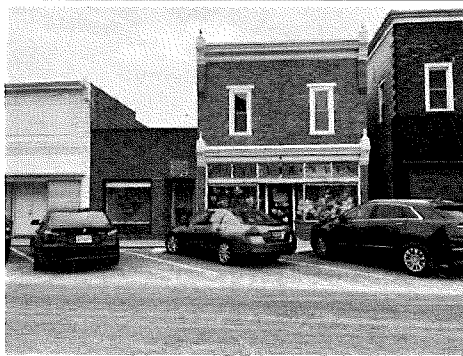
hazardous materials may affect the value of the property. The value estimated is predicated on the assumption that there is no such material on or in the property that would cause a loss in value. No responsibility is assumed for such conditions or for any expertise or engineering knowledge required to discover them. No evidence of environmental contamination was observed.

12. The appraisers have not made a specific compliance survey and analysis of the building and/or other improvements erected on the subject property to determine whether or not the property is in conformity with the various detailed requirements of the Americans with Disabilities Act (ADA). If the property does not comply with the ADA or these regulations, this fact could have a negative effect on the value or marketability of the property.

**This appraisal report has been made with the following general limiting conditions:**

1. Any allocation of the total value estimated in this report between the land and the improvements applies only under the stated program of utilization. The separate values allocated to the land and buildings must not be used in conjunction with any other appraisal and are invalid if so used.
2. Possession of this report, or a copy thereof, does not carry with it the right of publication.
3. The appraisers, by reason of this appraisal, are not required to give further consultation or testimony or to be in attendance in court with reference to the property in question unless arrangements have been previously made. In the event appraiser is subpoenaed or otherwise required to give testimony or attend any public or private hearing as a result of this assignment, the summoning party agrees to compensate the appraiser at his or her corresponding hourly rate.
4. Neither all nor any part of the contents of this report (especially any conclusions as to value, the identity of the appraiser, or the firm with which the appraiser is connected) shall be disseminated to the public through advertising, public relations, news, sales, or other media without the prior written consent and approval of the appraisers.
5. The appraisal report is based on data and information available or made available at the time the assignment is in process. Any Amendments, Addendums, and/or Modifications requested after the reports have been turned in, will be made as soon as reasonably possible, for an additional fee.
6. In order to protect the confidentiality of the parties some of the lease comparable information has been reported in a very general format. Should more specifics be necessary for appraisal review, they can be supplied as a supplement.

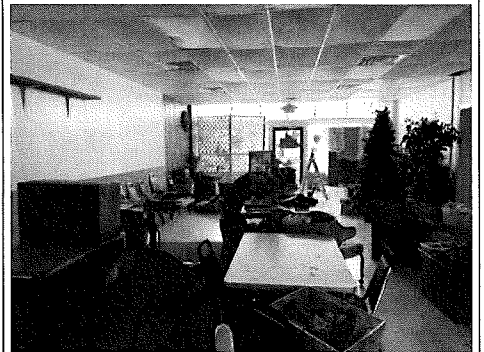
**SUBJECT PHOTOGRAPHS**



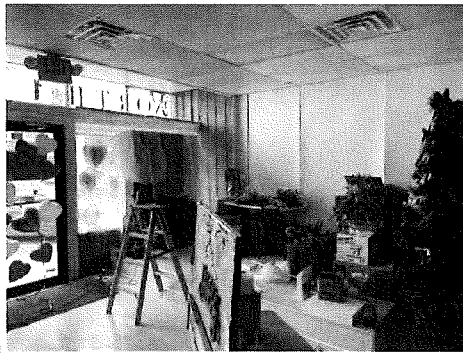
*Front of building*



*Rear of Building*



*1<sup>st</sup> Floor Interior*



*1<sup>st</sup> Floor Interior*



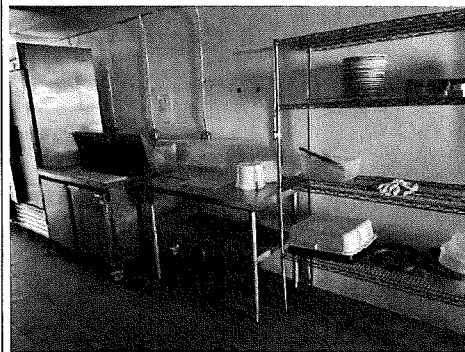
*1<sup>st</sup> Floor Interior*



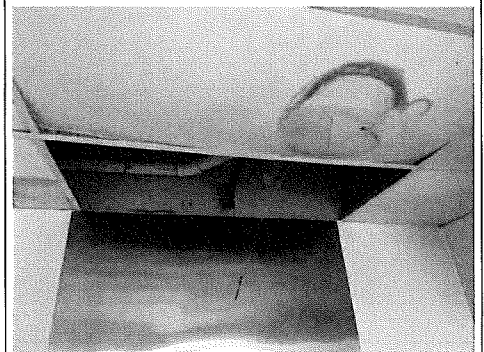
*1<sup>st</sup> Floor Bathroom*



*1<sup>st</sup> Floor Kitchen*



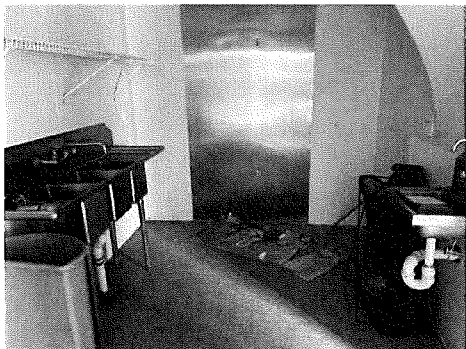
*1<sup>st</sup> Floor Kitchen*



*Damaged Ceiling Tiles*



***Black Mold***



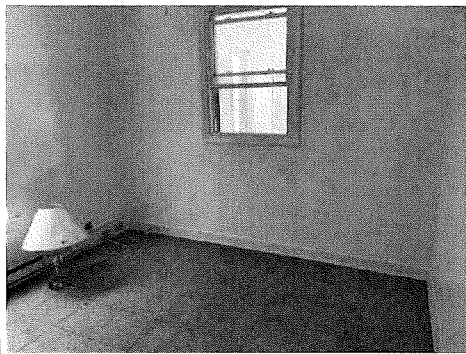
***1<sup>st</sup> Floor Kitchen***



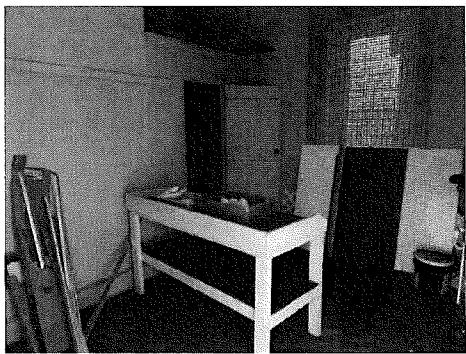
***Damaged Tiles***



***2<sup>nd</sup> Floor Area - Peeling Paint***



***2<sup>nd</sup> Floor Area***



***2<sup>nd</sup> Floor Area***



***2<sup>nd</sup> Floor Area Bathroom***



***Street Scene***



***Street Scene***



**SUMMARY OF IMPORTANT DATA AND CONCLUSIONS**

<b>REPORT TYPE:</b>	Appraisal Report File No. CC16941	
<b>REPORT DATE:</b>	February 9, 2022	
<b>LOCATION:</b>	115-117 N Main St Federalsburg, MD 21632 0200-0022-0912	
<b>OWNER OF RECORD:</b>	The Town of Federalsburg	
<b>LAND AREA:</b>	.06 +/- Acres	2,667 +/- Square Feet
<b>EXISTING IMPROVEMENTS:</b>	3,434 +- s.f. Mixed Use Building Year Built: 1930 Average Quality and Fair-Average Condition	
<b>ZONING:</b>	C-1 Central Commercial District	
<b>CENSUS TRACT:</b>	9556.00	
<b>FLOOD MAP STATUS:</b>	Zone AE Panel 24011C0334D, January 16, 2015	
<b>FLOOD ZONE COMMENTS:</b>	The subject is located within the Flood Hazard Area.	
<b>HIGHEST AND BEST USE VACANT:</b>	Mixed Use	
<b>HIGHEST AND BEST USE IMPROVED:</b>	Mixed Use – (with improvements)	
<b>PROPERTY RIGHTS APPRAISED:</b>	Fee Simple	
<b>OPINION OF CURRENT VALUE VIA</b>		<b>EFFECTIVE DATE</b>
<b>COST APPROACH:</b>	Not Analyzed	
<b>SALES COMPARISON APPROACH:</b>	\$90,000	
<b>INCOME APPROACH:</b>	\$90,000	
<b>FINAL OPINION OF CURRENT VALUE:</b>	\$90,000	January 28, 2022
<b>APPRAISER(S):</b>	Gretchen Nichols R. Braxton Dees, MAI	

## **DEFINITION OF MARKET VALUE**

Market value is defined as "The most probable price in terms of money which a property will bring in a competitive and open market, under all conditions requisite to a fair sale, the buyer and seller each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer whereby:

- Buyer and seller are typically motivated;
- Both parties are well informed or well advised, and acting in what they consider their best interests;
- A reasonable time is allowed for exposure in the open market;
- Payment is made in terms of cash in United States dollars or in terms of financial arrangements comparable thereto; and
- The price represents the normal consideration for the property sold unaffected by creative financing or sales concessions granted by anyone associated with the sale."

Federal Register, Vol. 55, No. 163, Wednesday, August 22, 1990, Rules and Regulations.

## **DATE OF INSPECTION AND EFFECTIVE DATE OF APPRAISAL**

The subject was inspected and photographed on January 28, 2022, which is also the effective date for the value opinion.

## **PROPERTY RIGHTS APPRAISED**

The property rights appraised address the Fee Simple interest.

**Fee Simple** - "Absolute ownership unencumbered by any other interest or estate, subject only to the limitations imposed by the governmental powers of taxation, eminent domain, police power, and escheat. " <sup>1</sup>

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<sup>1</sup> The Dictionary of Real Estate Appraisal, 5<sup>th</sup> Edition, Appraisal Institute.

**SCOPE OF WORK**

According to the Uniform Standards of Professional Appraisal Practice, it is the appraiser's responsibility to develop and report a scope of work that results in credible results that are appropriate for the appraisal problem and the intended user(s). Therefore, the appraiser must identify and consider:

- the client and intended users;
- the intended use of the report;
- the type and definition of value
- the effective date of value;
- the assignment conditions;
- typical client expectations; and
- typical appraisal work by peers for similar assignments.

Client:	Mayor & Council of Federalsburg
Purpose:	To estimate the current 'as is' market value.
Intended Use:	Asset Management
Intended User:	Client
Inspection date:	January 28, 2022
Information Sources	Caroline County Office of Economic Development, the U.S. Census Bureau, and the Maryland Department of Public Instruction, Planning, Research, and Evaluation.
Type of Value:	Market Value
Valuation Analyses:	
Cost Approach:	A Cost Approach was not applied as the age of the improvements makes the depreciation difficult to accurately measure.
Sales Comparison Approach:	A Sales Approach was applied as there is adequate data to develop a value estimate and this approach reflects market behavior for this property type.
Income Approach:	An Income Approach was applied as the subject is not currently an income producing property; however, there is adequate data to develop a value estimate with this approach.

The omission of any approaches does not hinder the appraiser from reaching a credible value conclusion.	
Hypothetical Conditions	There are no hypothetical conditions for this appraisal.
Extraordinary Assumptions:	There are no extraordinary assumptions for this appraisal.
The use of any hypothetical conditions or extraordinary assumptions might have affected the assignment results.	

An interior/exterior inspection of the subject property was made on January 28, 2022. The site size was based on tax assessment records. The improvement's size was also based on tax assessment records.

In formulating the approach to value, the market data obtained was collected from office files, multiple list publications, other appraisers, Realtors, property owners and municipal offices in the subject area.

In estimating the highest and best use of the subject, an analysis was made of all the data pertaining to the property, neighborhood and region. In addition, a study of the commercial/industrial market in the subject area was made in order to help determine the economic feasibility of the improvements. Upon assembling and analyzing the data defined herein, a final opinion of market value has been reached.