



**SALISBURY CITY COUNCIL
WORK SESSION AGENDA**

**APRIL 20, 2020
ZOOM MEETING**

- 4:30 p.m. Resolution to Revise the Water & Sewer Utility Directive – Field Operations Director Tom Stevenson
- 4:45 p.m. Resolution to approve the purchase of 319 Truitt Street for use as the Truitt Street Community Center – Grants Manager Deborah Stam
- 5:00 p.m. Ordinance to amend the budget for the grant for the Truitt Street Community Center – Grants Manager Deborah Stam
- 5:15 p.m. Ordinance No. 2587-. to amend Chap. 5.32, Transient Merchants & Mobile Vendors, to remove terms Hawkers & Peddlers, and to update the licensing process. To discuss extending expiration of bonds one additional year. – Business Development Director Laura Soper
- 5:15 p.m. Budget Amendment to cover shortfall in Nov 2019 Elections budget- Wicomico County Board of Elections Director Anthony Gutierrez, City Clerk Kim Nichols

*Times shown are approximate. Council reserves the right to adjust the agenda as circumstances warrant.
The Council reserves the right to convene in Closed Session as permitted under the Annotated Code of Maryland 3-305(b).*

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Posted 4/16/20

MEMORANDUM

To: Julia Glanz
From: Tom Stevenson
Subject: Proposed Modifications to Existing Water Billing Adjustment Directive
Date: March 25, 2020

From time to time, it is necessary to review and amend legislative and technical mandates. The Department of Field Operations frequently receives requests from water and sewer customers to adjustment both their water and sewer fees that are associated with non-beneficial use of water. The current directive allows a 60% reduction of associated fees. While that may seem like a generous compromise, it may, and has in some cases leave consumers with a bill of several hundred or even thousands of dollars. I agree that there is an associated cost to collect, treat and convey potable water. However, in some situations customers may fall victim to situations that result in substantial water usage with no knowledge of the unintentional consumption. Cost aside, the important metric is to account for water loss, which we do.

Attached is the revised Water and Sewer Utility Directive along with the Resolution for consideration for modifications to the current Directive.

Unless you or the Mayor have further questions, please forward a copy of the Memo with the Water and Sewer Utility Directive and Resolution to the City Council.

Water and Sewer Utility Directive

Policy on Non-Beneficial Use of Water – Revised September 1, 2016 TBD Upon Passage

Per Resolution No. ~~4205~~ 2741, it is the policy of the City of Salisbury to grant a credit to account holders who have experienced a major usage of water due to a leak, broken pipes, plumbing malfunction or other non-beneficial use of water.

The credit will amount to ~~60%~~ either 60% or 90% of the increased consumption over the average consumption, or the consumption for the same period for the prior year, whichever is greater based on the defined Consumption Threshold. The average may be determined differently if there is insufficient history or estimated readings. The credit will be applied to both the water and sewer portions of the bill.

Consumption Threshold

- 60% CREDIT - The amount of the increased consumption is at least three (3) times the average consumption, for accounts with an average of 500 thousand gallons or less per quarter, or two (2) times the average consumption for accounts with an average consumption of greater than 500 thousand gallons.
- 90% CREDIT - The amount of the increased consumption is at least twenty (20) times the average consumption, for accounts with an average of 500 thousand gallons or less per quarter, or ten (10) times the average consumption for accounts with an average consumption of greater than 500 thousand gallons.

All of the ~~The~~ following conditions must apply before the credit may be permitted ~~granted~~:

- The leak was such that it would not normally be detected by the account holder; for example, continuously running toilets, leaking faucets or other fixtures, lateral line leaks, and/or non-typical applications of delivery.
- A City employee has confirmed that the high bill was due to a non-beneficial use of water. Beneficial use of water includes, but is not limited to, using water for lawn irrigation, landscaping irrigation, washing vehicles, filling pools or in fountains. (Per City Code 13.08.060, outside underground irrigation systems shall not be connected to the City's water supply system, unless there is a variance. Beneficial use of water is not eligible for a credit under this policy.)
- The account holder has promptly determined the reason for the problem or has hired a licensed plumber to ascertain the reason for the high consumption of water and has promptly resolved the problem. The account holder submits evidence that the problem is fixed by submitting a paid receipt for repair and/or fixtures. The Department of ~~Public Works~~ Field Operations and/or the City's Plumbing Inspector confirms that the leak has been sufficiently repaired to prevent subsequent concerns.
- This credit may apply to no more than two quarterly bills if all of the requirements are met during that period of time.

- Account holders will be eligible for this credit for only one occurrence within a three (3) year period. This will reset with a change in property ownership but not with a change in tenant.
- A credit/refund towards the account will only be considered for the past two billing cycles (including current bill) with proper repair verification. In other words, leaks over six (6) months old will not be considered for refunds/credits.
- Any adjustment made other than to the current bill will be left on the account as a credit toward the next bill. Refunds will be issued to whomever paid the invoice. If a refund would be issued within two (2) weeks of a new invoice, then it will be handled as a credit on the account.
- Late fees will not be adjusted for non-payment.

This ~~policy~~ directive allows flexibility for the Director of Field Operations ~~Finance~~ to resolve disputes when it is believed to be in the best interest of the City. While there is no provision for hardship within this directive, appreciation of such circumstances may be considered. All credits to be granted under this policy must be recommended by the ~~Public Works Department~~ Department of Field Operations and approved by the Director of Field Operations ~~Finance~~.

The Director of the Department of Finance or their designee may negotiate payment agreements with the property owner.

1 RESOLUTION NO. TBD

2
3 A RESOLUTION OF THE CITY OF SALISBURY REPEALING RESOLUTION NO 2741
4 AND TO APPROVE AN UPDATED CITY POLICY TO GRANT A PARTIAL CREDIT TO
5 WATER ACCOUNT HOLDERS WHEN THEY HAVE EXPERIENCED AN UNUSALLY
6 HIGH WATER BILL DUE TO A LEAK OR OTHER NON-BENEFICIAL USE OF WATER
7

8 WHEREAS, the City of Salisbury maintains a water and sewer utility in the greater
9 Salisbury area; and

10
11 WHEREAS, the City only reads water meters on a quarterly basis; and

12
13 WHEREAS, from time to time between readings, homeowners and businesses,
14 experience abnormal usage of water due to leaks, burst pipes, plumbing malfunctions or other
15 non-beneficial use of water, and will most likely not be aware of unusual consumption until the
16 next meter reading cycle; and

17
18 WHEREAS, these circumstances frequently result in inconsistent water utility bills; and

19
20 WHEREAS, the City of Salisbury used enterprise funds to prepare the water for
21 consumption, however, the City of Salisbury wishes to be reasonable in its governance.

22
23 NOW, THEREFORE BE IT RESOLVED that the City of Salisbury approves the
24 attached revised policy regulating the extension of a partial credit to mitigate the extreme
25 hardship caused families and businesses by offsetting the full cost of the water consumed from
26 which they did not receive any benefit.

27
28 THIS RESOLUTION was introduced and duly passed at a meeting of the Council of the
29 City of Salisbury, Maryland held on this ____ day of _____ 2020 and is to become
30 effective immediately upon adoption.

31
32 ATTEST:

33
34 _____
35 Kimberly R. Nichols
36 CITY CLERK

37 _____
38 John R. Heath
39 PRESIDENT, City Council

40
41 APPROVED by me this ____ day of _____, 2020

42 _____
43 Jacob R. Day
MAYOR, City of Salisbury



MEMORANDUM

To: Andy Kitzrow
From: Everett Howard, Director of HCDD
Date: April 015, 2020
Re: Truitt Street Community Center Acquisition

Attached please find a resolution to authorize the purchase of 319 Truitt St., from Devreco LLC for continued use by the City of Salisbury as the Truitt Street Community Center.

The Truitt Street Community Center which is currently leased by the City of Salisbury, is a key location for community activities and programs which promote youth development and community partnerships with municipal government and the surrounding neighborhoods.

The purchase price is \$200,000 which will be funded partially by a DGS grant for \$100,000 and a matching funds provided by the City.

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

CONTRACT OF SALE

THIS CONTRACT OF SALE ("this Contract"), dated the ____ day of _____, 2020, between DEVRECO, LLC, ("Seller"), whose address is 118 North Division Street Suite 200, Salisbury, MD 21801 and City of Salisbury, Maryland ("Buyer"), whose address is 125 N. Division Street, Salisbury, MD 21801.

1. *The Property.* Seller sells to Buyer, and Buyer purchases from Seller, the real property located in City of Salisbury, Wicomico County, Maryland, and known as 319 Truitt Street, Salisbury, MD 21801, Map 0105, Grid 0021, Parcel 1466, together with all improvements and all the rights and appurtenances thereto. The property was acquired by the Seller by deed dated November 17, 2017 and is recorded in the Wicomico County land records, Liber J.W.T.S. No. 4254, folio 471 and is hereinafter called the "Property."

2. *Purchase Price.* The purchase price for the Property is Two Hundred Thousand Dollars (\$200,000.00), to be paid at Settlement.

3. *Time and Place of Settlement.* Settlement shall take place at a date and time to later be determined, but no later than 60 days after Notice of Settlement is given by Buyer to Seller and shall take place at the office of Seidel, Baker & Tilghman, P.A., 110 N Division Street, Salisbury, MD, or at another convenient time and place should Buyer need a reasonable extension of time to schedule settlement. Notice of Settlement shall be given by Buyer to Seller within 30 days of receipt of the grant funds from the _____ grant which has already been approved. The purchase is contingent upon receipt of those funds.

4. *Deed to Property.* At Settlement, upon payment of the unpaid purchase money, a deed for the Property shall be executed at Buyer's expense by Seller.

5. *Possession.* Buyer shall be given possession of the Property at Settlement. Seller warrants that there are no other persons that are in current possession of the Property and that no other persons shall have rights to possession of the Property at the time of settlement.

6. *Recordation and Transfer Taxes.* All recordation taxes and state and local transfer taxes relating to the conveyance of the Property shall be paid as follows:

a) Buyer, if required by law, shall pay any state or county recordation and transfer taxes or fees or other costs imposed upon the recordation of the Deed.

b) Seller shall pay all taxes and fees relating to the recordation of any release of a mortgage, deed of trust, or other lien or encumbrance affecting the Property which is to be released or discharged at Closing.

7. *Real Estate Taxes.* Real estate taxes and similar public charges against the Property that are payable on an annual basis (including district, sanitary commission, or other benefit charges,

assessments, liens, or encumbrances for sewer, water, drainage, or other public improvements completed or commenced on or prior to the date hereof or subsequent thereto) shall be adjusted between the parties as of the date of Settlement and assumed and paid thereafter by Buyer.

8. *Risk of Loss.* The Property shall be held at the risk of Seller until Settlement hereunder.

9. *Buyer's Default.* If Buyer defaults in Buyer's obligation to purchase the Property, Seller shall have the right, at Seller's election, to retain all deposits paid hereunder as liquidated damages and not as a penalty, and upon such election, the parties shall be released from all further liability hereunder at law and in equity, except with respect to the provisions of this Contract which survive its termination.

10. *Real Estate Commission.* Each party warrants to the other that it has not used the services of a real estate broker or agent in connection with this transaction. Each party agrees to defend, indemnify, and hold the other party harmless for any claim for real estate commissions arising by reason of the indemnifying party's breach of this warranty. The provisions of this paragraph shall survive Settlement and the delivery of the deed to the Property or the termination of this Contract.

11. *Representations of Seller.* The Seller makes the following representations and warranties to the Buyer, which shall survive the Settlement and the delivery of the deed and contract of sale for the Property to the Buyer.

A. The Property, including the location of any buildings thereon, is correctly described above.

B. At Settlement there will be no contracts affecting the Property or any part thereof. At Settlement there will be no contracts or agreements for the management of the Property, or any part thereof, and there will be no leasing commission due or owing in connection with any lease or on account of any tenancy or occupancy of any portion of the Property.

C. The Seller has no knowledge of any actions, suits or proceedings which have been instituted or threatened against or affecting the Property, at law or in equity, or before any federal, state or municipal governmental commission, board, bureau, agency or instrumentality which will materially adversely affect the value, occupancy, use or operation of the Property. The Seller will give the Buyer prompt written notice of any such action, suit, or proceeding arising subsequent to the date hereof and prior to Settlement to the extent Seller acquires knowledge thereof.

D. The Seller has duly and validly authorized, executed and delivered this Contract, and neither the execution and delivery of this Contract nor its performance are restricted by or violate any contractual or other obligation of the Seller.

E. There are no assessments for public improvements against the Property which remain unpaid, including, without limitation, those for construction of sewer or water lines or mains, streets, sidewalks and/or curbs.

F. To the best of the Seller's knowledge, all improvements on the Property lie within the boundaries on the Property above named and do not encroach on any other property or violate any setback requirements.

G. The Seller agrees that, from the date of this Agreement to the Settlement date, it will:

(i) Operate the Property only in the ordinary and usual manner and that it will not enter into any new lease or any renewal or amendment of any of the Leases without the prior written consent of the Buyer;

(ii) Not become a party to any service contract or similar agreement with respect to or affecting the Property without the prior written consent of the Buyer;

(iii) Not cancel, modify, or amend any of the Leases or accept the surrender thereof, without the prior written consent of the Buyer;

(iv) Maintain, at its expense, all existing fire and extended coverage policies covering the Property and promptly cause the Buyer to be named as an additional insured thereunder as its interest may appear. The herein described property is to be held at the risk of Seller until legal title has passed. Buyer may acquire additional insurance if it desires;

(v) Use reasonable efforts to require any tenants occupying the Property to comply with all material obligations on their respective parts to be performed pursuant to their respective leases;

(vi) Correct all building code or other violations relating to the Property; and

(vii) Keep the Property in good condition and repair.

The consent of the Buyer to those matters specified in this paragraph 9.G. shall not be unreasonably withheld by Buyer.

12. *Feasibility Studies.*

12.1. *General.* Subject to the rights of any existing tenants, for a sixty (60) day period after the date of this Contract (the "Feasibility Period"), Buyer and its agents shall have the right to enter upon the Property at its sole risk for the purpose of inspecting the same and conducting surveys and other tests of surface and subsurface conditions, investigations, and feasibility studies. During such period the Seller shall furnish to the Buyer all information concerning the Property which the Buyer may reasonably request. The Buyer may, at its sole expense, make such engineering and other studies of the Property prior to the Settlement Date as it may deem necessary. Within a reasonable time after such entries Buyer shall restore the Property to its prior condition. Buyer shall defend, indemnify, and hold Seller harmless to the extent allowed by Maryland

law for municipal corporations from and against any damage, liability, loss, deficiency, or expense (including attorneys' fees, court costs, and other expenses) resulting from, and will pay Seller upon demand the full amount of any sum Seller may be or become obligated to pay on account of, all obligations, liabilities, claims, accounts, demands, liens, or encumbrances, which result from acts, conduct, omissions, contracts, agreements, or commitments of Buyer or its agents, in any way related to or arising from the exercise by Buyer of the rights herein granted to enter the Property and conduct tests thereon. ~~If during the Feasibility Period Buyer shall determine that additional studies are needed, Buyer has the right to extend the Feasibility Period for an additional sixty (60) days or more if reasonably necessary to complete the required studies.~~

12.2. *Election to Proceed or Terminate.* If during the Feasibility Period Buyer shall determine, at its discretion, that the acquisition and development of the Property is not feasible, Buyer shall have the right, by written notice to Seller (the "Termination Notice"), to terminate this Contract prior to the expiration of the Feasibility Period. Upon receipt of the Termination Notice, this Contract shall terminate and thereupon the parties hereto shall be released from all further liability hereunder, at law and in equity, except as provided herein. If Buyer fails to give the Termination Notice on or before the expiration of the Feasibility Period, Buyer's right to terminate this Contract under this Section shall expire and Buyer shall thereafter be obligated to perform all of the terms, covenants, and provisions of this Contract to be performed by Buyer hereunder.

12.3. *Studies.* If Buyer terminates this Contract or defaults in its obligations hereunder, Buyer shall promptly deliver to Seller after the date of such termination or default, for no additional consideration, copies of all governmental permits and approvals, surveys, plats, soil tests, and engineering, environmental, architectural, and other reports, studies, and documents obtained by Buyer or its agents with respect to the Property.

13. *Delivery of Certain Materials to Buyer.* Promptly, but in no event later than five (5) days following the date hereof, the Seller shall deliver to the Buyer the following:

- A. All surveys, engineering, environmental, or similar reports in the Seller's possession, custody, or control relating to the Property;
- B. Copies of any Leases, together with a summary of each Lease specifying (i) the tenant's name, (ii) the premises leased, (iii) the lease term (including any renewal rights), (iv) the rent and the date through which rent has been paid, (v) the extent of tenant's responsibility for the payment of utility costs, taxes and expense escalations, (vi) a listing of all concessions, rebates, allowances or free rent given to the tenant, and (vii) the amount of any security deposit held by the Seller with respect to the lease;
- C. Copies of all original building plans and specifications for the Property which are in the Seller's possession; and
- D. A listing of the Personal Property, if any, together with a listing of all liens or security interests of others with respect thereto.

14. *Miscellaneous Adjustments and Prorations.* The following adjustments and prorations shall be made between the parties on the Settlement Date. The provisions of paragraph 12.A. shall survive Settlement and the delivery of the deed and contract of sale for the Property to the Buyer.

A. All utilities shall be adjusted and apportioned as of the Settlement Date.

15. *Title and Subdivision.*

15.1. *Title Report.* Buyer shall obtain, at its expense, a title report covering the Property from a licensed title company, or person qualified to conduct a title search selected by Buyer. Buyer shall provide the title report to Seller on or before Settlement. Buyer shall give written notice to Seller of any title exception that is not acceptable to Buyer (the "Title Defect"). Seller shall have thirty (30) days from the receipt of Buyer's notice within which to determine whether to cure or remove the Title Defect or to terminate this Contract. If Seller elects to cure or remove the Title Defect, Seller shall do so by giving Buyer written notice of the election within the thirty (30) day period, otherwise Seller may elect to terminate this Contract. This Sales Contract and purchase is contingent on the property having a clear title and appropriation of funds made for Buyer's use and formal approval of the purchase by the City Council ~~to be completed within the Feasibility Period.~~

If Seller elects to terminate this Contract, ~~the deposit shall be returned to Buyer, whereupon~~ this Contract shall become null and void and of no further force and effect at law or in equity. If Seller elects not to terminate this Contract, Seller shall be required to convey the Property to Buyer at Settlement, with clear title. Buyer shall receive clear title to the Property unless Buyer solely decides to proceed to Settlement without title issues being resolved to its satisfaction before Settlement.

15.2. *Ground Rent.* If the title report discloses that the Property is subject to payment of a ground rent pursuant to a perpetually renewable ground rent lease, Buyer may object to the fact that the Property is subject to a ground rent or, if Seller agrees to reduce the purchase price of the Property by an amount equal to the annual ground rent capitalized at the rate of ten percent (10%) proceed with the purchase. If the Property is subject to such a ground rent and Buyer proceeds with purchase of the Property, Buyer is hereby placed on notice in accordance with Md. Real Prop. Ann. Code § 14-117, as amended, (the "Code") that if the ground rent is not timely paid the effect may be (a) that the reversionary owner of the ground rent may bring an action of ejectment against the ground rent tenant under § 8-402(b), as amended, of the Code, and (b) as a result of the ejectment action, the reversionary owner of the ground rent may own the Property in fee, discharged from the lease.

15.3. *Subdivision.* If either Seller or Buyer prior to Settlement shall make a good faith determination that for Seller legally to convey the Property to Buyer, an approved subdivision plat of the Property must first be recorded among the Land Records of the County/City (the "Land Records"), then neither party shall be obligated to proceed to Settlement unless Buyer, at Buyer's expense, prior to Settlement, obtains all necessary governmental approvals and records the subdivision plat of the Property among the Land Records at or prior to Settlement. Seller and Buyer shall each cooperate with the other in filing any necessary applications, and in the processing of the

subdivision plat before the appropriate governmental agencies. If a subdivision plat is required, Buyer shall have the right to postpone Settlement if additional time is required for Buyer to obtain the necessary governmental approvals.

16. *Environmental Matters.* To the best of the knowledge of the Seller, as of the date of this Contract and as of the date of Settlement, the Property (including land, surface water, ground water, and improvements) is now and will then be free of all contamination, including (i) any "hazardous waste," "underground storage tanks" "petroleum," "regulated substance," or "used oil" as defined by the Solid Waste Disposal Act of 1976 (42 U.S.C. § 6901, *et seq.*) as amended, or by any regulations promulgated thereunder; (ii) any "hazardous substance" as defined by the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601, *et seq.*) as amended, or by any regulations promulgated thereunder (including, but not limited to, asbestos and radon); (iii) any "oil, petroleum products, and their byproducts" any "hazardous substance" as defined by the Maryland Environmental Code, Title 7, Subtitle 2, as amended, or by any regulations promulgated thereunder; (iv) any substance the presence of which on, in, or under the Property, is prohibited by any law similar to those set forth above; and (v) any other substance which by law, regulation, or ordinance requires special handling in its collection, storage, treatment, or disposal.

16.1. *Environmental Representations and Warranties.*

(a) Seller represents and warrants that (i) Seller has no knowledge of any Hazardous Material at, upon, under, or within the Property or, to the best of its knowledge, within any contiguous real estate; and (ii) Seller shall not cause or permit to exist any Hazardous Material at, upon, under, or within the Property until the Settlement date.

(b) Seller further represents and warrants that (i) neither Seller, nor any other party has been, is, or will be involved in operations at or near the Property, which operations could lead to (A) the imposition of liability under any Hazardous Material laws on Buyer, or any former owner of the Property; or (B) the creation of a lien on the Property under any Hazardous Material laws; and (ii) Seller has not permitted, and will not permit, any tenant or occupant of the Property to engage in any activity that could impose liability under any Hazardous Material laws on such tenant or occupant, on Seller or on any other owner of any of the Property.

16.2. *Environmental Covenants.*

(a) Seller shall comply strictly and in all respects with the requirements of any Hazardous Material laws and related regulations and shall notify Buyer immediately in the event of any discharge or discovery of any Hazardous Material at, upon, under, or within the Property before the Settlement date.

(b) Promptly upon the written request of Buyer, Seller shall provide Buyer with all past environmental site assessment or environmental audit reports to enable Buyer to assess the presence or absence of any Hazardous Material and the potential costs in connection

with abatement, cleanup, or removal of any Hazardous Material found on, under, at, or within the Property.

16.3. *Indemnity.*

(a) Seller does hereby absolutely, unconditionally, and irrevocably indemnify and hold harmless Buyer from any and all claims, suits, actions, debts, damages, costs, losses, obligations, judgments, charges, and expenses, of any nature whatsoever suffered or incurred by Buyer, with respect to Seller's past use, or its tenants' use, during Seller's ownership of the Property for:

(i) any past discharge of Hazardous Material, the threat of a discharge of any Hazardous Material, or the presence of any Hazardous Material affecting the Property whether or not the same originates or emanates from the Property, including any loss of value of the Property as a result of any of the foregoing;

(ii) any costs of removal or remedial action incurred by the United States Government or any state, county, or municipal governmental authority, any response costs incurred by any other person or damages from injury to, destruction of, or loss of natural resources, including reasonable costs of assessing such injury, destruction, or loss, incurred pursuant to any Hazardous Material laws;

(iii) liability for personal injury or property damage arising under any statutory or common law tort theory, including, without limitation, damages assessed for the maintenance of a public or private nuisance or for the carrying on of an abnormally dangerous activity at the Property; and

(iv) any other environmental matter affecting the Property within the jurisdiction of the Environmental Protection Agency, any other federal agency, or any state, county or municipal environmental agency.

(b) In the event of any discharge of Hazardous Material, the threat of a discharge of any Hazardous Material, or the presence of any Hazardous Material affecting the Property, whether or not the same originates or emanates from the Property, and/or if Seller shall fails to comply with any of the requirements of any Hazardous Material laws or related regulations or any other environmental law or regulation, Buyer may at its election, but without the obligation so to do, give such notices and/or cause such work to be performed at the Property and/or take any and all other actions as Buyer shall deem necessary or advisable in order to abate the discharge of any Hazardous Material, remove any Hazardous Material, or cure Seller's noncompliance.

(c) It is the intention of Seller that the provisions of this Agreement shall supersede any provisions herein, which in any way limit the personal liability of Seller and that Seller shall be personally liable for any obligations hereunder. All of the representations, warranties, covenants, and indemnities herein shall survive the transfer, if any, of any or all right, title, and interest in and to the Property by Seller.

(d) The term "Hazardous Material" means (i) any hazardous or toxic substance, material, or waste, including, but not limited to, those substances, materials, and wastes listed in the United States Department of Transportation Hazardous Materials Table (49 CFR 172.101) or by the Environmental Protection Agency as hazardous substances (40 CFR Part 302) and amendments thereto and replacements therefor; or (ii) such substances, materials, or wastes as are regulated by the Resource Conservation and Recovery Act of 1976 or the Comprehensive Environmental Response, Compensation and Liability Act of 1980, any amendments thereto or orders, regulations, directions, or requirements thereunder; or (iii) such hazardous or toxic substances, materials, or wastes that are or may become regulated under any other applicable county, municipal, state, or federal law, rule, ordinance, direction, or regulation.

17. Miscellaneous Provisions.

17.1. *Entire Agreement.* This Contract contains the final and entire agreement between the parties and neither they nor their agents shall be bound by any terms, conditions, or representations not herein written. However, the City of Salisbury Resolution approving the signing of this Contract may contain additional terms and conditions controlling the purchase of the Property.

17.2. *Joint and Several Liability.* If Buyer consists of more than one (1) person or entity, their liability under this Contract shall be both joint and several.

17.3. *Binding Agreement.* This Contract is binding on the parties and their personal representatives, successors, and assigns.

WITNESS the hands and seals of the parties.

WITNESS:

_____(SEAL)
Bradley Gillis, Managing Member
DEVRECO, LLC, Seller

WITNESS:

_____(SEAL)
Jacob R. Day, Mayor
City of Salisbury, Maryland, Buyer

RESOLUTION NO. _____

A RESOLUTION OF THE CITY OF SALISBURY TO PURCHASE IMPROVED REAL PROPERTY, LOCATED AT 319 TRUITT STREET, FROM DEVRECO, LLC FOR USE AS THE TRUITT STREET COMMUNITY CENTER.

WHEREAS, the seller, Devreco, LLC., owns improved property located at 319 Truitt Street, which was acquired by deed dated November 21, 2017 and recorded in the Wicomico County, Maryland Land Records in Liber M.S.B. No. 4254, folio 471; and

WHEREAS, the City of Salisbury currently leases the property and uses it for the Truitt Street Community Center; and

WHEREAS, the City of Salisbury desires to purchase the property located at 319 Truitt Street to continue to operate the Truitt Street Community Center; and

WHEREAS, the attached Contract of Sale for the purchase of the property located at 319 Truitt Street is required to be authorized by the City Council, prior to signing, which affords protection to the City if issues related to the title, property condition, etc. cannot be remedied to the City's satisfaction before the City is obligated to complete the purchase.

NOW, THEREFORE, BE IT RESOLVED that the Council of the City of Salisbury, Maryland does hereby authorize the signing of the attached Contract of Sale, further authorizes the purchase of the property located at 319 Truitt Street from Devreco, LLC, for \$200,000 in accordance with the terms contained in the attached Contract of Sale and such other terms negotiated and approved by the City Solicitor. The purchase is contingent upon the City receiving clear title to the property and the City being satisfied with the findings of the feasibility studies within the period specified in the Contract of Sale.

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

ATTEST:

Kimberly R. Nichols
CITY CLERK

John R. Heath
PRESIDENT, City Council

APPROVED by me this
_____ day of _____, 2020

Jacob R. Day
MAYOR, City of Salisbury

MEMORANDUM

To: Andy Kitzrow
From: Everett Howard, Director of HCDD
Date: April 02, 2020
Re: Truitt Street Community Center Acquisition

Attached please find an ordinance accepting a \$100,000 grant funding from the State of Maryland Department of General Services (DGS) for the purchase of the Truitt Street Community Center.

The ordinance also outlines the use of “match funding” provided by the City of Salisbury and CDBG to purchase the Truitt Street Community Center from DEVRECO LLC for \$200,000.

The Truitt Street Community Center which is currently leased by the City of Salisbury, is a key location for community activities and programs which promote youth development and community partnerships with municipal government and the surrounding neighborhoods.

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

Larry Hogan
Governor

Boyd K. Rutherford
Lt. Governor



Ellington E. Churchill, Jr.
Secretary

MARYLAND DEPARTMENT OF GENERAL SERVICES

FACILITIES OPERATIONS & MAINTENANCE • FACILITIES PLANNING, DESIGN, CONSTRUCTION & ENERGY
PROCUREMENT & LOGISTICS • REAL ESTATE

May 20, 2019

The Honorable Mayor Jacob Day
Mayor
City of Salisbury 125 N Division
Street Room 103 Salisbury, MD
21801

Re: Truitt Street Community Center
Chapter 9, House Bill 101, Acts of 2019 – \$100,000.00
DGS Item G067

Dear Mr. Mayor:

Congratulations on receiving your State grant. Funds for your grant are authorized in a “bond bill” enacted by the General Assembly and signed by Governor Larry Hogan.

The Department of General Services will administer your grant on behalf of the State Board of Public Works (BPW). This application package contains the necessary forms for you to complete and return to manage your capital grant project.

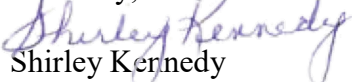
The legislation authorizing your grant requires certain deadlines are met by grant recipients as follows:

- (a) The deadline for completing and returning the application package is **December 31, 2019**.
- (b) The deadline for obtaining BPW certification of matching funds is two (2) years from the date the grant is authorized, or **June 1, 2021**.
- (c) The deadline for grant recipients to encumber (enter into project contracts) or expend the State funds is seven (7) years from the date of authorization, or **June 1, 2026**.

Please pay close attention to the important State policies that are outlined on the Capital Grants Program web page (<http://dgs.maryland.gov/pages/grants/index.aspx>).

If you have any questions, please contact Ms. Kimberly Langkam, Grant Administrator at 410-767-4478 or Ms. Michelle Moore, Grant Administrator at 410-767-6684.

Sincerely,


Shirley Kennedy
Program Manager
Capital Grants Program

Enclosures

State of Maryland
CAPITAL PROJECTS GRANT AGREEMENT

This Agreement (“**Agreement**”) is entered into this ___ day of _____, 20___, by and between the State of Maryland (“**State**”), acting through the Board of Public Works (**BPW**), and Mayor and City Council of the City of Salisbury, 125 N Division Street, Room 103 (“**Grantee**”), whose federal taxpayer identification number is 52-6000806.

Recitals

- A. Grantee has requested grant assistance from the State and has completed the Capital Projects Grant Application.
- B. The General Assembly has authorized this Grant titled **Truitt Street Community Center** provided that Grantee expends the money only for the purposes outlined below.

Therefore, the State and Grantee agree as follows:

- 1. **Purpose.** Grantee may use grant funds for the following purpose only (“**Project**”): For the acquisition, planning, design, construction, repair, renovation, reconstruction, site improvement, and capital equipping of the Truitt Street Community Center, located Wicomico County.
(See **Enabling Act**: DGS Item Go6Z, Chapter 14 of the Laws of Maryland 2019 which is incorporated herein by reference.)
- 2. **Grant.** After the BPW approves this Agreement, the State shall periodically provide grant funds (“**Grant**”) to, or on behalf of, Grantee not to exceed: \$ 100,000 (One Hundred Thousand Dollars) or the amount of Grantee's matching fund according to the matching fund requirement as stated in the Enabling Act.
- 3. **Termination or Reduction of Authorization.** The BPW, in its sole discretion, may reduce or terminate the authorization to provide the Grant in the event: (a) Grantee fails to provide evidence of the required matching fund by 6/1/2021; or (b) no part of the Project is under contract by 6/1/2026 or (c) the Project is abandoned. The Enabling Act's authorization automatically terminates for any grant funds that are unexpended or unencumbered by 6/1/2026.
- 4. **Matching Fund.** If the Enabling Act requires, Grantee must provide and expend a matching fund of \$100,000. Failure to prove any required matching fund may affect the authorization pursuant to Paragraph 3 of this Agreement.
- 5. **Disbursement of Grant.** Subject to the availability of funds, the BPW may periodically authorize payment to, or on behalf of, Grantee funds in an amount not to exceed the Grant amount.

6. Limitations on Use. The BPW or its designee may, in its sole discretion, disapprove requests for disbursement or expenditure of Grant funds that are not consistent with or are not specifically related to the Project purpose or this Agreement generally.
7. Term. This Agreement terminates if the BPW terminates the grant authorization under Paragraph 3 without issuing bonds. Otherwise, this Agreement is in effect so long as any State general obligation bonds issued, sold, and delivered to provide funds for this Grant, remain outstanding, or for such longer period as the parties may agree.
8. Payment Procedure. Payment procedures contained in the most recent edition of *Maryland Capital Grants Projects: Information for State of Maryland Capital Grant Recipients* [<http://dgs.maryland.gov/Pages/Grants/index.aspx>] are incorporated herein by reference. The State shall make payment to, or on behalf of, Grantee in accordance with those procedures and any other terms and conditions as the BPW, in its sole discretion, may impose.
9. Reports:
- (a) Section 7-402 of the State Finance and Procurement Article, Annotated Code of Maryland, requires Grantee to submit a verified report that fully and accurately accounts for appropriate Grant expenditures. Requests for payment made in accordance with Paragraph 8 of this Agreement are deemed to comply with Section 7-402.
- (b) Grantee shall submit other reports or information as the State may periodically require, including project status reports and certified audit reports.
10. Communications. Communications must be addressed as follows:

To the State:

Office of the Comptroller
Capital Grants Program Administrator
80 Calvert Street, Room 215
Annapolis, Maryland 21404-0466

Department of General Services
Capital Grants Program Manager
301 W. Preston Street, Room 703
Baltimore, Maryland 21201

To the Grantee:

City of Salisbury - Finance Dept./HCDD
207 W. Main Street, Suite 102
Salisbury, Maryland 21801
Attn: Deborah Stam, Grants Manager

11. Default. A default is Grantee's breach of any of the covenants, agreements, or certifications contained in this Agreement.

12. Remedies Upon Default.

- (a) Upon the occurrence of any default, the State, as the BPW in its sole discretion determines, may do one or more of the following:
 - (i) Require Grantee to repay the Grant, in whole or in part.
 - (ii) Recoup the amount of the Grant already paid from funds due the Grantee from any other current or future State grant or loan or any other funds, otherwise due and owing Grantee.
 - (iii) Withhold further payments under this Agreement.
 - (iv) Terminate this Agreement.
- (b) In addition to the rights and remedies contained in this agreement, the State may at any time proceed to protect and enforce all rights available to it. All rights and remedies survive the termination of this Agreement.

13. Disposition of Property. Grantee may not sell, lease, exchange, give away, or otherwise transfer or dispose of any interest in real or personal property acquired or improved with Grant funds ("**Grant-Funded Property**") unless the BPW gives prior written consent. This includes transfer or disposition to a successor or the merger, dissolution, or other termination of the existence of Grantee. Grantee shall give the BPW written notice at least 60 days before any proposed transfer or disposition. When consenting to a transfer or disposition, the Board of Public Works may in its sole discretion require the grantee to repay a percentage of the proceeds that are allocable to the grant.

14. Inspection and Retention of Records. Grantee shall permit any duly authorized representative of the State to inspect and audit all records and documents of Grantee relating to this Grant. Grantee shall retain such records for at least three years after this Agreement terminates.

15. Insurance.

- (a) For any item of Grant-Funded Property that has an original fair market value of \$5,000 or more, Grantee shall, at its own expense and for the reasonable useful life of that item, obtain and maintain all risk of fire and extended coverage insurance or such similar insurance coverage as may be appropriate for the full value of the item or in amounts as may be commercially reasonable under the circumstances. Grantee's insurer must be authorized to issue the policy in the State. Each such policy shall by its terms:
 - (i) Name the State as an additional loss payee thereunder.

Name: The State of Maryland
Address: Department of General Services
Capital Grants
301 W. Preston Street, Suite 703
Baltimore, MD 21201

- (ii) Be considered primary and non-contributory with respect to any other insurance, if any, provided by the State.
- (iii) Be cancelable only on at least 30 days written notice to Grantee and to the BPW.

- (b) On request, Grantee shall, provide the BPW or its designee with satisfactory evidence of insurance.
- (c) Proceeds of insurance required by this Paragraph may be applied as the BPW, in its sole discretion, shall determine toward replacement of Grant-Funded Property or toward repayment of the Grant to the State.
- (d) The BPW or its designee in its sole discretion may determine that Grantee may self-insure Grant-Funded Property if Grantee has adequate financial resources.

16. Indemnification. To the extent permitted by law and without waiving any defenses, immunities, or the provisions of the Maryland Local Tort Claims Act, Grantee is responsible for, and shall defend, indemnify, and hold harmless the State, its officers, agents, and employees, whether or not the State be deemed contributorily negligent, from all suits, actions, liability, or claims of liability (including reasonable attorneys' fees) arising out of:

- (a) The Project, including its construction.
- (b) Grantee's use, occupancy, conduct, operation, or management of the Project.
- (c) Any negligent, intentionally tortious, or other act or omission of Grantee or any of its agents, contractors, servants, employees, subtenants, licensees, or invitees in connection with the Project.
- (d) Any injury to or death of any person or damage to any property occurring in, on, or as a direct or indirect result of the Project or any of Grantee's activities in connection therewith.

17. Registration. Grantee is a (charitable ☐) (religious ☐) organization registered with the Maryland Secretary of State in accordance with the Annotated Code of Maryland [Business Regulation Article or Corporations and Association Article]; is in good standing; and has filed all of its required reports with the Maryland Secretary of State.

Check if YES ☐

Check if NOT APPLICABLE ☒ and explain:

Local Municipality

18. Commercial and Employment Nondiscrimination. Grantee shall:

- (a) Not discriminate in the selection, hiring, or treatment of any employee, employment applicant, vendor, supplier, subcontractor,

- or commercial customer on the basis of race, color, religion, ancestry or national origin, sex, age, marital status, sexual orientation, or on the basis of disability or any other unlawful use of characteristics unrelated to performance.
- (b) Include a clause similar to sub-paragraph (a) in any contract under this Grant.
 - (c) Post, and cause contractors to post, in conspicuous places notices setting forth the nondiscrimination policy.
19. Drug and Alcohol Policy. Grantee certifies that it shall make a good faith effort to eliminate illegal drug use and alcohol and drug abuse from its workplace. Specifically, Grantee shall:
- (a) Prohibit the unlawful manufacture, distribution, dispensation, possession, or use of drugs in its workplace.
 - (b) Prohibit its employees from working under the influence of alcohol or drugs.
 - (c) Not hire or assign to work on an activity funded in whole or part with State funds, anyone whom it knows, or in the exercise of due diligence should know, currently abuses alcohol or drugs and is not actively engaged in a bona fide rehabilitation program.
 - (d) Promptly inform the appropriate law enforcement agency of every drug-related crime that occurs in its workplace if it or its employee has observed the violation or otherwise has reliable information that a violation has occurred.
 - (e) Notify employees that drugs and alcohol abuse are banned in the workplace, impose sanctions on employees who abuse drugs and alcohol in the workplace, and institute steps to maintain a drug-free and alcohol-free workplace.
20. Compliance with Applicable Law. Grantee hereby represents and warrants that it:
- (a) Is qualified to do business in the State of Maryland and that it will take such action as, from time to time hereafter, may be necessary to remain so qualified;
 - (b) Is not in arrears with respect to the payment of any monies due and owing the State of Maryland, or any department or unit thereof, including but not limited to the payment of taxes and employee benefits, and that it shall not become so in arrears during the Grant term;
 - (c) Shall comply with all federal, State, and local laws, regulations, and ordinances applicable to its activities and obligations under this Grant.
 - (d) Shall obtain, at its expense, all licenses, permits, insurance, and governmental approvals, if any, necessary to the performance of its obligations under this Grant.
21. Non-Debarment. Neither Grantee nor any of its officers, directors, or any of its employees directly involved in obtaining or performing grants or

contracts with public bodies has:

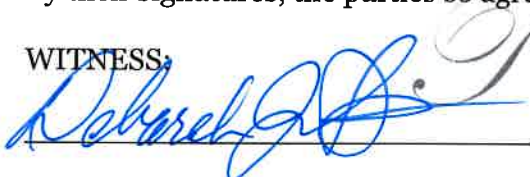
- (a) Been convicted of bribery, attempted bribery, or conspiracy to bribe in violation of any state or federal law.
 - (b) Been convicted under any state or federal statute of any offense enumerated in Section 16-203 of the State Finance and Procurement Article, Annotated Code of Maryland.
 - (c) Been found civilly liable under any state or federal antitrust statute as provided in Section 16-203 of the State Finance and Procurement Article, Annotated Code of Maryland.
22. Non-Collusion. Neither Grantee nor any of its officers, directors, or any of its employees directly involved in obtaining or performing grants or contracts with public bodies has:
- (a) Agreed, conspired, connived, or colluded to produce a deceptive show of competition in obtaining or performing this Grant.
 - (b) In any manner, directly or indirectly, entered into any agreement of any kind to fix the bid price or price proposal of any bidder or offeror or of any competitor, or otherwise taken any action in restraint of free competitive bidding in connection with this Grant.
23. Financial Disclosure. Grantee is aware of, and will comply with, Section 13-221 of the State Finance and Procurement Article, Annotated Code of Maryland, which requires that every business that enters into contracts, leases, or other agreements with the State or its agencies during a calendar year under which the business is to receive in the aggregate \$200,000 or more shall, within 30 days of the time when the aggregate value of the contracts, leases or other agreements reaches \$200,000, file with the Maryland Secretary of State certain specified information to include disclosure of beneficial ownership of the business.
24. Political Contributions. Grantee is aware of, and will comply with, Election Law Article, Title 14, Annotated Code of Maryland, which requires that every person that enters into contracts, leases, or other agreements with the State, including its agencies or a political subdivision of the State, during a calendar year in which the person receives in the aggregate \$200,000 or more shall file with the State Board of Elections a statement disclosing contributions in excess of \$500 made during the reporting period to a candidate for elective office in any primary or general election.
25. No Contingent Fees. Grantee has not employed or retained any person, partnership, corporation, or other entity, other than a bona fide employee or agent working for Grantee, to solicit or secure the Grant. Grantee has not paid or agreed to pay any person, partnership, corporation, or other entity, other than a bona fide employee or agent, any fee or any other consideration contingent on the making of the Grant.
26. No Lobbying Fees. In accordance with Section 7-221 of the State Finance and Procurement Article, Annotated Code of Maryland, Grantee certifies that no State money has been paid or promised to any legislative agent,

lawyer, or lobbyist for any service to obtain the legislation establishing or appropriating funds for the Grant.

27. Non-hiring of State Employees. No State employee whose duties as such employee include matters relating to or affecting the subject matter of this Grant, shall, while so employed, become or be an employee of Grantee.
28. Amendment. The Agreement may be amended only in a writing signed by the parties.
29. Assignment. Grantee may not assign this Agreement without the prior written approval of the BPW. If the BPW approves an assignment, this Agreement shall bind Grantee's successors and assigns.
30. Entire Agreement. This Agreement represents the complete and final understanding of the parties. No other understanding or representations, oral or written, regarding the subject matter of this Agreement, shall be deemed to exist or to bind the parties at the time the parties sign the Agreement.
31. Maryland Law. Maryland laws govern the interpretation and enforcement of this Agreement.

By their signatures, the parties so agree:

WITNESS:



GRANTEE:

By:  (SEAL)

Name: Jacob R. Day

Title: Mayor

STATE OF MARYLAND
BOARD OF PUBLIC WORKS

By: _____

John Gontrum
Executive Secretary

Approved as to form and legal
sufficiency this _____ day of
_____, 20____

Assistant Attorney General
Department of General Services

BPW APPROVAL: DGS Item ____ -CGL (____/____/20____)




CAPITAL PROJECTS GRANT AGREEMENT
Standard Form












Funding Plan				Status 4 1 20
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Bond Pool 2017 - Community C	98117-577010-48063	25,000.00	Ordinance w125k for newton total 150k from Paygo / Surplus	Ord Complete - see tab '98117 577010 48063'
CDBG - 2018 Reallocation	12800-577015-70065	36,893.86	application processed to reallocate 2018 CDBG	Complete - see tab 12800-577015-70065
State of MD Grant	10500-577015-xxxxxx	100,000.00	contingent of providing proof of match	Pending Grant Agreement
HCDD Org 25200 Transfers	25200-577015-90500	38,106.14	requires transfers from various accounts	Transfers Complete - see tab 25200 577015 -90500
		200,000.00		

Org	Object	Project	Description	2020 Revised Budget	2020 Actual
25200	523607	90500	Alarm Systems	1,200.00	272.00
25200	534301	90500	Buildings	9,499.42	8,805.02
25200	554400	90500	Rent	27,500.00	13,835.05
25200	555404	90500	Internet Service	1,200.00	827.03
25200	555513	90500	Events	20,500.00	0.00
25200	556201	90500	Electricity	20,400.00	4,227.09

Account

Fund	0010	...	General Fd	Acct	0010-200-252-00-00-577015-90500	
Org	25200	...	NSCC	Acct name	Buildings	
Object	577015	...	Bldgs	Type	Expense	Status
Project	90500	...	 Community Center - Tr Rollup			
				Sub-Rollup		
<input type="checkbox"/> MultiYr Fund						

4 Year Comparison	Current Year	History				
Yr/Per 2020/01	Fiscal Year 2020		Fiscal Year 2019		Fiscal Year 2018	
Original Budget	.00		.00		.	
Transfers In	38,107.00		.00		.	
Transfers Out	.00		.00		.	
Revised Budget	38,107.00		.00		.	
Actual (Memo)	.00		.00		.	
Encumbrances	.00		.00		.	
Requisitions	.00					
Available	38,107.00		.00		.	
Percent used	.00		.00		.	







1 of 1































[Attachments \(0\)](#)

n for current account.

Account

Fund	9817 ...	Pool17 Gen	Acct	9817-000-981-00-00-577010-48063	
Org	98117 ...	GCPPool 17	Acct name	Land	 Account Notes
Object	577010 ...	Land	Type	Expense	Status Active
Project	48063 ...	 Truitt Community Cent Rollup		...	
		Sub-Rollup		...	
<input type="checkbox"/> Annual Budgeting <input checked="" type="checkbox"/> MultiYr Fund					

4 Year Comparison	Current Year	History								
Yr/Per 2020/01	Fiscal Year 2020		Fiscal Year 2019		Fiscal Year 2018		Fiscal Year 2021		Life	
Original Budget	25,000.00		.00		.00		.00		25,000.00	
Transfers In	.00		.00		.00		.00		.00	
Transfers Out	.00		.00		.00		.00		.00	
Revised Budget	25,000.00		.00		.00		.00		25,000.00	
Actual (Memo)	.00		.00		.00		.00		.00	
Encumbrances	.00		.00		.00		.00		.00	
Requisitions	.00						.00		.00	
Available	25,000.00		.00		.00		.00		25,000.00	
Percent used	.00		.00		.00		.00		.00	

Fund	0113	...	CommDevelo	Acct	0113-100-128-00-00-577015-70065		
Org	12800	...	Comm Devel	Acct name	Buildings		Account Notes
Object	577015	...	Bldgs	Type	Expense	Status	Active
Project	70065	...	FFY2018 Truitt St CC A Rollup				
			Sub-Rollup				
				<input type="checkbox"/> Annual Budgeting			
				<input checked="" type="checkbox"/> MultiYr Fund			

4 Year Comparison	Current Year	History								
Yr/Per 2020/01	Fiscal Year 2020		Fiscal Year 2019		Fiscal Year 2018		Fiscal Year 2021		Life	
Original Budget	36,893.87		.00		.00		.00		36,893.87	
Transfers In	.00		.00		.00		.00		.00	
Transfers Out	.00		.00		.00		.00		.00	
Revised Budget	36,893.87		.00		.00		.00		36,893.87	
Actual (Memo)	.00		.00		.00		.00		.00	
Encumbrances	.00		.00		.00		.00		.00	
Requisitions	.00						.00		.00	
Available	36,893.87		.00		.00		.00		36,893.87	
Percent used	.00		.00		.00		.00		.00	

- 44
45 1) Increase the State of MD - DGS Grant Account
46 (10500 - 424000 - XXXXX) by \$100,000
47
48 2) Increase the Buildings Account
49 (10500 - 577015 -XXXXX) by \$100,000
50

51 BE IT FURTHER ORDAINED that this Ordinance shall take effect from and after the
52 date of its final passage.
53

54 THIS ORDINANCE was introduced and read at a meeting of the Council of the City
55 of Salisbury held on the ____ day of _____, 2020, and thereafter, a statement of
56 the substance of the Ordinance having been published as required by law, was finally passed
57 by the Council on the ____ day of _____, 2020.
58

59 ATTEST:
60

61 _____
62 Kimberly R. Nichols
63 CITY CLERK
64

John R. Heath
COUNCIL PRESIDENT

65
66 APPROVED BY ME THIS
67 ____ day of _____, 2020.
68
69

70 _____
71 Jacob R. Day
72 MAYOR
73

INTER

MEMO

OFFICE

Office of the Business Development

To: City Council
From: Laura Soper
Subject: Mobile Vendor Legislation Changes
Date: March 11, 2020

Included in the packet are some proposed changes to our Mobile Vendor & Transient Merchant legislation. Back in January, our Department met with City Administration about the Mobile Vendor licensing process and ways that we could streamline it and make it easier for the applicants. Edits were made to clarify certain parts of the legislation were there had been numerous questions and the process is being simplified for new or returning applicants.

Some of the proposed changes/modifications include:

- Clarifying that Mobile Vendors & Transient Merchants do not need a license to operate during local festivals or City-endorsed events
- Having the Surety Bond requirement run concurrently with the license period. The Surety Bond was previously required to run a year beyond the expiration of the license, which was difficult for many of our applicants to obtain from their insurance companies.
- Changing the new application fee to a flat \$100, instead of \$50 plus \$40 for each person working on behalf of the business. We will still run background checks on the owners of the business, but we will no longer be performing background checks on the employees of the business. We will shift the duty of performing background checks on to the business owners and will add a disclaimer to the Application stating that they are responsible for ensuring all their hires are compliant with all City legislation
- Renewal applications will be \$50 and will be considered as such if there are no substantial changes in ownership or a lapse of active licensure for over a year.

cc: Mayor Day
Julia Glanz
Kim Nichols

Attachments

AS AMENDED ON APRIL 13, 2020

ORDINANCE NO. 2587

AN ORDINANCE OF THE CITY OF SALISBURY AMENDING CHAPTER 5.32, TRANSIENT MERCHANTS AND MOBILE VENDORS, TO REMOVE THE TERMS HAWKERS AND PEDDLERS, AND TO UPDATE THE LICENSING PROCESS.

WHEREAS, Chapter 5.32 - Transient Merchants and Mobile Vendors contains procedures for obtaining and renewing licenses to engage in the activities of a mobile vendor or transient merchant within the City; and

WHEREAS, the City desires to update and streamline the licensing procedures; and

WHEREAS, the Office of the Business Development recommends approval of the proposed code changes.

NOW, THEREFORE, be it enacted and ordained by the Council of the City of Salisbury, Maryland, that Chapter 5.32 Transient Merchants and Mobile Vendors of the Salisbury Municipal Code is hereby amended as follows:

Chapter 5.32 TRANSIENT MERCHANTS AND MOBILE VENDORS

5.32.010 - Definitions.

For the purposes of this chapter, unless the context requires otherwise, the following words and phrases have the meanings given by this section:

"Business Development Director" means the Director of Business Development, or his or her designee.

"Mobile Vendor" means any person, whether or not a city resident, who engages in the activities of hawking or peddling of food, services or merchandise from a mobile vehicle, van, wagon, cart, boat, tent or other movable structure.

"Mobile Vending" means the act of offering for sale and delivery of goods, wares or merchandise, including, but not limited to, magazines, books, periodicals, food and personal property of every nature on the public streets or in any other public place; including offering any of the abovementioned items for sale and delivery from any type of wagon, vehicle, boat, tent or other movable structure.

"Person" means any person, firm, partnership, association, corporation, company or organization of any kind.

~~—"Temporary business" means any commercial activity that is not intended to be permanent or ongoing for a minimum of one year.~~

"Transient merchant" means any person who, whether or not a resident of the city, engages in a temporary business of selling or offering for sale goods, wares or merchandise, or who displays samples,

models, goods, wares or merchandise for the purpose of taking orders for future delivery, within the city from any hotel or motel room, inn, rooming or boarding house, club, storehouse, house or other building, either residential or commercial in nature, that is not owned or leased for a period to exceed ninety (90) days, by the person who engages in such activities.

5.32.040 - Exemptions from licensing requirements.

Any person engaged in the following is exempt from the licensing requirements upon compliance with all other provisions of this chapter and submission of applicable identification and documentation to support the claim to exemption:

- H. Selling or offering for sale any goods, wares or merchandise from any booth in a bona fide fair, festival, exposition, antique, collectible or trade show, or City-endorsed event.

5.32.050 - License application.

Any person wishing to be a mobile vendor or transient merchant shall file an application for a license with the Business Development Director, giving the following information:

- G. A description of the vehicle(s), if any, that ~~is to~~ will be used in connection with licensed activities, including the state license tag and number and the vehicle identification number for each vehicle;

5.32.060 - Surety bond required.

Every mobile vendor or transient merchant shall file with the Business Development Director a surety bond, running to the city, in the amount of one thousand dollars (\$1,000.00), with a surety qualified to do business in the state and acceptable to and approved by the city and with conditions that the ~~hawkers, peddlers~~ mobile vendor or transient merchant comply fully with all of the provisions of the laws and ordinances of the city and such statutes of the state regulating and concerning the business of mobile vendors and transient merchants. Such bond shall continue in effect for one year ~~after the license expiration date~~. All licensees shall renew their bonds to ensure that such bonds remain in effect for no less than one year after the license expiration dates. Licensees shall provide such proof of the issuance and renewal of bonds as shall be required by the Business Development Director.

5.32.070 - License fee.

A nonrefundable fee of ~~one hundred fifty~~ forty dollars (~~\$100~~ \$40.00) shall be paid to the Business Development Director when ~~a new~~ the application is filed.

5.32.075 - ~~Investigation fee~~ Renewal Fee.

A non-refundable fee of ~~forty~~ fifty dollars (~~\$40~~ \$50.00) ~~per individual for each background check shall be paid to the Director of Business Development when the application is filed. This fee shall apply to the applicant and any individuals listed in the application. This section shall apply when an initial application or an application for renewal is filed, for any background check investigation required in conjunction with an application.~~ shall be paid to the Business Development Director when a renewal application is filed.

5.32.090 - Duration, exhibition and surrender of license.

- 95 A. A license issued under this chapter shall be good for one year from the date of issuance,
96 unless earlier suspended or revoked as provided in this chapter.
97
- 98 B. In the case of a transient merchant, a license issued under this chapter shall be of a
99 duration as set by the ~~clerk~~ Business Development Director after reviewing the
100 application and intended business of the transient merchant; however, no license issued to
101 a transient merchant shall be for a duration of more than ninety (90) days.
102
- 103 C. Every mobile vendor or transient merchant shall carry his or her license at any time he or
104 she is engaged as a ~~hawker, peddler,~~ mobile vendor or transient merchant. Additionally,
105 he or she shall show his or her license to anyone who shall demand to see the same while
106 he or she is so engaged. If a license is issued to a firm, partnership, association,
107 corporation, company or organization, the original license shall be carried by the owner
108 or supervisor and a copy of the license shall be carried by each agent engaged as a mobile
109 vendor or transient merchant under such license.
110
- 111 D. Any license issued under the provisions of this chapter shall be surrendered to the
112 Business Development Director upon expiration, suspension or revocation.
113

114 5.32.100 - Renewal of license.
115

116 The holder of any license issued under this chapter who desires a new license to be effective on
117 the expiration of the existing license shall, not less than thirty (30) nor more than sixty (60) days before
118 the expiration of the existing license, file either an application for renewal with the ~~clerk~~ Business
119 Development Director, or confirm in writing that the information on the expiring application remains the
120 same information set forth in Section 5.32.050. The fee shall be as set in Section 5.32.070075. The
121 provisions for approving or disapproving of an application, or written request for renewal, as set forth in
122 Section 5.32.080 shall apply. Any substantial changes in ownership or the lapse of an active license shall
123 require a New Application License Fee as set forth in Section 5.32.070.
124

125 5.32.130 - Prohibited areas.
126

127 No mobile vending (regardless of whether such transient merchant or mobile vendor is exempt
128 from the licensing requirements of this chapter) shall engage in the activities of mobile vending in the city
129 park or any roads or walkways adjacent to or through the city park, or any other place as determined by
130 the mayor and council by resolution of the council from time to time for the protection of the health,
131 safety and welfare of the citizens of the city, except the mayor may grant exemptions as part of a festival,
132 firemen's muster, City-endorsed event, or other bona fide activity within the city park, or by special
133 permission.
134

135
136 AND BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF
137 SALISBURY that the changes set forth in this Ordinance shall take effect from and after the day of its
138 final passage.

139 THE ABOVE ORDINANCE was introduced at a meeting of the Council of the City of Salisbury on the
140 _____ day of _____, 2020, and having been published as required by law in the meantime, was
141 finally passed at its meeting on the _____ day of _____, 2020.

142 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



City of
Salisbury
Jacob R. Day, Mayor
MEMORANDUM

TO: City Council
FROM: Kim Nichols, City Clerk
SUBJECT: Budget Amendment for Elections
DATE: March 6, 2020

Upon completion of the 2019 Elections process, the Clerks Office received the attached final invoice from the Wicomico County Board of Elections on December 11, 2019 in the amount of \$26,171.19.

The billed amount on Page 1 for services provided by staff on Wicomico County time was \$20,552.14. Our estimate for that amount, received on February 5, 2019, was \$4,500. As there are funds in the Elections accounts totaling \$9,623, a budget amendment in the amount of \$16,550 is necessary in order to pay the invoice.

Wicomico County Board of Elections

345 Snow Hill Road
Salisbury, MD 21804



410-548-4830

FAX: 410-548-4849

Mailing address: P.O. Box 4091
Salisbury, MD 21803-4091

City of Salisbury
Kim Nichols, City Clerk
125 N. Division St., Room 305
Salisbury, MD 21801

Re: Billing for Services – Wicomico County Time and Rental of Election Equipment

Dear Kim:

Enclosed please find an invoice covering County time spent by the Wicomico County Board of Elections office staff performing services for the City of Salisbury in the preparation for and implementation of your recent General Election. The invoice also includes the voting equipment rental and postage.

These rates were part of the contract signed between Wicomico County and the City of Salisbury. We utilized temporary help for many tasks in order to reduce the expenses.

Payment for these services should be remitted to:
Wicomico County Finance Department
Attn: Michele Ennis, Director of Finance
P.O. Box 870
Salisbury, MD 21801-0870

Please feel free to contact me if you have any questions or concerns.

Wicomico County Board of Elections,

Dionne Church
Deputy Election Director

Enclosure

Cc: Michele Ennis, Director of Finance
Kim Nichols, City Clerk

Wicomico County Board of Elections

345 Snow Hill Road
Salisbury, MD 21804



410-548-4830

FAX: 410-548-4849

Mailing address: P.O. Box 4091
Salisbury, MD 21803-4091

Invoice

To: City of Salisbury
Attention: Kim Nichols
125 N. Division St., Room 305
Salisbury, MD 21801

Remit to: Wicomico County Finance Dept.
Attn: Michele Ennis, Finance Director
P.O. Box 870
Salisbury, MD 21801

General Election 2019

Prepared December 11, 2019

Services Provided by Staff on Wicomico County Time

Munis Salaries Account #01010007-500004

Anthony Gutierrez	38.50 hours @ \$38.50 per hour = \$1,501.50
Dionne Church	50.00 hours @ \$31.22 per hour = \$1,561.00
Bill Blockston	59.50 hours @ \$23.02 per hour = \$1,369.69
Jocelyn Abbott	171.75 hours @ \$20.18 per hour = \$3,465.92
Elise Koch	211.00 hours @ \$20.18 per hour = \$4,257.98
Wayne Burton	122.50 hours @ \$24.98 per hour = \$3,060.05
Temporary Workers	209.25 hours @ \$12 per hour = \$2,511.00
Temporary Workers	125.00 hours @ \$13 per hour = \$1,625.00
Voting System Techs	100.00 hours @ \$12.00 per hour = \$1,200.00

Subtotal for Services

\$20,552.14

Munis Regional Support Account #01010007-520020-41058

General Election:

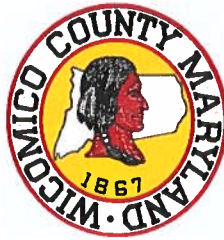
Binding of Precinct Registers (Minuteman Press)	Direct Bill
Absentee Applications	\$152.00
Voter Notification Cards	\$221.60
Election Judge Manuals	\$700.00

Subtotal

\$1,073.60

Wicomico County Board of Elections

345 Snow Hill Road
Salisbury, MD 21804



410-548-4830

FAX: 410-548-4849

Mailing address: P.O. Box 4091
Salisbury, MD 21803-4091

Voting Equipment Rental Munis Salaries Account #01010007-500004

General Election Rental:

E Pollbook Programming - SBE	\$ Direct Bill
Ballot Programming, including ADA audio voting unit - SBE	\$ Direct Bill
10 DS-200 Scanner Units (\$100 each; 2 per polling place)	\$ 1,000.00
5 BMD (ADA) voting units (\$100 each; 1 per polling place)	\$ 500.00
12 DS-200 Scanner Unit memory sticks (\$50)	\$ 600.00
10 Electronic Pollbooks (\$100)	\$ 1,000.00
2 DS-200 Scanner Units (\$100 each; 2 for post-election canvasses	\$ 200.00
Equipment Transportation (445 per site) – Vendor will bill	

Subtotal for Rentals **\$ 3,300.00**

Postage for Absentee Applications & Ballots Munis Regional Support Account #01010007-520012

General Applications:	\$41.50
General Ballots:	\$53.95
Voter Notification Cards – Polling Place Change (2,300 voters @ \$.50)	\$1,150

Postage total **\$1,245.45**

Grand Total Amount Due..... \$26,171.19

ORDINANCE NO.

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING AN AMENDMENT OF THE FY 2020 GENERAL FUND BUDGET TO APPROPRIATE FUNDS NEEDED TO COVER THE SHORTFALL IN THE NOVEMBER 2019 ELECTIONS BUDGET

WHEREAS, the City Clerks Office received an estimate from the Wicomico County Board of Elections to administer and conduct the November 5, 2019 City of Salisbury Elections; and

WHEREAS, the invoiced amount for Services Provided by Staff on Wicomico County Time was for significantly more than the estimate received from the Wicomico County Board of Elections.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND THAT THE City's Fiscal Year 2020 General Fund Budget be and hereby is amended as follows:

- 1) Increase Current Surplus Available (01000- 469810) by \$16,550
- 1) Increase Elections by \$16,550

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on this ____ day of March 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 March, 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