

ORDINANCE NO. 2182

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING AN AMENDMENT OF THE FY12 WATER AND SEWER FUND BUDGET.

WHEREAS, the FY12 Water and Sewer Fund budget was created with certain estimates for legal services, and;

WHEREAS, as the year has progressed it has been determined that those estimates will not be sufficient to cover all of the costs of the City's Wastewater Treatment Plant litigation attorneys, Goldberg, Besche & Banks, P.C., the City attorney, expert testimony and other litigation expenses, and;

WHEREAS, the City Council desires to update the budget to reflect new estimates;

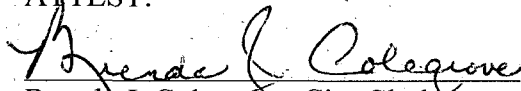
NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that the City's Fiscal Year 2012 Water and Sewer Fund budget be and is hereby amended as follows:

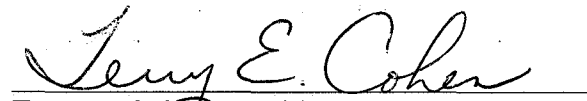
- 1) Increase the current surplus account for the Water and Sewer Fund by \$667,500
- 2) Increase the Water and Sewer Fund expenses by \$667,500

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 Council of the City of Salisbury held on the 12<sup>th</sup> day of December, 2011, and thereafter, a statement of the substance of the Ordinance having been published as required by law, was finally passed by the Council in a special meeting on the 19<sup>th</sup> day of December, 2011.

ATTEST:

  
Brenda J. Colegrove, City Clerk

  
Terry E. Cohen, President  
Salisbury City Council

Approved by me this,

20<sup>th</sup> day of December, 2011

  
James Ireton, Jr., Mayor

# City of Salisbury



**MARYLAND**



125 NORTH DIVISION STREET  
SALISBURY, MARYLAND 21801  
Tel: 410-548-3170  
Fax: 410-548-3107

TERESA GARDNER, P.E.  
DIRECTOR OF PUBLIC WORKS

JAMES IRETON, JR.  
MAYOR

JOHN R. PICK  
CITY ADMINISTRATOR

LORÉ L. CHAMBERS  
ASSISTANT CITY ADMINISTRATOR

TO: John Pick

FROM: Teresa Gardner

DATE: December 5, 2011

RE: FY 12 Budget Amendment  
87000 Sewer Administration  
Litigation Costs

As discussed, the OBG/CDG litigation is ramping up as we work towards the new November trial date. Goldberg, Besche & Banks, P.C. and Webb, Burnett, Cornbrooks, Wilber, Vorhis, Douse & Mason, LLP have provided their cost estimates for the remainder of the fiscal year. We will need expert testimony to prove our liability case so funds are also included for the expert opinions and other litigation support expenses.

Attached is an updated spreadsheet with the estimated expenses. The updated figures include additional funds for the expert testimony from the engineering firm Brown and Caldwell, the construction management expert, Mr. Wilkinson and deposition costs. The current 87000 Sewer Administration budget can cover the litigation expenses through December. We are requesting a budget increase of \$667,500 be added to the Sewer Fund expenses to cover the projected litigation costs for the remainder of FY12.

Unless you or the Mayor has further questions, please forward a copy of this memo to the City Council.

