

The Fruitland City Council met in regular session at City Hall on Tuesday evening, December 14, 2010 at 7:30 p.m. with the following members present:

*President Richard Lee Outen, Jr., Treasurer Darlene Kerr, Councilor Gloria J. Ortiz, and Councilor Raymond D. Carey*

Also present at the table were:

*City Manager Rick D. Konrad, Assistant City Manager/City Clerk Diane C. Nelson, Deputy Treasurer Amy B. Caton, Chief of Police Michael J. Phillips, and City Solicitor Andrew C. Mitchell Jr.*

Also present in the audience were:

*Utilities Director Joseph P. Derbyshire, Public Works Director P. Cooper Townsend, and Code Enforcement Officer Joe Vogel*

Our guests included:

*Salisbury Police Chief Barbara Duncan, Amanda Pollack of George, Miles, and Buhr (GMB), Spencer Rains, Cameron Meadows, Donnie Cooper of Cooper Insurance, Bill Hearne of Crown Sports Center, Gary Pusey, John Bonas, and Richard F. Tull*

President Outen called the meeting to order at 7:35 p.m. and welcomed all in attendance. Councilor Ortiz delivered the opening prayer, and all recited the Pledge of Allegiance.

President Outen acknowledged receipt of the minutes of the Regular Meeting of November 9, 2010 and the Special Meeting of November 4, 2010, calling for additions or corrections. As there were none, **Councilor Ortiz moved to adopt the minutes as presented; Treasurer Kerr seconded and the motion passed on a four to zero vote in favor.**

**Treasurer Kerr** delivered the Treasurer's Report.

Cash on Hand 11/01/10	\$ 198,955.81
Deposits	<u>621,849.91</u>
Subtotal	\$ 820,805.72
Transfer to Savings	(100,000.00)
Disbursements	<u>(526,709.03)</u>
Total Ending 11/30/10	\$ 194,096.69

**Councilor Carey moved to accept the Treasurer's Report as presented. Councilor Ortiz seconded and the motion passed on a four to zero vote in favor.**

**City Manager Rick Konrad delivered the City Manager's Report** which included updates on several ongoing projects, staff communications, and upcoming meetings and events pertinent to Fruitland. Mr. Konrad also acknowledged the teamwork evident among the Public Works, Utilities, and Police Departments on November 23, 2010, as he thanked them for their efforts in working together to repair a serious water main break near the corner of West Main and Camden Avenue.

**Chief Phillips** delivered his report for the month of November 2010, noting fluctuations in crime statistics and service calls from prior periods, and updates on several departmental projects; he then presented a request to Council for permission to convert One Thousand Six Hundred Ninety-three Dollars (\$1,693.00) from *Forfeited Funds* to the Department's Fundraising *K-9 Fund*, having just received notification from the Court on December 6, 2010 that the Department could now access those *Forfeited Funds*.

**On a motion by Councilor Carey that was seconded by Councilor Ortiz and approved by a four to zero vote in favor, Council approved the conversion of Forfeited Funds to the K-9 Fund as requested.**

Chief Phillips then introduced Salisbury Police Chief Barbara Duncan, who spoke briefly to Council about her ties to the Salisbury Community and her hope to partner with neighboring law enforcement agencies to fight crime in Salisbury without displacing it to neighboring communities.

**Deputy Treasurer Caton** reported that the Finance Department had processed approximately Twelve (12) credit card payments of water bills as the initial phase of credit card processing began in late November in anticipation of water cut-offs in early December, noting that the convenience fee for credit card processing is well below the City's Late Charge and/or Reconnect Fees. Initial posting issues continue to be resolved with the credit card processing vendor, and a Lobby Kiosk allowing customer internet access for processing of VISA credit card payments is slated for January 2011.

**Utilities Director Derbyshire** delivered his monthly report which included a detailed summary of the events leading to the water main break and subsequent repair of that break at West Main and Camden Avenue which City Manager Konrad had acknowledged earlier in his report to Council, discussion of the new gas main being installed on West Main Street in conjunction with City concerns regarding City infrastructure and repair of road cuts, and mention of the meter readings for billing which are scheduled for December 20, 2010. Director Derbyshire concluded his report by noting that the Waste Water Treatment Plant (WWTP) has not been cited for a single violation during its Eight (8) years of continuous operation which has encompassed completion of Sixteen Thousand Six Hundred (16,600) different analyses by the City as well as external monitoring agencies; he thanked the Staff for a job well done!

**Code Enforcement Officer Vogel** delivered his report for the month of November 2010 which included statistics for all types of correspondence, meetings, housing inspections, building permits, certificates of occupancy, code violations, and violation notifications; he also reported on Two (2) new Code Enforcement initiatives, a Property Status Survey and a Safe Streets/Sidewalks Survey.

*Prior to the Public Hearing, President Outen read a Letter of Commendation from Wicomico County Sheriff Mike Lewis acknowledging the efforts of Corporal Ronald R. Ciszewski and Officer First Class Edwin L. Pauley III as they conducted a traffic stop which resulted in the apprehension of Three (3) suspects wanted in conjunction with Two (2) shootings which had occurred earlier in the evening, One (1) in Salisbury and One (1) in the County.*

#### **Public Hearing Ordinance No. 252 – Sign Ordinance - 7:40 p.m.**

**At 8:08 p.m.** President Outen convened a Public Hearing on Ordinance No. 252, which was given First Reading at the November 9, 2010 Council Meeting, and which repeals Ordinance No. 248 and restores the provisions of Ordinance No. 164, as if Ordinance No. 164 had not been repealed by Ordinance No. 248.

City Solicitor Mitchell then presented Ordinance No. 252 for Second Reading, after which President Outen opened the floor for public comment; as there were no public comments, President Outen closed the Public Hearing and called for the motion.

**On a motion by Treasurer Kerr that was seconded by Councilor Ortiz and approved by a four to zero vote in favor becoming effective December 14, 2010, Council adopted Ordinance No. 252 as presented.**

#### **Public Hearing Ordinance No. 251 – Fruitland Economic Development (FrED) Ordinance – 7:45 p.m.**

**At 8:10 p.m.** President Outen convened a Public Hearing on Ordinance No. 251, which was given First Reading at the November 9, 2010 Council Meeting, and is an ordinance recognizing, ratifying, and authorizing The Fruitland Economic Development Commission (FrED), and providing a framework for operation.

Prior to presenting Ordinance No. 251 for Second Reading, City Solicitor Mitchell cited Section FC3-2.A. (37) of the City Charter which permits the Council to enact legislation for the promotion of industry; he also noted that the Commission had voted in favor of the ordinance at the FrED meeting held earlier today.

President Outen then opened the floor for public comment; as there were no public comments, President Outen closed the Public Hearing and called for the motion.

**On a motion by Councilor Ortiz that was seconded by Treasurer Kerr and approved by a four to zero vote in favor becoming effective December 14, 2010, Council adopted Ordinance No. 251 as presented.**

## **UNFINISHED BUSINESS**

### **1. Paid Bill Report**

President Outen acknowledged receipt of the paid bill report. As there were no questions, **on a motion made by Councilor Ortiz that was seconded by Councilor Carey, the paid bills were approved as listed by a four to zero vote in favor.**

### **2. New Police Building - Update**

Chief Phillips reported that the second round bid opening was scheduled for Thursday, December 16, 2010 at 3:00 p.m.

City Solicitor Mitchell reported that he had received *Closing Instructions* from Counsel for Hebron Savings Bank (HSB) regarding the Bridge Loan Financing for the New Police Building; he noted that as a rule he does not conduct real estate settlements and would therefore request Council allow his former partner, now at Hearne and Bailey, or a colleague at Laws and Sarbanes to assist him with this real estate transaction on behalf of the City.

Council authorized by consensus, but without vote, City Solicitor Mitchell to seek legal assistance as requested, with the Bridge Loan Closing at HSB.

## **NEW BUSINESS**

### **1. Eastern Shore Water Interest Deferral Proposal – Action Item**

City Manager Konrad presented a request from Eastern Shore Water for Council to consider deferring future interest beyond December 2010 on Personal Property Taxes (PPT) owed by the company, which would allow the owner, Mr. Aita, to revamp the business and satisfy his PPT obligation in light of the current economy; the total amount owed would be Four Thousand Five Hundred Fifty-four Dollars and Twenty-five cents (\$4,554.25), a combination of PPT and Nineteen (19) months of accumulated interest.

After discussion which clarified that deferral of interest was not standard City practice, Council determined by consensus, but without vote, that it would table discussion of Mr. Aita's request until he could be in attendance to discuss the request in person.

### **2. Crown Sports Request – Discussion Item**

Utilities Director Derbyshire and Bill Hearne of Crown Sports Center came forward to discuss Crown Sports Center obtaining Sewer Service from the City of Fruitland, which prompted discussion regarding pursuit of a grant to fund the lift station needed to pump into the sewer system, Mr. Hearne donating land to the City for the lift station, historical attempts to obtain sewer service in the same area in conjunction with the need for the Southwest Interceptor, the compatibility of the request in conjunction with the City Comprehensive Plan, the mechanics of an Urban Service Agreement versus Annexation, estimated revenue from Real Estate Taxes for Mr. Hearne's property if annexed, and benefits to the City versus potential pitfalls for the City should Council grant the Crown Sports Request.

After discussion, Council determined by consensus, but without vote, to schedule a Work Session early in 2011 to further discuss the Crown Sports Request prior to rendering a decision on the request.

**3. Resolution No. 07-10 – Highway User Revenues and Police Aid – Action Item**

City Manager Konrad summarized the Maryland Municipal League's (MML's) initiative to prod the State of Maryland for the reinstatement of state shared revenues, namely Highway User Revenues and Police Aid, by encouraging each municipality to adopt a resolution petitioning the State for the reinstatement of the shared revenues.

After Mr. Konrad presented Resolution No. 07-10, **on a motion by Treasurer Kerr that was seconded by Councilor Ortiz and approved by a four to zero vote in favor becoming effective December 14, 2010, Council adopted Resolution No. 07-10 petitioning the State of Maryland for the reinstatement of shared revenues as read.**

*City Solicitor Mitchell noted that City Manager Konrad had removed any reference to "exotic tax revenues" as originally proposed by MML when he prepared Resolution No. 07-10; City Manager Konrad acknowledged that a copy of the resolution will be sent to MML as well as Delegate Otto.*

**4. General Liability/Automobile and Workers' Compensation (WC) Insurance – Action Item**

City Manager Konrad invited Donnie Cooper of Cooper Insurance to come forward for discussion of recent insurance quotes regarding the City's General Liability/Automobile and Workers' Compensation Insurance coverage as Two (2) of the Three (3) quotes were from Cooper Insurance.

City Manager Konrad acknowledged Council's receipt of the Insurance Quotes along with his recommendation to Council that the City contract its 2011 General Liability/Auto and Workers' Compensation Insurance with Cooper Insurance (Selective), with an additional purchase of "Failure to Supply Utilities Form CG8030 Coverage" at a cost of an additional One Thousand Dollars (\$1,000) premium.

Discussion included clarification that the Treasurer and other designated employees are insured under a separate bond, that the bulk of the savings came from the combined quote for General Liability/Automobile and Workers' Compensation Insurance, and the availability of an umbrella policy for an additional premium.

After discussion, **on a motion by Councilor Ortiz that was seconded by Treasurer Kerr and approved by a four to zero vote in favor, Council authorized City Manager Konrad to move forward with the new insurance contracts with Cooper Insurance (Selective) in January 2011 when the policy period is up for renewal, to include the base purchase of the General Liability/Automobile and Workers' Compensation Coverage as quoted, with the additional purchases of "Failure to Supply Utilities Form CG8030 Coverage" at a cost of One Thousand Dollars (\$1,000) and a Five Millions Dollar (\$5,000,000) Umbrella Policy at a cost of Four Thousand Nine Hundred Ninety Dollar (\$4,991).**

**5. Consolidation of Board of Zoning Appeals (BZA) and Board of Noise Control Functions – Discussion Item**

City Manager Konrad summarized that because the BZA and Board of Noise Control meet as needed, which is somewhat infrequently, and that the City has had difficulty in securing volunteers to serve on the BZA, it might be beneficial to the City to combine the Two (2) Boards into One (1) Board with multiple functions.

After brief discussion, Council determined by consensus, but without vote, that staff should look into this matter further and come back to Council with a proposal.

*Asst. City Mgr./City Clerk Nelson will work with City Solicitor Mitchell to prepare a proposal to bring back to Council.*

**6. Ordinance No. 214 – Council Salaries – Discussion Item**

Asst. City Mgr./City Clerk summarized the key points of Ordinance No. 214, enacted on February 3, 2004 and effective October 2006, regarding the review of Council Salaries every four (4) years by a Council appointed Citizens Advisory Committee; Ms. Nelson continued that it was now time to appoint the Committee to review

the salaries and then make recommendations to the Council; should this sitting Council enact a new ordinance prior to October 2012 based on the Committee's recommendations, any change to Council salaries would not become effective until October 2014.

After discussion, Council determined by consensus, but without vote, that Ms. Nelson should contact the previous Citizens Advisory Committee to determine if they would again undertake review of Council salaries; Ms. Nelson will report back to Council with updates as they are available.

**PUBLIC COMMENT/GENERAL DISCUSSION**

Residents' comments included concerns about City incurred costs with the re-bidding of the New Police Building, and a request for Council to consider an additional lower tier base rate for water and sewer billing during the next fiscal year budget deliberations.

With no further Public Comment or General Discussion, President Outen thanked all for attending and wished them a Merry Christmas, prior to calling for a short recess at 9:25 p.m. to clear the Council Chambers so the Council could go into Closed Session to discuss personnel matters.

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At 9:45 p.m. the City Council reconvened in open session with the following members present:

*President Richard Lee Outen, Jr., Treasurer Darlene Kerr, Councilor Gloria J. Ortiz, and Councilor Raymond D. Carey*

Also present were:

*City Manager Rick D. Konrad and Assistant City Manager/City Clerk Diane C. Nelson*

There were no guests in the meeting.

**On motion made by Councilor Carey that was seconded by Councilor Ortiz and approved by a four to zero vote in favor, Council moved to go into closed session to discuss personnel matters.**

**On motion made by Councilor Ortiz that was seconded by Councilor Carey and approved by a four to zero vote in favor, Council reconvened in open session at 10:55 p.m.** where it was reported that the Council, City Manager, and Assistant City Manager/City Clerk had discussed personnel matters and operational procedures, with Council approving an additional Personal Day of Leave for each leave accruing employee in Calendar Year 2011; immediately thereafter **on motion made by Treasurer Kerr that was seconded by Councilor Ortiz and approved by a four to zero vote in favor, the meeting adjourned at 10:56 p.m.**

*Diane C. Nelson*  
Diane C. Nelson, City Clerk  
*Approved, January 13, 2011 dcn*