

The Fruitland City Council met in Regular Session at City Hall on Tuesday, May 14, 2019 at 7:30 p.m. with the following members present:

President Darlene Kerr, Treasurer Ray Carey, Councilor Mark Miciotto, Councilor R. Lee Outen and Councilor Mike Hammond.

Also present at the table were:

City Manager John Psota, Chief Brian Swafford, Deputy Treasurer Mark Swift, City Clerk Raye Ellen Thomas and City Solicitor Andrew Mitchell.

Our guests included:

Public Works Director Michael Gibbons, Bob Marvel, Katherine McAllister from GMB, J.P. and Stephanie Merritt, Code Enforcement Officer Mark Henderson and Alexis Dashield.

At 7:30 p.m. President Kerr called the regular Council meeting to order. Council President Kerr led all in The Lord's Prayer, and all recited the Pledge of Allegiance.

President Kerr acknowledged receipt of the minutes of the Regular Meeting of April and called for additions or corrections. As there were none, **Councilor Hammond moved to adopt the minutes as presented; Treasurer Carey seconded, and the motion passed on a vote of five to zero.**

Reports- Treasurer, City Manager and Department Heads

Treasurer Carey delivered the Treasurer's Report. For April 2019, the City recorded \$722,000 of revenues. The total billed revenues for the fiscal year are \$6.7 million, including real estate taxes and four quarters of utility billing. The City incurred \$452,000 of expenses for the month. The total expenses for the fiscal year to date are \$6.7 million. The net deficit for the City for the month of April is \$270,000 and the net income for the fiscal year to date is \$49,000. **Councilor Miciotto moved to accept the Treasurer's Report as presented, Councilor Hammond seconded, and the motion passed on a vote of five to zero.**

Chief Swafford delivered his report on behalf of the Police Department and Code Enforcement.

- Code Enforcement has closed 151 cases to date.
- There were 21 part one crimes, 16 cleared and over 700 traffic violations in the month of April.
- The routine of #9 PM is paying off. Crime is down.

City Manager Psota had nothing to report.

Deputy Treasurer Swift had nothing to report.

Public Works Director Gibbons delivered his report.

- Mosquito spraying has begun.
- Maryland Rural Water presented the City of Fruitland with a plaque for source water projects of the year.

UNFINISHED BUSINESS

1. Paid Bills

President Kerr acknowledged receipt of the paid bill report. **On a motion made by Councilor Outen and seconded by Treasurer Carey, the paid bills were approved by a vote of five to zero.**

2. Election House Museum Relocation Project

City Manager asked approval for foundation work. It looks as though the building can be moved as soon as the end of June. City Manager Psota and Public Works Director Gibbons have received quotes with the lowest being from Cain Masonry in the amount of \$6133. He would like to award Cain Masonry the job including a 10% contingency in the amount of \$6800.00. **On a motion made by Councilor Outen to award Cain Masonry the foundation work not to exceed \$6800 including a 10% contingency, seconded by Councilor Miciotto, the motion was approved by a vote of five to zero.**

3. Generator- Clyde Avenue

This item was tabled.

4. Cedar Commons/Brown Street

City Solicitor Mitchell advised that all issues with the anticipated closing of Brown Street to traffic have been resolved. Director Gibbons has also heard from the Fire Company and there is not an issue. The unpaved part of Brown Street will be stabilized, seeded, the curb cut on St. Luke's Road will be removed and replaced with regular curb. A barrier and signs will be posted at the other end of Brown Street in Cedar Commons. The work will be paid for by the new buyers per the Public Works Agreement. **On a motion made by Councilor Outen to follow the plan City Solicitor Mitchell and Public Works Director Gibbons have put together and not complete Brown Street, with the burden shifting from the old buyer to the new buyer, and per City Solicitor Mitchell's suggestion to not close Brown Street seconded by Councilor Miciotto.** Councilor Outen asked about the water lines that have been run for the lots already, Public Works Director advised that they can be capped at the street.

Public Hearing – Ordinance # 292 Amend Wording of Ordinance # 287 Property Maintenance

City Solicitor Mitchell read Ordinance # 292 that will amend the Fruitland Property Maintenance Code previously adopted by Ordinance # 287 as the Property Maintenance Code for the City of Fruitland. **On a motion made by Councilor Miciotto to adopt Ordinance # 292 as presented by City Solicitor Mitchell which amends the Fruitland Property Maintenance Code previously adopted by Ordinance # 287 as the Property Maintenance Code for the City of Fruitland, seconded by Treasurer Carey.**

First Reading – Proposed Fiscal year 2019 -2020 Budget

President Kerr convened a Public Hearing to discuss the Proposed Fiscal Year 2019 – 2020 Budget and then yielded the floor to Deputy Treasurer Swift for presentation of the budget.

Deputy Treasurer Swift stated that there will be a decrease in the Tax Rate, however the proposed Tax Rate is still above the Constant Yield Rate, which will result in an increase of Real Estate Taxes in the coming year. The Utility User Rates and all other Personal and Business Tax Rates will remain the same. The Military Veteran's Tax rebate will remain the same and increases in participation each year. A 3% cost of living is included in the proposed budget for all employees. There will be a 10% increase in Health Care which will be paid for by the City with no additional cost to the employee. The budget includes an additional \$500,000 principal payment plan towards the Police Department building loan, which comes from prior year surplus. It also includes budgeting for 500 additional cellular meters and \$180,000 of water main line replacements before the \$350,000 road and parking lot paving also included. New Finance Department accounting software will be purchased and a one-time \$100,000 additional donation will be given to the Fruitland Fire Department for purchasing their new engine.

Deputy Swift presented the General Fund Budget Summary and noted that the Real Estate Tax rate has been decreased again this year from 0.9326 to 0.92, which as mentioned is above the Constant Yield Rate, resulting in an increase in taxes. Personal Property Tax Rate and Mobile Home Park Tax will all remain the same. The Water/Sewer user rates and Sanitation fees will remain the same.

Deputy Treasurer Swift proceeded with presentation of the 2019 – 2020 Capital Improvement Plan and continued with the Five-Year Capital Improvement Plan. Councilor Outen asked how many people participated in the Military Veteran’s Tax rebate and if that could be increased. A discussion was held and Councilor Outen proposed to increase the Military Veteran’s Tax Rebate to \$100. **On a motion made by Councilor Outen to increase the Veteran’s Rebate from \$50.00 to \$100.00 with the same requirements as before, seconded by Councilor Hammond, the motion was approved by a vote of five to zero.**

On a motion made by Councilor Miciotto to accept first reading of the proposed Fiscal Year 2019 – 2020 Budget presented by Deputy Swift, as amended by Councilor Outen’s motion, seconded by Treasurer Carey. Council President Kerr advised that the Public Hearing will be held at the next Council Meeting on June 11, 2019 at 7:40 p.m.

On a motion made by Councilor Outen to accept the first reading of the Fiscal Year 2019 – 2020 Capital Improvement Plan, seconded by Councilor Hammond, the motion was approved by a vote of five to zero.

On a motion made by Treasurer Carey to accept the first reading of the Fiscal Year 2019 – 2020 Capital Improvement Five Year Plan, seconded by Councilor Outen, the motion was approved by a vote of five to zero.

NEW BUSINESS

1. Budget Amendment # 3 – 2019

Deputy Treasurer Swift read Resolution # 3 – 2019 which amends the Fiscal Year 2018 -2019 General Fund Budget. **On a motion made by Councilor Miciotto to accept Resolution # 3- 2019 as read by Deputy Treasurer Swift, seconded by Councilor Outen, the motion was approved by a vote of five to zero.**

2. Budget Amendment # 4 – 2019

Deputy Treasurer Swift read Resolution # 4 -2019 which amends the Fiscal Year 2018 – 2019 Utilities Fund Budget. **On a motion made by Councilor Miciotto to accept Resolution # 4-2019 as read by Deputy Treasurer Swift, seconded by Councilor Hammond, the motion was approved by a vote of five to zero.**

3. Cellular Meter Purchase Ratification

City Manager Psota is asking ratification of a previously approved quote. The new ratification will be in amount of \$136,700 for 456 cellular water meters from National Meter. **On a motion made by Councilor Miciotto to approve the ratification of the purchase of 456 cellular water meters in the amount of 136,700, seconded by Treasurer Carey, the motion was approved by a vote of five to zero.**

4. Street Sign post Purchase Approval

City Manager Psota advised that Public Works Director Gibbons had obtained a quote for the street sign posts like the ones by City Hall. He would like to purchase 21 posts at \$800 each and to have Econo Signs as a sole source. **On a motion made by Treasurer Carey to approve the purchase of 21 street sign posts not to exceed \$17,500, and to have Econo Signs as a sole source, seconded by Councilor Miciotto.**

5. Clyde Avenue Pump Station Pole Shed

Public Woks Director obtained quotes for a pole shed to be placed at the Clyde Avenue pump station to be used for storage. He recommends Delmarva Pole Building, which was the lowest quote in the amount of \$14,857. **On a motion made by Councilor Outen to award the bid to Delmarva Pole not to exceed \$14,950, seconded by Treasurer Carey, the motion was approved by a vote of five to zero.**

6. **Project Open Space Grant Acceptance- Little League Paving**

City Manager Psota advised that the City was approved for a grant in the amount of \$71,500, through Project Open Space, which would be used to pave the Little League Parking lot and stone the other two recreation parking lots. **On a motion made by Councilor Miciotto to accept the Project Open Space Grant Acceptance in the amount of \$71,500 and have the City pay the additional 10% in the amount of \$7150, seconded by Councilor Carey, the motion was approved by a vote of five to zero.**

Public Comment/General Discussion

Bob Marvel asked that when the new water meters are replaced could a little top soil and grass seed be placed over the spot. Public Works Director Gibbons will handle that.

Alexis Dashield thanked everyone for the quick response to the water leak at the Community Center. Alexis also commented on how nice the celebration was for Mary Gladys Jones. She announced that Salisbury has made May 11th Mary Gladys Jones Day.

With no further business to discuss, Council President Kerr advised that in order to discuss litigation and obtain legal advice the Council will take a short recess and then convene into a closed session.

The Council reconvened and with nothing to discuss, **Councilor Outen made a motion to proceed into Closed Session, which was seconded by Treasurer Carey. On a motion made by Treasurer Carey to close the Closed Session and to proceed back to Open Session at 9:02 p.m., seconded by Councilor Hammond, the Council was in Open Session.**

While in Closed Session, legal advice was obtained in regard to litigation.

With no further business to discuss, **Treasurer Carey made a motion to adjourn at 9:04 p.m., seconded by Councilor Hammond, the motion was approved by a vote of five to zero.**

Raye Ellen Thomas
Raye Ellen Thomas / City Clerk
[Approved, June 11, 2019](#)