



CITY OF SALISBURY CITY COUNCIL AGENDA

January 13, 2020
Government Office Building

6:00 p.m.
Room 301

Times shown for agenda items are estimates only.

6:00 p.m. CALL TO ORDER

6:01 p.m. WELCOME/ANNOUNCEMENTS

6:02 p.m. CITY INVOCATION – Rev. Norman Hancock of St. Thomas Anglican Church

6:04 p.m. PLEDGE OF ALLEGIANCE TO THE FLAG OF THE UNITED STATES OF AMERICA

6:05 p.m. ADOPTION OF LEGISLATIVE AGENDA

6:06 p.m. CONSENT AGENDA – Assistant City Clerk Diane K. Carter

- **December 2, 2019 Closed Session Minutes (separate envelope)**
- **December 2, 2019 Work Session Minutes**
- **December 9, 2019 Legislative Session Minutes**
- **December 16, 2019 Special Meeting Minutes**
- **December 16, 2019 Work Session Minutes**
- **January 6, 2020 Closed Session Minutes (separate envelope)**
- **January 6, 2020 Work Session Minutes**
- **Resolution No. 2985**- to amend the Disclaimer and Chapter 3 of the Employee Handbook to update the Employee Handbook
- **Resolution No. 2986**- approving the reappointment of Brian Soper to the Board of Zoning Appeals for term ending December 2022
- **Resolution No. 2987**- accepting the donation of free library stands from Sean Fahey of Peninsula Roofing Company for the City of Salisbury in support of a free City library project
- Approving the Manufacturing Exemption Request for Spartech LLC
- Approving the Manufacturing Exemption Request for LWRC International LLC

6:12 p.m. AWARD OF BIDS – Director of Procurement Jennifer Miller

- Award of Bid- ITB 20-112, Paleo Well #3 Construction
- Award of Bid- ITB A-20-106, Magnesium Hydroxide
- Award of Bid- ITB A-20-105, City-wide Electrical Services
- Change Order #1, ITB 19-124, Town Square Phase 1

6:25 p.m. RESOLUTIONS – City Administrator Julia Glanz

- **Resolution No. 2988**- authorizing the Capacity Fee of the City's Comprehensive

- Connection Charge to be waived for the development of 144 East Main Street
- **Resolution No. 2989**- authorizing the Mayor to enter into an agreement with First Move Properties, LLC to allow the use of soil located at the City's Wastewater Treatment Plant for the redevelopment of 130 East Main Street, 132 East Main Street and 144 East Main Street
- **Resolution No. 2990**- authorizing the Mayor to enter into an agreement with First Move Properties, LLC for the purchase of parking permits in the Downtown Parking Garage, to grant a Temporary Construction Easement and Perpetual Maintenance Easement, and to grant a Deed of Easement to First Move Properties, LLC.

6:35 p.m. ORDINANCES – City Attorney Mark Tilghman

- **Ordinance No. 2570**- 2nd reading- approving an amendment of the FY20 Budget to appropriate a developer contribution for pedestrian improvements
- **Ordinance No. 2571**- 2nd reading- approving an amendment of the City's Capital Project Fund Budget to reallocate funding for the Roof Replacement Fire Station 1 Project
- **Ordinance No. 2572**- 2nd reading- approving an amendment of the FY20 General Fund to appropriate an additional position allocation for the hiring of a Volunteer Recruitment Coordinator for the Fire Department
- **Ordinance No. 2573**- 2nd reading- approving a budget amendment of the FY2020 General Fund Budget to appropriate funds for the purchase of Self-Contained Breathing Apparatus
- **Ordinance No. 2575**- 1st reading- approving a budget amendment of the City's Special Revenue Fund Budget and to accept and appropriate funds from the Bless Our Children Campaign for the Santa's Workshop Program
- **Ordinance No. 2576**- 1st reading- to reallocate Bond and Lawsuit proceeds to fund projects previously authorized in FY20 Budget Ordinance Schedule B

6:55 p.m. PUBLIC COMMENTS

7:00 p.m. MOTION TO CONVENE IN CLOSED SESSION AS AUTHORIZED UNDER THE AUTHORITY OF THE MARYLAND OPEN MEETINGS LAW, ANNOTATED CODE OF MARYLAND GENERAL PROVISIONS ARTICLE § 3-305(B)(7)

RECONVENE IN OPEN SESSION, REPORT TO PUBLIC, ADJOURNMENT

<p>Copies of the agenda items are available for review in the City Clerk's Office, Room 305-- City/County Government Office Building, 410-548-3140 or on the City's website www.salisbury.md. City Council Meetings are conducted in Open Session unless otherwise indicated. All or part of the Council's meetings can be held in Closed Session under the authority of the Maryland Open Meetings Law, Annotated Code of Maryland General Provisions Article § 3-305(b), by vote of the City Council.</p>

NEXT COUNCIL MEETING – JANUARY 27, 2020

- **Ordinance No. 2575**- 1st reading- approving a budget amendment of the City's Special Revenue Fund Budget and to accept and appropriate funds from the Bless Our Children Campaign for the Santa's Workshop Program
- **Ordinance No. 2576**- 1st reading- to reallocate Bond and Lawsuit proceeds to fund projects previously authorized in FY20 Budget Ordinance Schedule B

CITY OF SALISBURY
WORK SESSION
DECEMBER 2, 2019

Public Officials Present

Council President John “Jack” R. Heath
Council Vice-President Muir Boda

Mayor Jacob R. Day
Councilwoman Michele Gregory

Public Officials Not Present

Councilwoman Angela M. Blake
Councilwoman April Jackson

In Attendance

City Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, Finance Director Keith Cordrey, Department of Infrastructure and Development (DID) Director Amanda Pollack, Attorney Michael Sullivan, City Planner Anne Roane, Fire Chief John Tull, Deputy Chief James Gladwell, Deputy Chief Lee Smith, Fire Station 2 President Richard Rathel, Fire Station 16 President Billy Lewis, Sustainability Coordinator Alyssa Hastings, City Clerk Kim Nichols, City Attorney Mark Tilghman, and interested citizens.

On December 2, 2019 Salisbury City Council convened in a Work Session at 4:30 p.m. in Council Chambers of the Government Office Building. The following is a synopsis of the topics discussed:

Tree City Presentation

DID Director Amanda Pollack announced Dr. Sarah Surak’s Salisbury University Senior Sustainability class was attending the Work Session to present their class project. They selected the Tree City Project, and reported on the steps the City of Salisbury would need to complete to become a Tree City. Ms. Pollack said the students accomplished a great amount of work this semester.

From the podium, students Sophia Crosgrow and Rachel Dubbs presented why Salisbury should become a Tree City and outlined the steps necessary to become certified.

Ms. Pollack said the Green Team would review the ordinance with Field Ops and DID and meet with the arborists to ensure they were comfortable with the language. The \$2 per capital annual budget would primarily come from Field Ops’ budget. The students created a work sheet to track how much of the budget applied to trees. The City needed to complete all four standards before applying, and the application would be targeted after the Arbor Day Celebration in April 2020.

Mayor Day thanked Dr. Surak and the students for their hard work and noted the partnership was another benefit of having a university in the City. President Heath said projects such as this gave students a broader understanding and thanked Dr. Surak and the students for the presentation.

Presentation of FY19 Audit

Finance Director Keith Cordrey, joined by Leslie A. Michalik and Andrew Haynie of PKS & Company, PA, handed out the *Draft Audit/Single Audit Reports and Overview/Financial Highlights*.

Ms. Michalik reported PKS & Company, PA performed the audit for the City of Salisbury for year ended June 30, 2019. The audit opinion stated the financial statements were the representation of the management of the City and that the auditor's responsibility was to express an opinion based upon their audit procedures. The opinion of PKS & Company, PA was that the City's financial statements presented fairly in all material respects and the financial position of the City as of June 30, 2019 and for the year that ended was in accordance with the accounting principals generally accepted in the United States of America (GAAP), and had a clean or unmodified opinion.

Ms. Michalik said the firm also performed the audit in accordance with Government Auditing Standards (the Yellow Book), which required they look at the following two additional things:

- 1) Did the City comply with all applicable laws, regulations, contracts and grants? No opinion was required, but they were required to report non-compliance. None was found.
- 2) They examined the City's accounting policies and procedures. No expressed opinion was required, but any weaknesses in procedures had to be reported. There were none found.

Ms. Michalik provided the overview of the Government-wide Financial Statements and the Fund Financial Statements, included in the "Overview of Audit and Financial Highlights" handout, attached as part of the minutes.

Mr. Cordrey reported there were General Fund revenues over expenditures of \$1.45 million due to the following reasons:

- 1) In Favorable Expenditures, Debt Service had \$700,000 in savings due to the consolidation of the issuance of FY19 into FY20.
- 2) The City received a credit from the Maryland Retirement System of \$250,000 that dealt with an agreement made in the LEOPS Program in 2003.
- 3) The City received \$398,000 more in Local Income Taxes than was budgeted.
- 4) Building Permits were up \$285,000 over what was budgeted.

Mr. Cordrey said the City realized \$740,000 increase to Surplus due to prior year credits that had accumulated from the Maryland Retirement System program. The \$1.45 million increase in the General Fund and the \$740,000 increase to Surplus represented an increase of \$2.4 million to Unassigned Surplus, growing the balance from \$7.4 million to \$9.8 million. This balance was very close to the City's three months of expenditures they had been targeting for a very long time.

Ms. Michalik reported on the Single Audit Report, required since the City spent over \$750,000 in Federal grants or loans. For June 30, 2019 the City's Federal expenditures totaled \$2.8 million. The Clean Water Revolving Loans and Community Development Block Grants were tested and complied in all material respects with the types of requirements that could have a direct and material effect on each of its major federal programs. They rendered an unmodified or clean opinion, with no noncompliance issues with grants or weaknesses in internal controls or reporting. The books and records were in good order with strong accounting controls in place. There were no difficulties in performing the audit and the City was in good financial shape.

Mr. Cordrey introduced Assistant Director of Finance-Operations Olga Butar and Assistant Director of Finance-Accounting Sandy Green. President Heath congratulated Mr. Cordrey and his team.

95 Mayor Day said the City was not in this position seven years ago when he was first elected. Under
96 Mayor Ireton and the Council at the time, Finance began responding to the auditing issues found,
97 and one by one corrected problems and instituted protocols related to bond pools and grant funds.
98

99 **Hudson Health's Main Campus Project**

100
101 Hudson Health Services, Inc. attorney Michael Sullivan, President/CEO Leslie Brown, Clinical
102 Director Kevin Meenan, and Becker Morgan Group team Ron Morgan and Bill Sieg joined Council.
103

104 Mr. Sullivan reported the State of Maryland informed Hudson Health they were unable to improve
105 the property on Emerson Avenue on the same parcel with Deer's Head Hospital, without the State's
106 consent because they were tenants. They could not provide improvements without complying with
107 State procurement policies, even though Hudson Health proposed to self-fund the improvements.
108 In 2017, Hudson Health asked for a lease extension (due to expire on May 18, 2024) because they
109 were proposing a private investment of at least a million dollars to the property. To proceed with the
110 investment they needed assurance that Hudson Health could continue to lease the property. The
111 State suggested they pursue acquisition of the property. Mr. Sullivan discussed the benefits Hudson
112 Health provided and how the revitalization would further benefit the community.
113

114 Ms. Brown presented a PowerPoint on the project to overview Hudson Health's history, their
115 impact on the community opioid epidemic, and the proposed Master Plan for the campus site
116 revitalization. The attached packet was handed out to Council and included as part of the minutes.
117 Ms. Brown indicated they were requesting support from the City Council for the acquisition of the
118 property that Hudson Health was leasing from the State of Maryland. Mayor Day and Council
119 discussed adding the project as one of the City's priorities for the legislative session.
120

121 Council reached unanimous consensus to prepare the letter of support for Hudson Health Services.
122

123 **EDU Waiver Request for 218 West Main Street**

124
125 DID Director Amanda Pollack and Chris Gilkerson joined Council. Ms. Pollack explained the bank
126 of EDUs established by Council in 2013 was from the Linens of the Week properties. She presented
127 Opportunity Street, LLC's request for 22 EDUs for their development in the old Vernon Powell
128 Building involving mixed use apartments and a children's museum. At the current capacity fee rate
129 (\$3,533/EDU), the request was valued at \$77,726 and the City would have 86 remaining EDUs.
130

131 Council reached unanimous consensus to advance the resolution to legislative agenda.
132

133 **Introduction to Zoning Code Revision Process**

134
135 Ms. Pollack and Planner Anne Roane introduced the Zoning Code revision process. Ms. Roane
136 reported the current zoning code was written in 1983. With 24 zones and 21 overlay districts, the
137 zoning code had 236 sections, all with cross references. When reviewing development plans, it has
138 been cumbersome to developers and staff. The City contracted with JMT to perform the review and
139 develop revisions. They sought to consolidate many of the zones and incorporate the Bike Master
140 Plan, City Park Plan, Route 13 Plan, Historic District Guidelines and Critical Area Program. They
141 were in the first phase (assessment phase) whereby the consultant was reviewing the documents to
142 determine what could be retained and changed. The zoning map would be reviewed in the next
143 phase to consolidate zones and begin mapping. Phase 3 involved rewriting the entire document.

The update was for Council's information only and Council was not directed to reach consensus.

Accepting Developer Contribution for Pedestrian Signal and Crosswalk on Beaglin Park Dr.

Ms. Pollack stated the Coventry Plaza Shopping Center project was under design. The agreement for the developer to fund pedestrian improvements at the intersection of Beaglin Park Dr. and Still Meadow Blvd. was made at the July 2019 Planning Commission. The cost for signalized pedestrian improvements (curb, gutter & sidewalk, activators, crosswalk and ADA mats) was \$27,200.

Council reached unanimous consensus to advance the ordinance to legislative agenda.

Fire Station Roof Replacement Budget Amendment

Fire Chief John Tull, Deputy Chief James Gladwell, Deputy Chief Lee Smith, Fire Station 2 President Richard Rathel, and Fire Station 16 President Billy Lewis joined Council. Chief Tull requested moving \$1,430 from the City's Capital Project Fund to reallocate funds for the Station 1 Roof Replacement Project. When the original work was done they had a contingency for repairing deteriorated decking boards, but more damage was found than expected. He requested moving funds in the FY2020 Bond Pool from Fire Phone System Upgrade to Station 1 Roof Replacement.

Council reached unanimous consensus to advance the budget amendment to legislative session.

Volunteer Recruit Coordinator Position

Chief Tull discussed the need for active Fire Department volunteers, the decline in those willing to join, and the need for a Volunteer Coordinator position to attract and retain volunteers. He offered the following plan to fund the salary and benefits for the proposed new position:

- Year One- the Volunteer Corporations would cover 100%
- Year Two- the Volunteer Corporations would cover 75% and the City would cover 25%
- Year Three- the Volunteer Corporations would cover 50% and the City would cover 50%
- Year Four- the Volunteer Corporations would cover 25% and the City would cover 75%
- Year Five and beyond- The City would assume full responsibility of funding the position

After Year Three, the City and the Volunteer Corporations would evaluate the impact that the position made on recruitment and retention of volunteers and use a 10% annual increase in membership as a benchmark metric. If they decide the program was successful, funding would continue for the position. Human Resources recommended the Pay Grade 9 for the new position.

President Heath noted that fraternal organizations were struggling to attract volunteers. The investment in volunteers was significant, and one of the biggest focus had to be on retention.

Council unanimously supported funding the new position and advancing to legislative agenda.

Self-Contained Breathing Apparatus (SCBA) Budget Amendment

Chief Tull reported on the budget amendment appropriating funds to purchase SCBA. They requested replacing the ninety (90) sets during the FY20 CIP and Budget process because the current

SCBA had reached its end of serviceable life. They applied for a grant through the 2018 Assistance to Firefighters Grant (AFG) Program to cover the cost but did not receive an award.

Mayor Day said they considered taking on debt to purchase the SCBA and had hoped for the grant funding. Finance Director Cordrey calculated they would be shouldering another 50% in debt and interest payments if they took on debt. Taking from surplus would leave the City with \$1.8 million additional unassigned surplus this year over last year. They discussed funding with bond money. Mr. Boda said large ticket items such as this should be mentioned in the departmental budget discussions.

Council reached unanimous consensus to advance the budget amendment to legislative agenda.

Vehicle Repair Account Budget Amendment

Fire Chief Tull reported the budget amendment for \$75,000 was for current and unexpected apparatus repairs. Over the past five months they made substantial repairs to the aged fleet and spent over 95% of the budget (\$125,540) so far. He discussed the repairs made to each apparatus and the schedule for repairs: ambulances (replacement of three (3) every five (5) years), engines (replacement at ten (10) years), and ladder trucks (replacement at fourteen (14) years).

Council reached unanimous consensus to advance the budget amendment to legislative agenda.

President Heath called for a recess at 6:24 p.m. and Council reconvened at 6:29 p.m.

Salisbury Board of License Commissioners

City Attorney Mark Tilghman explained the legislation in the packet set the framework for the Code should the State approve moving forward and suggested adding "Festivals". President Heath asked if the City should send a letter or resolution. Mayor Day said they were meeting with the Eastern Shore Delegation soon and this would be discussed.

Motion to Convene In Closed Session

At 6:32 p.m. Mr. Boda moved, Ms. Gregory seconded, and the vote was unanimous to convene in Closed Session to obtain legal advice from counsel on a legal matter in accordance with the Annotated Code of Maryland, State Government Article, §3-305(b)(7).

Adjournment

At 6:36 upon a motion and seconded to adjourn the Closed Session made by Mr. Boda and Ms. Gregory, respectively, and approved by unanimous vote in favor (3-0), Council reconvened in Open Session. President Heath reported the Council had met with counsel to discuss the City's participation in a class action suit.

With no further business to discuss on the agenda, the Open Session adjourned at 6:37 p.m.

City Clerk

Council President



PKS & Company, P.A.

**Certified Public Accountants
& Advisors to Business**

DRAFT

December 2, 2019

ANDREW M. HAYNIE, CPA

SUSAN P. KEEN, CPA

MICHAEL C. KLEGER, CPA

E. LEE McCABE, CPA

JEFFREY A. MICHALIK, CPA

ROBERT L. MOORE, CPA

DANIEL M. O'CONNELL II, CPA

JOHN M. STERN, JR., CPA

Members of the City Council
City of Salisbury, Maryland

We have audited the financial statements of the City of Salisbury, Maryland as of and for the year ended June 30, 2019, and have issued our report thereon dated December 2, 2019. Professional standards require that we advise you of the following matters relating to our audit.

PKScpa.com

Our Responsibility in Relation to the Financial Statement Audit

Salisbury
1801 SWEETBAY DRIVE
P.O. Box 72
SALISBURY, MD 21803
TEL: 410.546.5600

As communicated in our engagement letter dated May 1, 2019, our responsibility, as described by professional standards, is to form and express an opinion(s) about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of your respective responsibilities.

Ocean City
12216 OCEAN GATEWAY
SUITE 800
OCEAN CITY, MD 21842
TEL: 410.213.7185

Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City of Salisbury, Maryland solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.

Lewes
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MEMBERS OF:

AMERICAN INSTITUTE OF
CERTIFIED PUBLIC ACCOUNTANTS

MARYLAND ASSOCIATION OF
CERTIFIED PUBLIC ACCOUNTANTS

DELAWARE SOCIETY OF
CERTIFIED PUBLIC ACCOUNTANTS

ALLIANCE GLOBAL

We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.

Planned Scope and Timing of the Audit

We conducted our audit consistent with the planned scope and timing we previously communicated to you.

Compliance with All Ethics Requirements Regarding Independence

The engagement team, others in our firm, as appropriate, our firm, and our network firms have complied with all relevant ethical requirements regarding independence.

Qualitative Aspects of the Entity's Significant Accounting Practices

Significant Accounting Policies

Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City of Salisbury, Maryland is included in the Summary of Significant Accounting Policies in the notes to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2019. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus.

Significant Accounting Estimates

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.

The most sensitive accounting estimates affecting the financial statements are the allowance for uncollectible accounts, the economic life of capital assets for the purpose of calculating depreciation, the net pension and OPEB liabilities including deferred inflows and outflows, and the fair value of investments.

Management's estimate of the allowance for uncollectible accounts is based on an aging of the receivables and the City's historical collection rates from prior years for each type of receivable. We evaluated the key factors and assumptions used to develop the allowance for uncollectible accounts in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the economic life of capital assets is based on historical information concerning the life of similar assets. We evaluated the key factors and assumptions used to develop the useful lives in determining that it is reasonable in relation to the financial statements taken as a whole. We evaluated the key factors and assumptions used to estimate the economic lives in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net pension liability and related deferred inflows and outflows are based on the actuarially determined amounts of the Maryland State Retirement and Pension plan. We evaluated the key factors and assumptions used to develop the net pension liability, deferred inflows, and deferred outflows in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the net OPEB liability and related deferred inflows and outflows are based on actuarially determined amounts calculated by an independent contractor. We evaluated the key factors and assumptions used to develop the net OPEB liability, deferred inflows, and deferred outflows in determining that it is reasonable in relation to the financial statements taken as a whole.

Management's estimate of the fair value of their investments is based on observable market values. We evaluated the key factors and assumptions used to develop the fair value of investments and determined that it is reasonable in relation to the basic financial statements taken as a whole.

Financial Statement Disclosures

The financial statement disclosures are neutral, consistent, and clear.

Significant Difficulties Encountered during the Audit

We encountered no significant difficulties in dealing with management relating to the performance of the audit.

Uncorrected and Corrected Misstatements

For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. The attached schedule summarizes uncorrected financial statements misstatements whose effects in the current and prior periods, as determined by management, are immaterial both individually and in the aggregate, to the financial statements taken as a whole and each applicable opinion unit.

In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. There were no material misstatements noted during our audit.

Disagreements with Management

For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City of Salisbury, Maryland's financial statements or the auditor's report. No such disagreements arose during the course of the audit.

Representations Requested from Management

We have requested certain written representations from management, which are included in a letter dated December 2, 2019.

Management Consultations with Other Accountants

In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.

Other Significant Matters, Findings or Issues

In the normal course of our professional association with the City of Salisbury, Maryland, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, operating and regulatory conditions affecting the entity, and operational plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City of Salisbury, Maryland's auditors.

Other Matters

We applied certain limited procedures to management's discussion and analysis, budgetary comparison schedule – general fund, the Maryland State Retirement and Pension System and OPEB schedules on pages 57 through 61, which is required supplementary information (RSI) that supplements the basic financial statements. Our procedures consisted of inquiries of management regarding the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We did not audit the RSI and do not express an opinion or provide any assurance on the RSI.

This report is intended solely for the information and use of the City Council and management of the City of Salisbury, Maryland and is not intended to be and should not be used by anyone other than these specified parties.

CERTIFIED PUBLIC ACCOUNTANTS

CITY OF SALISBURY MARYLAND
SCHEDULE OF PASSE ADJUSTMENTS
YEAR ENDED JUNE 30, 2016

GENERAL FUND		Overstatement (Understatement)				Overstatement (Understatement)
Description	Amount of Known Misstatement	Assets	Liabilities	Deferred Inflows	Equity	Change in Net Position
Deferred revenue for lease proceeds	51,660	\$	\$ 51,660	\$	\$ (51,660)	\$ (51,660)
Promise to Give	74,000	(74,000)		(74,000)		
Deferred property taxes	98,094			98,094	(98,094)	(98,094)
		<u>\$ (74,000)</u>	<u>\$ 51,660</u>	<u>\$ 24,094</u>	<u>\$ (149,754)</u>	<u>\$ (149,754)</u>
Financial statement totals		<u>\$ 16,501,373</u>	<u>\$ 2,035,734</u>	<u>\$ 1,535,485</u>	<u>\$ 12,930,154</u>	<u>\$ 1,450,854</u>
Percentage of total		<u>-0.4%</u>	<u>2.5%</u>	<u>1.6%</u>	<u>-1.2%</u>	<u>-10.3%</u>
GOVERNMENTAL ACTIVITIES		Overstatement (Understatement)				Overstatement (Understatement)
Description	Amount of Known Misstatement	Assets	Liabilities	Deferred Inflows	Equity	Change in Net Position
Promise to Give	74,000	(74,000)			(74,000)	(74,000)
		<u>\$ (74,000)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (74,000)</u>	<u>\$ (74,000)</u>
Financial statement totals		<u>\$ 79,078,981</u>			<u>\$ 6,756,044</u>	<u>\$ (276,852)</u>
Percentage of total		<u>-0.1%</u>			<u>-1.1%</u>	<u>26.7%</u>



CITY OF SALISBURY, MARYLAND

Overview of Audit and Financial Highlights

Year ended June 30, 2019





Independent Auditors' Report

In our opinion, the financial statements **present fairly, in all material respects** the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Salisbury, Maryland as of June 30, 2019 and for the year then ended in accordance with accounting principles generally accepted in the United States of America (GAAP).

Clean or unmodified opinion.

Highest level of assurance that we can give.

See pages 2 – 3 of audit report.



Government Auditing Standards Report

Report on internal control over financial reporting and on compliance and other matters

- Not an opinion report
- We did not identify any material weaknesses in internal control over financial reporting
- We did not identify any instances of noncompliance that we were required to report under *Government Auditing Standards*

See pages 1 – 2 of Single Audit Report



Overview of Financial Statements

- Government-wide Financial Statements – pages 12 – 13
- Fund Financial Statements
 - Governmental fund – pages 14 – 17
 - Proprietary (Enterprise) funds – pages 18 – 20
 - Fiduciary Funds – pages 21 – 22
- Notes to the financial statements – pages 23 – 55
- Required supplementary information – pages 56 - 61
- Supplementary and statistical information – pages 62 -89

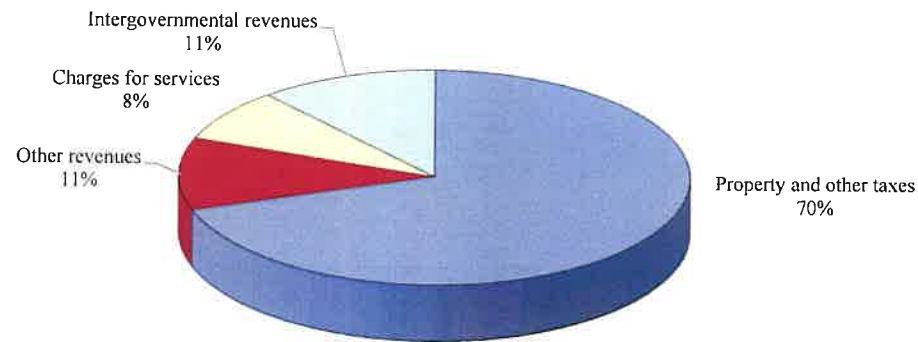
General Fund

Statement of Revenues, Expenditures, and Changes in Fund Balance

	2019		2018
	Final Budget	Actual	Actual
Revenues	\$ 38,827,914	\$ 40,425,013	\$ 37,729,636
Expenditures	42,454,084	38,533,972	39,141,880
Revenues over (under) expenditures	<u>(3,626,170)</u>	<u>1,891,041</u>	<u>(1,412,244)</u>
Other financing sources (uses)			
Operating transfers in (out)	(511,077)	(509,270)	(498,509)
Proceeds from issuance of debt	21,747	38,178	24,900
Proceeds from sale of capital assets	719,000	30,905	178,213
Net other financing sources (uses)	<u>229,670</u>	<u>(440,187)</u>	<u>(295,396)</u>
Net change in fund balance	<u>\$ (3,396,500)</u>	<u>\$ 1,450,854</u>	<u>\$ (1,707,640)</u>

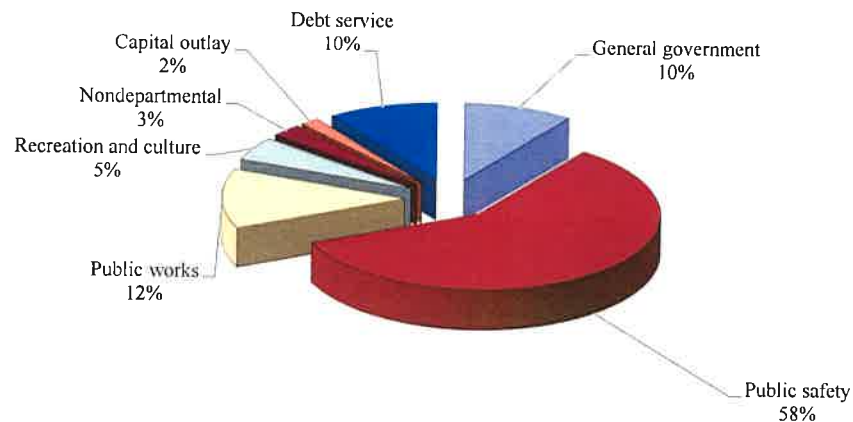
See pages 16 and 56 of the audit report.

General Fund Revenues by Source



	Budget	2019 Actual	%	2018 \$	%
Property and other taxes	\$ 27,556,597	\$ 28,160,477	70.97%	\$ 26,799,572	71.03%
Other revenues	4,005,395	4,456,462	10.32%	4,212,634	11.17%
Charges for services	4,226,191	3,203,934	10.88%	2,925,831	7.75%
Intergovernmental revenues	3,039,731	4,604,140	7.83%	3,791,599	10.05%
Totals	\$ 38,827,914	\$ 40,425,013	100.00%	\$ 37,729,636	100.00%

General Fund Expenditures by Program



	Budget	2019 Actual	%	2018 Actual	%
General government	\$ 4,063,543	\$ 3,744,655	9.57%	\$ 3,649,691	9.31%
Public safety	23,952,850	22,593,472	56.42%	22,180,055	56.67%
Public works	5,278,489	4,817,399	12.43%	4,545,338	11.61%
Recreation and culture	2,057,705	1,876,312	4.85%	2,028,685	5.18%
Nondepartmental	1,013,752	1,055,539	2.39%	1,195,661	3.05%
Capital outlay	1,567,782	674,292	3.69%	1,888,470	4.82%
Debt service	4,519,963	3,772,303	10.65%	3,653,980	9.34%
Totals	\$ 42,454,084	\$ 38,533,972	100.00%	\$ 39,141,880	100.00%

See pages 65 – 69 of audit report.

General Fund Balance

	2019	2018
Fund balances, end of year		
Nonspendable (Inventory)	\$ 794,462	\$ 778,507
Committed (Health care, impact, zoo)	1,795,554	1,693,351
Assigned (Encumbrances)	537,230	868,485
Unassigned	9,802,908	7,398,590 *
Total fund balances	<u>\$ 12,930,154</u>	<u>\$ 10,738,933 *</u>

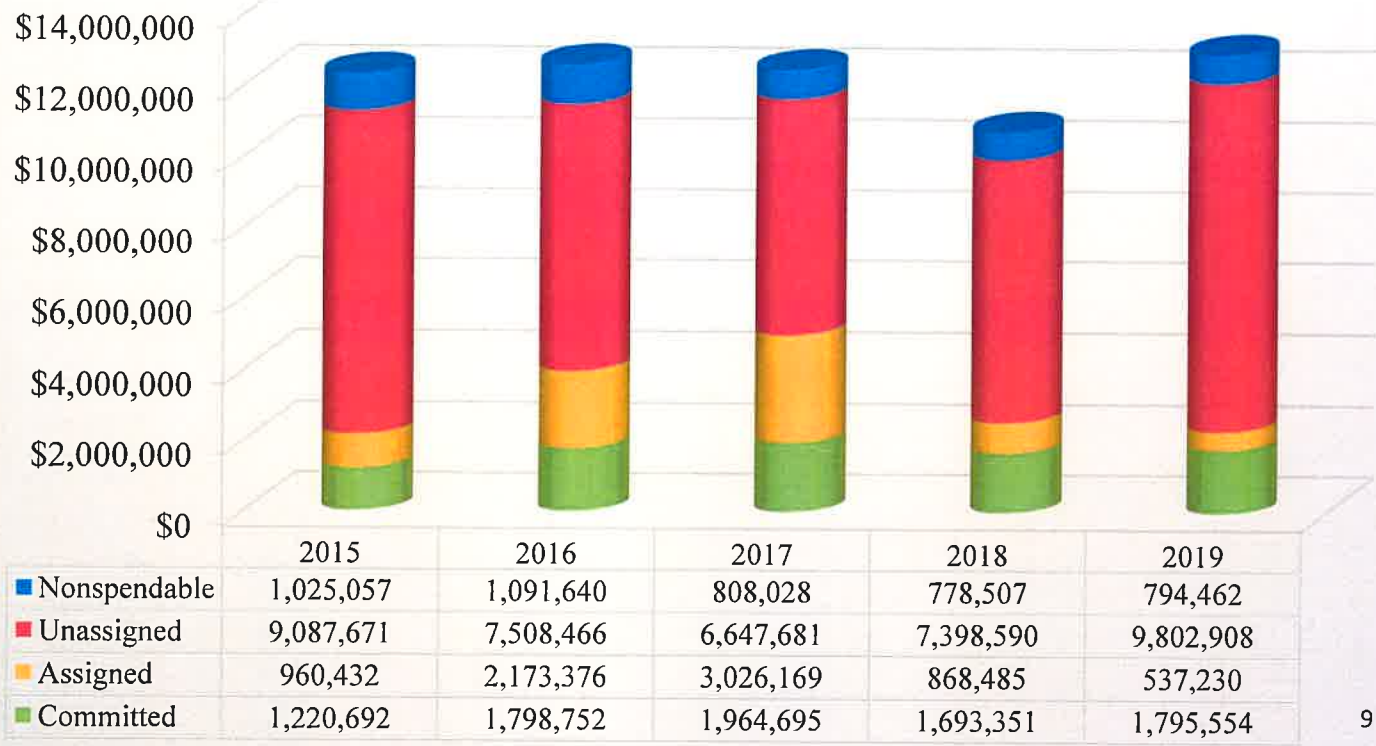
Unrestricted (committed, assigned, and unassigned) = \$12,135,692
Represents 3.75 months of operating expenditures.

*Restated

See page 53 of audit report.

General Fund Balance

Five years ended June 30, 2019



Water and Sewer Fund Statement of Activities

	2019	2018
Operating revenues	\$ 17,213,654	\$ 15,971,157
Operating expenses	11,793,872	10,849,256
Operating income before depreciation	5,419,782	5,121,901
Depreciation expense	4,587,216	2,441,560
Net operating income	832,566	2,680,341
Non-operating revenues (expenses)		
Grants	259,232	6,487,003
Interest income	456,198	267,368
Interest expense	(649,763)	(714,303)
Total non-operating revenues	65,667	6,040,068
Net change in net position	\$ 898,233	\$ 8,720,409

See pages 19 and 76 – 79 of the audit report.

Water and Sewer Fund

Net Position/Working Capital

	2019	2018
Net position consists of:		
Investment in capital assets, net of debt	\$ 56,262,233	\$ 53,049,259
Restricted	17,926,363	19,145,571
Unrestricted net position	893,767	1,989,300
	<u>\$ 75,082,363</u>	<u>\$ 74,184,130</u>

Working capital measures available capital or ability to meet obligations.

	2019	2018
Working capital :		
Current assets	\$ 13,051,714	\$ 13,845,595
Current liabilities	8,765,845	8,967,545
	<u>\$ 4,285,869</u>	<u>\$ 4,878,050</u>
# Days of working capital	<u>95</u>	<u>134</u>

11

See page 18 of the audit report.

Government-Wide Statement of Activities

	Governmental Activities	Business-type Activities	Total
GENERAL REVENUES AND TRANSFERS			
Property taxes and other taxes	\$ 27,723,135	\$	\$ 27,723,135
Investment earnings	558,663	471,364	1,030,027
Miscellaneous	201,600		201,600
Transfers	160,000	(160,000)	
PROGRAM REVENUES			
Charges for services	9,053,924	18,643,331	27,697,255
Operating grants	4,252,807		4,252,807
Capital grants	846,345	259,232	1,105,577
Total revenues	<u>42,796,474</u>	<u>19,213,927</u>	<u>62,010,401</u>
EXPENSES	<u>43,073,326</u>	<u>18,460,969</u>	<u>61,534,295</u>
Change in net position	<u>\$ (276,852)</u>	<u>\$ 752,958</u>	<u>\$ 476,106</u>

See page 13 of audit report.

Government-Wide Net position

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net investment in capital assets	\$ 31,331,775	\$ 58,850,349	\$ 90,182,124
Restricted	5,619,199	18,544,056	24,163,255
Unrestricted (deficit)	<u>(30,194,930)</u>	<u>821,628</u>	<u>(29,373,302)</u>
 Total net position	 <u>\$ 6,756,044</u>	 <u>\$ 78,216,033</u>	 <u>\$ 84,972,077</u>
 Working capital :			
Current assets	\$ 16,994,947	\$ 13,323,057	
Current liabilities	<u>5,558,698</u>	<u>9,109,503</u>	
	<u>\$ 11,436,249</u>	<u>\$ 4,213,554</u>	
 # Days of working capital	 <u>97</u>	 <u>83</u>	

See page 13 of audit report.

Net Pension/OPEB Obligations

Pension = Maryland State Retirement System

	<u>Governmental Activities</u>	<u>Business-type Activities</u>	<u>Total</u>
Net pension liability	<u>\$ 29,648,006</u>	<u>\$ 3,898,162</u>	<u>\$ 33,546,168</u>

Pension Funded ratio

- 6/30/19 71%
- 6/30/18 69%
- 6/30/17 66%

OPEB = Other post-employment benefits

Net OPEB liability	<u>\$ 17,747,638</u>	<u>\$ 4,436,909</u>	<u>\$ 22,184,547</u>
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See pages 45 – 51 of the audit report.

Capital Assets

	Governmental Activities	Business-type Activities	Total
Construction in progress	\$ 9,482,079	\$ 4,711,756	\$ 14,193,835
Land and art	8,594,735	2,198,503	10,793,238
Capital assets	<u>70,488,813</u>	<u>172,735,152</u>	<u>243,223,965</u>
	88,565,627	179,645,411	268,211,038
Less accumulated depreciation	<u>(32,100,791)</u>	<u>(44,428,481)</u>	<u>(76,529,272)</u>
Net capital assets	<u>\$ 56,464,836</u>	<u>\$ 135,216,930</u>	<u>\$ 191,681,766</u>

PROJECTS YET TO BE COMPLETED

Project amount	\$ 20,998,895	\$ 30,331,012	\$ 51,329,907
Completed as of 6/30/19	<u>(8,979,128)</u>	<u>(4,391,734)</u>	<u>(13,370,862)</u>
Commitments	<u>\$ 12,019,767</u>	<u>\$ 25,939,278</u>	<u>\$ 37,959,045</u>

See pages 34 – 37 and page 52 of audit report.

Long-Term Debt

General Obligation Bonds

	Governmental Activities	Business-type Activities	Total
Outstanding debt at June 30	<u>\$ 21,758,607</u>	<u>\$ 73,212,106</u>	<u>\$ 94,970,713</u>
New debt incurred during fiscal year	<u>\$</u>	<u>\$ 1,827,518</u>	<u>\$ 1,827,518</u>
Annual Debt service costs			
Projected fiscal year 6/30/20*			
Principal	\$ 2,349,195	\$ 4,254,589	\$ 6,603,784
Interest	676,801	716,752	1,393,553
Total	<u>\$ 3,025,996</u>	<u>\$ 4,971,341</u>	<u>\$ 7,997,337</u>
Annual debt service cost as a percentage of operating revenue	<u>8%</u>	<u>27%</u>	
*Not including new debt issued in FY20.			
Legal debt limit at June 30	<u>\$ 53,491,315</u>		
Available debt margin	<u>\$ 31,732,708</u>		

See pages 37 -44 and page 84 of the audit report.



Mitchell Landing Apartments

- Performed a separate audit in accordance with GAAP.
 - Clean or unmodified opinion.
- In addition, we audited the Apartments' compliance requirements applicable to programs under MD Department of Health and Community Development.
- For the year ended June 30, 2019, Mitchell Landing Apartments did not complete the annual Tenant Recertification Form or prepare an addendum to the lease agreement for four of the tenants that we tested.
- Property manager provided us with a corrective action plan.

Single Audit Report

- For year ended June 30, 2019, Federal expenditures totaled \$2,796,939.
- Programs tested as major programs:
 - Clean Water State Revolving Loans (EPA) - \$1,827,518
 - Community Development Block Grants (HUD) – \$379,721
- City qualifies as low-risk auditee.

See pages 4 – 5 and page 10 of single audit report.

Single Audit Auditors' Report on Compliance

City of Salisbury complied, in all material respects, with the types of compliance requirements that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2019.

- Unmodified or clean opinion
- We did not identify any instances of noncompliance that we were required to report

Report on internal control over financial reporting and on compliance and other matters

- Not an opinion report
- We did not identify any material weaknesses in internal control over financial reporting

In Conclusion ...

- Questions?



BECKER
MORGAN
GROUP



HUDSON HEALTH SERVICES

Hudson Health Services has been a beacon of hope in Wicomico County since it opened its doors in 1980. With over 1000 people a year walking through its doors seeking a new way of living, the non-profit addiction treatment provider has grown over the years to meet the needs of our community. The program offers a full continuum of residential care, including an inpatient campus, halfway and recovery housing.

The provider's 51-bed treatment facility is known for its tranquil, wooded property overlooking Johnson's Lake in the heart of Salisbury. The program incorporates holistic therapies such as rhythmic drumming and yoga into a treatment model that helps patients begin to understand the biological and behavioral roots of the disease of Addiction.

Our Facilities:

- State of the Art Admission & Administration Building
- 51-Bed Main Treatment Campus
- 3 ASAM 3.1 Low-Intensity Residential Homes
- 2 Transitional Homes in Salisbury, Maryland
- 2 Transitional Homes in Georgetown, Delaware

Hudson Health - Overview

In 2016, Mayor Jake Day formed the START Task Force to establish a diverse team of focused, well-resourced individuals to help identify tools and initiatives both available and necessary for the City of Salisbury to combat opioid use and addiction. Substance Treatment and Abuse Reduction Task Force. (2019, August 1). Retrieved from <https://salisbury.md/mayors-office/start-task-force>

Below are the **NEEDS** identified by that group:

1. Need Crisis Intervention Teams Midnight to 8am
2. Lack of Crisis / Detox Beds
3. Lack of Support / Treatment for Adolescents
4. Lack of Qualified, Certified Addiction Treatment Professionals
5. All First Responders Need to Carry Narcan

Identified Community Needs

Since then Hudson Health has been proactive in doing our part to address those needs.

Need Crisis Intervention Teams Midnight to 8am

Hudson Health provides an after-hours line so that the Peer Programs working in the counties can inquire about services beyond normal business hours.

Lack of Support / Treatment for Adolescents

Hudson Health does not treat adolescents at this time, however; our outreach and clinical professionals are always available to provide education in the school system or where parents are in need.

All First Responders Need to Carry Narcan

In line with this recommendation, Hudson Health requires all staff to be Narcan trained and provides Narcan emergency kits in all facilities. Additionally, Hudson Health is in the process of becoming an Overdose Response Program, which would allow trained staff to train staff, patients, and community members on Narcan administration and provide kits to those in need.

Lack of Crisis / Detox Beds

Since 2016, Hudson Health has increased its bed capacity at the Main Treatment Campus by 21% - adding 9 total beds for a total of 51. The addition of all levels of Residential Treatment on the campus, and in our housing, has allowed for longer treatment episodes for our most vulnerable patients. Additionally, Hudson Health is partnering with Wicomico and Worcester Counties to initiate a crisis bed plan, with hopes of an expansion of those services in the very near future.

Lack of Qualified, Certified Addiction Treatment Professionals

Hudson Health invests in our employees by providing on-site trainings as well as financial and tuition reimbursement to its licensed and certified staff. Additionally, Hudson Health plans on taking a leadership role in the county to provide CCAR trainings for peers or those interested in becoming certified peers.

Steps We Took

Opened a brand new Admissions and Administration building which allowed us to move several departments off campus so that we could increase bed capacity.

Started offering Open Access (walk-in) hours one day a week.

Obtained approval from the Maryland Department of Health to provide ASAM level 3.5 at our Main Treatment Campus, in turn increasing the average length of stay in inpatient from 12 days to 35 days.

Opened an 8-bed Halfway House (ASAM 3.1) for women in Salisbury.

In The Last Year

Now offering Open Access (walk-in) hours 5-days a week.

Added 2 additional Halfway Houses (ASAM level 3.1) with an increase in staff:

In addition to the Program Director (a licensed or certified counselor), we ensure,

- Dedicated Case Manager in each house to assist with employment readiness, life skills development, linkage to resources, and monitoring of patient progress outside of the primary treatment plan.*
- Full-time Nurse Practitioner to provide health education and non-emergent medical care, as well as medication management.*
- Live-in staff house managers in each residence.*

Partnered with the Maryland Coalition of Families to provide support and education to anyone in the community with a loved one struggling with Addiction.

Partnered with Worcester and Wicomico counties to provide crisis beds in conjunction with the Safe Station initiative, with a plan to expand those services in the very near future.

In The Last Six Months

Accredited by the Joint Commission



Licensed by the Maryland
Department of Health's
Behavioral Health Administration



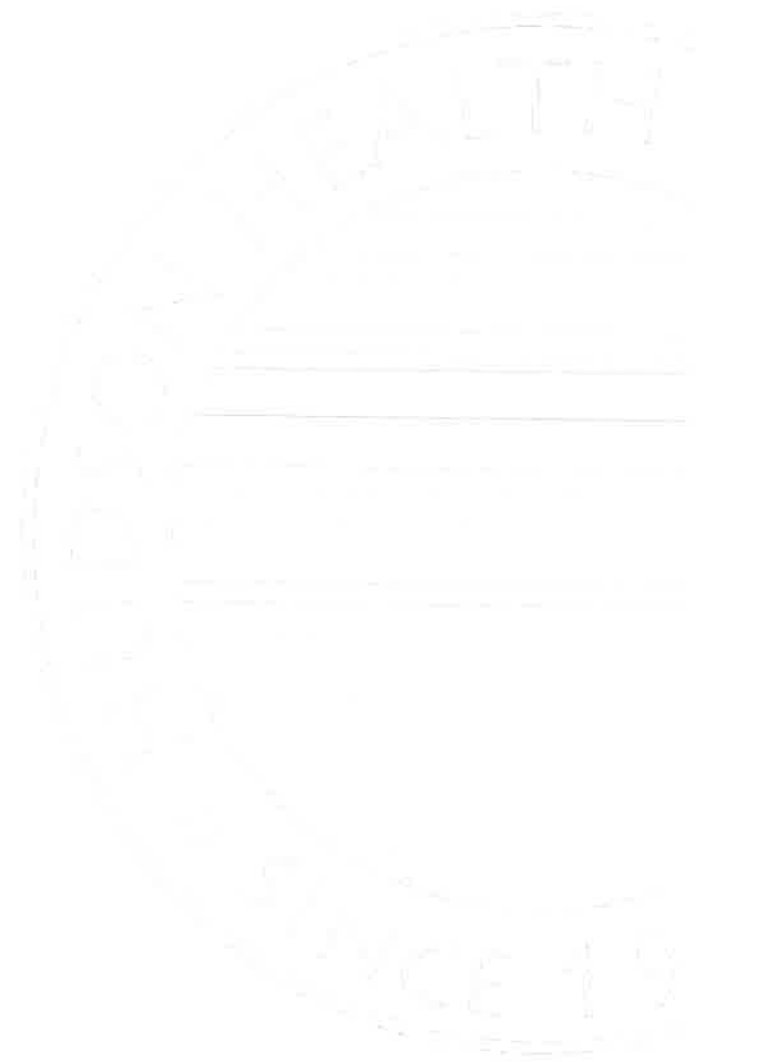
MARYLAND
Department of Health

Transitional Housing Certified by
Affiliates of the National Association of
Recovery Residences (NARR)



40 Years of Quality

Campus Revitalization

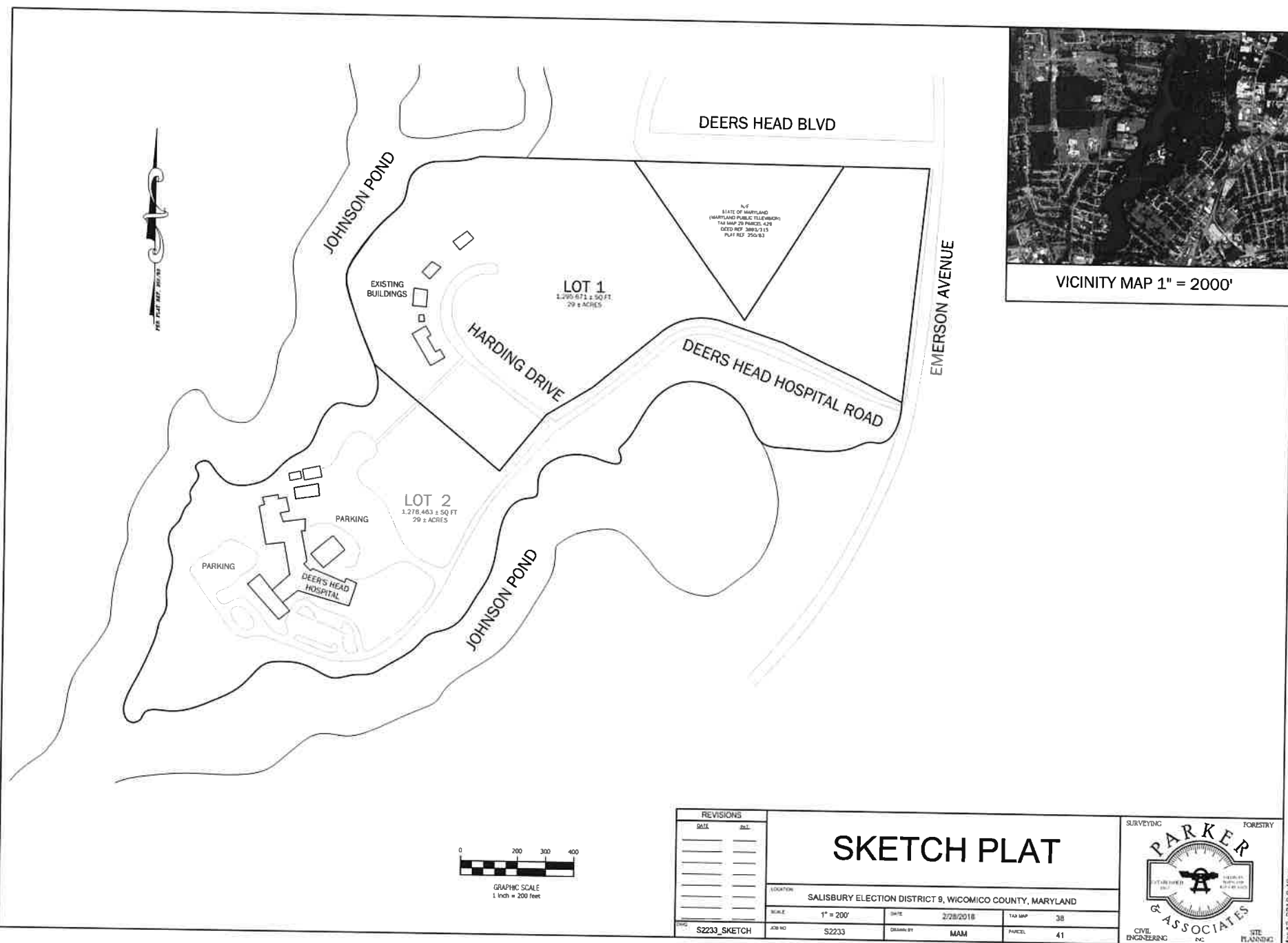




Aerial - Existing Site Conditions



Aerial - Location / Wetlands

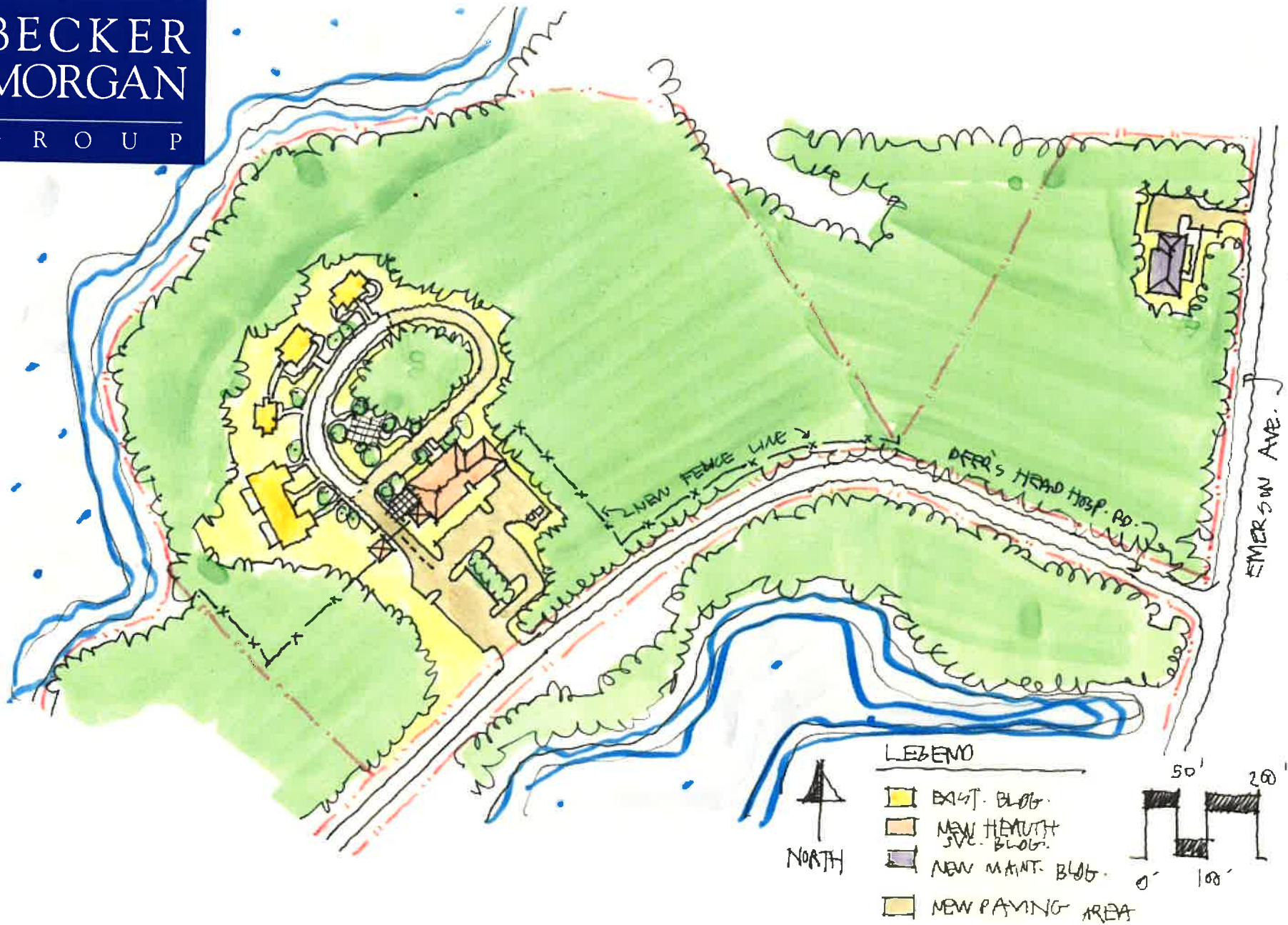


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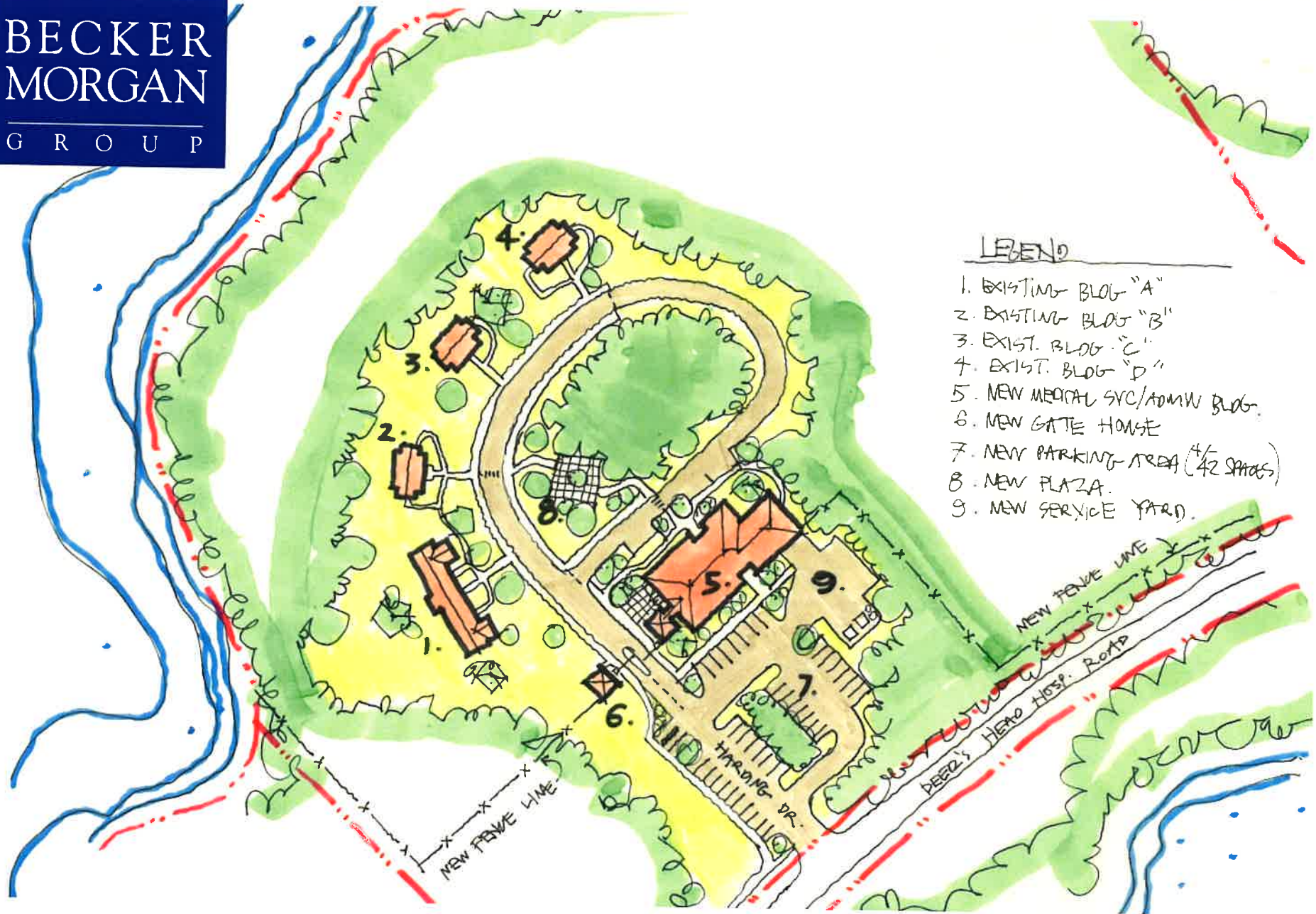
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GROUP



Existing Buildings



Proposed Master Plan



Proposed Master Plan - Enlargement



Proposed Master Plan - Rendering

Proposed Floor Plan



Proposed Building – Rendering Views



Proposed Building – Rendering Views

What We Need:

- Your advocacy and your support for the acquisition of the property that is currently leased by Hudson Health.

What We Have:

- Resources to acquire property and funding for development of property, to benefit the needs of our community.

Let's Make This Happen!

CITY OF SALISBURY, MARYLAND

REGULAR MEETING

DECEMBER 9, 2019

PUBLIC OFFICIALS PRESENT

*President John “Jack” R. Heath
Vice-President Muir Boda
Councilman James Ireton, Jr.*

*Mayor Jacob R. Day
Councilwoman Angela M. Blake
Councilwoman April Jackson*

IN ATTENDANCE

City Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, Fire Chief John Tull, Deputy Fire Chief Lee Smith, Infrastructure and Development Director Amanda Pollack, Permits & Inspections Manager William Holland, Fire Chief John Tull, Assistant City Clerk Diane K. Carter, City Attorney Mark Tilghman, and interested citizens.

CITY INVOCATION – PLEDGE OF ALLEGIANCE

The City Council met in regular session at 6:00 p.m. in Council Chambers. Council President John R. Heath called the meeting to order and invited Pastor Greg Morris of Parkway Church of God to the podium to provide the City Invocation, followed by the Pledge of Allegiance to the flag of the United States of America.

Mayor Day thanked Pastor Morris for the great service and ceremony, and congratulated him on the century of service to the community.

ADOPTION OF LEGISLATIVE AGENDA

Ms. Blake moved, Mr. Boda seconded, and the vote was unanimous to approve the legislative agenda as presented.

CONSENT AGENDA – presented by Assistant City Clerk Diane K. Carter

The Consent Agenda consisting of the following items was unanimously approved on a motion and second by Ms. Jackson and Ms. Blake respectively:

- **November 18, 2019 Special Meeting (City Organization Meeting)**
- **November 25, 2019 Legislative Session (Swearing In Ceremony)**

APPROVAL OF FY19 AUDIT AND FINANCIAL STATEMENTS – presented by Leslie A. Michalik, CPA, CFE Manager and Andrew M. Haynie, CPA, CFE Partner of PKS & Co, P.A.

Mr. Haynie reported this year PKS & Co, P.A. issued several reports on the City’s audit engagement. The Independent Auditors report issued an unmodified opinion, the highest level of assurance that an independent auditor can issue on a set of financial statements. They also did a

single audit on the City's federal grants. The report under government auditing standards was not an opinion report, but a report where if there were any internal control issues that rose to a significant deficiency or material weakness, it would be reported. There were no issues to report. The other report they issued related to the Single Audit was a test of the City's compliance with the federal grants the City receives and expended funds during the year ended June 30, 2019. There were no compliance findings to be noted.

Mr. Haynie thanked the Finance Department for making the transition a smooth one.

Mr. Heath called for a motion and second to accept the audit. Mr. Boda moved, Ms. Jackson seconded, and the vote was unanimous to accept the FY19 Audit.

PUBLIC HEARING – JOHNSON ROAD-DIRK WIDDOWSON ANNEXATION – presented by City Administrator Julia Glanz

- **Resolution No. 2967**- proposing the annexation to the City of Salisbury of certain area of land contiguous to and binding upon the southerly Corporate Limit of the City of Salisbury to be known as "Johnson Road – Dirk Widdowson Property Annexation" beginning for the same at a point being South from a corner of the existing Corporate Limit of the City of Salisbury and also being on the westerly line of and near the northwesterly corner of the lands of Dirk Widdowson located at 927 Johnson Road continuing around the perimeter of said land to the point of beginning

Ms. Blake moved and Ms. Jackson seconded to approve Resolution No. 2967.

Ms. Glanz presented the resolution and noted in Exhibit B the date at the top should be updated from July 26, 2019 to December 9, 2019. On the third bullet, the first blank space should read November 12, 2019; the second blank space should read December 9, 2019.

The Public Hearing was opened at 6:13 p.m. and immediately closed since nobody wished to speak in the Public Hearing.

Resolution No. 2967 was unanimously approved.

- **Resolution No. 2968** - to adopt an annexation plan for a certain area of land contiguous to and binding upon the southerly Corporate Limit of the City of Salisbury to be known as "Johnson Road – Dirk Widdowson Annexation" beginning for the same at a point being South from a corner of the existing Corporate Limit of the City of Salisbury and also being on the westerly line of and near the northwesterly corner of the lands of Dirk Widdowson located at 927 Johnson Road continuing around the perimeter of the affected property to the point of beginning

Ms. Jackson moved and Mr. Boda seconded to approve Resolution No. 2968.

89 Ms. Glanz presented the resolution and noted in Exhibit A the date at the top of the page
90 should read December 9, 2019 and the third bullet point the first blank space should read
91 November 12, 2019 and the second blank should read December 9, 2019.

92
93 The Public Hearing was opened at 6:14 p.m. and immediately closed since nobody wished
94 to speak in the Public Hearing.

95
96 Resolution No. 2968 was unanimously approved. The annexation would become effective on
97 January 24, 2020.

98
99 **RESOLUTION** – presented by City Administrator Julia Glanz

- 100
101 • **Resolution No. 2984** - authorizing the Capacity Fee of the City's Comprehensive
102 Connection Charge to be waived for the development of 218 West Main Street

103
104 Ms. Jackson moved, Ms. Blake seconded, and the vote was unanimous to approve Resolution
105 No. 2984.

106
107 **ORDINANCES** – presented by City Attorney Mark Tilghman

- 108
109 • **Ordinance No. 2570** - 1st reading- approving an amendment of the FY20 Budget to
110 appropriate a developer contribution for pedestrian improvements
111 Ms. Jackson moved, Mr. Ireton seconded, and the vote was unanimous to approve
112 Ordinance No. 2566 for second reading.

113
114 Mr. Boda moved, Ms. Jackson seconded, and the vote was unanimous to approve
115 Ordinance No. 2570 for first reading.

- 116
117 • **Ordinance No. 2571**- 1st reading- approving an amendment of the City's Capital
118 Project Fund Budget to reallocate funding for the Roof Replacement Fire Station 1
119 Project

120
121 Ms. Jackson moved, Ms. Gregory seconded, and the vote was unanimous to approve
122 Ordinance No. 2571 for first reading.

- 123
124 • **Ordinance No. 2572**- 1st reading- approving an amendment of the FY20 General Fund to
125 appropriate an additional position allocation for the hiring of a Volunteer Recruitment
126 Coordinator for the Fire Department

127
128 Mr. Boda moved, Ms. Blake seconded, and the vote was unanimous to approve
129 Ordinance No. 2572 for first reading.

- 130
131 • **Ordinance No. 2573**- 1st reading- approving a budget amendment of the FY2020 General
132 Fund Budget to appropriate funds for the purchase of Self-Contained Breathing
133 Apparatus

134
135 *Ms. Jackson moved, Ms. Gregory seconded, and the vote was unanimous to approve*
136 *Ordinance No. 2573 for first reading.*
137

- 138 • **Ordinance No. 2574-** *1st reading- approving a budget amendment of the FY2020 General*
139 *Fund Budget to appropriate funds for the Fire Department's Vehicle Repair Account*
140

141 *Mr. Boda moved, Ms. Jackson seconded, and the vote was unanimous to approve*
142 *Ordinance No. 2574 for first reading.*
143

144 **COUNCIL COMMENTS**
145

146 *President Heath announced this was the last Council Meeting before the holidays, and wished*
147 *everyone a happy, blessed and peaceful holiday. Councilwoman Blake asked everyone to donate*
148 *blood, as the region was extremely short.*
149

150 **ADJOURNMENT**
151

152 *With no further business to discuss, the Legislative Session adjourned at 6:32 p.m.*
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CITY OF SALISBURY, MARYLAND
CLOSED SESSION
DECEMBER 2, 2019

TIME & PLACE: 6:32 p.m., Government Office Building – Room 301
PURPOSE: To consult with counsel to obtain legal advice on a legal matter
VOTE TO CLOSE: Unanimous (3-0)
CITATION: Annotated Code of Maryland §3-305(b)(7)
PRESENT: Council President John “Jack” R. Heath, Mayor Jacob R. Day, Council
Vice-President Muir Boda, Councilwoman Michele Gregory, City
Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, City
Attorney Mark Tilghman, and City Clerk Kim Nichols
ABSENT: Councilwoman Angela M. Blake, Councilwoman April Jackson

The City Council convened in Work Session in Room 301 in the Government Office Building at 4:30
p.m. At 6:32 p.m., President Heath called for a motion to convene in Closed Session as permitted
under the Annotated Code of Maryland §3-305(b)(7). Mr. Boda moved, Ms. Gregory seconded, and
the vote was unanimous (3-0) to convene in Closed Session.

While in Closed Session, City Attorney Mark Tilghman provided information to Council regarding
the City’s participation in a class action suit.

At 6:36 p.m., Mr. Boda moved, Ms. Gregory seconded, and the vote was unanimous to adjourn the
Closed Session.

Council immediately convened in Open Session and President Heath reported that while in Closed
Session Council had consulted with the City Attorney regarding a class action suit the City was
involved in.

Thereafter, with no further business to discuss, the Open Session adjourned at 6:37 p.m.

CITY OF SALISBURY, MARYLAND
CLOSED SESSION
SEPTEMBER 23, 2019

TIME & PLACE: 5:03 p.m., Government Office Building – Room 301
PURPOSE: To consult with counsel to obtain legal advice on a legal matter
VOTE TO CLOSE: Unanimous (4-0)
CITATION: Annotated Code of Maryland §3-305(b)(7)
PRESENT: Council President John “Jack” R. Heath, Council Vice-President Muir Boda, Councilwoman Angela M. Blake, Councilwoman April Jackson, Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, Department of Infrastructure and Development (DID) Director Amanda Pollack, Permits and Inspections Manager William Holland, Finance Director Keith Cordrey, City Attorney Mark Tilghman, and City Clerk Kim Nichols
ABSENT: Mayor Jacob R. Day, Councilman James Ireton, Jr.

The City Council convened in Work Session in Room 301 in the Government Office Building at 5:00 p.m. At 5:03 p.m., President Heath called for a motion to convene in Closed Session as permitted under the Annotated Code of Maryland §3-305(b)(7). Ms. Jackson moved, Mr. Boda seconded, and the vote was unanimous (4-0) to convene in Closed Session.
While in Closed Session, City Attorney Mark Tilghman discussed the City’s legal options to consider in an annexation petition.
At 5:35 p.m., Mr. Boda moved, Ms. Jackson seconded, and the vote was unanimous (4-0) to adjourn the Closed Session.
Council immediately convened in Open Session and President Heath reported that while in Closed Session Council had consulted with the City Attorney regarding legal options to consider in an annexation petition.
Thereafter, with no further business to discuss, the Open Session adjourned at 5:35 p.m. and Council would convene in the regularly scheduled Legislative Session at 6:00 p.m.

City Clerk

Council President

CITY OF SALISBURY, MARYLAND

SPECIAL MEETING

DECEMBER 16, 2019

PUBLIC OFFICIALS PRESENT

*Council President John “Jack” R. Heath
Councilwoman Angela M. Blake
Councilwoman April Jackson*

*Council Vice-President Muir Boda
Councilwoman Michele Gregory*

PUBLIC OFFICIALS NOT PRESENT

Mayor Jacob R. Day

IN ATTENDANCE

City Administrator Julia Glanz, Fire Chief John Tull, Procurement Director Jennifer Miller, Human Resources Director Jeanne Loyd, City Clerk Kimberly Nichols, City Attorney Mark Tilghman, and interested citizens.

The City Council convened in a Special Meeting in Council Chambers of the Government Office Building on April 16, 2019 at 4:32 p.m. President Heath called the meeting to order followed by a moment of silent meditation and the Pledge of Allegiance to the flag of the United States of America.

ADOPTION OF LEGISLATIVE AGENDA

Mr. Boda moved, Ms. Jackson seconded and the vote was unanimous to approve the Special Meeting agenda as presented.

ORDINANCE – presented by City Attorney Mark Tilghman

Ordinance No. 2574- 2nd reading- approving a budget amendment of the FY20 General Fund Budget to appropriate funds for the Fire Department’s Vehicle Repair Account

Ms. Jackson moved, Ms. Gregory seconded, and the vote was unanimous to approve Ordinance No. 2574 for second reading.

With no further business to discuss, the Special Meeting adjourned at 4:35 a.m., and the regularly scheduled Work Session immediately followed.

City Clerk

Council President

CITY OF SALISBURY
WORK SESSION
DECEMBER 16, 2019

Public Officials Present

Council President John “Jack” R. Heath
Council Vice-President Muir Boda
Councilwoman Michele Gregory

Mayor Jacob R. Day (arrived 4:41 p.m.)
Councilwoman Angela M. Blake
Councilwoman April Jackson

In Attendance

City Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, Fire Chief John Tull, Procurement Director Jennifer Miller, Human Resources Director Jeanne Loyd, City Clerk Kimberly Nichols, City Attorney Mark Tilghman, and interested citizens.

On December 16, 2019 Salisbury City Council convened in a Special Meeting at 4:32 p.m. in Council Chambers of the Government Office Building. At 4:35 p.m. upon the adjournment of the Special Meeting, Council convene in the regularly scheduled Work Session.

Employee Handbook Amendments

Human Resources Director Jeanne Loyd discussed the amendments to Chapter 3 of the Employee Handbook and recommended the following changes:

1. To exclude the Police and Fire Sworn Staff from the Standard Pay System based on the two separate pay scales. It excluded automatic 8% and 12% increases and provided they follow rules established for service and merit. The section clarifies pay when an employee is asked to take a lower grade position and removes the 30 day waiting period to pay those placed in acting positions, the need for advice and consent from the City Council.
2. To change the maximum amount of Comp Time that employees can carry at any given time in the Munis System from 120 hours maximum to 160 hours maximum.

Council reached unanimous consensus to advance the resolution to legislative session.

Declaration of Surplus of 407 Anne Street

Procurement Director Jennifer Miller discussed the City-owned parcel, 407 Anne Street which was on the corner of Anne Street and Short Street and was the former Linens of the Week parcel. The building was demolished and the City was uninterested in retaining the parcel for municipal use. An interested party has approached the City about purchasing the property and building a playground.

Ms. Miller said the City would have to surplus the property and could either invite proposals or put the property up for auction sale. Mayor Day requested a Closed Session discussion on the City’s expectations. Mr. Boda asked if the property had been remediated; Ms. Miller was unsure, but would find out. Ms. Blake asked if it needed re-zoning to become a playground; it would not.

Council reached unanimous consensus to advance the surplus to legislative session.

Council Rules of Order

President Heath asked for Council questions regarding the Rules of Order. Mr. Boda said it addressed Public Comments during Work Sessions whereby the President could limit the amount of time speakers had. President Heath shared Ms. Glanz's suggestion to prevent the back and forth dialogue and repetitive comments by holding the comment period at the end of each Work Session item, similar to what was done at Council Meetings. The time allowed for each comment would be around 4 minutes and there would not be dialogue between the speakers and Council members.

President Heath discussed protocol regarding speaking to any City Department Head on a topic. Prior to contacting the Director or staffer, he asked Council members to notify the Mayor, City Administrator or Deputy City Administrator and request permission to speak with the staff member. Mr. Boda mentioned he sometimes emailed and copied the Mayor, City Administrator, etc. Mayor Day agreed either method was appropriate.

Council Representatives on City Boards and Commissions

President Heath handed out the list of Committees (attached and made part of the minutes) and noted the Planning & Zoning Commission, Town Gown, and SWMPO were automatically assigned to the Council President. He also served on PAC14 and the Zoo Commission. Ms. Blake would serve on the Youth Development Advisory Committee and the Wicomico Library Committee. Ms. Gregory was assigned the Sustainability Advisory Committee - Green Team, Disability Advisory Committee and the Bicycle and Pedestrian Advisory Committee. Ms. Jackson would serve on the Airport Committee, Rec and Parks, and Human Rights Advisory Committee. Mr. Boda would serve on the Port of Salisbury Committee and Tri-County Council.

2020 Council Meeting Dates

City Clerk Nichols reported the suggested 2020 Meeting Dates were still on Mondays at 4:30 pm for Work Sessions and 6:00 p.m. for Council Meetings. President Heath added the Budget Meetings began in April and Council needed to make sure they were available and prepared.

Council reached unanimous consensus for the meeting dates as recommended in the packet.

Adjournment

President Heath wished everyone a Merry Christmas!

City Clerk

Council President

Committee	Heath	Boda	Jackson	Blake	Gregory
Planning & Zoning	X(P)				
Town Gown	X(P)				
Zoo	X				
PAC 14	X				
Disability Advisory					X
Airport Commission			X		
Bicycle Pedestrian					X
Port of Salisbury		X			
City Park		X			
SWMPO	X(P)				
Recreation & Parks			X		
Traffic & Safety				X	
Tr-County Council		X			
Wicomico Library				X	
Human Rights Advisory			X		
Sustainability					
Youth Development					

CITY OF SALISBURY
WORK SESSION
JANUARY 6, 2020

Public Officials Present

Council President John “Jack” R. Heath
Council Vice-President Muir Boda
Councilwoman Michele Gregory

Mayor Jacob R. Day
Councilwoman Angela M. Blake
Councilwoman April Jackson

In Attendance

City Administrator Julia Glanz, Deputy City Administrator Andy Kitzrow, Department of Infrastructure and Development (DID) Director Amanda Pollack, Housing and Community Development Department (HCDD) Director Everett Howard, Attorney Michael Sullivan, City Planner Anne Roane, City Clerk Kim Nichols, City Attorney Mark Tilghman, and interested citizens.

On January 6, 2020 Salisbury City Council convened in a Work Session at 5:28 p.m. in Council Chambers of the Government Office Building. Council had convened in a Closed Session at 4:30 p.m. that adjourned at 5:21 p.m. The following is a synopsis of the topics discussed:

Ordinance to accept funds from Bless Our Children

HCDD Director Everett Howard joined Council and discussed the \$2,000 monetary donation from WBOC’s Bless Our Children for the Santa’s Workshop program sponsored by the Housing and Community Development Department. The Santa’s Workshop program distributes toys to children that might otherwise not have an opportunity to receive gifts and feel a part of the holidays. This past December 230 children received gifts and books, and 350 people were in attendance.

Council reached unanimous consensus to advance the ordinance to legislative agenda.

Free Library Project

Mr. Howard reported HCDD researched free libraries in order to place one in front of the Truitt Street Community Center. Their research led them to an example of a free library, which was a sturdy, powder coated, metal, fabricated library constructed by Peninsula Roofing. After reaching out to Peninsula Roofing for an estimate on the free library, the business volunteered to build the City eight libraries at Peninsula Roofing’s expense, and then donate them to the City. The material for all eight libraries totaled about \$5,000, with the value of all eight around \$7500. The Wicomico County Library and Salisbury University have offered an unlimited amount of books with which to supply the libraries.

Council reached unanimous consensus to advance the resolution to legislative agenda.

City Administrator Julia Glanz introduced Salisbury University student Chase Phillips, an intern in the Infrastructure and Development Department.

45 **130/132/144 East Main Street Soil MOU Resolution**

46
47 DID Director Amanda Pollack, Attorney Michael Sullivan, and First Move Properties Developer
48 Nick Simpson joined Council. Mr. Simpson presented a PowerPoint to overview First Move
49 Properties' planned project.
50

51 Ms. Pollack reported the original Phase 1 had been through the Board of Zoning Appeals because it
52 needed a density and height variance, and the Historic District Commission and Planning
53 Commission. They will repeat the necessary steps for Phase 2, but it would not need anything
54 through the Board of Zoning Appeals, but would have to go before the Historic District
55 Commission and Planning Commission. The Capacity Fee Waiver has been done for Phase 1, and
56 they would discuss Phase 2, the Soil Agreement, and the other easement at this Work Session.
57

58 Ms. Pollack reported on the request to use excess soil from the Wastewater Treatment Plant. This
59 was the second time this type of agreement has been considered by Council. The previous one has
60 expired, and if that developer wanted to use the soil again they would have to return to Council.
61

62 Council reached unanimous consensus to advance the legislation to legislative agenda.
63

64 **130/132/144 East Main Street Parking Agreement**

65
66 Ms. Pollack reported that First Move Properties proposed to purchase 256 parking permits at the
67 typical City rate for each of the tenants that would be in the two buildings. The parking garage has
68 703 spaces and there were currently 441 permits issued, leaving 262 unpermitted spaces. On
69 average, Field Operations estimated there were 250 open spaces on any typical day. The applicant
70 understood that during large events such as the National Folk Festival the permit holders are not
71 guaranteed parking availability.
72

73 Ms. Pollack said the City could only provide a maximum three year lease. They wanted to add
74 language to the agreement stating the City had the ability to repair, rebuild, or redevelop the parking
75 garage, and would close the skywalk and replace it at the City's cost. Alternative parking would be
76 provided to all permit holders at that time.
77

78 Council reached unanimous consensus to advance the legislation to legislative agenda.
79

80 **130/132/144 East Main Street Air Rights Easement**

81
82 Ms. Pollack reported the proposed easement provided the rights to the air over the alleyway where
83 the walkway was planned between the new building and the parking garage. The only change from
84 the easement agreement in the packet was that the easement was requesting the rights unrestricted
85 light and air to, over, and within the easement area. The words "light and" would be stricken from
86 the language to give the City the rights to build the parking garage taller in the future if need be, and
87 they may not be able to provide the same level of light.
88

89 Council reached unanimous consensus to advance the legislation to legislative agenda.
90

91 **130/132/144 East Main Street Temporary Construction Easement and Permanent**
92 **Maintenance Easement**
93

94 Ms. Pollack explained that because the City owned the alleyway and the applicant was confirming
95 that the City was the only owner of the alley, they needed an easement in order to perform
96 construction in the area. The Temporary Construction Easement would allow First Move Properties
97 to construct the walking bridge between the new The Ross Building to connect to the top floor of
98 the parking garage. The Permanent Easement will be for maintenance of the walking bridge.
99

100 Mr. Tilghman added it was mentioned that during City events residents could park in the garage.
101 While the City did not anticipate issues with too many people to park, there would be no guarantee
102 to the residents that a parking space would be available. They believed there would be enough
103 spaces, but at any time the garage filled, all permit holders would be in the same situation.
104

105 Mr. Simpson asked if, in the event the garage was filled to capacity, and one of Ross residents was
106 unable to park due to unavailable parking spaces, would the parking garage permit extend and
107 authorize them to park at any other Municipal parking lot, or was it color coded? Ms. Glanz said if
108 the situation occurred, there would be an alternate parking plan.
109

110 Mr. Sullivan explained the permanent maintenance portion of the easement was effectively the
111 developer taking full responsibility, and if there was any impact on the City, they would indemnify
112 the City for it.
113

114 Council reached unanimous consensus to advance the legislation to legislative agenda.
115

116 **144 East Main Street Capacity Fee Waiver Resolution**
117

118 Ms. Pollack reported the waiver request was for the 31 apartments planned for 144 East Main Street
119 (the Chamber Building), but also included the new event space located at 130 and 132 East Main
120 Street since they would be subdivided and consolidated into one property. For both the apartments
121 and event space they were requesting a waiver request of 35 EDUs. At the current Capacity Fee rate
122 of \$3,533, the waiver request was equivalent to \$123,655. Of the original 300 EDUs based on a
123 transfer of EDUs from the former Linens of the Week property, 213.64 EDUs have been used. None
124 have expired, and if the request was approved, there would be 51.36 EDUs remaining.
125

126 Council reached unanimous consensus to advance the budget amendment to legislative session.
127

128 Mayor Day informed Council that the municipalities of Ocean City, Salisbury, Denton, Cambridge,
129 Berlin, Chestertown, Easton, and others were actively working on legislation for a statewide tax
130 differential bill. The Salisbury Board of License Commissioners bill will also be submitted.
131

132 With no further business to discuss, the Work Session adjourned at 6:06 p.m.
133
134

135 _____
136 City Clerk
137

138 _____
Council President



City of
Salisbury
Jacob R. Day, Mayor

DATE: December 11, 2019

TO: Julia Glanz, City Administrator

FROM: Jeanne Loyd, Director of Human Resources

SUBJ: Employee Handbook

Please find attached a copy of a Resolution to effect changes identified in the City Employee Handbook which include Chapter 3.

Changes include exclusions from the standard pay system for both Police and Fire sworn staff. These changes are based on the two separate pay scales and their development two years ago. This excludes automatic 8 and 12 percent increases for promotions and provides that they follow the rules established for their specific pay scales which is based on service and merit.

This section also clarifies pay in order for an employee to take a lower grade position by the employee's request from where they are currently. This further explains the various ways that an employee will be paid when moved to a lower grade level if for disciplinary reasons or by reorganization.

The City is requesting the removal of the 30 day waiting period to pay individuals that are placed in an acting role to assume a higher level of responsibility for a temporary period of time and to remove the need for advice and consent from the City Council regarding the time period allowed for this acting period.

The City would like to increase the comp time maximum from 120 hours to 160 hours to avoid the common issues faced annually regarding the approval of carrying over additional time. This is also done to be more aligned with what our State and Federal competitors are currently doing regarding the issue of compensatory time. We are also looking to allow employees when moving to a different department to take their comp time with them rather than be paid out at the time of the move.

1 RESOLUTION NO. 2985

2 A RESOLUTION OF THE CITY OF SALISBURY TO AMEND THE
3 DISCLAIMER AND CHAPTER 3 OF THE EMPLOYEE HANDBOOK TO
4 UPDATE THE EMPLOYEE HANDBOOK.
5

6 WHEREAS, the City of Salisbury has an Employee Handbook; and
7

8 WHEREAS, the Mayor's Office and the Human Resources Department have reviewed
9 the Employee Handbook; and
10

11 WHEREAS, the Mayor's Office and the Human Resources Department recommend
12 updating the Employee Handbook; and
13

14 WHEREAS, the City of Salisbury desires to amend the Employee Handbook in
15 segments; and
16

17 WHEREAS, the City of Salisbury will amend the rest of the Employee Handbooks in
18 future resolutions; and
19

20 WHEREAS, the recommended changes have been approved by the Mayor and reviewed
21 by the City Council.
22

23 NOW, THEREFORE, BE IT RESOLVED by the City of Salisbury, Maryland that the
24 Disclaimer of the Employee Handbook is amended as follows:
25

26 Chapter 3

27
28 **WAGES AND HOURS**

29
30 0301 Wages and Increases
31

32 The City's pay system and working schedules must ~~fit~~ **comply with** the fiscal and service requirements
33 of the City. These guidelines are largely determined by the City Budget. City tax-payers expect and
34 require that in all matters, including our pay system, we stay within our budget. As a City employee, you
35 share in the commitment and responsibility to our tax-paying citizens.
36

37 All wage determinations are subject to the City's budgetary process and are conditioned upon prior
38 budgetary approval. Any wage increases described in this Chapter 3 are only available if approved as part
39 of the City's budget.
40

41 0302 How Our Pay System Works
42

43 A. Pay and Classification— Each City job is assigned a pay grade according to such factors as: job
44 complexity; education/experience required; scope and impact; supervision received;

supervisory duties; working relationships; working environment; and physical demands. Within each paygrade there is a minimum and a maximum compensation level and, a total of thirty pay steps which include the minimum and maximum. The minimum pay step represents the lowest amount that the City feels should be paid to any employee performing a job within that pay grade. The maximum pay step represents the highest amount that the City feels should be paid to any employee performing a job within that pay grade. All employees will be assigned to one of the listed pay steps in the pay grade.

B. In most cases, a new employee begins employment at the minimum pay step of the pay grade for the job for which they were hired. Progression from the minimum pay step, through the pay range, is based on the annual step increase approved through the budget approval process and the employee's performance evaluation. An employee must have six months of service with the City before June 30 to be eligible for the annual step increase.* An ~~E~~mployee's annual increase may be withheld due to the need to be reevaluated for receiving an overall less than ~~S~~satisfactory ~~A~~nnual or New Employee Probation Period Performance R~~a~~ting. Upon receiving a reevaluation where all areas are now rated at ~~S~~satisfactory, the employee will receive the increase effective on the first full pay period ~~following the completion of the rating period or the corresponding number of weeks after~~ in October the annual increase is provided. The annual increase will not be retroactive. If all areas of the evaluation are not brought up to a satisfactory rating after the 90-day performance probation period, the employee forfeits the annual increase for that fiscal year and may be recommended for further performance probation or dismissal.

~~A.~~ *Certified Police Officers and Fire Fighter/EMT/Paramedics must be off of initial probation to be considered for an annual increase. Increase will be applied upon completion of probation and will be effective on the first day of the next payroll period and will include the applicable step increase.

Example 1: Employee A received an overall rating of less than satisfactory in February. This employee was then placed on performance probation for 90 days to bring those areas of the evaluation up to ~~S~~satisfactory. At the end of the 90-day probation period, all areas have been brought up to a ~~S~~satisfactory R~~a~~ting. This employee would not receive their annual raise until the first full pay period of October because of the 90-day Performance Probation Period, even though the probation period occurred earlier in the calendar year.

Example 2: Employee B received an overall rating of less than satisfactory in December and was placed on Performance Probation for 90 days. Following the 90-day probation period, all but two areas of the evaluation had been brought up to a satisfactory rating. This employee forfeits the annual increase and based on the inability to improve all areas of the performance may be recommended for further Performance Probation or dismissal.

B.C. Annual Increases will take place in the first full pay period of July. This increase will be a minimum one step increase and will be applicable to all Regular Full Time ~~E~~mployees. All employees will be notified of the increase prior to the effective date. Part Time employees' pay rates will be reviewed and calculated as an hourly rate. Generally, Part Time employees are not

89 eligible for the annual increase.

90
91 ~~C.D.~~ Salary Scales will be evaluated for Cost of Living Adjustments based on Market Adjustments
92 every few years to determine if the scale itself requires adjustment. Employees' salaries will not
93 be will not be moved to meet the scale adjustment unless they are below the market minimum.

94
95 ~~D.E.~~ Positions which require reclassification due to a change in the scope of work, the complexity,
96 increased skill level, education, or market concerns require the Department Director to request
97 the reclassification through the Human Resources Department. Once the evaluation is
98 performed, Department Directors will receive a recommendation for the reclassification which
99 should then be included in their Essential Items during the next fiscal budget process. All
100 reclassification requests should be completed prior to December 31 annually in order to be
101 included in the upcoming budget for Essential Items.

102
103 ~~E.F.~~ Market Adjustments to a position may be made with the written approval of the Mayor on a case
104 by case basis provided the evidence for requesting the adjustment is supported by verifiable
105 documentation. This documentation must be reviewed by the Human Resources Director prior
106 to presentation to the Mayor. This should include surveyed rates from private and public sector
107 employers in our labor market for a similar position. A recommendation will be made to the Mayor
108 based on an analysis of the current position and the salary survey information by the Human
109 Resources Department.

110 111 0303 Pay for Newly Hired Employees

112
113 New employees should be ~~appointed~~ hired at within the minimum window (first five steps) of the
114 salary grade to which their classification is assigned. Upon the approval of the Mayor, a new employee
115 may be ~~appointed~~ hired at a pay step above the minimum window based on the following factors:

- 116 1. Inability to hire qualified applicants at the minimum appointed pay step; or
- 117 2. A shortage of qualified applicants for the particular position; or
- 118 3. Experience that exceeds the minimum qualifications for the position.

119
120 Such justification must be put in writing enumerating the reasons based on the above mentioned
121 factors and approved by the Mayor before the offer of employment is made. This documentation must be
122 provided by the Department Director and reviewed by the Human Resources Department prior to
123 presentation to the Mayor.

124 125 0304 Pay Upon Promotion

126
127 A. The City encourages current City employees to apply for vacant City positions for which they are
128 qualified. Promotions and transfers are based on the ~~d~~Department Director's head's
129 recommendations, work force requirements, performance evaluations, job descriptions and
130 related City requirements.

131
132 B. There are two categories of promotions:

1. Progression because of defined time in grade and/or education, or meeting Career Ladder requirements.

2. Advancement to a higher grade to assume new job duties and responsibilities.

- C. The salary of a promoted employee shall be set at the lowest step in the pay grade established for the classification to which he is promoted, which represents at least a four percent (4%) increase if the promotion is because of defined time in grade and/or education, and/or certification. If the promotion is because of advancement to assume new job duties, the salary will be set at the lowest step in the pay grade that represents at least an 8% increase for a one grade increase or 12% for a two or more grade increase. (This section is not applicable to certified Police Officers and Fire Fighters/EMT/Paramedics, who must follow their departmental promotional policy and advance through their own salary scale, which does not provide for an automatic percentage, but rather the same step in the new grade.)

0305 Pay Upon Demotion

- A. If an employee applies for or requests to be placed in a job classification that moves the employee to a lower grade level, the employee will be placed in the step of the pay grade which represents the step that the employee would have achieved in the position had he been employed in that position continuously. ~~Non-disciplinary - An employee being demoted reassigned for non-disciplinary reasons shall be placed in the pay grade established for the classification to which he is demoted assigned and shall receive the pay step he would have achieved in the lower position if he had been employed in that position continuously.~~

- B. Disciplinary Demotion - An employee being demoted for disciplinary reasons shall be placed in the pay grade established for the classification to which he is demoted and shall be assigned to the highest pay step in that pay grade which represents at least an 8% decrease in pay for a one grade decrease or 12% for a two or more grade decrease.

0306 Pay Upon Lateral Transfer

The pay rate of an employee, who transfers from a position or classification within one pay grade to another position or classification within the same pay grade, shall not be affected by the transfer. Exceptions to this policy may be granted by the Mayor upon the recommendation of the ~~ed~~Department head Director.

0307 Pay Upon Reclassification

- A. If the position held by an employee is reclassified to a classification assigned to a higher pay grade, the employee's pay shall be changed in the same way as if the employee had been promoted.

- B. If the position held by an employee is reclassified to a different classification, but without a change in pay grade, the employee's pay rate will remain the same.

177
178 C. If the position held by an employee is reclassified to a classification assigned to a lower pay
179 grade, the employee's pay shall be changed in the same way as if the employee had been
180 demoted for non-disciplinary reasons. placed on the step in the lower scale which does not go
181 below their current rate.
182
183

184 0308 Pay for Serving in an Acting Capacity
185

186 A. An employee, who is assigned the duties and responsibilities of another position, which is
187 assigned to a higher pay grade, on an acting basis, ~~and who acts in this capacity for more than~~
188 ~~thirty (30) consecutive days~~, shall receive a temporary increase in pay. This increase in pay shall
189 be effective upon the first day of the next full pay period after they assume the position.
190 ~~thirty first (31) calendar day in which the employee serves in such acting capacity~~, and shall
191 continue until the employee is relieved of this additional assignment.
192

193 B. The increase in pay for such additional assignment shall be the higher of either the minimum
194 pay rate of the new range, or the lowest pay step, which will provide at least an 8% increase, if
195 the assignment represented an increase of one pay grade, or an increase of at least 12% if the
196 assignment represented an increase of two or more pay grades. * This is not applicable to
197 Certified Police Officers and Fire Fighter/EMT/Paramedic. They must follow their own salary
198 scale as developed to move to the appropriate grade and at the appropriate step.
199

200 C. ~~Upon the approval of the Mayor, an employee, who is assigned to work in an acting capacity,~~
201 ~~may receive a temporary increase in pay earlier than thirty days. Any department head desiring~~
202 ~~to increase the pay of an employee serving in an acting capacity earlier than the thirty-first day~~
203 ~~shall submit a written explanation to the Mayor enumerating the reasons for the~~
204 ~~recommendation. The term of the employee being assigned in an acting capacity shall not be for~~
205 ~~more than a period of six months without the advice and consent of the City Council.~~ written
206 approval of the Mayor. *(This contradicts the Charter for the appointment of Department*
207 *Directors)*

208 0309 Compensatory Time Nonexempt Employees
209

210 A. Policy Statement – The City of Salisbury provides compensation in the form of time off or cash
211 payment for employees required to work in excess of their normal workweek.
212

213 B. Overview

- 214 1 Overtime must be authorized by the employee's supervisor before the overtime is
215 worked. Employees may be paid for overtime hours, or if approved by their supervisor,
216 may receive compensatory time in accordance with this policy.
217 2 Overtime hours are calculated based on hours worked during a nonexempt
218 employee's designated workweek. Hours worked up to forty (40) hours in a single
219 workweek accrue ~~overtime pay or compensatory time~~ on an hour for hour basis.
220 Hours worked in excess of 40 hours per week accrue overtime pay ~~or compensatory~~
221 ~~time~~ at a rate of 1 ½ hours of pay or compensatory time for each hour of overtime.

Hours worked means actual work done by the employee. For example, hours taken for sick leave, vacation, holidays, personal leave or other paid or unpaid absences do not count toward the 40 hours per week. Police, Fire and EMS employees will be eligible for the time and a half rate according to department workweek regulations.

3. Meal time is excluded from the overtime calculation, provided that the employee is not required to perform any duties during the meal period.
4. Take home work is not permitted unless there is a signed telework agreement on file for the position.
5. When an employee travels outside of the area for work, transit time (excluding meal times) ~~on an employee's time~~ will be eligible for compensatory time. Also travel time in the area is included in computing hours of work if the employee travels during regular work hours, travels from one worksite to another, or is called out after work hours in emergency situations.

C. Accrual

1. Employees are encouraged to take their compensatory time within 30 days.
2. Compensatory time should be used before ~~vacation~~ annual leave time unless annual leave time is at risk of being lost when near the end of the fiscal year.
3. When an employee has accumulated 80 hours of compensatory time, the employee must schedule a meeting with the employee's supervisor to discuss how the compensatory time balance can be drawn down.
4. When an employee has accumulated ~~120~~ 160 hours, the employee cannot earn any additional compensatory time and must be paid for all overtime exceeding ~~120~~ 160 hours.
5. The City reserves the right at any time to pay an employee for overtime in lieu of accruing or accrued compensatory time.

D. Payment

1. Compensatory time must be paid out upon cessation of employment or retirement.
2. Compensatory time generally is payable at the employee's rate in effect at the time the employee is being paid for compensatory time. An employee who is paid for compensatory time upon cessation of employment or retirement, shall be paid the greater of (i) the average regular rate received by such employee during the last three years of employment, or (ii) the final regular rate received by such employee.
3. Compensatory time must be paid out when an employee moves from a nonexempt job to an exempt job at the rate last paid to the employee for the non-exempt position.

E. ~~Not Transferable~~ Non-Convertible

Compensatory time may not be converted to any other type of leave or transferred to any other position within The City of Salisbury.

F. Transition Provision

~~Upon adoption an employee will have 180 calendar days to bring their Compensatory Time accounts into compliance with these new rules if they exceed the new limits.~~

0310 Compensatory Time Exempt Employees

A. Policy Statement

The City of Salisbury wishes to recognize that in some situations, City of Salisbury employees who are exempt from the overtime provisions of the federal Fair Labor Standards Act and equivalent Maryland law (collectively referred to herein as "FLSA exempt") may be required to work significantly longer work hours or work weeks than ~~are~~ normally ~~are~~ required. This policy is designed to treat such situations equitably and to recognize the work, commitment and dedication of employees who put in those extended hours. This policy applies to all City of Salisbury employees designated as FLSA exempt and is the only compensatory time policy applicable to these employees.

B. Purpose of Compensatory Time

Full-time FLSA exempt employees generally are expected to work at least thirty-five (35) or forty (40) hours each week, depending on their schedule, and as many hours as necessary to complete their jobs. This policy does not change these expectations. It does, however, recognize the existence of unusual circumstances in which the workload of particular City of Salisbury exempt employees may be especially burdensome. Examples of these circumstances might include but are not limited to:

1. Temporary high priority project assignments with mandatory deadlines,
2. Overload work performed while vacancies in a department are being filled,
3. High volume of service calls, or
4. Work required in meeting work deadlines related to the administrative cycle.

5-Employees become eligible for compensatory time in these situations only when they are unable to fulfill the tasks within normal business hours.

C. How Earned

Compensatory time is granted on an hour-for-hour basis. There is no provision for earning time and a half for hours exceeding the work-week. Time will be earned and usable in 15 minute increments. Compensatory time is earned only with prior approval from the Department Head ~~Head~~ Director or his designee. Both the employee and the supervisor shall discuss in advance the need for unusually long work hours in a workweek for which compensatory time might be appropriate. When compensatory time is to be accrued based on discussions described above, all documented hours worked beyond thirty- five (35) or forty (40) in a workweek, depending on their schedule, shall be granted as compensatory time. Work taken home will not be eligible for Compensatory time. For travel outside the area, transit time (excluding meal times) on an employee's time will be eligible for Compensatory time as will travel time inside the area when during regular work hours; travel from one worksite to another, and if called out after work hours in emergency situations.

D. How Used

1. Employees must obtain prior approval from their supervisor in order to use Compensatory time. Compensatory time should be taken before ~~vacation~~ annual

leave time is taken, unless annual leave time is at risk of being lost when near the end of the fiscal year.

2. Employees are encouraged to take Compensatory time within the following 30 days. When 80 hours of Compensatory time are accumulated, the supervisor must schedule a conference to schedule draw down of the Compensatory time with the employee. Compensatory time accumulated in excess of 120160 hours must be taken within 30 days. At retirement any accumulated Compensatory time will be either taken or paid out on the same basis as accumulated sick leave at the option of the employee which is a maximum of 25% of the accrued compensatory time. Nothing over 160 hours will be considered in this computation.

E. ~~Not Transferable~~ **Non-Convertible**

Compensatory time may not be converted to any other type of leave ~~or transferred to any other position within The City of Salisbury.~~

F.E. **Records**

Compensatory time will be authorized in writing. If the need for compensatory time is due to an emergency, then the authorization will be as soon as practical after the event requiring the compensatory time. The employee's record of accumulated compensatory time will be kept on the City's payroll system by each department's payroll clerk. The amount of accumulated compensatory time, annual leave, and sick leave will be shown on the employee's bi-weekly pay summary.

G.F. **Separation**

Upon cessation of employment prior to retirement or eligibility for retirement, there is no payout of compensatory time, and any remaining compensatory time is lost.

H.G. **Executive Compensation Time**

Department Heads Directors, Deputy City Administrators, and the City Administrator are also eligible to accumulate Compensatory time in the same manner as other exempt employees with the following exceptions:

1. This time is earned and usable in full one hour increments.
2. The accumulated Compensatory time will be kept by the executive and reported to the Mayor (in the case of the City Clerk accumulated Compensatory Time will be reported to the City Council President) every June 30th and December 31st.

I.H. **Transition Provision**

~~Upon adoption an employee will have 180 calendar days to bring their Compensatory Time accounts into compliance with these new rules if they exceed the new limits.~~

Underlined and Bold indicate additions

357 ~~Strikethrough~~ indicate deletions

358

359 THE ABOVE RESOLUTION was introduced and read and passed at the regular meeting
360 of the City of Salisbury held on the ____ day of _____ 2020, and is to become
361 effective immediately upon adoption.

362

363 ATTEST:

364

365

366 _____
Kimberly R. Nichols, City Clerk

John R. Heath, President
Salisbury City Council

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368

369 APPROVED BY ME THIS ____ day of _____, 2020.

370

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372 _____
Jacob R. Day, Mayor



MEMORANDUM

To: Mayor Jacob Day
From: Julie English, Administrative Assistant III
Subject: Appointment to the Board of Zoning Appeals
Date: January 10, 2020

Mayor Day, the following person has applied for re-appointment to the Board of Zoning Appeals for the term ending as indicated:

<u>Name</u>	<u>Term Ending</u>
Brian Soper	November 2022

Attached you will find information from Brian Soper and the resolution necessary for his appointment. If you approve of this re-appointment, I will forward this information to the City Council so it may be placed on their agenda for the next Council meeting. Please let me know if you have any questions.

Attachments

October 31, 2019

Ms. Julia Glanz
City Administrator
City of Salisbury
125 North Division St
Salisbury, MD 21801

Dear Ms. Glanz,

Please accept this as my formal request to serve a second term on the City's Board of Zoning Appeals.

I have included my resume and look forward to continuing to serve the citizens of Salisbury

Sincerely,

A handwritten signature in blue ink, appearing to read "Brian Soper", with a stylized flourish at the end.

Brian Soper

Brian M. Soper

Mobile: 443.235.6587 513 Buena Vista Ave, Salisbury, MD 21804 Email: bsoper2219@gmail.com

Experience:

Dorchester County Planning and Zoning

Planner

Cambridge, MD
June 2015-Present

- Assist in plan and permit review of projects in the Critical Area. Involves meeting with applicants, research, preparation of staff reports, notifying agencies, attending hearings, as well as providing technical information to supervisors and the public.
- Responsible for Critical Area Reports, activities include assistance in writing the grant, determination of budget, preparing quarterly reports, processing growth allocation requests, and conducting Critical Area site inspections as required by Critical Area law.
- Floodplain manager and Community Rating System (CRS) Coordinator. Review development for compliance with the floodplain ordinance and maintain records for FEMA compliance. CRS is a discount program for flood insurance policies by adopting higher regulatory standards than FEMA requires. Higher standards include 2' freeboard above Base Flood Elevation and adoption of the Coastal A Zone on the Flood Insurance Rate Map.
- Review of proposed subdivisions and lot line revisions for compliance with the County Subdivision Ordinance.
- Preparation of text amendments and ordinances.
- Project Manager for Comprehensive Plan Update.
- Assist the public with zoning review and interpretation.
- Prepare staff reports and attend Planning Commission and Board of Appeals meetings.
- Participate in the Eastern Shore Climate Adoption Partnership, a collaborative effort of Local, State, and Federal stakeholders that address climate change impacts at the local level.

Queen Anne's County Soil Conservation District

Soil Conservation Specialist

Centreville, MD
Nov. 2012-June 2015

- Performed site evaluations and targeted outreach with cooperator/landowners to address soil and water conservation needs of Agricultural Lands, as well as collection of site data necessary to develop engineering designs.
- Developed or revised conservation plans for cooperator/landowners that meet their farming operation needs, while promoting wise use of natural resources.
- Supported implementation of conservation and water quality programs by determining Best Management Practice eligibility for Maryland Agricultural Cost Share funding and/or co-cost sharing the abatement of non-point source pollution by agricultural sources.

Maryland Department of Environment

Natural Resources Planner III

Baltimore, MD
Dec. 2009-Nov. 2012

- Assisted with coordinating and planning public hearings, workshops, outreach and education for projects related to TMDL development, as required by the Federal Clean Water Act and implementing regulations.
- Assisted with the preparation, review, and final edits of watershed management plans, including TMDL public information and support documentation used for public notification and comment.

Woodmont Country Club

Assistant Outside Operations Manager

Rockville, MD
May 2006-Dec. 2009

- Managed and supervised 45 employees for task completion and quality control.
- Established and administered college internship program, six interns were hired during my tenure.
- Provided project management support for capital improvements including facilities, environmental design enhancement, and information technology development and implementation.

Brian M. Soper

Mobile: 443.235.6587 513 Buena Vista Ave, Salisbury, MD 21804 Email: bsoper2219@gmail.com

Education:

Towson University

Towson, MD

Studied Environmental Planning

- Relevant course topics: Planning for a Sustainable Region, Land Use Planning, Transportation Planning

University of Maryland

College Park, MD

Bachelor of Science in Natural Resource Management

2006

Bachelor of Arts in History

2006

Skills, Certifications, and Memberships:

- Proficient in all aspects of Microsoft Office / Working knowledge of ArcGIS
- Successfully completed Managing Floodplain Development through the NFIP and Community Rating System courses at the Emergency Management Institute
- Current member of the Salisbury Board of Zoning Appeals

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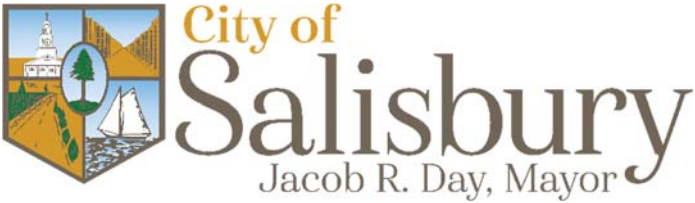
<u>Name</u>	<u>Term Ending</u>
Brian Soper	December 2022

ATTEST:

John R. Heath
PRESIDENT, City Council

_____ day of _____, 2020

Jacob R. Day
MAYOR, City of Salisbury



MEMORANDUM

To: Andy Kitzrow
From: Everett Howard, Director of HCDD
Date: December 31, 2019
Re: Free Library Stands Donation Acceptance

Attached please find a resolution accepting a donation of Free Library Stands valued at \$7,500 from Peninsula Roofing Company Inc. in support of the City's Free Library Project sponsored by the Housing and Community Development Department.

The Free Library Project is a program where books will be distributed to neighborhood children and residents of the City of Salisbury by means of Free Library Stands to encourage reading, improve literacy skills, and enrich the lives of those who participate in reading activities;

Unless you have any questions please forward this for Council's consideration.

RESOLUTION NO. 2987

A RESOLUTION OF THE CITY OF SALISBURY ACCEPTING THE DONATION OF FREE LIBRARY STANDS FROM SEAN FAHEY OF PENINSULA ROOFING COMPANY FOR THE CITY OF SALISBURY IN SUPPORT OF A FREE CITY LIBRARY PROJECT.

WHEREAS, the City of Salisbury's Housing and Community Development Department is seeking to establish and maintain free library stands throughout the City of Salisbury; and

WHEREAS, Peninsula Roofing Company Inc. wishes to construct and donate metal fabricated library stands to help support this project; and

WHEREAS, the donation of the library stands will be used to facilitate the distribution of books to neighborhood children and residents in the City of Salisbury; and

WHEREAS, this project seeks to encourage reading, improve literacy skills, and enrich the lives of those who participate in reading activities.

NOW, THEREFORE BE IT RESOLVED that the City of Salisbury, Maryland does hereby accept the donation of Free Library Stands valued at approximately Seven Thousand Five Hundred Dollars (\$7,500.00) from Sean Fahey of Peninsula Roofing Company Inc. for the City's Free Library Project.

THE ABOVE RESOLUTION was introduced and duly passed at the regular meeting of the Council of the City of Salisbury held on this 13th day of January 2020, and is to become effective immediately upon adoption.

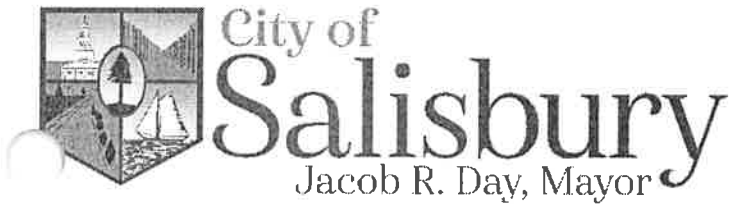
ATTEST:

Kimberly R. Nichols, City Clerk

John R. Heath, President
Salisbury City Council


APPROVED BY ME THIS ____ day of _____, 2020.

Jacob R. Day, Mayor



To: Julia Glanz, City Administrator

From: Keith Cordrey, Director of Finance

Date: November 4, 2019 

Re: Manufacturing Exemption for equipment purchased in 2018 – Spartech LLC

I am recommending that Spartech LLC be granted exemptions from Personal Property Tax for their equipment purchased in 2018, as requested by the company. Since the request came within 2 years of the purchase of the equipment, they are eligible for up to 5 years' exemption. Over the next five years they will benefit from this exemption by a total savings of \$24,680 in personal property tax. The exemptions will be applied to City Property Tax years 2020-2024 as shown in the schedule provided herein.

Attached please find copies of the calculations, property tax returns and manufacturing exemption applications.

City of Salisbury



Rec'd
9-9-18

KEITH CORDREY
DIRECTOR INTERNAL SERVICES

MARYLAND

FINANCE DEPARTMENT

125 N. Division Street
Salisbury, MD 21801-4940
(410) 548-3110
(410) 860-5154 (Fax)

SANDRA GREEN
ASSISTANT DIRECTOR INTERNAL SERVICES - ACCOUNTING

Exemption Application For Machinery and Equipment Used for Manufacturing/Research & Development

Business Name: Spartech, LLC MD Department ID#: Z15461130

Mailing Address: C/O: Ryan, LLC, Public Square Suite 2800, Cleveland, OH 44224

Contact Name: Juli Donelson Phone No.: 216.685.9448

1. In order to qualify for an exemption you must meet one of the following requirements: Equipment is owned and operated by a facility that (1) locates in Salisbury (2) expands operations in Salisbury, or (3) develops a new product or industrial process in Salisbury. If you meet one of these requirements please explain in detail how you meet these requirements including raw materials used and products produced or R & D activity being conducted. Please include number of employees used in Manufacturing/ R&D and number of administrative employees.

56 MFG/R&D Employees; 12 Admin Employees; See Attached Process/Activities Detail

2. Exemption is requested for tools, machinery & equipment used in Manufacturing / Research & Development acquired in calendar year 2017-2018.
3. Address of Manufacturing / R & D operation. 601 Marvel Road, Salisbury, MD 21801
4. Date Manufacturing / R & D operation began in Salisbury. 7/31/17
5. Attach a description of each asset claimed under this exemption. The schedule must include a description, original cost, and date of acquisition for each item. General descriptions such as Equipment, Various, or Miscellaneous are not acceptable.
6. Attach a copy of the State of Maryland Personal Property Return for the year of acquisition.

Additional information and requirements

All exemptions require approval by the City of Salisbury Council and receipt of exemption from Wicomico County does not mean you will automatically be granted an exemption by the City of Salisbury. The exemption that is granted is for a specific year in which equipment was purchased and can be for a term up to a maximum of 5 years. Once an exemption has been granted, a copy of the personal property tax return must be sent in for each year of the exemption. To be eligible to receive the maximum exemption term of 5 years, the application must be received within two (2) years from December 31st of the calendar year in which the equipment was purchased. A separate request must be made for each year. The application can be mailed to Finance Department, 125 North Division St., Salisbury, MD 21801-4940 or faxed to (410) 860-5154.

Preparer's Signature Juli Donelson Date 9/9/18

Email address juli.donelson@ryan.com

City of Salisbury
Finance Department
Exemption Recommendation to City Council

Company: Spartech, LLC
Address: 601 Marvel Road

Requested By: Juli Donelson
Date of Request: 9/9/2019

Description of Mfg.: Manufacturing

Equipment Year 2018

New Equipment See Listing \$ 293,808.00

Total \$ 293,808

Exemption Value	City Property <u>Tax Year</u>	State <u>Return</u>	Year of <u>Exemption</u>	Deprec. <u>Value</u>	Am't of <u>Exemption</u>
	2020	2019	1	264,427	6,346
	2021	2020	2	235,046	5,641
	2022	2021	3	205,666	4,936
	2023	2022	4	176,285	4,231
	2024	2023	5	146,904	3,526

Total Value of Exemption: \$ 24,680

Spartech, LLC
City of Salisbury, MD
ID: Z15461130
Fixed Asset Detail

December 31, 2018

Asset #	State Class	Asset Description	Acq Date (O)	Cost (O)
1711038185-0	Mfg M&E	Resin Silo Upgrade	12/20/2018	10,800
1711038108-0	Mfg M&E	Carbon Fiber Pattern Cylinders	08/01/2018	6,911
1711038093-0	Mfg M&E	Optical Emboss Plate for Homerwood	07/24/2018	769
1711038164-0	Mfg M&E	Silo 2 Repair	06/01/2018	18,900
1711038107-0	Mfg M&E	Cal 1 Gauging System - Thermo Fisher	04/01/2018	6,434
1711037646-0	Mfg M&E	Cal 1 Heating Heat Exchanger Replacement	01/31/2018	90,321
1711038109-0	Mfg M&E	Cal 1 Corona Treater	01/01/2018	24,456
1711037645-0	Mfg M&E	Repair of Zone-1 Cooling Can on Cal1	12/17/2017	14,020
1711038026-0	Mfg M&E	Pipe Replacement - Tank Farm	10/05/2017	9,900
1711038054-0	Mfg M&E	Print cylinders - Carrara Marble	09/15/2017	15,625
1711038050-0	Mfg M&E	Calender 2 Winder Chuck Replacement	09/06/2017	15,681
1711038055-0	Mfg M&E	C1 Rubber Roll Squeegee	09/04/2017	2,355
1711038047-0	Mfg M&E	RTO Power Cable & Battery Replacement	08/25/2017	94,114
1711038052-0	Mfg M&E	Replacement of Lab Mill in Salisbury Pla	08/24/2017	19,074
1711038048-0	Mfg M&E	"Bearings for Calender 2 - Main, Preload,"	08/01/2017	39,694
1711038049-0	Mfg M&E	Replacement of Calender 1 and Calender 2	08/01/2017	67,100
1711038051-0	Mfg M&E	Replacement of Rotary Unions in Salisbur	08/01/2017	14,700
1711038053-0	Mfg M&E	Print cylinders - Legacy Homes - Manning	08/01/2017	6,100
1711038056-0	Mfg M&E	Print cylinders Leipzinger Travertin	08/01/2017	3,565
1711038074-0	Mfg M&E	Replace Calender 1 4 Roll Jackshaft Gear	08/01/2017	5,100
1711038075-0	Mfg M&E	Tegatron for Converting Department	08/01/2017	5,300
1711038076-0	Mfg M&E	Calender Critical Spare	08/01/2017	56,363
1711038077-0	Mfg M&E	Plastic Tub Replacement of Metal Gaylord	08/01/2017	4,864
1711037860-0	Mfg M&E	Salisbury Calendar 1	07/19/2017	2,122,223
1711037861-0	Mfg M&E	Salisbury Calendar 2	07/19/2017	2,122,223
1711037862-0	Mfg M&E	Salisbury Press 1	07/19/2017	169,778
1711037863-0	Mfg M&E	Salisbury Press 2	07/19/2017	169,778
1711037864-0	Mfg M&E	Salisbury Laminator	07/19/2017	113,185
1711037621-0	Mfg M&E	Calender Critical Spare	05/01/2017	305

Total Mfg M&E 5,229,639

Prior Year Adds 4,935,830

Current Year Adds 293,809

Yr Breakdown
2018 158,591
2017 135,217

BUSINESS PERSONAL PROPERTY RETURN OF DEPT ID# Z15461130**2019
Form 1**

7019, Salisbury

601 Marvel Road, Salisbury, MD 21801

5. Tools, machinery, and/or equipment used for manufacturing or research and development:

State the original cost of the property by year of acquisition. Include all fully depreciated property and property expensed under IRS rules. If this business is engaged in manufacturing / R&D, and is claiming such an exemption for the first time, a manufacturing / R&D exemption application must be submitted by September 1 or within 6 months after the date of the first assessment notice for the taxable year that includes the manufacturing / R&D property. Visit the website dat.maryland.gov for an application and additional information. If the property is located in a taxable jurisdiction, a detailed schedule by depreciation category should be included to take advantage of higher depreciation allowances.

Year Acquired	A	C	D	Year Acquired	A	C	D
2018	158,591			2014			
2017	5,071,047			2013			
2016				2012			
2015				2011 & Prior			

Describe Property in C & D above:

Total Cost

\$ 5,229,638

6. Vehicles with interchangeable Registration and/or Unregistered vehicles: (dealer, recycler, finance company, special mobile equipment, and transporter plates) and unregistered vehicles should be reported here. See specific instructions

Year Acquired	Original Cost	Year Acquired	Original Cost
2018		2016	
2017		2015 & Prior	

Total Cost

\$ NONE

7. Non-farming livestock:

Book Value \$	None	Market Value \$
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8. Other personal property:

File separate schedule giving a description of property, original cost and the date of acquisition.

Total Cost

\$ NONE

9. Property owned by others and used or held by the business or lessee or otherwise:

File separate schedule showing names and addresses of owners, lease number, description of property installation date and separate cost in each case.

Total Cost

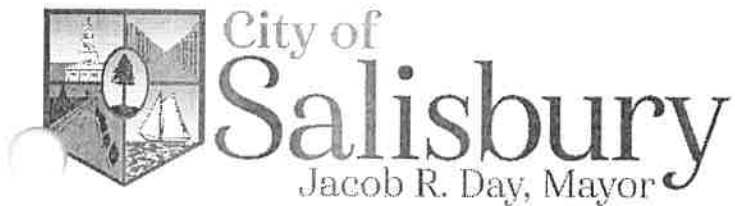
\$ NONE

10. Property owned by the business, used by others as lessee or otherwise:

File separate schedule showing names and addresses of lessees, lease number, description of property, installation date and original cost by year of acquisition for each location. Schedule should group leases by county where the property is located. Manufacturer lessors should submit the retail selling price of the property not the manufacturing cost. For additional information regarding separate schedules please see Form 1 instructions at <https://dat.maryland.gov>

Total Cost

\$ NONE



To: Julia Glanz, City Administrator

From: Keith Cordrey, Director of Finance

Date: November 4, 2019

Re: Manufacturing Exemption for equipment purchased 2018 – LWRC International, LLC

I am recommending that LWRC International, LLC be granted an exemption from Personal Property Tax for their equipment purchased in 2018 as requested by the Company. Since the request came within 2 years of the purchase of the equipment, they are eligible for up to 5 years' exemption for the 2018 purchases. Over the next five years they will benefit from this exemption by a total savings of \$55,473 for 2018 equipment purchases in personal property tax.

The exemptions will be applied to City Property Tax years 2020-2024 as shown in the schedule provided herein. Attached please find copies of the calculations, property tax returns and manufacturing exemption applications.

Finance Department

Exemption Recommendation to City Council

Company: LWRC International LLC
 Address: 510 Naylor Mill Road

Requested By: Cindy Golliday
 Date of Request: 11/4/2019

Description of Mfg.: Manufacturing

Equipment Year 2018

New Equipment

\$ 660,391

Total \$ 660,391

Exemption Value	City Property <u>Tax Year</u>	State <u>Return</u>	Year of <u>Exemption</u>	Deprec. <u>Value</u>	Am't of <u>Exemption</u>
	2020	2019	1	594,352	\$ 14,264
	2021	2020	2	528,313	\$ 12,680
	2022	2021	3	462,274	\$ 11,095
	2023	2022	4	396,235	\$ 9,510
	2024	2023	5	330,196	\$ 7,925
Total Value of Exemption:					\$ 55,473

(1) The exemption credit value shown above is using rate of 2.40 per hundred . The actual credit to be issued will be based on rates in effect for the Tax Year the credit is issued to.

City of Salisbury



KEITH CORDREY
DIRECTOR INTERNAL SERVICES

SANDRA GREEN
ASSISTANT DIRECTOR INTERNAL SERVICES - ACCOUNTING

MARYLAND

FINANCE DEPARTMENT
125 N. Division Street
Salisbury, MD 21801-4940
(410) 548-3110
(410) 860-5154 (Fax)

Exemption Application For Machinery and Equipment Used for Manufacturing/Research & Development

Business Name: LWRC International, LLC MD Department ID#: W12297040

Mailing Address: 815 Chesapeake Drive, Cambridge, MD 21613

Contact Name: Cindy Golliday Phone No.: 410-901-1348

1. In order to qualify for an exemption you must meet one of the following requirements: Equipment is owned and operated by a facility that (1) locates in Salisbury (2) expands operations in Salisbury, or (3) develops a new product or industrial process in Salisbury. If you meet one of these requirements please explain in detail how you meet these requirements including raw materials used and products produced or R & D activity being conducted. Please include number of employees used in Manufacturing/ R&D and number of administrative employees.
2. Exemption is requested for tools, machinery & equipment used in Manufacturing / Research & Development acquired in calendar year 2018.
3. Address of Manufacturing / R & D operation. 510 Naylor Mill Road, Salisbury, MD
4. Date Manufacturing / R & D operation began in Salisbury. 01/01/2014
5. Attach a description of each asset claimed under this exemption. The schedule must include a description, original cost, and date of acquisition for each item. General descriptions such as Equipment, Various, or Miscellaneous are not acceptable.
6. Attach a copy of the State of Maryland Personal Property Return for the year of acquisition.

Additional information and requirements

All exemptions require approval by the City of Salisbury Council and receipt of exemption from Wicomico County does not mean you will automatically be granted an exemption by the City of Salisbury. The exemption that is granted is for a specific year in which equipment was purchased and can be for a term up to a maximum of 5 years. Once an exemption has been granted, a copy of the personal property tax return must be sent in for each year of the exemption. To be eligible to receive the maximum exemption term of 5 years, the application must be received within two (2) years from December 31st of the calendar year in which the equipment was purchased. A separate request must be made for each year. The application can be mailed to Finance Department, 125 North Division St., Salisbury, MD 21801-4940 or faxed to (410) 860-5154.

Preparer's Signature [Signature] Date 11/04/2019

Email address cgolliday@lwrci.com

NAME OF BUSINESS LWRC INTERNATIONAL, LLCDEPARTMENT ID NUMBER W 1 2 2 9 7 0 4 0**2019****Form 1****Additional Business
Locations**

ACTUAL PHYSICAL LOCATION OF PERSONAL PROPERTY:

510 NAYLOR MILL RD SALISBURY21801Wicomico County**5. Tools, machinery and equipment used for manufacturing or R&D:**

Year Acquired	A	C	D	Year Acquired	A	C	D
2018	660,391			2014	397,405		
2017	837,365			2013	2,542,680		
2016	136,982			2012	1,289,820		
2015	57,285			2011 & prior	600,592		

Total Cost**\$ 6,522,520**

Describe Property in C &-D above:

6. Vehicles with interchangeable Registration and/or Unregistered vehicles:

Year Acquired	Original Cost	Year Acquired	Original Cost
2018		2016	
2017		2015 & prior	

Total Cost**\$ NONE****7. Non-farming livestock:**

Book Value \$

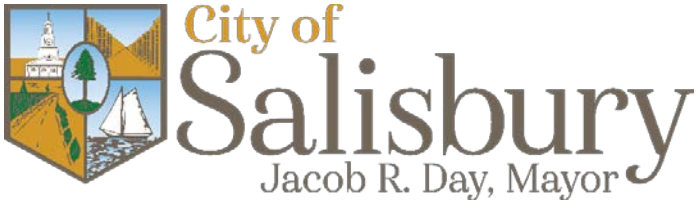
Market Value \$

8. Other personal property:

File separate schedule giving a description of property, original cost and the date of acquisition.

Total Cost**\$ NONE****9. Property owned by others and used or held by the business as lessee or otherwise:**File separate schedule showing names and addresses of owners, lease number, description of property, installation date and separate cost in each case.**Total Cost****\$ NONE****10. Property owned by the business, but used or held by others as lessee or otherwise:**File separate schedule showing names and addresses of lessees, lease number, description of property, installation date and original cost by year of acquisition for each location. Schedule should group leases by county where the property is located. Manufacturer lessors should submit the retail selling price of the property, not the manufacturing cost. **For additional information regarding separate schedules, please see Form 1 instructions at <https://dat.maryland.gov>****Total Cost****\$ NONE**

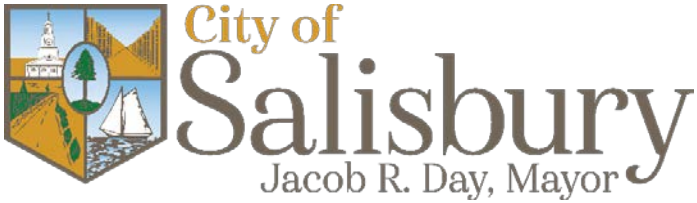
LWRC Capital Equipment 2018			
KAY'S ENGINEERING (PNUEMATIC KITAGAWA CHUCKS FOR OKUMAS)	2/1/2018	11	17,685.00
AMERICAN GFM INV0341 (HAMMERS -BFM)	2/1/2018	11	8,980.00
AMERICAN GFM INV0505 (HAMMERS -BFM)	4/1/2018	9	17,960.00
AMERICAN GFM INV1081 (INSTALL NEW COMPLETE FORGE BOX-BFM)	12/1/2018	1	22,966.28
AMERICAN GFM INV19088 (NEW COMPLETE FORGE BOX-BFM)	12/1/2018	1	592,800.00
Total			660,391.28



COUNCIL AGENDA – Award of Bids

January 13, 2020

- | | |
|------------------------------------------------------------------|----------------------------------------|
| 1. Award of Bid
ITB 20-112
Paleo Well #3 Construction | \$2,437,899.60 |
| 2. Award of Bid
ITB A-20-106
Magnesium Hydroxide | \$ 294,555.00 (approx. 1 yr use) |
| 3. Award of Bid
ITB A-20-105
City-wide Electrical Services | \$ 100,000.00 (3 yr contract estimate) |
| 4. Change Order #1
ITB 19-124
Town Square Phase 1 | \$ 11,851.33 |



To: Mayor and City Council
From: Jennifer Miller
Director of Procurement
Date: January 13, 2020
Subject: Award of Bid
ITB 20-112 Paleo Well #3 Construction

The Department of Procurement received a request from the Department of Infrastructure and Development to solicit bids for qualified and experienced contractors to furnish all labor, material and equipment necessary to construct a new production well and raw water main for connection to the existing raw water main located along Naylor Mill Road.

The City followed standard bidding practices by advertising in the Daily Times, posting the solicitation on the City of Salisbury's Procurement Portal and advertising on the State of Maryland's website, eMaryland Marketplace Advantage. Two (2) vendors submitted a bid by the due date and time of December 4, 2019, at 2:30 p.m., with Chesapeake Turf, LLC. submitting the lowest responsible and responsive bid:

Vendor	Total Bid (including contingent items)
Chesapeake Turf (Salisbury, MD)	\$2,437,899.60
Somerset Well Drilling Co., Inc. (Westover, MD)	\$2,769,904.00

The Department of Procurement hereby requests Council's approval to award Contract ITB 20-112 to Chesapeake Turf, LLC. in the amount of \$2,437,899.60. Funding is available in the Paleo Well #3 project account 97010-513026-49040.



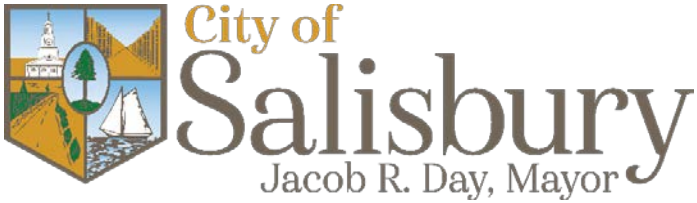
To: Jennifer Miller, Director of Procurement
From: Amanda H. Pollack, Director of Infrastructure & Development *AP*
Date: December 23, 2019
Re: Contract ITB 20-112 – Award of Bids Paleo Well Number 3 Construction

The Department of Infrastructure and Development recently worked with the Procurement Department to advertise a bid Construction of Paleo Well Number 3. The construction involves Well drilling, tree removal and grading for an access road, well house and site improvements, well pump, piping, valves, and instrumentation within the well house, raw water main and interconnections, electrical and mechanical installations for the well house and pump to include a backup generator, SCADA, electrical service to the building and clearing and grubbing. The Bid also included several contingent items in relation to excavation, furnishing of gravel bedding, fill, and concrete, proctor and density testing, chain link fencing, and miscellaneous DI fittings.

Bids were opened on Wednesday, December 4, 2019 at 2:30 PM for Contract ITB 20-112. Two bids were received. Chesapeake Turf, LLC was determined to be the lowest responsive and responsible bidder with a total base bid of \$2,327,749.60 and Contingent Items totaling \$110,150.00. The total bid amount including the Contingent Items is \$2,437,899.60. The bid was reviewed in detail and items such as the pricing, well drilling and installation, clearing and grubbing and were all found to be consistent with the project estimate.

The Department of Infrastructure and Development reviewed the bid in accordance with the contract documents. Staff called references for Chesapeake Turf and their key subcontractors and each was complementary of the work performed and would hire the contractor again. The Department of Infrastructure and Development recommends awarding the contract to Chesapeake Turf, LLC for \$2,437,899.60 for the work specified in the Invitation to Bid 20-112. Funds are available in account 97010-513026-49040.

Amanda H. Pollack, P.E.
Director of Infrastructure & Development



To: Mayor and City Council
From: Jennifer Miller
Director of Procurement
Date: January 13, 2020
Subject: Award of Bid
ITB A-20-106 Liquid Magnesium Hydroxide

The City of Salisbury Department of Procurement received a request from the Department of Water Works to solicit bids for ITB A-20-106 Liquid Magnesium Hydroxide. This solicitation sought bids from qualified and experienced firms to furnish and deliver liquid magnesium hydroxide to the Waste Water Treatment Plant at 1142 Marine Road.

This award will constitute a "Requirements" contract. While the City has attempted to identify an estimated amount of liquid magnesium hydroxide to cover its processing requirements, the quantity of chemical ordered may be different than that submitted for bidding. No minimum purchase was implied or guaranteed; thereby, the City reserves the right to decrease or increase the quantity acknowledged in the solicitation document, and said modifications do not constitute a change order. Additionally, the solicitation included a Contract Extension clause. This provides the City with the option to renew this contract with the same terms and conditions as the original contract for two, (1) one-year terms, contingent upon sufficient budget appropriations and mutual agreement between the City and the Vendor.

The Department of Procurement followed standard bidding practices by advertising in the Daily Times and posting the solicitation on both the City of Salisbury's Procurement Portal and the State of Maryland's website, eMaryland Marketplace Advantage. One (1) vendor submitted a bid by the due date and time of December 16, 2019 at 2:30 p.m.

Vendor	Estimated Usage	Unit Price	Total Bid
Premier Magnesia, LLC	128,000 gallons	\$2.69/gal	\$344,320.00

Premier Magnesia, LLC was deemed responsive and responsible, and the Department of Procurement hereby requests Council's approval to award Contract ITB A-20-106 to said vendor, with subsequent annual renewals processed by the Department of Procurement. Supply orders will be issued by the Waste Water Treatment Plant as needed from account 86083-546004.

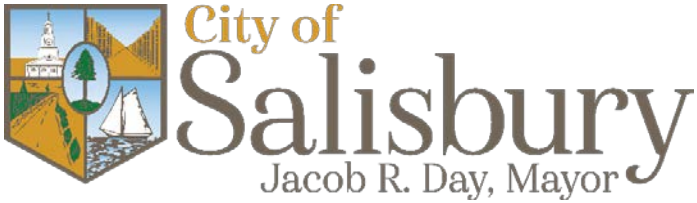


City of
Salisbury
Jacob R. Day, Mayor

To: Jennifer Miller, Director of Procurement
From: Connie Luffman, Superintendent - Wastewater Treatment Plant
Date: December 24, 2019
Re: WWTP Magnesium Hydroxide

Salisbury Water Works recently advertised a bid for Magnesium Hydroxide for the Wastewater Treatment Plant, ITB A-20-106. Only one (1) response was received which was from Premier Magnesia with a cost of \$2.69 per gallon. The Wastewater Treatment Plant requests that this bid be awarded to Premier Magnesia. Funding is available from account number 86083-546004. Please let me know if you need any additional information or have any questions. Thank you.


12/24/19



To: Mayor and City Council
From: Jennifer Miller
Director of Procurement
Date: January 13, 2020
Subject: Award of Bid
ITB A-20-105 City-wide Electrical Services

The Department of Procurement solicited bids for all labor, materials and equipment necessary for the routine maintenance, emergency repair and minor upgrades to the electrical systems supporting City facilities. In the last three calendar years (including 2019 YTD), the City has expended approximately \$106,000 on miscellaneous electrical services under the previous contract.

This award will constitute an Indefinite Delivery, Indefinite Quantity contract. The services provided to the City will be of an on-call nature, with no minimum purchase implied or guaranteed. Additionally, the solicitation included a Contract Extension clause. This provides the City with the option to renew all or portions of this contract with the same terms and conditions as the original contract for two, (1) one-year terms, contingent upon sufficient budget appropriations and mutual agreement between the City and the Vendor.

The Department of Procurement followed standard competitive bidding practices by advertising in the Daily Times, and posting the solicitation on both the City of Salisbury's Procurement Portal and on the State of Maryland's website, eMaryland Marketplace Advantage. The attached bid tab shows pricing from the three (3) vendors that submitted bids by the due date and time of November 27, 2019 at 2:30 p.m.

Two vendors were deemed responsive and responsible, and the Department of Procurement hereby requests Council's approval to award Contract ITB A-20-105 to Carter's Electrical Services, Inc., with subsequent annual renewals processed by the Department of Procurement. Purchase orders for specific tasks will be issued as needed by the department requesting contract services.



City of
Salisbury

Department of Procurement
125 N. Division St., #104, Salisbury, MD 21801
PH: 410-548-3190 FX: 410-548-3192
www.salisbury.md

BID TABULATION SHEET FOR CONTRACT NUMBER: ITB A-20-105

Contract Name: City Wide Electrical Services Bid opening 11/27/2019 @ 2:30 p.m.

VENDOR INFORMATION		Carter's Electrical Services, Inc. PO Box 410 Pittsville, MD 21850				AET Electric Inc PO Box 177 Parsonsburg, MD 21849			
Item #	Description	Routine	Urgent	Emergency	After Hours	Routine	Urgent	Emergency 2 hr callout	After Hours
101A	Principle	\$ 50/hr	\$65/ hr	\$65/hr	\$65/hr	\$65/hr	\$75/hr	\$ N/A	\$ N/A
101B	Master Electrician	\$50 /hr	\$65/hr	\$65/hr	\$65/hr	\$55/hr	\$67/hr	\$ 67/hr	\$75/hr
101C	Journeyman Electrician	\$ 40 /hr	\$55/hr	\$55/hr	\$55/hr	\$50/hr	\$65/hr	\$65/hr	\$70/hr
101D	Apprentice Electrician	\$ 25 /hr	\$35/hr	\$35/hr	\$35/hr	\$38/hr	\$48/hr	\$48/hr	\$50/hr
101E	Laborer	\$ 20 /hr	\$30/hr	\$30/hr	\$30/hr	\$29/hr	\$35/hr	\$35/hr	\$40/hr
101F	Administrative	\$40 /hr	\$40/hr	\$40/hr	\$40/hr	\$20/hr	\$ N/A	\$N/A	\$ N/A
102	Travel Time Cost			\$0/hr	\$0/hr			\$50/hr	\$ 50/hr
103	Mileage Cost/Mile			\$0/mi	\$0/mi			\$ N/A	\$ N/A
104	Parts and Material Cost Plus Percentage	8 %				%			
105	Minimum Cost for Service call	\$0	\$0	\$0	\$0	\$ 55	\$ 67	\$ 67	\$ 75

This is a bid opening tally only and are not to be considered results. Bid submissions and numbers must still be verified for accuracy, responsiveness and responsibility.



City of Salisbury

Department of Procurement
125 N. Division St., #104, Salisbury, MD 21801
PH: 410-548-3190 FX: 410-548-3192
www.salisbury.md

BID TABULATION SHEET FOR CONTRACT NUMBER: ITB A-20-105

Contract Name: City Wide Electrical Services Bid opening 11/27/2019 @ 2:30 p.m.

VENDOR INFORMATION		Lywood Electric Inc. 301 Bloomingdale Avenue, Federalsburg, MD 21632							
Item #	Description	Routine	Urgent	Emergency	After Hours	Routine	Urgent	Emergency	After Hours
101A	Principle	\$110/hr	\$ 110/hr	\$110/hr	\$165/hr				
101B	Master Electrician	\$90/hr	\$ 90/hr	\$100/hr	\$135/hr				
101C	Journeyman Electrician	\$65/hr	\$65/hr	\$72/hr	\$97/hr				
101D	Apprentice Electrician	\$55/hr	\$55/hr	\$61/hr	\$82/hr				
101E	Laborer	\$50/hr	\$50/hr	\$55/hr	\$75/hr				
101F	Administrative	\$45/hr	\$45/hr	\$50/hr	\$67/hr				
102	Travel Time Cost			\$65/hr	\$97/hr				
103	Mileage Cost/Mile			\$50/mi	\$50/mi				
104	Parts and Material Cost Plus Percentage	15 %							
105	Minimum Cost for Service call	\$120	\$240	\$ 480	\$ 700				

This is a bid opening tally only and are not to be considered results. Bid submissions and numbers must still be verified for accuracy, responsiveness and responsibility.



City of
Salisbury
Jacob R. Day, Mayor

To: Mayor and City Council
From: Jennifer Miller
Director of Procurement
Date: January 13, 2020
Subject: Change Order #1 to ITB 19-124
Town Square Phase 1

The Department of Procurement received a request from the Department of Infrastructure & Development to process Change Order #1 in the amount of \$11,851.33 for Invitation to Bid (ITB) 19-124 Town Square Phase 1. This change order is the net result of deductions and additions to the scope of work, commonly referred to as a "balancing change order". Funds are available in the Streetscaping project account 98118-513026-48043.

The Department of Procurement requests Council's approval to process Change Order #1 as noted above to Barker's Landing Excavation, LLC.



City of
Salisbury
Jacob R. Day, Mayor

To: Jennifer Miller, Director of Internal Services-Procurement & Parking
From: Amanda Pollack, P.E., Director of Infrastructure and Development *AP*
Date: November 7, 2019
Re: Change Order No. 1, ITB 19-124, Town Square Phase 1

The Town Square Phase 1 project included the construction of a food truck pad complete with electrical hook-up for food trucks, storm water management, the closure of the Circle Ave turn lane onto S. Division St, replacement of sidewalk with pavers, and the addition of a seat wall.

Change Order No.1 for Contract No. ITB 19-124, Phase 1 Town Square enclosed for review. This is a final balancing change order incorporating credits for unused unit quantities and additional work completed under force account. The credits were associated with bid items 103-Demolition, 108-Pavement Demarcation, 109-Site Furnishings and 202-Electrical Lighting, and totaled \$19,970.56. The Force Account work consisted of the addition of three street lights and helical bases, moving two existing street lights and adding two helical bases, upgrade electric sub panel from 100 amps to 200 amps, up grading panel wiring and breakers, resetting the (storm water) Filterra unit, and adding an additional bollard. The force account work totaled \$31,821.89.

Please process Change Order No. 1 which results in a net increase of \$11,851.33. Funding is available in project account 98118-513026-48043. The change order does not include a time extension so the date of Substantial Completion is unchanged. Work is complete on this contract.

Amanda H. Pollack

Amanda H. Pollack, P.E.
Director of Infrastructure and Development

Attachment A - Town Square Phase 1

Bid Items	
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Item NO.	Bid Task	QTY	Units	Unit Price	Scheduled Value	Total Completed	Credits
101	Mobilization/Demobilization	1	L.S.	\$ 13,440.00	\$ 13,440.00	\$ 13,440.00	\$ -
102	Maintenance of Traffic	1	L.S.	\$ 9,744.00	\$ 9,744.00	\$ 9,744.00	\$ -
103	Demolition	1	L.S.	\$ 30,604.00	\$ 30,604.00	\$ 25,563.55	\$ 5,040.45
104	Curb and Gutter	195	L.F.	\$ 22.00	\$ 4,290.00	\$ 4,290.00	\$ -
105	Vehicular Concrete Pavers	4525	S.F.	\$ 25.45	\$ 115,161.25	\$ 115,161.25	\$ -
106	Seat Wall	140	L.F.	\$ 125.00	\$ 17,500.00	\$ 17,500.00	\$ -
107	Filtterra	1	L.S.	\$ 69,888.00	\$ 69,888.00	\$ 69,888.00	\$ -
108	Pavement demarcation	1	L.S.	\$ 11,704.00	\$ 11,704.00	\$ -	\$ 11,704.00
109	Site furnishings	1	L.S.	\$ 4,234.00	\$ 4,234.00	\$ 1,008.00	\$ 3,226.00
110	ESC	1	L.S.	\$ 1,344.00	\$ 1,344.00	\$ 1,344.00	\$ -
202	Electrical Lighting	1	L.S.	\$ 21,905.00	\$ 21,905.00	\$ 21,904.89	\$ 0.11
Total					\$ 299,814.25	\$ 279,843.69	\$ 19,970.56

[illegible]

	Polly Sand	1	L.S.	\$ 1,191.75	\$ 1,191.75	\$ 1,191.75	\$ -
	Tider Materials & Equipment, Labor	1	L.S.	\$ 22,339.95	\$ 22,339.95	\$ 22,339.95	\$ -
	Barkers Landing Materials & Equipment	1	L.S.	\$ 6,191.03	\$ 6,191.03	\$ 6,191.03	\$ -
	Aerial Services (Crane)	1	L.S.	\$ 2,099.16	\$ 2,099.16	\$ 2,099.16	\$ -
Total					\$ 31,821.89	\$ 31,821.89	\$ -

[illegible]

CONTRACT VALUE	\$ 299,814.25	\$ -
WORK COMPLET	\$ 279,843.69	\$ -
CREDITS	\$ 19,970.56	\$ -
FORCE ACCOUNT WORK	\$ 31,821.89	
NET CHANGE ORDER #1	\$ 11,851.33	
REVISED CONTRACT TOTAL	\$ 311,665.58	



City of
Salisbury
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator
From: Amanda Pollack, P.E., Director of Infrastructure and Development
Date: December 19, 2019
Re: Resolution – 144 East Main Street Capacity Fee Waiver

AP

Attached is a letter from First Move Properties, LLC dated December 19, 2019 which requests consideration for a Capacity Fee waiver for the redevelopment of 144 East Main Street. 144 East Main Street is the Chamber of Commerce Building. It is proposed to be developed into a mixed use apartment complex. The building will have thirty-one (31) apartments and office space. Additionally, the request includes the Capacity Fees associated with the event space in the Ross Complex at 130/132 East Main Street. The total request is for a waiver of 35 EDUs. At the current Capacity Fee rate of \$3,533, the waiver request is equivalent to \$123,655.00.

144 East Main Street is part of the overall development that include 130 and 132 East Main Street. Those properties were granted Capacity Fee waivers via Resolution Nos. 2883 and 2924, which totaled 56.84 EDUs.

Per Ordinance No. 2258, the owner is seeking a Capacity Fee waiver as part of the Equivalent Dwelling Unit (EDU) Incentive Area. The original allocation of 300 EDUs was based on a transfer of EDUs from the former Linens of the Week property. To date, 213.64 EDUs of the original allocation of 300 EDUs have been used, therefore there are 86.36 EDUs available. If this request is approved, there will be 51.36 EDUs remaining.

As per Ordinance No. 2258, Infrastructure and Development has evaluated the eligibility of this project for the EDU Incentive Area. The project location is within the Central Business Zoning District and will consist of redevelopment that is not eligible for an affordable housing waiver. The project does or will comply with all other necessary criteria.

Attached is a Resolution for consideration to waive the Capacity Fees associated with the development of 144 East Main Street. After review of the request, Infrastructure and Development recommends approval. If this EDU waiver is approved, then it will be valid for two years from the date of the Resolution.

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

FIRST MOVE PROPERTIES, LLC
P.O. Box 4365
Salisbury, MD 21803

December 19, 2019

City of Salisbury, Maryland
Department of Infrastructure & Development
Attn: Amanda H. Pollack, P.E., Director (apollack@salisbury.md)
125 N. Division Street, Room 202
Salisbury, Maryland 21801

Re: *First Move Properties, LLC's Revised Request for Capacity Fee Waiver; Redevelopment of 144 E. Main Street, Salisbury, Maryland 21801 (Map 0107, Grid 0015, Parcel 858 and 878)*

Dear Ms. Pollack:

On behalf of First Move Properties, LLC ("First Move"), please accept this letter as First Move's formal request to the City of Salisbury for a waiver of the Capacity Fees associated with First Move's redevelopment of 144 E. Main Street ("the Project")

First Move plans to demolish and redevelop the two-story office building located at 144 E. Main St. into two-person, three-person, and four-person luxury style apartments. The Project is on the brink of being permitted for construction. In the next few weeks First Move will be submitting applications for preliminary approval from the City of Salisbury Historic District Commission and the Salisbury-Wicomico County Planning and Zoning Commission. Additionally, the Project is premised on offering high quality apartment-style rentals to university students, thus the Project will inextricably link Salisbury University to Downtown Salisbury.

Pursuant to Ordinance No. 2258, the City created and authorized an "EDU Incentive Area" to reduce the capacity fees assessed against certain development and redevelopment projects in the City's Downtown Development District, the Central Business District, the Riverfront Redevelopment Area and the City's designated Enterprise Zone. Before passing Resolution No. 2883, the City Council passed Resolution No. 2864 to extend the expiration date of the EDU Incentive Area until September 23, 2023.

First Move estimates a total of 35 EDUs are needed for the Project. Under the City's EDU Incentive Area program, First Move is eligible for a waiver of the Capacity Fees associated with the EDUs allocated for the Project: the Project is located within the City's EDU Incentive Area; and, the Project satisfies all criteria governing the City's waiver of Capacity Fees for development projects undertaken within the EDU Incentive Area. Therefore, in accordance with the provisions of Chapter 13.04.110 of the City Code, First Move respectfully requests the City waive the Capacity Fees of \$123,655 assessed for all 35 EDUs needed for First Move's development of the Project.

If City staff has any questions or needs additional information regarding the matters addressed in this correspondence, please do not hesitate to contact me. On behalf of First Move, thank you for your time and consideration of this request.

Sincerely,

A handwritten signature in blue ink, appearing to read 'N. Simpson', with a stylized flourish at the end.

Nicholas Simpson,
First Move Properties, LLC

144 E. Main St.

Residential: 31 Units = 31 EDU's

Office: 1500sqft = .54 EDU's

Event Space: 10,000sqft = 4 EDU's

Sub-Total: 35.54 EDU's

Less Credit of 1 EDU for existing water at 144 E. Main

Grand Total: 34.32 EDU's Rounded up to 35 EDU's

$\$3,533 \times 35 \text{ EDU's} = \$123,655$

RESOLUTION NO. 2988

A RESOLUTION OF THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND
AUTHORIZING THE CAPACITY FEE OF THE CITY'S COMPREHENSIVE
CONNECTION CHARGE TO BE WAIVED FOR THE DEVELOPMENT OF 144 EAST
MAIN STREET.

WHEREAS, First Move Properties, LLC has requested a waiver of the Capacity Fee
for the development of 144 East Main Street; and

WHEREAS, the proposed development is located inside the City Limits and the
Central Business District; and

WHEREAS, the City seeks to encourage development and redevelopment in the
Central Business District; and

WHEREAS, the City seeks to reduce the capacity fees for eligible development and
redevelopment in the Central Business District by means of an Equivalent Dwelling Unit
(EDU) Incentive Area; and

WHEREAS, the proposed development of 144 East Main Street requires a total of
35 Equivalent Dwelling Units of water and sewer service; and

WHEREAS, the current Capacity Fee for one Equivalent Dwelling Unit is
\$3,533.00; and

WHEREAS, the Capacity Fee for 35 Equivalent Dwelling Units is \$123,655.00; and

WHEREAS, the City Council approved a Capacity Fee waiver process under
Ordinance No. 2258 for development in the Central Business District; and

WHEREAS, the Director of Infrastructure and Development reviewed the request
and has determined that the project is eligible for the Capacity Fee waiver; and

WHEREAS, the Mayor reviewed the request and supports sending the request to the
City Council; and

WHEREAS, if approved, the EDU allocation for the Capacity Fee waiver is valid
for two years from the time of the signing of this Resolution; and

WHEREAS, the property owner has the option to request an extension of the
allocation for two one-year terms, if approved in writing by the Director of Infrastructure
and Development prior to expiration of the term; and

WHEREAS, the allocated EDUs are assigned to the development of 144 East Main
Street and cannot be transferred by the recipient.

48 NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Salisbury,
49 Maryland approves the waiver of 35 Equivalent Dwelling Units of Capacity Fee for the
50 development of 144 East Main Street by First Move Properties, LLC.
51

52 THIS RESOLUTION was introduced and duly passed at a meeting of the Council
53 of the City of Salisbury, Maryland held on _____, 2020 and is to become effective
54 immediately upon adoption.
55

56 ATTEST:
57
58
59

60 _____
61 Kimberly R. Nichols
62 CITY CLERK
63

John R. Heath
PRESIDENT, City Council

64 APPROVED by me this _____ day of _____, 2020
65
66
67

68 _____
69 Jacob R. Day
MAYOR, City of Salisbury



City of
Salisbury
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator
From: Amanda H. Pollack, P.E., Director of Infrastructure and Development
Date: December 5, 2019
Re: Resolution – First Move Properties MOU for soils

Attached is a letter from First Move Properties, LLC dated November 5, 2019 requesting to use excess soil for redevelopment of a property. Attached is the Memorandum of Understanding between the City and First Move Properties, LLC, the developers of 130, 132 and 144 East Main Street. The MOU is for the City to provide excess soil to be used at the proposed development. A soil stockpile was created from the construction at the Wastewater Treatment Plant. The soil is not needed at the WWTP. The soil would provide benefit to the development. Since the City seeks to encourage development and redevelopment in the Central Business District, we recommended providing excess fill to First Move Properties, LLC per the terms of the MOU.

The soil stockpile may also be used by the City for our own purposes. Any soil remaining could be offered to other developers and projects as appropriate.

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

FIRST MOVE PROPERTIES, LLC

**P.O. Box 4365
Salisbury, MD 21803**

November 5, 2019

City of Salisbury, Maryland
Department of Infrastructure & Development
Attn: Amanda H. Pollack, P.E., Director (apollack@salisbury.md)
125 N. Division Street, Room 202
Salisbury, Maryland 21801

**Re: *First Move Properties, LLC's Request for Soil;
Redevelopment of 144 E. Main Street, Salisbury, Maryland 21801 (Map 0107, Grid
0015, Parcel 858 and 878), 130 E. Main Street, Salisbury, Maryland 21801 (Map
0107, Grid 0015, Parcel 0855), and 132 E. Main Street, Salisbury, Maryland 21801
(Map 0107, Grid 0015, Parcel 0856). Referred to collectively as the "Property"***

Dear Ms. Pollack:

On behalf of First Move Properties, LLC ("First Move"), please accept this letter as First Move's formal request to the City of Salisbury for excess soil located at the Wastewater Treatment Plant for First Move's redevelopment the Property. First Move will provide all necessary equipment to load and transport the soil and will exclusively use the material at the Property.

First Move proposes to begin pickup of the soil no later than June 1, 2020 and complete the transport no later than December 31, 2020 and expects to receive a Certificate of Occupancy for the redevelopment of the Property by August 15, 2021.

During the transportation process First Move representatives will check-in each day with city personnel at the Wastewater Treatment Plant and will record each load removed to ensure no more than 3,200 tons of soil is transported to the Property.

If City staff has any questions or needs additional information regarding the matters addressed in this correspondence, please do not hesitate to contact me. Thank you for your time and consideration of this request.

Sincerely,



Nicholas Simpson,
First Move Properties, LLC

1 RESOLUTION No. 2989

2
3 A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING THE
4 MAYOR TO ENTER INTO AN AGREEMENT WITH FIRST MOVE PROPERTIES, LLC TO
5 ALLOW THE USE OF SOIL LOCATED AT THE CITY'S WASTEWATER TREATMENT
6 PLANT FOR THE REDEVELOPMENT OF 130 EAST MAIN STREET, 132 EAST MAIN
7 STREET AND 144 EAST MAIN STREET.

8
9 WHEREAS, the City seeks to encourage development and redevelopment in the Central
10 Business District, the Riverfront Redevelopment Area and the Enterprise Zone; and

11
12 WHEREAS, 130 East Main Street, 132 East Main Street and 144 East Main Street are
13 located in the Central Business District; and

14
15 WHEREAS, the purpose of this agreement is to share resources to assist in the development
16 of these parcels; and

17
18 WHEREAS, the City has excess soil stockpiled at the Wastewater Treatment Plant; and

19
20 WHEREAS, the City desires to enter into the attached Memorandum of Understanding to
21 specify the requirements for the owner/developer to have access to the City's stockpiled soil.

22
23 NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF
24 SALISBURY, MARYLAND, that the Mayor is authorized to sign and enter into the attached
25 Memorandum of Understanding with First Move Properties, LLC.

26
27 THIS RESOLUTION was duly passed at a meeting of the Council of the City of Salisbury
28 held on _____, 2020, and is to become effective immediately upon adoption.

29
30
31 ATTEST:

32
33 _____
34 Kimberly R. Nichols, City Clerk

John R. Heath, President
Salisbury City Council

36
37 APPROVED BY ME THIS:

38
39 _____ day of _____, 2020

40
41 _____
42 Jacob R. Day, Mayor
43

AGREEMENT

AN AGREEMENT BETWEEN THE "PARTIES"; FIRST MOVE PROPERTIES, LLC, "DEVELOPER", AND THE CITY OF SALISBURY, "CITY";

WHEREAS, CITY seeks to encourage development and redevelopment in the Central Business District, the Riverfront Redevelopment Area and the Enterprise Zone; and

WHEREAS, to support the redevelopment of said areas, CITY has made available soil located at the Wastewater Treatment Plant at no charge to be used exclusively at the property described herein as 130 East Main Street, 132 East Main Street and 144 East Main Street in Salisbury, Maryland.

NOW, THEREFORE, DEVELOPER agrees to all of the provisions set forth herein for use of the soil.

DEVELOPER will load on site, and transport the soil to be used exclusively at the property described herein.

DEVELOPER will utilize his own equipment to load and transport the soil.

DEVELOPER may leave equipment at the WWTP at its own risk.

DEVELOPER may access the soil stockpile at the WWTP between the hours of 8 am and 3 pm on weekdays only.

DEVELOPER will adhere to all regulations governing sediment and erosion control measures.

DEVELOPER will begin soil pickup no later than June 1, 2020, will check-in each day with City personnel at the gate, and will record each load removed and the amount of soil removed.

DEVELOPER will complete soil transport and commence site work no later than December 31, 2020.

DEVELOPER will obtain a certificate of occupancy no later than August 15, 2021.

Failure to meet the prescribed timeline may result in a charge for the soil at a cost of \$65 per square yard, payable to the City of Salisbury no later than 30 days after missing any one or more of the deadlines.

DEVELOPER takes and accepts all soil "AS IS." CITY makes no warranty, guaranty or representation of any kind, expressed or implied, as to the merchantability or fitness for any purpose of the soil provided, including any environmental representations or guarantees of any kind that the soil is adequate for DEVELOPER'S needs. DEVELOPER is not entitled to any payment for any losses or damages tied in any way to the soil.

DEVELOPER shall indemnify, defend and save harmless CITY and its officers, employees and agents from and against any suits, actions, legal or administrative proceedings, demands, claims, liabilities, fines, penalties, losses, injuries, damages, expenses or costs, including interest and attorneys' fees, in any way

connected with any injury to any person or damage to any property or any loss to CITY or third parties occasioned in any way with the soil, including by hazardous substances originating or tied to the soil or its use by DEVELOPER. This indemnity specifically includes the obligation of DEVELOPER to perform any remedial or other activities required or ordered by any properly empowered government official, or otherwise reasonably necessary to avoid injury or liability to any person or to prevent the spread of pollution, originating thereon. DEVELOPER shall perform all such work in its own name in accordance with applicable law, as herein defined.

The PARTIES may terminate this agreement at any time by providing written notice of said termination.

If terminated by DEVELOPER, DEVELOPER will pay City for all soils removed.

NOW, THEREFORE, BE IT RESOLVED that the PARTIES agree to the above provisions of Memorandum of Understanding.

ATTEST:

Developer

City of Salisbury

Nick Simpson

Date

Jacob R. Day
Mayor

Date

RESOLUTION NO. 2990

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH FIRST MOVE PROPERTIES, LLC FOR THE PURCHASE OF PARKING PERMITS IN THE DOWNTOWN PARKING GARAGE, TO GRANT A TEMPORARY CONSTRUCTION EASEMENT AND PERPETUAL MAINTENANCE EASEMENT, AND TO GRANT A DEED OF EASEMENT TO FIRST MOVE PROPERTIES, LLC.

WHEREAS, First Move Properties, LLC intends to improve properties it owns located at 130 East Main Street, 132 East Main Street and 144 East Main Street in the Central Business District; and

WHEREAS, the attached Developer's Agreement details the agreement between the City of Salisbury and First Move Properties regarding parking spaces in the garage; and

WHEREAS, First Move Properties, LLC requires easements across real property owned by the City of Salisbury in order to improve the properties identified as 130 E. Main Street and 132 E. Main Street, City of Salisbury, to create a walkway from the property to the City of Salisbury parking garage; and

WHEREAS, the attached Deed of Easement and the attached Temporary Construction Easement and Perpetual Maintenance Easement detail the aforementioned easement areas and agreement between the City of Salisbury and First Move Properties, LLC.

NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND, that the Mayor is authorized to negotiate, sign and enter into an agreement and easements with First Move Properties, LLC that are substantially similar to the attached Developer's Agreement, Temporary Construction and Perpetual Maintenance Easement and Deed of Easement, with such other terms and conditions as required by the City Solicitor.

THIS RESOLUTION was duly passed at a meeting of the Council of the City of Salisbury held on _____, 2020, and is to become effective immediately upon adoption.

ATTEST:

Kimberly R. Nichols, City Clerk

John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS:

_____ day of _____, 2020

Jacob R. Day, Mayor

DEVELOPER'S AGREEMENT

THIS DEVELOPER'S AGREEMENT ("Agreement"), is dated this ____ day of _____ 2020, by and between the *City of Salisbury, Maryland*, a municipal corporation of the State of Maryland (the "City"), and *First Move Properties, LLC*, a Maryland limited liability company ("**First Move**") (the City and First Move are hereinafter referred to collectively as the "**Parties**").

Recitals

WHEREAS, the City is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0881, and being described as "61,979 SQ FT NS CIRCLE AVE CITY OF SALISBURY", consisting of 61,979 square feet of land, more or less (said real property is hereinafter referred to as "**Parcel 881**");

WHEREAS, the City is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0880, and being described as "L-18, 151 SQ FT 115-117 MARKET ST CITY OF SALISBURY", consisting of 18,151 square feet of land, more or less (said real property is hereinafter referred to as "**Parcel 880**") (Parcel 881 and Parcel 880 are hereinafter referred to collectively as the "**City Property**");

WHEREAS, the City Property is improved by a four-story structure, consisting of approximately 189,572+/- square feet of floor space, used and maintained by the City as a parking garage (the "**Downtown Parking Garage**") for the purpose of providing parking to the general public at a fee, subject to applicable local law and regulations;

WHEREAS, the Downtown Parking Garage contains a total of ~~Six~~ Seven Hundred ~~Eighty-Three~~ (689703) parking spots;

WHEREAS, First Move is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 856, and being described as "L-40X110 132-134 E MAIN ST CITY OF SALISBURY"; ~~and further~~ being in all respects the same property conveyed by George H. White and Deborah W. Poole unto First Move, by Deed dated March 1, 2018 and recorded among the Land Records of Wicomico County, Maryland in Liber 4296, folio 283 (said real property is hereinafter referred to as "**132 E. Main**");

WHEREAS, First Move is the owner of all that certain real property, and improvements thereon, located in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 855, and being described as "3,300 SQFT 130A-130 E. MAIN ST CITY OF SALISBURY", and further being in all respects the same property conveyed by Livingston Holdings, LLC unto First Move, by Deed dated February 6, 2019 and recorded among the Land Records of Wicomico County, Maryland in Liber 4430, folio 483 (said real property is hereinafter referred to as "**130 E. Main**") (132 E. Main and 130 E. Main are hereinafter referred to collectively as the "**E. Main Properties**");

WHEREAS, pursuant to the terms and conditions set forth in that certain Commercial Sales Contract, dated September 20, 2019 (the "**Contract of Sale**"), by and between First Move and Salisbury Area Chamber of Commerce, Inc. ("**SACC**"), First Move has agreed to purchase from SACC all that certain real property having a premises address of 144 E. Main Street, Salisbury, Maryland 21801, more particularly identified by the Maryland Department of Assessment and Taxation Records as Map 0107, Parcel 0858 (Maryland Tax ID# 05-022673) (said real property is hereinafter referred to as "**144 E. Main**"), and all that certain real property having a premises address of 119 E. Market Street, Salisbury,

Maryland 21801, more particularly identified by the Maryland Department of Assessment and Taxation Records as Map 0107, Parcel 0878 (Maryland Tax ID# 05-022703) (said real property is hereinafter referred to as “**119 E. Market**”) (144 E. Main and 119 E. Market are hereinafter referred to collectively as the “**Chamber Property**”);

WHEREAS, First Move plans to redevelop the E. Main Properties by constructing a twelve-story, approximately one hundred sixty-five feet (165’+/-) tall, structure thereon, which, when completed, will consist of commercial retail spaces on the first floor, fifty-nine (59) luxury-style apartments on the second through eleventh floors, and an event space on the twelfth floor (the said twelve-story structure First Move plans to construct at the E. Main Properties is hereinafter referred to as the “**Ross Building**”);

WHEREAS, upon its purchase of the Chamber Property, First Move plans to redevelop the Chamber Property by constructing a five-story structure thereon, which, when complete, will consist of twenty-five (25), four-person luxury-style apartments (the “**Chamber Building**”) (the Ross Building and the Chamber Building are hereinafter referred to collectively as the “**FMP Project**”);

WHEREAS, the fifty-nine (59) residential apartments within the Ross Building are designed to provide housing for a maximum of one hundred fifty-six (156) tenants, and, the twenty-five (25) residential apartments within the Chamber Building are designed to provide housing for a maximum of one hundred (100) tenants, thus, when complete, the FMP Project is intended to provide luxury-style apartment housing for a maximum of two hundred fifty-six residential tenants (residential tenants of the FMP Project are hereinafter referred to individually as a “**FMP Tenant**” and collectively as the “**FMP Tenants**”);

WHEREAS, the Parties acknowledge and agree the FMP Project will have a material impact on the revitalization of Downtown Salisbury by: (i) significantly increasing the housing inventory available within Downtown Salisbury; and, (ii) directly linking Salisbury University students to the Downtown Salisbury area;

WHEREAS, the Parties further acknowledge and agree that the long-term viability of the FMP Project is contingent upon adequate public parking being reserved for, and otherwise made available to, the FMP Tenants;

WHEREAS, in order to provide adequate public parking for the FMP Tenants, First Move desires to reserve, ensure its ability to purchase up to and otherwise make available, a maximum of two hundred fifty-six (256) parking spots/permits located for parking within the Downtown Parking Garage for the use by the FMP Tenants;

WHEREAS, the Parties acknowledge that, as of the date and year first above written, the Downtown Parking Garage is not used to its full capacity and there are that more than two hundred fifty-six (256) parking spots to make are normally available for use by the potential FMP Tenants;

WHEREAS, in consideration of the foregoing, the City agrees to reserve, on an annual basis, to make available up to no less than two hundred fifty-six (256) municipal parking permits authorizing the FMP Tenants to park within the Downtown Parking Garage, which said municipal parking permits shall be purchased annually by First Move from the City, on behalf of the FMP Tenants, pursuant to the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual covenants and obligations contained herein, and other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged by the Parties, the Parties hereby agree as follows:

1. **Term.** The term of this Agreement shall commence on the date and year first above written and shall continue through for and until June 30, 2031 a term of three years (the “**Initial Term**”).

a. The term of this Agreement shall automatically renew for successive terms of one (1) year (each such additional term of one (1) year is hereinafter referred to as a “Renewal

Term”), unless ~~First Move provides the City~~either party provides written notice, at least ~~one hundred eighty~~ninety (189) days prior to the end of the Initial Term or any Renewal Term, as the case may be, specifying ~~First Move’s~~the party’s election to terminate this Agreement at the end of the Initial Term or such applicable Renewal Term (as used in this Agreement, the word “Term” shall be deemed to include, where appropriate, the Initial Term and all Renewal Terms (if any)).

b. In the absence of such written notice from First Move~~either party~~, the Initial Term or such applicable Renewal Term, as the case may be, shall automatically renew for an additional one (1) year term as aforesaid upon the same terms and conditions set forth herein.

~~a.c.~~ The City retains the right to suspend this Agreement without notice in the event of an emergency (including but not limited to damage to the Downtown Parking Garage which prohibits the safe use of the structure), or upon written notice following a determination by the City that the Downtown Parking Garage is in need of renovation or maintenance or that replacement of the garage is necessary. In the event of suspension of this Agreement, the Grantor will offer alternative parking permits to Grantee in other City locations to be determined by the Grantor.

2. **Reservation of Parking Spaces.** Beginning ~~on July 1, 2021~~with the execution of this Agreement and continuing for the duration of the Term, the City shall ~~reserve no less than~~issue up to two hundred fifty-six (256) ~~municipal~~ parking permits to First Move, authorizing the holders thereof to use appropriate and available parking spaces in the Downtown Parking Garage for public parking, ~~for purchase by tenants of First Move on behalf of the FMP Tenants~~ in accordance with the provisions of Sections 3 and 5. (Any and all municipal parking permits purchased by First Move for use by ~~the FMP~~its Tenants as contemplated by this Agreement are hereinafter referred to as the “Parking Garage Permits”).

3. **Purchase of the Parking Garage Permits.** Beginning ~~on September 1, 2021~~with the execution of this Agreement, and on or before September 1st of each Fiscal Year thereafter during the Term, First Move shall purchase ~~such amount~~the number of Parking Garage Permits ~~as that~~ First Move deems necessary and appropriate, in its discretion, for the operation and management of the FMP Project, including the provision of adequate public parking for the FMP Tenants residing at the FMP Project from time to time (for purposes of this Agreement the term “Fiscal Year” shall mean the period of July 1 – June 30). First Move expressly acknowledges and agrees that the City shall have no obligation whatsoever to reserve more than two hundred fifty-six (256) Parking Garage Permits for purchase by First Move ~~in any Fiscal Year during the Term of this Agreement. In the event First Move purchases less than two hundred fifty six (256) Parking Garage Permits for use in a Fiscal Year, First Move hereby expressly waives and releases the City from and against any and all claims First Move has or may have with respect to any Parking Garage Permits reserved for purchase hereunder which are not purchased by First Move for use during such Fiscal Year.~~

4. **Purchase Price of Parking Garage Permits.** The purchase price for each ~~of the two hundred fifty six (256)~~ Parking Garage Permits reserved for purchase by First Move ~~hereunder~~ shall be in that amount determined annually by the City in connection with the ~~annual~~ municipal budget adopted by the City Council and approved by the Mayor ~~for each Fiscal Year~~.

5. The City does not guarantee the availability of parking spaces in the Downtown Parking Garage for any permit holder. The permits issued are a license to park in any appropriate and available parking space. The issuance of the permit does not entitle the holder to a reserved space or the right to park at all times. All spaces are available on a first come first served basis.

~~**Easements for Development and Construction of the FMP Project.** In consideration of the mutual covenants and obligations of the Parties contained herein, First Move and the City shall each~~

~~execute, simultaneously herewith: (a) that certain Temporary Construction and Perpetual Maintenance Easement, by and between the Parties, in the form attached hereto and incorporated herein as **Exhibit A**; and (b) that certain Deed of Easement, by and between the Parties, in the form attached hereto and incorporated herein as **Exhibit B**.~~

6. Miscellaneous.

(a) **Authority.** Each party represents and warrants to the other party that: (i) it has the full right, power and authority to execute this Agreement; (ii) the execution and delivery of this Agreement and the performance of its obligations hereunder are not prohibited by or in breach of, and the provisions hereof do not conflict with, any other agreement, mortgage, contract or other instrument or document to which it is a party or by which it is otherwise bound; and, (iii) there are no legal requirements imposed upon it which prohibit or limit the execution and delivery of this Agreement and the performance of its obligations hereunder.

(b) **Entire Agreement.** This Agreement, and all exhibits attached hereto, constitutes the entire agreement and understanding of the Parties with respect to the matters set forth herein, and all prior negotiations, writings and understandings relating to the subject matter of this Agreement are merged herein and are superseded and canceled by this Agreement.

(c) **Waiver - Amendments.** Any of the terms or conditions of this Agreement may be waived but only in writing by the party which is entitled to the benefit thereof, and this Agreement may be amended or modified in whole or in part only by an agreement in writing executed by all of the Parties.

(d) **Binding Nature of Agreement.** This Agreement shall be binding upon and inure to the benefit of the Parties and their respective heirs, personal representatives, successors and permitted assigns. First Move may assign this Agreement and all its rights hereunder to any successor(s)-in-interest of First Move with respect to its ownership of, or any of its rights in and to, the FMP Project or any part or portion thereof.

(e) **Severability.** The invalidity or unenforceability of any provision of this Agreement shall not affect or otherwise limit the validity and enforceability of the other provisions hereof.

(f) **Construction.** This Agreement and all of the terms and conditions set forth herein shall not be construed or enforced in favor of or against any party hereto by reason of the fact that party or that party's agent or attorney drafted all or any part of this Agreement. Section headings are for convenience of reference only and shall not limit or otherwise affect any of the provisions of this Agreement. As used herein, any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular, and the singular shall include the plural.

(g) **Governing Law.** This Agreement shall be construed and enforced in accordance with the laws of the State of Maryland, without regard to its conflict of laws principles. The Parties hereto acting for themselves and for their respective successors and assigns, without regard to domicile, citizenship or residence, hereby expressly and irrevocably consent to and subject themselves to the jurisdiction of the Maryland courts and to venue in Wicomico County, Maryland with respect to any matter arising under, from or in connection with this Agreement.

(h) **Waiver of Jury Trial.** The Parties hereto shall and they hereby do waive trial by jury in any action, proceeding or counter-claim brought by a party hereto against the other on any matter whatsoever arising out of or in any way connected with this Agreement, the relationship of the Parties to one another, and/or any claim, injury or damage arising from or consequent upon this Agreement.

(i) **Recitals.** The Recitals set forth hereinabove are incorporated by reference herein, and made a part hereof, as if fully set forth in this Agreement.

(j) **Counterparts.** This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument.

7. Non-Appropriation.

In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year, any funding required by the City in this Agreement shall terminate on the last day for which appropriations were received by the City, without penalty or expense to the City.

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals and acknowledged this Developer's Agreement as of the day and year first above written.

WITNESS/ATTEST:

THE CITY:

City of Salisbury, Maryland

By: _____ (SEAL)
Jacob R. Day, Mayor

FIRST MOVE:

First Move Properties, LLC

By: _____ (SEAL)
Nicholas R. Simpson, Managing Member

DEED OF EASEMENT

THIS DEED OF EASEMENT, is made this ____ day of _____, 2020, by **THE CITY OF SALISBURY**, a municipal corporation of the State of Maryland (hereinafter referred to as “**Grantor**”), and **FIRST MOVE PROPERTIES, LLC**, a Maryland limited liability company (hereinafter referred to as “**Grantee**”) (Grantor and Grantee are hereinafter referred to collectively as the “**Parties**”).

RECITALS

WHEREAS, Grantor is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0881, and being described as “61,979 SQ FT NS CIRCLE AVE CITY OF SALISBURY,” consisting of 61,979 square feet of land, more or less (said lot, piece and parcel of land owned by Grantor is hereinafter referred to as “**Parcel 881**”);

WHEREAS, Grantor is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0880, and being described as “L-18, 151 SQ FT 115-117 MARKET ST CITY OF SALISBURY,” consisting of 18,151 square feet of land, more or less (said lot, piece and parcel of land owned by Grantor is hereinafter referred to as “**Parcel 880**”) (Parcel 881 and Parcel 880 are hereinafter referred to collectively as the “**City Property**”);

WHEREAS, the City Property is improved by a four-story structure, consisting of approximately 189,572+/- square feet of floor space, constructed, operated and maintained by Grantor as a parking garage for purposes of providing parking to the general public (the “**Downtown Parking Garage**”);

WHEREAS, Grantor is an owner of a public right-of-way extending East from Baptist Street and running Westerly behind the properties situate on East Main Street to the North, known as 144 E. Main Street and 132 E. Main Street through 116 E. Main Street (the “**Alleyway**”);

WHEREAS, Grantor is aware of third-parties with private rights to the use of said right-of-way;

WHEREAS, Grantee is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 856, and being described as “L-40X110 132-134 E MAIN ST CITY OF SALISBURY,” being in all respects the same property conveyed by George H. White and Deborah W. Poole unto Grantee, by Deed dated March 1, 2018 and recorded among the Land Records of Wicomico County, Maryland in Liber 4296, folio 283 (hereinafter referred to as “**Parcel 856**”);

WHEREAS, Grantee is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 855, described as “3,300 SQFT 130A-130 E. MAIN ST CITY OF SALISBURY”, and being in all respects the same property conveyed by Livingston Holdings, LLC unto Grantee, by Deed dated February 6, 2019 and recorded among the Land Records of Wicomico County, Maryland in Liber 4430, folio 483 (hereinafter referred

to as “**Parcel 855**”) (Parcel 856 and Parcel 855 are hereinafter referred to collectively as the “**FMP Property**”);

WHEREAS, Grantee plans to redevelop the FMP Property by constructing a twelve-story, approximately one hundred sixty-five feet (165’+/-) tall, building thereon, which, when completed, will consist of commercial retail spaces on the first floor, fifty-nine (59) luxury-style apartments on the second through eleventh floors, and an event space on the twelfth floor (the said twelve-story building Grantee plans to construct at the FMP Property is hereinafter referred to as the “**Ross Building**”);

WHEREAS, for the use and operation of the Ross Building, Grantee desires the right to unrestricted use of a portion of the air space through which the Aerial Walkway will extend to connect the fourth level of the Downtown Parking Garage to the fourth floor of the Ross Building, the Property over which the Aerial Walkway extends is more particularly described in **Exhibit A** attached hereto and incorporated herein (a portion of the air space over the Property described in **Exhibit A** is hereinafter referred to as the “**Easement Area**”);

WHEREAS, for purposes of Grantee’s development and construction of the Ross Building, Grantor desires to grant and convey to Grantee, in accordance with the terms and conditions of this Deed of Easement, a perpetual, non-exclusive easement, over and through a portion of the air space over the Easement Area.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations of the Parties contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by the Parties, Grantor and Grantee, for themselves and their respective successors and assigns, do hereby covenant and agree as follows:

1. Grant of Easement. Grantor does hereby grant and convey unto Grantee, its successors and assigns, a perpetual non-exclusive easement, to the air space through which the Aerial Walkway will extend to connect the fourth level of the Downtown Parking Garage to the fourth floor of the Ross Building, above the Easement Area. The easement shall continue for so long as a parking garage is maintained on the subject property and so long as Grantee utilizes and maintains the Aerial Walkway to the parking garage described herein. In the event that the Grantor determines, within its sole discretion, that the Downtown Parking Garage must be renovated (including tearing down and rebuilding) or be expanded, the Grantor will re-connect the Aerial Walkway to the repaired or replaced garage. If the Downtown Parking Garage ceases to exist in sufficiently close proximity to Grantee’s property such that the currently planned Aerial Walkway cannot reasonably be utilized, the Grantor’s obligations herein shall cease and this Easement will terminate.

2. Purpose of Easement. Grantor grants and conveys the easement described in Section 1 hereof for the purpose of granting and conveying unto Grantee, its successors and assigns, the right to a portion of the air space over the Easement Area, such that Grantor, its successors or assigns, shall not construct, maintain or erect, or permit the construction, maintenance or erection of any structure, of any type or kind whatsoever, permanent or temporary, that will infringe or otherwise obstruct the said air space of the Easement Area.

3. Grantor’s Use of the Property. Subject to the terms set forth in Section 2 hereof, Grantor reserves unto itself, its successors, heirs and assigns, the full use and enjoyment

of the City Property, and in addition to the terms in Section 2., Grantor reserves the right to restrict access to the easement areas described herein whenever the City, in its sole discretion, deems it necessary for the maintenance, expansion or reconstruction of the Downtown Parking Garage or the Easement Area.

4. Non-Appropriation.

In the event that no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year, any funding required of the Grantor as a result of this Easement shall terminate on the last day for which appropriations were received by the Grantor, without penalty or expense to the Grantor.

5. Miscellaneous.

(a) **Run with the Land.** All covenants, obligations and benefits set forth in this Deed of Easement shall run with the City Property and the FMP Property and shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and assigns.

(b) **Further Actions.** The Parties each covenant and agree to cooperate with one another and to do all things reasonably necessary in implementing the provisions of this Deed of Easement and to take whatever action(s) may be reasonably required of them respectively, from time to time, in order to implement the provisions of this Deed of Easement and all of the transactions contemplated hereby.

(c) **Completion of the FMP Project by Grantee.** Unless otherwise agreed to in writing by the Parties, in the event Grantee, its successors or assigns, fails or otherwise refuses to secure a Certificate of Occupancy for the Ross Building within three (3) years from the date hereof, this Deed of Easement, including all rights granted unto Grantee hereunder, shall terminate and be of no force and effect.

(d) **Recording.** The Parties expressly acknowledge and agree that this Deed of Easement, and all exhibits attached hereto, shall be recorded in the Land Records of Wicomico County, Maryland. Grantee shall bear all costs, if any, incurred in connection with the recording of this Deed of Easement as aforesaid.

(e) **Interpretation; Severability; Amendment.** This Deed of Easement shall be governed by the laws of the State of Maryland without regard to its conflict of laws principles. The section headings contained in this Deed of Easement are inserted for convenience of reference only and do not, in any way, define, limit or describe the scope of this Deed of Easement or the intent of the provisions hereof. If any term of this Deed of Easement or any application thereof is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Deed of Easement shall remain in full force and effect. Any provision of this Deed of Easement held invalid or unenforceable only in part or degree shall remain in full force and effect to the extent not held invalid or unenforceable. This Deed of Easement constitutes the entire agreement of the Parties with respect to the matters set forth herein, and all prior negotiations, writings and understandings relating to the subject matter of this Deed of Easement are merged herein and are superseded and canceled by this Deed of Easement. This Deed of Easement, and all the terms and conditions set forth herein, shall not be construed or enforced in favor of or against any party hereto by reason of the fact that party or that party's

agent or attorney drafted all or any part of this Deed of Easement. This Deed of Easement may be amended or modified only by an instrument in writing signed by the Parties hereto. The Recitals set forth hereinabove are incorporated by reference herein, and made a part hereof, as if fully set forth in this Deed of Easement.

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals and acknowledged this Deed of Easement as of the day and year first above written.

WITNESS/ATTEST:

GRANTOR:

City of Salisbury, Maryland

By: _____ (SEAL)
Jacob R. Day, Mayor

GRANTEE:

First Move Properties, LLC

By: _____ (SEAL)
Nicholas R. Simpson, Managing Member

STATE OF MARYLAND, COUNTY OF _____, TO WIT:

I HEREBY CERTIFY that on this ____ day of _____, 2020, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared JACOB R. DAY, who acknowledged himself to be the Mayor of THE CITY OF SALISBURY, MARYLAND, and that he, as such officer, being authorized to do so, executed the foregoing instrument on behalf of said municipal corporation for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

NOTARY PUBLIC

My Commission Expires: _____

STATE OF MARYLAND, COUNTY OF _____, TO WIT:

I HEREBY CERTIFY, that on this _____ day of _____, 2020, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared NICHOLAS R. SIMPSON, who acknowledged himself to be the Managing Member of FIRST MOVE PROPERTIES, LLC, and that he, as such Managing Member, being authorized so to do, executed the foregoing instrument on behalf of First Move Properties, LLC for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

NOTARY PUBLIC

My Commission Expires: _____

CERTIFICATION BY ATTORNEY

This is to certify that the within instrument was prepared by or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.

Michael P. Sullivan

**TEMPORARY CONSTRUCTION EASEMENT
AND PERPETUAL MAINTENANCE EASEMENT**

THIS TEMPORARY CONSTRUCTION EASEMENT AND PERPETUAL MAINTENANCE EASEMENT (“Easement”), is made this ____ day of _____, 2020, by **THE CITY OF SALISBURY**, a municipal corporation of the State of Maryland (hereinafter referred to as “**Grantor**”), and **FIRST MOVE PROPERTIES, LLC**, a Maryland limited liability company (hereinafter referred to as “**Grantee**”) (Grantor and Grantee are hereinafter referred to collectively as the “**Parties**”).

RECITALS

WHEREAS, Grantor is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0881, and being described as “61,979 SQ FT NS CIRCLE AVE CITY OF SALISBURY,” consisting of 61,979 square feet of land, more or less (said lot, piece and parcel of land owned by Grantor is hereinafter referred to as “**Parcel 881**”);

WHEREAS, Grantor is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 0880, and being described as “L-18, 151 SQ FT 115-117 MARKET ST CITY OF SALISBURY,” consisting of 18,151 square feet of land, more or less (said lot, piece and parcel of land owned by Grantor is hereinafter referred to as “**Parcel 880**”) (Parcel 881 and Parcel 880 are hereinafter referred to collectively as the “**City Property**”);

WHEREAS, the City Property is improved by a four-story structure, consisting of approximately 189,572+/- square feet of floor space, constructed, operated and maintained by Grantor as a parking garage for purposes of providing parking to the general public (the “**Downtown Parking Garage**”);

WHEREAS, Grantor is an owner of a public right-of-way extending East from Baptist Street and running Westerly behind the properties situate on East Main Street to the North, known as 144 E. Main Street and 132 E. Main Street through 116 E. Main Street (the “**Alleyway**”);

WHEREAS, Grantor is aware of third-parties with private rights to the use of said right-of-way;

WHEREAS, Grantee is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 856, and being described as “L-40X110 132-134 E MAIN ST CITY OF SALISBURY,” being in all respects the same property conveyed by George H. White and Deborah W. Poole unto Grantee, by Deed dated March 1, 2018 and recorded among the Land Records of Wicomico County, Maryland in Liber 4296, folio 283 (hereinafter referred to as “**Parcel 856**”);

WHEREAS, Grantee is the owner of all that certain lot, piece and parcel of land situate in the City of Salisbury, Parsons Election District, Wicomico County, State of Maryland identified as Map 0107, Grid 0015, Parcel 855, described as “3,300 SQFT 130A-130 E. MAIN

ST CITY OF SALISBURY,” and being in all respects the same property conveyed by Livingston Holdings, LLC unto Grantee, by Deed dated February 6, 2019 and recorded among the Land Records of Wicomico County, Maryland in Liber 4430, folio 483 (hereinafter referred to as “**Parcel 855**”) (Parcel 856 and Parcel 855 are hereinafter referred to collectively as the “**FMP Property**”);

WHEREAS, Grantee plans to redevelop the FMP Property by constructing a twelve-story, approximately one hundred sixty-five feet (165’+/-) tall, building thereon, which, when completed, will consist of commercial retail spaces on the first floor, fifty-nine (59) luxury-style apartments on the second through eleventh floors, and an event space on the twelfth floor (the said twelve-story building Grantee plans to construct at the FMP Property is hereinafter referred to as the “**Ross Building**”);

WHEREAS, in connection with its development and construction of the Ross Building, Grantee plans to construct and install an aerial pedestrian walkway, extending across certain portions of the Alleyway and connecting the Northeasterly corner of the fourth level of the Downtown Parking Garage with the Southerly side of the fourth floor of the Ross Building (the “**Aerial Walkway**”) (the area of land through which the Aerial Walkway will extend to connect the fourth level of the Downtown Parking Garage to the fourth floor of the Ross Building, as aforesaid, is described in **Exhibit A** attached hereto and incorporated herein);

WHEREAS, for purposes of Grantee’s construction and installation of the Aerial Walkway as aforesaid, Grantee requires access to the Alleyway during the period of its construction of the Aerial Walkway and from time to time thereafter to perform its obligations hereunder;

WHEREAS, in accordance with the terms and conditions set forth herein, Grantor desires to grant and convey unto Grantee a perpetual and non-exclusive easement over and through all that land and airspace described in **Exhibit A** attached hereto and incorporated herein, for the purposes herein contained;

WHEREAS, in accordance with the terms and conditions set forth herein, Grantor further desires to grant and convey unto Grantee, for the purposes herein contained, a temporary, non-exclusive easement over, under, in, along and across all that land described in **Exhibit B** attached hereto and incorporated herein.

NOW, THEREFORE, in consideration of the mutual covenants, agreements and obligations of the Parties contained herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged by the Parties, Grantor and Grantee, for themselves and their respective successors and assigns, do hereby covenant and agree as follows:

1. Grant of Temporary Construction Easement. Grantor, for itself and for its successors and assigns, hereby grants and conveys unto Grantee, its successors and assigns, a temporary, non-exclusive easement (the “**Temporary Construction Easement**”) for ingress, egress and regress over, under, in, upon, along and across all that property consisting of certain portions of the City Property, including such portions of the Downtown Parking Garage located thereon, and portions of the Alleyway as more particularly described in **Exhibit B** attached hereto and incorporated herein (the property described in **Exhibit B** is hereinafter referred to as

the “**Temporary Construction Easement Area**”), for Grantee’s use in connection with Grantee’s construction and installation of the Aerial Walkway.

2. **Term of Temporary Construction Easement.** Grantee shall provide Grantor with at least three (3) days prior written notice of Grantee’s intention to commence the use of and/or work within the Temporary Construction Easement Area for Grantee’s construction and/or installation of the Aerial Walkway or any purpose related thereto (the “**Construction Commencement Date**”). Unless relinquished sooner by Grantee, the term of the Temporary Construction Easement shall commence on the Construction Commencement Date and shall continue, without interruption, through and until such time as Grantee secures a Certificate of Occupancy for the Ross Building planned for construction at the FMP Property. The public right-of-way shall remain open for the ingress and egress of the public during construction. Any temporary closure of the public right-of-way may only be accomplished for short periods of time with the permission of the Director of the Department of Infrastructure and Development.

3. **Grant of Easement.** Grantor does hereby grant, convey, transfer and deliver unto Grantee a perpetual and non-exclusive easement (the “**Permanent Easement**”) in, to, upon, through, along and across all that area of land and airspace described in **Exhibit A** attached hereto and incorporated herein (the property described in **Exhibit A** hereinafter referred to as the “**Permanent Easement Area**”), for Grantee’s use in the maintenance of the Aerial Walkway.

4. **Term of Permanent Easement.** The term of the Permanent Easement shall begin as of the Construction Commencement Date and, thereafter, shall continue for so long as a parking garage is maintained on the subject property and so long as Grantee utilizes and maintains the aerial pedestrian walkway to the parking garage described herein. Upon the commencement thereof as aforesaid, unless and until the Permanent Easement is terminated pursuant to this section, the Permanent Easement shall run with the City Property and the FMP Property and shall inure to the benefit of Grantee, its successors and assigns.

5. **Construction of Improvements.**

(a) In connection with its use of the Temporary Construction Easement Area and Permanent Easement Area hereunder, Grantee shall:

- (i) Obtain any and all permits which are required to be obtained before using any portion of the Temporary Construction Easement Area and/or the Permanent Easement Area in connection with Grantee’s development and/or construction of the Ross Building, including Grantee’s construction and/or installation of the Aerial Walkway;
- (ii) Construct and maintain all improvements within the Permanent Easement Area in compliance with all applicable laws, regulations and/or ordinances of each governmental agency having jurisdiction over the construction and/or use of any improvements constructed and/or installed by Grantee upon or within the Permanent Easement Area. Any improvements constructed within the Permanent Easement Area, including, but not limited to, the Aerial Walkway, shall be maintained by Grantee in good condition, both as to safety and appearance, and the maintenance of all such

improvements shall be performed by Grantee in a manner so as to not interfere with the use, maintenance or operation of the Alleyway located below the horizontal bottom of the Permanent Easement Area, except that Grantee shall have the right, upon reasonable notice to Grantor, to occupy the Alleyway for purposes of performing its maintenance obligations hereunder. If, in the reasonable judgment of Grantor, the use or operation of the Alleyway may be interfered with or jeopardized as a result of Grantee's failure to perform its maintenance obligations hereunder, Grantor may, but shall not be obligated to, enter onto the Permanent Easement Area and perform such work as may be reasonably necessary in order to perform Grantee's duties and obligations under this Section 5(a)(ii); in which case, Grantee shall, upon the written request of Grantor, promptly reimburse Grantor for any and all reasonable expenses Grantor may incur in its performance of any of Grantee's duties and obligations contained in this Section 5(a)(ii), and Grantor shall provide Grantee with reasonable documentation evidencing all such reasonable expenses incurred by Grantor;

- (iii) For itself and for its successors, representatives, agents and assigns, Grantee expressly agrees it shall not place any improvements or fixtures on, or conduct any activity within, the Permanent Easement Area which will unreasonably interfere with Grantor's and/or the general public's use or enjoyment of the Alleyway with respect to that certain area located below the horizontal bottom of the Permanent Easement Area as described in **Exhibit A**; and
- (iv) For itself and for its successors, representatives, agents and assigns, Grantee expressly agrees it shall not store or discharge, or allow the storage or discharge of, any radioactive, toxic, flammable, poisonous, explosive or other dangerous, hazardous materials or waste within the Temporary Construction Easement Area and/or the Permanent Easement Area.

(b) Renovation or Rebuilding of Downtown Parking Garage.

In the event that the Grantor determines, within its sole discretion, that the Downtown Parking Garage must be renovated (including tearing down and rebuilding) or be expanded, the Grantor will re-connect the Aerial Walkway to the repaired or replaced garage. If the Downtown Parking Garage ceases to exist in sufficiently close proximity to Grantee's property such that the currently planned Aerial Walkway cannot reasonably be utilized, the Grantor's obligations herein shall cease and this Easement will terminate.

6. Indemnification and Insurance.

(a) Grantee hereby expressly agrees to defend, indemnify and hold Grantor, and all of Grantor's elected officials, appointed officials, employees, representatives, agents and contractors, harmless from and against:

- (i) Any and all claims by any person, firm or entity for labor, services, materials or supplies provided in connection with the construction, installation and/or maintenance of any improvement constructed and/or installed at, upon or within the Temporary Construction Easement Area and/or the Permanent Easement Area in connection with Grantee's construction of the Ross Building, including Grantee's construction and/or installation of the Aerial Walkway; and/or
- (ii) Any and all claims for injuries to, or the death of, any and all individuals, or for loss of or damage to property, or from any environmental damage, degradation, response and clean-up costs, including all reasonable attorney's fees and related expenses incurred by Grantor, arising from or related to Grantee's use and/or occupancy of the Temporary Construction Easement Area and/or the Permanent Easement Area in connection with Grantee's construction of the Ross Building, including Grantee's construction and/or installation of the Aerial Walkway.

(b) Grantee shall obtain and keep in full force and effect, until construction of the Ross Building is completed (including the construction and/or installation of the Aerial Walkway), a single policy of builders' risk insurance, effective as of the Construction Commencement Date, naming Grantor as an additional covered insured thereunder, with policy limits of not less than the full replacement cost of all insurable components of the improvements to be constructed and/or installed by Grantee on or within the Temporary Construction Easement Area and/or the Permanent Easement Area in connection with Grantee's construction of the Ross Building, including Grantee's construction and/or installation of the Aerial Walkway. Grantee's obligation to maintain a policy of builder's risk insurance under this Section 6(b) shall terminate as of the date on which Grantee secures a Certificate of Occupancy for the Ross Building. Furthermore, Grantee, for itself and for its successors and assigns, agrees to obtain and maintain a policy or policies of general public liability insurance, including broad form endorsements, on an occurrence basis, naming Grantor as an additional covered insured thereunder, with combined policy limits of not less than Five Hundred Thousand Dollars (\$500,000) for injuries, including accidental death, to any one person, and subject to the same limit for each person, not less than One Million Dollars (\$1,000,000) for any one accident involving two or more persons; and property damage liability insurance in an amount not less than Five Hundred Thousand Dollars (\$500,000) for any one accident and not less than One Million Dollars (\$1,000,000) in the aggregate with respect to any improvements constructed, installed and/or maintained by Grantee within the Permanent Easement Area. Grantee shall provide Grantor with a certificate of such insurance policy(ies) issued by a company authorized to do business in Maryland naming Grantor as an additional insured thereunder, with a right to not less than thirty (30) days written notice of cancellation or non-renewal of any such insurance policy(ies).

7. Non-Appropriation.

In the event no funds or insufficient funds are appropriated and budgeted or are otherwise not available in any fiscal year, any unbudgeted expenses required of the Grantor as a result of this Easement shall terminate on the last day for which appropriations were received by the Grantor, without penalty or expense to the Grantor.

8. Miscellaneous.

(a) Authority. Each party represents and warrants to the other party that it: **(i)** has the full right, power and authority to execute this Easement; **(ii)** the execution and delivery of this Easement and the performance of its obligations hereunder are not prohibited by or in breach of, and the provisions hereof do not conflict with, any other agreement, mortgage, contract or other instrument or document to which it is a party or by which it is otherwise bound; and, **(iii)** there are no legal requirements imposed upon it which prohibit or limit the execution and delivery of this Easement and the performance of its obligations hereunder.

(b) Waiver-Amendments. Any of the terms or conditions contained in this Easement may be waived but only in writing by the party which is entitled to the benefit thereof, and this Easement may be amended or modified in whole or in part only by an agreement in writing executed by all of the Parties. Each and every right, remedy and power granted to a party under this Easement or allowed by law shall be cumulative and not exclusive of any other.

(c) Completion of the FMP Project by Grantee. Notwithstanding any term to the contrary set forth herein, in the event Grantee, its successors or assigns, fails or otherwise refuses to secure a Certificate of Occupancy for the Ross Building within three (3) years from the date hereof, this Easement, including the Temporary Construction Easement, the Permanent Easement and all rights granted unto Grantee hereunder, shall terminate and be of no force and effect, unless otherwise agreed to in writing by the Parties.

(d) Severability. If any term of this Easement or any application thereof is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Easement shall remain in full force and effect. Any provision of this Easement held invalid or unenforceable only in part or degree shall remain in full force and effect to the extent not held invalid or unenforceable.

(e) Binding Nature of Easement; Run with the Land. All covenants, obligations and benefits set forth in this Easement shall run with the City Property, the Alleyway, and the FMP Property and shall be binding upon and inure to the benefit of the Parties and their respective heirs, successors and assigns.

(f) Entire Agreement. This Easement, including all exhibits attached hereto, constitutes the entire agreement and understanding of the Parties with respect to the matters set forth herein, and all prior negotiations, writings and understandings relating to the subject matter of this Easement, including, but not limited to, the Temporary Construction Easement and Permanent Easement conveyed and granted unto Grantee hereunder, are merged herein and are superseded and canceled by this Easement.

(g) Construction. This Easement and all of the terms and conditions set forth herein shall not be construed or enforced in favor of or against any party hereto by reason of the fact that party or that party's agent or attorney drafted all or any part of this Easement. Section headings are for convenience of reference only and shall not limit or otherwise affect any of the provisions of this Easement. As used herein, any reference to the masculine, feminine or neuter gender shall include all genders, the plural shall include the singular, and the singular shall include the plural

(h) Notices. All notices and other communication given by a party to the other in connection with this Easement shall be in writing and shall be deemed delivered to the addressee thereof: **(i)** when delivered in person on a business day at the address set forth below; or, **(ii)** on the third (3rd) business day after being deposited in any main or branch United States post office, for delivery by properly addressed, postage prepaid certified or registered mail, return receipt requested, at the address set forth below; or, **(iii)** when delivered by a nationally-recognized delivery service company at the address set forth below, with written proof of delivery.

All notices and other communications to Grantor shall be addressed to, and delivered at, the following address:

The City of Salisbury
c/o Director of the Department of Infrastructure & Development
125 N. Division Street
Salisbury, Maryland 21801

All notices and other communications to Grantee shall be addressed to, and delivered at, the following address:

First Move Properties, LLC
c/o Nicholas R. Simpson
P.O. Box 335
Salisbury, Maryland 21803

Either party may change its address by providing notice to the other party as set forth in this Section 7(h).

(i) Governing Law. This Easement shall be construed and enforced in accordance with the laws of the State of Maryland, without regard to its conflict of laws principles.

(j) Recording. The Parties expressly acknowledge and agree that this Easement, and all exhibits attached hereto, shall be recorded in the Land Records of Wicomico County, Maryland. Grantee shall bear all costs, if any, incurred in connection with the recording of this Easement as aforesaid.

(k) Recitals. The Recitals set forth hereinabove are incorporated by reference herein, and made a part hereof, as if fully set forth in this Easement.

**[THE REMAINDER OF THIS PAGE IS INTENTIONALLY LEFT BLANK]
[SIGNATURES APPEAR ON THE PAGE THAT FOLLOWS]**

IN WITNESS WHEREOF, the Parties hereto have set their hands and seals and acknowledged this Temporary Construction Easement and Perpetual Maintenance Easement as of the day and year first above written.

WITNESS/ATTEST:

GRANTOR:

City of Salisbury, Maryland

By: _____ (SEAL)
Jacob R. Day, Mayor

GRANTEE:

First Move Properties, LLC

By: _____ (SEAL)
Nicholas R. Simpson, Managing Member

STATE OF MARYLAND, COUNTY OF _____, TO WIT:

I HEREBY CERTIFY that on this ____ day of _____, 2020, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared JACOB R. DAY, who acknowledged himself to be the Mayor of THE CITY OF SALISBURY, MARYLAND, and that he, as such officer, being authorized to do so, executed the foregoing instrument on behalf of said municipal corporation for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

NOTARY PUBLIC

My Commission Expires: _____

STATE OF MARYLAND, COUNTY OF _____, TO WIT:

I HEREBY CERTIFY, that on this _____ day of _____, 2020, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared NICHOLAS R. SIMPSON, who acknowledged himself to be the Managing Member of FIRST MOVE PROPERTIES, LLC, and that he, as such Managing Member, being authorized so to do, executed the foregoing instrument on behalf of First Move Properties, LLC for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

NOTARY PUBLIC

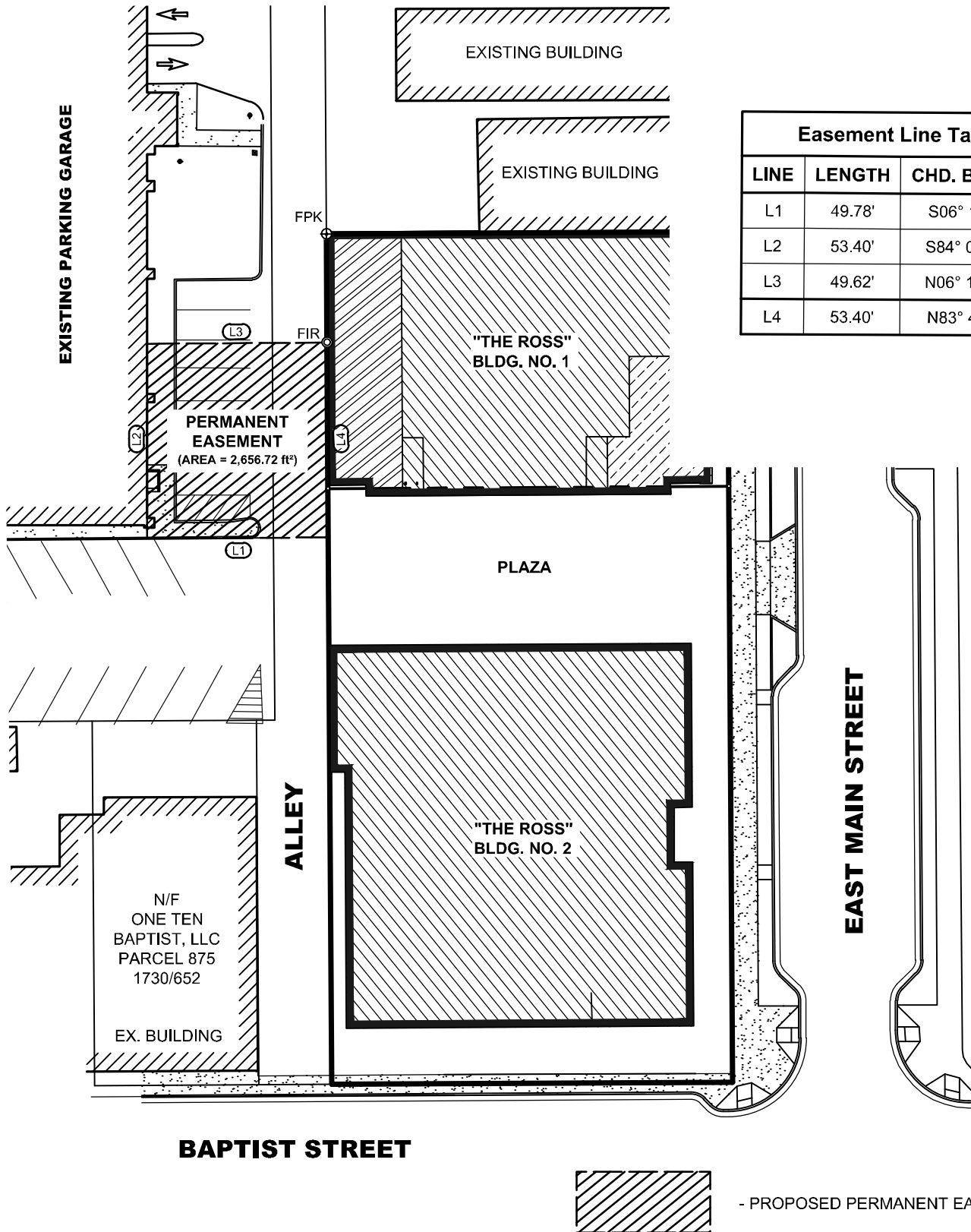
My Commission Expires: _____

CERTIFICATION BY ATTORNEY

This is to certify that the within instrument was prepared by or under the supervision of the undersigned, an attorney duly admitted to practice before the Court of Appeals of Maryland.

Michael P. Sullivan

EXHIBIT "A"



Easement Line Table		
LINE	LENGTH	CHD. BEARING
L1	49.78'	S06° 14' 00"E
L2	53.40'	S84° 04' 19"W
L3	49.62'	N06° 14' 00"W
L4	53.40'	N83° 46' 00"E

THE ROSS
PERPETUAL MAINTENANCE EASEMENT
 144 EAST MAIN STREET
 CITY OF SALISBURY
 WICOMICO COUNTY, MARYLAND

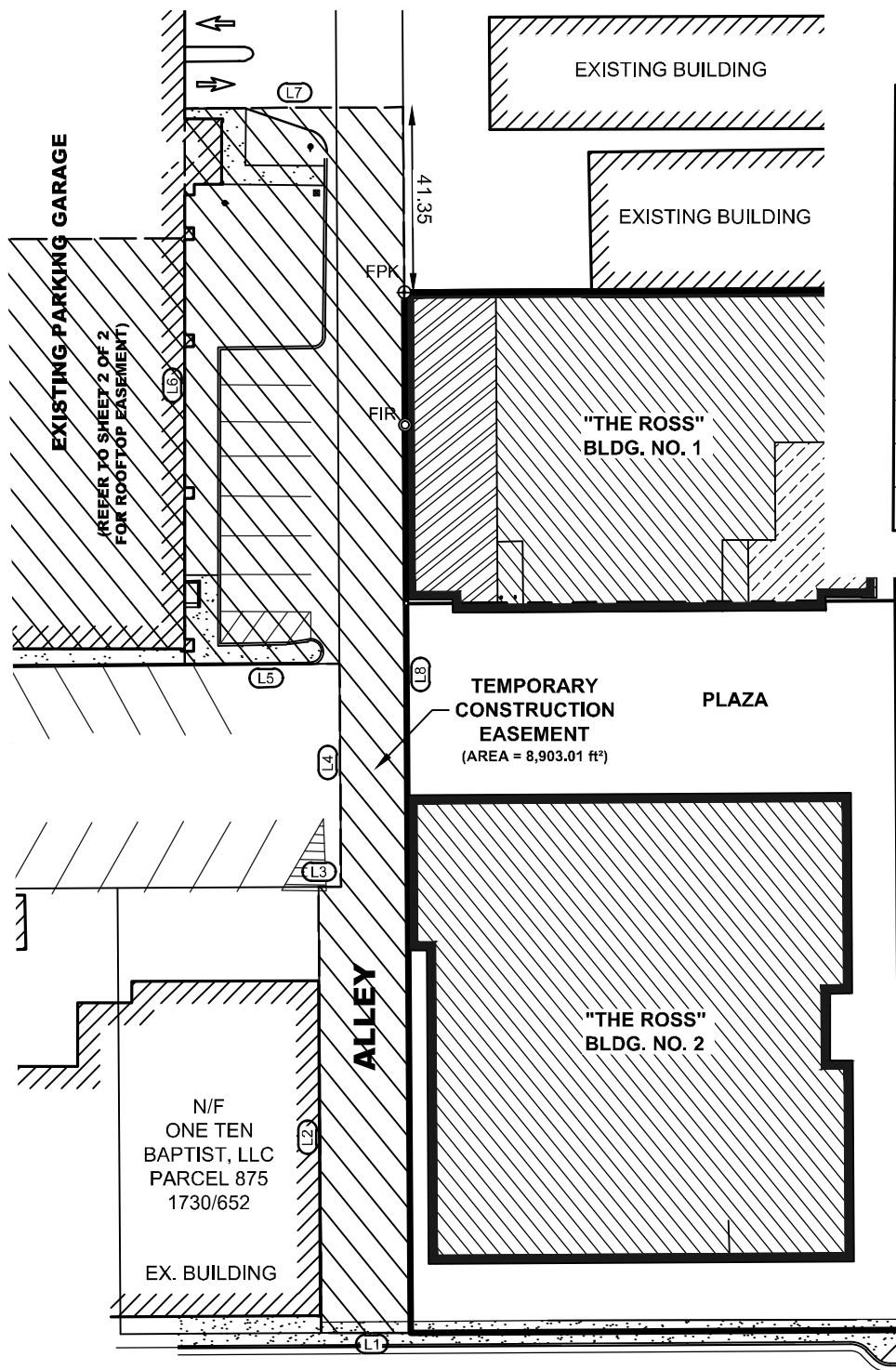
**BECKER
 MORGAN**
 GROUP

ARCHITECTURE
 ENGINEERING
Salisbury, DE
 312 West Main Street
 Salisbury, MD 21801
 Ph. 410.546.9100
 Fax 410.546.2824

BMG: 2018010.00
 SCALE: 1" = 40'
 DATE: 12/16/2019
 DRAWN BY: E.H.H.

V-102

EXHIBIT "B"



Easement Line Table		
LINE	LENGTH	CHD. BEARING
L1	20.00'	S6° 14' 00"E
L2	100.00'	S83° 46' 00"W
L3	5.00'	N6° 14' 00"W
L4	50.00'	S83° 46' 00"W
L5	34.71'	S6° 14' 00"E
L6	124.67'	S84° 05' 38"W
L7	49.00'	N6° 14' 00"W
L8	274.67'	N83° 46' 00"E

BAPTIST STREET

EAST MAIN STREET



- PROPOSED TEMPORARY CONSTRUCTION EASEMENT AREA

SHEET 1 OF 2

THE ROSS
TEMPORARY CONSTRUCTION EASEMENT
 144 EAST MAIN STREET
 CITY OF SALISBURY
 WICOMICO COUNTY, MARYLAND

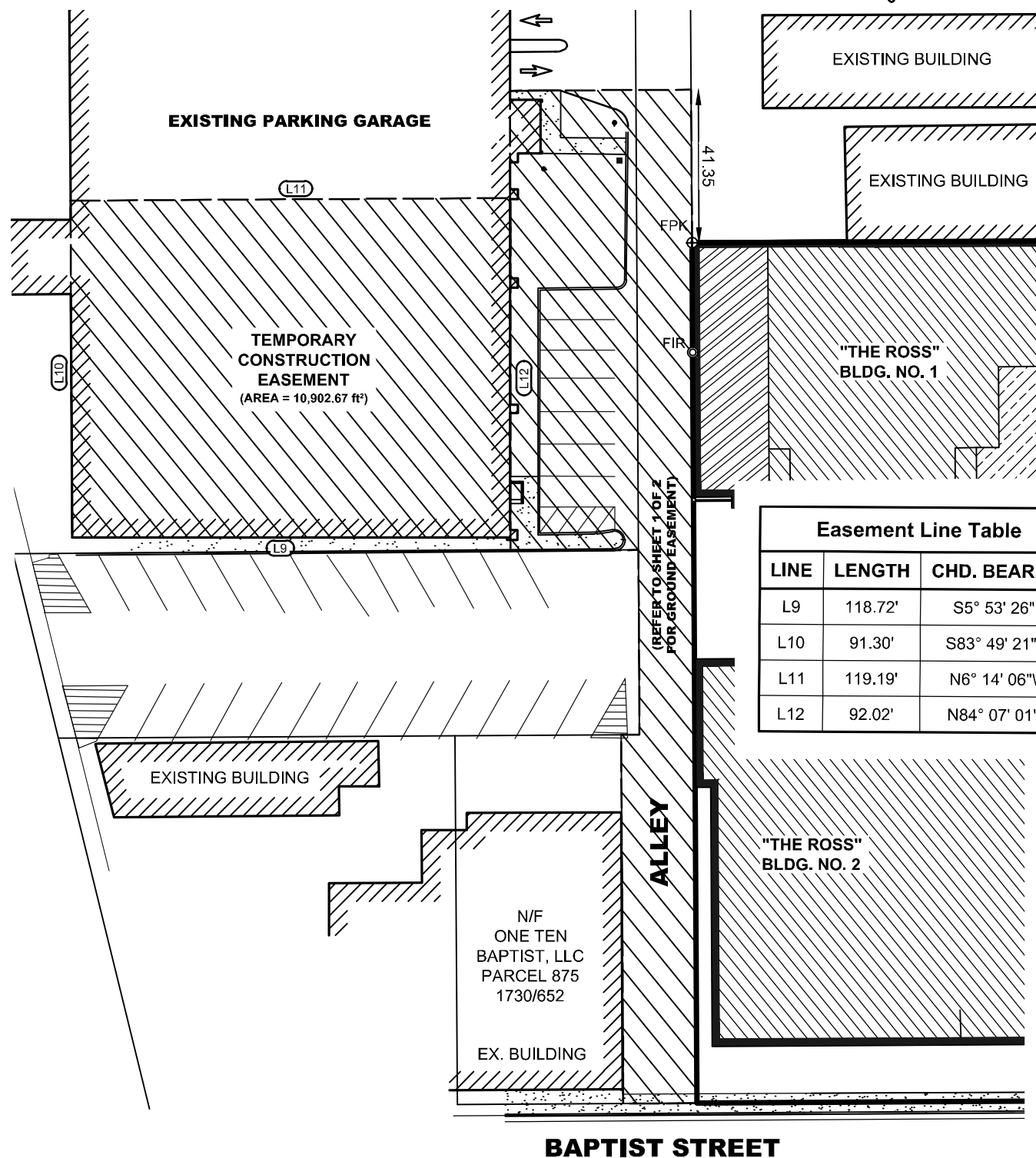
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Salisbury, DE
 312 West Main Street
 Salisbury, MD 21801
 Ph. 410.546.9100
 Fax 410.546.2824

BMG: 2018010.00
 SCALE: 1" = 40'
 DATE: 12/16/2019
 DRAWN BY: E.H.H.

V-100

EXHIBIT "B"



Easement Line Table		
LINE	LENGTH	CHD. BEARING
L9	118.72'	S5° 53' 26"E
L10	91.30'	S83° 49' 21"W
L11	119.19'	N6° 14' 06"W
L12	92.02'	N84° 07' 01"E



- PROPOSED TEMPORARY CONSTRUCTION EASEMENT AREA

SHEET 2 OF 2

THE ROSS
TEMPORARY CONSTRUCTION EASEMENT
 144 EAST MAIN STREET
 CITY OF SALISBURY
 WICOMICO COUNTY, MARYLAND

**BECKER
 MORGAN**
 GROUP

ARCHITECTURE
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Salisbury, DE
 312 West Main Street
 Salisbury, MD 21801
 Ph. 410.546.9100
 Fax 410.546.2824

BMG: 2018010.00
 SCALE: 1" = 40'
 DATE: 12/16/2019
 DRAWN BY: E.H.H.

V-101

ORDINANCE NO. 2570

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING AN AMENDMENT OF THE FY20 BUDGET TO APPROPRIATE A DEVELOPER CONTRIBUTION FOR PEDESTRIAN IMPROVEMENTS.

WHEREAS, the Salisbury-Wicomico Planning and Zoning Commission has approved the Coventry Plaza Shopping Center with the condition of pedestrian improvements at the intersection of Beaglin Park Drive and Still Meadow Boulevard; and

WHEREAS, Coventry Plaza, LLC is the developer of the Coventry Plaza Shopping Center and will provide a contribution to the City of Salisbury for the pedestrian improvements; and

WHEREAS, the Department of Infrastructure and Development has determined that the cost of the pedestrian improvements is \$27,200; and

WHEREAS, § 7-29 of the Salisbury City Charter prohibits the City from entering into a contract that requires an expenditure not appropriated or authorized by the City Council; and

WHEREAS, appropriations necessary to execute the purpose of this grant must be made upon the recommendation of the Mayor and the approval of four-fifths of the Council of the City of Salisbury.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that the City's Fiscal Year 2020 budget is hereby amended as follows:

1. Increase the Developer Reimbursements (01000-424250) budget by \$27,200.00
2. Increase the Engineering Construction (31000-513026) budget by \$27,200.00

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 9th day of December, 2019, 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 ____ day of _____, 2020.

ATTEST:

Kimberly R. Nichols, City Clerk

John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS:

____ day of _____, 2020

Jacob R. Day, Mayor

ORDINANCE NO. 2571

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING AN AMENDMENT OF THE CITY'S CAPITAL PROJECT FUND BUDGET TO REALLOCATE FUNDING FOR THE ROOF REPLACEMENT FIRE STATION 1 PROJECT.

WHEREAS, Ordinance No. 2482 appropriated funds for the FY 2019 budget; and

WHEREAS, included in Schedule B in Ordinance 2423 was an appropriation for "Roof Replacement Fire Station 1"; and

WHEREAS, Ordinance No. 2554 appropriated funds for "Roof Replacement Fire Station 1" in the amount of \$50,000; and

WHEREAS, unforeseen roof conditions have caused this project to exceed initial budget costs by \$1,431.00; and

WHEREAS, in the same Bond there are funds from other projects available to be reallocated; and

WHEREAS, § 7-29 of the Salisbury City Charter prohibits the City from entering into an contract that requires an expenditure not appropriated or authorized by the City Council; and

WHEREAS, appropriations necessary to execute the purpose of this grant must be made upon the recommendation of the Mayor and the approval of four-fifths of the Council of the City of Salisbury.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND THAT THE City's Capital Projects Fund Budget be and hereby is amended as follows:

Project Description	Account Description	Account	Amount
Revenues:			
Phone System Fire Department	FY20 Bond Proceeds	98019-469312-43020	-1,431
Roof Replacement Fire Station #1	FY20 Bond Proceeds	98019-469312-43019	1,431
Expenditures:			
Phone System Fire Department	Construction	98119-513026-43020	-1,431
Roof Replacement Fire Station #1	Construction	98119-513026-43019	1,431

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on this 9th day of December 2019, 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 13th day of January, 2020.

ATTEST:

Kimberly R. Nichols, City Clerk

John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS ____ day of _____, 2020.

Jacob R. Day, Mayor

1
2
3 **ORDINANCE NO. 2572**

4 AN ORDINANCE OF THE CITY OF SALISBURY APPROVING AN AMENDMENT
5 OF THE FY20 GENERAL FUND TO APPROPRIATE AN ADDITIONAL POSITION
6 ALLOCATION FOR THE HIRING OF A VOLUNTEER RECRUITMENT COORDINATOR
7 FOR THE FIRE DEPARTMENT.

8 WHEREAS, the Fire Department has the need to hire a Volunteer Recruitment
9 Coordinator who will be essential to the continued success of the Volunteer component of the
10 Department; and

11
12 WHEREAS, this position will assist in the developing, leading and implementing of a
13 comprehensive recruitment and retention program; and

14
15 WHEREAS, the Volunteer Corporations are strongly committed to the creation and
16 implementation of this newly created position and are proposing a partnership that builds on the
17 long-standing cooperative team effort that already exists with the City; and

18
19 WHEREAS, there are sufficient funds available in the FY20 Fire Department Budget to
20 fund the additional position; and

21
22 WHEREAS, § 7-29 of the Salisbury City Charter prohibits the City from entering into an
23 contract that requires an expenditure not appropriated or authorized by the City Council; and

24
25 WHEREAS, appropriations necessary to execute the purpose of this grant must be made
26 upon the recommendation of the Mayor and the approval of four-fifths of the Council of the City
27 of Salisbury.

28
29 NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY
30 OF SALISBURY, MARYLAND THAT THE City's Fire Department position allocations be
31 amended by:

- 32
33 1) Adding one (1) Volunteer Recruitment Coordinator (civilian)

34
35 THIS ORDINANCE was introduced and read at a meeting of the Council of the City of
36 Salisbury held on this 9th day of December 2019, and thereafter, a statement of the substance of
37 the Ordinance having been published as required by law, was finally passed by the Council on
38 the ____ day of _____, 2020.

39
40
41 ATTEST:

42
43
44
45 _____
46 Kimberly R. Nichols
47 CITY CLERK

John R. Heath
PRESIDENT, City Council

48

49 APPROVED BY ME THIS _____ day of _____, 2020

50

51

52

53 _____
Jacob R. Day, Mayor

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WHEREAS, firefighters are extremely vulnerable to injury and death when fighting structure fires or working in hazardous environments; and

WHEREAS, the City of Salisbury Fire Department desires to remain compliant with generally accepted industry standards and protect its firefighting personnel from the elements of danger associated with interior firefighting by ensuring that their personal protective equipment is maintained at the highest standard; and

WHEREAS, the SCBA replacement cost is \$740,000; and

WHEREAS, § 7-29 of the Salisbury City Charter prohibits the City from entering into an contract that requires an expenditure not appropriated or authorized by the City Council; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND THAT THE City's Fiscal Year 2020 budget be amended as follows:

- THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on this 9th day of January 2019, 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 day of _____, 2020.

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ATTEST:

Kimberly R. Nichols
CITY CLERK

John R. Heath
PRESIDENT, City Council

APPROVED BY ME THIS _____ day of _____, 2020

Jacob R. Day, Mayor

MEMORANDUM

To: Andy Kitzrow
From: Everett Howard, Director of HCDD
Date: December 10, 2019
Re: Bless Our Children Donation Acceptance

Attached please find an ordinance accepting a \$2,000 monetary donation from the Bless Our Children campaign in support of the Santa's Workshop program sponsored by the Housing and Community Development Department.

Santa's Workshop is a program where toys are distributed to children that might otherwise not have an opportunity to receive gifts and feel a part of the holidays.

Unless you have any questions please forward this for Council's consideration.

ORDINANCE NO. 2575

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING A BUDGET ADMENDMENT OF THE CITY'S SPECIAL REVENUE FUND BUDGET AND TO ACCEPT AND APPROPRIATE FUNDS FROM THE BLESS OUR CHILDREN CAMPAIGN FOR THE SANTA'S WORKSHOP PROGRAM.

WHEREAS, the City of Salisbury's Housing and Community Development Department hosts a Santa's Workshop program every year; and

WHEREAS, Bless Our Children wishes to donate funds to help sponsor this annual program; and

WHEREAS, the donation of funds will be used to purchase gifts, refreshments and equipment used to run the program; and

WHEREAS, these donations are to be used for the general public welfare by purchasing toys to provide to needy children; and

WHEREAS, appropriations must be made upon the recommendation of the Mayor and the approval of four-fifths of the Council of the City of Salisbury.

NOW, THEREFORE, BE IT ORDAINED THAT THE City of Salisbury, Maryland does hereby accept the donation of funds of Two Thousand Dollars (\$2,000.00) from Bless Our Children for the Santa's Workshop program.

BE IT FURTHER ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND THAT THE City's Special Revenue Fund be and hereby is amended as follows:

- 1) Increase 10700-456423-81001 Contribution Revenue by \$2,000
- 2) Increase 10700-546006-81001 Operating Expense by \$2,000

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 13th day of January 2020, 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 27th day of January, 2020.

ATTEST:

Kimberly R. Nichols, City Clerk

John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS _____ day of _____, 2020.

Jacob R. Day, Mayor

INTER

OFFICE

MEMO

Finance Department

To: Julia Glanz, City Administrator
From: Keith Cordrey, Director of Finance 
Subject: FY20 Budget Ordinance Schedule B - Project Allocations
Date: December 30, 2019

Please find attached a Budget Ordinance allocating available bond proceeds and lawsuit proceeds to fund projects included in the FY20 Budget Ordinance Schedule B as projects to be funded by reallocation of bond proceeds.

This ordinance only assigns funding for \$ 455,000 of the total of \$ 904,190 scheduled in the FY20 Budget Ordinance to be funded from reallocations. The remaining projects will be assigned funding in separate legislation required to be drafted by the City's Bond Counsel.

After your review, if you do not have questions or concerns, please forward this ordinance to council for their consideration.

ORDINANCE NO. 2576

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING AN AMENDMENT OF THE CITY'S CAPITAL PROJECT FUND BUDGET TO REALLOCATE FUNDING FOR PROJECTS AUTHORIZED TO BE FUNDED BY REALLOCATIONS IN FY2020 BUDGET ORDINANCE – SCHEDULE B.

WHEREAS, The FY2020 Budget Ordinance Schedule B (Ordinance 2539) included an appropriation for capital projects (shown in Exhibit A) in the amount of \$904,190 by reallocating bond proceeds; and

WHEREAS, The City's Department of Infrastructure and Development has determined that \$116,983 in lawsuit proceeds previously allocated to the Hampshire Road Lift Station project and \$48,000 in FY17 Bond Proceeds previous allocated to the Belt Filter Press project are available for reallocation; and

WHEREAS, \$100,000 in interest accrued on the Lawsuit Proceeds from the Waste Water Treatment Plant lawsuit are available for allocation; and

WHEREAS, Projects listed in Exhibit B are to become allocated funds by this ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND THAT THE City's Capital Projects Fund Budget be and hereby is amended as follows:

Project Description	Type	Account Description	Account	Amount
Hampshire Road Lift Station	Revenue	Lawsuit Proceeds	97010-456939-55013	-116,983
Hampshire Road Lift Station	Expense	Engineering	97010-513020-55013	-12,900
Hampshire Road Life Stations	Expense	Construction	97010-513026-55013	-104,083
Internal Recycle Pump Replacement	Revenue	Lawsuit Proceeds	97010-456939-55517	116,983
Internal Recycle Pump Replacement	Revenue	Investment Interest	97010-456110-55517	63,017
Internal Recycle Pump Replacement	Expense	Construction	97010-513026-55517	180,000
Belt Filter Press	Revenue	Bond Proceeds	96017-469312-55018	-48,000
Belt Filter Press	Expense	Construction	96317-513026-55018	-48,000
Park Well Field Restore	Revenue	Bond Proceeds	96017-469312-50022	48,000
Park Well Field Restore	Revenue	Investment Interest	96017-456110-50022	127,000
Park Well Field Restore	Expense	Construction	96217-513026-50022-	175,000
Replace Distribution Piping	Revenue	Investment Interest	97010-456110-50015	100,000
Replace Distribution Piping	Expense	Engineering	97010-513020-50015	100,000

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on this 9th day of January 2020, 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 ____ day of _____, 2020.

ATTEST:

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Kimberly R. Nichols, City Clerk

John R. Heath, President
Salisbury City Council

APPROVED BY ME THIS ____ day of _____, 2020.

Jacob R. Day, Mayor

Exhibit A

Schedule B – Capital Project Appropriations (2 of2)

Project	Project Amount	Funding Source			
		Transfer PayGO	Grant	Revolving Funds	Reallocate Bond
<u>Water Sewer Capital Projects Fund</u>					
Restore Park Well Field	175,000				175,000
Paleo Fluoride Room Door and Tank Replacement	60,000				60,000
Bathroom Addition	51,000	51,000			0
Chemical Building HVAC	48,000				48,000
WWTP Outfall Inspection and Repairs	78,030				78,030
WWTP Local Limits Study	51,000	51,000			0
Structural Study	50,000	50,000			0
Internal Recycle Pump Replacement	180,000				180,000
Replace Distribution Piping & Valves	100,000				100,000
HV507 Dump Truck	125,000	125,000			
Park Water Treatment Plant Roof Improvements	181,560				181,560
Park Aerator Building Improvements	81,600				81,600
Park Well Field Raw Water Main & Valve Rplc	562,000			562,000	
Southside Pump Station Force Main	100,000			100,000	
Water Sewer Fund Total >>	1,843,190	277,000	0	662,000	904,190

Exhibit B

The following projects have been assigned funds to be reallocated in this ordinance.

Restore Park Well Field	175,000
Replace Distribution Piping & Valves	100,000
Internal Recycling Pump Replacement	180,000
Total	455,000

*Note the remaining projects scheduled to be funded by reallocation of bond funds per Schedule B in Exhibit A above will be assigned funds by separate legislation.