

August 20, 1968

Present: F. Elliott Burch
J. Wilmer Bowles
George R. Aud
David Williams

Meeting convened at 10:15 a.m.

Piney Point Project

Francis Taylor, J. F. Raley, Sr., Joseph McKay, Sam Bailey, Sr., E. Lesslie Shaw, John Daugherty, Johns Dixon, Ernest Bell, James Forrest, W. A. Chapman, Brig. Gen. C. L. Sayre, Arthur Briscoe, J. M. Gough, Jr., John W. Cheseldine.

Mr. Chapman said this group was here as they were concerned with the proposed project and felt that some of the business leaders of the county should express their opinion as a representative group. They have signed a letter stating their support of the project, and it was presented to the Commissioners. They would like the Commissioners to affirm their stand and allow the application to be filed for the Foreign Trade Zone.

The project affects the entire county in many respects and particularly now from the tax standpoint and the news that the company will not necessarily need the Foreign Trade Zone to get their quota increased. Under these conditions, the Steuart Company could file for all tax exemptions and relief they are entitled to under the law.

Mr. Burch stated that as a matter of correction, the Commissioners letter of May 24th, did not approve the project, it approved the filing of the application subject to certain conditions. Mr. Chapman said they realize this approval was for the filing of the application, and not the entire project.

Mr. Chapman mentioned that it is his understanding that this project would bring about \$842,000 in taxes per year to the county, and such an increase in revenue is important to us if the county is to continue necessary services. The Economic Development Committee has tried since 1956 to bring in light industry and this has been very difficult. The small industry we have has not grown as we thought it would. Now we have the opportunity to bring in heavier industry to help our tax situation, and he does not feel there will be any really adverse things about such an installation. Mr. Burch mentioned fact that the federal government is making budget cuts every day, and this would be a major concern so far as laws being enforced from the federal level. We have had assurance that air and water pollution can be controlled if it is enforced. He expressed concern over possible accidents, and whether or not St. Mary's County is geared for an operation of this type; he does not feel that it is. Mr. Burch said his concern was the possibility of a large industrial complex. The conditions in the Commissioners letter of May 24th would supposedly control this, but if the expansion did occur, it might be difficult to do this.

Mr. Daugherty stated that he is concerned because there has not been an on-site approval from FHA in St. Mary's County since 1948. That agency states they will not put any money in this county because we are a single industry county, meaning the base, and this can be moved at any time. It is only possible to get FHA and VA loans on single dwellings. We need additional money to run the county and we could certainly use an industry that would create a large flow of capital. Mr. Chapman asked what is going to happen if we do not allow some industry to come into the county? We must either do this or pay more taxes, and he asked what planning has gone into this. Mr. Burch said that services will be provided in accordance with what people are willing to pay for, it was as simple as that.

Mr. Raley pointed out that he had the same problems when he was a county commissioner. He was for the Steuart project 100% when they originally wanted to come into the county, and the Commissioners allowed this, at least two of them did. He does not believe there has been any major problem since, and he is in favor of the current project. There is no question but that we need new enterprise in the county. There was some general discussion about possible cut-back on the base, as it has been rumored that there are eight patrol squadrons that will be disbanded in the country, and all of the base's units are such squadrons.

Mr. Bell spoke of protest that was made when the base came into the county, and today we receive tremendous benefits from this operation. It is his feeling that the majority of people in the 2nd district would vote for this project if an actual vote was taken. Mr. Bell said that those present today are a cross section of responsible people in the county and they would not be in favor of anything that might possibly harm this county; most of them were born here. The business people must have people to purchase their merchandise and this is something that affects the entire county.

Mr. Gough asked for a status report on the project, and Mr. Burch answered that the Commissioners are waiting for the report from the study committee. It is his understanding that the committee will not make a recommendation but will present a comprehensive report to the Commissioners for them to study and then make their decision. Mr. Bowles explained that the application must be made by the Maryland Port Authority, and they will not file it without the approval of the Commissioners. From there it goes to the Department of Commerce for approval, then to the Department of Interior, and the latter agency deals with the oil quotas. Mr. Burch stated further that when the Commissioners get the report from the committee this along with all other information available, will be reviewed, and the Commissioners will then make a decision. They will listen to everybody for and against the project, and will take everything into consideration when the decision is made. Mr. Bowles agreed that all of the information will be a part of the decision, and his decision will be what he feels is the best one to make so far as the county is concerned.

Mr. Forrest asked what this group could bring to the Commissioners, and Mr. Burch stated that the Commissioners are looking for information that will help them determine whether or not this project would be good or bad for the county.

Gen. Sayre said he has been in the county four years, and each year his taxes continue to rise. It seems to him that if some relief could be gotten with such an industry that can be controlled, this should be done. He attended the first two public meetings and the prime question was possible pollution. He is a chemical engineer, and there is no question that pollution can be controlled completely. This has been done at the plant that was inspected at Mississippi; there are methods that can be used. Drilling a deep disposal well has been the most effective way he has found for this. A hole can be drilled some 5,000 feet deep and everything can be put down underneath the ground. This is a possibility for Steuart to consider. It is possible to build this type plant and not pollute the water. Also, if Steuart is going to have an incinerator, perhaps the county could make arrangements to use this facility.

General discussion concerning taxes, and Mr. Bowles pointed out that the tax revenue expected from this project is an estimate. This is largely personal property, which is a decreasing income of roughly 10% per year, so it will be less each year, and at the end of ten years, will be down to 25%. The only way the primary income could be retained would be to allow this project to increase at the same rate the decrease is allowed. Mr. Daugherty stated that the government does allow depreciation, but there always has to be a refurnishing of the equipment, and a new industry usually sets up a fund to replace used equipment.

Mr. Chapman said that what Steuart proposes is not an oil refinery, but a topping plant, which is just the first stage of a refinery, and Gen. Sayre agreed with this. There was discussion about the application, and Mr. Burch stated that if the Commissioners allow Steuart to proceed with the stipulation that the former can withdraw the approval, and the company expends a great deal of money and the approval is withdrawn, someone will be expected to stand the cost. Furthermore, if this permit goes to the proper agency with strings attached to the effect that the Commissioners can withdraw at any time they so desire, it will not go very far.

Gen. Sayre said that Steuart must be required to submit a certain amount of information to the governmental departments. Why should they not submit this to the Commissioners, also. It is his understanding that the company hesitates to spend anymore money until they have 100% approval. He feels that Steuart would have basic engineering information that would be satisfactory to the Commissioners, state agencies, etc., and the Commissioners should have this. Mr. Burch said that the Commissioners do not have this.

Mr. Aud mentioned fact that there was a man from Steuart's in the courthouse yesterday inquiring about building permits. They can get permits to build the topping plant, and if they do this on their own,

they will then take advantage of all of the tax abatements allowed them under the law, and the county will lose this tax revenue.

Mr. Bowles said it was his feeling that all of the agencies concerned should be dealt with before the application leaves the Maryland Port Authority. The Department of Commerce does not want an application until after all state and local agencies have approved it, and will not do anything until these approvals are obtained. We should solve our local or state problems if they exist before anything more is done. The federal people will not hold any public hearings so long as there are local objections.

Mr. Chapman said that to the best of his knowledge, all of the exhibits have been prepared by Steuart and they are waiting for the letter from the Maryland Port Authority so that these things can be submitted to the federal government. They are now waiting for the Commissioners decision. Mr. Burch said he hopes that everyone realizes that this is a major decision and the Commissioners will give this a great deal of thought and study.

Junked Cars

Cpl. Meidzinski discussed matter of junked cars throughout the county, and he stated that there is a very good law concerning this problem. He has spoken with the state's attorney and was told they have full authority to enforce said law. However, people will want to know where they can put these junked cars, and Cpl. Meidzinski asked about the Copeland property that might be used for this purpose. Mr. Burch stated that the Commissioners are hoping to use a part of this land as there are very deep ravines and gullies in it. As soon as the Health Department gives approval of site for such disposal, we will be able to do something about it.

Cpl. Meidzinski explained that those people who have wrecked cars on their property would be given notice that they are subject to a fine if the cars are not removed from the property or at least placed out of sight. Mr. Williams advised that the law refers to an unlicensed vehicle. He would assume that any vehicle that is not licensed and inoperable would be a junked car and would be subject to the requirements of the law. He suggested that some public notice be made in the local papers to the effect that the law is going to be enforced to alert the general public.

Tax Exemption for Blind

Mr. Walter Dorsey, representing Mr. James V. Mattingly, stated that this man has been blind all of his life, and is entitled to a tax exemption which he has never claimed. Therefore, he is entitled to a refund. The law states that the Commissioners can pass a resolution to return Mr. Mattingly's taxes paid back to 1950. However, Mr. Dorsey said the Commissioners can go back to a reasonable time, and if the taxes were refunded since 1960, this would amount to approximately \$720. The exemption applies only to the dwelling and not Mr. Mattingly's business. Mr. Dorsey said the authority for the exemption

is found in Article 81, Section 9, Subsection 35, of the Annotated Code of Maryland. Mr. Williams will be asked to review the law and advise the Commissioners in this matter.

Roads

Mr. Bond, Mr. Pantaleo, Mr. Donaldson, and Mr. William Barber. Mr. Barber asked if something was going to be done to the Old Hermanville Road at the end near Route 5. He lives on this road and after the bad storm last evening, he was unable to travel the road because of the water. It was his understanding that something was to be done to the road this past spring, but there has been no progress to date. Mr. Barber was informed that there is a plan to reconstruct the road, and explained that Mr. M. Dixon has granted right of way for this at the top of the hill near the school. There has been some discussion about building a road from Mr. Barber's property to the new road that would be constructed over the Dixon right of way. Mr. Burch said that Mr. Pantaleo will look into this when he returns from vacation. Mr. Barber left the meeting.

Maintenance report from July 1 to June 30, 1968 was reviewed and the large deficit figure. Mr. Bond said he will furnish the Commissioners with costs for both state and county roads if they want this information, and he was asked to get the exact figures.

There was some discussion about the Roanoke Robot, for bushing and cutting the roadsides, and it is Mr. Bond's opinion that this machine would pay for itself in a month. It was agreed that the Commissioners would see this machine in operation while they are attending the conference in Ocean City. Mr. Bond was asked to bush the area from Chaptico bridge to the crossroads, and to check the old Hermanville Road.

The Commissioners reviewed letter from Mr. Pantaleo regarding the drainage problem at Mr. W. Salisbury's property in Dutchman's Cove. Mr. Pantaleo and Mr. Bond inspected the area and it will cost approximately \$300 to correct the problem. Mr. Salisbury has stated he will be satisfied if the work is done as outlined in Mr. Pantaleo's letter and he will not hold the county responsible in the future. Mr. Williams advised that if this work is done, Mr. Salisbury should sign a release freeing the county of any responsibility for prior and future damage because of drainage. Mr. Bowles and Mr. Burch agreed that a letter to this effect should be sent to Mr. Salisbury, and Mr. Aud said he was against having the corrective work done and sending the letter.

On further discussion concerning maintenance funds, Mr. Donaldson said that the State Roads Commission knows how much money we have and should not allow expenditures to exceed this. It was agreed that Mr. Burch and Mr. Donaldson would arrange to meet with Mr. Brodsky to discuss road finances, and the latter will be asked for an appointment early Thursday, August 29th.

Public Hearing - Town Houses

Public hearing advertised and scheduled today at 2:00 p.m., on petition submitted by the Lexington Park Development Company asking variance

to permit the sale of town houses to be constructed on an 8.58 acre tract of land on Shangri La Drive, Lexington Park. Petition was submitted to Planning and Zoning by Briscoe & Kenney, attorneys, representing said corporation, requested amendment to add new-subsection to existing Section Viii of the Zoning Ordinance regarding "sale of town houses," which is in accordance with the proposed town house regulations as set forth in the August 1967 Harland Bartholomew report and recommendations. After proper public hearing, Planning and Zoning voted unanimously in favor of the petitions requested.

Mr. Bowles disqualified himself from participating in this hearing as he is working for the Barley Company and said company may have some interest in this matter. Mr. Burch announced this to those present.

Present: D. Hartelove, Jr., Mgr., Spitzer and Hayden, Rockville, Maryland (acting through the Lexington Development Company), L. Day, Mgr., Lorenzi, Dodds and Gunnill, James Kenney, attorney, F. Barley, and a Mr. Withers, of S & H, Mrs. Rogers.

Mrs. Rogers reported that the hearing held by Planning and Zoning there were no protestants present. Mr. Kenney stated that the project will be constructed in accordance with the master plan, and the plans they have drawn will be changed to conform with the requirements of said plan. They had originally planned to build 103 units, but there will be less than that. The basic unit will sell for \$17 - 19,000, and will be two stories with full basement, central air conditioning, have washer and dryer and equipped kitchen. All of the units are 3 bedrooms. They have had site approval by the VA and they have been before the Metropolitan Commission and were told by Mr. Miles that the Commission would like to have them hook up to the sewer lines. Mr. Day said the units will be available approximately 3 months after they begin construction, that is, as they are built in sections. After discussion, Mr. Aud said he would not normally approve of this type unit, but we need something to provide additional revenue to the county, and he would approve the project. Mr. Burch also approved it and Planning and Zoning will be so notified.

Health Department

Dr. Alan Houser, Mr. Donaldson and Mr. Williams. Dr. Houser informed the Commissioners that the governor has issued an order for all Health Departments to reduce their budgets for the fiscal year to the same level of spending for last fiscal year. In our last fiscal year, the Health Department spent approximately \$273,000. Our budget this year, not including the day care center, the master water and sewage plan, is \$319,200, and this has to be reduced by \$46,000 by September 1st. He has done this and reviewed the reductions made in the department current budget.

Dr. Houser said that these reductions are supposed to be restored July 1, 1969. With the program now, they will have the same number of public nurses, and with the striking of some technicians, will run the programs in the schools, but will not have the trained
technic

technicians. They will do the best they can with what they have. Mr. Donaldson mentioned that this will save the county approximately 20,000 in matching funds.

Colony Subdivision

The Commissioners reviewed letters from Mr. Mattingly and Mr. Wysong regarding this project. It was decided that the Commissioners would meet with representatives of the Colony Development Corporation to discuss lot size, street widths, etc., and the meeting was tentatively set for Tuesday evening at 7:00 p.m., August 27th. A letter will be sent to the corporation and Mr. Mattingly to this effect.

NACO Dues

The Commissioners approved payment of \$181.00 dues for October 1, 1968 through September 30, 1969.

Potomac River Association

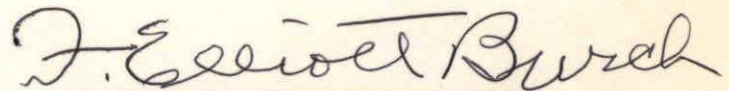
Petitions delivered to the Commissioners of people against Steuart installation. Mr. H. Fisher, co-chairman, states in accompanying letter that to date, they have submitted 654 signers against the project.

Harland Bartholomew

The Commissioners approved payment of \$216.80 to this firm for services rendered, as compensation, aside from their obligations under the present contract.

Meeting adjourned at 6:25 p. m.

Approved,



F. Elliott Burch
President