

The Fruitland City Council met in Work Session at City Hall on Monday afternoon, May 27, 2010 at 4:30 p.m. with the following members present:

*President Gregory J. Olinde, Treasurer Gloria J. Ortiz, and Councilor Raymond D. Carey*

Also present were:

*City Clerk Diane C. Nelson, Deputy Treasurer Amy B. Caton, Director of Public Utilities Joseph P. Derbyshire, City Solicitor Andrew C Mitchell Jr., City Auditor John T. Layton, Jr., and Vernon Wilkins of Wilkins Electronics*

*Our guests included:*

*Les Katona of Affiliated Power Purchasers International (APPI) Energy and Sam Ennis of Total Energy Consultants, LLC*

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President Olinde called the Work Session to order at 4:39 p.m. for the purpose of discussing the City's Energy Contract, the status of Proposed Maryland Department of the Environment (MDE) Projects, and the Proposed Fiscal Year 2010-2011 Water and Sewer Budget.

### **Energy Contract Discussion**

Sam Ennis presented an energy contract proposal from Total Energy Consultants, LLC for Council consideration and discussion, in conjunction with current and proposed energy contracts from the City's current energy provider, APPI Energy; Les Katona was present from APPI Energy to participate in the energy contract discussion regarding the City's current contract with APPI Energy and also any proposed contract options APPI Energy was now presenting.

Council discussed all aspects of the energy contracts but took no action at this time.

### **MDE Proposed Project Status**

Utilities Director Derbyshire provided background information on various MDE grant, loan, and grant/loan combination funded programs that are available to municipalities before providing updates on the **Sludge Handling and Water Tower Rehab Projects**.

After discussion, Council determined by consensus but without vote, to include Preliminary Engineering Costs only for the **Sludge Handling Project** and total estimated costs for the **Water Tower Rehab Project** in the current year Capital Improvements Plan Budget.

### **Proposed Fiscal Year 2010-2011 Water and Sewer Budget**

Discussion ensued regarding tiered rate structures, commercial rate programs, and base user fees versus overage fees as *citizen researched and provided* information was reviewed, in conjunction with proposed water and sewer rate increases needed to balance the Water and Sewer Budget as discussed at the May 2010 Council Meeting.

After discussion, Council determined by consensus but without vote, to explore Residential and Non-Residential (Institutional, Commercial) Base Rates and Overage Rates. Deputy Treasurer Caton was authorized to obtain a cost estimate from the software provider for programming to accommodate the different rate structures; City Clerk Nelson was authorized to verify with City Solicitor Mitchell the absolute deadline date for adoption of the 2010-2011 Fiscal Year Budget and to add discussion of the Budget as an Agenda Item for the already scheduled June 3, 2010 Special Council Meeting.

**General Discussion**

Utilities Director Derbyshire shared cost analysis information regarding ongoing Sanitary Sewer leak repairs which directly contribute to recovered capacity at the Wastewater Treatment Plant (WWTP).

Discussion ensued regarding decreased property assessments in conjunction with the proposed property tax rate increase as discussed at the May 2010 council Meeting.

With no further business to discuss, **on motion made by Councilor Carey, seconded by Treasurer Ortiz and passed on a three to zero vote in favor, the meeting adjourned.**

*Diane C. Nelson*

Diane C. Nelson, City Clerk

*Approved, October 12, 2010 dcn*