



## CITY OF SALISBURY CITY COUNCIL AGENDA

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January 24, 2022

6:00 p.m.

Zoom Video Conferencing (link information provided at end of agenda)

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Times shown for agenda items are estimates only.

- 6:00 p.m. CALL TO ORDER
- 6:01 p.m. WELCOME/ANNOUNCEMENTS/PLEDGE
- 6:02 p.m. CITY INVOCATION- Pastor David Thorpe, New Life Seventh-day Adventist Church
- 6:03 p.m. PRESENTATION- Sonja Whited
- Lower Shore Black Professional Alliance
- 6:09 p.m. ADOPTION OF LEGISLATIVE AGENDA
- 6:10 p.m. CONSENT AGENDA- City Clerk Kimberly Nichols
- December 13, 2021 Council Meeting Minutes
  - **Resolution No. 3145**- approving the appointment of appoint Paula Turner to the Ethics Commission for term ending January 2027
  - **Resolution No. 3146**- approving the reappointment of Jeanne Mears to the Friends of Poplar Hill Mansion Board of Directors for term ending January 2025
  - **Approving the Manufacturing Exemption requests** for Bay Steel, Inc., DiCarlo Precision Instrument, Gardner Sign, Inc., K & L Microwave, Inc., LWRC International, LLC, Mason Dixon Machining, Inc., Pepsi Bottling Ventures, LLC., Perdue Goods, LLC., Smith's Interconnect Microwave Components, Inc., Spartech, LLC., Viscon-Aire Corp. (for years 2017-2019 and 2020)
- 6:15 p.m. AWARD OF BIDS- Contract Specialist Michael Lowe
- ITB A-22-112 Citywide Street Striping
  - ITB 22-124 Pallet SPC
  - ITB A-22-110 Polymer Chemical Supplier
- 6:25 p.m. RESOLUTIONS- City Administrator Julia Glanz
- **Resolution No. 3147**- to establish a Truth, Racial Unity, Transformation & Healing Advisory Committee
  - **Resolution No. 3148**- authorizing the Mayor to execute a "settlement participation and release" resulting from a national settlement negotiated by and between certain opioid distributors and state and local governments, and further authorizing the Mayor to enter into an agreement with the State of Maryland providing for direct and indirect allocation of specified settlement proceeds to the City of Salisbury, Maryland

6:45 p.m. ORDINANCES- City Attorney Ashley Bosche

- **Ordinance No. 2703**- 2<sup>nd</sup> reading- approving a budget amendment of the City's Special Revenue Fund Budget and to accept and appropriate donated funds from the Draper Holdings Charitable Fund/Bless Our Children Campaign for the Santa's Workshop Program
- **Ordinance No. 2704**- 2<sup>nd</sup> reading- granting three Right-Of-Way and License Agreements to Delmarva Power & Light Company across three City owned properties (Parking Lot 13, Salisbury Parking Garage, and Salisbury City Park) for installation of electric vehicle charging station facilities
- **Ordinance No. 2705**- 2<sup>nd</sup> reading- authorizing the Mayor to appropriate funds for the Main Street Masterplan Project
- **Ordinance No. 2706**- 2<sup>nd</sup> reading- approving an amendment of the FY22 Budget to appropriate funds for street resurfacing and concrete repair
- **Ordinance No. 2707**- 2<sup>nd</sup> reading- authorizing the Mayor to appropriate funds in the FY2022 General Fund Budget and amend the authorized positions included in the FY22 General Fund Budget
- **Ordinance No. 2708**- 2<sup>nd</sup> reading- reallocation of Main Street Master Plan
- **Ordinance No. 2709**- 1<sup>st</sup> reading- authorizing the Mayor to appropriate funds for a dump truck and mini excavator both previously funded with Federal Recovery Funds
- **Ordinance No. 2710**- 1<sup>st</sup> reading- authorizing the Chief of Police to enter into a memorandum of understanding with the University of Maryland to accept funding from the Governor's Office of Crime Prevention, Youth and Victim Services in the amount of \$100,000, and to amend the Grant Fund Budget to appropriate these grant funds for the continuation of the 'Exploring Predictive Policing With Machine Learning' project
- **Ordinance No. 2711**- 1<sup>st</sup> reading- approving a budget amendment of the FY2022 General Fund Budget and authorizing the Mayor to amend the authorized positions included in the FY22 General Fund Budget

7:05 p.m. PUBLIC COMMENTS

7:10 p.m. ADMINISTRATION and COUNCIL COMMENTS

7:15 p.m. ADJOURNMENT

Copies of the agenda items are available for review the City Clerk's Office, Room 305 – City/County Government Office Building, 410-548-3140 or on the City's website [www.salisbury.md](http://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.

**NEXT COUNCIL MEETING –February 14, 2022**

- **Ordinance No. 2709**- 2<sup>nd</sup> reading- authorizing the Mayor to appropriate funds for a dump truck and mini excavator both previously funded with Federal Recovery Funds
- **Ordinance No. 2710**- 2<sup>nd</sup> reading- authorizing the Chief of Police to enter into a memorandum of understanding with the University of Maryland to accept funding from the Governor’s Office of Crime Prevention, Youth and Victim Services in the amount of \$100,000, and to amend the Grant Fund Budget to appropriate these grant funds for the continuation of the ‘Exploring Predictive Policing With Machine Learning’ project
- **Ordinance No. 2711**- 2<sup>nd</sup> reading- approving a budget amendment of the FY2022 General Fund Budget and authorizing the Mayor to amend the authorized positions included in the FY22 General Fund Budget

Join Zoom Meeting

<https://us02web.zoom.us/j/88186172560>

Meeting ID: 881 8617 2560

Phone: 1.301.715.8592

**CITY OF SALISBURY, MARYLAND**

**REGULAR MEETING (COUNCIL CHAMBERS AND ZOOM)**

**DECEMBER 13, 2021**

**PUBLIC OFFICIALS PRESENT**

*Council Vice-President Muir Boda  
Councilwoman Angela M. Blake  
Councilwoman April Jackson*

*Mayor Jacob R. Day  
Councilwoman Michele Gregory*

**PUBLIC OFFICIALS ABSENT**

*Council President John “Jack” R. Heath*

**IN ATTENDANCE**

*Deputy City Administrator Andy Kitzrow, Housing and Homelessness Manager Christine Chestnutt, Assistant City Clerk Julie English, Executive Administrative Assistant- Mayor’s Office Jessica Turner, Water Works Director Cori Cameron, Department of Infrastructure and Development Director Amanda Pollack, Procurement Director Jennifer Miller, City Attorneys Ashley Bosche and Michael Sullivan, City Clerk Kimberly Nichols, members of the public*

**CITY INVOCATION – PLEDGE OF ALLEGIANCE**

*The City Council met in regular session at 6:00 p.m. in a hybrid meeting (in person and on Zoom Conferencing Video) and Council President John R. “Jack” Heath called the meeting to order. After the recital of the pledge to the flag, he invited Rev. Norman Hancock of St. Thomas Anglican Church to the podium to provide the invocation.*

**PRESENTATION-** presented by Mayor Jacob R. Day

**Certificate of Recognition**

*Mayor Day presented Tim Meagher with the Certificate of Recognition for his dedication to the Disability Advisory Committee. Mr. Meagher served numerous years as Chair, and his leadership and commitment has helped encourage others to join.*

*Mr. Meagher thanked former mayors Barrie P. Tilghman and James Ireton, Jr. for appointing and reappointing him to the committee years ago. He thanked Mayor Day and City Administrator Julia Glanz for their continued dedication to the homeless population, the disabled population, and vulnerable populations. He also thanked the Julie English and Jessie Turner for the staff support they provided, and the past and current members of the Disability Advisory Committee, and Council President Jack Heath for his leadership on the committee in the past, and Councilwoman Gregory for being the current Council liaison to the committee.*

**ADOPTION OF LEGISLATIVE AGENDA**

Ms. Jackson moved, Ms. Gregory seconded, and the vote was unanimous (4-0) to approve the legislative agenda as presented.

**CONSENT AGENDA- presented by City Clerk Kimberly Nichols**

The consent agenda, consisting of the following items, was unanimously approved (4-0 vote) on a motion and seconded by Ms. Gregory and Ms. Blake, respectively:

- November 8, 2021 Council Meeting Minutes
- November 8, 2021 Closed Session Minutes (separate email)
- November 15, 2021 Work Session Minutes
- **Resolution No. 3138-** approving the appointment of Noah Bressman to the Sustainability Advisory Committee (Green Team) for term ending November 2024
- **Resolution No. 3139-** approving the appointment of Megan Outten to the Sustainability Advisory Committee (Green Team) for term ending November 2024

**PRESENTATION / APPROVAL OF FY21 AUDIT**

Ms. Gregory moved and Ms. Jackson seconded to approve the FY21 Audit Statement and Financial Statements.

Finance Director Keith Cordrey turned to report over to Timothy Sawyer, CPA, CGMA of Barbacane Thornton & Company, who joined via Zoom. The statements were reviewed in depth during the December 6, 2021 Work Session. The City received unmodified or clean audit opinions on the audit for FY21. Since the meeting last week, they finished reviews of the financial statements and made a few cosmetic and formatting changes, and a couple issues with the footnotes to the statements, so they were not changed at all from last week.

Mayor Day said that for five consecutive years they have received a clean audit with no comments. This was never achieved before, and is not achieved by most organizations and small governments. He said he was particularly proud of Mr. Cordrey and his team in the Finance Department who made that all possible.

The audit was unanimously approved.

**AWARD OF BIDS-** presented by Procurement Director Jennifer Miller

The Award of Bids, consisting of the following items, was unanimously approved (4-0 vote) on a motion and seconded by Ms. Jackson and Ms. Gregory, respectively.

- **Award of Contracts**
  - ITB 22-104 Market Street Riverbank Stabilization \$324,363.00
  - RFP A-22-104 Hydrogeologist \$300,000.00 (3 yr. est.)
  - ITB A-22-101 Pump Station Wet Well Cleaning \$240,000.00 (3 yr. est.)
  - ITB 22-107 WWTP Controls Bldg HVAC Replacement \$190,500.00
  - RFP 03-14 Skatepark Phase 2a Construction – CO #9 \$142,401.00

88 **RESOLUTION-** *presented by City Administrator Julia Glanz*

- 89
- 90 • **Resolution No. 3140-** *authorizing the Mayor to sign a memorandum of understanding*  
91 *with Eastbound Disc Golf, Inc. regarding the creation of disc golf courses in the vicinity*  
92 *of the City Park*

93

94 *Ms. Gregory moved, Ms. Blake seconded, and the vote was unanimous to approve*  
95 *Resolution No. 3140.*

96

97 **ORDINANCES-** *presented by City Attorney Michael Sullivan*

- 98
- 99 • **Ordinance No. 2695-** *2<sup>nd</sup> reading- authorizing the mayor to enter into a contract with the*  
100 *Maryland Department of Transportation Transportation Alternatives Program for the*  
101 *purpose of accepting grant funds in the amount of \$597,024, and to approve a budget*  
102 *amendment to the Grant Fund to appropriate these funds for the Citywide Bike Network*  
103 *Design Project*

104

105 *Ms. Blake moved, Ms. Jackson seconded, and the vote was unanimous to approve Ordinance*  
106 *No. 2695 for second reading.*

- 107
- 108 • **Ordinance No. 2696-** *2<sup>nd</sup> reading- authorizing the Mayor to enter into a contract with the*  
109 *United States Conference of Mayors for the purpose of accepting Police Reform and Racial*  
110 *Justice Grant Program funds in the amount of 75,000, and to approve a budget amendment*  
111 *to the Grant Fund to appropriate these funds so that they may be applied to the Salisbury*  
112 *Police Mental Health Collaborative Partnership*

113

114 *Ms. Blake moved, Ms. Jackson seconded, and the vote was unanimous to approve Ordinance*  
115 *No. 2696 for second reading.*

- 116
- 117 • **Ordinance No. 2697-** *2<sup>nd</sup> reading- authorizing the Mayor to enter into a contract with the*  
118 *Somerset County Health Department for the purpose of accepting Emergency Solutions*  
119 *Grants – Cares Act (ESG-CV2) funds in the amount of 117,600, and to approve a budget*  
120 *amendment to the Grant Fund to appropriate these funds for a Homeless Services Case*  
121 *Specialist, Rapid Re-housing Rental Assistance, portable toilets and hand washing stations*  
122

123 *Ms. Blake moved, Ms. Gregory seconded, and the vote was unanimous to approve*  
124 *Ordinance No. 2697 for second reading.*

- 125
- 126 • **Ordinance No. 2699-** *2<sup>nd</sup> reading- authorizing the Mayor to accept additional grant*  
127 *funding from the Maryland Department of the Environment (MDE) Bay Restoration*  
128 *Fund (BRF) and to approve a budget amendment to the FY 2022 General Fund budget*  
129 *to appropriate such MDE BRF funds for repair and maintenance projects to be*  
130 *completed at the Waste Water Treatment Plant*

131

132 *Ms. Jackson moved, Ms. Gregory seconded, and the vote was unanimous to approve*  
133 *Ordinance No. 2699 for second reading.*

- 134 • **Ordinance No. 2700-** *1<sup>st</sup> reading- to grant a property tax credit against the City*  
135 *Property Tax imposed on certain real property owned by Salisbury Neighborhood*  
136 *Housing Services, Inc.*

137  
138 *Ms. Jackson moved, Ms. Blake seconded, and the vote was unanimous to approve*  
139 *Ordinance No. 2700 for first reading.*

- 140  
141 • **Ordinance No. 2701-** *1<sup>st</sup> reading- authorizing the Mayor to appropriate funds in the*  
142 *FY2022 General Fund Budget, General Capital Projects Fund Budget and the FY22*  
143 *Water Sewer Fund budget*

144  
145 *Ms. Blake moved, Ms. Gregory seconded, and the vote was unanimous to approve*  
146 *Ordinance No. 2701 for first reading.*

- 147  
148 • **Ordinance No. 2702-** *1<sup>st</sup> reading- accepting grant funds from the Governor's Office of*  
149 *Crime Prevention, Youth, and Victim Services in the amount of \$20,000 under the FY22*  
150 *Police Recruitment and Retention Program and amending the Grant Fund Budget to*  
151 *appropriate these grant funds to supplement the cost of gym memberships for*  
152 *Salisbury Police Officers*

153  
154 *Ms. Jackson moved, Ms. Gregory seconded, and the vote was unanimous to approve*  
155 *Ordinance No. 2702 for first reading.*

156  
157 **PUBLIC COMMENTS**

158  
159 *The following comments were received from members of the public via Zoom:*

- 160  
161 • *Grateful for the bold leadership in the City and the willingness to make it happen. Shelters*  
162 *don't break the cycle of homelessness. The Tiny Home Village would give the people the*  
163 *break they needed to break the cycle and become contributing citizens.*  
164 • *Was not in favor of the project. As a shelter volunteer, he noticed when weather was warmer*  
165 *many beds were vacant. He learned they preferred being free and often chose homelessness.*  
166 *When approached by homeless persons he offered them jobs and only one person out of four*  
167 *accepted, but did not end up working a half day. Offers to buy them lunch were refused. He*  
168 *could not support spending hundreds of thousands of dollars of taxpayers' money on this*  
169 *and proposed partnering with Salisbury Neighborhood Housing Service, area motels or*  
170 *apartment buildings to be paid by the City until they got back on their feet, to provide*  
171 *counseling, and upon became employed, assist with subsidized housing. Costs would be far*  
172 *less than the Tiny Home Village. This was very near an elementary school, and some could*  
173 *have problems with children. It was one of the City's last industrial zoned properties.*  
174 • *Lived on Ellegood Street since 1963 and was against the Tiny Home Village. Trash blows*  
175 *from the field onto his front step. The street was only built wide enough for two cars to pass*  
176 *each other. The school did not have fence around it.*  
177 • *Found out about the village from a reporter and thought it was a wonderful idea. She had a*  
178 *lot of questions and wanted to offer possible alternatives. Being about 2,000 feet from the*

Pemberton Elementary was a safety concern. She wondered if it was rental or purchase, transitional or permanent housing, how would the residents be vetted, would there be security, how would mental health issues be addressed, would there be transportation provided, and would there be families living in the tiny homes. The nearest restaurants and grocery store were within walking distance from Ellegood Street, and she was concerned with safety and property values. She agreed with utilizing area motels and apartment buildings and proposed finding property already in the City with a dilapidated home that could be removed and replaced with two tiny homes so that there were not 30 in one location as she was concerned for their safety. If they were spread out throughout the City and integrated with the general population, they would be safer and not targets for anyone wishing to harm them. Every one deserved a roof over their head, food, and safety. Did not think putting them all on one spot would do them as much service as spreading them throughout the City. She thanked Mayor Day and the Council.

- Wished to “ditto” what the first speaker said. Started a 501C3 called Hands and Hearts Ending Homelessness, formerly CESP- Community Emergency Shelter Project. Last year they had a permanent building rather than shuffling the men from church to church. Many of them were working and the program provided a respite in order for them to save money to find a home to live in. Out of the 63 sheltered last year, 20 obtained permanent housing and 5 voluntarily went into rehab. Tiny Homes Village would allow them to get reoriented back into society. The homeless were good people who just need our assistance.
- Speaker read a letter from a member of the public who supported the Tiny Homes Village but could not attend the meeting. People on SSI could not afford to live alone and had to live in group housing.
- Has worked with the unsheltered for over 15 years. With housing comes stability. Police receive many more calls for service from the homeless. Housing also provides the dignity everyone deserves. Many people do not choose to be unsheltered. Had no concerns about the construction or the location of the Tiny Home Village.
- Speaker has a granddaughter who attends Pemberton Elementary School and had no concerns for the safety of the children at the school. Its been shown in very successful programs that the most important thing was to provide a safe place to stay. The health care, rehab, and other services were great, but housing was most important.
- Speaker supported the Tiny Home Village. Last school year, Wicomico County Public Schools serviced 437 transitional families. Countless families lived in hotels, motels, cars and shelters and fear and stereotypes should not keep a community from progressing and ending homelessness. Most students would rather have a bus drop them off at a community rather than at a hotel or a shelter. Emergency shelter was just the beginning of ending homelessness.
- Had no doubt the Tiny Home Village would be successful.
- Having a place where people could sleep was imperative. Before the cold shelter opened, there were 110 people counted who lived outside, and only 32 could live in the shelter. There were no options. The homes would provide dignity to the people, a place to sleep and keep their belongings safe. They would provide a transition from the street, to these temporary tiny homes, to permanent housing. Almost every single pan handler in the City was not homeless.
- Another person agreed with the last speaker.
- City Administrator Julia Glanz read a letter of support from a citizen.



- Council received an emailed letter in support of the Tiny Homes Village. Ms. Gregory moved, Ms. Jackson seconded, and the vote was unanimous to attach the letter to the minutes.

### **ADMINISTRATION AND COUNCIL COMMENTS**

Mayor Day thanked Council for accepting almost \$3 million in federal and state money this evening.

Ms. Jackson said as a person who has worked with the homeless, they could be structured. All they needed was leadership and direction. Homeless people want to belong to society, and are not there because they want to be but rather because of events that have happened in their lives. She supported the Tiny Home Village. It was needed more now than ever. She thanked everyone who worked with the homeless. She thanked the members of the Council who went to the Senior Christmas Dinner. She thanked everyone who was listening and paying attention to what was going on in Salisbury.

Ms. Blake reminded people that City Council also represented the homeless. Discrimination of any kind was usually driven by fear and the unknowing. The Tiny Home Village would become one of the biggest events to impact Salisbury now and in the coming years.

Ms. Gregory said she had been very open about her past of being unhoused, and she did not make it out of that alone. She had people help her, and without that she would not be sitting here today. She could not explain the impact it would have on people. She could not image the people they help will be in 20 years. Get your vaccines and boosters and please be careful.

Mr. Boda thanked everyone for their comments and for staying engaged. The Blood Bank of Delmarva was very low and in desperate need of blood. Please donate if healthy enough. He hoped everyone enjoyed the holidays with their families. Next week there would be a Special Meeting for Resolution No. 2701 for second reading.

### **ADJOURNMENT**

With no further business to discuss, the Legislative Agenda adjourned at 8:10 p.m.

CITY OF SALISBURY, MARYLAND  
CLOSED SESSION  
NOVEMBER 15, 2021

*TIME & PLACE:* 5:26 p.m., Council Chambers  
*PURPOSE:* Before a contract is awarded or bids are opened, to discuss a matter directly related to a negotiating strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

*VOTE TO CLOSE:* Unanimous (4-0)

*CITATION:* Annotated Code of Maryland §3-305(b)(14)

*PRESENT:* Council President John “Jack” R. Heath, Mayor Jacob R. Day, Council Vice-President Muir Boda, Councilwoman April Jackson, Councilwoman Michele Gregory, Procurement Director Jennifer Miller, City Attorney Michael Sullivan, City Clerk Kim Nichols

*ABSENT:*

\*\*\*\*\*

The City Council convened in Work Session at 4:30 p.m. At 5:26 p.m. President Heath called for a motion to convene in Closed Session as permitted under the Annotated Code of Maryland §3-305(b)(14). Mr. Boda moved, Ms. Jackson seconded, and the vote was unanimous to convene in Closed Session.

Council was briefed by Procurement Director Jennifer Miller on the evaluation team’s report of a proposal for the Mitchell Landing RFP. City Attorney Michael Sullivan fielded Council’s questions and concerns regarding the residents.

Council unanimously authorized the award to be placed on the next legislative agenda.

At 5:42 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 Council had met in Closed Session and discussed a proposal.

The Open Session was then immediately adjourned.

\_\_\_\_\_  
City Clerk

\_\_\_\_\_  
Council President

December 12, 2021

Salisbury City Council  
125 N. Division Street  
Salisbury, MD 21801

RE: Housing for the City's Unsheltered Population

Dear City Council Members,

As a resident of Salisbury, MD and Wicomico County, I support a tiny house village for our unsheltered population. Having worked with this vulnerable population as a volunteer and seen firsthand the hardships they experience as well as seeing how hard the City's Housing First department works to assist and provide services for them, even going outdoors in severe weather to help our neighbors survive, I believe this is the best solution to help support our neighbors so that they can have a better quality of life and also become contributing members of our community.

I know the amount of research and study that has gone into this project to ensure that it works to get our neighbors off the street, out of severe weather and into housing where they can also receive other services they may need including addiction, recovery and mental health services, and job assistance.

Some of these folks are already working full or part-time jobs, and yet cannot afford housing. With rising costs of housing, and wages not rising to match the cost of living, this trend could continue. Everyone deserves access to the most fundamental things needed for life – food, shelter and heat. Housing our unsheltered population also makes EVERYONE in the community safer.

Anyone complaining about housing our neighbors out of fear or ignorance, or simply out of selfishness should be informed and educated about the importance of this project. I realize it takes a lot of work to dismantle bigotry, but continuing to have open and honest communication will go a long way to help people understand how a tiny house village will go a long way to solving homelessness, and we should not make policy based on people's fear and ignorance.

I believe that as this project unfolds, the results will speak for themselves and most residents will see and support the benefits of housing our neighbors.

Thank you.

Sincerely,

City Resident



City of  
**Salisbury**  
Jacob R. Day, Mayor

## MEMORANDUM

**To:** Jacob R. Day, Mayor  
**From:** Jessie Turner, Administrative Assistant  
**Subject:** Appointment to the Ethics Commission  
**Date:** December 27, 2021

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The following person has applied for appointment to the Ethics Commission for the term ending as indicated:

<u>Name</u>	<u>Term Ending</u>
Paula Turner	January 2027

Attached is the information from Ms. Turner and the resolution necessary for her appointment. If this appointment is approved, it will be placed on the next City Council agenda for review.

Attachments





## MEMORANDUM

**To:** Jacob R. Day, Mayor  
**From:** Jessie Turner, Administrative Assistant  
**Subject:** Re-Appointment to the Friends of Poplar Hill Mansion Board of Directors  
**Date:** January 20, 2022

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The following person has applied for re-appointment to the Friends of Poplar Hill Mansion Board of Directors for the term ending as indicated:

<u>Name</u>	<u>Term Ending</u>
Jeanne Mears	January 2025

Attached is the information from Ms. Mears and the resolution necessary for her re-appointment. If this re-appointment is approved, it will be placed on the next City Council agenda for review.

Attachments





# City of Salisbury

Jacob R. Day, Mayor

To: Julia Glanz, City Administrator

From: Sandy Green, Assistant Director of Finance *SWG*

Date: 1/12/2022

Re: Manufacturing Exemption for equipment purchased in 2020— Bay Steel Inc

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I am recommending that Bay Steel Inc be granted exemptions from Personal Property Tax for their equipment purchased in 2020, 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 \$1,953 in personal property tax. The exemptions will be applied to City Property Tax years 2022-2026 as shown in the schedule provided herein.

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



# City of Salisbury



KEITH CORDREY  
DIRECTOR INTERNAL SERVICES

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: Bay Stee, Inc. MD Department ID#: D07785223

Mailing Address: 707 Brown Street Salisbury, MD 21804

Contact Name: Jennifer Willing Phone No.: 410-749-1919

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 2020.
3. Address of Manufacturing / R & D operation. 707 Brown Street Salisbury, MD 21804
4. Date Manufacturing / R & D operation began in Salisbury. 01/01/2012
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 31<sup>st</sup> 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 Jennifer Willing, CPA Date 09/16/2021

Email address jwilling@trs.cpa

City of Salisbury  
Finance Department  
Exemption Recommendation to City Council

Company: Bay Steel Inc  
Address: 707 Brown Steet  
  
Requested By: Jennifer Willing  
Date of Request: 9/16/2021  
  
Description of Mfg.: Steel Fabrication  
  
Equipment Year 2020  
  
New Equipment \$ 23,245

**Total** \$ 23,245

Exemption Value	City Property Tax Year	State Return	Year of Exemption	Deprec. Value	Am't of Exemption
	2022	2021	1	20,921	502
	2023	2022	2	18,596	446
	2024	2023	3	16,272	391
	2025	2024	4	13,947	335
	2026	2025	5	11,623	279

**Total Value of Exemption:** \$ 1,953

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

*(2) A Personal Property Tax return is required to be submitted to the City of Salisbury each year in order for issuance of credits related to any exemptions awarded.*

BAY STEEL, INC.

20-0712584

BUSINESS PERSONAL PROPERTY RETURN OF DEPT ID#D07785223

2021  
Form 1**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](http://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
2020	23,245			2016	0		
2019	0			2015	60,000		
2018	49,665			2014	0		
2017	59,198			2013 & prior	183,322		

Describe Property in C &amp; D above:

<b>Total Cost</b>
<b>\$ 375,430</b>

**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
2020	0	2018	0
2019	0	2017 & prior	0

<b>Total Cost</b>
<b>\$ 0</b>

**7. Non-farming livestock:**

Book Value \$	0	Market Value \$	0
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**8. Other personal property:**

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

<b>Total Cost</b>
<b>\$ 0</b>

**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.

<b>Total Cost</b>
<b>\$ 0</b>

**10. Property owned by the business, but 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>

<b>Total Cost</b>
<b>\$ 0</b>

## Book Property Detail

Asset	Property Description	Date Acquired	Book Cost	Book Prior Depreciation	Book Current Depreciation	Book End Depr
<b>Location: 707 BROWN ST</b>						
<b>PPT type - MD:</b>						
<b>Date Acquired for Year End: 12/31/20</b>						
79	Plasma Table	4/29/20	30,184	0	30,184	30,184
<b>Year End Total: 12/31/20</b>			30,184	0	30,184	30,184
<b>Date Acquired for Year End: 12/31/15</b>						
35	WELDING MACHINE MILLER ELEC	6/04/15	10,000	10,000	0	10,000
31	ROOFING	4/23/15	8,693	1,049	223	1,272
<b>Year End Total: 12/31/15</b>			18,693	11,049	223	11,272
<b>No PPT type - MD</b>			48,877	11,049	30,407	41,456
<b>PPT type - MD: Section A</b>						
<b>Date Acquired for Year End: 12/31/17</b>						
66	Tonneau Cover - Cover World	9/08/17	3,898	3,337	224	3,561
<b>Year End Total: 12/31/17</b>			3,898	3,337	224	3,561
<b>Section A</b>			3,898	3,337	224	3,561
<b>PPT type - MD: Section D</b>						
<b>Date Acquired for Year End: 12/31/10</b>						
44	OFFICE EQUIPMENT	3/28/10	318	318	0	318
45	OFFICE EQUIPMENT	1/01/10	79	79	0	79
<b>Year End Total: 12/31/10</b>			397	397	0	397
<b>Date Acquired for Year End: 12/31/09</b>						
43	HP	6/13/09	5,090	5,090	0	5,090
42	APPLE	5/25/09	1,456	1,456	0	1,456
41	DELL	5/09/09	1,456	1,456	0	1,456
<b>Year End Total: 12/31/09</b>			8,002	8,002	0	8,002
<b>Section D</b>			8,399	8,399	0	8,399
<b>PPT type - MD: Tools, mach, equip, used for manufacturing and RD</b>						
<b>Date Acquired for Year End: 12/31/20</b>						
75	EQUIPMENT	10/01/20	4,729	0	4,729	4,729
74	EQUIPMENT	7/31/20	4,794	0	4,794	4,794
73	Forklift	7/27/20	8,200	0	8,200	8,200
76	EQUIPMENT	5/12/20	5,522	0	5,522	5,522
<b>Year End Total: 12/31/20</b>			23,245	0	23,245	23,245
<b>Date Acquired for Year End: 12/31/18</b>						
67	Genie GTH 5519 Forklift	3/09/18	42,000	42,000	0	42,000
70	EQUIPMENT	2/28/18	7,665	7,665	0	7,665
<b>Year End Total: 12/31/18</b>			49,665	49,665	0	49,665
<b>Date Acquired for Year End: 12/31/17</b>						
65	Standard Shear AS375-10	5/03/17	59,198	46,254	3,698	49,952
<b>Year End Total: 12/31/17</b>			59,198	46,254	3,698	49,952
<b>Date Acquired for Year End: 12/31/15</b>						
30	PRESS BRAKE	6/05/15	60,000	60,000	0	60,000
<b>Year End Total: 12/31/15</b>			60,000	60,000	0	60,000
<b>Date Acquired for Year End: 12/31/13</b>						
63	SINGLE-GIRDER CRANE	6/01/13	49,217	48,295	922	49,217
<b>Year End Total: 12/31/13</b>			49,217	48,295	922	49,217
<b>Date Acquired for Year End: 12/31/09</b>						
60	TRAILER/LOADER	12/31/09	23,355	23,355	0	23,355
61	TOOLS	12/31/09	2,395	2,395	0	2,395
62	EQUIPMENT	1/31/09	3,075	3,075	0	3,075



City of  
**Salisbury**  
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator  
From: Sandy Green, Assistant Director of Finance  
Date: 1/12/22

54

Re: Manufacturing Exemption for equipment purchased 2020 – DiCarlo Precision Inst., Inc.

---

I am recommending that DiCarlo Precision be granted exemption from Personal Property Tax for their equipment purchased in 2020 as requested by the company. Since the request came within 2 years of the purchase of the equipment for purchases in all three years they are eligible for up to 5 years' exemptions for each year.

Over the next five years they will benefit from this exemption by a total savings of \$909 in personal property tax for 2020 equipment purchases based on the current personal property tax rate. The exemptions will be applied to City Property Tax years as shown in the schedule provided herein.

# City of Salisbury

Recd 6/10/21



**KEITH CORDREY**  
DIRECTOR INTERNAL SERVICES

**MARYLAND**

**FINANCE DEPARTMENT**

125 N. Division Street  
Salisbury, MD 21801-4940

**SANDRA GREEN**  
ASSISTANT DIRECTOR INTERNAL SERVICES - ACCOUNTING

(410) 548-3110  
(410) 860-5154 (Fax)

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

Business Name: DiCarlo Precision Instrument MD Department ID#: \_\_\_\_\_

Mailing Address: 2006 Northwood Drive, Salisbury MD 21801

Contact Name: John DiCarlo Phone No.: 410-749-0112

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 2020.
3. Address of Manufacturing / R & D operation. same as above
4. Date Manufacturing / R & D operation began in Salisbury. 2003
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 31<sup>st</sup> 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 Jul J. D. Cy Date 6/4/21

Email address john@dicarlo1.com

1/12/2022

9:45 AM

City of Salisbury  
Finance Department  
Exemption Recommendation to City Council

Company: DiCarlo Precision Instrumental, Inc.  
Address: 2006 Northwood Drive, Salisbury, MD 21801

Requested By: Heidi J. Gore  
Date of Request: 6/4/2021

Description of Mfg.: Sale and Service of Precision Instrument

Equipment Year 2020

New Equipment \$ 10,818

**Total** \$ **10,818**

Exemption Value	City Property Tax Year	State Return	Year of Exemption	Deprec. Value	Am't of Exemption
	2022	2021	1	9,736	234
	2023	2022	2	8,654	208
	2024	2023	3	7,573	182
	2025	2024	4	6,491	156
	2026	2025	5	5,409	130

**Total Value of Exemption:** \$ **909**

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

*(2) A Personal Property Tax return is required to be submitted to the City of Salisbury each year in order for issuance of credits related to any exemptions awarded.*

**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 <https://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
2020	10,818			2016	34037		
2019				2015			
2018	23,701			2014	17,762		
2017				2013 & prior	14,430		

Describe Property in C &amp; D above:

Total Cost

\$ **66,711****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
2020		2018	
2019		2017 & 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

\$ **68,353****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**



DiCarlo Precision Instrument, Inc.  
D02984490  
2021

Section VI, No. 5

**2020 Acquisitions**

<u>Acquisition Date</u>	<u>Description</u>	<u>Original Cost</u>
12/7/2020	BE5-V2-PRO BOOKEYE	\$ 10,818



City of  
**Salisbury**  
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator

From: Sandy Green, Assistant Director of Finance

SW

Date: 1/14/22

Re: Manufacturing Exemption for equipment purchased 2018-2020 – Gardner Sign, Inc.

---

I am recommending that Gardner Sign, Inc. be granted an exemption from Personal Property Tax for their equipment purchased in 2018-2020 as requested by the company. Since the request came within 2 years of the purchase of the equipment for 2019 and 2020, they are eligible for up to 5 years' exemptions for the 2019 and 2020 purchases. Since the request came within 3 years of the purchase of equipment for 2018, they are eligible for up to 3 years' exemptions for 2018 purchases.

Over the next five years, they will benefit from this exemption by a total savings of \$24,315 in personal property tax for 2018-2020 equipment purchases based on the current personal property tax rate. The exemptions will be applied to City Property Tax years as shown in the schedule provided herein.

1/14/2022

11:40 AM

**City of Salisbury**  
**Internal Services -Finance Department**  
**Exemption Recommendation to City Council**

Company: Gardner Sign Inc  
 Address: 412 Snow Hill Road

Requested By: William Gardner  
 Date of Request: 7/20/2021

Description of Mfg.: Signage Manufacturing

Equipment Year 2020

New Equipment Amount per Tax Return \$ 103,414

Total \$ 103,414

Exemption Value	City Property <u>Tax Year</u>	State <u>Return</u>	Year of <u>Exemption</u>	Deprec. <u>Value</u>	Amount of <u>Exemption</u>
	2022	2021	1	93,073	\$ 2,234
	2023	2022	2	82,731	\$ 1,986
	2024	2023	3	72,390	\$ 1,737
	2025	2024	4	62,048	\$ 1,489
	2026	2025	5	51,707	\$ 1,241
	Total Value of Exemption:				<u><u>\$ 8,687</u></u>

City of Salisbury  
Internal Services -Finance Department  
Exemption Recommendation to City Council

Company: Gardner Sign Inc  
Address: 412 Snow Hill Road

Requested By: William Gardner  
Date of Request: 7/20/2021

Description of Mfg.: Signage Manufacturing

Equipment Year 2019

New Equipment Amount per Tax Return \$ 169,999

Total \$ 169,999

Exemption Value	City Property <u>Tax Year</u>	State <u>Return</u>	Year of <u>Exemption</u>	Deprec. <u>Value</u>	Amount of <u>Exemption</u>
	2021	2020	1	152,999	\$ 3,672
	2022	2021	2	135,999	\$ 3,264
	2023	2022	3	118,999	\$ 2,856
	2024	2023	4	101,999	\$ 2,448
	2025	2024	5	85,000	\$ 2,040
Total Value of Exemption:					<u><u>\$ 14,280</u></u>

City of Salisbury  
Internal Services -Finance Department  
Exemption Recommendation to City Council

Company: Gardner Sign Inc  
Address: 412 Snow Hill Road

Requested By: William Gardner  
Date of Request: 7/20/2021

Description of Mfg.: Signage Manufacturing

Equipment Year 2018

New Equipment Amount per Tax Return \$ 31,203

Total \$ 31,203

Exemption Value	City Property <u>Tax Year</u>	State <u>Return</u>	Year of <u>Exemption</u>	Deprec. <u>Value</u>	Amount of <u>Exemption</u>
	2020	2019	1	28,083	\$ -
	2021	2020	2	24,962	\$ -
	2022	2021	3	21,842	\$ 524
	2023	2022	4	18,722	\$ 449
	2024	2023	5	15,602	\$ 374
Total Value of Exemption:					<u>\$ 1,348</u>

# 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: GARDNER SIGN INC MD Department ID#: D03477270  
Mailing Address: 412 SNOW HILL RD SALISBURY MD 21804  
Contact Name: BUTCH GARDNER Phone No.: 410-749-1200

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 2018-2020.
3. Address of Manufacturing / R & D operation. 412 SNOW HILL RD SALISBURY MD 21804
4. Date Manufacturing / R & D operation began in Salisbury. 1984
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 31<sup>st</sup> 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 William Gardner Date 7-20-21

Email address BUTCH @ GARDNER SIGN, COM

## Form 4562

## Depreciation and Amortization Report

2020

Tax Year 2020  
► Keep for your records

GARDNER SIGN INC

Form 1120 - All Assets

52-1795068

Asset Description	*Code	Date In Service	Cost (Net of Land)	Land	Bus Use %	Section 179	Special Depreciation Allowance	Depreciable Basis	Life	Method/ Convention	Prior Depreciation	Current Depreciation	Accumulated Depreciation **
DEPRECIATION													
Main Activity													
OFFICE FIXTURES	S	04/06/01	1,263		100.00			1,263	7.00	200DB/HY	1,263	0	1,263
PHONE SYSTEM		06/12/02	3,000		100.00			3,000	7.00	200DB/HY	2,700	0	2,700
DRIVEWAY PAVING IMP		09/26/02	1,682		100.00			1,682	15.00	150DB/HY	1,682	0	1,682
2003 GMC PICKUP	L	07/31/03	29,459		100.00			29,459	5.00	200DB/HY	29,459	0	29,459
MFG EQ - BEACON EMBRD MACH		03/01/06	50,713		100.00			50,713	5.00	200DB/HY	50,713	0	50,713
HEATING SYSTEM-IMP		01/01/08	6,186		100.00			6,186	15.00	SL/HY	4,805	395	5,200
MFG EQ - PLOTTER/LMNATR		11/21/08	4,000		100.00			4,000	7.00	200DB/HY	4,000	0	4,000
DUMPSTER		04/10/09	1,500		100.00			1,500	7.00	200DB/HY	1,500	0	1,500
LOBBY COUNTER	S	04/19/10	412		100.00			412	7.00	200DB/HY	412	0	412
HEAT PUMP 2.5 TON IMP		03/26/12	4,500		100.00			4,500	15.00	SL/HY	2,250	300	2,550
BRO PRINTER HIRSCH INTL		10/09/17	31,203		100.00			31,203	7.00	200DB/MQ	15,852	4,386	20,238
COMPUTER & ACCESSORIES		07/16/18	3,317		100.00			3,317	5.00	200DB/HY	1,725	637	2,362
CHEV SILVERADO 3 TON	L	08/07/18	28,000		100.00			28,000	5.00	200DB/HY	14,560	5,376	19,936
HEAT PUMP 2 TON-IMP		12/28/18	4,000		100.00			4,000	15.00	SL/HY	400	267	667
MFG EQ - HP LATEX R1000		04/19/19	159,999		100.00	15,000		144,999	7.00	200DB/HY	20,714	35,510	71,224
LASER MACH - HOLLOWAY		08/01/19	10,000		100.00	10,000		0	7.00	200DB/HY	0	0	10,000
ESKO KONGSBERG X24 CUTTING TABLE		01/04/20	103,414		100.00			103,414	7.00	200DB/HY		14,773	14,773
SUBTOTALS			442,648	0		25,000	0	417,648			152,035	61,644	238,679
LESS: ASSETS SOLD			1,675	0		0	0	1,675			1,675	0	1,675
TOTALS			440,973	0		25,000	0	415,973			150,360	61,644	237,004
AMORTIZATION													
Main Activity													
START UP COSTS		03/01/19	17,000		100.00			17,000	5.00		2,833	3,400	6,233
TOTALS			17,000			0	0	17,000			2,833	3,400	6,233

\*Code: S = Sold, A = Auto, L = Listed V = Vine with SDA in Year Planted/Grafted, C = COGS

\*\* Accumulated Depreciation includes Section 179, Special Depreciation Allowance, Prior Depreciation and Current Depreciation.

Note: Accumulated Depreciation for prior year assets is computed only if Prior Depreciation is available

**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](http://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
2020	103,414			2016			
2019	169,999			2015			
2018	31,203			2014			
2017				2013 & Prior	54,713		

Describe Property in C &amp; D above:

Total Cost

\$ 359,329

**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
2020		2018	
2019		2017 & Prior	

Total Cost

\$ 0

**7. Non-farming livestock:**

Book Value \$	0	Market Value \$	0
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**8. Other Personal Property:** (including Qualified Data Center personal property, see instructions for more information)

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

Total Cost

\$ 0

**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

\$ 0

**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

\$ 0





City of  
**Salisbury**  
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator

From: Sandy Green, Assistant Director Finance

*SG*

Date: 1/12/22

Re: Manufacturing Exemption for equipment purchased 2020 – K & L Microwave

---

I am recommending that K & L Microwave be granted exemption from Personal Property Tax for their equipment purchased in 2020 as requested by the company. Since the request came within 2 years of the purchase of the equipment for purchases in all three years they are eligible for up to 5 years' exemptions for each year.

Over the next five years they will benefit from this exemption by a total savings of \$100,404 in personal property tax for 2020 equipment purchases based on the current personal property tax rate. The exemptions will be applied to City Property Tax years as shown in the schedule provided herein.

1/12/2022

City of Salisbury  
Internal Services -Finance Department  
Exemption Recommendation to City Council

11:37 AM

Company: K&L Microwave  
Address: 2250 Northwood Drive

Requested By: Dawn Adkins-Harcum  
Date of Request: 6/10/2021

Description of Mfg.: Manufacture of RF and microwave filters and duplexers

Equipment Year 2020

New Equipment Amount per Tax Return \$ 1,195,285

Total \$ 1,195,285

Exemption Value	City Property <u>Tax Year</u>	State <u>Return</u>	Year of <u>Exemption</u>	Deprec. <u>Value</u>	Amount of <u>Exemption</u>
	2022	2021	1	1,075,757	\$ 25,818
	2023	2022	2	956,228	\$ 22,949
	2024	2023	3	836,700	\$ 20,081
	2025	2024	4	717,171	\$ 17,212
	2026	2025	5	597,643	\$ 14,343
	Total Value of Exemption:				<u><u>\$ 100,404</u></u>

# City of Salisbury



**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: K&L Microwave, Inc. MD Department ID#: F01560291

Mailing Address: 2250 Northwood Drive, Salisbury, MD 21801

Contact Name: Dawn Adkins-Harcum Phone No.: 410-749-2424 x 3540

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 2020.
3. Address of Manufacturing / R & D operation. 2250 & 2300 Northwood Drive
4. Date Manufacturing / R & D operation began in Salisbury. 8/1/1993
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 31<sup>st</sup> 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

Date 6/10/2021

Email address daharcum@klmicrowave.com

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

Year Acquired	A	C	D	Year Acquired	A	C	D
2020	663,404		531,881	2016	36,471		176,231
2019	44,166			2015	90,425		24,066
2018	42,440		150,589	2014	125,716		45,315
2017	22,399		235,384	2013 & prior	7,269,369	53,822	4,442,443

Describe property identified in C &amp; D above:

2016: D - ELECTRONIC EQUIPMENT, 2015: D - ELECTRONIC EQUIPMENT, 2014: D - ELECTRONIC EQUIPMENT, 2017: D - ELECTRONIC EQUIPMENT, 2018: D - ELECTRONIC EQUIPMENT, 2013: C - FORK LIFT; D - ELECTRONIC EQUIPMENT ELECTRIO, 2020: D - ELECTRONIC EQUIPMENT

Total Cost: \$ 13,954,121

## 6. Vehicles with Interchangeable Registration and/or Unregistered vehicles:

Year Acquired	Original Cost	Year Acquired	Original Cost
2020		2018	
2019		2017 & prior	

Total Cost: \$

## 7. Non-farming livestock:

Book Value: \$	Market Value: \$
----------------	------------------

## 8. Other personal property:

Total Cost: \$ 177,591

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

Total Cost: \$

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

Total Cost: \$

# Personal Property Information

K&L Microwave, Inc.

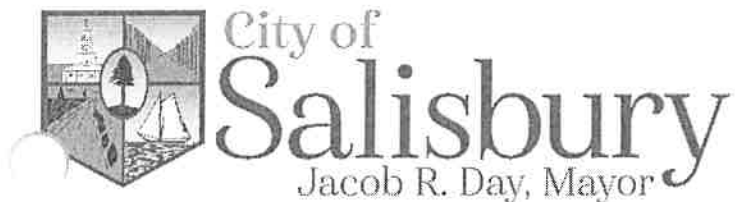
## 2020 Expenditures for R&D Manufacturing Equipment

### 2020 ADDITIONS

								20	
Sys#	A/C	Prop. Tax Acc. Date	Co. Asset #	Prop- erty	Class	Location	Description	2020Additions	
003644	A	01/01/20	123803	P	ME		ZNB20 VECTOR NETWORK ANALYZ	62,755.00	
003645	A	01/01/20	123806	P	ME		FSV40 SIGNAL ANALYZER (40GHz)	54,246.00	
003646	A	01/01/20	123807	P	ME		ZN-Z50 CALIBRATION UNIT (50 Ohm	15,536.00	
003647	A	01/01/20	123811	P	ME		VECTOR NETWORK ANALYZER	45,289.70	
003648	A	01/01/20	123813	P	ME		45465E WEDGE WIRE BONDER	43,810.63	
003649	A	04/17/20	123814	P	ME		FANUC 24000 RPM ROBODRIL ADV	499,900.00	
003652	A	07/21/20	123675-B	P	ME		MACHINE #25 - HCN-4000 HORIZON	48,950.90	
003653	A	05/06/20	123815	P	ME		BENCHMARK - SEAM WELDER	49,122.00	
003654	A	11/30/20	123822	P	ME		STREAMLINE USB NETWORK ANAL	29,739.36	
003655	A	11/30/20	123823	P	ME		STREAMLINE USB NETWORK ANAL	29,739.36	
003656	A	11/30/20	123824	P	ME		STREAMLINE USB NETWORK ANAL	29,739.36	
003657	A	12/03/20	123825	P	ME		HELIUM LEAK DETECTOR - BR15	21,620.80	
003658	A	11/16/20	123820	P	ME		STREAMLINE USB NETWORK ANAL	30,979.20	
003659	A	11/16/20	123819	P	ME		STREAMLINE USB NETWORK ANAL	13,398.00	
003660	A	11/16/20	123818	P	ME		STREAMLINE USB NETWORK ANAL	13,398.00	
003661	A	09/23/20	123816	P	ME		POWER AMPLIFIER SYSTEM	207,060.46	

Total 2130 MACHINERY & EQUIPMENT

1,195,284.77



To: Julia Glanz, City Administrator

From: Sandy Green, Assistant Director of Finance *SG*

Date: 1/12/22

Re: Manufacturing Exemption for equipment purchased 2020 – LWRC International, LLC

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I am recommending that LWRC International, LLC be granted an exemption from Personal Property Tax for their equipment purchased in 2020 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 2020 purchases. Over the next five years they will benefit from this exemption by a total savings of \$1,631 for 2020 equipment purchases in personal property tax.

The exemptions will be applied to City Property Tax years 2022-2026 as shown in the schedule provided herein. Attached please find copies of the calculations, property tax returns and manufacturing exemption applications.

# City of Salisbury



**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: LWRC International, LLC MD Department ID#: W12297040  
Mailing Address: 815 CHESAPEAKE DRIVE, CAMBODGE, MD 21613  
Contact Name: CINDY GOLLIDAY Phone No.: 410-401-1348

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 2020.

3. Address of Manufacturing / R & D operation. 570 DAYLOR 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 31<sup>st</sup> 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 11/17/2021

Email address cgothday@lwrci.com

City of Salisbury  
Finance Department  
Exemption Recommendation to City Council

Company: LWRC International LLC  
Address: 510 Naylor Mill Road

Requested By: Cindy Golliday  
Date of Request: 11/17/2021

Description of Mfg.: Manufacturing

Equipment Year 2020

New Equipment

\$ 19,421

Total \$ 19,421

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>
	2022	2021	1	17,479	\$ 419
	2023	2022	2	15,537	\$ 373
	2024	2023	3	13,595	\$ 326
	2025	2024	4	11,653	\$ 280
	2026	2025	5	9,711	\$ 233
Total Value of Exemption:					\$ 1,631

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



**2021****Form 1  
Additional Business  
Locations**NAME OF BUSINESS LWRC INTERNATIONAL, LLCDEPARTMENT ID NUMBER W 1 2 2 9 7 0 4 0

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
2020	19,421			2016	136,982		
2019	16,338			2015	57,285		
2018	660,391			2014	397,405		
2017	837,365			2013 & prior	4,433,092		

<b>Total Cost</b>
<b>\$ 6,558,279</b>

Describe Property in C &amp;-D above:

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

Year Acquired	Original Cost	Year Acquired	Original Cost
2020		2018	
2019		2017 & prior	

<b>Total Cost</b>
<b>\$ NONE</b>

**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.

<b>Total Cost</b>
<b>\$ NONE</b>

**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.

<b>Total Cost</b>
<b>\$ NONE</b>

**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>

<b>Total Cost</b>
<b>\$ NONE</b>

11/17/21

## LWRC Capital Equipment 2020

## Description

Acquisition Date Depreciation Years Original Cost

GOSIGER MACHINE & TOOLS ( 2-OKUMA - GENOS L250E HORIZONTAL LATHES) (S/N- C4535, C4550)-REPAIR PARTS	5/1/2020	8	32,608.25
GOSIGER MACHINE & TOOLS (OKUMA GENOS L400E LATHE (W/ATTACHEMENTS)-SIDE EXIT CONVEYOR	5/1/2020	8	10,129.00
HAAS-PHILLIPS - 1 - EC300 HORIZONTAL MACH CTR& (S/N2053822-EC300)-REPAIRS	6/1/2020	7	9,292.00
AMERICAN GFM-INV#0738-( .45 ACP BARREL TOOLING-BARREL FORGER)	7/1/2020	6	49,619.00
AMERICAN GFM-INV#060-( SET OF HAMMERS -BARREL FORGER)	11/1/2020	2	26,940.00
DORSEY METROLOGY INT.(COMPARATOR-QUALITY)	11/1/2020	2	13,381.00
MSC INDUSTRIAL (HEIGHT GAUGE AND PROBE SET)	11/1/2020	2	14,259.45
AMERICAN GFM-INV#087-( SET OF HAMMERS -BARREL FORGER)	12/1/2020	1	26,940.00

Total

183,168.70



City of  
**Salisbury**  
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator  
From: Sandy Green, Assistant Director of Finance *SG*  
Date: 1/12/22  
Re: Manufacturing Exemption for equipment purchased 2020 –  
Mason Dixon Machining, Inc.

---

I am recommending that Mason Dixon Machining, Inc. be granted an exemption from Personal Property Tax for their equipment purchased in 2020 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 2020 purchases. Over the next five years they will benefit from this exemption by a total savings in personal property taxes of \$11,981. The exemptions will be applied to City Property Tax years 2022-2026 as shown in the schedule provided herein. Attached please find copies of the calculations and manufacturing exemption applications.

# City of Salisbury



**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: MASON DIXON MACHINING, INC MD Department ID#: D 05651823  
Mailing Address: 1523 Edgemore Avenue, Salisbury, MD 21801  
Contact Name: MARK GRANGER Phone No.: 410 749-5350

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 2000-2018 - see attached  
2020
3. Address of Manufacturing / R & D operation. 1523 Edgemore Ave, Salisbury MD 21801
4. Date Manufacturing / R & D operation began in Salisbury. 2/15/2000
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 31<sup>st</sup> 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 Mark A. Granger, CPA Date 1/12/2021  
mark@grangercpa.com

City of Salisbury  
Finance Department  
Exemption Recommendation to City Council

Company: Mason Dixon Machining Inc  
Address: 2207 Northwood Drive

Requested By: John S Parker, President  
Date of Request: 1/12/2021

Description of Mfg.: Machining Custom Parts

Equipment Year 2020

New Equipment See Listing \$ 142,625.00

**Total** \$ 142,625

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>
	2022	2021	1	128,363	3,081
	2023	2022	2	114,100	2,738
	2024	2023	3	99,838	2,396
	2025	2024	4	85,575	2,054
	2026	2025	5	71,313	1,712

**Total Value of Exemption:** \$ 11,981

**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 <https://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
2020	142,625			2016	153,774		
2019				2015			
2018	5,495			2014	2,143		
2017	13,113			2013 & prior	251,340		

Describe Property in C &amp; D above:

Total Cost

\$ **568,490**

**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
2020		2018	
2019		2017 & 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>**

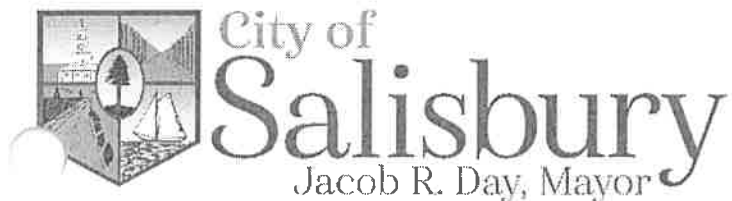
Total Cost

\$ **NONE**

**Tax Current Year Additions**

FYE: 12/31/2020

<u>Asset</u>	<u>Property Description</u>	<u>Date In Service</u>	<u>Tax Cost</u>
<b><u>Group: LAND IMPROVEMENTS</u></b>			
41	New Fence	12/30/20	3,855.00
	<b>LAND IMPROVEMENTS</b>		<u>3,855.00</u>
<b><u>Group: LEASEHOLD IMPROVEMENTS</u></b>			
37	GAS FURNACE IN 9A	3/06/20	2,500.00
43	Electrical Work in new building	12/30/20	6,871.00
	<b>LEASEHOLD IMPROVEMENTS</b>		<u>9,371.00</u>
<b><u>Group: MACHINING EQUIPMENT</u></b>			
38	Haas VF-3 SSYT Vertical Mach Ctr	12/02/20	142,625.00
39	Hyster Forklift	12/21/20	10,494.00
40	Tool Chest	12/14/20	1,336.29
	<b>MACHINING EQUIPMENT</b>		<u>154,455.29</u>
<b><u>Group: OFFICE FURNITURE &amp; FIXTUR</u></b>			
42	NEC Phone System	12/30/20	5,005.71
	<b>OFFICE FURNITURE &amp; FIXTUR</b>		<u>5,005.71</u>
	<b>Grand Total</b>		<u>172,687.00</u>



To: Julia Glanz, City Administrator  
From: Sandy Green, Assistant Director of Finance *SG*  
Date: 1/12/22  
Re: Manufacturing Exemption for equipment purchased 2020 – Pepsi Bottling Ventures LLC

---

I am recommending that Pepsi Bottling Ventures LLC be granted an exemption from Personal Property Tax for their equipment purchased in 2019 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 2020 purchases. Over the next five years they will benefit from this exemption by a total savings of \$1,501 for 2020 equipment purchases in personal property tax.

The exemptions will be applied to City Property Tax years 2022-2026 as shown in the schedule provided herein. Attached please find copies of the calculations, property tax returns and manufacturing exemption applications.



Rec'd  
7/27/21

# City of Salisbury



**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: Pepsi Bottling Ventures LLC MD Department ID#: Z12285409  
Mailing Address: 4141 ParkLake Ave. Suite 600, Raleigh, NC 27612  
Contact Name: Jessica Collum Phone No.: 919-865-2388

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 2020.
3. Address of Manufacturing / R & D operation. 330 Snow Hill Rd. Salisbury, MD 21804
4. Date Manufacturing / R & D operation began in Salisbury. 09/05/2004
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 31<sup>st</sup> 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 Jessica Collum Date 7/27/2021

Email address jessica.collum@pbvllc.com

City of Salisbury  
Finance Department  
Exemption Recommendation to City Council

Company: Pepsi Bottling Ventures LLC  
Address: 330 Snow Hill Road, Salisbury, MD 21804

Requested By: Jessica Collum  
Date of Request: 7/27/2021

Description of Mfg.: Soft Drink Manufacturing and Distribution

Equipment Year 2020

New Equipment \$ 17,867

**Total** \$ 17,867

Exemption Value	City Property Tax Year	State Return	Year of Exemption	Deprec. Value	Am't of Exemption
	2022	2021	1	16,080	386
	2023	2022	2	14,294	343
	2024	2023	3	12,507	300
	2025	2024	4	10,720	257
	2026	2025	5	8,934	214

**Total Value of Exemption:** \$ 1,501

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

*(2) A Personal Property Tax return is required to be submitted to the City of Salisbury each year in order for issuance of credits related to any exemptions awarded.*

**Address**  
330 SNOW HILL RD

**City**      **State**   **Jurisdiction Code**   **Jurisdiction Descrp**  
SALISBURY   MD   MD0100000   Wicomico

Asset	Asset description	Capitalized on	Year	Acquisition Value	Asset Class	Asset Class Description
1102661	80 SEAMER UPGRADE	10/31/2020	2020	17,866.99		2000 Machinery & Equip
	<b>2019 Purchases</b>			<b>17,866.99</b>		



City of  
**Salisbury**  
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator

From: Sandy Green, Assistant Director of Finance *SG*

Date: January 12, 2022

Re: Manufacturing Exemption for equipment purchased 2020 Perdue Foods, LLC

---

I am recommending that Perdue Foods, LLC. be granted exemptions from Personal Property Tax for their equipment purchased in 2020 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 2020 purchases.

Over the next five years they will benefit from this exemption by a total savings of \$171,577 in personal property tax for 2020 equipment purchases. The exemptions will be applied to City Property Tax years 2022-2026 as shown in the schedule provided herein. Attached please find copies of the calculations, property tax returns and manufacturing exemption applications.

# 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: Perdue Foods, LLC MD Department ID#: W14880488

Mailing Address: Property Tax Department, P.O. Box 1537, Salisbury, MD 21802

Contact Name: Angela Hastings Phone No.: 410-543-3121

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 2019/2020.
3. Address of Manufacturing / R & D operation. 521 Willow Street, Salisbury, MD 21801 - Manufacturing  
517 W. Main Street, Salisbury, MD 21802 - R&D
4. Date Manufacturing / R & D operation began in Salisbury. Manufacturing - 1962 / R&D - 2008
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 31<sup>st</sup> 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 11/5/2021

Email address tbarron@barrontax.com

1/12/2022

City of Salisbury  
Internal Services -Finance Department  
Exemption Recommendation to City Council

10:00 AM

Company: Perdue Foods, LLC  
Address: 521 Willow Street Salisbury, MD  
2110m Industrial Parkway, Salisbury MD

Requested By: Angela Hastings  
Date of Request: 11/15/2021

Description of Mfg.: Research and development for new ready to eat chicken and turkey products  
Note State granted exemption

Equipment Year 2020

New Equipment Amount per Tax Return \$ 2,042,589

Total

\$ 2,042,589

Exemption Value	City Property <u>Tax Year</u>	State <u>Return</u>	Year of <u>Exemption</u>	Deprec. <u>Value</u>	Amount of <u>Exemption</u>
	2022	2021	1	1,838,330	44,120
	2023	2022	2	1,634,071	39,218
	2024	2023	3	1,429,812	34,315
	2025	2024	4	1,225,553	29,413
	2026	2025	5	1,021,295	24,511
Total Value of Exemption:					<u>\$ 171,577</u>

**BUSINESS PERSONAL PROPERTY RETURN OF DEPT ID#** W14880488**2021  
Form 1**

PF-MD-1020-SALISBURYLW, PF-MD-1020-SALISBURYLW

Lake &amp; Willow Streets, Salisbury, MD 21804

**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](http://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
2020	1,998,127	204,258 <sup>9</sup>	44,462	2016	2,048,511		206,280
2019	659,624		187,619	2015	767,310		321,407
2018	273,971			2014	263,797		10,261
2017	2,101,031			2013 & Prior	16,090,621		76,997

**Describe Property in C & D above:**

D - Data Processing Equipment

**Total Cost**

\$ 25,050,018

**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
2020		2018	
2019		2017 & Prior	

**Total Cost**

\$ NONE

**7. Non-farming livestock:**

Book Value \$	None	Market Value \$
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**Total Cost**

\$ NONE

**8. Other personal property: (including Qualified Data Center personal property, see instructions for more information)**

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

**Total Cost**

\$ SEE ATTACHED

**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

**Perdue Foods LLC**

Department ID # W14880488

2021 Maryland Personal Property Return

Salisbury Manufacturing Assets Reported on Section VI, No. 5

Detailed Asset Listing

Street Address	County	Incorporated Town	Asset Number	Asset Description	Category as Filed	Application Year	Acquisition Date	Reported Cost
521 Willow Street	Wicomico	Salisbury	102041064860	2nd Salvage Line Bird Counter for Lines 1 & 2	Manufacturing (A)	2021	12/15/2019	6,150.00
521 Willow Street	Wicomico	Salisbury	102041064870	2nd Salvage Line Overhead Line for Lines 1 & 2	Manufacturing (A)	2021	12/15/2019	55,000.00
521 Willow Street	Wicomico	Salisbury	102041064880	2nd Salvage Stations (4) - Line 1 & 2	Manufacturing (A)	2021	12/15/2019	15,000.00
521 Willow Street	Wicomico	Salisbury	102041064890	2nd Salvage Line Overhead Line - Electrical for	Manufacturing (A)	2021	12/15/2019	13,195.00
521 Willow Street	Wicomico	Salisbury	102041078810	41,000 Gallon Chilled Water Storage Tank	Manufacturing (A)	2021	4/15/2020	93,038.00
521 Willow Street	Wicomico	Salisbury	102041078820	Alfa Laval Plate and Frame Heat Exchanger	Manufacturing (A)	2021	4/15/2020	277,392.00
521 Willow Street	Wicomico	Salisbury	102041078930	Frick RXF-101 270HP Screw Compressor	Manufacturing (A)	2021	4/15/2020	223,713.00
521 Willow Street	Wicomico	Salisbury	102041078940	Ammonia Piping for New Compressor	Manufacturing (A)	2021	4/15/2020	109,821.00
521 Willow Street	Wicomico	Salisbury	102041078950	Ammonia Piping for Alval Laval Heat Exchanger	Manufacturing (A)	2021	4/15/2020	185,392.00
521 Willow Street	Wicomico	Salisbury	102041078960	AAIM Controls for Chilled Water System and Pumps	Manufacturing (A)	2021	4/15/2020	47,821.00
521 Willow Street	Wicomico	Salisbury	102041078970	Electrical - Alval Laval	Manufacturing (A)	2021	4/15/2020	76,892.00
521 Willow Street	Wicomico	Salisbury	102041078980	Electrical - Frick RXF-101 270HP Screw Compresso	Manufacturing (A)	2021	4/15/2020	84,391.00
521 Willow Street	Wicomico	Salisbury	102041078990	Electrical Feed for High Pressure Pumps	Manufacturing (A)	2021	4/15/2020	39,078.00
521 Willow Street	Wicomico	Salisbury	102041080310	Linco 22-3 Picker #3 Position	Manufacturing (A)	2021	4/15/2020	120,370.00
521 Willow Street	Wicomico	Salisbury	102041080320	Electrical Linco 22-3 Picker #3 Position	Manufacturing (A)	2021	4/15/2020	19,589.00
521 Willow Street	Wicomico	Salisbury	102041080330	Linco 22-3 Picker #4 Position	Manufacturing (A)	2021	4/15/2020	120,370.00
521 Willow Street	Wicomico	Salisbury	102041080340	Electrical Linco 22-3 Picker #4 Position	Manufacturing (A)	2021	4/15/2020	19,589.00
521 Willow Street	Wicomico	Salisbury	102041085110	EV Line 1 Post Hang PAA Dip Tank	Manufacturing (A)	2021	7/15/2020	51,710.00
521 Willow Street	Wicomico	Salisbury	102041085120	EV Line 1 Post Hang PAA Dip Tank - Electrical	Manufacturing (A)	2021	7/15/2020	9,800.00
521 Willow Street	Wicomico	Salisbury	102041085130	EV Lines 2,3,4 Post Hang PAA Dip Tank	Manufacturing (A)	2021	7/15/2020	133,580.00
521 Willow Street	Wicomico	Salisbury	102041085140	EV Lines 2,3,4 Post Hang PAA Dip Tank - PAA Pipi	Manufacturing (A)	2021	7/15/2020	5,550.00
521 Willow Street	Wicomico	Salisbury	102041085150	EV Lines 2,3,4 Post Hang PAA Dip Tank - Electrical	Manufacturing (A)	2021	7/15/2020	9,800.00
521 Willow Street	Wicomico	Salisbury	102041085160	EV Lines 2,3,4 Post Hang PAA Dip Tank - Exhaust	Manufacturing (A)	2021	7/15/2020	27,292.91
521 Willow Street	Wicomico	Salisbury	102041086320	Breast Dip Conveyor	Manufacturing (A)	2021	7/15/2020	42,826.31
521 Willow Street	Wicomico	Salisbury	102041086330	Breast Dip Conveyor - Piping	Manufacturing (A)	2021	7/15/2020	9,188.00
521 Willow Street	Wicomico	Salisbury	102041086340	Wing 3W COPE	Manufacturing (A)	2021	7/15/2020	57,945.00
521 Willow Street	Wicomico	Salisbury	102041086350	Wing 3W COPE - Piping	Manufacturing (A)	2021	7/15/2020	9,186.70
521 Willow Street	Wicomico	Salisbury	102041086360	Leg Dip Conveyor	Manufacturing (A)	2021	7/15/2020	42,754.00
521 Willow Street	Wicomico	Salisbury	102041086370	Leg Dip Conveyor - Piping	Manufacturing (A)	2021	7/15/2020	9,188.00
521 Willow Street	Wicomico	Salisbury	102041088340	C-16 Frick RXF 68H Compressor Replacement	Manufacturing (A)	2021	9/15/2020	32,935.00
521 Willow Street	Wicomico	Salisbury	102041092100	Cut up PAA dip tank and hydraulic tank dumper	Manufacturing (A)	2021	11/15/2020	127,665.00
521 Willow Street	Wicomico	Salisbury	102041092110	Cut up PAA dip tank and hydraulic tank dumper-	Manufacturing (A)	2021	11/15/2020	11,250.00
521 Willow Street	Wicomico	Salisbury	102041064080	CFS digital scales and controllers	Manufacturing (D)	2021	10/15/2019	78,764.14
521 Willow Street	Wicomico	Salisbury	102041068110	Noax N11 Industrial Computers (Salisbury) 4 units	Manufacturing (D)	2021	10/15/2019	16,072.08
521 Willow Street	Wicomico	Salisbury	102041082630	Cornish VideoJet #1 VJ1580, IP65	Manufacturing (D)	2021	6/15/2020	11,115.49
521 Willow Street	Wicomico	Salisbury	102041082640	Cornish VideoJet #2 VJ1580, IP65	Manufacturing (D)	2021	6/15/2020	11,115.48
521 Willow Street	Wicomico	Salisbury	102041082650	Cornish VideoJet #3 VJ1580, IP65	Manufacturing (D)	2021	6/15/2020	11,115.48
521 Willow Street	Wicomico	Salisbury	102041082660	Cornish VideoJet #4 VJ1580, IP65	Manufacturing (D)	2021	6/15/2020	11,115.48

Manufacturing Total 2,226,770.07

2,042,589





City of  
**Salisbury**  
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator

From: Sandra Green, Assistant Director Finance

*3/16*

Date: 1/18/22

Re: Manufacturing Exemption for equipment purchased 2020  
Smith's Interconnect Microwave Components, Inc.

---

I am recommending that Smith's Interconnect Microwave Components, Inc. be granted an exemption from Personal Property Tax for their equipment purchased in 2020 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 2020 purchases. Over the next five years they will benefit from this exemption by a total savings in personal property taxes of \$14,489 for 2020 equipment purchases. Attached please find copies of the calculation and manufacturing exemption application.

If you don't have any questions, please forward this to City Council for their consideration

Rec'd 1/18/22

# City of Salisbury



**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: Smiths Interconnect Americas MD Department ID#: F18214478

Mailing Address: 5101 Richland Ave, Kansas City, KS 66106

Contact Name: Kyle Williams Phone No.: 913-342-5544

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 2020.
3. Address of Manufacturing / R & D operation. 1725 N Salisbury Blvd
4. Date Manufacturing / R & D operation began in Salisbury. 9/24/1994
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 31<sup>st</sup> 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 Kyle Williams Date Jan 18, 2022

Email address kyle.williams@smithsinterconnect.com

City of Salisbury  
Manufacturing Exemption Worksheet

Company: Smiths Interconnect Microwave Component

Year New Equipment Purchased: 2020					
Equipment Purchased Amount:				\$ 172,485	
City Tax Year	State Tax Year	Exemption Credit Value(1)	Exemption Value Total	Deprec Value	%
2022	2021	3,725.68	155,237	155,237	90%
2023	2022	3,311.71	137,988	137,988	80%
2024	2023	2,897.75	120,740	120,740	70%
2025	2024	2,483.78	103,491	103,491	60%
2026	2025	2,069.82	86,243	86,243	50%
		\$ 14,489	NA	603,698	

**Application Eligibility Information:**

Exempt yrs Granted	Calculated Yrs based on equip Yr
5	1 2020
5	<2
3	2-3
2	3-4
1	4-5
# Years Eligible: 5	
Date Filed: 01/18/22	

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

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

Year Acquired	A	C	D	Year Acquired	A	C	D
2020			172,485	2016	21,201		
2019	145,043			2015	541,636		
2018	53,653			2014			
2017	31,674			2013 & prior			

Describe property identified in C &amp; D above:

2020: D - MICROSCOPES/ULTRASONIC CLEANER

Total Cost: \$ 965,692

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

Year Acquired	Original Cost	Year Acquired	Original Cost
2020		2018	
2019		2017 & prior	

Total Cost: \$

## 7. Non-farming livestock:

Book Value: \$	Market Value: \$
----------------	------------------

## 8. Other personal property:

Total Cost: \$

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

Total Cost: \$

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

Total Cost: \$

System	Nul Asset ID	Description	Acquisition Date	Acquisition Value
	2387	SLOS Lease HVAC Unit for South End of Facility	3/17/2020	12,800.00
	2432	11972 Unitron Z6 Microscope	8/6/2020	3,167.53
	2433	11973 Unitron Z6 Microscope	8/6/2020	3,167.53
	2434	11974 Unitron Z6 Microscope	8/6/2020	3,167.53
	2435	11975 Unitron Z6 Microscope	8/6/2020	3,167.53
	2436	11976 Unitron Z6 Microscope	8/6/2020	3,167.53
	2437	11977 Unitron Z6 Microscope	8/6/2020	3,167.53
	2438	11978 Unitron Z6 Microscope	8/6/2020	3,167.53
	2439	11979 Unitron Z6 Microscope	8/6/2020	3,167.53
	2440	11980 Unitron Z6 Microscope	8/6/2020	3,167.53
	2441	11981 Unitron Z6 Microscope	8/6/2020	3,167.53
	2442	11982 Unitron Z6 Microscope	8/6/2020	3,167.53
	2443	11983 Unitron Z6 Microscope	8/6/2020	3,167.53
	2444	11984 Unitron Z6 Microscope	8/6/2020	3,167.53
	2445	11985 Unitron Z6 Microscope	8/6/2020	3,167.53
	2446	11986 Unitron Z6 Microscope	8/6/2020	3,167.53
	2447	11987 Unitron Z6 Microscope	8/6/2020	3,167.53
	2448	11988 Unitron Z6 Microscope	8/6/2020	3,167.53
	2449	11989 Unitron Z6 Microscope	8/6/2020	3,167.53
	2450	11990 Unitron Z6 Microscope	8/6/2020	3,167.53
	2451	11991 Unitron Z6 Microscope	8/6/2020	3,167.53
	2452	11992 Unitron Z6 Microscope	8/6/2020	3,167.53
	2453	11993 Unitron Z6 Microscope	8/6/2020	3,167.53
	2454	11994 Unitron Z6 Microscope	8/6/2020	3,167.53
	2455	11995 Unitron Z6 Microscope	8/6/2020	3,167.53
	2456	11996 Unitron Z6 Microscope	8/6/2020	3,167.53
	2457	11997 Unitron Z6 Microscope	8/6/2020	3,167.53
	2458	11998 Unitron Z6 Microscope	8/6/2020	3,167.53
	2459	11999 Unitron Z6 Microscope	8/6/2020	3,167.53
	2460	12000 Unitron Z6 Microscope	8/6/2020	3,167.53
	2461	12001 Unitron Z6 Microscope	8/6/2020	3,167.53
	2462	12002 Unitron Z6 Microscope	8/6/2020	3,167.53
	2463	12003 Unitron Z6 Microscope	8/6/2020	3,167.53
	2464	12004 Unitron Z6 Microscope	8/6/2020	3,167.48

**2020 Additions** 117,328.44

448	10743	P/N # 1494-X-EP / 14.00 X 9.00 X 4.00 / SS BA	2/1/2010	2,120.63 ✓
459	10743 - 1	SPC-999-999 OMNI 1620-40 ULTRASONIC CL	4/1/2010	65,835.57 ✓
1326	1326	Office Furniture for new costa Mesa Facility	11/30/2014	156,146.10

**2020 Transfers from Other Sites to Salisbury** 224,102.30

104,528.44



City of  
**Salisbury**  
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator

From: Sandy Green, Assistant Director of Finance

*SG*

Date: 1/12/22

Re: Manufacturing Exemption for equipment purchased in 2020 – Spartech LLC

---

I am recommending that Spartech LLC be granted exemptions from Personal Property Tax for their equipment purchased in 2020, 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 \$15,021 in personal property tax. The exemptions will be applied to City Property Tax years 2022-2026 as shown in the schedule provided herein.

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

# City of Salisbury



**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, 600 Superior Ave E, Suite 1810, Cleveland, OH 44114

Contact Name: Juli Donelson Phone No.: 216.465.6810

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.

**53 MFG/R&D Employees; 10 Admin Employees; See Attached Process/Activities Detail**

2. Exemption is requested for tools, machinery & equipment used in Manufacturing / Research & Development acquired in calendar year 2020.
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 31<sup>st</sup> 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 06/02/2021

Email address juli.donelson@ryan.com

1/12/2022

City of Salisbury  
Finance Department  
Exemption Recommendation to City Council

10:04 AM

Company: Spartech, LLC  
Address: 601 Marvel Road

Requested By: Juli Donelson  
Date of Request: 8/13/2021

Description of Mfg.: Manufacturing

Equipment Year 2020

New Equipment See Listing \$ 178,821.00

**Total** \$ 178,821

<b>Exemption Value</b>	<b>City Property Tax Year</b>	<b>State Return</b>	<b>Year of Exemption</b>	<b>Deprec. Value</b>	<b>Am't of Exemption</b>
	2022	2021	1	160,939	3,863
	2023	2022	2	143,057	3,433
	2024	2023	3	125,175	3,004
	2025	2024	4	107,293	2,575
	2026	2025	5	89,411	2,146

**Total Value of Exemption:** \$ 15,021



**BUSINESS PERSONAL PROPERTY RETURN OF DEPT ID#** Z15461130

7019, Salisbury

601 Marvel Road, Salisbury, MD 21801

**2021  
Form 1****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](http://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
2020	178,821			2016			
2019	390,671			2015			
2018	180,191			2014			
2017	5,071,047			2013 & Prior			

Describe Property in C &amp; D above:

**Total Cost**

\$ 5,820,750

**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
2020		2018	
2019		2017 & Prior	

**Total Cost**

\$ NONE

**7. Non-farming livestock:**

Book Value \$	None	Market Value \$
---------------	------	-----------------

**Total Cost**

\$ NONE

**8. Other personal property: (including Qualified Data Center personal property, see instructions for more information)**

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:**

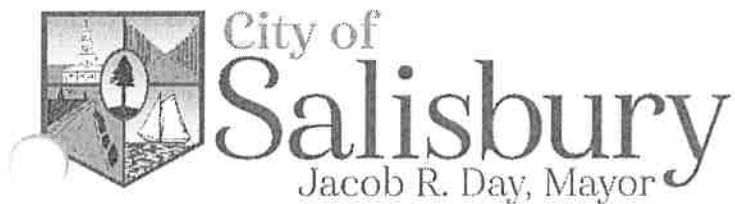
File separate schedule showing names and addresses of lessees, lease number, description of property, installation date and original cost by year of acquisition for each location. Schedule should group leases by county where the property is located. Manufacturer lessors should submit the retail selling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

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

**December 31, 2020**

Asset #	State Class	Asset Description	Acq Date (O)	Cost (O)
7019-1711038470-0	Mfg M&E	C1 Feed Mill Bearing Replacement	02/26/2020	54,795
7019-1711038496-0	Mfg M&E	Replacement Of Leaking PIV Valve	04/28/2020	16,485
7019-1711038526-0	Mfg M&E	Boiler Room Condensate Pump	06/30/2020	4,062
7019-1711038605-0	Mfg M&E	C2 Bearing and Seals	10/27/2020	4,794
7019-1711038621-0	Mfg M&E	Dust issues on 2nd and 3rd floor	11/24/2020	98,685

**Total Mfg M&E                      178,821**



To: Julia Glanz, City Administrator

From: Sandra Green, Assistant Director Finance - Accounting

*SG*

Date: 1/14/22

Re: Manufacturing Exemption for equipment purchased 2017 - 2019 – Viskon-Aire Corp

---

I am recommending that Viskon-Aire Corp be granted an exemption from Personal Property Tax for their equipment purchased in 2017, 2018, and 2019 as requested by the Company. Since the request came within 2-3 years of the purchase of the equipment for 2017, they are eligible for up to 3 years exemption. The request came within 2 years of the purchase of the equipment for 2018 and 2019, so they are eligible for up to 5 years exemption. Over the next five years they will benefit from this exemption by a total savings in personal property taxes of \$ 478 for 2017 equipment purchases, \$ 2,679 for 2018 equipment purchases and \$2,691 for 2019 equipment purchases. Attached please find copies of the calculations and manufacturing exemption applications.

If you don't have any questions, please forward this to City Council for their consideration.

# City of Salisbury



**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: Viskon-Aire Corp MD Department ID#: 22 2236706  
Mailing Address: 410 Winfield Ave. Salisbury MD 21081  
Contact Name: Paul (Chip) Meyer Phone No.: 410-543-8802

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 2017.
3. Address of Manufacturing / R & D operation. See Above
4. Date Manufacturing / R & D operation began in Salisbury. 1979
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 31<sup>st</sup> 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 Paul Meyer Date 1/14/20

Email address cmeyer@rensatiltration.com

# City of Salisbury



**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: Viskon-Aire Corp. MD Department ID#: \_\_\_\_\_

Mailing Address: 410 Winfield Ave. Salisbury MD 21081

Contact Name: Paul A. Meyer Phone No.: 410-543-8802

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.
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6. Attach a copy of the State of Maryland Personal Property Return for the year of acquisition.

### Additional information and requirements

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Preparer's Signature Paul Meyer Date 1/14/21

Email address cmeyer@reusableautomation.com

# City of Salisbury



**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: Viskon Aive Corporation MD Department ID#: 82-4386017  
Mailing Address: 410 Winfield Ave Salisbury MD 21801  
Contact Name: Paul Meyer Phone No.: 410 543 8802

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 2019-20.
3. Address of Manufacturing / R & D operation. As Above
4. Date Manufacturing / R & D operation began in Salisbury. 1979
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 31<sup>st</sup> 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 Paul Meyer Date 1/14/21

Email address cmeyer@rensafiltration.com

City of Salisbury  
Manufacturing Exemption Worksheet

Company: Viskon-Aire

Tax Year	Exemption Credit Value(1)	Exemption Total						
Equipment Purchased Amount :			2017	2018		2019		
			\$ 11,058	\$ 31,895		\$ 32,037		
2019	-	-		90%	-			
2020	-	-		80%	-			
2021	1,566.71	65,279	7,741	70%	28,706	90%	28,833	90%
2022	1,386.73	57,780	6,635	60%	25,516	80%	25,630	80%
2023	1,206.75	50,281	5,529	50%	22,327	70%	22,426	70%
2024	920.62	38,359			19,137	60%	19,222	60%
2025	767.18	31,966			15,948	50%	16,019	50%
\$ 5,847.99			478 0	2,679 0		2,691		

0

Exempt yrs Granted	Calculated Yrs based on equip Yr -->	2017	2018	2019
5	1	2019	2020	2021
5	<2	2020	2021	2022
3	2-3	2021	2022	2023
2	3-4	2022	2023	2024
1	4-5	2023	2024	2025
# Years:		3	5	5
Date Filed:		01/11/21	01/11/21	01/11/21

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

**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 exp under IRS rules. If this business is engaged in manufacturing / R&D, and is claiming such an exemption for the first a manufacturing / R&D exemption application must be submitted by September 1 or within 6 months after the date first assessment notice for the taxable year that includes the manufacturing / R&D property. Visit the website [dat.maryland.gov](http://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 allowance

Year Acquired	A	C	D	Year Acquired	A	C	D
2019	32,037			2015			
2018	15,111		16,784	2014			
2017	419		10,639	2013			
2016				2012 & prior			

Describe Property in C &amp; D above:

Total Cost

\$

**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 exp under IRS rules. If this business is engaged in manufacturing / R&D, and is claiming such an exemption for the first a manufacturing / R&D exemption application must be submitted by September 1 or within 6 months after the date first assessment notice for the taxable year that includes the manufacturing / R&D property. Visit the website [dat.maryland.gov](http://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 allowance

Year Acquired	A	C	D	Year Acquired	A	C	D
2018	270,118			2014			
2017	251,734			2013	188,640		
2016				2012	1,960		
2015	16,700			2011 & prior	1,094,061		

**SECTION VII (cont) - ALL BUSINESS ENTITIES COMPLETE****F. Tools, machinery, and/or equipment used for manufacturing or research and development:**

Year Acquired	2017	2016	2015	2014	2013	2012	2011	2010 & Prior	Total Cost
Original Cost	\$ 83,804	\$ 0	\$ 16,700	\$ 0	\$ 188,640	\$ 1,960	\$ 84,935	\$ 1,001,773	\$ 1,385,165

**G. Vehicles with interchangeable Registration and/or Unregistered vehicles:**



**Tax Year 2020**

Description	In Service Date	A	C	D
OFFICE FURNITURE	31-Jan-20	4,051	-	-
OFFICE FURNITURE	30-Nov-20	4,424	-	-
AIR COMPRESSOR	31-Jan-20	-	20,699	-
PLC ROLLFORMER	30-Apr-20	-	21,823	-
PLC ROLLFORMER	31-May-20	-	11,254	-
INDUSTRIAL SHELVING	30-Nov-20	-	6,739	-
INDUSTRIAL SHELVING	31-Dec-20	-	6,164	-
FORKLIFT	31-Dec-20	-	15,750	-
Total 2020		8,476	82,429	-

**Tax Year 2018**

Description	In Service Date	A	C	D
CANAN COPIER	30-Apr-18	15,111	-	-
COMPUTERS (CARDS)	31-Dec-18	-	-	16,784
Total 2018		15,111	-	16,784

**Tax Year 2019**

Description	In Service Date	A	C	D
OFFICE FURNITURE	19-Jul-19	2,761	-	-
OFFICE FURNITURE	19-Jul-19	2,490	-	-
OFFICE FURNITURE	01-Nov-19	2,258	-	-
WULFTEC MACHINE	31-Aug-19	17,019	-	-
OFFICE FURNITURE	30-Nov-19	7,509	-	-
Total 2019		32,037	-	-

**Tax Year 2017**

Description	In Service Date	A	C	D
CABLES FOR COMPUTER	05-Jul-17	419	-	-
VISUAL SOFTWARE	05-Jul-17	-	-	10,639
Total 2017		419	-	10,639

Vision

Year	Equipment Per Return 16	Equipment Per Return 17	Equipment Per Return 18	Equipment Per Return 19	Equipment Per Return 20	Equipment Per Return 21
2015	16,700.00	16,700.00	16,700.00	16,700.00	-	-
2016	-	-	-	-	-	-
2017			83,804.00	251,734.00	11,058.00	11,058.00
2018				270,118.00	31,895.00	31,895.00
2019					32,037.00	32,037.00
2020						90,905.00



City of  
**Salisbury**  
Jacob R. Day, Mayor

To: Julia Glanz, City Administrator  
From: Sandy Green, Assistant Director of Finance *SG*  
Date: 1/14/22  
Re: Manufacturing Exemption for equipment purchased 2020 – Viskon

---

I am recommending that Viskon be granted an exemption from Personal Property Tax for their equipment purchased in 2020 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' exemptions for 2020 purchases.

Over the next five years, they will benefit from this exemption by a total savings of \$7,636 in personal property tax for 2020 equipment purchases based on the current personal property tax rate. The exemptions will be applied to City Property Tax years as shown in the schedule provided herein.

# City of Salisbury



**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: Vision Airc Corporation MD Department ID#: 82-4386017  
Mailing Address: 410 Winfield Ave Salisbury MD 21801  
Contact Name: Paul Meyer Phone No.: 410 543 8802

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 2019-20.
3. Address of Manufacturing / R & D operation. As Above
4. Date Manufacturing / R & D operation began in Salisbury. 1979
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 31<sup>st</sup> 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 Paul Meyer Date 1/14/21

Email address cmeyer@rensafiltration.com

City of Salisbury  
Internal Services -Finance Department  
Exemption Recommendation to City Council

Company: Gardner Sign Inc  
Address: 410 Winfield Avenue

Requested By: Paul Meyer  
Date of Request: 1/14/2021

Description of Mfg.: Viskon

Equipment Year 2020

New Equipment Amount per Tax Return \$ 90,905

Total \$ 90,905

Exemption Value	City Property <u>Tax Year</u>	State <u>Return</u>	Year of <u>Exemption</u>	Deprec. <u>Value</u>	Amount of <u>Exemption</u>
	2022	2021	1	81,815	\$ 1,964
	2023	2022	2	72,724	\$ 1,745
	2024	2023	3	63,634	\$ 1,527
	2025	2024	4	54,543	\$ 1,309
	2026	2025	5	45,453	\$ 1,091
Total Value of Exemption:					<u>\$ 7,636</u>

**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](http://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
2020	8,476	82,429		2016			
2019	32,037			2015			
2018	15,111		16,784	2014			
2017	419		10,639	2013 & prior			

Describe Property in C & D above:  
C: M&E D: Computer Equipment

Total Cost

\$ 0

**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
2020		2018	
2019		2017 & prior	

Total Cost

\$ 0

**7. Non-farming livestock:**

Book Value \$	Market Value \$
---------------	-----------------

**8. Other personal property: (including Qualified Data Center personal property, see instructions for more information)**

Total Cost

\$

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

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

Total Cost

\$

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

**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

\$

**Tax Year 2020**

Description	In Service	A	C	D
	Date			
OFFICE FURNITURE	31-Jan-20	4,051	-	-
OFFICE FURNITURE	30-Nov-20	4,424	-	-
AIR COMPRESSOR	31-Jan-20	-	20,699	-
PLC ROLLFORMER	30-Apr-20	-	21,823	-
PLC ROLLFORMER	31-May-20	-	11,254	-
INDUSTRIAL SHELVING	30-Nov-20	-	6,739	-
INDUSTRIAL SHELVING	31-Dec-20	-	6,164	-
FORKLIFT	31-Dec-20	-	15,750	-
Total 2020		8,476	82,429	-

**Tax Year 2018**

Description	In Service	A	C	D
	Date			
CANAN COPIER	30-Apr-18	15,111	-	-
COMPUTERS (CARDS)	31-Dec-18	-	-	16,784
Total 2018		15,111	-	16,784

Viskon

**Tax Year 2019**

Description	In Service	A	C	D
	Date			
OFFICE FURNITURE	19-Jul-19	2,761	-	-
OFFICE FURNITURE	19-Jul-19	2,490	-	-
OFFICE FURNITURE	01-Nov-19	2,258	-	-
WULFTEC MACHINE	31-Aug-19	17,019	-	-
OFFICE FURNITURE	30-Nov-19	7,509	-	-
Total 2019		32,037	-	-

**Tax Year 2017**

Description	In Service	A	C	D
	Date			
CABLES FOR COMPUTER	05-Jul-17	419	-	-
VISUAL SOFTWARE	05-Jul-17	-	-	10,639
Total 2017		419	-	10,639



City of  
**Salisbury**  
Jacob R. Day, Mayor

## **COUNCIL AGENDA**

### **Department of Procurement**

**January 24, 2022**

#### **Award of Bid**

- |   |                         |
|---|-------------------------|
| 1. ITB A-22-112 Citywide Street Striping  | \$912,333.70 (base bid) |
| 2. ITB 22-124 Pallet SPC                  | \$226,075               |
| 3. ITB A-22-110 Polymer Chemical Supplier | \$210,000 (3yr est.)    |





# City of Salisbury

Jacob R. Day, Mayor

**To:** Mayor and City Council  
**From:** Jennifer Miller  
Director of Procurement  
**Date:** January 24, 2022  
**Subject:** Award of Bids

The Department of Procurement seeks approval from City Council for three procurement awards. For all procurement award recommendations, the City followed required bidding practices by publicly posting the solicitations on the City of Salisbury's Procurement Portal and the State of Maryland's procurement website, eMaryland Marketplace Advantage. The departmental memos provide further details.

#### ITB A-22-112 Citywide Street Striping

- Scope of Work: Provide all labor, equipment and materials necessary to perform street traffic striping at various locations throughout the City.
- Bid date: 12/07/21
- Bid opening: 01/12/22 @ 2:30 p.m.
- Total bids received: 2 responsive and responsible bids
- Lowest responsive & responsible bidder recommended for award:
  - Zone Striping (Glassboro, NJ)
- Cost: \$912,333.70 for bid comparison purposes only
  - GL Account(s): 31000-534318 Street Maintenance (\$625,000 FY22 Budget)
- Notes:
  - Indefinite Delivery, Indefinite Quantity contract, with no guarantee of project assignment to the firms selected.
  - Initial 1 yr. term with 2 optional 1 yr. renewals

#### ITB 22-124 Tiny Homes for the Homeless

- Scope of Work: Furnish, deliver and provide onsite assembly of 25 pallet-shelter homes
- Authority per Municipal Code 2.32.050.C.5.e Non-Competitive Negotiation/Sole Source Procurement
  - "Sole source procurement exists whenever the director (of Procurement) determines that there is only one available source for the subject of a procurement contract and he/she may award the contract without competition to that source."
- Vendor: Pallet SPC (Seattle, WA)
- Cost: \$226,075
- GL Account(s): 98122-513026-48085
- Notes:
  - See "Sole Source Justification" information attached



# City of Salisbury

Jacob R. Day, Mayor

## ITB A-22-110 Polymer Chemical Supplier

- Scope of Work: Furnishing and delivery for a 12-month supply of polymer for rotary drum thickener and sludge belt dewatering.
- Bid date: 10/29/21
- Bid opening: 01/05/22 at 2:30 p.m.
- Total bids received: 2
- Lowest responsive & responsible bidder recommended for award:
  - Solenis, LLC (Wilmington, DE)
- Cost: \$210,000.00 (3 yr. estimate)
- GL Account(s): 86083-546004 WWTP Chemicals
  - Requirements contract; purchase orders placed as needed
  - Initial 1 yr. term with 2 optional 1 yr. renewals

The Department of Procurement hereby requests Council's approval to award these three contracts to the vendors as indicated.



City of  
**Salisbury**  
Jacob R. Day, Mayor

To: Jennifer Miller, Director of Procurement  
From: Amanda Pollack, Director, Department of Infrastructure & Development  
William White, Transportation Project Specialist  
Date: January 13, 2022  
Subject: Award of Bid for Contract # A-22-112, Citywide Street Striping

AP

Contract No. A-22-112 Citywide Street Striping bids were opened Wednesday, January 12, 2022 at 2:30 P.M. Bids were received from three (3) Striping Contractors. The bid quantities for this contract were for reference only and in place only to establish locked-in rates for the term of the contract (one year, renewable up to two times); therefore, no actual funds will be awarded at this time. Purchase Orders will be processed, as needed, per assignment to the Contractor. The bidders and base bids are as follows:

Vendor	Base Bid
Zone Striping, Inc.	\$ 912,333.70
Straight Line	\$ 925,214.00
Traffic Lines, Inc.	\$ 1,062,895.00

Straight Line is considered Non-Responsive because they did not provide a bid bond within their submittal. The lowest responsive and responsible bidder, Zone Striping, Inc., successfully completed striping work for the City of Salisbury in past years as a sub-contractor and as the responsible party. Department of Infrastructure & Development (DID), upon review and evaluation of the bids submitted, recommends this contract be awarded to Zone Striping Inc., the lowest bidder.

Funding is provided from multiple accounts. The City of Salisbury maintains an Annual Citywide Street Maintenance account that is utilized to restripe throughout the City in association with resurfacing projects. The funding for this work is a line item in the Adopted budget: 31000-534318 Citywide Street Maintenance. Additionally, the City maintains funds for bike facilities to include striping. As this contract is intended to lock rates in for the specified time frame, no award of fund shall be made at this time; as work becomes available individual purchase orders will be issued to the contractor.

Please award contract ITB A-22-112 To Zone Striping, Inc.

Amanda H Pollack

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



**To:** Jennifer Miller, Director of Procurement  
**From:** Ron Strickler, Director of Housing and Community Development  
**Date:** 1/14/2022  
**Subject:** Sole Source Justification, Tiny Home Community Shelters Purchase from Pallet, SLC

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The Housing and Community Development Department is requesting approval for the procurement of twenty-five (25) Shelter 64 units from Pallet SPC, located in Everett, Washington. Pallet SPC is a social purpose corporation with the mission of manufacturing rapidly deployable and durable shelters solutions for homelessness and disaster response. Additionally, a large percentage of the Pallet SPC team has experienced homelessness and found stability through meaningful employment. Pallets line of shelter facilities are unique and patented (US Patent #10,260,228 B2).

Pallet, SPC shelter facilities are the only known shelters on the market that can be quickly assembled and disassembled with no tools required. The shelters are produced using 100% inorganic material resulting in a product that is mold, mildew and rot resistant which extends the life of the shelter. Pallet SPC staff will arrive on site and fully assemble each unit at our prepared site. The units are a turn-key solution with climate-controlled HVAC, integrated bed platforms, shelving and fire safety equipment. All shelters are manufactured in the United States and are only available through Pallet SPC as the direct sole source vendor.

Please find the attached sole source authorization form and supporting documents for your review and determination to approve the purchase from Pallet SPC as a sole source.

Respectfully,

Ron Strickler, Jr  
Director, Housing and Community Development



CITY OF SALISBURY  
DEPARTMENT OF PROCUREMENT

SOLE SOURCE PURCHASE JUSTIFICATION

Questions about this form? Please call (410) 548-3190

**SOLE SOURCE:** The product or service is unique, meaning that only one vendor, to the best of the requestor's knowledge and belief, is capable of furnishing the product or service. A sole source justification is required for every purchase over the direct buy limit of \$2,000.00, and must be approved by the Director of Procurement prior to an order being placed. A thorough definition of sole source purchases is on the back of this form.

**POLICY PURPOSE:** It is the policy of the City of Salisbury to consistently purchase goods and services using full and open competition. The citizens of the City of Salisbury are best served when we make sound business decisions based on competitive bids or proposals. Early acquisition planning that includes the Department of Procurement can help to avoid delays and to facilitate effective market research. However, there may be instances when other than full and open competition may be justified. When a using agency determines that other than full and open competition is necessary or in the best interest of the City, appropriate justification for that course of action must be submitted to the Director of Procurement for approval in order to waive the competitive bid/proposal process.

Please provide the following information to document the sole source request. Attach additional pages as necessary.

Explain why the product or service requested is the only one that can satisfy your requirements, and why all alternatives are unacceptable. Be specific with regard to unique specifications, features, characteristics, requirements, capabilities, compatibility, and performance.

**Pallet SPC patented shelters have unique features that can be quickly assembled with the use of no tools. They also have the ability to ship 25 units per individual truck and are fully assembled by the staff from Pallet SPC onsite. The Shelter 64 from Pallet SPC is turnkey and includes heating and air conditioning, bed platforms, electrical junction box only requiring connection and fire safety equipment.**

Explain why this service provider, supplier, or manufacturer is the only practicably available source from which to obtain this product or service and describe efforts that were made to verify and confirm this. Obtain and include a letter from the manufacturer or vendor confirming claims of sole source provision, and a quote from the manufacturer or distributor.

**With timeframe of production, the need for the most cost-effective solution and the information provided above, Pallet, SLC was determined to best option for our Homeless Tiny Home Transitional Community. Additionally, no company produces a product similar to Pallet SLC that we have identified.**

Describe your efforts to identify other potential products or sources.

**Connect Shelters are designed to help solve the housing/homeless crisis. A multi-unit structure priced out at an estimated \$20,000 per individual unit. The shipping price was also higher as a result of the number of individual units (3-4) that could be transported on an individual truck. 360 Modular is another company aimed at solving the housing crisis. Their 8x8 unit was priced just over the cost of Pallet, SPC but did not include air-conditioning. The shipping cost would also be much higher again due to the number of units able to ship per truck across the country.**

Is there a grant or unique funding source that directs a specific source be used? If yes, please attach applicable portion.

**N/A**

Will this purchase obligate the City to a particular vendor for future purchases (either in terms of maintenance that only this vendor will be able to perform and/or will purchasing this item will cause the City to need more like items in the future)?

**Should we find the product sufficient for future expansion, we would continue to utilize Pallet SPC for additional shelter purchases. In the event of a malfunction and/or damage to a unit, the City would be required to purchase replacement materials from Pallet SPC.**

Describe the negotiation efforts that have been made with the supplier to obtain the best possible price.

**Pallet SPC has agreed to hold the current price points regardless of cost increases with a signed contract in lieu of 50% down payment.**

#### STATEMENT OF NEED AND CERTIFICATION

I am aware that City procurement regulations require procurements to be done competitively whenever practicable. I am requesting a sole source procurement based on the following criteria: The statements I have made are complete and accurate, based on my professional judgment and investigations. I also certify that no personal advantage, gain, or privilege has (or will) accrue to me or my immediate family through the purchase from this vendor, nor is there a conflict of interest in any way with this request.

Submitted by: Ronald L Strickler Jr Date: 1/14/2022  
Signature of Individual Requesting Sole Source Purchase Justification

Printed Name: Ronald Strickler, Jr Department: Housing and Community Development

#### FOR PROCUREMENT USE ONLY

This situation as stated on this form and its attachments:

- ☐ Constitute a Sole Source Procurement ☐ Does NOT constitute a Sole Source Procurement  
☐ There is insufficient information for justification

Comments to Requestor: [Click here to enter text.](#)

Signature: \_\_\_\_\_ Date: \_\_\_\_\_  
Jennifer Miller, Director of Procurement

#### SOLE SOURCE JUSTIFICATION CRITERIA

The following list of criteria should be used in determining if a sole source situation exists:

1. Only one manufacturer makes the item meeting salient specifications; that manufacturer only sells directly or exclusively through one regional or national representative.
2. Item required must be identical to equipment already in use by the end user, to insure compatibility of equipment, and that item is only available from one source.
3. Collaborative project- Supplier is named by the funding source or interagency agreement where the identical equipment is required for compatibility and continuity.
4. Maintenance or repair calls by the original equipment manufacturer are required for a piece of equipment, and the manufacturer does not have multiple agents to perform these services.
5. Replacement or spare parts are required from the original equipment manufacturer, and the manufacturer does not have distributors for these parts.
6. Patented items or copyrighted materials, which are only available from the patent or copyright holder.
7. Unique expertise, background in recognized field of endeavor, the result of which may depend primarily on the individual's invention, imagination, or talent. Consultant has advanced or specialized knowledge, or expertise gained over an extensive period of time in a specialized field of experience.
8. A Market Survey has been conducted to determine whether other potential sources capable of satisfying the requirement exist. Market survey may be conducted by phone or in writing. The extent of the market survey depends on what constitutes a reasonable effort under the circumstances to ensure that competition is not feasible. A list of suppliers contacted, along with the reason why each supplier could not meet the requirement may justify a sole source purchase.

NOTE: An item being a "sole brand" or a "sole manufacturer" does not automatically qualify as a "sole source." Many manufacturers sell their products through distributors. Therefore, even if a purchase is identified as a valid "sole brand" or "sole manufacturer," the requestor should verify whether the manufacturer has multiple distributors. If multiple distributors for an item exist, competition should be sought among those distributors.



Pallet, SPC  
1930 Merrill Creek Pkwy  
Everett, WA 98203  
info@palletshelter.com

Re: Sole Source Procurement

To Whom it May Concern:

Our company, Pallet SPC, a social purpose corporation, is a manufacturer of rapidly deployable, durable, and scalable shelter solutions for homelessness and disaster response.

Our unique and patented shelters (US Patent #10,260,228 B2) are the only known shelters on the market that can be put together quickly with no tools required and are made 100% of inorganic material - making them mold, mildew and rot resistant. Additionally, our shelters come with optional integrated bed platforms, electrical connections, climate control options, shelving, and fire safety equipment, making our shelters the only know turn-key solution.

These shelters are manufactured by us, in our Everett, WA factory. We currently do not have any distributors and remain the sole source for purchasing of our patented shelters.

Very Best,

A handwritten signature in black ink, appearing to read "Patrick Diller", with a stylized, cursive script.

Patrick Diller

Head of Community Partnerships



**2021 MASTER PRODUCT AND SERVICES AGREEMENT  
STATEMENT OF WORK**

<b>PROJECT</b>	<b>Salisbury, MD</b>	<b>EFFECTIVE DATE: 12/10/21</b>
	<b>CUSTOMER: Salisbury, MD</b>	<b>PALLET SPC ("PALLET")</b>
<b>Contact Name</b>	Christine Chestnutt	Benjamin Simons
<b>Mailing Address</b>	207 W. Main St. Suite 102 Salisbury, MD 21801	1930 Merrill Creek Pkwy, Suite A Everett, WA 98203.
<b>Email Address</b>	cchestnutt@salisbury.md	benjamin@palletshelter.com
<b>Telephone</b>	410-334-3031	4255954544
<b>UBI/Business License No.</b>		603 622 031
<b>Federal Tax I.D.</b>		8 2 - 1 5 1 6 7 2 2

**PALLET BANKING INFORMATION**

<b>Bank Name: Columbia Bank</b>	<b>Account Beneficiary Name: Pallet SPC</b>
<b>Routing No.: 125108272</b>	<b>Account Beneficiary Address: PO Box 77570, Seattle, WA 98177</b>
<b>Account No.: 7000984919</b>	
<b>Account Type (check one):</b> <input checked="" type="checkbox"/> Business Checking <input type="checkbox"/> Personal Checking <input type="checkbox"/> Business Savings <input type="checkbox"/> Personal Savings	Pallet hereby authorizes Customer to make direct deposits into Pallet's bank account for the Purchase Price, Fees and Prepaid Expenses associated with these Terms.

Product Purchase and Sale:				
Quantity and Type of Products Purchased:				
	Product	Sales Price	Quantity	Total Price
	Shelter 64 SQF .5" Insulated	\$5,495.00	25.00	\$137,375.00
	240v Electrical Kit with 4,500w Heater	\$999.00	25.00	\$24,975.00
	Cold Weather Upgrade Package	\$585.00	25.00	\$14,625.00
	Folding Bunk Bed	\$299.00	25.00	\$7,475.00
	Custom Fit Mattress Pad	\$249.00	25.00	\$6,225.00
	AC Install Kit	\$36.00	25.00	\$900.00
Purchase Price for Products:	\$191,575			
Description of Services:	Pallet shall perform the following Services for the Project:  Shipping and onsite assembly of shelters and accessories in customer’s desired location. Pallet assembly excludes site grading, leveling of shelters, electrical or plumbing connections, and staking of units to ground. Customer shall provide 3,000 lbs. forklift with minimum 6 foot forks for delivery and installation.			
Payment for Services (Fees):	Shipping: \$12,000 Assembly: \$22,500			
Tax	n/a			
Payment Terms:	50% upon signing, and the remaining 50% upon shipment of units			
Total Purchase Price:	\$226,075			
Deposit Due Upon Signing:	\$113,037.50			
Terms and Conditions:	This Statement of Work is subject to the Terms and Conditions attached hereto, which are incorporated herein by reference. Any and all documents, notes, memoranda or attachments made pursuant hereto are incorporated herein and made a part of this Statement of Work.			





City of  
**Salisbury**  
Jacob R. Day, Mayor

To: Cori Cameron, Director of Water Works  
From: Connie Luffman, WWTP Superintendent  
Date: January 6, 2022  
Re: ITB A-22-110 Polymer Chemical Supplier

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Salisbury Water Works recently advertised a bid for a Polymer Chemical Supplier for the Wastewater Treatment Plant. Two (2) vendors were prequalified to bid by performing successful onsite polymer trails for their products. Summarized below are their bids and calculated costs based on data from the trials

Company	Chemical	Unit Price	unit price multiplied by calculated pound per dry ton of sludge = cost to treat a dry ton of sludge	Total for remaining FY22
Solenis LLC	Praestol K279FLX	\$1.59 per lb.	UP x 59.79 lbs./DT = \$95.07 per DT	\$69,180.90
Polydyne Inc.	Clarifloc NE-2451	\$1.55 per lb.	UP x 75.24 lbs./DT = \$116.62 per DT	\$85,560.00

Salisbury WWTP recommends awarding the contract to Solenis, which is the calculated low bid.

Funding for this chemical for \$69,180.90 is available from the WWTP chemical account 86083-546004. Please let me know if you need any additional information. Thank you.

*[Handwritten signature]*  
1/6/22

*Cori Cameron*

1/12/22



City of  
**Salisbury**  
Jacob R. Day, Mayor

## MEMORANDUM

**To:** City Council

**From:** Mayor Jake Day

**Re:** Establishment of the Truth, Racial Unity, Transformation & Healing Advisory  
Committee

**Date:** January 20, 2022

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January 18, 2022 is not only the first day that we will gather following the 35<sup>th</sup> observation of Martin Luther King, Jr. Day. It is also the National Day of Racial Healing. I can think of no more appropriate day to recognize – as the State of Maryland along with cities and counties from across America have – the need for thoughtful, dedicated members of our community to analyze the impact of injustices of the past that undoubtedly linger in our present, and propose ways to heal, resolve, respond, transform and unite as a diverse community moving forward together. Please find the attached resolution for consideration.

RESOLUTION NO. ~~XXXX~~ 3147

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND TO ESTABLISH A  
“TRUTH, RACIAL ~~UNITY, HEALING, &~~ TRANSFORMATION & HEALING  
(~~TRUTH~~) ADVISORY COMMITTEE.”

~~WHEREAS,~~ The City of ~~Salisbury~~ Salisbury, Maryland is a dynamic, multiracial and multicultural city ~~whose diversity is its greatest asset. Yet, Salisbury is still deeply divided that remains committed to embracing racially and racial and cultural diversity.~~ The long history of racial terror lynchings and systemic racism is felt today. The time has come to finally heal these divisions and As a minority-majority city, the City of Salisbury seeks to build a truly racially equitable community that will endure over the long term solicit feedback from community stakeholders in an effort to become a more welcoming place that all are proud to call “home”; and-

~~WHEREAS,~~ The Mayor and City Council recognize that, in the words of Martin Luther King, Jr., “Injustice anywhere is a threat to justice everywhere,”~~”~~, and the Mayor and Council stand resolute in their resolve to mitigate disparities and work to resolve past and present systemic injustices that threaten the fabric of our society; ~~and-~~

~~WHEREAS,~~ The City of Salisbury has set goals to achieve racial equity and equality to work toward healing the wounds borne of past and present oppressive structures and to embrace human dignity for all as the foundation to achieve -and remains committed in the pursuit of achieving- to heal the wounds born of past and present oppressive structures and transform the City of Salisbury, MD from being bound to a hierarchy of human value based on superficial physical characteristics, such as skin color, into one embracing the realization of human dignity for all as the foundation to achieve -a more perfect union; ~~and-~~

~~WHEREAS,~~ the Mayor and City Council deem it in the best interest of its citizens to enact legislation to support and advocate for all of our citizens who feel they have been victim to systemic racism; ~~and~~

~~WHEREAS,~~ the City seeks to establish the City of Salisbury Truth, Racial Unity, Transformation, and Healing, ~~-and Transformation-~~ Advisory Committee ~~for the advocacy of their citizens on the city, state, and federal levels that will provide recommendations to the Mayor concerning ways by which the City may further its mission of welcoming and embracing Diversity, Equity & Inclusion~~ diversity by continuing to create a more just and equitable community; ~~and-~~

~~WHEREAS,~~ the Maryland General Assembly enacted and Governor Larry Hogan signed into law the establishment of the Maryland Truth and Reconciliation Commission in 2019.

NOW, THEREFORE BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND, ~~by the Salisbury City Council that the City of~~ that the City of Salisbury “Truth, Racial Unity, Transformation & Healing, ~~-and Transformation~~ Advisory Committee” is hereby established and will abide by the following By- Laws:

By- Laws of the City of Salisbury Truth, Racial Healing, and Transformation Advisory Committee

Section 1. Membership

50 a. The Truth, Racial Healing, and Transformation Advisory Committee ("the Committee") shall  
51 consist of thirteen (13) members. The Members shall be authorized and appointed by the Mayor  
52 and approved by the Council. The membership shall include at least ~~seven~~ seventwo (727)  
53 representatives of racial or national minorities; ~~at least two (-2) representatives from the LGBTQ+~~  
54 ~~community; at least two (-2) people under 18 years of age one (1) high school student;~~ and at least  
55 two (-2) members of local religious organizations. Members shall serve staggered terms of four (4)  
56 years; ~~seveneight (78)~~ seven (7) members will serve four (4) year terms beginning and ending in even years,  
57 and ~~sixeven (-67)~~ six (6) members will serve four (4) year terms beginning and ending in odd years. If a  
58 member resigns from the committee in the middle of a term, their replacement will serve the  
59 remaining length of the resigning member's term.

60  
61  
62 b. The Committee will meet at least six (6) times a year.

63  
64 c. At the first meeting a Chair and Vice Chair will be nominated and elected. The Chairperson shall  
65 preside at all meetings and work with the City staff member assigned to support this committee with  
66 setting the agenda. The Vice Chairperson shall preside over the meetings in the event that the  
67 Chairperson is absent.

68  
69 d. For any and all formal recommendations made by the Committee to the Mayor, a quorum must be  
70 present. A quorum shall be at least 51% of those members appointed.

71  
72 e. Members shall make every effort to attend all meetings. In the event that a member is absent from  
73 three meetings in any calendar year without either a pre-arranged excuse or an emergency, they may  
74 be recommended to the Mayor for removal.

## 75 Section 2. Purpose

76  
77  
78  
79 a. To advise the Mayor ~~about the truth and facts about~~ perceived and realized racial injustices and  
80 systemic racism ~~in extant throughout the City Salisbury, MD;~~

81 ~~a.~~  
82 ~~b. To advise the Mayor on offer policy recommendations to the Mayor policies and programs for~~  
83 ~~inclusiverelating to actions that the Administration may take in pursuit of~~ racial healing, ~~and to~~  
84 ~~offer recommendations that the Mayor may convey to by the City of Salisbury and with other levels~~  
85 ~~of government other government bodies throughout including~~ Wicomico County and the State of  
86 Maryland;

87 b.

88  
89 ~~c. To advise the Mayor on promoted the creation of a Salisbury, MD Archive for Racial and Cultural~~  
90 ~~Healing (ARCH) that can be used by stakeholders in all sectors;~~ [NS1]

91 ~~d. Recommend transformational policies and remedies to the Mayor and City Council and ways to~~  
92 ~~dismantle systemic racism across every part of the City of Salisbury government and our~~  
93 ~~society;~~ [NS2]

94 c. To recommend ~~TRHT TRUTH~~ community engagement strategies ~~for the Mayor and City Council;~~  
95 to the Mayor for consideration.

d. To advise the Mayor on forming partnerships with cultural and historic institutions to establish a digital Archive for Cultural and Racial Healing that will document and preserve our journey through the Racial Healing and Transformation process.

e.

f. To advocate for citizens on the city, state, and federal levels who have been victims of systemic racism. [NS3]

g.e. To identify and work with the community stakeholders to find more identify opportunities to create a more inclusive, diverse and diverse community that embraces our common humanity.

**Section 3.** Definitions: For purposes of this resolution:

a. ~~T(a)~~ [NS4] The term “truth” refers to forensic truth, personal truth and narrative truth. Forensic truth on what happened needs to be made available in the archives as open data and information, including testimonies of individuals and communities harmed by historical and systemic racism, in areas such as discrimination and disparity in law enforcement, access to education, access to health, access to housing, labor rights, access to financing and others. By creating space for personal truths to be told, we can better shape the nation's understanding of itself and develop a new narrative that is inclusive and embraces human dignity and equal value of all.

a.

b. ~~(b)~~ The term “racial unity/healing” means to enable sustainable interpersonal and intercommunal healing. Racial healing mends the wounds of the past to build mutually respectful relationships across racial and ethnic lines that honor and value each person’s humanity; thus rebuilding trusting intergenerational and diverse community relationships that better reflect our common humanity and the founding principles of this nation.

b.

c. ~~(c)~~ The term “transformation” means the institutional, societal and cultural reforms, policies, remedies, and preventative measures needed to overcome the legacy of historical and systemic racism, inclusion of all groups in just and fair ways in shaping our collective future in order to create a society based on racial equity.

c.

d. ~~(d)~~ The term “Truth, Racial Unity, Transformation & Healing~~Truth, Racial Healing, and Transformation (TRHT)~~” means comprehensive, ~~national, regional,~~ local and community-based approaches to effectuate and bring about transformational remedies and sustainable racial equity, including meaningful redress for the lasting and latent effects of historic and contemporary racism.

—T

h. ~~(e)~~ [NS5] The term “~~TRHT-TRUTH~~ narrative change” means how the people of this country collectively view themselves, each other, past and present building on testimonies, hearings, publications, educational programs, cultural and artistic activities, public campaigns and cultural transmissions aimed to 1) foster empathy with the individuals and communities harmed by historical and systemic racism, and 2) properly acknowledge community experiences, strengthening of their rights, honoring their resilience, and encouraging change. The process of receiving and using testimony must be respectful, inclusive, safe and culturally appropriate.

f. ~~“(f) [NSG] “TRHT~~Truth, Racial Unity, Transformation & Healing community engagement” practices which means that ~~TRHT~~consultations, design and implementation processes are: 1) implemented with individuals and communities affected by historical and systemic racism at the center of the process, 2) ~~TRHT~~community engagement informs the design and implementation narrative change, racial healing, and the racial equity policies and programs, and 3) ~~TRHT~~community engagement partners include but are not limited to community organizations, faith-based organizations, law enforcement, education and health programs, housing and labor rights groups, civic groups, media and entertainment, financing, artists and arts organizations, and others.

#### **Section 4.** City Council Liaison

One member of the City Council shall act as liaison to the ~~Truth, Racial Healing, and Transformation (TRHT) Advisory~~ Committee and regularly attend meetings. They shall report to the full City Council on any recommendations made by the Committee and any other pertinent information.

#### **Section 5.** City Staff Liaison

One member of the Mayor' s Office ~~with assistance from the Solicitor' s Office~~ shall act as liaison to the ~~Truth, Racial Healing, and Transformation (TRHT) Advisory~~ Committee and regularly attend meetings. They shall report to the Mayor on any recommendations made by the Committee and any other pertinent information.

~~NOW, THEREFORE BE IT RESOLVED, by the Salisbury City Council that the Truth, Racial Healing, and Transformation (THRT) Advisory Committee is created.~~

~~THIS RESOL~~~~THE ABOVE RESOL~~UTION was ~~duly passed~~introduced and read and passed ~~at-at a meeting the regular meeting~~ of the Council of the City of Salisbury held on ~~xxxxxx~~        this 18<sup>th</sup> 24<sup>h</sup> day of January, 2022 and is to become effective immediately upon adoption.

ATTEST: ~~xxxx~~

Kimberly R. Nichols, City Clerk John R. Heath, City Council President  
President Salisbury City Council

~~APPROVED BY ME THIS:~~Approved by me, this            day of           , 2022.

Jacob R. Day, Mayor



# City of Salisbury

Jacob R. Day, Mayor

To: City Council

From: Julia Glanz, City Administrator

Subject: Resolution authorizing the Mayor to enter into a Participation and Release form related to a national opioid settlement, and to enter into a State-Subdivision agreement related to a national opioid settlement

Date: January, 20, 2022

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The City of Salisbury, along with every other community in America, has been faced with tackling the opioid epidemic. With the recent national opioid lawsuits against Johnson & Johnson, Amerisource Bergen, Cardinal Health, and McKesson, states and local subdivisions have been invited to participate in those settlement agreements. Although the City of Salisbury did not initially sign on to the lawsuit we have the opportunity to receive a share of the settlement funds to put towards our efforts of abating this epidemic.

The resolution before you is twofold. First, it authorizes the Mayor to execute and enter into the attached Participation and Release form on behalf of the City of Salisbury. The City hasn't signed on to any national lawsuits and will release ourselves from ever entering into one in the future. Second, it authorizes the Mayor to execute and enter into the attached State-Subdivision agreement on behalf of the City of Salisbury. By doing so the City of Salisbury will receive an estimated \$285,689.67 directly that can be used toward a portion of past expenses spent on abating this epidemic and future uses. The City is allocated another \$514,241,40 in non-competition grant funds. To tap into these funds, we will have to submit an abatement plan to the State that meets the National settlement guidelines. This funding is contingent upon the number of other jurisdictions in Maryland that sign on to this agreement and is subject to change.

The Maryland Municipal League helped to negotiate the settlement agreement that is before us today. Our team at Cockey, Brennan, and Maloney have been advocating on our behalf throughout this process.

We recommend approving the resolution to allow for the City to continue to abate this epidemic in creative ways with key partners in our community.

Attached you will find the following:

1. National Settlement Participation Form
2. Maryland State Subdivision Agreement
3. Exhibit A Estimate
4. MD Opioid Restitution Fund Bill

Please let me know if you have any questions.



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**RESOLUTION NO. 3148**

**A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND  
AUTHORIZING THE MAYOR TO EXECUTE A “SETTLEMENT  
PARTICIPATION AND RELEASE” RESULTING FROM A  
NATIONAL SETTLEMENT NEGOTIATED BY AND BETWEEN  
CERTAIN OPIOID DISTRIBUTORS AND STATE AND LOCAL  
GOVERNMENTS, AND FURTHER AUTHORIZING THE  
MAYOR TO ENTER INTO AN AGREEMENT WITH THE STATE  
OF MARYLAND PROVIDING FOR DIRECT AND INDIRECT  
ALLOCATION OF SPECIFIED SETTLEMENT PROCEEDS TO  
THE CITY OF SALISBURY, MARYLAND.**

**RECITALS**

**WHEREAS**, the people of the State of Maryland and its local governments have been harmed by an epidemic of opioid addiction and opioid overdose deaths; and

**WHEREAS**, certain pharmaceutical manufacturers, distributors, and dispensers have engaged in unlawful conduct related to the manufacture, marketing, promotion, distribution, and dispensing of opioids that has caused these harms; and

**WHEREAS**, many of Maryland’s local governments secured legal representation and filed suit against certain manufacturers and distributors, seeking to hold them accountable for their unlawful conduct and to obtain funds to be used to abate the epidemic; and

**WHEREAS**, although the City of Salisbury did not elect to participate in the aforementioned lawsuits, the settlement negotiations arising from the lawsuits filed against Johnson & Johnson, Amerisource Bergen, Cardinal Health, and McKesson have resulted in national settlements that invite participation by all States and many of their local subdivisions (“qualifying subdivisions”), including the City of Salisbury, regardless of whether such States and/or qualifying subdivisions were parties to the lawsuits; and

**WHEREAS**, the national settlement agreements can be accessed and reviewed on the national settlement website found at: <https://nationalopioidsettlement.com/>; and

**WHEREAS**, the national settlement agreements provide for each State to receive a specified share of the overall settlement proceeds, and specifically tie the dollar amount allocated to each State to the percentage of participation by such State and its qualifying subdivisions; and

**WHEREAS**, in order to facilitate full participation in the national settlement agreements, and thereby maximize recovery from the national settlements for the benefit of their residents, the State of Maryland and its local governments have negotiated a separate State-Subdivision Agreement to address the allocation of the settlement funds received by the State of Maryland in the national settlement; and

**WHEREAS**, the State-Subdivision Agreement allocates funds directly and indirectly (through grant opportunities) to the City of Salisbury, and while this share of the settlement proceeds will not be sufficient to abate the widespread harm of the epidemic, such funds will nevertheless enable the City of Salisbury to significantly increase the reach and effectiveness of ongoing abatement efforts; and

**WHEREAS**, receipt of such funds by the City of Salisbury is contingent upon 1) execution of and entry into the Settlement Participation and release of claims arising from the opioid lawsuits and set forth



53 in **Exhibit 1**; and 2) execution of and entry into the State-Subdivision Agreement set forth in **Exhibit 2**,  
54 both of which exhibits are incorporated as if fully set forth herein.  
55

56 **NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF**  
57 **SALISBURY** as follows:  
58

59 **Section 1.** The Mayor is authorized to execute and enter into the attached Participation and  
60 Release form, or a version substantially similar thereto, on behalf of the City of Salisbury, Maryland.  
61

62 **Section 2.** The Mayor is authorized to execute and enter into the attached State-Subdivision  
63 Agreement, or a version substantially similar thereto, on behalf of the City of Salisbury, Maryland.  
64

65 **AND, BE IT FURTHER RESOLVED BY THE COUNCIL OF THE CITY OF SALISBURY**  
66 **AS FOLLOWS:**  
67

68 **Section 3.** It is the intention of the Council of the City of Salisbury that each provision this  
69 Resolution shall be deemed independent of all other provisions herein.  
70

71 **Section 4.** It is further the intention of the Council of the City of Salisbury that if any section,  
72 paragraph, subsection, clause or provision of this Resolution shall be adjudged invalid, unconstitutional or  
73 otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to  
74 the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this  
75 Resolution shall remain and shall be deemed valid and enforceable  
76

77 **Section 5.** The Recitals set forth hereinabove are incorporated into this section of this Resolution  
78 as if such recitals were specifically set forth at length in this Section 5.  
79

80  
81 **THIS RESOLUTION** was duly passed at a meeting of the Council of the City of Salisbury held  
82 on \_\_\_\_\_, 2022, and is to become effective immediately upon adoption.  
83

84  
85 ATTEST:  
86

87 \_\_\_\_\_  
88 Kimberly R. Nichols, City Clerk  
89

\_\_\_\_\_  
John R. Heath, President  
Salisbury City Council  
90

91 APPROVED BY ME THIS:  
92

93 \_\_\_\_\_ day of \_\_\_\_\_, 2022  
94

95 \_\_\_\_\_  
96 Jacob R. Day, Mayor  
97

## PARTICIPATION INSTRUCTIONS

Thank you for registering your subdivision on the national settlement website and for considering participating in the proposed Settlement Agreement with McKesson Corporation, Cardinal Health, Inc., and AmerisourceBergen Corporation (collectively “Settling Distributors”). This virtual envelope contains a Participation Form including a release of claims. The Participation Form in this envelope must be executed, without alteration, and submitted in order for your subdivision to be considered potentially “participating.”

The sign-on period for subdivisions ends on January 2, 2022. On or after that date, the states (in consultation with the subdivisions) and the Settling Distributors will determine whether the subdivision participation rate is sufficient for the settlement to move forward. If the deal moves forward, your release will become effective. If it does not, it will not.

As a reminder, if you have not already started your review of the settlement documentation, detailed information about the Settlements may be found at: <https://nationalopioidsettlement.com/>. This national settlement website also includes links to information about how the Settlements are being implemented in your state and how settlement funds will be allocated within your state, including information about, and links to, any applicable allocation agreement or legislation. This website will be supplemented as additional documents are created. If you have questions, please contact your counsel (if you have counsel on opioids matters) or Brian Edmunds at the Maryland Attorney General’s Office at 410-576-6578 or [bedmunds@oag.state.md.us](mailto:bedmunds@oag.state.md.us).

**Settlement Participation Form**

Governmental Entity: Salisbury city	State: MD
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above (“Governmental Entity”), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated July 21, 2021 (“Distributor Settlement”), and acting through the undersigned authorized official, hereby elects to participate in the Distributor Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Distributor Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Distributor Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed.
3. The Governmental Entity agrees to the terms of the Distributor Settlement pertaining to Subdivisions as defined therein.
4. By agreeing to the terms of the Distributor Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Distributor Settlement solely for the purposes provided therein.
6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity’s state where the Consent Judgment is filed for purposes limited to that court’s role as provided in, and for resolving disputes to the extent provided in, the Distributor Settlement.
7. The Governmental Entity has the right to enforce the Distributor Settlement as provided therein.



8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Distributor Settlement, including but not limited to all provisions of Part XI, and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Distributor Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Distributor Settlement shall be a complete bar to any Released Claim.
9. The Governmental Entity hereby takes on all rights and obligations of a Participating Subdivision as set forth in the Distributor Settlement.
10. In connection with the releases provided for in the Distributor Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

**General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Distributor Settlement.

11. Nothing herein is intended to modify in any way the terms of the Distributor Settlement, to which Governmental Entity hereby agrees. To the extent this Election and Release is interpreted differently from the Distributor Settlement in any respect, the Distributor Settlement controls.



I swear under penalty of perjury that I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_



## **PARTICIPATION INSTRUCTIONS**

Thank you for registering your subdivision on the national settlement website and for considering participating in the proposed Settlement Agreement with Johnson & Johnson, Janssen Pharmaceuticals, Inc., Ortho-McNeil-Janssen Pharmaceuticals, Inc., and Janssen Pharmaceutica, Inc. (collectively “Janssen”). This virtual envelope contains a Participation Form including a release of claims. The Participation Form in this envelope must be executed, without alteration, and submitted in order for your subdivision to be considered potentially “participating.”

The sign-on period for subdivisions ends on January 2, 2022. On or after that date, the states (in consultation with the subdivisions) and the Settling Distributors will determine whether the subdivision participation rate is sufficient for the settlement to move forward. If the deal moves forward, your release will become effective. If it does not, it will not.

As a reminder, if you have not already started your review of the settlement documentation, detailed information about the Settlements may be found at: <https://nationalopioidsettlement.com/>. This national settlement website also includes links to information about how the Settlements are being implemented in your state and how settlement funds will be allocated within your state, including information about, and links to, any applicable allocation agreement or legislation. This website will be supplemented as additional documents are created. If you have questions, please contact your counsel (if you have counsel on opioids matters) or Brian Edmunds at the Maryland Attorney General’s Office at 410-576-6578 or [bedmunds@oag.state.md.us](mailto:bedmunds@oag.state.md.us).

### **Settlement Participation Form**

Governmental Entity: Salisbury city	State: MD
Authorized Signatory:	
Address 1:	
Address 2:	
City, State, Zip:	
Phone:	
Email:	

The governmental entity identified above ("Governmental Entity"), in order to obtain and in consideration for the benefits provided to the Governmental Entity pursuant to the Settlement Agreement dated July 21, 2021 ("Janssen Settlement"), and acting through the undersigned authorized official, hereby elects to participate in the Janssen Settlement, release all Released Claims against all Released Entities, and agrees as follows.

1. The Governmental Entity is aware of and has reviewed the Janssen Settlement, understands that all terms in this Election and Release have the meanings defined therein, and agrees that by this Election, the Governmental Entity elects to participate in the Janssen Settlement and become a Participating Subdivision as provided therein.
2. The Governmental Entity shall, within 14 days of the Reference Date and prior to the filing of the Consent Judgment, dismiss with prejudice any Released Claims that it has filed.
3. The Governmental Entity agrees to the terms of the Janssen Settlement pertaining to Subdivisions as defined therein.
4. By agreeing to the terms of the Janssen Settlement and becoming a Releasor, the Governmental Entity is entitled to the benefits provided therein, including, if applicable, monetary payments beginning after the Effective Date.
5. The Governmental Entity agrees to use any monies it receives through the Janssen Settlement solely for the purposes provided therein.
6. The Governmental Entity submits to the jurisdiction of the court in the Governmental Entity's state where the Consent Judgment is filed for purposes limited to that court's role as provided in, and for resolving disputes to the extent provided in, the Janssen Settlement.
7. The Governmental Entity has the right to enforce the Janssen Settlement as provided therein.



8. The Governmental Entity, as a Participating Subdivision, hereby becomes a Releasor for all purposes in the Janssen Settlement, including but not limited to all provisions of Section IV (Release), and along with all departments, agencies, divisions, boards, commissions, districts, instrumentalities of any kind and attorneys, and any person in their official capacity elected or appointed to serve any of the foregoing and any agency, person, or other entity claiming by or through any of the foregoing, and any other entity identified in the definition of Releasor, provides for a release to the fullest extent of its authority. As a Releasor, the Governmental Entity hereby absolutely, unconditionally, and irrevocably covenants not to bring, file, or claim, or to cause, assist or permit to be brought, filed, or claimed, or to otherwise seek to establish liability for any Released Claims against any Released Entity in any forum whatsoever. The releases provided for in the Janssen Settlement are intended by the Parties to be broad and shall be interpreted so as to give the Released Entities the broadest possible bar against any liability relating in any way to Released Claims and extend to the full extent of the power of the Governmental Entity to release claims. The Janssen Settlement shall be a complete bar to any Released Claim.
9. In connection with the releases provided for in the Janssen Settlement, each Governmental Entity expressly waives, releases, and forever discharges any and all provisions, rights, and benefits conferred by any law of any state or territory of the United States or other jurisdiction, or principle of common law, which is similar, comparable, or equivalent to § 1542 of the California Civil Code, which reads:

**General Release; extent.** A general release does not extend to claims that the creditor or releasing party does not know or suspect to exist in his or her favor at the time of executing the release that, if known by him or her, would have materially affected his or her settlement with the debtor or released party.

A Releasor may hereafter discover facts other than or different from those which it knows, believes, or assumes to be true with respect to the Released Claims, but each Governmental Entity hereby expressly waives and fully, finally, and forever settles, releases and discharges, upon the Effective Date, any and all Released Claims that may exist as of such date but which Releasors do not know or suspect to exist, whether through ignorance, oversight, error, negligence or through no fault whatsoever, and which, if known, would materially affect the Governmental Entities' decision to participate in the Janssen Settlement.

10. Nothing herein is intended to modify in any way the terms of the Janssen Settlement, to which Governmental Entity hereby agrees. To the extent this Election and Release is interpreted differently from the Janssen Settlement in any respect, the Janssen Settlement controls.





**I swear under penalty of perjury that I have all necessary power and authorization to execute this Election and Release on behalf of the Governmental Entity.**

**Signature:** \_\_\_\_\_

**Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Date:** \_\_\_\_\_



**STATE-SUBDIVISION AGREEMENT  
BETWEEN THE STATE OF MARYLAND AND LOCAL GOVERNMENTS  
ON PROCEEDS RELATING TO THE SETTLEMENT OF OPIOIDS LITIGATION**

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## **Introduction**

**WHEREAS**, the State of Maryland, its local governments, and its people have been harmed by an epidemic of opioid addiction and overdose deaths, as well as by the myriad costs to the health, economic well-being, and welfare of all Maryland residents caused by the epidemic; and

**WHEREAS**, certain pharmaceutical manufacturers, distributors, and dispensers have engaged in unlawful conduct related to the manufacture, marketing, promotion, distribution, and dispensing of opioids that has caused these harms; and

**WHEREAS**, the State and many of its local governments have engaged in investigations, litigation, and settlement negotiations involving certain manufacturers and distributors seeking to hold them accountable for their unlawful conduct and to obtain funds to be used to abate the epidemic; and

**WHEREAS**, the settlement negotiations with Johnson & Johnson, Amerisource Bergen, Cardinal Health, and McKesson have resulted in national settlements that invite participation by States and their local subdivisions, according to the terms of the agreements; and

**WHEREAS**, the State and its local governments recognize that their share of the settlement proceeds will not be sufficient to abate the widespread harm of the epidemic, but that the funds will enable them to increase significantly the reach and effectiveness of their ongoing abatement efforts; and

**WHEREAS**, the State and its local governments recognize that obtaining their full share of the settlement proceeds is contingent upon full participation in the national settlements by the State and all its qualifying subdivisions; and

**WHEREAS**, this State-Subdivision Agreement will facilitate compliance with the National Settlement Agreements on the part of the State and its local governments; and

**WHEREAS**, the National Settlement Agreements set default intrastate allocation formulas unless the State and its local governments enter state-specific State-Subdivision Agreements regarding the allocation and distribution of their shares of settlement proceeds; and

**WHEREAS**, distribution of the settlement proceeds may also be governed by Section 7-331 of the State Finance and Procurement Article Section, in the absence of a State-Subdivision Agreement; and

**WHEREAS**, to maximize recovery from the national settlements for the benefit of the residents of Maryland, it is necessary and appropriate to reach agreement among the State and its local governments as to the allocation and distribution of their shares of the settlement funds,

The Parties hereto agree as follows:

## STATEMENT OF AGREEMENT

### Section I    **Definitions**

All terms used in this State-Subdivision Agreement shall have the meanings defined by the National Settlement Agreement or defined below unless explicitly stated otherwise. The following additional terms are defined for purposes of this State-Subdivision Agreement:

- (a) "Abatement Plan" shall mean a plan created by any Subdivision or Consortium for the expenditure of Settlement Proceeds through Targeted Abatement Grants for Permitted Uses.
- (b) "*Additional Restitution Payments*" shall mean the portion of the "Additional Restitution Amount" under the National Settlement Agreement that is allocated to the State of Maryland.
- (c) "*Agreement*" shall mean this State-Subdivision Agreement.
- (d) "*Consortium*" shall mean any group of Subdivisions that wishes to pool resources with one or more other Subdivisions for purposes of coordinated Future Opioid Remediation through Permitted Uses. There shall be no requirement that any Subdivision participate in a Consortium, but voluntary coordination among subdivisions, especially where economies of scale would be fostered by such coordination, is strongly encouraged. The Secretary shall assist in the development of an Abatement Plan created by Subdivisions for any consortium.
- (e) "*Consortium Abatement Fund*" shall mean a special fund voluntarily created by a Consortium and its participating Subdivisions for any Consortium formed under this Agreement to receive Settlement Proceeds or other funding.
- (f) "*County*" shall mean any county of the State and shall include Baltimore City.
- (g) "*Executive Director*" shall mean the Executive Director of the Opioid Operational Command Center.
- (h) "*Permitted Use*" shall mean any use permitted by the National Settlement Agreement and Section 7-331(f) of the State Finance and Procurement Article, as amended from time to time. Except as specifically provided otherwise by this Agreement, Permitted Uses shall be limited to Future Opioid Remediation.
- (i) "*Qualifying Exhibit G Subdivision*" shall mean a subdivision listed on Exhibit G of the National Settlement Agreement that is not a Special District.
- (j) "*Qualifying Non-Litigating Subdivision*" shall mean a Subdivision other than a Qualifying Exhibit G Subdivision or Special District that has established a Local Abatement Fund in accordance with the requirements of this Agreement.

- (k) *“Qualifying Charter County”* shall mean Baltimore City and Anne Arundel, Baltimore, Frederick, Harford, Howard, Montgomery, and Prince George’s Counties.
- (l) *“Local Abatement Fund”* shall mean a separate, special revenue fund created by a Subdivision receiving funds under Section IV of this Agreement.
- (m) *“Municipal Subdivision”* shall mean any incorporated city or town in Maryland other than Baltimore City.
- (n) *“National Settlement Agreement”* shall mean the [Janssen Settlement Agreement/ Distributors Settlement Agreement] of [Date], which shall be incorporated in a consent order incorporating the National Settlement Agreement and this State-Subdivision Agreement.
- (o) *“Opioid Operational Command Center”* shall mean the entity established by Governor Hogan’s Executive Order 01.01.2017.01 to oversee the State’s response to the opioid crisis and to build upon community-based strategies by increasing collaboration between state and local public health, human services, education, and public safety entities.
- (p) *“Opioid Restitution Fund”* shall mean the Opioid Restitution Fund established by State Finance and Procurement Article Section 7-331(a), as amended from time to time.
- (q) *“Parties”* shall mean the State of Maryland and the Subdivisions joining this agreement.
- (r) *“Secretary”* shall mean the Secretary of Health.
- (s) *“Settlement Payments”* shall mean settlement payments made to the State or its Subdivisions pursuant to the National Settlement Agreement.
- (t) *“Settlement Proceeds”* shall mean the amounts of Settlement Payments allocated or distributed to the State or to a Subdivision under this Agreement.
- (u) *“State”* shall mean the government of the State of Maryland, without inclusion of Subdivision governments.
- (v) *“Targeted Abatement Subfund”* shall mean a subfund of the Opioid Restitution Fund created for the purpose of holding and distributing payments received pursuant to the National Settlement Agreement for Targeted Abatement Spending.

## **Section II      General Terms**

- (a) This State-Subdivision Agreement shall be dated January 21, 2022 and shall be effective on that date for all purposes under the National Settlement Agreement. Subdivisions that return Subdivision Settlement Participation Forms under the National Settlement Agreement shall be deemed to consent to this Agreement.

- (b) This State-Subdivision Agreement shall be subject to the requirements of the National Settlement Agreement, as well as applicable law, and unless explicitly provided otherwise, the National Settlement Agreement governs over any inconsistent provision of this State-Subdivision Agreement. The Parties shall also commit jointly to effectuate the goals of this Agreement through legislation amending State Finance and Procurement Article Section 7-331 to conform with this Agreement's distribution requirements.
- (b) This Agreement shall not create rights in any Non-Participating Subdivision to Settlement Proceeds of any kind, provided that the State may, consistent with the National Settlement Agreement, establish programs using Settlement Proceeds that benefit the residents of any Non-Participating Subdivision.
- (c) This Agreement shall apply to Settlement Payments under the National Settlement Agreement and shall not apply to funding from any other source, *provided that* nothing in this Agreement shall prohibit the State or any of its Subdivisions from voluntarily supplementing Settlement Proceeds from the National Settlement Agreement with funding derived from any other authorized source.
- (d) Any power conferred by this Agreement upon the Secretary may be delegated by the Governor to the Executive Director or a similar official created by future executive order.
- (e) If the National Settlement Agreement to which this State-Subdivision Agreement applies fails to go forward, this State-Subdivision Agreement shall be void and create no rights or duties among the Parties hereto with respect to that National Settlement Agreement. To the extent a National Settlement Agreement to which this State-Subdivision Agreement applies goes forward, this State-Subdivision Agreement will go forward with respect to that National Settlement Agreement.
- (f) This State-Subdivision Agreement shall create no rights in third parties, including parties to the National Settlement Agreement who are not also Parties to this State-Subdivision Agreement.
- (g) Within 60 days of the date of this Agreement, each Subdivision receiving payments under the National Settlement Agreement and this Agreement shall establish a Local Abatement Fund consistent with State law for the purpose of receiving and spending direct payments made to local subdivisions by the Settlement Administrator to Qualifying Exhibit G Subdivisions under the National Settlement Agreement and this Agreement.

- (h) The State shall maintain in the Opioids Restitution Fund a Targeted Abatement Subfund for the purpose of spending money received by the State under the National Settlement Agreement for Targeted Abatement Grants to Subdivisions of the State.

### **Section III**      **Use Of Settlement Proceeds**

- (a) Except as provided under subsection (b), all expenditures of Settlement Proceeds by the State or its subdivisions shall be for Permitted Uses that serve the purpose of Future Opioid Remediation as set forth in the National Settlement Agreement.
- (b) Notwithstanding subsection A, any Subdivision receiving settlement proceeds pursuant to Section IV(a)(3) of this Agreement may use up to 15 percent to pay for past Opioid Remediation consistent with Permitted Uses, subject to the accounting requirements of the National Settlement Agreement and the provisions of Section VI(a) of this Agreement.
- (c) The Secretary shall have the discretion to supplement grants to Qualifying Exhibit G Subdivisions for Permitted Uses with additional funding derived from Settlement Proceeds whose expenditure is committed to the discretion of the Secretary by this Agreement, or from any other authorized source provided in the budget or by appropriation; *provided that* the Subdivision's use of Settlement Proceeds and other funds is consistent with State policies and any statewide abatement plan adopted by the Secretary for the purpose of coordinated future opioid remediation.

### **Section IV**      **Deposit, Distribution, And Allocation of Settlement Payments**

- (a) Consistent with the National Settlement Agreement and Section 7-331 of the State Finance and Procurement Article, the Settlement Fund Administrator shall allocate and distribute Settlement Payments to the State and its Subdivisions under the National Settlement Agreement as follows:
  - (1) **State Allocation.** The Settlement Fund Administrator shall allocate all Additional Restitution Payments, and 15 percent of all Annual Payments, to the State Fund for distribution to the State. Such payments shall be deposited in the Opioid Restitution Fund and expended on Permitted Uses as determined by the State.
  - (2) **Targeted Abatement Subfund.** The Settlement Fund Administrator shall allocate 60 percent of all Annual Payments to the Abatement Accounts Fund established by the National Settlement Agreement for distribution to the State. Such payments shall be deposited in the Targeted Abatement Subfund and expended for Permitted Uses as follows:

(A) **State Discretionary Abatement Fund.** 25 percent of the 60 percent (15 percent of all Annual Payments) for Permitted Uses as determined by the Secretary to best serve the purpose of Future Opioid Remediation in the State, *provided that* the Secretary shall establish a program that enables Qualifying Non-Litigating Subdivisions to apply for grants and may, in the Secretary's discretion, make grants from this amount to participating Qualifying Non-Litigating Subdivisions. In determining whether to make a grant under this subsection, the Secretary may consider: (i) whether a grant is consistent with the overall needs for abatement in the community and in Maryland; (ii) the experience of the Subdivision in providing programs for opioids remediation and for the public health generally; (iii) the feasibility of the program to be funded by the grant; (iv) the consistency of the program with State policy and its level of integration with State and County programs for abatement and the discussions required by Section IV(b) of this Agreement; and (v) other needs for Future Opioids Remediation across the State; *provided that*, nothing in this subsection shall require the Secretary to make any grant or restrict the Secretary's discretion in utilizing funds deposited under this Subsection IV(a)(2)(A) as the Secretary believes will best serve the needs of Maryland residents and communities for opioids remediation. A Qualifying Non-Litigating Subdivision that does not apply for a grant in any given year may apply in future years, but only for Settlement Payments applicable to the years in which the Subdivision applies.

(B) **Targeted Abatement Grants.** 75 percent of the 60 percent (45 percent of all Annual Payments) for non-competitive Targeted Abatement Grants to Qualifying Exhibit G Subdivisions for Permitted Uses in accordance with each Subdivision's Subdivision Allocation Percentage as calculated pursuant to Section V of this Agreement. These non-competitive grants shall be made: (i) to the Local Abatement Funds of participating Qualifying Charter Counties within 30 days of the later of the deposit of Annual Payments in the Targeted Abatement Subfund or a Qualifying Charter County's establishment of a Local Abatement Fund pursuant to this Agreement; (ii) to other participating Qualifying Exhibit G Subdivisions upon the Secretary's approval of a grant application demonstrating that a Local Abatement Fund for deposit of Settlement Proceeds has been established, that the Settlement Proceeds will be used under a Local Abatement Plan that ensures the use of funds for Future Opioids Remediation through a Permitted Use, and that the Qualifying Exhibit G Subdivision has the capability of carrying out the specific program for which the grant is to be made. A grant application under this subparagraph (ii) that meets these requirements must be approved by the Secretary. A Subdivision receiving a grant under this subparagraph (ii) must renew it every five years. The Settlement Proceeds of any



Qualifying Exhibit G Municipal Subdivision that does not apply for a grant shall revert to the County in which the Subdivision is located.

(3) **Local Allocation.** The Settlement Fund Administrator shall allocate 25 percent of all Annual Payments to the Subdivision Fund for distribution directly to the Local Abatement Funds established by participating Qualifying Exhibit G Subdivisions in accordance with each subdivision's Subdivision Allocation Percentage as calculated pursuant to Section V of this Agreement, *provided that* no more than 60 percent of these local allocation funds (15 percent of all Base Payments and Incentive Payments overall) may be used for purposes other than Future Opioid Remediation.

(b) It is the intention of this Agreement to promote, as much as reasonably practicable, the efficient, effective, and consistent pursuit of coordinated statewide Future Opioid Remediation policies and programs at all levels of government. To that end, each year, no later than 180 days before an Annual Payment is due, the Secretary shall provide non-binding recommendations for County and Municipal Subdivision expenditure of Settlement Proceeds that, in the Secretary's judgment, will serve an efficient and effective program of Future Opioid Remediation across Maryland. Following the Secretary's recommendations, and no later than 120 days before an Annual Payment is due, a County receiving Settlement Proceeds under this Agreement shall meet with representatives from the Municipal Subdivisions that are located within the County and that receive Settlement Proceeds under this Agreement, plus any other Municipal Subdivisions that express interest in a meeting and are located within the County, together with the Secretary or the Secretary's designee, to discuss their respective plans for the use of Settlement Proceeds. The County and the Municipal Subdivisions within it, with the participation of the Secretary or the Secretary's designee, are encouraged to further engage in discussions as reasonably necessary to foster appropriate coordination. In the event of disagreement, the ultimate use of specific Settlement Proceeds shall be determined by the Subdivision that has been granted them in a manner consistent with the other provisions of this Agreement and applicable law.

## **Section V      Calculation of Subdivision Allocation Percentages**

(a) When Annual Payments are to be granted or distributed to the Qualifying Exhibit G Subdivisions under the National Settlement Agreement or this Agreement, the Secretary shall determine each Qualifying Exhibit G Subdivision's Subdivision Allocation Percentage according to the following formulas:

- (1) for a County, according to a formula that gives: (A) 25 percent weight to the population of the County as of July 1, 2019, according to the Census Bureau's official population estimates; and (B) 75 percent weight to the results of application of the formula used to derive Exhibit G to the National Settlement Agreement. A county's Subdivision Allocation Percentage shall be reduced by the amount of the Subdivision Allocation Percentage, calculated under subsection V(a)(2), of any Municipal Subdivision that is a Qualifying Exhibit G Subdivision within it.
- (2) for a Municipal Subdivision, according to a formula that gives: (A) 25 percent weight to the population of the Municipal Subdivision as of July 1, 2019, according to the Census Bureau's official population estimates; and (B) 75 percent weight to the results of application of the formula used to derive Exhibit G to the National Settlement Agreement.

#### **Section VI.     Audit of Settlement Proceeds and Enforcement**

- (a) The Secretary shall establish procedures for the audit of Subdivisions receiving Settlement Proceeds under the National Settlement Agreement and this Agreement consistent with the procedures for other grants to Subdivisions administered by the Secretary. The auditing procedures shall ensure that the requirements of the National Settlement Agreement and this Agreement concerning the use of Settlement Proceeds for Permitted Uses and for Opioids Remediation are followed.
- (b) If the Secretary believes that the provisions of the National Settlement Agreement or this Agreement are being violated, the Secretary shall report the violation to the Attorney General who may enforce the Consent Judgment incorporating the National Settlement Agreement and this Agreement against any Subdivision.

**Exhibit A:**  
**Estimated Distributions by Subdivision -- 100% Participation**

<b>County</b>	<b>Qualifying Subdivision</b>	<b>Share of 25% Subdivision Fund (Total: \$120,403,037.92)</b>	<b>Share of 45% Abatement Fund (Total: \$216,725,468.26)</b>	<b>Total Maximum</b>
<b>ASSUMPTIONS: 1) <i>Estimated</i> shares from both Distributors' and J&amp;J settlements, assuming 100% participation by subdivisions; 2) counties with subdivisions that will also receive direct distributions have had their total population discounted by the populations of those subdivisions to avoid double counting FORMULA: 25% of \$ Allocation based on population + 75% of \$ Allocation based on PEC formula</b>				
<b>Allegany</b>	<b>Allegany County, Maryland</b>	\$1,667,944.92	\$3,002,300.85	\$4,670,245.77
<b>Allegany</b>	<b>Cumberland City, Maryland</b>	\$242,946.63	\$437,303.93	\$680,250.56
<b>Allegany</b>	<b>Frostburg City, Maryland</b>	\$59,925.37	\$107,865.67	\$167,791.04
<b>Anne Arundel</b>	<b>Anne Arundel County, Maryland</b>	\$11,344,135.90	\$20,419,444.62	\$31,763,580.52
<b>Anne Arundel</b>	<b>Annapolis City, Maryland</b>	\$413,207.15	\$743,772.87	\$1,156,980.02
<b>Baltimore City</b>	<b>Baltimore City, Maryland</b>	\$21,915,719.43	\$39,448,294.98	\$61,364,014.41
<b>Baltimore County</b>	<b>Baltimore County, Maryland</b>	\$20,153,941.69	\$36,277,095.04	\$56,431,036.73
<b>Calvert</b>	<b>Calvert County, Maryland</b>	\$1,991,145.60	\$3,584,062.08	\$5,575,207.68
<b>Caroline</b>	<b>Caroline County, Maryland</b>	\$695,949.18	\$1,252,708.53	\$1,948,657.72
<b>Carroll</b>	<b>Carroll County, Maryland</b>	\$3,419,321.97	\$6,154,779.54	\$9,574,101.50
<b>Carroll</b>	<b>Westminster City, Maryland</b>	\$132,547.37	\$238,585.27	\$371,132.64
<b>Cecil</b>	<b>Cecil County, Maryland</b>	\$3,816,607.10	\$6,869,892.79	\$10,686,499.89
<b>Cecil</b>	<b>Charlestown, Maryland</b>	\$7,215.09	\$12,987.15	\$20,202.24
<b>Cecil</b>	<b>Elkton Town, Maryland</b>	\$157,617.34	\$283,711.21	\$441,328.55
<b>Cecil</b>	<b>North East Town, Maryland</b>	\$34,383.46	\$61,890.22	\$96,273.68
<b>Cecil</b>	<b>Perryville Town, Maryland</b>	\$38,343.07	\$69,017.52	\$107,360.59
<b>Charles</b>	<b>Charles County, Maryland</b>	\$2,588,488.86	\$4,659,279.94	\$7,247,768.80

**Exhibit A:**  
**Estimated Distributions by Subdivision -- 100% Participation**

<b>County</b>	<b>Qualifying Subdivision</b>	<b>Share of 25% Subdivision Fund (Total: \$120,403,037.92)</b>	<b>Share of 45% Abatement Fund (Total: \$216,725,468.26)</b>	<b>Total Maximum</b>
<b>Dorchester</b>	<b>Dorchester County, Maryland</b>	\$453,447.22	\$816,204.99	\$1,269,652.20
<b>Dorchester</b>	<b>Cambridge City, Maryland</b>	\$78,807.79	\$141,854.02	\$220,661.80
<b>Dorchester</b>	<b>Vienna Town, Maryland</b>	\$1,492.20	\$2,685.96	\$4,178.15
<b>Frederick</b>	<b>Frederick County, Maryland</b>	\$4,089,287.37	\$7,360,717.26	\$11,450,004.63
<b>Frederick</b>	<b>Frederick City, Maryland</b>	\$497,937.52	\$896,287.54	\$1,394,225.07
<b>Garrett</b>	<b>Garrett County, Maryland</b>	\$437,780.15	\$788,004.26	\$1,225,784.41
<b>Garrett</b>	<b>Grantsville Town, Maryland</b>	\$4,013.13	\$7,223.64	\$11,236.77
<b>Garrett</b>	<b>Mountain Lake Park Town, Maryland</b>	\$10,506.54	\$18,911.76	\$29,418.30
<b>Garrett</b>	<b>Oakland Town, Maryland</b>	\$10,782.32	\$19,408.17	\$30,190.49
<b>Harford</b>	<b>Harford County, Maryland</b>	\$5,763,815.54	\$10,374,867.97	\$16,138,683.51
<b>Harford</b>	<b>Aberdeen City, Maryland</b>	\$113,421.17	\$204,158.11	\$317,579.28
<b>Harford</b>	<b>Bel Air Town, Maryland</b>	\$79,491.59	\$143,084.86	\$222,576.45
<b>Harford</b>	<b>Havre De Grace City, Maryland</b>	\$111,153.38	\$200,076.09	\$311,229.47
<b>Howard</b>	<b>Howard County, Maryland</b>	\$4,555,243.23	\$8,199,437.82	\$12,754,681.05
<b>Kent</b>	<b>Kent County, Maryland</b>	\$519,662.47	\$935,392.45	\$1,455,054.92
<b>Montgomery</b>	<b>Montgomery County, Maryland</b>	\$12,193,120.45	\$21,947,616.82	\$34,140,737.27
<b>Montgomery</b>	<b>Gaithersburg City, Maryland</b>	\$360,520.42	\$648,936.76	\$1,009,457.18
<b>Montgomery</b>	<b>Rockville City, Maryland</b>	\$394,136.50	\$709,445.71	\$1,103,582.21
<b>Montgomery</b>	<b>Takoma Park City, Maryland</b>	\$105,913.59	\$190,644.45	\$296,558.04

**Exhibit A:**  
**Estimated Distributions by Subdivision -- 100% Participation**

<b>County</b>	<b>Qualifying Subdivision</b>	<b>Share of 25% Subdivision Fund (Total: \$120,403,037.92)</b>	<b>Share of 45% Abatement Fund (Total: \$216,725,468.26)</b>	<b>Total Maximum</b>
<b>Prince George's</b>	<b>Prince Georges County, Maryland</b>	\$10,075,953.46	\$18,136,716.22	\$28,212,669.68
<b>Prince George's</b>	<b>Bowie City, Maryland</b>	\$315,750.86	\$568,351.54	\$884,102.39
<b>Prince George's</b>	<b>College Park City, Maryland</b>	\$164,681.30	\$296,426.35	\$461,107.65
<b>Prince George's</b>	<b>Cottage City, Maryland</b>	\$7,939.76	\$14,291.56	\$22,231.32
<b>Prince George's</b>	<b>Forest Heights Town, Maryland</b>	\$13,520.91	\$24,337.64	\$37,858.55
<b>Prince George's</b>	<b>Greenbelt City, Maryland</b>	\$149,035.93	\$268,264.67	\$417,300.59
<b>Prince George's</b>	<b>Hyattsville City, Maryland</b>	\$102,267.60	\$184,081.68	\$286,349.28
<b>Prince George's</b>	<b>Laurel City, Maryland</b>	\$154,751.18	\$278,552.13	\$433,303.31
<b>Prince George's</b>	<b>New Carrollton City, Maryland</b>	\$70,031.51	\$126,056.72	\$196,088.22
<b>Prince George's</b>	<b>North Brentwood Town, Maryland</b>	\$2,633.93	\$4,741.07	\$7,374.99
<b>Prince George's</b>	<b>Seat Pleasant City, Maryland</b>	\$26,237.83	\$47,228.09	\$73,465.92
<b>Prince George's</b>	<b>Upper Marlboro Town, Maryland</b>	\$3,994.47	\$7,190.04	\$11,184.50
<b>Queen Anne's</b>	<b>Queen Annes County, Maryland</b>	\$917,434.01	\$1,651,381.21	\$2,568,815.22
<b>Somerset</b>	<b>Somerset County, Maryland</b>	\$477,472.14	\$859,449.85	\$1,336,921.99
<b>St. Mary's</b>	<b>St Mary's County, Maryland</b>	\$1,800,900.67	\$3,241,621.21	\$5,042,521.89
<b>Talbot</b>	<b>Talbot County, Maryland</b>	\$544,311.42	\$979,760.56	\$1,524,071.98
<b>Talbot</b>	<b>Easton Town, Maryland</b>	\$139,903.25	\$251,825.85	\$391,729.11
<b>Washington</b>	<b>Washington County, Maryland</b>	\$3,304,318.50	\$5,947,773.29	\$9,252,091.79
<b>Washington</b>	<b>Hagerstown City, Maryland</b>	\$364,845.88	\$656,722.59	\$1,021,568.47

**Exhibit A:**  
**Estimated Distributions by Subdivision -- 100% Participation**

<b>County</b>	<b>Qualifying Subdivision</b>	<b>Share of 25% Subdivision Fund (Total: \$120,403,037.92)</b>	<b>Share of 45% Abatement Fund (Total: \$216,725,468.26)</b>	<b>Total Maximum</b>
<b>Wicomico</b>	<b>Wicomico County, Maryland</b>	\$1,859,422.26	\$3,346,960.07	\$5,206,382.34
<b>Wicomico</b>	<b>Salisbury City, Maryland</b>	\$285,689.67	\$514,241.40	\$799,931.07
<b>Worcester</b>	<b>Worcester County, Maryland</b>	\$1,127,877.15	\$2,030,178.88	\$3,158,056.03
<b>Worcester</b>	<b>Berlin Town, Maryland</b>	\$34,091.54	\$61,364.78	\$95,456.32
<b>TOTALS</b>		<b>\$120,403,037.92</b>	<b>\$216,725,468.26</b>	<b>\$337,128,506.18</b>

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By: Delegates \_\_\_\_\_

Introduced and read first time: \_\_\_\_\_

Assigned to:

AN ACT concerning

**Opioid Restitution Fund**

FOR the purpose of providing that an appropriation in the State budget of funds received from a certain opioids settlement shall to be made in accordance with a certain State-Subdivision Agreement agreed upon pursuant to the settlement; directing the Secretary of the Department of Health to establish a grant program in compliance with a certain State-Subdivision Agreement, and generally relating to the Opioid Restitution Fund.

BY repealing and reenacting, with amendments,  
Article – State Finance and Procurement  
Section 7–331  
Annotated Code of Maryland  
(2015 Replacement Volume and 2018 Supplement)

SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF MARYLAND,  
That the Laws of Maryland read as follows:

**Article – State Finance and Procurement**

**§ 7-331. Opioid Restitution Fund**

- (a) In this section, "Fund" means the Opioid Restitution Fund.
- (b) There is an Opioid Restitution Fund.
- (c) The purpose of the Fund is to retain the amount of settlement revenues deposited to the Fund in accordance with subsection (e)(1) of this section.
- (d) (1) The Fund is a special, nonlapsing fund that is not subject to § 7-302 of this subtitle.  
  
(2) The State Treasurer shall hold the Fund separately, and the Comptroller shall account for the Fund.
- (e) The Fund consists of:

(1) all revenues received by the State from any source resulting, directly or indirectly, from any judgment against, or settlement with, opioid manufacturers, opioid research associations, or any other person in the opioid industry relating to any claims made or prosecuted by the State to recover damages for violations of State law; and

(2) the interest earnings of the Fund.

(f) The Fund may be used only to provide funds for:

- (1) improving access to medications proven to prevent or reverse an overdose;
- (2) supporting peer support specialists and screening, brief intervention, and referral to treatment services for hospitals, correctional facilities, and other high-risk populations;
- (3) increasing access to medications that support recovery from substance use disorders;
- (4) expanding the Heroin Coordinator Program, including for administrative expenses;
- (5) expanding access to crisis beds and residential treatment services;
- (6) expanding and establishing safe stations, mobile crisis response systems, and crisis stabilization centers;
- (7) supporting the Health Crisis Hotline;
- (8) organizing primary and secondary school education campaigns to prevent opioid use, including for administrative expenses;
- (9) enforcing the laws regarding opioid prescriptions and sales, including for administrative expenses;
- (10) research regarding and training for substance use treatment and overdose prevention, including for administrative expenses; and
- (11) supporting and expanding other evidence-based interventions for overdose prevention and substance use treatment.

(g) (1) The State Treasurer shall invest the money of the Fund in the same manner as other State money may be invested.

(2) Any interest earnings of the Fund shall be credited to the Fund.

(h) (1) Expenditures from the Fund may be made only in accordance with the State budget.

**(2) FOR SETTLEMENT FUNDS RECEIVED PURSUANT TO THE FINAL DISTRIBUTOR AGREEMENT OF JULY 21, 2021 WITH MCKESSON CORPORATION, AMERISOURCE BERGEN CORPORATION, AND CARDINAL HEALTH, INCORPORATED, AS AMENDED, OR THE JANSSEN SETTLEMENT AGREEMENT OF JULY 21, 2021, AS AMENDED:**



i. **THE APPROPRIATIONS IN THE STATE BUDGET SHALL BE MADE IN ACCORDANCE WITH THE ALLOCATION AND DISTRIBUTION OF FUNDS TO THE STATE AND ITS SUBDIVISIONS AGREED UPON IN THE STATE-SUBDIVISION AGREEMENT OF JANUARY 21, 2022, AS AMENDED; AND**

ii. **THE SECRETARY OF THE DEPARTMENT OF HEALTH SHALL ESTABLISH AND ADMINISTER A GRANT PROGRAM FOR DISTRIBUTION TO LOCAL SUBDIVISIONS IN ACCORDANCE WITH THE STATE-SUBDIVISION AGREEMENT OF JANUARY 21, 2022, AS AMENDED.**

**(3) FOR PURPOSES OF SUBSECTION (2), THE ATTORNEY GENERAL SHALL BE RESPONSIBLE FOR IDENTIFYING AND DESIGNATING THE CONTROLLING AND CURRENT VERSION OF ANY AGREEMENT OR AMENDMENT THERETO.**

- (i) (1) Money expended from the Fund for the programs and services described under subsection (f) of this section is supplemental to and is not intended to take the place of funding that otherwise would be appropriated for the programs and services.

(2) Except as specified in subsection (f) of this section, money expended from the Fund may not be used for administrative expenses.

- (j) The Governor shall:

(1) develop key goals, key objectives, and key performance indicators relating to substance use treatment and prevention efforts; and

(2) **SUBJECT TO THE MANDATED APPROPRIATIONS SET FORTH IN SECTION (H)(2) OF THIS SECTION**, at least once annually, consult with substance use treatment and prevention stakeholders, including consumers, providers, families, and advocates, to identify recommended appropriations from the Fund; and

(3) report on or before November 1 each year, in accordance with § 2-1257 of the State Government Article, to the General Assembly on:

- (i) an accounting of total funds expended from the Fund in the immediately preceding fiscal year, by:
1. use;
  2. if applicable, jurisdiction; and
  3. budget program and subdivision;

(ii) the performance indicators and progress toward achieving the goals and objectives developed under item (1) of this subsection; and

(iii) **SUBJECT TO THE MANDATED APPROPRIATIONS SET FORTH IN SECTION (H)(2) OF THIS SECTION**, the recommended appropriations from the Fund identified in accordance with item (2) of this subsection.

SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall take effect on June 1, 2022.

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**AN ORDINANCE OF THE CITY OF SALISBURY APPROVING A BUDGET AMENDMENT OF THE CITY'S SPECIAL REVENUE FUND BUDGET AND TO ACCEPT AND APPROPRIATE DONATED FUNDS FROM THE DRAPER HOLDINGS CHARITABLE FUND/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 to protect the public welfare by purchasing toys to provide to children; and

**WHEREAS**, appropriations necessary for this donation 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 ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND,** as follows:

**Section 1.** The City's FY22 Special Revenue Fund be and hereby is amended as follows:

- 1) Increase 10700-456423-81001 Contribution Revenue by \$4,000.
- 2) Increase 10700-546006-81001 Operating Expense by \$4,000.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND,** as follows:

**Section 2.** It is the intention of the Mayor and Council of the City of Salisbury that each provision of this Ordinance shall be deemed independent of all other provisions herein.

**Section 3.** It is further the intention of the Mayor and Council of the City of Salisbury that if any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid, unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

**Section 4.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as if such recitals were specifically set forth at length in this Section 4.

**Section 5.** 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 Mayor and Council of the City of Salisbury held on the 10<sup>th</sup> day of January, 2022 and thereafter, a statement of the substance of the

51 Ordinance having been published as required by law, in the meantime, was finally passed by the Council  
52 of the City of Salisbury on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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54 **ATTEST:**

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57 \_\_\_\_\_  
58 Kimberly R. Nichols  
59 City Clerk

\_\_\_\_\_

John R. Heath, President  
Salisbury City Council

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62 APPROVED BY ME THIS \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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66 Jacob R. Day, Mayor  
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**ORDINANCE NO. 2704**

**AN ORDINANCE OF THE CITY OF SALISBURY, MARYLAND GRANTING  
THREE RIGHT-OF-WAY AND LICENSE AGREEMENTS TO DELMARVA  
POWER & LIGHT COMPANY ACROSS THREE CITY OWNED PROPERTIES  
(PARKING LOT 13, SALISBURY PARKING GARAGE, AND SALISBURY CITY  
PARK) FOR INSTALLATION OF ELECTRIC VEHICLE CHARGING  
STATION FACILITIES.**

**WHEREAS**, the City of Salisbury owns Parking Lot 13 (Map 0107, Grid 0008, Parcel 0994) located along W. Chestnut Street; the Parking Garage (Map 0107, Grid 0015, Parcel 0881) located at 101 E. Market Street; and the Salisbury City Park (Map 0107, Grid 0017, Parcel 0930) located at 500 E. Main Street;

**WHEREAS**, the City of Salisbury is desirous of having facilities installed for the purpose of setting up electric vehicle charging stations in Parking Lot 13, the Parking Garage, and the Salisbury City Park; and

**WHEREAS**, Delmarva Power & Light Company desires to acquire a license or privilege, in, on, upon, over, under, across, along and through Parking Lot 13, the Parking Garage, and the Salisbury City Park to permit Delmarva Power & Light Company to construct, install, operate, maintain, repair, reinstall, replace, relocate, and remove electronic vehicle charging station facilities; and

**WHEREAS**, a Right of Way and License Agreement by and between the City of Salisbury and Delmarva Power & Light Company will allow Delmarva Power & Light Company the right to construct, install, operate, maintain, repair, reinstall, replace, relocate the infrastructure for the electric vehicle charging stations in Parking Lot 13, the Parking Garage, and the Salisbury City Park; and

**WHEREAS**, by this Ordinance, the Council **(i)** hereby approves a Right of Way and License Agreement for each of the three City properties, namely Parking Lot 13, the Parking Garage, and the Salisbury City Park (attached hereto and incorporated herein respectively as **Exhibit A**; **Exhibit B**; and **Exhibit C**) and **(ii)** hereby authorizes the Mayor's execution thereof on behalf of the City; and,

**NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 1.** The Mayor is hereby authorized to execute, on behalf of the City of Salisbury, those certain Right of Way and License Agreements, by and between the City of Salisbury and Delmarva Power & Light Company, attached hereto and incorporated herein respectively as **Exhibit A**; **Exhibit B**; and **Exhibit C**.

**Section 2.** It is the intention of the Mayor and Council of the City of Salisbury that each provision of this Ordinance shall be deemed independent of all other provisions herein.

**Section 3.** It is further the intention of the Mayor and Council of the City of Salisbury that if any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid, unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

**Section 4.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as if such recitals were specifically set forth at length in this Section 4.

**Section 5.** 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 Mayor and Council of the City of Salisbury held on the 10<sup>th</sup> day of January, 2022 and thereafter, a statement of the substance of the Ordinance having been published as required by law, in the meantime, was finally passed by the Council of the City of Salisbury on the \_\_\_\_ day of \_\_\_\_\_, 2022.

**ATTEST:**

**Kimberly R. Nichols, City Clerk**

**John R. Heath, City Council President**

Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

**Jacob R. Day, Mayor**

**RIGHT OF WAY AND LICENSE AGREEMENT  
(EV Charging Station Facilities)**

THIS RIGHT OF WAY AND LICENSE AGREEMENT ("Agreement") entered into this \_\_\_\_ day of \_\_\_\_, 2021 between The City of Salisbury (hereinafter called "Grantor") and Delmarva Power & Light Company (hereinafter called "Licensee").

**W I T N E S S E T H:**

WHEREAS, the Grantor is the owner of the property hereinafter described situated along W. Chestnut Street in the City of Salisbury, Wicomico County, Maryland, and identified as Map 0107, Grid 0008, Parcel 0994, and acquired from Cavalier Resources Limited Partnership, a Maryland limited partnership, by Deed dated September 3, 2004, and recorded among the Land Records of Wicomico County in Liber 2286, Folio 671 ("Grantor's Property"); and

WHEREAS, the Licensee wishes to acquire the license or privilege, as hereinafter described, defined and limited, in, on, upon, over, under, across, along and through said Grantor's Property from and to certain points and places hereinafter described to permit the Licensee to construct, install, operate, maintain, repair, reinstall, replace, relocate, and remove therein a charging station facility (as herein defined).

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein, the parties hereby agree as follows:

**1. GRANT OF LICENSE:**

1.1 Grantor hereby grant(s) to Licensee, its successors, licensees and assigns, for value received, the right to construct, install, reconstruct, operate and maintain electric vehicle Charging Station Facilities, including, but not limited to, pads, charging facilities, electric and communication lines, poles, crossarms, wires, anchors, guys, conduits, cables, transformers, meters, appurtenant equipment and enclosures (collectively, "Charging Station Facilities") upon, over, under and across Grantor's Property.

Together with the right of access at all times to the Charging Station Facilities, the right to extend electric and communication lines by the most direct practical route from the main lines to any Charging Station Facilities on Grantor's Property, the right to trim, top, cut down and remove trees and/or shrubs adjacent to Charging Station Facilities to provide proper operating clearance, the right to make necessary openings and excavations for the purpose of examining, repairing, replacing, altering or expanding Charging Station Facilities provided that all openings or excavations shall be properly refilled and the property left in good and safe condition, and the right to place signs at Grantor's Property, near the Charging Station Facilities restricting use of parking spaces adjacent to the Charging Station Facilities to electric vehicles using or in line to use the charging facilities. No new buildings or structures are to be erected under or over Charging Station Facilities, and adequate horizontal clearances, with a five (5) foot minimum, must be maintained. Shrubbery, trees, fences, or other obstructions shall not be

placed so close to any Charging Station Facilities that they would, in the sole judgment of the Company, hinder or obstruct operation or maintenance of said equipment.

2. LICENSE LOCATION:

2.1 Subject to the terms hereinafter described, the Charging Station Facilities are or are to be located at Grantor's Property in the location generally shown on the job print attached hereto as **Exhibit 1.**

3. EFFECTIVE DATE AND TERMINATION:

3.1 This License Agreement shall take effect as of the date of this Agreement ("Effective Date") and shall terminate five (5) years from the Effective Date (the "Termination Date") unless otherwise earlier terminated or extended as provided for herein. On the first and each successive five (5) year anniversary of the Termination Date (the "Extension Termination Date"), the term shall be extended for an additional five (5) year period (the "Extension Period") unless otherwise terminated as provided for herein.

3.2 This Agreement shall terminate in whole or in part as to any portion or segment of the Charging Station Facilities upon the happening of any of the following events:

(1) By Licensee giving sixty (60) days prior written notice to Grantor of termination as to all or any part of its Charging Station Facilities together with complete removal by the Licensee of all or that part of the Licensee's Charging Station Facilities and restoration of Grantor's Property to the approval and satisfaction of Grantor.

(2) Subsequent written mutual agreement of the parties hereto.

(3) By Grantor at anytime giving six (6) months prior written notice to Licensee to remove all or any part of its Charging Station Facilities and restoration of Grantor's Property to the approval and satisfaction of Grantor.

4. NON-EXCLUSIVITY OF LICENSE:

4.1 The license permitted to the Licensee by the Grantor pursuant to this Agreement shall be non-exclusive and occupations of the Grantors Property by one or more cable, wire, pipeline or other facilities owned and/or operated by any other person(s), company(ies) or other entity(ies) may be permitted at the sole discretion of Grantor.

5. GRANTOR APPROVAL PROCESS:

5.1 Prior to any work of any character being performed at any locations which are the subject matter of this agreement, the Licensee shall submit to Grantor detailed plans indicating the scope and specifications of the work to be performed for review by Grantor's engineers or designee. Upon review of the plans, Grantor shall have the right, at its sole discretion, to approve, modify, and/or reject the proposed construction. Upon completion of the proposed construction, Grantor shall have the right to inspect the work in order to determine acceptance of construction and compliance with approved plans.

6. PERMITS:

6.1 The Licensee, at its sole cost and expense, shall secure and maintain in effect all federal, state and local permits and licenses required for the construction, installation, operation, maintenance, repair, reinstallation, replacement, relocation and/or removal of the Charging Station Facilities, including, without limitation, zoning, building, health, environmental or communication permits or licenses, and shall indemnify the Grantor against payment of the costs therefor and against any fines or penalties that may be levied for failure to procure or to cure violations thereof. The Grantor shall take any and all actions or steps necessary to cooperate with and assist the Licensee in securing any such permits and licenses.

7. SCOPE OF WORK:

7.1 Construction of the Charging Station Facility as shown on Exhibits 1A and 1B.

8. NON-DISTURBANCE/THIRD PARTY USERS:

8.1 Except as otherwise permitted in this Agreement, the Grantor shall not license, permit or authorize its agents, employees or contractors to disturb or interfere with Licensee's Charging Station Facilities or the Licensee's rights hereunder, nor shall the Grantor deny the Licensee access to the Licensee's Charging Station Facilities. It is expressly understood however, that Grantor has no control over unauthorized third-party users who are, or may be, occupying portions of the Grantor's Property. Under no circumstances, shall the Grantor be liable to the Licensee for unauthorized use of the Charging Station Facilities. The Grantor will cooperate with the Licensee, at the latter's expense, in any actions against third parties undertaken by the Licensee as a result of the unauthorized use of the Charging Station Facilities. All such activities by the Licensee shall be governed by and subject to the Licensee's indemnification of the Grantor pursuant to this Agreement.



9. LIABILITY/INDEMNITY:

9.1 The Licensee hereby assumes, releases and agrees to indemnify, defend, protect and save the Grantor harmless from and against any loss of and/or damage to the property of the Grantor, third parties or the Licensee's Charging Station Facilities and all loss and/or damage on account of injury to or death of any persons whomsoever (including employees and invitees of the parties hereto and all other persons), arising during the Planning and Design Phase, Maintenance and Operating Phase and/or the Installation and Construction Phase and throughout the term hereof, caused by or growing out of the plan, design, construction and installation, or subsequent operation, maintenance, repair, reinstallation, replacement, relocation or removal of the Licensee's Charging Station Facilities, or any part thereof, unless such loss and/or damage arises as a direct result of the negligence or willful misconduct of the Grantor.

9.2 Grantor shall not be liable to Licensee for consequential damages including, but not limited to any claim from any client, customer or patron for loss of revenue or services arising from any act or omission of Grantor.

9.3 The Licensee further assumes, releases and agrees to indemnify, defend, protect and save the Grantor harmless from and against any loss and/or damage to any property or facilities of any party (including the Grantor or the Licensee or any persons operating or using such facilities) arising from a fire, caused by or growing out of the presence, construction, maintenance, use, operation, repair, change relocation or subsequent removal of the Licensee's Charging Station Facilities or any part thereof; loss and/or damage being deemed to include cost and expense thereof (including reasonable legal fees and court costs) to the extent such loss and/or damages are not due to or arise from the negligence or willful misconduct of Grantor.

9.4 Grantor shall give Licensee prompt notice of any claims or actions against them for which Licensee may be required to indemnify Grantor under this Agreement. In addition to Licensee's liability for any loss that could be sustained by Grantor, Licensee shall be responsible for all litigation expense incurred by Grantor, if any, including but not limited to all attorneys' fees payable on a current basis.

10. LIENS:

10.1 Each party shall keep the other's facilities and property free of all liens which arise in any way from or as a result of its activities, and cause any which may arise to be discharged or released of record as provided in this article, and shall indemnify and hold the other harmless from any and all loss, costs, damages and expenses which the other may incur or suffer if such a lien is filed.

10.2 Nothing herein shall preclude the contest of the lien or contract or action upon which the same arose. Each party agrees to cooperate with the other in such contest.

10.3 Nothing in this Agreement shall be deemed to give, and the Grantor hereby expressly waives, any claims of ownership in and to any part or the whole of the

Licensee's Charging Station Facilities unless otherwise elsewhere provided to the contrary. Furthermore, nothing herein shall be deemed to give, and the Licensee hereby expressly waives, any claims of ownership in and to any part or the whole of Grantor's real or personal property.

11. BREACH, REMEDIES:

11.1 The Licensee and the Grantor each agree that neither shall proceed against the other by litigation before the offending party has had written notice of and reasonable time to respond and cure such breach or defect; provided, however, neither party shall be required to give the other time to respond and cure if any such delay will cause irreparable harm.

11.2 Remedies available to each party for breach of this Agreement shall include: (1) litigation for specific performance; (2) litigation for injunction relief; (3) litigation for damages and costs. In no event will either Grantor or the Licensee be responsible to the other party for consequential damages.

11.3 Any waiver by either party at any time of any of its rights as to anything herein contained shall not be deemed to be a waiver of any right or covenant herein or of any other matter subsequently occurring.

12. COVENANTS AND WARRANTIES:

12.1 Licensee and Grantor covenants and warrants, respectively, it has full right and authority to enter into this Agreement in accordance with the terms hereof, and that, by entering into and performing this Agreement, it is not in violation of its charter or by-laws, or any law, regulation or agreement by which it is bound or to which it is subject.

12.2 Licensee and Grantor covenants and warrants, respectively, that it, to the best of its knowledge, has no litigation or proceeding pending or threatened against it or its facilities that would threaten this Agreement, nor has it violated, to its knowledge, any rule, order or regulation issued by any applicable governmental authority which might adversely affect the other party's interest thereunder or right to make the agreements hereunder, or execute or perform this Agreement, and that the execution, delivery and performance of this Agreement has been duly authorized by all requisite corporate action, that the signatories hereto are authorized to sign this Agreement.

13. RECORDINGS, TAXES AND OTHER CHARGES:

13.1 If Licensee chooses to record this Agreement, the Licensee shall pay all transfer taxes, documentary stamps, recording costs or fees, or any similar expense in connection with the recording or filing of this Agreement and shall pay all costs of recording a release upon termination. The Licensee further agrees that if it is determined by any state or local governmental authority that the sale, acquisition, license, grant, transfer or disposition of any part

or portion of the property or rights herein described requires the payment of any tax (including sales or use tax) under any statute, regulation or rule, the Licensee shall pay the same, plus any penalty or interest hereon, directly to said taxing authority and shall hold the Grantor harmless therefrom. The Licensee shall pay all annual or periodic taxes levied or assessed upon the Licensee's Charging Station Facilities, or on account of their existence or use, and shall indemnify the Grantor against the payment thereof.

14. INDEPENDENT CONTRACTOR STATUS:

14.1 The Grantor exercises no control whatsoever over the employment, discharge, compensation of or services rendered by the Licensee's employees or contractors, and it is the intention of the parties that the Licensee shall be and remain an independent contractor and nothing herein shall be construed as inconsistent with that status or as creating or implying any partnership or joint venture between the Licensee and the Grantor.

15. SUCCESSION/ASSIGNABILITY:

15.1 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors or assigns. This agreement is assignable by Grantor without the consent of Licensee. Licensee shall not assign this Agreement to any other entity or individual without the prior written consent of Grantor.

16. NOTICES:

16.1 Unless otherwise provided herein, all notices and communications concerning this Agreement shall be addressed to:

The Licensee at: (one copy to each)

Delmarva Power & Light Company  
2530 North Salisbury Blvd.  
Salisbury, MD 21801  
Attention: Manager of Real Estate  
Email: [Steven.Krup@ExelonCorp.com](mailto:Steven.Krup@ExelonCorp.com) (not sufficient for notice purposes)

Exelon Corporation  
701 Ninth Street NW, 9th Floor  
Washington, DC 20068  
Attn: Constance H. Pierce  
Assistant General Counsel

The Grantor at: (one copy to each)

The City of Salisbury  
ATTN: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

or at such other addresses as may be designated in writing to the other party.

16.2 Unless otherwise provided herein, notices shall be sent by registered or certified U.S. mail, postage prepaid, and shall be deemed served or delivered to addressee, or its office, upon the date of return receipt acknowledgment or, if postal claim notice is given, on the date of its return marked "unclaimed", provided, however, that upon receipt of a returned notice marked "unclaimed", the sending party shall make reasonable effort to contact and notify the other party by telephone.

17. LEGAL FORUM:

17.1 This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of Maryland.

17.2 This Agreement shall not be interpreted against either party for the reason that the final Agreement was prepared by them.

GRANTOR

ATTEST:

THE CITY OF SALISBURY

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LICENSEE

ATTEST:

DELMARVA POWER & LIGHT COMPANY

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF MARYLAND, \_\_\_\_\_ COUNTY, TO WIT:

I HEREBY CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public in and for the State and County aforesaid, personally appeared \_\_\_\_\_, who acknowledged themselves to be the \_\_\_\_\_ of the City of Salisbury, and that they, as such officer, being authorized so to do, executed the foregoing instrument on behalf of said corporation for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

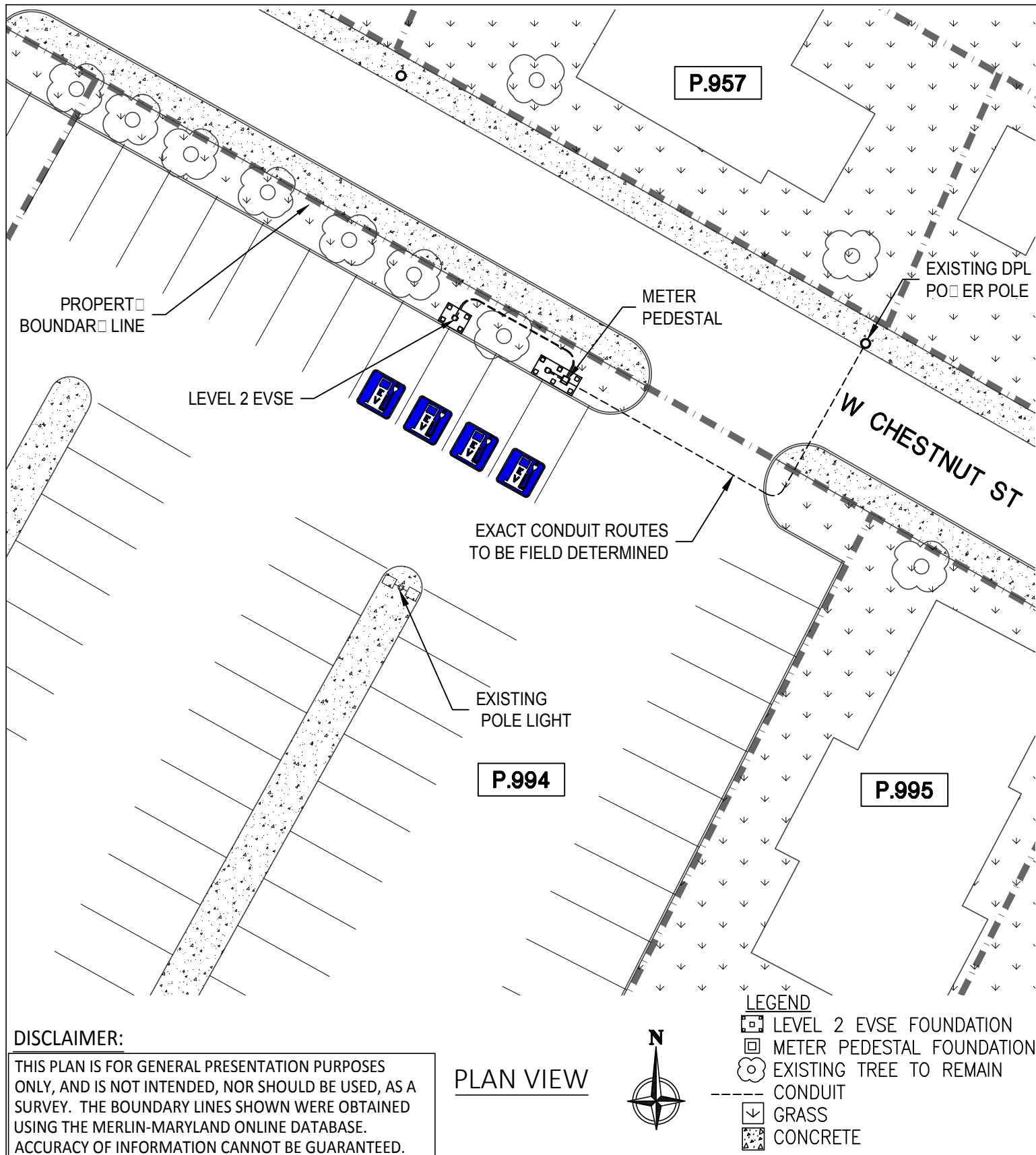
STATE OF MARYLAND, \_\_\_\_\_ COUNTY, TO WIT:

I HEREBY CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public in and for the State and County aforesaid, personally appeared \_\_\_\_\_, who acknowledged themselves to be the \_\_\_\_\_ of Delmarva Power & Light Company, and that they, as such officer, being authorized so to do, executed the foregoing instrument on behalf of said corporation for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_



# EXHIBIT 1

W. CHESTNUT STREET, SALISBURY, MD 21801  
DPL PUBLIC CHARGING EQUIPMENT PLAN  
2 LEVEL-2 EVSE



**delmarva  
power**

Newark, DE - An Exelon Company

SCALE : NONE

SALISBURY LOT 17

**RIGHT OF WAY AND LICENSE AGREEMENT  
(EV Charging Station Facilities)**

THIS RIGHT OF WAY AND LICENSE AGREEMENT ("Agreement") entered into this \_\_\_\_ day of \_\_\_\_\_, 2021 between The City of Salisbury (hereinafter called "Grantor") and Delmarva Power & Light Company (hereinafter called "Licensee").

**W I T N E S S E T H:**

WHEREAS, the Grantor is the owner of the property hereinafter described situated at 101 E. Market Street in the City of Salisbury, Wicomico County, Maryland, and 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 ("Grantor's Property"); and

WHEREAS, the Licensee wishes to acquire the license or privilege, as hereinafter described, defined and limited, in, on, upon, over, under, across, along and through said Grantor's Property from and to certain points and places hereinafter described to permit the Licensee to construct, install, operate, maintain, repair, reinstall, replace, relocate, and remove therein a charging station facility (as herein defined).

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein, the parties hereby agree as follows:

1. Grant of License:

1.1 Grantor hereby grant(s) to Licensee, its successors, licensees and assigns, for value received, the right to construct, install, reconstruct, operate and maintain electric vehicle Charging Station Facilities, including, but not limited to, pads, charging facilities, electric and communication lines, poles, crossarms, wires, anchors, guys, conduits, cables, transformers, meters, appurtenant equipment and enclosures (collectively, "Charging Station Facilities") upon, over, under and across Grantor's Property.

Together with the right of access at all times to the Charging Station Facilities, the right to extend electric and communication lines by the most direct practical route from the main lines to any Charging Station Facilities on Grantor's Property, the right to trim, top, cut down and remove trees and/or shrubs adjacent to Charging Station Facilities to provide proper operating clearance, the right to make necessary openings and excavations for the purpose of examining, repairing, replacing, altering or expanding Charging Station Facilities provided that all openings or excavations shall be properly refilled and the property left in good and safe condition, and the right to place signs at Grantor's Property, near the Charging Station Facilities restricting use of parking spaces adjacent to the Charging Station Facilities to electric vehicles using or in line to use the charging facilities. No new buildings or structures are to be erected under or over Charging Station Facilities, and adequate horizontal clearances, with a five (5) foot minimum, must be maintained. Shrubbery, trees, fences, or other obstructions shall not be

placed so close to any Charging Station Facilities that they would, in the sole judgment of the Company, hinder or obstruct operation or maintenance of said equipment.

2. LICENSE LOCATION:

2.1 Subject to the terms hereinafter described, the Charging Station Facilities are or are to be located at Grantor's Property in the location generally shown on the job print attached hereto as **Exhibit 1A and 1B.**

3. EFFECTIVE DATE AND TERMINATION:

3.1 This License Agreement shall take effect as of the date of this Agreement ("Effective Date") and shall terminate five (5) years from the Effective Date (the "Termination Date") unless otherwise earlier terminated or extended as provided for herein. On the first and each successive five (5) year anniversary of the Termination Date (the "Extension Termination Date"), the term shall be extended for an additional five (5) year period (the "Extension Period") unless otherwise terminated as provided for herein.

3.2 This Agreement shall terminate in whole or in part as to any portion or segment of the Charging Station Facilities upon the happening of any of the following events:

(1) By Licensee giving sixty (60) days prior written notice to Grantor of termination as to all or any part of its Charging Station Facilities together with complete removal by the Licensee of all or that part of the Licensee's Charging Station Facilities and restoration of Grantor's Property to the approval and satisfaction of Grantor.

(2) Subsequent written mutual agreement of the parties hereto.

(3) By Grantor at anytime giving six (6) months prior written notice to Licensee to remove all or any part of its Charging Station Facilities and restoration of Grantor's Property to the approval and satisfaction of Grantor.

4. NON-EXCLUSIVITY OF LICENSE:

4.1 The license permitted to the Licensee by the Grantor pursuant to this Agreement shall be non-exclusive and occupations of the Grantors Property by one or more cable, wire, pipeline or other facilities owned and/or operated by any other person(s), company(ies) or other entity(ies) may be permitted at the sole discretion of Grantor.



5. GRANTOR APPROVAL PROCESS:

5.1 Prior to any work of any character being performed at any locations which are the subject matter of this agreement, the Licensee shall submit to Grantor detailed plans indicating the scope and specifications of the work to be performed for review by Grantor's engineers or designee. Upon review of the plans, Grantor shall have the right, at its sole discretion, to approve, modify, and/or reject the proposed construction. Upon completion of the proposed construction, Grantor shall have the right to inspect the work in order to determine acceptance of construction and compliance with approved plans.

6. PERMITS:

6.1 The Licensee, at its sole cost and expense, shall secure and maintain in effect all federal, state and local permits and licenses required for the construction, installation, operation, maintenance, repair, reinstallation, replacement, relocation and/or removal of the Charging Station Facilities, including, without limitation, zoning, building, health, environmental or communication permits or licenses, and shall indemnify the Grantor against payment of the costs therefor and against any fines or penalties that may be levied for failure to procure or to cure violations thereof. The Grantor shall take any and all actions or steps necessary to cooperate with and assist the Licensee in securing any such permits and licenses.

7. SCOPE OF WORK: In addition to the construction of the Charging Station Facility as shown on Exhibits 1A and 1B, Licensee will replace the existing 300 kVA transformer at coordinate 46845/93129 servicing the property, with a 500 kVA transformer, and Grantor agrees that the new 500 kVA transformer is permitted by Easement Agreement dated April 23, 1976, and recorded among the Land Records of Wicomico County, at Liber 866, folio 885. The new 500 kVA transformer is to be installed prior to or with the installation of the Charging Station Facilities.

8. NON-DISTURBANCE/THIRD PARTY USERS:

8.1 Except as otherwise permitted in this Agreement, the Grantor shall not license, permit or authorize its agents, employees or contractors to disturb or interfere with Licensee's Charging Station Facilities or the Licensee's rights hereunder, nor shall the Grantor deny the Licensee access to the Licensee's Charging Station Facilities. It is expressly understood however, that Grantor has no control over unauthorized third-party users who are, or may be, occupying portions of the Grantor's Property. Under no circumstances, shall the Grantor be liable to the Licensee for unauthorized use of the Charging Station Facilities. The Grantor will cooperate with the Licensee, at the latter's expense, in any actions against third parties undertaken by the Licensee as a result of the unauthorized use of the Charging Station Facilities. All such activities by the Licensee shall be governed by and subject to the Licensee's indemnification of the Grantor pursuant to this Agreement.

9. LIABILITY/INDEMNITY:

9.1 The Licensee hereby assumes, releases and agrees to indemnify, defend, protect and save the Grantor harmless from and against any loss of and/or damage to the property of the Grantor, third parties or the Licensee's Charging Station Facilities and all loss and/or damage on account of injury to or death of any persons whomsoever (including employees and invitees of the parties hereto and all other persons), arising during the Planning and Design Phase, Maintenance and Operating Phase and/or the Installation and Construction Phase and throughout the term hereof, caused by or growing out of the plan, design, construction and installation, or subsequent operation, maintenance, repair, reinstallation, replacement, relocation or removal of the Licensee's Charging Station Facilities, or any part thereof, unless such loss and/or damage arises as a direct result of the negligence or willful misconduct of the Grantor.

9.2 Grantor shall not be liable to Licensee for consequential damages including, but not limited to any claim from any client, customer or patron for loss of revenue or services arising from any act or omission of Grantor.

9.3 The Licensee further assumes, releases and agrees to indemnify, defend, protect and save the Grantor harmless from and against any loss and/or damage to any property or facilities of any party (including the Grantor or the Licensee or any persons operating or using such facilities) arising from a fire, caused by or growing out of the presence, construction, maintenance, use, operation, repair, change relocation or subsequent removal of the Licensee's Charging Station Facilities or any part thereof; loss and/or damage being deemed to include cost and expense thereof (including reasonable legal fees and court costs) to the extent such loss and/or damages are not due to or arise from the negligence or willful misconduct of Grantor.

9.4 Grantor shall give Licensee prompt notice of any claims or actions against them for which Licensee may be required to indemnify Grantor under this Agreement. In addition to Licensee's liability for any loss that could be sustained by Grantor, Licensee shall be responsible for all litigation expense incurred by Grantor, if any, including but not limited to all attorneys' fees payable on a current basis.

10. LIENS:

10.1 Each party shall keep the other's facilities and property free of all liens which arise in any way from or as a result of its activities, and cause any which may arise to be discharged or released of record as provided in this article, and shall indemnify and hold the other harmless from any and all loss, costs, damages and expenses which the other may incur or suffer if such a lien is filed.

10.2 Nothing herein shall preclude the contest of the lien or contract or action upon which the same arose. Each party agrees to cooperate with the other in such contest.

10.3 Nothing in this Agreement shall be deemed to give, and the Grantor hereby expressly waives, any claims of ownership in and to any part or the whole of the Licensee's Charging Station Facilities unless otherwise elsewhere provided to the contrary. Furthermore, nothing herein shall be deemed to give, and the Licensee hereby expressly waives, any claims of ownership in and to any part or the whole of Grantor's real or personal property.

## 11. BREACH, REMEDIES:

11.1 The Licensee and the Grantor each agree that neither shall proceed against the other by litigation before the offending party has had written notice of and reasonable time to respond and cure such breach or defect; provided, however, neither party shall be required to give the other time to respond and cure if any such delay will cause irreparable harm.

11.2 Remedies available to each party for breach of this Agreement shall include: (1) litigation for specific performance; (2) litigation for injunction relief; (3) litigation for damages and costs. In no event will either Grantor or the Licensee be responsible to the other party for consequential damages.

11.3 Any waiver by either party at any time of any of its rights as to anything herein contained shall not be deemed to be a waiver of any right or covenant herein or of any other matter subsequently occurring.

## 12. COVENANTS AND WARRANTIES:

12.1 Licensee and Grantor covenants and warrants, respectively, it has full right and authority to enter into this Agreement in accordance with the terms hereof, and that, by entering into and performing this Agreement, it is not in violation of its charter or by-laws, or any law, regulation or agreement by which it is bound or to which it is subject.

12.2 Licensee and Grantor covenants and warrants, respectively, that it, to the best of its knowledge, has no litigation or proceeding pending or threatened against it or its facilities that would threaten this Agreement, nor has it violated, to its knowledge, any rule, order or regulation issued by any applicable governmental authority which might adversely affect the other party's interest thereunder or right to make the agreements hereunder, or execute or perform this Agreement, and that the execution, delivery and performance of this Agreement has been duly authorized by all requisite corporate action, that the signatories hereto are authorized to sign this Agreement.

## 13. RECORDINGS, TAXES AND OTHER CHARGES:

13.1 If Licensee chooses to record this Agreement, the Licensee shall pay all transfer taxes, documentary stamps, recording costs or fees, or any similar expense in connection with the recording or filing of this Agreement and shall pay all costs of recording a release upon

termination. The Licensee further agrees that if it is determined by any state or local governmental authority that the sale, acquisition, license, grant, transfer or disposition of any part or portion of the property or rights herein described requires the payment of any tax (including sales or use tax) under any statute, regulation or rule, the Licensee shall pay the same, plus any penalty or interest hereon, directly to said taxing authority and shall hold the Grantor harmless therefrom. The Licensee shall pay all annual or periodic taxes levied or assessed upon the Licensee's Charging Station Facilities, or on account of their existence or use, and shall indemnify the Grantor against the payment thereof.

14. INDEPENDENT CONTRACTOR STATUS:

14.1 The Grantor exercises no control whatsoever over the employment, discharge, compensation of or services rendered by the Licensee's employees or contractors, and it is the intention of the parties that the Licensee shall be and remain an independent contractor and nothing herein shall be construed as inconsistent with that status or as creating or implying any partnership or joint venture between the Licensee and the Grantor.

15. SUCCESSION/ASSIGNABILITY:

15.1 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors or assigns. This agreement is assignable by Grantor without the consent of Licensee. Licensee shall not assign this Agreement to any other entity or individual without the prior written consent of Grantor.

16. NOTICES:

16.1 Unless otherwise provided herein, all notices and communications concerning this Agreement shall be addressed to:

The Licensee at: (one copy to each)

Delmarva Power & Light Company  
2530 North Salisbury Blvd.  
Salisbury, MD 21801  
Attention: Manager of Real Estate  
Email: [Steven.Krup@ExelonCorp.com](mailto:Steven.Krup@ExelonCorp.com) (not sufficient for notice purposes)

Exelon Corporation  
701 Ninth Street NW, 9th Floor  
Washington, DC 20068  
Attn: Constance H. Pierce  
Assistant General Counsel

The Grantor at: (one copy to each)

The City of Salisbury

ATTN: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

or at such other addresses as may be designated in writing to the other party.

16.2 Unless otherwise provided herein, notices shall be sent by registered or certified U.S. mail, postage prepaid, and shall be deemed served or delivered to addressee, or its office, upon the date of return receipt acknowledgment or, if postal claim notice is given, on the date of its return marked "unclaimed", provided, however, that upon receipt of a returned notice marked "unclaimed", the sending party shall make reasonable effort to contact and notify the other party by telephone.

17. LEGAL FORUM:

17.1 This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of Maryland.

17.2 This Agreement shall not be interpreted against either party for the reason that the final Agreement was prepared by them.

GRANTOR

ATTEST:

THE CITY OF SALISBURY

\_\_\_\_\_

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

ATTEST:

LICENSEE

DELMARVA POWER & LIGHT COMPANY

\_\_\_\_\_

\_\_\_\_\_  
Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF MARYLAND, \_\_\_\_\_ COUNTY, TO WIT:

I HEREBY CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public in and for the State and County aforesaid, personally appeared \_\_\_\_\_, who acknowledged themselves to be the \_\_\_\_\_ of the City of Salisbury, and that they, as such officer, being authorized so to do, executed the foregoing instrument on behalf of said corporation for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

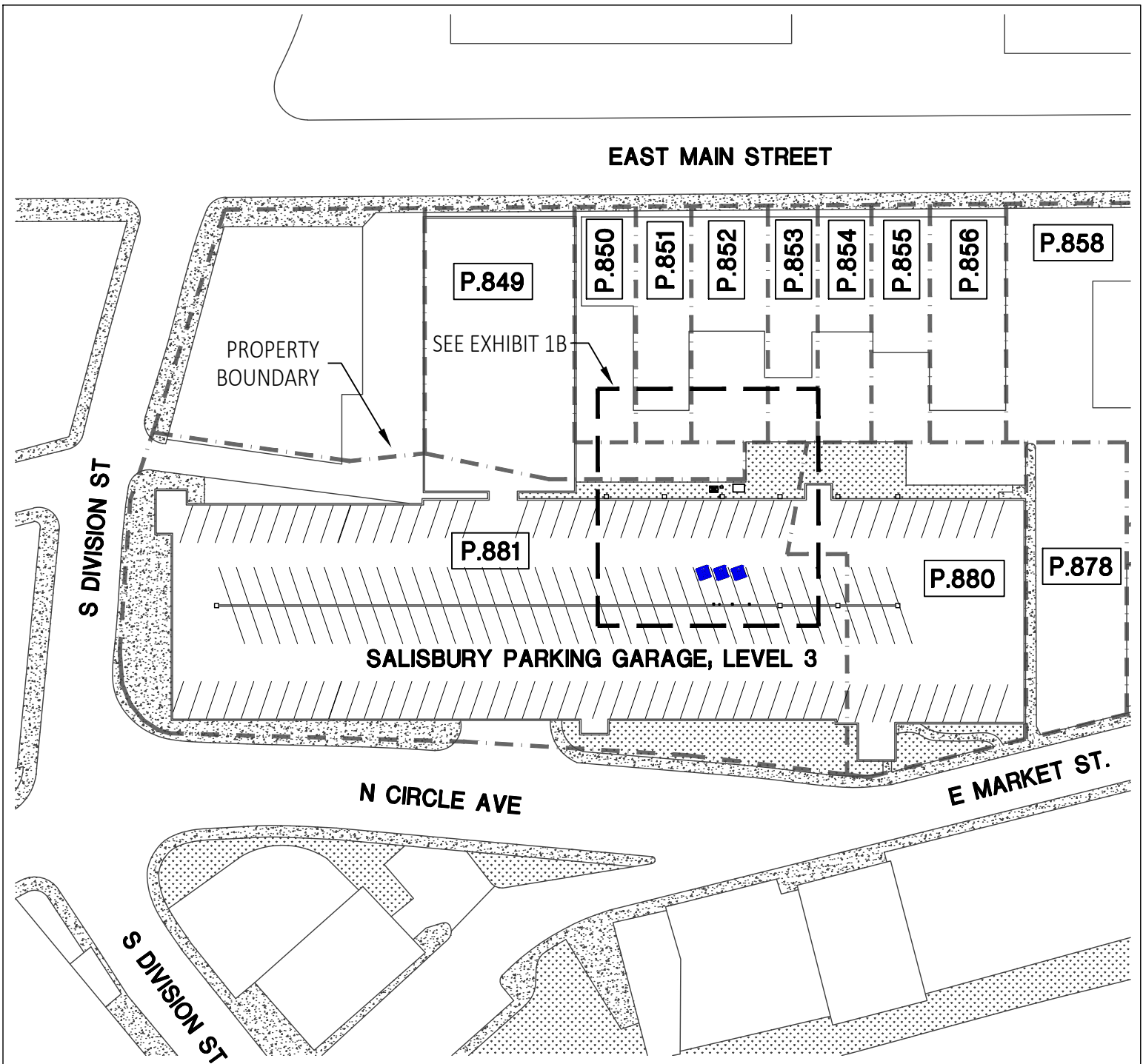
STATE OF MARYLAND, \_\_\_\_\_ COUNTY, TO WIT:

I HEREBY CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public in and for the State and County aforesaid, personally appeared \_\_\_\_\_, who acknowledged themselves to be the \_\_\_\_\_ of Delmarva Power & Light Company, and that they, as such officer, being authorized so to do, executed the foregoing instrument on behalf of said corporation for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_



**DISCLAIMER:**

THIS PLAN IS FOR GENERAL PRESENTATION PURPOSES ONLY, AND IS NOT INTENDED, NOR SHOULD BE USED, AS A SURVEY. THE BOUNDARY LINES SHOWN WERE OBTAINED USING THE MERLIN-MARYLAND ONLINE DATABASE. ACCURACY OF INFORMATION CANNOT BE GUARANTEED.

**PLAN VIEW**  
NOT TO SCALE



**LEGEND**

- METER PEDESTAL & FOUNDATION
- WALL MOUNTED NOVACHARGE
- EXISTING TREES TO REMAIN
- GRASS
- CONCRETE

**EXHIBIT 1A**

101 E. MARKET STREET, SALISBURY, MD 21801  
DPL PUBLIC CHARGING EQUIPMENT PLAN  
LEVEL-2 WALL MOUNTED EVSE

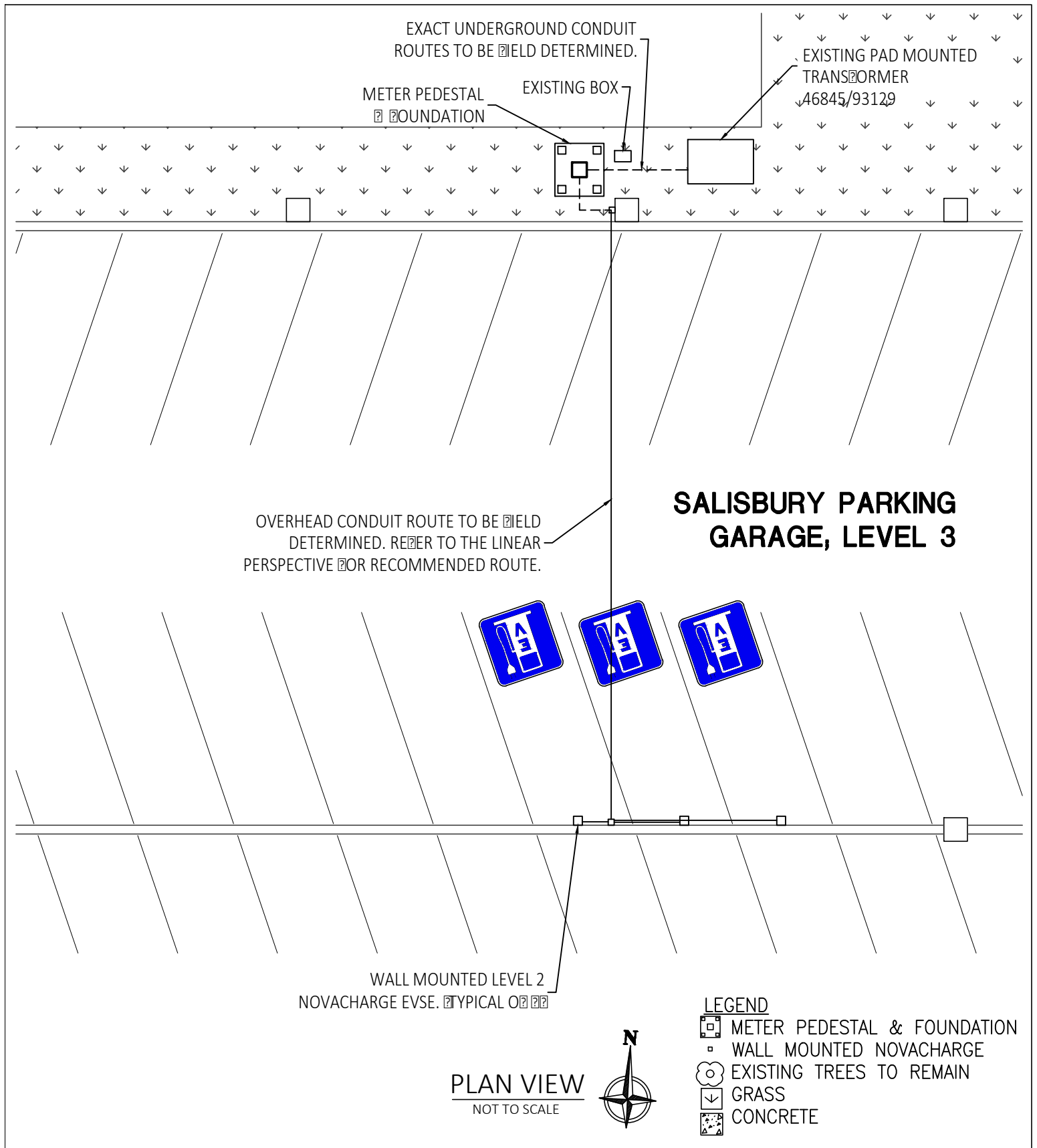


**delmarva  
power**

Newark, DE - An Exelon Company

SCALE : NONE

SALISBURY  
PARKING GARAGE



# EXHIBIT 1B

101 E. MARKET STREET, SALISBURY, MD 21801  
DPL PUBLIC CHARGING EQUIPMENT PLAN  
LEVEL-2 WALL MOUNTED EVSE



**delmarva  
power**

Newark, DE - An Exelon Company

SCALE : NONE

SALISBURY  
PARKING GARAGE



**RIGHT OF WAY AND LICENSE AGREEMENT  
(EV Charging Station Facilities)**

THIS RIGHT OF WAY AND LICENSE AGREEMENT ("Agreement") entered into this \_\_\_\_ day of \_\_\_\_, 2021 between The City of Salisbury (hereinafter called "Grantor") and Delmarva Power & Light Company (hereinafter called "Licensee").

**W I T N E S S E T H:**

WHEREAS, the Grantor is the owner of the property hereinafter described situated at 500 E. Main Street in the City of Salisbury, Wicomico County, Maryland, and identified as Map 0107, Grid 0017, Parcel 0930, and acquired from The Salisbury Realty Company, a corporation under the Laws of the State of Maryland, by Deed dated July 14, 1925, and recorded among the Land Records of Wicomico County in Liber 140, Folio 28 ("Grantor's Property"); and

WHEREAS, the Licensee wishes to acquire the license or privilege, as hereinafter described, defined and limited, in, on, upon, over, under, across, along and through said Grantor's Property from and to certain points and places hereinafter described to permit the Licensee to construct, install, operate, maintain, repair, reinstall, replace, relocate, and remove therein a charging station facility (as herein defined).

NOW, THEREFORE, in consideration of the promises and the mutual covenants and agreements herein, the parties hereby agree as follows:

**1. GRANT OF LICENSE:**

1.1 Grantor hereby grant(s) to Licensee, its successors, licensees and assigns, for value received, the right to construct, install, reconstruct, operate and maintain electric vehicle Charging Station Facilities, including, but not limited to, pads, charging facilities, electric and communication lines, poles, crossarms, wires, anchors, guys, conduits, cables, transformers, meters, appurtenant equipment and enclosures (collectively, "Charging Station Facilities") upon, over, under and across Grantor's Property.

Together with the right of access at all times to the Charging Station Facilities, the right to extend electric and communication lines by the most direct practical route from the main lines to any Charging Station Facilities on Grantor's Property, the right to trim, top, cut down and remove trees and/or shrubs adjacent to Charging Station Facilities to provide proper operating clearance, the right to make necessary openings and excavations for the purpose of examining, repairing, replacing, altering or expanding Charging Station Facilities provided that all openings or excavations shall be properly refilled and the property left in good and safe condition, and the right to place signs at Grantor's Property, near the Charging Station Facilities restricting use of parking spaces adjacent to the Charging Station Facilities to electric vehicles using or in line to use the charging facilities. No new buildings or structures are to be erected under or over Charging Station Facilities, and adequate horizontal clearances, with a five (5) foot minimum, must be maintained. Shrubbery, trees, fences, or other obstructions shall not be

placed so close to any Charging Station Facilities that they would, in the sole judgment of the Company, hinder or obstruct operation or maintenance of said equipment.

2. LICENSE LOCATION:

2.1 Subject to the terms hereinafter described, the Charging Station Facilities are or are to be located at Grantor's Property in the location generally shown on the job print attached hereto as **Exhibit 1A and 1B.**

3. EFFECTIVE DATE AND TERMINATION:

3.1 This License Agreement shall take effect as of the date of this Agreement ("Effective Date") and shall terminate five (5) years from the Effective Date (the "Termination Date") unless otherwise earlier terminated or extended as provided for herein. On the first and each successive five (5) year anniversary of the Termination Date (the "Extension Termination Date"), the term shall be extended for an additional five (5) year period (the "Extension Period") unless otherwise terminated as provided for herein.

3.2 This Agreement shall terminate in whole or in part as to any portion or segment of the Charging Station Facilities upon the happening of any of the following events:

(1) By Licensee giving sixty (60) days prior written notice to Grantor of termination as to all or any part of its Charging Station Facilities together with complete removal by the Licensee of all or that part of the Licensee's Charging Station Facilities and restoration of Grantor's Property to the approval and satisfaction of Grantor.

(2) Subsequent written mutual agreement of the parties hereto.

(3) By Grantor at anytime giving six (6) months prior written notice to Licensee to remove all or any part of its Charging Station Facilities and restoration of Grantor's Property to the approval and satisfaction of Grantor.

4. NON-EXCLUSIVITY OF LICENSE:

4.1 The license permitted to the Licensee by the Grantor pursuant to this Agreement shall be non-exclusive and occupations of the Grantors Property by one or more cable, wire, pipeline or other facilities owned and/or operated by any other person(s), company(ies) or other entity(ies) may be permitted at the sole discretion of Grantor.

5. GRANTOR APPROVAL PROCESS:

5.1 Prior to any work of any character being performed at any locations which are the subject matter of this agreement, the Licensee shall submit to Grantor detailed plans indicating the scope and specifications of the work to be performed for review by Grantor's engineers or designee. Upon review of the plans, Grantor shall have the right, at its sole discretion, to approve, modify, and/or reject the proposed construction. Upon completion of the proposed construction, Grantor shall have the right to inspect the work in order to determine acceptance of construction and compliance with approved plans.

6. PERMITS:

6.1 The Licensee, at its sole cost and expense, shall secure and maintain in effect all federal, state and local permits and licenses required for the construction, installation, operation, maintenance, repair, reinstallation, replacement, relocation and/or removal of the Charging Station Facilities, including, without limitation, zoning, building, health, environmental or communication permits or licenses, and shall indemnify the Grantor against payment of the costs therefor and against any fines or penalties that may be levied for failure to procure or to cure violations thereof. The Grantor shall take any and all actions or steps necessary to cooperate with and assist the Licensee in securing any such permits and licenses.

7. SCOPE OF WORK:

7.1 Construction of the Charging Station Facility as shown on Exhibits 1A and 1B.

8. NON-DISTURBANCE/THIRD PARTY USERS:

8.1 Except as otherwise permitted in this Agreement, the Grantor shall not license, permit or authorize its agents, employees or contractors to disturb or interfere with Licensee's Charging Station Facilities or the Licensee's rights hereunder, nor shall the Grantor deny the Licensee access to the Licensee's Charging Station Facilities. It is expressly understood however, that Grantor has no control over unauthorized third-party users who are, or may be, occupying portions of the Grantor's Property. Under no circumstances, shall the Grantor be liable to the Licensee for unauthorized use of the Charging Station Facilities. The Grantor will cooperate with the Licensee, at the latter's expense, in any actions against third parties undertaken by the Licensee as a result of the unauthorized use of the Charging Station Facilities. All such activities by the Licensee shall be governed by and subject to the Licensee's indemnification of the Grantor pursuant to this Agreement.

9. LIABILITY/INDEMNITY:

9.1 The Licensee hereby assumes, releases and agrees to indemnify, defend, protect and save the Grantor harmless from and against any loss of and/or damage to the property of the Grantor, third parties or the Licensee's Charging Station Facilities and all loss and/or damage on account of injury to or death of any persons whomsoever (including employees and invitees of the parties hereto and all other persons), arising during the Planning and Design Phase, Maintenance and Operating Phase and/or the Installation and Construction Phase and throughout the term hereof, caused by or growing out of the plan, design, construction and installation, or subsequent operation, maintenance, repair, reinstallation, replacement, relocation or removal of the Licensee's Charging Station Facilities, or any part thereof, unless such loss and/or damage arises as a direct result of the negligence or willful misconduct of the Grantor.

9.2 Grantor shall not be liable to Licensee for consequential damages including, but not limited to any claim from any client, customer or patron for loss of revenue or services arising from any act or omission of Grantor.

9.3 The Licensee further assumes, releases and agrees to indemnify, defend, protect and save the Grantor harmless from and against any loss and/or damage to any property or facilities of any party (including the Grantor or the Licensee or any persons operating or using such facilities) arising from a fire, caused by or growing out of the presence, construction, maintenance, use, operation, repair, change relocation or subsequent removal of the Licensee's Charging Station Facilities or any part thereof; loss and/or damage being deemed to include cost and expense thereof (including reasonable legal fees and court costs) to the extent such loss and/or damages are not due to or arise from the negligence or willful misconduct of Grantor.

9.4 Grantor shall give Licensee prompt notice of any claims or actions against them for which Licensee may be required to indemnify Grantor under this Agreement. In addition to Licensee's liability for any loss that could be sustained by Grantor, Licensee shall be responsible for all litigation expense incurred by Grantor, if any, including but not limited to all attorneys' fees payable on a current basis.

10. LIENS:

10.1 Each party shall keep the other's facilities and property free of all liens which arise in any way from or as a result of its activities, and cause any which may arise to be discharged or released of record as provided in this article, and shall indemnify and hold the other harmless from any and all loss, costs, damages and expenses which the other may incur or suffer if such a lien is filed.

10.2 Nothing herein shall preclude the contest of the lien or contract or action upon which the same arose. Each party agrees to cooperate with the other in such contest.

10.3 Nothing in this Agreement shall be deemed to give, and the Grantor hereby expressly waives, any claims of ownership in and to any part or the whole of the

Licensee's Charging Station Facilities unless otherwise elsewhere provided to the contrary. Furthermore, nothing herein shall be deemed to give, and the Licensee hereby expressly waives, any claims of ownership in and to any part or the whole of Grantor's real or personal property.

11. BREACH, REMEDIES:

11.1 The Licensee and the Grantor each agree that neither shall proceed against the other by litigation before the offending party has had written notice of and reasonable time to respond and cure such breach or defect; provided, however, neither party shall be required to give the other time to respond and cure if any such delay will cause irreparable harm.

11.2 Remedies available to each party for breach of this Agreement shall include: (1) litigation for specific performance; (2) litigation for injunction relief; (3) litigation for damages and costs. In no event will either Grantor or the Licensee be responsible to the other party for consequential damages.

11.3 Any waiver by either party at any time of any of its rights as to anything herein contained shall not be deemed to be a waiver of any right or covenant herein or of any other matter subsequently occurring.

12. COVENANTS AND WARRANTIES:

12.1 Licensee and Grantor covenants and warrants, respectively, it has full right and authority to enter into this Agreement in accordance with the terms hereof, and that, by entering into and performing this Agreement, it is not in violation of its charter or by-laws, or any law, regulation or agreement by which it is bound or to which it is subject.

12.2 Licensee and Grantor covenants and warrants, respectively, that it, to the best of its knowledge, has no litigation or proceeding pending or threatened against it or its facilities that would threaten this Agreement, nor has it violated, to its knowledge, any rule, order or regulation issued by any applicable governmental authority which might adversely affect the other party's interest thereunder or right to make the agreements hereunder, or execute or perform this Agreement, and that the execution, delivery and performance of this Agreement has been duly authorized by all requisite corporate action, that the signatories hereto are authorized to sign this Agreement.

13. RECORDINGS, TAXES AND OTHER CHARGES:

13.1 If Licensee chooses to record this Agreement, the Licensee shall pay all transfer taxes, documentary stamps, recording costs or fees, or any similar expense in connection with the recording or filing of this Agreement and shall pay all costs of recording a release upon termination. The Licensee further agrees that if it is determined by any state or local governmental authority that the sale, acquisition, license, grant, transfer or disposition of any part

or portion of the property or rights herein described requires the payment of any tax (including sales or use tax) under any statute, regulation or rule, the Licensee shall pay the same, plus any penalty or interest hereon, directly to said taxing authority and shall hold the Grantor harmless therefrom. The Licensee shall pay all annual or periodic taxes levied or assessed upon the Licensee's Charging Station Facilities, or on account of their existence or use, and shall indemnify the Grantor against the payment thereof.

14. INDEPENDENT CONTRACTOR STATUS:

14.1 The Grantor exercises no control whatsoever over the employment, discharge, compensation of or services rendered by the Licensee's employees or contractors, and it is the intention of the parties that the Licensee shall be and remain an independent contractor and nothing herein shall be construed as inconsistent with that status or as creating or implying any partnership or joint venture between the Licensee and the Grantor.

15. SUCCESSION/ASSIGNABILITY:

15.1 This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors or assigns. This agreement is assignable by Grantor without the consent of Licensee. Licensee shall not assign this Agreement to any other entity or individual without the prior written consent of Grantor.

16. NOTICES:

16.1 Unless otherwise provided herein, all notices and communications concerning this Agreement shall be addressed to:

The Licensee at: (one copy to each)

Delmarva Power & Light Company  
2530 North Salisbury Blvd.  
Salisbury, MD 21801  
Attention: Manager of Real Estate  
Email: [Steven.Krup@ExelonCorp.com](mailto:Steven.Krup@ExelonCorp.com) (not sufficient for notice purposes)

Exelon Corporation  
701 Ninth Street NW, 9th Floor  
Washington, DC 20068  
Attn: Constance H. Pierce  
Assistant General Counsel

The Grantor at: (one copy to each)

The City of Salisbury  
ATTN: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

or at such other addresses as may be designated in writing to the other party.

16.2 Unless otherwise provided herein, notices shall be sent by registered or certified U.S. mail, postage prepaid, and shall be deemed served or delivered to addressee, or its office, upon the date of return receipt acknowledgment or, if postal claim notice is given, on the date of its return marked "unclaimed", provided, however, that upon receipt of a returned notice marked "unclaimed", the sending party shall make reasonable effort to contact and notify the other party by telephone.

17. LEGAL FORUM:

17.1 This Agreement shall be interpreted, construed and enforced in accordance with the laws of the State of Maryland.

17.2 This Agreement shall not be interpreted against either party for the reason that the final Agreement was prepared by them.

GRANTOR

ATTEST:

THE CITY OF SALISBURY

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

LICENSEE

ATTEST:

DELMARVA POWER & LIGHT COMPANY

\_\_\_\_\_

By: \_\_\_\_\_  
Name: \_\_\_\_\_  
Title: \_\_\_\_\_

STATE OF MARYLAND, \_\_\_\_\_ COUNTY, TO WIT:

I HEREBY CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public in and for the State and County aforesaid, personally appeared \_\_\_\_\_, who acknowledged themselves to be the \_\_\_\_\_ of the City of Salisbury, and that they, as such officer, being authorized so to do, executed the foregoing instrument on behalf of said corporation for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_

STATE OF MARYLAND, \_\_\_\_\_ COUNTY, TO WIT:

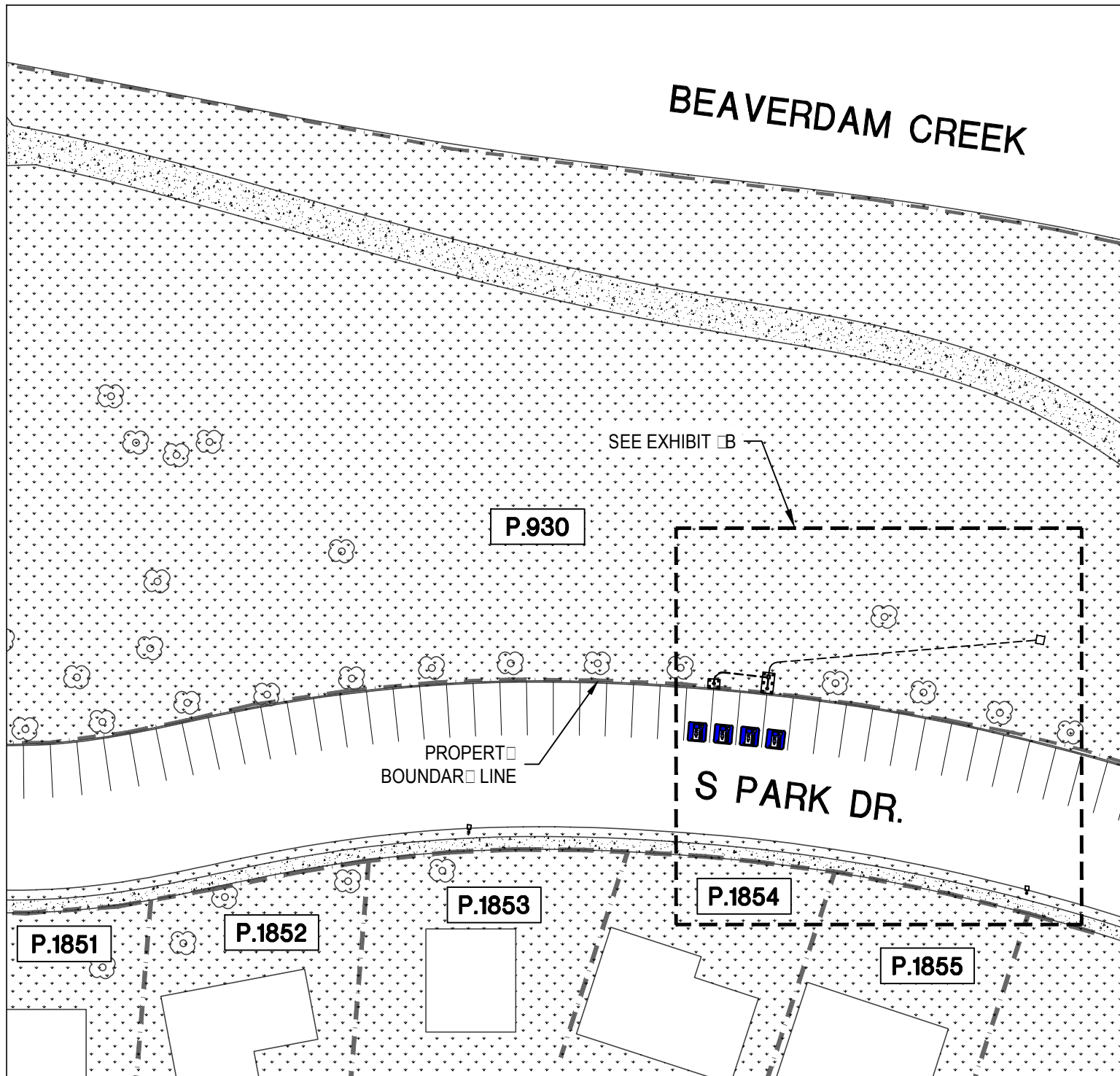
I HEREBY CERTIFY that on this \_\_\_\_ day of \_\_\_\_\_, 2021, before me, a Notary Public in and for the State and County aforesaid, personally appeared \_\_\_\_\_, who acknowledged themselves to be the \_\_\_\_\_ of Delmarva Power & Light Company, and that they, as such officer, being authorized so to do, executed the foregoing instrument on behalf of said corporation for the purposes therein contained.

AS WITNESS my hand and Notarial Seal.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission Expires: \_\_\_\_\_





#### DISCLAIMER:

THIS PLAN IS FOR GENERAL PRESENTATION PURPOSES ONLY, AND IS NOT INTENDED, NOR SHOULD BE USED, AS A SURVEY. THE BOUNDARY LINES SHOWN WERE OBTAINED USING THE MERLIN-MARYLAND ONLINE DATABASE. ACCURACY OF INFORMATION CANNOT BE GUARANTEED.

PLAN VIEW



#### LEGEND

-  GRASS
-  CONCRETE

# EXHIBIT 1A

500 E MAIN ST., SALISBURY MD 21801  
DPL PUBLIC CHARGING EQUIPMENT PLAN  
2 LEVEL-2 EVSE



**delmarva**  
**power**

Newark, DE - An Exelon Company

SCALE : NONE

SOUTH PARK DRIVE  
PUBLIC PARK



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**ORDINANCE NO. 2705**

**AN ORDINANCE OF THE CITY OF SALISBURY AUTHORIZING THE  
MAYOR TO APPROPRIATE FUNDS FOR THE MAIN STREET  
MASTERPLAN PROJECT.**

**WHEREAS**, the City of Salisbury recently constructed utility improvements in Main Street between Mill Street and Route 13; and

**WHEREAS**, during the course of the Main Street Masterplan project, property owners were provided the opportunity to upgrade their water service to add a fire service; and

**WHEREAS**, the City paid the General Contractors for the fire service installation and invoiced the property owners for the actual cost of the fire service for each property; and

**WHEREAS**, Property owners have reimbursed the City for the cost of their individual fire service; and

**WHEREAS**, City desires to use the reimbursed funds to construct the improvements on the final block of the Main Street Masterplan project, specifically St. Peter's Street; and

**WHEREAS**, the appropriations necessary to execute the purpose of the \$45,456.35 of reimbursed funds, as provided hereinabove, 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 ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 1.** Mayor Jacob R. Day is hereby authorized to appropriate funds from the fire service reimbursement account to the Main Street Masterplan Construction account in the amount of \$45,456.35.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 2.** The City of Salisbury's FY22 General Fund Budget be and hereby is amended as follows:

<b>Increase Decrease</b>	<b>Account Type</b>	<b>Project Description</b>	<b>Account Description</b>	<b>Account</b>	<b>Amount</b>
Increase	Revenue	None	Current Year Surplus	01000-469810	45,456.35
Increase	Expense	None	Transfer General Capital Projects Fund	91001-599109	45,456.35

**Section 3.** The City of Salisbury's Water Sewer Capital Project Fund Budget be and hereby is amended as follows:

<b>Increase Decrease</b>	<b>Account Type</b>	<b>Project Description</b>	<b>Account Description</b>	<b>Account</b>	<b>Amount</b>
Increase	Revenue	MainStreet MasterPlan	Transfer In General Fund	98119-469313-48022	45,456.35
Increase	Expense	MainStreet MasterPlan	Construction	98119-513026-48022	45,456.35

43 **BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF**  
44 **SALISBURY, MARYLAND,** as follows:

45  
46 **Section 3.** It is the intention of the Mayor and Council of the City of Salisbury that each provision  
47 of this Ordinance shall be deemed independent of all other provisions herein.

48  
49 **Section 4.** It is further the intention of the Mayor and Council of the City of Salisbury that if any  
50 section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid,  
51 unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication  
52 shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other  
53 provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

54  
55 **Section 5.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as  
56 if such recitals were specifically set forth at length in this Section 5.

57  
58 **Section 6.** This Ordinance shall take effect from and after the date of its final passage.

59  
60 **THIS ORDINANCE** was introduced and read at a Meeting of the Mayor and Council of the City of  
61 Salisbury held on the 10<sup>th</sup> day of January, 2022 and thereafter, a statement of the substance of the Ordinance  
62 having been published as required by law, in the meantime, was finally passed by the Council of the City  
63 of Salisbury on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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65 **ATTEST:**

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Kimberly R. Nichols, City Clerk

\_\_\_\_\_

John R. Heath, City Council President

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73 Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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78 Jacob R. Day, Mayor  
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**ORDINANCE NO. 2706**

**AN ORDINANCE OF THE CITY OF SALISBURY APPROVING AN  
AMENDMENT OF THE FY22 BUDGET TO APPROPRIATE FUNDS FOR  
STREET RESURFACING AND CONCRETE REPAIR.**

**WHEREAS**, the City of Salisbury Department of Infrastructure and Development has completed paving and concrete repair projects throughout the City that are eligible for reimbursement from MDOT-SHA; and

**WHEREAS**, the City has received a reimbursement from MDOT-SHA in the sum of \$136,098.79; and

**WHEREAS**, the Department of Infrastructure and Development seeks to reimburse the operating account from which the original appropriation was budgeted in order to continue the Citywide Paving and Concrete Programs.

**WHEREAS**, the appropriations necessary to execute the purpose of the \$136,098.79 of reimbursed funds, as provided hereinabove, 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 ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 1.** Mayor Jacob R. Day is hereby authorized to appropriate funds from the MDOT reimbursement account to the Citywide Street Maintenance account in the amount of \$136,098.79.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 2.** The City of Salisbury's FY22 General Fund Budget be and hereby is amended as follows:

<b>Increase Decrease</b>	<b>Account Type</b>	<b>Project Description</b>	<b>Account Description</b>	<b>Account</b>	<b>Amount</b>
Increase	Revenue	None	MDOT Reimbursements	01000-424202	\$104,310.59
Increase	Revenue	None	Current Year Surplus	01000-469810	\$31,788.20
Increase	Expense	None	Citywide Street Maintenance	31000-534318	\$136,098.79

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**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 3.** It is the intention of the Mayor and Council of the City of Salisbury that each provision of this Ordinance shall be deemed independent of all other provisions herein.

**Section 4.** It is further the intention of the Mayor and Council of the City of Salisbury that if any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid, unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

47        **Section 5.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as  
48 if such recitals were specifically set forth at length in this Section 5.  
49

50        **Section 6.** This Ordinance shall take effect from and after the date of its final passage.  
51

52        **THIS ORDINANCE** was introduced and read at a Meeting of the Mayor and Council of the City of  
53 Salisbury held on the 10<sup>th</sup> day of January, 2022 and thereafter, a statement of the substance of the Ordinance  
54 having been published as required by law, in the meantime, was finally passed by the Council of the City  
55 of Salisbury on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.  
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57 **ATTEST:**  
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61 \_\_\_\_\_  
62 Kimberly R. Nichols, City Clerk

\_\_\_\_\_   
John R. Heath, City Council President

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65 Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2022.  
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71 Jacob R. Day, Mayor

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**ORDINANCE NO. 2707**

**AN ORDINANCE OF THE CITY OF SALISBURY AUTHORIZING THE  
MAYOR TO APPROPRIATE FUNDS IN THE FY2022 GENERAL FUND  
BUDGET AND AMEND THE AUTHORIZED POSITIONS INCLUDED IN  
THE FY22 GENERAL FUND BUDGET.**

**WHEREAS**, the City of Salisbury recently determined there is a need to reorganize positions and change grades assigned to positions; and

**WHEREAS**, during the course of the past few months, the City executives have been assessing and formulating position and grade changes that will be of benefit to the City; and

**WHEREAS**, the appropriations below, as provided hereinabove, 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 ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 1.** The City of Salisbury's FY22 General Fund Budget be and hereby is amended as follows:

Increase Decrease	Account Type	Department	Org	Amount
Increase	Expense	<i>Business Development</i>	11600 - XXXXXX	30,000
Increase	Expense	<i>Human Resource</i>	18500 - XXXXXX	50,000
Decrease	Expense	<i>Field Op - Traffic</i>	22000 - XXXXXX	25,000
Decrease	Expense	<i>Field Op - Resource Management</i>	30000 - XXXXXX	30,000
Decrease	Expense	<i>Field Op - Streets</i>	31150 - XXXXXX	25,000

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**Section 2.** The City of Salisbury's FY22 Authorized Position Budget and Position Pay Grades be and hereby is amended according to Schedule A attached.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 3.** It is the intention of the Mayor and Council of the City of Salisbury that each provision of this Ordinance shall be deemed independent of all other provisions herein.

**Section 4.** It is further the intention of the Mayor and Council of the City of Salisbury that if any section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid, unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

**Section 5.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as if such recitals were specifically set forth at length in this Section 5.

**Section 6.** 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 Mayor and Council of the City of Salisbury held on the 10<sup>th</sup> day of January, 2022 and thereafter, a statement of the substance of the Ordinance having been published as required by law, in the meantime, was finally passed by the Council of the City of Salisbury on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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**ATTEST:**

\_\_\_\_\_  
**Kimberly R. Nichols, City Clerk**

\_\_\_\_\_  
**John R. Heath, City Council President**

Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2022.

\_\_\_\_\_  
**Jacob R. Day, Mayor**

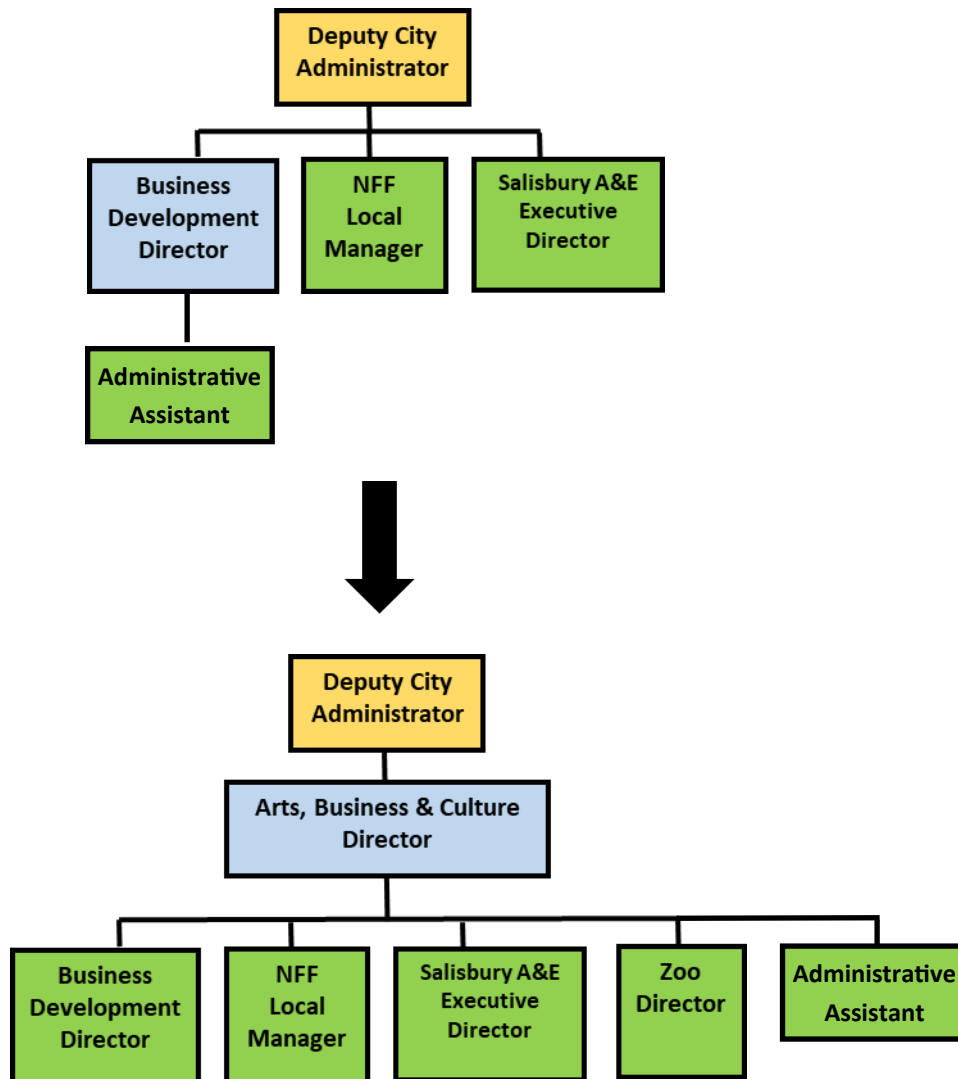


# Exhibit A

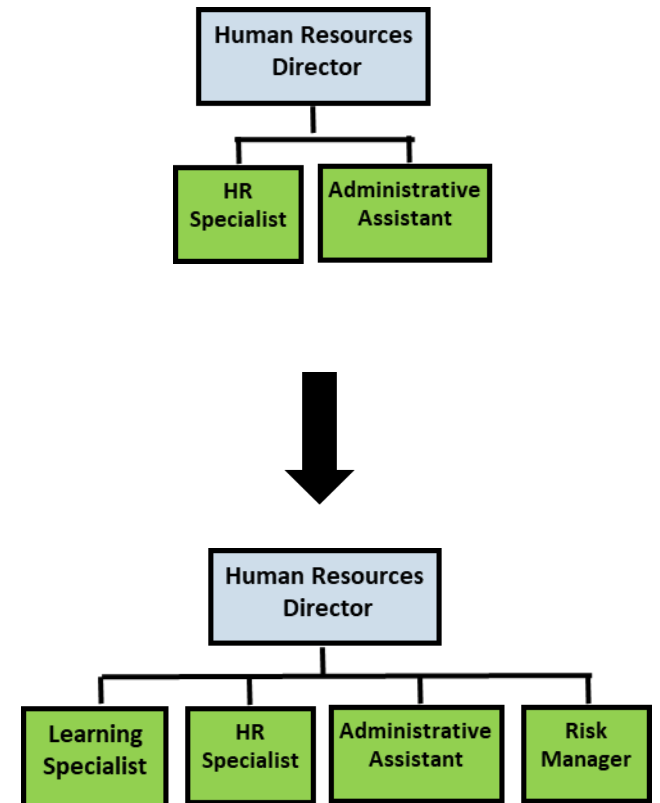
Position Title	Division	Org	FY22 Grade	FY22 Position Count	Mid Year (Jan) Count Change	Mid Year New Grade
<b>Business Development 11600</b>	11600	11600				
Arts, Business, and Culture Director	11600	11600	14		1	
Director of Business Development	11600	11600	12	1		
Administrative Assistant I/II/III	11600	11600	5	1		
Office Associate II	11600	11600	2	0		
<b>Total Business Development</b>	<b>11600</b>	<b>11600</b>		<b>2</b>	<b>1</b>	
<b>Human Resources 18500</b>	18500	18500				
Human Resources Director	18500	18500	14	1		16
Risk Manager	18500	18500	11		1	
Human Resource - Coordinator /Specialist / Administrator	18500	18500	5/9/10	1		8/10/11
Human Resource - Coordinator /Specialist / Administrator	18500	18500			1	8/10/11
Administrative Office Associate	18500	18500	4	0		
Administrative Assistant I/II/III	18500	18500	5	1		
Office Associate II/III	18500	18500	2/3	0		
<b>Total Human Resources</b>	<b>18500</b>	<b>18500</b>		<b>3</b>	<b>2</b>	
<b>Transportation 22000</b>	FO	22000				
Deputy Director	FO	22000	13	1		
Transportation Superintendent	FO	22000	12	0		
Traffic Systems Manager	FO	22000	10	1		11
Traffic Manager	FO	22000	10	0		
Traffic Supervisor	FO	22000	8	1	-1	
Signal & Lighting Technician I / II / III	FO	22000	7/8	1	1	
Signs/Pavement Marking Tech I / II	FO	22000	2 / 4	2		
<b>Total Transportation</b>	<b>FO</b>	<b>22000</b>		<b>6</b>	<b>0</b>	
<b>Field Operations Administration 30000</b>						
Director of Field Operations	FO	30000	16	1		
Director Public Works	FO	30000	17	0		
Deputy Director Services	FO	30000	13	1	-1	
Safety Manager	FO	30000	11	0		
Risk Manager	FO	30000	11	1	-1	
Operations and Maintenance Superintendent	FO	30000	10	0		
Resource Manager	FO	30000	8	0		
Asset Management and Facilities Specialist	FO	30000	7	1	-1	
Asset and Facility Manager	FO	30000	11		1	
Materials Manager	FO	30000	3	0		
Office Manager I/II/III	FO	30000	6	1		
Logistics Coordinator	FO	30000	5	1		
Administrative Assistant I/II/III	FO	30000	5	0	1	
Administrative Office Associate	FO	30000	5	0		
Supply/Records Clerk	FO	30000	2	0		
<b>Total Field Operations Administration</b>	<b>FO</b>	<b>30000</b>		<b>6</b>	<b>-1</b>	
<b>Utilities Water 82076</b>	FO	82076				
Superintendent Utilities	FO	82076	12	1		
Utility Section Chief	FO	82076	8	2		
Utility Supervisor	FO	82076	7	0		
Administrative Assistant I/II/III	FO	82076	5	1	-1	
Utility Technician I / II / III	FO	82076	4/5/6	5		
Utility Locator	FO	82076	5/6	1		
Meter Technician I/II/III	FO	82076	3/4	1		
Meter Reader I/II	FO	82076	3	1		
<b>Total Utilities Water</b>	<b>FO</b>	<b>82076</b>		<b>12</b>	<b>-1</b>	
<b>Total Change</b>					<b>1</b>	

# Revised Organizational Charts

## Arts, Business and Culture Department



## Human Resources



Ordinance No. 2708

AN ORDINANCE OF THE COUNCIL (THE "COUNCIL") OF THE CITY OF SALISBURY AMENDING AND SUPPLEMENTING ORDINANCE NO. 2554, PASSED BY THE COUNCIL ON AUGUST 26, 2019, APPROVED BY THE MAYOR OF CITY OF SALISBURY (THE "CITY") ON AUGUST 27, 2019 AND EFFECTIVE ON AUGUST 27, 2019 ("ORDINANCE NO. 2554"), IN ORDER TO (1) AUTHORIZE AND EMPOWER THE CITY TO USE AND APPLY A PORTION OF THE PRINCIPAL AMOUNT OF THE \$11,225,000 CITY OF SALISBURY PUBLIC IMPROVEMENT BONDS OF 2019 ISSUED ON OCTOBER 8, 2019 (THE "2019 BONDS"), TO THE PROJECTS IDENTIFIED HEREIN AS "RAIL TRAIL MASTER PLAN IMPLEMENTATION" AND "CITY PARK MASTER PLAN IMPROVEMENTS", AND (2) IDENTIFY SUCH ADDITIONAL PROJECTS AS "PROJECTS" FOR ALL PURPOSES OF ORDINANCE NO. 2554; PROVIDING THAT THIS TITLE IS A FAIR STATEMENT OF THE SUBSTANCE OF THIS ORDINANCE; AUTHORIZING CERTAIN CITY OFFICIALS TO TAKE CERTAIN ACTIONS IN CONNECTION WITH THE TRANSACTIONS CONTEMPLATED BY THIS ORDINANCE; PROVIDING THAT THE PROVISIONS OF THIS ORDINANCE SHALL BE LIBERALLY CONSTRUED; AND OTHERWISE GENERALLY RELATING TO THE USE OF PROCEEDS OF THE 2019 BONDS.

RECITALS

WHEREAS, City of Salisbury, a municipal corporation of the State of Maryland (the "City"), is authorized and empowered by Sections 19-301 to 19-309, inclusive, of the Local Government Article of the Annotated Code of Maryland, as replaced, supplemented or amended (the "Enabling Act"), and Sections SC7-45 and SC7-46 of the Charter of the City of Salisbury, as replaced, supplemented or amended (the "Charter"), to borrow money for any proper public purpose and to evidence such borrowing by the issuance and sale of its general obligation bonds; and

WHEREAS, pursuant to the authority of the Enabling Act, Sections SC7-45 and SC7-46 of the Charter, and Ordinance No. 2554, passed by the Council of the City (the "Council") on August 26, 2019, approved by the Mayor of the City (the "Mayor") on August 27, 2019 and effective on August 27, 2019 ("Ordinance No. 2554"), the City authorized general obligation bonds to be issued from time to time in one or more series in an aggregate principal amount not to exceed Twelve Million Four Hundred Eighty-Two Thousand Nine Hundred Seventy-Seven Dollars (\$12,482,977) (the "Authorized Bonds") in order to finance, reimburse or refinance "costs" and "Costs of the Projects" (each as defined in Section 3(b) of Ordinance No. 2554) of the projects identified in the table below (herein collectively referred to as the "Authorized Projects" and referred to as the "Projects" in Ordinance No. 2554) in the maximum principal amounts set forth opposite each such Authorized Project in such Section 3(b):

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	<u>Project Name</u>	<u>Maximum Principal Amount</u>
1.	Roof Replacement Fire Station 1 <sup>1</sup>	\$ 50,000
2.	Water Chiller & Heating and Air Conditioning <sup>1</sup>	300,000
3.	Main Street Master Plan <sup>1</sup>	6,740,000
4.	Bicycle Master Plan Implementation <sup>1</sup>	550,000
5.	Urban Greenway Implementation <sup>1</sup>	775,000
6.	Wayfinding and Signage <sup>1</sup>	50,000
7.	Bridge Maintenance and Replacement <sup>1</sup>	162,000
8.	Street Scaping <sup>1</sup>	206,000
9.	Zoo Admin Office Space <sup>2</sup>	100,000
10.	Field Operations Facility Plan – Phase 2 <sup>2</sup>	200,000
11.	Field Operations Facility Plan – Phase 3 <sup>2</sup>	125,000
12.	Mill Street Bridge Rehabilitation <sup>2</sup>	45,000
13.	Naylor Mill Road Bridge Replacement <sup>2</sup>	70,000
14.	Bicycle Master Plan Improvements <sup>2</sup>	300,000
15.	Urban Greenway Improvements <sup>2</sup>	200,000
16.	Street Scaping <sup>2</sup>	200,000
17.	Building Lighting and Controls (ECM 1) <sup>3</sup>	711,426
18.	Mechanical (ECM 2) <sup>3</sup>	387,403
19.	Building Management Systems (ECM 3) <sup>3</sup>	183,237
20.	Building Envelope Improvement (ECM 4) <sup>3</sup>	105,911
21.	Garage (Bearing Pad Replacement) <sup>1</sup>	400,000
22.	Parking Garage Structural Repairs <sup>2</sup>	592,000
23.	Phone System Fire Department	30,000
TOTAL		\$12,482,977

<sup>1</sup> Project was approved for bond funding in the fiscal year 2019 budget ordinance (Ordinance No. 2482).

<sup>2</sup> Project was approved for bond funding in the fiscal year 2020 budget ordinance (Ordinance No. 2539).

<sup>3</sup> Projects were approved for bond funding by Ordinance No. 2521. Projects are further broken down by project components on Schedule B to Ordinance No. 2521; and

WHEREAS, pursuant to the authority of the Enabling Act, Sections SC7-45 and SC7-46 of the Charter, Ordinance No. 2554 and Resolution No. 2972, adopted by the Council on September 9, 2019, approved by the Mayor on September 9, 2019 and effective on September 9, 2019 (“Resolution No. 2972”), the City determined to borrow money for the public purpose of financing or reimbursing “costs” and “Costs of the Projects” (each as defined in Section 2(b) of Resolution No. 2972, which definitions mirror the definitions of “costs” and “Costs of the Projects” set forth in

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54 Section 3(b) of Ordinance No. 2554) of the projects specified in Section 2(a) of Resolution No.  
55 2972 (which included all of the Authorized Projects), and evidenced this borrowing by the issuance  
56 and sale by public sale at competitive bid of a single series of the Authorized Bonds in the original  
57 aggregate principal amount of Eleven Million Two Hundred Twenty-Five Thousand Dollars  
58 (\$11,225,000) and designated as the “City of Salisbury Public Improvement Bonds of 2019” (the  
59 “2019 Bonds”); and  
60

61 WHEREAS, due to net original issue premium received by the City in connection with the  
62 sale of the 2019 Bonds, the City was able to reduce the original aggregate par amount of the 2019  
63 Bonds actually issued from the maximum original aggregate par amount of the Authorized Bonds  
64 provided for in Ordinance No. 2554, and thereby to allocate a portion of such net original issue  
65 premium, together with the par amount of the 2019 Bonds, to fund the Authorized Projects in the  
66 maximum aggregate principal amount of \$12,482,977 contemplated by Ordinance No. 2554; and  
67

68 WHEREAS, the principal amount of the 2019 Bonds, together with net original issue  
69 premium, was originally appropriated and allocated to (i) the Authorized Projects identified in the  
70 table in the second preceding WHEREAS clause above, in the amounts specified in such table (for a  
71 total of \$12,482,977), (ii) \$85,912.89 to underwriter’s discount, which was retained by Robert W.  
72 Baird & Co. Incorporated, the successful bidder for the 2019 Bonds at the public sale by competitive  
73 bid held therefor, (iii) \$45,375 to costs of issuance of other than underwriter’s discount, and (iv)  
74 \$4,334.21, representing the rounding amount due to the fact that the 2019 Bonds were issued in  
75 denominations of \$5,000 and integral multiples thereof, which rounding amount was to be applied to  
76 additional costs of the Authorized Projects; and  
77

78 WHEREAS, pursuant to Ordinance No. 2571, passed by the Council on January 13, 2020 and  
79 approved by the Mayor on January 21, 2020 (“Ordinance No. 2571”), the City reallocated \$1,431 of  
80 the principal amount of the 2019 Bonds originally allocated to the Authorized Project identified as  
81 “Phone System First Department” to the Authorized Project identified as “Roof Replacement Fire  
82 Station 1”; and  
83

84 WHEREAS, pursuant to Ordinance No. 2593, passed by the Council on June 8, 2020 and  
85 approved on June 10, 2020 (“Ordinance No. 2593”), the City contemplated the reallocation of  
86 \$750,000 of the principal amount of the 2019 Bonds originally allocated to the Authorized Project  
87 identified as “Main Street Master Plan” to the Authorized Project identified as “Street Scaping,” and  
88 provided for such reallocation by subsequent appropriate action; and  
89

90 WHEREAS, pursuant to Ordinance No. 2593, the City also contemplated the reallocation of  
91 \$250,000 of the principal amount of the 2019 Bonds originally allocated to the Authorized Project  
92 identified as “Main Street Master Plan” to a project not included in Ordinance No. 2554 that is  
93 identified in Ordinance No. 2593 as “Rail Trail Master Plan Implementation;” to date, no proceeds of  
94 the 2019 Bonds have been spent on such additional project; and  
95

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96 WHEREAS, pursuant to Ordinance No. 2660, passed by the Council on June 14, 2021 and  
97 approved by the Mayor on June 22, 2021 (“Ordinance No. 2660”), the City contemplated the  
98 reallocation of an aggregate of \$1,143,674 of the principal amount of the 2019 Bonds originally  
99 allocated to the Authorized Project identified as “Main Street Master Plan” to the following  
100 Authorized Projects in the following amounts: (i) \$475,000 to the Authorized Project identified as  
101 “Bicycle Master Plan Improvements”, (ii) \$450,000 to the Authorized Project identified as “Urban  
102 Greenway Improvements,” and (iii) \$218,674 to the Authorized Project identified as “Street Scaping,”  
103 and provided for such reallocation by subsequent appropriate action; and  
104

105 WHEREAS, pursuant to Ordinance No. 2660, the City also contemplated the reallocation of  
106 an aggregate of \$700,000 of the principal amount of the 2019 Bonds originally allocated to the  
107 Authorized Project identified as “Main Street Master Plan” to two projects not included in Ordinance  
108 No. 2554 that are identified in Ordinance No. 2660 as (i) “Rail Trail Master Plan Implementation,”  
109 in the amount of \$300,000, and (ii) “City Park Master Plan Improvements, ” in the amount of  
110 \$400,000; to date, no proceeds of the 2019 Bonds have been spent on either such additional project;  
111 and  
112

113 WHEREAS, pursuant to (i) Ordinance No. 2596, passed by the Council on June 8, 2020 and  
114 approved on June 10, 2020, the Council allocated \$40,000 of interest earnings on proceeds of the  
115 2019 Bonds to the Authorized Project identified as “Zoo Admin Office Space”, and (ii) Ordinance  
116 No. 2682, passed by the Council on September 27, 2021 and approved by the Mayor on October 6,  
117 2021, the Council allocated \$64,000 of interest earnings on proceeds of the 2019 Bonds to the  
118 Authorized Project identified as “Zoo Admin Office Space;” and  
119

120 WHEREAS, accordingly, the City desires to expand the list of the Authorized Projects as set  
121 forth in Ordinance No. 2554 in order to allow a portion of the principal amount of the Authorized  
122 Bonds (meaning the 2019 Bonds) to be applied to the two additional projects referred to as the “Rail  
123 Trail Master Plan Implementation” and the “City Park Master Plan Improvements” (collectively, the  
124 “Additional Projects”), and to identify such Additional Projects as “Projects” for all purposes of  
125 Ordinance No. 2554.  
126

127 SECTION 1. NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF  
128 THE CITY OF SALISBURY, MARYLAND that:  
129

130 (a) The Recitals to this Ordinance are incorporated by reference herein and deemed a  
131 substantive part of this Ordinance. Capitalized terms used in the Sections of this Ordinance that  
132 are not defined therein shall have the meanings given to such terms in the Recitals.

133 (b) References in this Ordinance to any official by title shall be deemed to refer (i) to any  
134 official authorized under the Charter, the code of ordinances of the City (the “City Code”) or other  
135 applicable law or authority to act in such titled official’s stead during the absence or disability of such  
136 titled official, (ii) to any person who has been elected, appointed or designated to fill such position in  
137 an acting or interim capacity under the Charter, the City Code or other applicable law or authority,

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(iii) to any person who serves in a “deputy”, “associate” or “assistant” capacity as such an official, provided that the applicable responsibilities, rights or duties referred to herein have been delegated to such deputy, associate or assistant in accordance with the Charter, the City Code or other applicable law or authority, and/or (iv) to the extent an identified official commonly uses another title not provided for in the Charter or the City Code, the official, however known, who is charged under the Charter, the City Code or other applicable law or authority with the applicable responsibilities, rights or duties referred to herein.

(c) References in this Ordinance to the “principal amount” of any obligations shall be construed to mean the par amount of such obligations.

(d) References in the Sections of this Ordinance to Ordinance No. 2554 shall be construed to mean Ordinance No. 2554 as the allocation of the principal amount of the Authorized Bonds (meaning the 2019 Bonds) provided for therein has been reallocated prior to the introduction of this Ordinance pursuant to the previous actions of the City described in the Recitals to this Ordinance.

SECTION 2. BE IT FURTHER ORDAINED that:

(a) Pursuant to the authority of the Enabling Act, Sections SC7-45 and SC7-46 of the Charter and Ordinance No. 2554, from and after the effective date of this Ordinance, and subject to Sections 2(d) and 7 hereof, Section 3(b) of Ordinance No. 2554 is hereby deleted in its entirety and inserted in place thereof shall be the following:

“(b) With respect to the projects listed below, the word “costs” as used in Section 2 hereof shall include, as applicable, costs of the following activities and expenses: land and right-of-way acquisition and development; acquisition of other property rights; site and utility improvements, including, without limitation, grading, landscaping, paving, sidewalk, curb, gutter, storm water, water and sewer improvements, and related or similar activities and expenses; demolition, razing and removal; acquisition, construction, expansion, reconstruction, replacement, renovation, rehabilitation, improvement, installation, furnishing and equipping activities and expenses, and related or similar activities and expenses; planning, design, engineering, architectural, feasibility, surveying, document development, bidding, permitting, inspection, construction management, financial, administrative and legal expenses, and related or similar activities and expenses; contingencies; costs of issuance (which may include costs of bond insurance or other credit or liquidity enhancement); interest during construction and for a reasonable period thereafter (whether or not expressly so stated); and any such costs that may represent the City’s share or contribution to the financing, reimbursement or refinancing of any such project (collectively, “Costs of the Projects”). The maximum original aggregate principal amount of the Bonds (or the BANs, as identified in Section 6 hereof) to be appropriated or applied to the Costs of the Projects (exclusive of any premium realized upon sale or investment earnings that may be applied for such purposes) shall be allocated among the following public purpose projects in the maximum principal

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amount set forth opposite each, except as otherwise herein provided:

	<u>Project Name</u>	<u>Maximum Principal Amount</u>
1.	Roof Replacement Fire Station 1 <sup>1</sup>	\$ 51,431
2.	Water Chiller & Heating and Air Conditioning <sup>1</sup>	300,000
3.	Main Street Master Plan <sup>1</sup>	3,896,326
4.	Bicycle Master Plan Implementation <sup>1</sup>	550,000
5.	Urban Greenway Implementation <sup>1</sup>	775,000
6.	Wayfinding and Signage <sup>1</sup>	50,000
7.	Bridge Maintenance and Replacement <sup>1</sup>	162,000
8.	Street Scaping <sup>1</sup>	206,000
9.	Zoo Admin Office Space <sup>2</sup>	100,000
10.	Field Operations Facility Plan – Phase 2 <sup>2</sup>	200,000
11.	Field Operations Facility Plan – Phase 3 <sup>2</sup>	125,000
12.	Mill Street Bridge Rehabilitation <sup>2</sup>	45,000
13.	Naylor Mill Road Bridge Replacement <sup>2</sup>	70,000
14.	Bicycle Master Plan Improvements <sup>2</sup>	775,000
15.	Urban Greenway Improvements <sup>2</sup>	650,000
16.	Street Scaping <sup>2</sup>	1,168,674
17.	Building Lighting and Controls (ECM 1) <sup>3</sup>	711,426
18.	Mechanical (ECM 2) <sup>3</sup>	387,403
19.	Building Management Systems (ECM 3) <sup>3</sup>	183,237
20.	Building Envelope Improvement (ECM 4) <sup>3</sup>	105,911
21.	Garage (Bearing Pad Replacement) <sup>1</sup>	400,000
22.	Parking Garage Structural Repairs <sup>2</sup>	592,000
23.	Phone System Fire Department	28,569
24.	Rail Trail Master Plan Implementation <sup>4</sup>	550,000
25.	City Park Master Plan Improvements <sup>5</sup>	\$400,000
TOTAL		<u><u>\$12,482,977</u></u>

<sup>1</sup> Project was approved for bond funding in the fiscal year 2019 budget ordinance (Ordinance No. 2482).

<sup>2</sup> Project was approved for bond funding in the fiscal year 2020 budget ordinance (Ordinance No. 2539).

<sup>3</sup> Projects were approved for bond funding by Ordinance No. 2521. Projects are further broken down by project components on Schedule B to Ordinance No. 2521.

<sup>4</sup> Project was approved for funding from reallocation of par amount of issued bonds in the fiscal year 2021 budget ordinance (Ordinance No. 2593).

<sup>5</sup> Project was approved for funding from reallocation of par amount of issued bonds

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190 in the fiscal year 2021 budget ordinance (Ordinance No. 2660).

191  
192 The projects identified in items 1-25 above are collectively referred to herein as the  
193 “Projects”. The Projects described in items 1-25 above are identified by  
194 approximately the same names as such Projects are identified in City budget or other  
195 materials. The City, without notice to or the consent of any registered owners of the  
196 Bonds (or the registered owners of any of the BANs, as applicable), may reallocate  
197 the maximum principal amount of the Bonds (and of any of the BANs, as applicable)  
198 (exclusive of any premium realized upon sale or investment earnings that may be  
199 applied for such purposes) to be spent on Costs of the Projects among any of the  
200 Projects (including, without limitation, the components of the Projects approved by  
201 Ordinance No. 2521) in compliance with applicable budgetary procedures or  
202 applicable law, including, to the extent applicable, by resolution. Further, it is the  
203 intention of the Council that proceeds of the Bonds (or of any of the BANs, as  
204 applicable) may be spent on any applicable Costs of the Projects, notwithstanding the  
205 descriptive names used for the Projects in the table above, including, without  
206 limitation, costs related to changes in the scopes of and/or names of the Projects  
207 effected through applicable budgetary procedures or applicable law.”  
208

209 (b) By undertaking the amendments to Section 3(b) of Ordinance No. 2554 provided for  
210 in subsection (a) of this Section 2, the City is in effect adding the Additional Projects identified as  
211 items 24-25 in the table set forth in subsection (a) above to the list of Projects set forth in Section 3(b)  
212 of Ordinance No. 2554 the costs of which may be financed or reimbursed from the principal amount  
213 of the 2019 Bonds, as well as reflecting the reallocation of the principal amount of the 2019 Bonds to  
214 certain of the projects that were originally included in Ordinance No. 2554 that are provided for by  
215 Ordinance No. 2571, Ordinance No. 2593 and Ordinance No. 2660. By adding the Additional  
216 Projects identified in items 24-25 in the table set forth in subsection (a) to the list of Projects set forth  
217 in Section 3(b) of Ordinance No. 2554, the City is also providing authorization for net original issue  
218 premium of the 2019 Bonds and investment earnings on proceeds of the 2019 Bonds to be applied to  
219 costs of such Additional Projects.  
220

221 (c) The projects identified in the table set forth in subsection (a) above (which amends  
222 Section 3(b) of Ordinance No. 2554) are collectively referred to herein as the “Revised Projects.”  
223 Subject to the provisions of subsection (d) below and Section 7 of this Ordinance, from and after the  
224 effective date of this Ordinance, all references to the Projects in Ordinance No. 2554 shall be deemed  
225 to be references to the Revised Projects, as identified in this Ordinance. Subject to the provisions of  
226 subsection (d) below and Section 7 of this Ordinance, from and after the effective date of this  
227 Ordinance, the provisions of this Section 2 shall supersede the provisions of Section 3(b) of Ordinance  
228 No. 2554 with respect to the application of the principal amount of the Authorized Bonds (meaning  
229 the 2019 Bonds).  
230

231 (d) Notwithstanding the foregoing provisions of this Section 2, no portion of the principal  
232 amount of the 2019 Bonds, the net original issue premium allocated to Costs of the Projects or

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investment earnings on proceeds of the 2019 Bonds may be applied to costs of the Additional Projects unless and until the City adopts a resolution making corresponding amendments to the provisions of Section 2(a) of Resolution No. 2972 to include the Additional Projects in the list of Projects identified in Resolution No. 2972, thereby allowing a portion of the principal amount of the 2019 Bonds, any net original issue premium allocated to Costs of the Projects and investment earnings on proceeds of the 2019 Bonds to be applied to costs of the Additional Projects.

SECTION 3. BE IT FURTHER ORDAINED that, subject to the provisions of Section and 7 of this Ordinance, the Mayor, the City Administrator, the Director of Finance and all other appropriate officials and employees of the City, to the extent acting within the scope of their respective authority, are hereby authorized and empowered to take any and all action necessary or appropriate to provide for the application of the proceeds of the 2019 Bonds to finance or reimburse costs of the Revised Projects and to approve, execute and deliver all documents, certificates or instruments necessary or appropriate in connection therewith or in connection with the transactions contemplated by this Ordinance, including, without limitation, any amendments, modifications or supplements to any documents, certificates or instruments delivered in connection with the 2019 Bonds.

SECTION 4. BE IT FURTHER ORDAINED that from and after the effective date of this Ordinance, Ordinance No. 2554 shall be deemed amended and supplemented as provided herein and all other terms and provisions of Ordinance No. 2554 shall remain in full force and effect.

SECTION 5. BE IT FURTHER ORDAINED that the title of this Ordinance shall be deemed to be, and is, a fair statement of the substance of this Ordinance for posting and all other purposes.

SECTION 6. BE IT FURTHER ORDAINED that the provisions of this Ordinance shall be liberally construed in order to effectuate the transactions contemplated by this Ordinance.

SECTION 7. BE IT FURTHER ORDAINED that this Ordinance shall become effective following approval by the Mayor or subsequent passage by the Council following the Mayor's veto in accordance with the provision of Section SC2-12 of the Charter; provided, however, that notwithstanding the effective date of this Ordinance, in the event the City fails to adopt a resolution making corresponding amendments to the provisions of Section 2(a) of Resolution No. 2972 to allow a portion of the principal amount of the 2019 Bonds, any net original issue premium allocated to Costs of the Projects and investment earnings on proceeds of the 2019 Bonds to be applied to costs of the Additional Projects, the City may not apply any portion of the principal amount of the 2019 Bonds, any portion of net original issue premium allocated to Costs of the Projects or any portion of investment earnings on proceeds of the 2019 Bonds to costs of the Additional Projects identified herein as "Rail Trail Master Plan Implementation" or "City Park Master Plan Improvements." Pursuant to Charter Section SC2-16, this Ordinance shall not be subject to petition to referendum.

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THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on the 10<sup>th</sup> day of January, 2022 and thereafter, a statement of the substance of this Ordinance having been posted or published as required by law, was finally passed by the Council \_\_\_\_\_ [as introduced] \_\_\_\_\_ [as amended] [CHECK APPLICABLE LINE] on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

ATTEST:

\_\_\_\_\_  
Kimberly R. Nichols, City Clerk

\_\_\_\_\_  
John R. Heath, President  
Salisbury City Council

APPROVED BY ME THIS \_\_\_\_\_ DAY OF \_\_\_\_\_, 2022:

\_\_\_\_\_  
Jacob R. Day, Mayor

#223944;58111.001

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INTER

OFFICE

# MEMO

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## *Finance Department*

**To:** Julia Glanz, City Administrator  
**From:** Keith Cordrey , Director of Finance  
**Subject:** Mini Excavator and Dump Truck  
**Date:** January 6, 2022

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The FY22 Budget Schedule B included an appropriation for a Mini Excavator and Dump Truck using American Recovery Program (ARP) funds.

After reviewing additional guidance release for the ARP funds, we have determined it would be more suitable to use City PayGO funds rather than ARP funds.

Please find attached a Budget Ordinance which replaces anticipated funding from the American Recovery Program (ARP) for a Mini Excavator and Dump Truck with \$140,065 in reallocated PayGO funds and new PayGO from the Water Sewer Fund surplus.

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

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**ORDINANCE NO. 2709**

**AN ORDINANCE OF THE CITY OF SALISBURY AUTHORIZING THE  
MAYOR TO APPROPRIATE FUNDS FOR A DUMP TRUCK AND MINI  
EXCAVATOR BOTH PREVIOUSLY FUNDED WITH FEDERAL  
RECOVERY FUNDS.**

**WHEREAS**, the City of Salisbury appropriated funds to purchase a Dump Truck and Mini Excavator using Federal Recovery (ARP) Funds in Ordinance 2660 FY22 Budget; and

**WHEREAS**, during the course reviewing new details on how ARP funds can be used, the City's Finance Department determined PayGO would be a better source of funding for the Dump Truck and Mini Excavator; and

**WHEREAS**, the City found \$140,065 in PayGO funds for other projects that were available to reallocate for the Dump Truck and Mini Excavator; and

**WHEREAS**, the total funds required for the two items is \$245,000 leaving an additional \$104,935 required to replace the ARP Funds; and

**WHEREAS**, the new appropriations necessary to execute the new funds from surplus of \$104,935 and the reallocated funds of \$140,065, as provided hereinabove, 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 ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 1.** Mayor Jacob R. Day is hereby authorized to appropriate funds from the fire service reimbursement account to the Main Street Masterplan Construction account in the amount of \$65,427.21.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 2.** The City of Salisbury's FY22 Water Sewer Fund Budget be and hereby is amended as follows: See Schedule A attached.

**Section 3.** The City of Salisbury's Water Sewer Capital Project Fund Budget be and hereby is amended as follows:

Increase Decrease	Rev Exp	Account				Project	Amount
Additional PayGO to replace the Federal Recovery Funds:							
Increase	Rev	60100			Current Surplus	NA	104,935
Increase	Exp	91002	599108		Trf W S Cap Projects	NA	104,935

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44 **BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF**  
45 **SALISBURY, MARYLAND**, as follows:

46 **Section 3.** It is the intention of the Mayor and Council of the City of Salisbury that each provision  
47 of this Ordinance shall be deemed independent of all other provisions herein.

48 **Section 4.** It is further the intention of the Mayor and Council of the City of Salisbury that if any  
49 section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid,  
50 unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication  
51 shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other  
52 provisions of this Ordinance shall remain and shall be deemed valid and enforceable.

53 **Section 5.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as  
54 if such recitals were specifically set forth at length in this Section 5.

55 **Section 6.** This Ordinance shall take effect from and after the date of its final passage.  
56

57 **THIS ORDINANCE** was introduced and read at a Meeting of the Mayor and Council of the City of  
58 Salisbury held on the \_\_\_\_\_ day of \_\_\_\_\_, 2022 and thereafter, a statement of the substance  
59 of the Ordinance having been published as required by law, in the meantime, was finally passed by the  
60 Council of the City of Salisbury on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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62 **ATTEST:**  
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67 \_\_\_\_\_  
68 **Kimberly R. Nichols, City Clerk**

\_\_\_\_\_ **John R. Heath, City Council President**

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70 Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2022.  
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76 **Jacob R. Day, Mayor**

**Schedule A – Water Sewer Capital Project Fund**

Increase	Rev				Account	Project	Amount
Decrease	Exp						
<b>Reduce funds no longer required so they can be reallocated:</b>							
Decrease	Rev	96016	469313	60006	Pay Go Funds	OminiSite for Lift Stat	44,000
Decrease	Exp	96116	577030	60006	Equipment	OminiSite for Lift Stat	44,000
Decrease	Rev	96017	469313	50027	Pay Go Funds	Park WTP High Serv Pum	32,360
Decrease	Exp	96217	513026	50027	Construction	Park WTP High Serv Pum	32,360
Decrease	Rev	96017	469313	60006	Pay Go Funds	OminiSite for Lift Stat	44,800
Decrease	Exp	96217	577030	60006	Equipment	OminiSite for Lift Stat	44,800
Decrease	Rev	97030	469314	49000	PayGO - PrevYr	Disinfection Byproducts	13,500
Decrease	Exp	97030	513020	49000	Engineering	Disinfection Byproducts	13,500
Decrease	Rev	97030	469314	49010	PayGO - PrevYr	Mill Street Pump Statio	5,405
Decrease	Exp	97030	513026	49010	Construction	Mill Street Pump Statio	5,405
<b>Remove Projects funded from Federal Recover Funds:</b>							
Decrease	Rev	96022	456450	48045	Federal Recovery Fu	Dump Truck	185,000
Decrease	Exp	96122	577025	48045	Vehicles	Dump Truck	185,000
Decrease	Rev	96022	456450	55024	Federal Recovery Fu	Mini Excavator w Trailer	60,000
Decrease	Exp	96122	577030	55024	Equipment	Mini Excavator w Trailer	60,000
<b>Allocate new PayGO</b>							
Increase	Rev	96022	469313	55024	PayGO	Mini Excavator w Trailer	60,000
Increase	Exp	96122	577030	55024	Equipment	Mini Excavator w Trailer	60,000
Increase	Rev	96022	469313	48045	PayGO	Dump Truck	44,935
Increase	Exp	96122	577025	48045	Vehicles	Dump Truck	44,935
<b>Allocate funds reallocated</b>							
Increase	Rev	96016	469313	48045	PayGO	Dump Truck	44,000
Increase	Exp	96116	577025	48045	Vehicles	Dump Truck	44,000
Increase	Rev	96017	469313	48045	PayGO	Dump Truck	77,160
Increase	Exp	96117	577025	48045	Vehicles	Dump Truck	77,160
Increase	Rev	97030	469313	48045	PayGO	Dump Truck	18,905
Increase	Exp	97030	577025	48045	Vehicles	Dump Truck	18,905



City of  
**Salisbury**  
Jacob R. Day, Mayor

December 30, 2021

TO: Julia Glanz

FROM: Colonel David Meienschein

SUBJECT: Ordinance – GOCPYVS Exploring Predictive Policing with Machine Learning

Attached please find an ordinance to authorize the Salisbury Police Department to accept funds from the Governor's Office of Crime Prevention, Youth, and Victim Services in the amount of \$100,000 for the FY22 Exploring Predictive Policing with Machine Learning grant. The purpose of this grant funding is to increase the availability of data-driven predictive analytics that offer local police an additional set of tools that can supplement and enhance existing proactive strategies to reduce crime and victimization.

Unless you or the Mayor has further questions, please forward this Ordinance to the City Council.

David Meienschein  
Assistant Chief of Police



**AN ORDINANCE OF THE CITY OF SALISBURY AUTHORIZING THE CHIEF OF POLICE TO ENTER INTO A MEMORANDUM OF UNDERSTANDING WITH THE UNIVERSITY OF MARYLAND TO ACCEPT FUNDING FROM THE GOVERNOR’S OFFICE OF CRIME PREVENTION, YOUTH AND VICTIM SERVICES IN THE AMOUNT OF \$100,000, AND TO AMEND THE GRANT FUND BUDGET TO APPROPRIATE THESE GRANT FUNDS FOR THE CONTINUATION OF THE ‘EXPLORING PREDICTIVE POLICING WITH MACHINE LEARNING’ PROJECT.**

**WHEREAS**, the purpose of the grant program is to develop computer software to analyze crime data and predict the re-occurrence of similar criminal activity based on analytical input sourced from city GIS and the Salisbury Police Department; and

**WHEREAS**, the GOCPYVS has allocated funds in the amount of \$100,000 for the University of Maryland for salary support related to research; and

**WHEREAS**, the purpose of the project is to assist in predicting local crime patterns in order to ultimately reduce crime in the City of Salisbury; 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 ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND,** as follows:

**Section 1.** Mayor Jacob R. Day is hereby authorized to enter into a grant agreement with the Governor's Office of Crime Prevention, Youth and Victim Services on behalf of the City of Salisbury, for the City's acceptance of grant funds in the amount of \$100,000, so that those funds may be utilized by the University of Maryland for the continuation of the **Exploring Predictive Policing with Machine Learning** project.

**BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND,** as follows:

**Section 2.** The City of Salisbury's Grant Fund Budget be and hereby is amended as follows:

- (a) Increase Bryne Memorial JAG Revenue Account No. 10500-423101-XXXXXX by \$100,000.
- (b) Increase SPD Consulting Fees Expense Account No. 10500-513400-XXXXXX by \$100,000.

46 **BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF**  
47 **SALISBURY, MARYLAND**, as follows:

48 **Section 3.** It is the intention of the Mayor and Council of the City of Salisbury that each provision of  
49 this Ordinance shall be deemed independent of all other provisions herein.

50 **Section 4.** It is further the intention of the Mayor and Council of the City of Salisbury that if any  
51 section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid, unconstitutional  
52 or otherwise unenforceable under applicable Maryland or federal law, such adjudication shall apply only to the  
53 section, paragraph, subsection, clause or provision so adjudged and all other provisions of this Ordinance shall  
54 remain and shall be deemed valid and enforceable.

55 **Section 5.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as if  
56 such recitals were specifically set forth at length in this Section 5.

57 **Section 6.** This Ordinance shall take effect from and after the date of its final passage.  
58

59 **THIS ORDINANCE** was introduced and read at a Meeting of the Mayor and Council of the City of  
60 Salisbury held on the \_\_\_\_\_ day of \_\_\_\_\_, 2022 and thereafter, a statement of the substance of  
61 the Ordinance having been published as required by law, in the meantime, was finally passed by the Council of  
62 the City of Salisbury on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.

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64 **ATTEST:**  
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68 \_\_\_\_\_  
69 **Kimberly R. Nichols, City Clerk**

\_\_\_\_\_ **John R. Heath, City Council President**

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72 Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2022.  
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78 **Jacob R. Day, Mayor**  
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City of  
**Salisbury**  
Jacob R. Day, Mayor

## MEMORANDUM

**To:** Julia Glanz, City Administrator  
**From:** John W. Tull, Fire Chief  
**Subject:** Budget Amendment for Position Authorizations  
**Date:** January 6, 2022

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As you are aware, the current Staffing for Adequate Fire and Emergency Response (SAFER) Grant performance period will end on February 28, 2022. During the FY22 Budget process, funding was appropriated to retain the twelve SAFER grant funded positions as full-time employees with the City of Salisbury Fire Department when this grant ended. In addition to retaining these twelve positions, the Fire Department is requesting approval to reclassify several positions in an effort to provide career ladder opportunities and to build the strongest team possible.

Attached you will find an Ordinance requesting the approval of a budget amendment of the FY2022 General Fund budget and the Department's Authorized Position allocations. Thank you in advance for your time and consideration on this request. Unless you or the Mayor have further questions, please forward a copy of this memo and ordinance to the City Council for their consideration.

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**ORDINANCE NO. 2711**

**AN ORDINANCE OF THE CITY OF SALISBURY APPROVING A  
BUDGET AMENDMENT OF THE FY2022 GENERAL FUND BUDGET  
AND AUTHORIZING THE MAYOR TO AMEND THE AUTHORIZED  
POSITIONS INCLUDED IN THE FY22 GENERAL FUND BUDGET.**

**WHEREAS**, the Staffing for Adequate Fire and Emergency Response (SAFER) Grant for the City of Salisbury will end on February 28, 2022; and

**WHEREAS**, funding was appropriated in the FY2022 General Fund Budget to retain the twelve SAFER Grant funded positions as full time employees; and

**WHEREAS**, the Fire Department has determined the need to reclassify several positions within the Department; and

**WHEREAS**, there are insufficient funds available in the FY22 Fire Department Budget to fund the position reclassifications; and

**WHEREAS**, the position appropriations below, as provided hereinabove, 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 ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND**, as follows:

**Section 1.** The City of Salisbury's Fiscal Year 2021 General Fund Budget be and is hereby amended as follows:

- (a) Increase the Current Year Surplus Account (01000-469810) by \$17,980.00
- (b) Increase the Salisbury Fire Department's Salaries Non-Clerical Account (24035-501002) by \$17,980.00

**Section 2.** The City of Salisbury's FY22 Authorized Position Budget be and hereby is amended as follows:

Position Title	Division	Org	FY22 Grade	FY20	FY21	FY22 Orig	Revisions Mar 22	FY22 Revised
<b>Salisbury Fire Department 24035</b>	24035	24035						
Fire Chief	24035	24035	PS9	1	1	1		1
Deputy Fire Chief	24035	24035	PS8	2	2	2		2
Assistant Fire Chief	24035	24035	PS7	5	5	5	1	6
Captain	24035	24035	PS6	7	7	7	-1	6
Lieutenant	24035	24035	PS5	4	4	4	4	8
Sergeant EMT/PM	24035	24035	PS4/4P	8	8	8		8
Probationary/FF-PM/Driver-PM	24035	24035	PS1P-3P	22	22	22	2	24
Probationary/FF-EMT/Driver-EMT	24035	24035	PS1-3	24	24	24	6	30
Emergency Vehicle Technician III (EVT)	24035	24035	11	0	0	0		0
Fire Inspector I/II/SR	24035	24035	7/8	1	1	1		1
Office Manager I/II/III	24035	24035	6	1	1	1		1
Office Associate III	24035	24035	3	1	0	0		0
Administrative Assistant I/II/III	24035	24035	5	0	1	1		1
<b>Total 24035 Salisbury Fire Department</b>	<b>24035</b>	<b>24035</b>		<b>76</b>	<b>76</b>	<b>76</b>	<b>12</b>	<b>88</b>

36 **BE IT FURTHER ENACTED AND ORDAINED BY THE COUNCIL OF THE CITY OF**  
37 **SALISBURY, MARYLAND,** as follows:  
38

39 **Section 3.** It is the intention of the Mayor and Council of the City of Salisbury that each provision  
40 of this Ordinance shall be deemed independent of all other provisions herein.  
41

42 **Section 4.** It is further the intention of the Mayor and Council of the City of Salisbury that if any  
43 section, paragraph, subsection, clause or provision of this Ordinance shall be adjudged invalid,  
44 unconstitutional or otherwise unenforceable under applicable Maryland or federal law, such adjudication  
45 shall apply only to the section, paragraph, subsection, clause or provision so adjudged and all other  
46 provisions of this Ordinance shall remain and shall be deemed valid and enforceable.  
47

48 **Section 5.** The recitals set forth hereinabove are incorporated into this section of the Ordinance as  
49 if such recitals were specifically set forth at length in this Section 5.  
50

51 **Section 6.** This Ordinance shall take effect from and after the date of its final passage.  
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53 **THIS ORDINANCE** was introduced and read at a Meeting of the Mayor and Council of the City of  
54 Salisbury held on the \_\_\_\_\_ day of \_\_\_\_\_, 2022 and thereafter, a statement of the substance  
55 of the Ordinance having been published as required by law, in the meantime, was finally passed by the  
56 Council of the City of Salisbury on the \_\_\_\_\_ day of \_\_\_\_\_, 2022.  
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59 **ATTEST:**  
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64 \_\_\_\_\_  
65 **Kimberly R. Nichols, City Clerk**

\_\_\_\_\_ **John R. Heath, City Council President**

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67 Approved by me, this \_\_\_\_\_ day of \_\_\_\_\_, 2022.  
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71 \_\_\_\_\_  
72 **Jacob R. Day, Mayor**