



AGENDA FOR THE TOWN MEETING

February 13, 2017

7:00 p.m.

PLEDGE TO THE FLAG

CALL TO ORDER

CONSENT AGENDA

- Town Meeting Minutes
 - [January 23, 2017 – Town Meeting](#)

Red Indicates – Action Item
Green Indicates – Ordinance Introduction
[Blue Indicates](#) – Link to Additional Information

PERSONAL REQUESTS FOR AGENDA:

[Ms. Janice Rockwell, Chairperson Main Street Board – Tourism Funding](#)

Mr. David Guiney & Ms. Ruth Bielobocky – 250th Historic Displays

UNFINISHED BUSINESS:

- [Ordinance 17-02-01 – Establishing Design Standards for General Lighting Requirements](#)
- Scheduling Public Hearing on Improvement Fee Increase
- [Recommendation from the Water & Sewer Committee on Fluoride for Brookridge WTP and Well 15 WTP](#)
- [Financial Review of Verizon Cellular Lease Alternatives](#)

REPORT OF COMMITTEES:

Water/Sewer	Commissioner Falcinelli
Public Works	Commissioner Bussard
Sustainability	Commissioner Dietrick
Planning Commission Liaison	Commissioner Catania
Parks & Recreation	Commissioner Goodman
Public Information	Commissioner Falcinelli

NEW BUSINESS:

- [Renewal of Line of Credit with Middletown Valley Bank - \\$2,000,000](#)
- Scheduling of Memar Annexation Workshops
- Discussion of Possible Text Amendment to Allow Off-Site Sale of Alcohol in General Commercial District

PUBLIC COMMENTS:

ANNOUNCEMENTS:

- *250th Town Talk (Arts in Middletown) – Sunday, March 5, 2017 at 2:00PM at Zion Lutheran*
- *Board of Appeals Seat Coming Up for Appointment*

ADJOURNMENT

BURGESS AND COMMISSIONERS OF MIDDLETOWN MARYLAND

TOWN MEETING MINUTES

REGULAR MEETING

January 23, 2017

The second monthly meeting of the Burgess and Commissioners of Middletown was called to order on January 23, 2017, by Burgess Miller at 7:00 p.m. in the Middletown Municipal Center, 31 W. Main Street, Middletown, Maryland. Present were: Commissioners Larry Bussard, Jennifer Falcinelli, Rick Dietrick, Tom Catania and Christopher Goodman.

CONSENT AGENDA

Town Meeting Minutes – January 5, 2017

Commissioner Bussard motioned to accept this consent agenda as submitted, seconded by Commissioner Falcinelli and passed unanimously.

Personal Requests for Agenda:

Mr. Kert Shipway, CPA & Ms. Cheryl Dodson, Albright, Crumbacker Moul & Itell, LLC – Mr. Shipway presented the FY16 audit to the Board.

Unfinished Business:

Discussion of Increase to Improvement Fee – this has been on the agenda for the past few months, Burgess Miller asked if the Board was ready to vote on this item? It was the consensus of the Board to advertise this and they will vote on at next month's meeting.

PC Appointment Temporary Alternate – Burgess Miller stated that he is recommending appointing Meredith McKittrick to fill the second alternate position. This was Dixie Eichelberger's term which will end June 2017. Ms. McKittrick was present and introduced herself to the Board and gave the Board a little background about herself.

Motion by Commissioner Goodman to appoint Meredith McKittrick to the Planning Commission as the second alternate fulfilling the term that will end June 2017, seconded by Commissioner Bussard. Motion carried 6-0.

NEW BUSINESS:

Memar Corporation – Petition for Annexation 93.938 ac. – Drew explained that the Board has to accept any petition for annexation that comes in. Burgess Miller stated that what we are doing here tonight is accepting this petition and forwarding it onto the Planning Commission for their review.

Request from Verizon for Cellular Lease Agreement – Drew stated that this is the 3rd amendment to this lease agreement. Drew stated that the current lease does not expire until 2019. Verizon is proposing to decrease the monthly fee to \$3,500 with a 3% yearly increase and extend the lease for 4 additional 5 year terms. The Board discussed this and asked that Drew provide them with a spreadsheet showing some options that they can counter offer with.

Discussion of Professional Service for Town Seal & Town Logo Design – Burgess Miller stated that he and Commissioners Bussard and Falcinelli met with Bruce Morgan awhile back to discuss some options for the Town Seal and Logo. Mr. Morgan sent a proposal to design the Town Logo for \$5,400. After much discussion, Commissioner Falcinelli motioned to accept the proposal of \$5,400 for the design of the Town Logo, seconded by Commissioner Catania. Motion carried 6-0.

Sensus Meter Recall – Drew stated that we’ve recently discovered that several of our new meters were not working. We contacted LB Water (company we purchase the meters from), they contacted Sensus to inquire and it was discovered that the last order of meters we purchased are within the recall. Drew stated that Ann and I need to sit down with Dylan once he gets back from vacation to determine what the best way to handle this is. Drew stated that we will have a more detailed report at the second

PUBLIC COMMENT:

William Poulin, 3 Tobias Run – stated that he attended the meeting tonight to hear the discussion on fluoride. Mr. Poulin then congratulated the Board on a job well done in regards to the budget.

ANNOUNCEMENTS:

- *250th Town Talk – February 12, 2017 African American History 1pm. at 100-104 West Main Street*
- *Board of Appeals seat coming up for appointment*

ADJOURNMENT

Meeting adjourned at 8:25pm.

Respectfully submitted,

Ann Griffin
Office Manager

Frederick County Main Streets Cooperative Fund
 Designated Main Streets calculation of pool percentage

<u>Designated Main Street</u>	<u>FY16 Spending</u>	<u>ALLOCATION</u> <u>% of Pool for FY17</u>	<u>partial</u> <u>FY17</u> <u>estimate</u>	<u>FY18</u> <u>estimate</u> <u>using FY16</u> <u>figures</u>
		Designated Main Street Pool	\$112,105	\$210,000
Downtown Frederick Partnership -	\$925,062	0.50 CAPPED at 50%	\$56,053	\$105,000
Main Street Middletown -	\$98,109.31	0.46	\$25,591	\$47,938
Brunswick Main Street -	\$65,119.76	0.30	\$16,986	\$31,819
Thurmont Main Street -	\$51,663	0.24	\$13,476	\$25,243
	<u>\$214,892.07</u>	<u>% of Remainder of</u>	<u>\$56,053</u>	<u>\$105,000</u>
Total Designated Main Street spending:	\$1,139,954.07			

John Miller

From: Lacey Gordon
Sent: Wednesday, February 01, 2017 3:40 PM
To: John Miller
Cc: Becky Reich; Janice Rockwell
Subject: FW: Historical Hotel Tax Revenue
Attachments: 2010-Oct. 2016 hotel rental tax revenue.xlsx; DOC100.pdf

John, Becky, Janice.

I got some feedback from John F (see below).

He brings up a good point - if the Town contributes less money to Main Street, then our revenue number will decrease, and in turn, we will receive less hotel tax money. See attached for the allocation percentages from Tourism for the various Main Streets. He also provided the collections since 2010 (attached). Some years they averaged an increase in revenue. In 2013; however, they saw a 6% decrease in hotel tax revenue for the year. Interesting.

Thanks,

Lacey

From: Fieseler, John [<mailto:JFieseler@fredco-md.net>]
Sent: Wednesday, February 01, 2017 3:20 PM
To: Lacey Gordon <lgordon@ci.middlestown.md.us>
Cc: Becky Reich <breich@ci.middlestown.md.us>
Subject: RE: Historical Hotel Tax Revenue

Hi Lacey –

Attached is an Excel chart that shows you the monthly Frederick County Hotel Rental Tax collections back to 2010. It ends with October 2016, the last month that the rate was 3%.

It will be important for the Town Board to realize that Middletown's percentage of the hotel tax collection will vary from year to year, based on how the municipal and private sector contributions to the Main Street program compare to those of the other Designated Main Streets in the county. Middletown wound up with the second highest percentage this year, but that would be reduced if the local support decreases and the other communities maintain or increase their local contributions. The hotel tax dollars received by each program won't be considered in that calculation. This is how the program was designed to be a "matching" program, as the intent has always been to supplement and not replace local dollars in the respective programs.

I hope this helps.

- John

John Fieseler
Executive Director
Visit Frederick - City & County
Tourism Council of Frederick County, Inc.
151 S. East St.
Frederick, MD 21701



- BURGESS
- ADMINISTRATION
- PUBLIC WORKS
- PLANNING & ZONING
- WATER & SEWER

To: Mayors/Burgesses of Frederick County Municipalities
Main Street Managers of Designated Main Street MD programs within Frederick County

From: John Fieseler, TCFC Executive Director *JF*

CC: Dave Ziedelis, TCFC Board President
County Executive Jan Gardner, County-TCFC Board Liaison
Amy Seitz, Director- Community Access and Partnership, MD DHCD
Sandy Wagerman, Frederick County Office of Economic Development

Date: Nov. 4, 2016

The Tourism Council of Frederick County, Inc. is excited to announce our new Frederick County Main Street Communities Cooperative Fund program developed in conjunction with Frederick County government. Through this program, a portion of the funds generated by the Frederick County Hotel Rental Tax rate increase, which took effect this week, will be made available to State designated Main Street programs within Frederick County as well as to other Frederick County municipalities that are accepted as Main Street Maryland Affiliates by the Maryland Department of Housing and Community Development (DHCD).

As of this date, the State designated Main Streets within Frederick County include:

Brunswick, Downtown Frederick, Middletown and Thurmont.

Any other Frederick County municipality may pursue becoming a Main Street Maryland Affiliate by working with the Community Access and Partnership program of DHCD. For the purposes of implementing the Frederick County Main Street Communities Cooperative Fund, the Main Street program status of each community will be confirmed with DHCD. In the unique situation of Mount Airy, with the municipality located in two counties, DHCD indicates that Mount Airy's State-designated Main Street area lies within Carroll County. Frederick County will automatically recognize Mount Airy as a Main Street Affiliate should the town's Main Street program seek to pursue extension into Frederick County.

Please see the enclosed overview of the program as well as a simple application to submit by December 31, 2016 if you are interested in receiving funds generated during the remainder of FY17 (after the rate increase) for use by your Main Street program. The first of this new revenue will be received by the Tourism Council in mid-January 2017 and we intend to begin disbursements as soon as we've received the funds. The amount of funding for Designated Main Streets will be driven by a formula using each program's investment in their Main Street this past fiscal year. Once these figures are received and allocations determined, a Memorandum of Understanding will be entered into between the Tourism Council and each applying Main Street program. For those communities wishing to pursue MD Main Street Affiliate status, funding will be provided, as available, from an Affiliate Set-Aside portion of the tax revenue for expenditures identified in conjunction with DHCD. There is not a set deadline to apply as an Affiliate except that unallocated Affiliate Funds as of the fourth quarter of each fiscal year will be made available to the Designated Main Streets for joint initiatives.

Frederick County Main Street Communities Cooperative Fund Overview

Recognizing the destination development value to Frederick County derived from the implementation of the Main Street Maryland program within the county's municipalities, Frederick County government (County) and the Tourism Council of Frederick County, Inc. (Tourism) are pleased to establish the Frederick County Main Street Communities Cooperative Fund. The Main Street Maryland program strives to strengthen the economic potential of traditional main streets and neighborhoods. The program provides designated communities with support for economic planning, marketing and promotion, training and education.

Administered by the Maryland Department of Housing and Community Development (DHCD), Main Street Maryland consists of formally designated communities that have exhibited a commitment to fostering economic revitalization and sustainability in their downtown districts. These traditional downtown economic and cultural districts are the cornerstones of local communities. They feature historic architecture as well as locally owned shops and boutiques, arts, unique events & festivals, and a variety of restaurants and cafés which all make for a fun and authentic experience. Designations are earned through a competitive process that highlights a five-point approach that incorporates design, local organization, promotion, economic development, and sustainability.

Established through a Memorandum of Understanding between the County and Tourism, the Frederick County Main Street Communities Cooperative Fund (Fund) provides a formula driven allocation of a portion of the Frederick County Hotel Rental Tax proceeds to State designated Main Street Maryland communities whose Main Street boundaries are within Frederick County. The total Fund allocation is 12.5% of the net Hotel Rental Tax proceeds after County Administrative Fees and Frederick County Visitor Center set aside funds are removed. The funds may be used for developing and promoting the Main Street program, with at least half of the amount received over 12 months used for marketing the Main Street outside of Frederick County. Participating Main Streets agree to provide Tourism, for visitor information purposes, with a listing of retail businesses and restaurants within their Main Street and to keep this information current. A final report will also be required detailing the use of the Fund dollars.

State designated Main Street programs may apply to receive a portion of this fund by submitting figures representing actual public and private monetary support of their community's Main Street program for the preceding fiscal year. The figures for each applying Main Street are combined and each program's percentage of the total is calculated. From the total Fund, a portion not to exceed \$50,000 annually, is withheld to provide limited support for non-designated communities that are accepted by DHCD as Main Street Maryland Affiliates. From the remainder, each Designated Main Street program that applies is entitled to a prorated percentage of the Fund except that no one program may receive more than 50% of this pool. In the event a Main Street program represents more than 50% of the total of applying Main Streets' expenditures, that program is capped at 50% of the pool and each remaining Main Street receives a prorated portion of the pool based on their percentage of the remaining Main Streets' expenditures total.

The funds that are set aside to provide support to Main Street Maryland Affiliates may be accessed by a community that is accepted by DHCD as an Affiliate within Frederick County. Funds may be used for limited purposes such as market studies and research that would be useful in potentially establishing a Main Street program, attending state and national Main Street conferences, seminars, etc. and other expenditures deemed appropriate through collaboration with DHCD and Tourism.

Funds set aside for Affiliates that have not been encumbered by the beginning of the fourth quarter of a fiscal year will be made available to the Designated Main Streets within Frederick County for use by two or more of them in collaborative marketing or development initiatives, to be determined by the county's Designated Main Streets in coordination with the Frederick County Office of Economic Development.

Frederick County Main Street Communities Cooperative Fund FY17 Application

Name of Designated Main Street within Frederick County: _____

Eligible expenditures for the purpose of calculating total monetary support of a Designated Maryland Main Street within Frederick County, provided by the public and private sectors, are as follows:

Staffing – payroll and benefits covering those staff positions or prorated portion of positions whose job descriptions require them to implement the Main Street program within the State designated Main Street boundaries of their community. The Main Street program entails implementing Main Street Maryland’s five-point approach incorporating design, local organization, promotion, economic development, and sustainability. If an employee’s job responsibilities also include work in areas outside of the designated Main Street, and/or elements that are not part of implementing the Main Street program, the community may report that portion of the employee expense directly tied to implementing the Main Street program. In such instance, sufficient documentation to substantiate this staffing expenditure must be retained by the employer for a period of three years in order to be provided, upon request, to the Frederick County Interagency Internal Audit Authority during a biennial audit of the Frederick County Hotel Rental Tax. Office space, utilities, etc. are not considered for the purpose of calculating monetary support of the Main Street program.

Program expenditures are those required to implement Main Street Maryland’s five-point approach incorporating design, local organization, promotion, economic development, and sustainability. Promotion expenditures may include those related to events organized in a substantive way by the Main Street organization where at least half of the event is held within the State designated Main Street boundaries. Sufficient documentation to substantiate these program expenditures must be retained by the Main Street organization for a period of three years in order to be provided, if requested, to the County Interagency Internal Audit Authority during a biennial audit of the Frederick County Hotel Rental Tax.

Using actual documented expenditures for FY16, please provide figures for...

Main Street staff & program monetary support provided directly by municipality: \$ _____

Other Main Street monetary support provided by independent Main Street organization: \$ _____

Total: \$ _____

Please submit this form by December 31, 2016 to:

Patsy Ensminger

Operations Director

Tourism Council of Frederick County

151 S East St., Frederick, MD 21701

301-600-4043 Fax 301-600-4044

pensminger@fredco-md.net

Contact info for Main Street program:

Name: _____

Title: _____

Address: _____

Phone/email: _____

Federal Employer ID number of Main Street organization: _____

ORDINANCE NO. 17-02-01

AN ORDINANCE TO AMEND TITLE 17, CHAPTER 32 OF THE MIDDLETOWN MUNICIPAL CODE BY ADDING THERETO SECTION 17.32.245 PERTAINING TO LIGHTING DESIGN STANDARDS; TO ESTABLISH REGULATIONS AND REQUIREMENTS RELATING TO GENERAL LIGHTING; TO AUTHORIZE THE PLANNING COMMISSION TO REQUIRE A LIGHTING PLAN AS PART OF THE SUBMISSION OF CERTAIN SITE PLANS; TO PROVIDE FOR CERTAIN EXEMPTIONS FROM THE LIGHTING REGULATIONS AND REQUIREMENTS.

SECTION I. BE IT ORDAINED AND ENACTED by the Burgess and Commissioners of Middletown that Title 17 – Zoning, Chapter 17.32 of the Middletown Municipal Code be, and hereby is, amended by adding thereto the following as Section 17.32.245. The new language is designated by underlining:

Title17 – Zoning

Chapter 17.32 – Design Standards Generally

Section 17.32.245 - Outdoor Lighting Standards

A. The purpose of this section is to establish outdoor lighting standards that reduce the impacts of glare and spillover of light onto adjacent properties or into the sky, to protect against glare onto public rights-of-way that can impair vision of motorists, pedestrians, and bicyclists, to promote safety and security, and to encourage energy conservation.

B. General Lighting requirements. Exterior lighting shall comply with the following requirements and contain the following information with regard to outdoor lighting.

(1) Pole and Stand-alone lighting.

(a) All street lighting shall comply with the Street Lighting Design Manual regulations.

(b) All other lights, light fixtures, light poles and other structures holding or supporting lighting fixtures shall be located at least ten feet (10') from the closest exterior property line.

(c) All stand-alone light poles or other structures holding or supporting lighting fixtures which are located between ten feet (10') and twenty-five feet (25') of the closest exterior property line shall not exceed a maximum height of fifteen feet (15') which height shall include any base, wall pedestal, platform or other supporting building or structure. All other stand-alone light poles or other structures holding or supporting lighting fixtures shall not exceed a maximum height of twenty feet (20') which height shall include any base, wall pedestal, platform or other supporting building or structure.

(2) Wall-mounted lighting.

(a) Any lighting which is mounted or secured to a wall of a building, including wall-packs, shall not be located more than twenty-five feet (25') above the surface of the ground directly below it. All such lighting shall be located, aimed and shielded, so as to reflect light downward, below the horizontal and so that the light from such fixture is not directed toward adjacent streets, roads or adjacent properties.

(b) Wall-mounted light fixtures which are positioned and aimed to direct lighting in an upward direction on the façade of a building are not permitted. Fixtures designed and located so as to direct lighting in a downward direction down the building surface are preferred.

(3) Landscape and Architectural Lighting

Lighting which is used to illuminate flags, statues, signs or other objects mounted on a pole, pedestal or platform, and spotlighting or floodlighting used for architectural or landscaping purposes shall consist of full cut-off or directionally shielded lighting fixtures that are aimed and controlled so that the directed light shall be substantially confined to the object intended to be illuminated. Directional control shields may be required in order to limit the amount of light shining outside the intended direction and in particular to shield and protect motorists and pedestrians from the glare of such lighting.

(4) Exterior lighting fixtures shall include full cutoff features and shall be directed downward on site, so that the light does not create excessive glare on adjacent properties. Light trespass from originating property shall not exceed 0.5 footcandle measured on a vertical plane five feet above grade at the property line.

C. Site Plan submissions.

(1) The planning commission may require a lighting plan on any Site Plan submission required by section 17.32.230 which Site Plan shall include:

(a) The specific location, height and type of illuminating devices, fixtures, lamps, or any other light sources;

(b) A full description of each light source, fixtures, lamps, and other devices, to include catalog cuts by manufacturers and diagrams, where appropriate;

(c) Photometric data, such as that furnished by manufacturers, or similar information demonstrating the angle of cutoff and/or light emissions;

(d) Analysis and luminance level diagrams showing that the proposed installation conforms to the lighting level standards of this section;

(e) Tests, reviewed by a lighting engineer, indicating that the lighting plan is sufficient to meet IESNA recommendations, i.e., not to exceed IESNA recommendations, may be required by the planning commission; and

(f) Computer-generated, point-by-point lighting calculations on a scaled site plan with a ten-foot-by-ten-foot grid of footcandle readings, indicating initial horizontal footcandles at grade, and initial vertical footcandles five feet above grade at the property line.

(2) If the planning commission is unable to determine that the lighting plan complies with this section, the planning commission may require the plan to be submitted to a lighting engineer or recognized testing laboratory for review. The report of such engineer or laboratory shall be submitted to the planning commission and the applicant shall bear the cost of the review and report.

(3) The site plan requirements may be modified by the planning commission if it is determined that the general intent of this section can be realized without providing all the information outlined above in Section C.(1).

D. Alterations after Site Plan Approval

No alteration or change in the approved Site Plan lighting plan may be made unless approved by the planning commission in accordance with this section; provided, however, that the zoning administrator may approve the replacement of a failed, broken or damaged lamp, light, fixture or supporting structure if such replacement will be in accordance with the requirements of this section.

E. Pre-existing Lighting

Exterior lighting, including fixtures, lamps, lights, poles and supporting structures, existing on property subject to this section on the date of the enactment of this Ordinance shall be permitted to remain. No changes or alterations or additions to such existing exterior lighting may be made without a zoning certificate being submitted to and approved by the zoning administrator in accordance with the requirements of this section. The zoning administrator may approve the replacement of a failed, broken or damaged lamp, light, fixture or supporting structure if such replacement will be substantially similar to the lighting to be replaced.

F. Exemptions.

The following shall be exempt from the provisions of this section:

- (1) All vehicle lighting, emergency traffic lighting, and traffic control lighting;
- (2) All athletic events and stadium use on Frederick County Public School properties;
- (3) For lighting which is reasonably related to sports, amusements, entertainment events or other public gatherings operating as part of an athletic contest, carnival, fairground activity, parade or public celebration:
 - (a) If a permit has been issued for such event, until 12:00 midnight;
 - (b) If no permit has been issued to authorize such event, until 10:00 p.m.
- (4) Temporary lighting which is typically and traditionally used for the celebration or recognition of a holiday and which is installed and removed within a reasonable period of time prior to and after the holiday.
- (5) Lighting required in order to address an emergency, including lighting required for emergency street, utility or construction repairs if such lighting is discontinued immediately upon abatement of the emergency.

SECTION II. BE IT FURTHER ENACTED AND ORDAINED that this Ordinance shall take effect twenty (20) calendar days following its approval by the Burgess and Commissioners.

INTRODUCED ON THE _____ DAY OF _____, 201__
PASSED ON THE _____ DAY OF _____, 201__
EFFECTIVE DATE: _____, 201__

ATTEST:

**BURGESS AND COMMISSIONERS
OF MIDDLETOWN**

Andrew J. Bowen, Town Administrator

By: _____
John D. Miller, Burgess



MEMORANDUM

DATE: January 4, 2017

TO: Burgess and Commissioners

FROM: Andrew J. Bowen, Town Administrator

SUBJECT: Installation of Fluoride – Brookridge WTP & Well #15

ISSUE

Should the Burgess and Commissioners proceed with installation of fluoride injection system at the Brookridge WTP and Well #15, with the substantial increase in cost?

BACKGROUND

With the construction of two additional water treatment facilities; Well #15 in 2006 and the Brookridge WTP in 2008, fluoride injection was not included in the design of either of these facilities. Fluoride is only provided at the reservoir, which is the primary source of water for the Town.

In 2015, the Town tested levels of fluoride throughout the water distribution system and determined that some sections of Town, specifically Brookridge South and Glenbrook have fluoride levels below the recommended EPA standards for the benefits of fluoride. The Town Board made a decision to have fluoride injection added to both of the new facilities and budgeted \$60,000 in the 2017 CIP. In addition, letters were sent to the affected residents informing them of the Town's plans to add the fluoride injection systems by January 2017.

With the installation of the Iron and Manganese Removal System equipment at Well #15, there is not enough physical room in the building to add a fluoride injection system. The building will have to be enlarged to accommodate a fluoride system. The preliminary cost estimate is \$30,000 to construct an addition. There is room available for the fluoride injection system at the Brookridge WTP and this project can proceed immediately.

RECOMMENDATION

Staff would recommend the Town Board give serious consideration to the substantial capital cost for providing fluoride to resident's (\$90,000), which is only a benefit to a specific segment of the population, when fluoride is available through many other sources. If the Town Board decides to move forward with installation of fluoride systems at these two facilities, \$30,000 of additional funding will need to be approved.

ATTACHMENTS

Approve CIP
Letter to Residents



Burgess and Commissioners of Middleton, Maryland

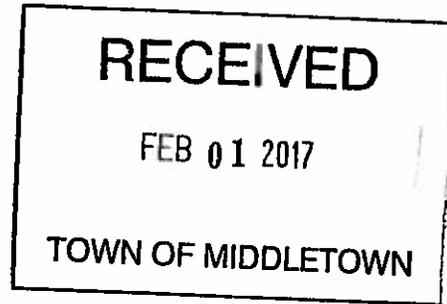
Revenue Analysis - Net Present Value Method Verizon Cellular Lease

Options	Yearly % Increase	Total Revenue	Net Present Value	2019	2020
Existing Lease (\$4,051/4%/Year)	4.00%	\$ 1,447,797.08	\$1,069,817.99	\$ 48,619.56	\$ 50,564.34
Example #1 (\$3,745/4%/Year)	4.00%	\$ 1,338,226.85	\$988,853.46	\$ 44,940.00	\$ 46,737.60
Example #2 (\$3,500/4%/Year)	4.00%	\$ 1,250,679.30	\$924,162.12	\$ 42,000.00	\$ 43,680.00
Example #3 (\$4,051/3%/Year)	3.00%	\$ 1,306,425.78	\$973,568.30	\$ 48,619.56	\$ 50,078.15
Example #4 (\$3,745/3%/Year)	3.00%	\$ 1,207,554.63	\$899,888.02	\$ 44,940.00	\$ 46,288.20
Verizon Offer (\$3,500/3%/Year)	3.00%	\$ 1,128,555.73	\$841,016.84	\$ 42,000.00	\$ 43,260.00
Example #5 (\$4,051/2%/Year)	2.00%	\$ 1,181,143.74	\$887,816.34	\$ 48,612.00	\$ 49,584.24
Example #6 (\$3,745/2%/Year)	2.00%	\$ 1,091,923.80	\$820,753.45	\$ 44,940.00	\$ 45,838.80
Example #7 (\$3,500/2%/Year)	2.00%	\$ 1,020,489.53	\$767,059.30	\$ 42,000.00	\$ 42,840.00



**Middletown
Valley Bank**

February 1, 2017



Andrew J. Bowen, Town Administrator
Burgess and Commissioners of Middletown
31 W. Main Street
Middletown, MD 21769

Dear Mr. Bowen,

Thank you for the opportunity for Middletown Valley Bank to the Burgess and Commissioners of Middletown (the "Town") with a commitment for the renewal of your existing \$2,000,000 Revolving Line of Credit. Middletown Valley Bank proposes the following:

BORROWER: Burgess and Commissioners of Middletown

LOAN AMOUNT: Two Million Dollars (\$2,000,000.00)

PURPOSE: Revolving Line of Credit (RLOC) used to provide "gap" financing related to the purchase or construction of capital assets

INTEREST RATE: One- (1) Month LIBOR plus 2.01%, floating and adjusted every thirty- (30) days.

REPAYMENT TERM: Demand note. Line shall have an expiry of February 20, 2020

FEES: \$475 Commitment Fee for Three- (3) Year Credit Commitment
Cost of documentation amending maturity date of original attorney prepared documents (attached) will be paid by Borrower at renewal

COLLATERAL: Unsecured (backed by full faith and credit of Town and its taxing authority)

GUARANTORS: None

PREPAYMENT FEE: None

FINANCIAL COVENANT: None

OTHER TERMS:

- Annual Accountant Prepared Audited Financial Statements
- The Town shall maintain a minimum deposit relationship of \$350,000 with Middletown Valley Bank for the term of the Loan

Middletown Valley Bank appreciates the opportunity to provide this commitment. The provisions of this commitment letter are only intended to advise the Borrower of certain terms and conditions under which the Loan

will be made by the Bank. The agreements, instruments, and documents prepared by us or our counsel in connection with this Loan shall contain such other covenants, terms, and conditions as the Bank and its counsel believe to be necessary with respect to this Loan.

If you wish to proceed to proceed with the Loan as herein set forth, please sign and return the enclosed copy of this letter within 5 days of the date of the commitment letter. If the enclosed copy of this letter is so signed and return within 5 days, the closing of the loan will be held by February 15, 2017 or this commitment will expire.

The terms and conditions of this commitment letter shall be merged into the closing documents and shall not survive the closing of this Loan.

Thank you for the opportunity to provide this financing.

Sincerely,



George T. Chaney, II
Vice President
Commercial Lending
Middletown Valley Bank

ACKNOWLEDGED and ACCEPTED on this _____ day of _____, 2017.

Borrower(s): Burgess and Commissioners of Middletown

By: _____
John D. Miller, Burgess

By: _____
Andrew J. Bowen, Town Administrator