

CITY OF SALISBURY
WORK SESSION (VIA ZOOM MEETING)
MARCH 1, 2021

Public Officials Present

Council President John “Jack” R. Heath
Councilwoman Michele Gregory

Council Vice President Muir Boda

Public Officials Absent

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

In Attendance

City Administrator / Acting Mayor Julia Glanz, Deputy City Administrator Andy Kitzrow, Department of Infrastructure & Development (DID) Director Amanda Pollack, Procurement Director Jennifer Miller, Business Development Director Laura Soper, City Attorney Mark Tilghman, City Clerk Kimberly Nichols, and members of the Public and press.

On February 16, 2021 the Salisbury City Council convened in a Work Session at 4:30 p.m. via Zoom. The following is a synopsis of the topics discussed:

Chesapeake Utilities Corporation- Somerset Natural Gas Project update

DID) Director Amanda Pollack reported much of the clearing work had begun. Her staff had received many phone calls regarding the removed trees. Chesapeake Utilities continued to work with City staff on the Rail Trail project. She and City Administrator Julia Glanz met with Chesapeake Utilities about some of the tree remediation work be on City property to benefit the City.

President Heath asked if any issues had been raised that would impact the Rail Trail. Ms. Pollack said they had not because the City was used to having roads over their gas mains. The bigger issue was that that the Railroad was not in favor of an active Rail Trail in their right-of-way. They asked Chesapeake Utilities to look at a couple of properties that the City could get right-of-way easements from.

Commercial Real Estate Services Introduction

Procurement Director Jennifer Miller reported in the Fall the Department of Procurement issued an RFP for real estate advisory services to help the City buy, sell or lease property. The contract was awarded to KNLB to handle the commercial real estate side. The process of requesting RFP was not always the most effective and KNLB had more reach than the City and could easily handle transactions from start to finish. Ms. Miller shared the first properties KNLB would handle were 621 Short Street, 501 Anne Street, 503 Anne Street, 505 Anne Street, and 407 Anne Street, and all required the City Council’s declaration of surplus. She explained the City could always still use the traditional RFP process if they wanted to, and they would all go through the Council’s declaration of surplus before being turned over to KNLB. Ms. Miller reported the

discussion with KNLB included the City's wish to continue marketing property for at least 30 days. The City would provide KNLB with a range of authority to negotiate price and handle the entire transaction through closing, with the final approval provided by City Council. KNLB would also be able to provide real estate consulting services if the City needed them.

President Heath asked if they worked on a commission and Ms. Miller said they gave the City different commission percentages based on the transaction type and value of property, etc. The City was also given some flat rates for consulting.

President Heath welcomed Mr. Kydin Nourazar, Managing Director, Government Advisory Services of KNLB, and Harry Dematatis, Senior Vice President of KNLB, both present on the Zoom meeting. Mr. Nourazar said the firm assisted Federal, State and Local Governments with real estate needs. They were happy to be working with the City of Salisbury and welcomed Council to reach out if they needed anything.

Ordinance capping the commission that 3rd party delivery companies can collect during a State of Emergency

Business Development Director Laura Soper told Council that the 3rd party delivery company rates of 30% to 35% were forcing restaurants to operate at a net 0 or loss on each sale. Before the pandemic struck, the restaurants could typically manage the commission since it did not comprise of the majority of their sales. Most of the restaurants have had to pivot to using these companies just to survive. The proposed legislation would cap the delivery fees at 15% and included a clause to protect driver's pay and to allow restaurants to opt in and pay for marketing.

Mr. Boda asked to clarify that the fees were paid by the restaurants and not charged to the customer. Ms. Soper agreed that the fees discussed were solely paid by the restaurants for delivery services. Mr. Boda supported the legislation.

Ms. Gregory said there were a lot of problems with the apps and agreed with Mr. Boda, and would like to make the change effective all the time and not just during the pandemic.

President Heath had concerns about unintended consequences. He asked many of the restaurants in his district their opinion on the legislation. The majority of them said it sounded like a good idea, but they used the service to ensure they did not end up with unsold food (dead stock). He called Bill Chambers, Salisbury Area Chamber of Commerce CEO, and asked his opinion. Mr. Chambers said the Chamber polled the restaurants and almost all concurred that they were concerned about dead stock and would have less problem doing it during regular times without COVID. Mr. Chambers thought it was a great idea, but it was not the time or place.

Ms. Soper asked for time until the next Work Session to reach out to restaurants in other municipalities that passed this type of legislation to find out if they received any adverse effects.

Administration and Council Comments

Ms. Glanz remarked that they were eagerly awaiting news on the mass vaccination site at the Wicomico County Civic Center. The State would be receiving 50,000 doses of the Johnson & Johnson vaccine this week, and things were looking up a bit.

Mr. Boda asked everyone to keep supporting their local restaurants and to donate blood.

Ms. Gregory asked everyone to please sign up to get their vaccine if they received an email.

President Heath asked everyone to continue wearing masks. The numbers were still going in the right direction.

Motion to convene in Closed Session

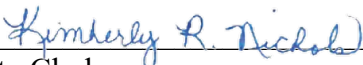
At 4:56 p.m. President Heath called for a motion to convene in Closed Session. Mr. Boda moved, Ms. Gregory seconded, and the vote was unanimous (3-0).

Motion to Adjourn Closed Session / Convene in Open Session / Statement to Public

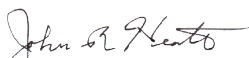
At 5:11 p.m. Ms. Gregory moved, Mr. Boda seconded, and the vote was unanimous (3-0) to adjourn the Closed Session. Council convened in Open Session whereby President Heath reported that Council had met in Closed Session to discuss a personnel matter.

Adjournment

With no further business to discuss, the Open Session adjourned at 5:14 p.m.



City Clerk



Council President