



**ANNE ARUNDEL COUNTY
OFFICE OF THE COUNTY AUDITOR**

To: Councilmembers, Anne Arundel County Council
From: Terry Gibson, Deputy County Auditor
On Behalf Of: Michelle Bohlayer, County Auditor
Date: June 27, 2024
Subject: Auditor's Review of Legislation for the July 1, 2024 Council Meeting

**Bill 27-24: General
Development Plan –
Region 4 Plan (As
Amended)**

Summary of Legislation

The purpose of this bill is to adopt the Anne Arundel County Region 4 Plan, the region plan for Region Planning Area No. 4 (Area 4), dated April 1, 2024; amend the County's General Development Plan; and require the Anne Arundel County Region 4 Plan to be kept in specified files. This bill also authorizes the Planning and Zoning Officer to amend text, maps, charts, graphs, photos, and tables in accordance with amendments to this bill and make other specified corrections and changes to improve readability of the Anne Arundel County Region 4 Plan.

We commented on this bill in our letters dated May 20, 2024; May 31, 2024; and June 14, 2024. At the June 17, 2024 Council meeting, there were 10 adopted amendments to this bill. The amendments are included in the amended bill as Nos. 12-21, which can be found on the Council's website (<https://www.aacounty.org/county-council/legislation>). We have no further comments on this bill.

**Bill 28-24:
Comprehensive Zoning
– Region 4 (As
Amended)**

Summary of Legislation

This bill repeals portions of the Digital Zoning Layer dated September 6, 2011 for Area 4; adopts the Digital Zoning Layer dated January 5, 2024 for Area 4; and requires specified offices to keep certified copies of the Digital Zoning Layer dated January 5, 2024 for Area 4. This bill also authorizes the Planning and Zoning Officer to amend text, maps, charts, graphs, photos, and tables in accordance with amendments to this bill.

We commented on this bill in our letters dated May 20, 2024; May 31, 2024; and June 14, 2024. At the June 17, 2024 Council meeting, there were 12 adopted amendments to this bill. The amendments are included in

Bill 28-24 (continued)

the amended bill as Nos. 13-24, which can be found on the Council’s website (<https://www.aacounty.org/county-council/legislation>). We have no further comments on this bill.

Bill 30-24: Zoning – Planned Unit Developments – Community and Employment (As Amended) (Hearing Concluded) (Eligible for Vote)

Summary of Legislation

This bill establishes two types of Planned Unit Developments (PUD): Community PUDs and Employment PUDs. Community PUDs are authorized as a special exception use in specified residential zoning districts. Employment PUDs are divided into those located on a mining reclamation site or those located in the BWI/Ft. Meade Growth Area and are authorized as a special exception or conditional use in certain residential, commercial, and/or industrial zoning districts. This bill also establishes allowed uses, density requirements, bulk regulations, and other requirements for PUDs. Currently, there is one PUD, which is authorized as a special exception use in all residential and two commercial (C2 and C3) zoning districts. This bill does not apply to applications for PUDs filed before the bill’s effective date.

We commented on this bill in our letters dated May 20, 2024; May 31, 2024; and June 14, 2024. At the June 17, 2024 Council meeting, this bill was held until the July 1, 2024 Council meeting. We have no further comments on this bill.

Bill 51-24: Personnel – Classification and Pay Plans – Classified Service and Exempt Service – Public Ethics – Financial Disclosure (As Amended)

Summary of Legislation

This bill authorizes applicable memorandum of agreements to set pay rates for an employee hired into specified classifications; modifies annual leave accrual for certain classifications; alters a specified list of exempt positions; alters a list of positions required to file specified financial disclosure statements; approves the Personnel Officer’s classification plan and specified pay plans dated July 1, 2024; provides pay increases for certain classified and exempt employees; authorizes advancement to new rate of pay for certain employees; and provides lump sum payments to specified employees. This bill also authorizes salary adjustments to correct salary compression for classified employees identified by the Personnel Officer; however, the Office of Personnel advised that there were no funds included in the FY25 proposed budget to address salary compression issues.

We commented on this bill in our letters dated May 31, 2024 and June 14, 2024. At the June 17, 2024 Council meeting, this bill was amended to require certain positions in the County Council to submit yearly financial disclosures. We have no further comments on this bill.

Bill 58-24: The Issuance, Sale and Delivery of Anne Arundel County General Obligation Bonds and Bond Anticipation Notes

Summary of Legislation

This bill authorizes the sale and issuance of bonds, bond anticipation notes, and the Maryland Water Quality Revolving Loan Fund bonds consistent with the Fiscal Year 2025 (FY25) Proposed Capital Budget. This bill includes a new provision to allow the County Executive or Chief Administrative Officer (CAO), if authorized by the County Executive, to determine whether to require a good faith deposit from bidders as it relates to any award of any general obligation bonds and bond anticipation notes. This new provision was recommended by the County’s financial advisor to allow the County additional flexibility in conducting competitive bond sales in accordance with more recent bond market practices, and according to the Office of Finance (Finance), the County’s financial advisor does not believe this new provision will have an impact on bid pricing. Finance also advised that, historically, the County has required the deposit amount to be approximately 1% of the sale price.

The Administration introduced the bill before the Council finalized and approved the FY25 capital budget and plans to introduce an amendment at the July 1, 2024 Council meeting to make the bill consistent with the FY25 Approved Capital Budget. We will comment on the amended bill in our Auditor’s Review of Legislation letter for the July 15, 2024 Council meeting.

Bill 59-24: Purchasing – Contracts – Availability of Funds

Summary of Legislation

This bill increases the threshold of a contract or purchase order that requires the Controller certification of appropriated fund availability from greater than \$2,500 to greater than \$10,000. According to the Administration, the purpose of this legislation is to align criteria for different categories of procurements, such as the proposed amendment (Resolution 15-24 passed at the May 20, 2024 Council meeting) to the County Charter to increase the threshold of purchases and contracts subject to a simplified competitive procurement process from greater than \$5,000 to greater than \$10,000 and alters associated County website contract award notification requirements to apply to contracts greater than \$10,000, an increase from the current threshold of \$5,000 or greater. If the voters approve that amendment in the Presidential General Election (November 5, 2024), then this bill will align the minimum value for the certification requirement with the simplified competitive procurement process (small procurements).

Bill 59-24 (continued)**Review of Fiscal Impact**

According to Finance, during fiscal year 2023 (FY23), 1,444 (15.7%) out of 9,226 purchase orders approved in the County's financial system totaling \$7,926,000 were each between \$2,501 and \$10,000. These purchase orders represented 1.5% of the County's overall purchase order value of \$536,819,900 in FY23. Under the provisions of this bill, these purchase orders would not have required the Controller to certify the availability of funds.

Finance advised that this bill will reduce their workload and improve efficiency.

**Bill 60-24: Purchasing –
Sole Source
Procurements – Single
Source Procurements –
One Bid or Offer****Summary of Legislation**

This bill adds definitions of sole source procurement and single source procurement and exempts from procurement the following categories that have been considered sole source procurements:

- Renewal of previously procured software licenses;
- Training of County employees;
- Rentals of venues or equipment for public events or public programs;
- Professional certifications, accreditations, and licenses;
- Purchases from other governmental or quasi-governmental agencies, unless those purchases are pursuant to an executed cooperative or piggyback purchase; and
- Purchases of public utilities, including water, gas, electricity, and fiber or cable for the purposes of data or voice communications.

This bill also requires Purchasing Regulations to govern procedures and include provisions for utilizing sole source and single source procurements and modifies the use of sole source procurement requirements. In addition, this bill authorizes single source procurements when only one responsive, responsible vendor responds to a competitive solicitation.

The Office of Central Services (OCS) Purchasing Division advised that the purpose of this bill is to streamline the process for a single source procurement and for those purchases that are exempt from competitive solicitation and classify the distinctions of sole source and single source procurement categories.

The Office of Law advised that the required changes to the Purchasing Regulations in this bill relative to the sole source and single source procurements would be subject to Council approval

Bill 60-24 (continued)

at the next annual legislative session (generally May 1st through June 15th), as required.

Review of Fiscal Impact

According to OCS Purchasing Division, during FY23, the County disbursed \$5,884,100 (31.8%) out of \$18,527,300 related to the following sole source procurements that required written justifications, which under the provisions of this bill, would have been exempt:

- Software License Renewal - \$1,092,400 (5.9%)
- Training - \$399,700 (2.2%)
- Public Events/Programs - \$131,600 (0.7%)
- Certifications/Accreditations/Licenses - \$135,000 (0.7%)
- Inter/Quasi-Governmental Agencies - \$3,464,500 (18.7%)
- Utilities - \$660,900 (3.6%)

OCS Purchasing Division does not currently track single source procurements and advised that this bill will reduce their workload and improve efficiency.

**Resolution 25-24:
Authorizing the Filing
of an Application with
the Maryland Transit
Administration for
Grants Under the
Federal Transit Act for
Federal Fiscal Year
2024****Summary of Legislation**

This resolution endorses the application for grants and financial assistance from the Maryland Transit Administration (MTA) under the provisions of the Federal Transit Act for federal fiscal year 2024. The MTA has been designated as the direct recipient of these funds and is authorized to make grants to counties and other local governments for mass transportation programs or projects.

Review of Fiscal Impact

The fiscal impact of this application will be based on the matching funds that are anticipated upon the approval and selection of these grants from the MTA. The total anticipated matching funds are \$263,880, which were included in the FY25 approved budget. This resolution does not provide for any additional appropriations for these grant funds and has no direct fiscal impact.

**Resolution 26-24:
Reappointing a
Member to the County
Ethics Commission**

Summary of Legislation

This resolution confirms the reappointment of Daniel J. Semick to serve on the Anne Arundel County Ethics Commission (Commission) for a second term expiring on April 30, 2028. The Council approved the nomination of Mr. Semick to serve on the Commission for a second term at the May 20, 2024 Council meeting (Resolution 18-24).

Review of Fiscal Impact

This resolution has no fiscal impact.

**Resolution 27-24:
Proposing a Charter
Amendment to Clarify
the Duties of the County
Auditor**

Summary of Legislation

This resolution proposes an amendment to the Charter of Anne Arundel County to clarify the duties of the County Auditor, including the scope of records open to the County Auditor for inspection; require specified cooperation with the County Auditor; prohibit retaliation against those who cooperate with the County Auditor; and authorize the Council to assign additional duties to the County Auditor by resolution.

Review of Fiscal Impact

This resolution has no direct fiscal impact.
