

**FRUITLAND CITY COUNCIL
TUESDAY, JUNE 9, 2009
MINUTES**

The Fruitland City Council met in regular session at City Hall on Tuesday evening, June 9, 2009 at 7:30 p.m. with the following members present:

*President Gregory J. Olinde, Treasurer Gloria J. Ortiz, Councilor Raymond D. Carey,
Councilor Theodore O. Lokey, and Councilor Richard F. Tull.*

Also present were:

City Manager John F. McDonnell, Chief of Police Michael J. Phillips, Deputy Treasurer Amy B. "Polly" Caton, Director of Public Utilities Joseph P. Derbyshire, Public Works Director P. Cooper Townsend, Code Enforcement Officer Daniel M. Scholl, Administrative Assistant Linda J. Powell, Captain Sandra K. Bradley, Corporal Ronald P. Ciszewski, Officer Brian Beaver, Office Manager Deborah G. Donoway, Officer Nicholas L. McLeod, and City Clerk Diane C. Nelson.

Our guests included:

County Executive Richard M. Pollitt, Jr., Sergeant Alan McLeod, Barbara McLeod, Detective Sergeant Rick Taylor, Earl Holland of the Daily Times, Mattie Brown, Marie Shores, Frances Fields, Sharon and Wayne Shores, Kim Marshall, Kerry Nelson, Paul Bradshaw, Ed Cowell, Jim, Joyce, and Jon Crouch, Robert Marvel, Rob Schultheis, Julie Brewington, Gary and Cheryl Weedy, Richard Outen, Chuck Nichols, Pam Ketterer, Donna Hudson, Joe Albero, Stanley and Cynthia Nyirenda, Kelly Johnson, T.G. Hutchison, Douglas Nolan, and Joe Stuetz.

President Olinde called the meeting to order at 7:30 p.m. and welcomed all in attendance. Treasurer Ortiz delivered the opening prayer, and all recited the Pledge of Allegiance.

President Olinde acknowledged receipt of the minutes of the Regular Meeting of May 12, 2009, calling for additions or corrections. As there were none, **Treasurer Ortiz moved to adopt the minutes as presented; Councilor Lokey seconded and the motion passed on a unanimous vote in favor.**

Treasurer Ortiz delivered the Treasurer's Report as follows:

Cash on Hand 5/01/09	\$ 260,570.01
Deposits	<u>480,335.40</u>
Subtotal	\$ 740,905.41
Transfer to Savings	(300,000.00)
Disbursements	<u>(329,800.45)</u>
Total Ending 5/31/09	\$ 111,104.96

As there were no questions, **Councilor Tull moved to accept the Treasurer's Report as presented. Councilor Carey seconded and the motion passed on a unanimous vote in favor.**

City Manager McDonnell reported on upcoming meetings and events.

Meetings

- Fruitland Chamber of Commerce - Wednesday, June 17, 2009 at 12:00 p.m. at the Impact Church of God
- Lower Eastern Shore Mayors Association – Thursday, June 18, 2009 hosted by the Town of Ocean City
- Fruitland Recreation Commission – Tuesday, June 16, 2009 at 7:00 p.m.
- Pre-Bid Meeting for Phase II* of the Infiltration and Inflow (I&I) Project- Tuesday, June 23, 2009 at 2:00 p.m. in the Council Chambers
- Bid Opening for Phase II* of the I&I Project –Tuesday, July 7, 2009 at 2:00 p.m. in the Council Chambers

**Phase II is funded by the second half of the Six Hundred Thousand Dollar (\$600,000.00) Grant provided by the Maryland Department of the Environment (MDE)]*

Events

Maryland Municipal League Annual Convention – Sunday, June 28, 2009 through Wednesday, July 1, 2009 in Ocean City, Maryland

Chief Phillips delivered his report for the month of May 2009.

- Part I & II offenses both decreased, by 33% and 47% respectively
- Juvenile arrests increased 300%
- Warrant Service increased 66%
- Traffic enforcement increased 29%

Deputy Treasurer Caton reported that representatives from Badger Meter and Paragon, the computer support firm for the Finance Department software, were onsite last week in the Finance Department to complete the in- office training of the Automated Meter Reading System.

Director of Public Utilities Joseph Derbyshire reported on the Water and Sewer Departments.

- Underground Piping has been completed on the Salisbury-Fruitland Water System Interconnect Project
- Installation of a valve vault and the physical tie-in between the two municipal systems should be completed in the next two to three weeks
- Intense storms this morning caused numerous power outages but no damage to electrical equipment
- Generators provided power during outages so there were no instances of sanitary sewer overload

Code Enforcement Officer Scholl presented his building permit report for May 2009.

- Twenty-two permits were issued for a total value of \$440,104.00 and \$8,118.00 collected in fees
- New dwellings in Colonial Village and Bailey’s Crossing Subdivisions were among the permits issued

PRESENTATIONS/RECOGNITIONS

1. President Olinde read aloud **Resolution No. 3-09**, recognizing and honoring Fruitland resident Mattie Brown on the occasion of her 103rd birthday on June 26, 2009; Treasurer Ortiz presented flowers and a planter to Ms. Brown on behalf of the City Council and Staff of Fruitland, Maryland.
2. Wicomico County Executive Pollitt read aloud **Proclamation for Miss Mattie Brown**, proclaiming June 9, 2009 as forever being “*Mattie Shores Brown Day*” in Wicomico County, in honor and recognition of her 103rd birthday on June 26, 2009.
3. Chief Phillips read aloud **Resolution No. 4-09**, recognizing Sergeant Alan W. McLeod for having faithfully served twenty-six (26) years with the Maryland State Police, during which time he provided exemplary service to the City of Fruitland* and the State of Maryland.

**Sergeant McLeod recognized his son, Nicholas McLeod, who is an officer with the Fruitland Police Department.*

4. Chief Phillips read aloud **Resolution No. 5-09**, recognizing Detective Sergeant Richard F. Taylor for having faithfully served twenty-seven (27) years with the Maryland State Police, during which time he provided exemplary service to the City of Fruitland and the State of Maryland.
5. Chief Phillips read aloud **Resolution No. 6-09**, recognizing Captain Sandra K. Bradley for her dedicated, conscientious, and exemplary service to the City of Fruitland and its citizens.
6. Chief Phillips read aloud **Resolution No. 7-09**, recognizing Office Manager Deborah Donoway for her dedicated, conscientious, and exemplary service to the City of Fruitland and its citizens.

PUBLIC HEARING: CONSTANT YIELD TAX RATE FOR FISCAL YEAR 2009-2010 - 7:45 P.M.

President Olinde convened a Public Hearing to discuss the constant yield tax rate proposed for Fiscal Year 2009-2010; he noted that the public hearing and the newspaper advertisement of the hearing were both required under Maryland law.

He read the public hearing notice as published in *The Daily Times* on May 31, 2009; the Constant Yield Tax Rate of \$.625 would generate revenue in the new fiscal year equal to that raised in the current year.

Mr. Olinde explained that the City of Fruitland did not propose to decrease the tax rate but to maintain the current tax rate of \$.70 per assessable One Hundred Dollars (\$100.00); the resulting Two Hundred Thirty-nine Thousand Seven Hundred Seventy-two Dollars (\$239,772.00) of new real property tax revenues are primarily attributed to additional properties on the tax roll that increased Fruitland’s assessable tax base.

Mr. Olinde then opened the floor to public comment regarding the Constant Yield Tax Rate; he also allowed public comment on the proposed Water and Sewer Rates that had been presented during the May 12, 2009 Public Hearing for the Fiscal Year 2009-2010 Budget.

- **Julie Brewington of Meadow Bridge Road** spoke as a private citizen and as a representative for *Americans for Prosperity*; she implored the Council to balance the budget without increases but with decreased spending, foregoing the new Police Building if necessary, because people could not afford increases given the current economy. Ms. Brewington also questioned the decision to maintain the current Real Property Tax Rate in lieu of adopting the Constant Yield Tax Rate since revenues would increase by virtue of the increased Real Estate Assessable Base for 2009-2010.

President Olinde explained the Constant Yield Tax Rate and the two separate General and Utility Funds, acknowledging the inordinate amount of time Council and Staff had spent this year looking at every line item in the budget. The budget is actually reduced from last year's budget with many projects and line items removed to balance the budget as frugally as possible while "still doing what citizens' expect us to do".

- **Ed Cowell of Nina Lane** spoke for himself and on behalf of other concerned citizens of Fruitland, expressing disappointment and disagreement with the City's intent to significantly raise the water and sewer rates for residents; he challenged the proposed water and sewer portion of the budget on the grounds that citizens were not duly informed about the public hearing to discuss the proposed water and sewer rate adjustments. He further expressed concern that the significant increases as a measure to compensate for recent years when increases were not considered was neither fair nor reasonable; it was not the citizens' responsibility to bear local government's fiduciary oversight. He respectfully requested that the Council reconsider the increases as proposed, and consider imposing less significant increases over a longer time period of time, or at the very least consider revisiting the rate increase issue and a more gradually phased in rate increase, prior to the next fiscal year budget .

President Olinde stated that the water and sewer base rate user fees were half of what the City Accountant actually recommended, acknowledging that Councilors had deliberated diligently to trim back the budget and subsequent increases because Councilors were sympathetic to citizens' current economic plight; he cited the weeks of hard work City Council and Staff had devoted to budget preparation and the measures undertaken to get that information out to the public.

President Olinde again offered an apology , much the same as he did at the May 12, 2009 Public Hearing for the Fiscal Year 2009-2010 Budget, for the inaccurate and untimely publication of budget information submitted ahead of time, a week prior to the May Public Hearing as a Press Release to the Daily Times, that was actually published the day of the Public Hearing; he explained that the City's only requirement is to advertise a Public Hearing, which was done again this year in the same manner that it has always been done. The significant increases proposed for water and sewer rates this budget year prompted concern for Fruitland citizens that resulted in Council and Staff submitting a preemptive press release to the media that was unfortunately botched because of the delay in publishing.

President Olinde acknowledged that the budget must pass this evening but emphatically stated that the Council would continue welcoming public comment regarding the budget; he further stated that the Council could still consider mid year budget adjustments or changes if warranted and fiscally sound.

President Olinde cited increasing costs associated with chemicals, energy, and Maryland Department of the Environment (MDE) compliance as key factors driving the Utilities Budget; he reiterated that there were no employee salary increases this year and Councilors were striving to keep employee health care expenses down.

- **Rob Schultheis of Nina Lane** presented a petition with Seventy (70) names and signatures that expressed citizens' concerns and frustrations that proper notice was not given regarding the Public Hearing for the significant increase in Water and Sewer Rates. Mr. Schultheis also expressed concern that the City was irresponsible in not foreseeing that prepaid developer fees would eventually be depleted; rates should have been raised accordingly through the years, as opposed to the significant Fifty Dollar (\$50.00) base rate increase proposed this budget year; why did those still on the Council now, opt to forego incremental water and sewer rates increases as recommended by the auditor several years ago?

President Olinde and Treasurer Ortiz responded that people were angry about the tax rate increase four years ago; nobody likes increases and the Council tried to maintain the Utilities Budget with no increases to water and sewer rates as long as possible. Treasurer Ortiz acknowledged all the time and effort Councilors had spent working to balance the budget, still remaining cognizant of citizens' financial situations.

- **Richard Outen of Dudley Avenue** inquired about a more significant increase in the water and sewer overage rates, more than the \$1.50 per 1,000 gallons of each as now proposed, as a means to balance the budget and encourage water conservation. He also questioned whether water and sewer front footage assessments would ever be phased out.

President Olinde explained that the budget cannot be balanced with the overage user fees; hence the base user fees for minimum usage traditionally bear the brunt of balancing the budget.

President Olinde explained that the Front Foot Assessments were originally planned for forty years; unfortunately the utility plants when built only lasted twenty years; therefore Front Foot Assessments will probably always be in place. He did note that Wicomico County has assisted with a portion of the debt repayment associated with the new WWTP, and has done since Fruitland originally incurred the debt.

- **Kim Marshall of Hayward Avenue** raised concerns that fixed income households would be unable to afford the significant increase in Water and Sewer Rates given that Social Security Income has been frozen for the next two years; citizens could have better tolerated lesser increases over time. She inquired about resources for citizens to obtain assistance in paying water bills, much like they obtain assistance from Shore-Up for payment of energy bills.

Councilor Carey acknowledged that the City would work with all citizens making concerted efforts to pay their utility bills, advising citizens to contact Deputy Treasurer Caton in the Finance Department to work out the details; he further advised that Treasurer Ortiz and he were part of the Audit Committee that has been established to work closely with the Auditor to review and analyze quarterly, all City Financials in conjunction with the Fiscal Year Budget. He welcomed any and all citizens' suggestions to "make it work better".

Deputy Treasurer Caton clarified current Finance Department Policy regarding Collection of Utility Bills and waiving of Late Fees.

- *Late fees are waived one time for all residents upon request.*
- *Part payments are always encouraged and accepted, with the understanding that the entire bill must be paid by the payment deadline date.*

- **Paul Bradshaw of Emily Drive** expressed concern regarding the significant water and sewer increases experienced four years ago as well as the significant increases proposed this year. He raised questions regarding repair of the water tower and other large scale projects that might be slated in the Utilities Department; he voiced concerns about the Salisbury-Fruitland Water Interconnect Project. Mr. Bradshaw raised concerns about double taxation and questioned the status of the tax-setoff issue; he questioned the impact on Fruitland's water and sewer systems should the new middle school locate in Fruitland.

President Olinde confirmed that a property in Fruitland was one of two sites being considered by the Wicomico County Board of Education(WCBOE) for the new Bennett Middle School that was projected to house some Nine Hundred (900) students; Councilor Lokey indicated that the school would not significantly impact Fruitland's Utility System.

President Olinde thanked Wicomico County Executive Pollitt for his assistance in securing the municipalities of Delmar, Fruitland, and Salisbury an audience with Wicomico County to discuss the tax setoff issue. The three municipalities have inked out an agreement that specifies each municipality's financial obligation for a study that will be conducted regarding this issue and further specifies the firm to conduct the study; it is hoped that a resolution to this issue will be forthcoming during this fiscal year.

- **Kerry Nelson of East Main Street** offered comments reflecting his positive experience as a Fruitland resident since 1986 regarding property values, no frills budgets, and availability of staff to help when needed, acknowledging that qualified staff and programs cost money. There have been no rate increases these last four years and while no one likes rate increases, Mr. Nelson implored the Council to exercise due diligence in listening to concerns raised this evening regarding raising rates incrementally each year as opposed to raising them periodically, a significant amount all at once.
- **Chuck Nichols of Oaklee Drive** questioned how the discrepancy occurred in calculating the life of the sewer plant in conjunction with the life of the Front Foot Assessment charge to residents; he further questioned the substantial rate increase this year, requesting clarification that would better help him understand and accept the increase.

President Olinde acknowledged that rates should have increased, and discussed prepaid impact fees combined with Councilors' decision to not incur debt as the offsets that forestalled utility rate increases these past four years.

Utilities Director Derbyshire commented that ever rising energy costs and compliance with MDE reserve requirements were major components that significantly increase the Utility Budget.

- *He noted that a quarter of a million dollar monthly electric bill at the Waste Water Treatment Plant (WWTP), an expense that the City has no control over, prompted a study that yielded improvements to maximize efficiency in an effort to minimize costs; the audit has yielded positive savings.*
- *He noted that a zero percent loan available to the City from Maryland Department of the Environment (MDE) as part of a federal stimulus was declined so as not to increase the Utilities Budget with loan repayment.*

Mr. Derbyshire re-issued his open invitation to all Fruitland citizens to come in and observe the City's Utility system, welcoming them to look at the operation to determine how the City could save any additional money while still adhering to federal government regulations and MDE permit conditions.

- **Stanley and Cynthia Nyirenda of Nina Lane** voiced their concerns regarding the significant increases proposed for water and sewer rates, asking the Council to consider other ways to balance the budget besides raising rates. Also of concern to Ms. Nyirenda was paying a minimum consumption fee when usage is actually less than the minimum.
- **Pam Ketterer of Paddock Drive** asked why residents had to pay minimum consumption usage fees as opposed to paying for actual consumption, acknowledging that she paid for actual usage in other communities that followed this practice and still balanced their respective budgets. Ms. Ketterer voiced concern that the rate increase was so significant and that it affected a service that people absolutely needed to live in their homes; could something else less essential be considered for a rate increase rather than water and sewer rates?
- **Donna Hudson of Hayward Avenue** voiced concerns that her water bill has increased every time a new business has come to Fruitland, even though she has been told that a new business to Fruitland does not impact individual residents' bills. During her twelve years in Fruitland her bill has increased from \$68.00 to \$188.00 per quarter, while the minimum gallons of consumption have decreased from 10,000 to 8,000 gallons per quarter. Ms. Hudson voiced concerns regarding the intermittent intense chemical smell of the water that affects the taste of the water and contributes to dry skin. Although appreciative of the completion of the Hayward Avenue Project, the project added four feet (that will result in additional taxes) to her existing property because the street was narrowed and the City did not (or could not) purchase the easements.

- **Cheryl Weedy of Nina Lane** voiced concerns that after retiring to Fruitland four years ago, being on a fixed income has become scary in light of increased service rates coupled with decreasing property values.
- **Joe Albero** posed several questions and offered several comments that generated discussion regarding Fruitland's rates, policies, and reliability of facilities in comparison to other neighboring municipalities and other service industries. He also acknowledged the Council's willingness to entertain citizens' concerns and comments and the Council then responding to those concerns and comments by sharing some of the decision making process and the challenges faced in trying to balance the budget while still being sensitive to citizens' economic plight.
- **Wicomico County Executive Rick Pollitt** offered his comments regarding Fruitland's budget and the Council's efforts in balancing the budget with the least amount of impact to residents while still supplying a high level of service; he drew historical comparisons between Fruitland's efforts to maintain rates with no increase in rates these last four years and the events that led to the Revenue Cap being imposed in Wicomico County. He stressed the importance of adjusting rates over time, commensurate with increases in expenses, in order to avoid a dramatic increase all at once when there is no room to maneuver in balancing the budget.
- **Douglas Nolan of Horsetail Court** summarized that hopefully a lesson has now been learned and that in the future rates will be raised over time and not all at once, that prepaid developer fees will not be relied upon as a way to balance the budget and avoid rate increases.

President Olinde thanked everyone for their comments and closed the Public Hearing at 9:55 p.m.

UNFINISHED BUSINESS

1. Adopt FY 2009-2010 City Budget

President Olinde began the budget adoption process with the Water Department Budget and Fees, detailing the major components that comprise the Eight Hundred Thirty-seven Thousand Six Hundred Dollars (\$837,600.00) of revenue that will balance the budget and in turn offset the same amount in listed expenditures.

President Olinde then presented the Water Rates and Fees imposed to balance the budget.

Water Base Rate:
 \$65 per quarter for first 8,000 gallons (*minimum*)*
 Water Overage Rate:
 \$1.50 per 1,000 gallons over *minimum**
 *Effective October 2009 Quarter

Water Annual Front Foot Assessment:
 \$.40 per lineal foot (*billed quarterly*)
 Water Tap Installation Fee:
 \$4,200.00
 Water Impact Fee:
 \$4,500.00 per Equivalent Dwelling Unit (EDU)

On a motion by Councilor Carey that was seconded by Councilor Lokey, the Water Department Budget and Fees for Fiscal Year 2009-2010 were approved as presented by a unanimous vote in favor.

President Olinde continued the budget adoption process with the Sewer Department Budget and Fees, detailing the major components that comprise the One Million Three Hundred Seventy-eight Thousand Dollars (\$1,378,000.00) of revenue that will balance the budget and in turn offset the same amount in listed expenditures.

President Olinde then presented the Sewer Rates and Fees imposed to balance the budget.

Sewer Base Rate:
\$95 per quarter for first 8,000 gallons (*minimum*)*
Sewer Overage Rate:
\$1.50 per 1,000 gallons over *minimum**
**Effective October 2009 Quarter*

Sewer Annual Front Foot Assessment:
\$1.50 per lineal foot (*billed quarterly*)
Sewer Tap Installation Fee:
\$3,300.00
Sewer Impact Fee:
\$4,500.00 per Equivalent Dwelling Unit (EDU)

On a motion by Treasurer Ortiz that was seconded by Councilor Tull, the Sewer Department Budget and Fees for Fiscal Year 2009-2010 were approved as presented by a unanimous vote in favor.

President Olinde continued the budget adoption process with the General Operating Budget of Six Million Two Hundred Sixty-five Thousand Dollars (\$6,265,000.00), reduced from last year's budget of Six Million Nine Hundred Forty-one Thousand Dollars (\$6,941,000.00).

President Olinde then presented separately for vote, the Rates and Fees imposed to balance the General Operating Budget.

Real Property Tax Rate (*unchanged from Fiscal Year 2008-2009*):
\$.70 per \$100 assessed value

On a motion by Councilor Tull that was seconded by Treasurer Ortiz, the Real Estate Property Tax Rate was adopted as presented for Fiscal Year 2009-2010 by a unanimous vote in favor.

Personal Property Tax Rate (*unchanged from Fiscal Year 2008-2009*):
\$1.66 per \$100 assessed value

On a motion by Councilor Carey that was seconded by Councilor Lokey, the Personal Property Tax Rate was adopted as presented for Fiscal Year 2009-2010 by a unanimous vote in favor.

Mobile Home Tax Rate (*unchanged from Fiscal Year 2008-2009*):
15% of Gross Monthly Charges (*excluding tax*)

On a motion by Councilor Tull that was seconded by Councilor Carey, the Mobile Home Tax Rate was adopted as presented for Fiscal Year 2009-2010 by a unanimous vote in favor.

Sanitation Fees (*unchanged from Fiscal Year 2008-2009*):
\$44.25 per quarter (*Residential*)
\$132.75 per quarter (*Commercial*)

On a motion by Treasurer Ortiz that was seconded by Councilor Lokey, the Sanitation Fees were adopted as presented for Fiscal Year 2009-2010 by a unanimous vote in favor.

The General Operating Budget for Fiscal Year 2009-2010 was then adopted in its entirety on a motion by Treasurer Ortiz that was seconded by Councilor Lokey; the motion carried on a four to one vote with Councilor Tull the dissenting vote.

President Olinde continued the budget adoption process with the Capital Improvements Budget for Fiscal Year 2009-2010 that had been reduced dramatically by moving the bulk of capital projects to the Five Year Capital Improvement Plan; the major component of the budget is the design-build of the new Police Station.

On a motion by Councilor Tull that was seconded by Councilor Lokey, the Capital Improvements Budget for Fiscal Year 2009-2010 was adopted as presented by a unanimous vote in favor.

President Olinde continued the budget adoption process with the Five Year Capital Improvement Plan for Fiscal Years 2009-2014; multiple projects are proposed in most departments and the plan is updated annually to reflect the City's most current "wish list".

On a motion by Councilor Tull that was seconded by Councilor Lokey, the Five Year Capital Improvement Plan for Fiscal Years 2009-2014 was adopted as presented by a unanimous vote in favor.

2. Paid Bill Report

President Olinde acknowledged receipt of the paid bill report. As there were no questions, **on a motion made by Councilor Tull that was seconded by Treasurer Ortiz, the paid bills were approved as listed by a unanimous vote in favor.**

NEW BUSINESS

1. Financing – Polly Caton

Deputy Treasurer Caton outlined several purchase projects that the Council had previously authorized be financed by ordinance.

Ordinance No.242 –

Hayward Avenue Reconstruction and Inflow and Infiltration (I&I) Project

Ordinance No.243-

Three Police Vehicles

Utilities Dump Truck with Special Hook-Lift System for Sewer Department Use

Ordinance No.244-

Fruitland's portion of the Salisbury-Fruitland Water System Interconnect

City Manager McDonnell read the ordinances prepared by Solicitor Mitchell that defined the borrowing parameters for the financing of the several projects.

On a motion by Councilor Lokey that was seconded by Councilor Tull, the first reading of Ordinance Nos. 242, 243, and 244 were adopted as presented by a unanimous vote in favor.

Public Hearings for Ordinance Nos. 242, 243, 244 will be scheduled on Tuesday, July 14, 2009 at 7:41 p.m., 7:42 p.m., and 7:43 p.m. respectively.

2. **Amendment to Basic Water and Sewer Service Agreement between Wicomico County, Maryland, Wicomico County Urban Services Commission , and City of Fruitland**

President Olinde summarized that Wicomico County had assisted in funding the new Fruitland Wastewater Treatment Plant (WWTP) by purchasing the ability to process 200,000 gallons of County Wastewater at Fruitland's plant.

Wicomico County Board of Education (WCBOE) is now considering a property in Fruitland for the location of the new middle school; the school will need water and sewer in the form of Equivalent Dwelling Units (EDUs) as mandated by MDE. This amendment clarifies that the EDUs will be allocated from the County's 200, 000 gallons of capacity and not Fruitland's capacity. If approved this evening, the agreement is effective immediately and guarantees water and sewer for the school. Should the school not be built in Fruitland, the agreement becomes null and void.

President Olinde highlighted the specific points of the amendment; he acknowledged that the document had been reviewed and discussed by the Council, Solicitor Mitchell, Utilities Director Derbyshire, and City Manager McDonnell, and was being presented with positive endorsements from all.

With no questions posed, **President Olinde called for a motion to approve the Amendment to the Basic Water and Sewer Service Agreement between Wicomico County, Maryland, Wicomico County Urban Services Commission and the City of Fruitland. Councilor Lokey so moved, Councilor Carey seconded, and the motion carried on a unanimous vote in favor.**

PUBLIC COMMENT/GENERAL DISCUSSION

With no further business to discuss, **Councilor Tull moved to adjourn. Treasurer Ortiz seconded, and with a unanimous vote in favor, the meeting adjourned at 10:20 p.m.**

Diane C. Nelson

Diane C. Nelson, City Clerk

Approved, July 14, 2009 dcn