

**AS AMENDED ON June 11, 2012 and June 18, 2012**  
**ORDINANCE NO. 2206**

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING A BUDGET AMENDMENT OF THE FY 12 WATER AND SEWER FUND BUDGET TO APPROPRIATE FUNDS RECEIVED THROUGH THE SETTLEMENT OF A TWO LAWSUITS.

WHEREAS, on October 3, 2011 the City of Salisbury accepted the proposal from Goldberg, Besche, Banks, P.C. regarding representation in pending litigation and payment terms concerning the Waste Water Treatment Plant; and

WHEREAS, the agreement with the Goldberg law firm provided that the firm would be paid, in addition to its hourly rate, a portion of any settlement that the City received as a contingency according to the following schedule:

- 17% for recovery on the first \$1,000,000
- 22% for recovery on any recovery between \$1,000,000 and \$2,500,000
- 29% for recovery above \$2,500,000

WHEREAS, the City of Salisbury received two settlements in this lawsuit totaling \$10,225,000; and

WHEREAS, it is necessary to amend the FY12 Water and Sewer Budget ~~to accept the lawsuit settlement proceeds and~~ to appropriate the amount to be paid to the Goldberg Law Firm pursuant to the lawsuit settlements; and

WHEREAS, it is the desire of the City Council to restore to the surplus in the Water and Sewer Fund the amount withdrawn this year to pay for additional legal expense attributable to this litigation; and

WHEREAS, it is the desire of the City Council to place the remainder of the settlement into a restricted account for the Waste Water Treatment Plant expenses;

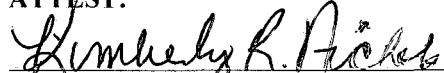
NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF SALISBURY, MARYLAND that the City's Fiscal Year 2012 Water and Sewer Fund budget be and is hereby, amended as follows:

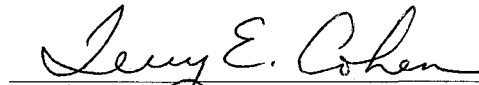
- 1) Increase Lawsuit Proceeds \$3,582,798.44. (60100-456939)
- 2) Increase the Water and Sewer Other Attorney by \$2,740,250.
- 3) Decrease the Water and Sewer Surplus by \$842,548.44

BE IT FURTHER ORDAINED that this Ordinance shall take effect from and after the date of its final passage.

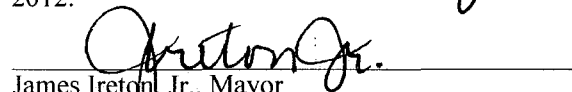
THIS ORDINANCE was introduced and read at a meeting of the City Council held on the 11<sup>th</sup> day of June, 2012, and thereafter, a statement of the substance of the Ordinance having been published as required by law, was finally passed by the Council on the 18<sup>th</sup> day of June, 2012.

ATTEST:

  
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Kimberly R. Nichols, City Clerk

  
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Terry E. Cohen, President  
Salisbury City Council

Approved by me this 19<sup>th</sup> day of June,  
2012.

  
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James Iretch, Jr., Mayor