

The Fruitland City Council met in Special Session at City Hall on Tuesday, May 13, 2014, at 6:30 p.m., with the following members present:

Treasurer Darlene Kerr, Councilor Gloria Ortiz, Councilor Ed Cowell and Councilor Raymond Carey.

Also present at the table were:

Chief Michael Phillips, City Manager John Psota and City Clerk Raye Ellen Thomas.

The meeting was called to order at 6:30 p.m., however legal advice was not needed, and a discussion was held concerning procedural matters.

The meeting was adjourned at 6:45 p.m.

The Fruitland City Council met in Open Session at City Hall on Tuesday, May 13, 2014 at 7:30 p.m., with the following members present:

Treasurer Darlene Kerr, Councilor Gloria Ortiz, Councilor Cowell and Councilor Raymond Carey.

Also present at the table were:

Chief Michael Phillips, City Manager John Psota, City Clerk Raye Ellen Thomas, Deputy Treasurer Marcie Wooters, Public Works Director Michael Gibbons and City Solicitor Andrew C. Mitchell Jr.

Our guests included:

Jay Disharoon, George Mason, Frances Jean Tull, Richard F. Tull, Kenny Mills, Gary Pusey, Jack Heath, Robin Townsend, Sam Ruark, Katherine McAllister, Bob Marvel, Billy Atkinson and Chuck Nichols.

Since President Outen was absent, **Councilor Cowell nominated Treasurer Kerr to run the meeting as Acting President, Councilor Ortiz and Councilor Carey all agreed.** Treasurer Kerr called the regular Council meeting to order at 7:30 p.m. and welcomed all in attendance; Councilor Ortiz led all in attendance the Lord's Prayer and Pledge of Allegiance.

Treasurer Kerr acknowledged receipt of the minutes of the Regular Meeting of April 8, 2014, and Work Session of April 30, 2014, and called for additions or corrections. As there were none, **Councilor Ortiz moved to adopt the minutes as presented; Councilor Cowell seconded and the motion passed on unanimous vote in favor.**

Treasurer Kerr delivered the Treasurer's Report.	Cash on Hand 04/01/14	\$ 136,457.94
	Deposits	<u>340,437.50</u>
	Subtotal	\$ 476,895.44
	Disbursements	<u>(426,770.95)</u>
	Total Ending 04/30/14	\$ 50,124.49

Councilor Carey moved to accept the Treasurer's Report as presented. Councilor Ortiz seconded and the motion passed on unanimous vote in favor.

Chief Phillips gave the Police and Code Enforcement reports, Public Works Director Gibbons gave the Public Works report and City Manager Psota gave the City Manager's report. During City Manager Psota's report he asked for the Council to ratify the amount of the energy saving variable frequency drive. City Manager Psota stated that there are two drives and one needs to be replaced, to replace it would cost \$2650.00. On a motion made by Councilor Cowell to purchase a new VFD 5646 Amp energy saving transmitter not to exceed \$2800.00, seconded by Councilor Ortiz, and the motion passed on unanimous vote in favor.

UNFINISHED BUSINESS

1. Paid Bill Report

Acting President Kerr acknowledged receipt of the paid bill report; as there were no questions, **on a motion made by Councilor Carey, which was seconded by Councilor Cowell, the paid bills were unanimously approved as listed.**

2. Morris Mill- Urban Service Agreement Amendment

City Solicitor Mitchell advised that he previously met with the County Attorney, Ed Baker, to begin amending the Urban Service Agreement. City Solicitor Mitchell advised that he received the response today from the draft copy. There is also an issue that recently came up. The State of Maryland allocated three (3) million in grant money to the City of Fruitland, not to Wicomico County, as expected. City Solicitor will be working with Wicomico County, and Mr. Baker to address the issue.

3. Recreation Commission – Concession Stand and F.O.R.C.E. Baseball Contract

City Manager Psota advised that he had been previously authorized to sign the Contract when it was presented. Copies were presented to the Council and City Manager Psota asked to ratify the contract. **On a motion made by Councilor Cowell to ratify the nonexclusive agreement of lease for F.O.R.C.E. Baseball, and seconded by Councilor Ortiz, the Motion as unanimously approved.**

7:45 p.m. Public Hearing – Ordinance 269 Repeal of Ordinance 160 (Junk and Abandoned Cars)

City Solicitor Mitchell advised that Ordinance 160 was being repealed due to not meeting the requirements of the International Property Maintenance Code, as adopted by Ordinance 262. Ordinance 269 now includes the requirements of International Property Maintenance and how the Code Enforcement Officer can deal with junk and abandoned cars. Gary Pusey and Kenny Mills both asked how it would affect their local dealerships. Chief Phillips advised that it will not affect the local dealerships. **On a motion made by Councilor Ortiz to pass Ordinance 269 and repeal Ordinance 160, seconded by Councilor Carey, the motion was unanimously approved.**

7:50 p.m. Public Hearing Proposed Fiscal Year 2014-2015 Budget

Acting President Kerr convened a Public Hearing to discuss the Proposed Fiscal Year 2014-2015 and then yielded the floor to City Manager Psota for presentation of the budget.

City Manager Psota presented all components of the Proposed Budget beginning with the General Operating Budget Revenues and Expenditures. City Manager Psota stated that there will no increases this year and that all rates will remain the same as last year. The City is continuing its commitment of financial support to the Volunteer Fire Department. City Manager Psota also stated the Sanitation Department will be purchasing a new trash truck this year.

During Public Comments and Discussion on this portion of the Budget, resident Richard Tull questioned the overtime for Wal Mart and who was paying for it. Chief Phillips advised that Wal Mart was. Mr. Tull also questioned payment in lieu of taxes and if that was for the Urban Housing. Mr. Tull also questioned why nothing was allotted for the Recreation Commission.

After Public Comments and Discussion on this section, **on a motion made by Councilor Cowell, which was seconded by Councilor Ortiz, and approved by a unanimous vote in favor, Council approved the First Reading of the Proposed Fiscal Year 2014-2015 General Operating Budget.**

City Manager Psota next presented the proposed 2013-2014 Utilities Department Budget, acknowledging that there are no planned increase for water or sewer rates.

During Public Comments and Discussion on this portion of the budget, resident Richard Tull questioned the Crown Sewer Extension project and what benefit the City would receive from Crown. Mr. Tull questioned if Crown would pay taxes, and was advised yes they would.

After Public Comments and Discussion on this portion of the Budget, **on a motion made by Councilor Ortiz, which was seconded by Councilor Cowell, and approved by a unanimous vote in favor, Council approved the First Reading of the Proposed Fiscal Year 2014-2015 Water and Sewer (Utilities) Budget.**

City Manager Psota proceeded with presentation of the 2014-2015 Capital Improvement Budget, and continued with the 2014-2019 Five Year Capital Improvement Plan. City Manager Psota advised that the five year plan has been streamlined to a more realistic plan.

On a motion made by Councilor Carey, which was seconded by Councilor Ortiz, and approved by a unanimous vote in favor, Council approved the First Reading of the Proposed Fiscal Year 2014-2015 Capital Improvements Budget as presented.

On a motion made by Councilor Carey, which was seconded by Councilor Cowell, and approved by a unanimous vote in favor, Council approved the First Reading of the Proposed Five year Capital Improvements Plan as presented.

Discussion followed regarding paving and a possible grant for Clyde Avenue and North Brown Street. City Manager Psota advised that a notice has been published in the Daily Times for a Public Hearing and he is requesting for the Council to sign a Resolution authorizing the filing of a Community Development Block Grant Application. **On a motion made by Councilor Cowell to adopt Resolution 2014-3, not to exceed \$800,000.00, which was seconded by Councilor Ortiz, and approved by a unanimous vote in favor.**

NEW BUSINESS

1. WWTP ENR/Finance

City Solicitor Mitchell advised that the City is conducting a Waste Water Treatment Plant Enhanced Nutrient Removal and Sludge Handling Upgrade. In order to fund the upgrades the City will be seeking a loan through the Maryland Water Quality Finance Administration. City Solicitor Mitchell advised that the loan amount received from them would be a bond issuance. The City is also seeking an additional 1.5 million in loan forgiveness/grant funds by WQSRF for "green" projects. A resolution will be presented to the Council.

2. Resolution 2014-2 Declaration of Official Intent

City Solicitor Mitchell advised that this resolution is for the purpose of making a declaration of official intent pursuant to U.S. Treasury regarding City of Fruitland's intention to reimburse from the proceeds of one or more obligations to be issued by the City prior to expenditures made in connection with the planning, design and construction of Enhanced Nutrient Removal facilities, including solids processing improvements at the Fruitland Wastewater Treatment Plant together with related costs and financing cost. **On a motion made by Councilor Carey to adopt Resolution 2014-2 as read by City Solicitor Mitchell, which was seconded by Councilor Ortiz, and approved by a unanimous vote in favor.**

3. Authorization of Ordinance 270 – Borrowing of Funds

City Solicitor Mitchell advised that this ordinance gives the City the right to issue and sell from time to time, upon its full faith and credit, one or more series of general obligation bonds not to exceed Two Million Eight Hundred Sixty-Five Thousand Dollars. Each bond issued or sold will be for reimbursing or refinancing costs incurred in connection with enhanced nutrient removal and sludge handlings upgrades and improvement to the wastewater treatment plant for the City. City Solicitor Mitchell advised that this is a 1st reading of Ordinance 270. **On a motion made by Councilor Cowell to adopt the 1st reading of Ordinance 270 as read by City Solicitor Mitchell, which was seconded by Councilor Ortiz, the motion passé by a unanimous vote in favor.** The 2nd reading for Ordinance 270 will be held at the next Council Meeting, June 10, 2014 at 8:00 p.m.

4. Fruitland Volunteer Fire Company Discussion

Jack Heath, President of the Fruitland Volunteer Fire Company, and Robin Townsend, Chief of the Fruitland Volunteer Fire Company approached the Council to address where the donation from the City is distributed. Mr. Heath gave a brief rundown of how many calls, both Fire and EMS, the Fruitland Fire Company has responded to. Mr. Heath advised that the donation will be used to help pay for the full time EMS personnel and updating equipment. Mr. Townsend advised that the Fire Company is need of a new ambulance, equipped with the newest equipment needed to assist the patients. Mr. Heath advised that parking lot is in need of repair, and so is the building. The Fire Company relies on donations, fund raisers, and payment of patient transports by ambulance. The Fire Company also receives donations from the County. The Council advised that they appreciate the hard work and dedication that is done by the Volunteers and paid EMS staff. Mr. Townsend advised that anytime the Public Works Staff or Police Department is in the area they are always welcome to the Fire House. Mr. Townsend advised that he would like the Fire Company and City to maintain a good relationship

with one another.

5. **Recreation Commission Building Fund Discussion**

Richard Tull and Chuck Nichols approached the Council in regards to the Recreation Commission building fund. Mr. Nichols stated that Mr. Tull had a letter from the Lions Club stating how their organization would donate manpower to the Concession Stand during the three week softball tournament, in return for the money received from the profits to go into the building fund. City Solicitor Mitchell asked who authorized for the Lions Club to donate their manpower. Mr. Tull advised that the Recreation Commission had. Mr. Tull advised that Mr. Nichols had sent out a letter on City Letterhead in September 2013, advising residents, businesses and organizations that if they would like to donate, to indicate whether it was for the recreation commission or the building fund. Mr. Tull would like the money received from the donations, concession stand and manpower that was given to be placed into a money market account for the building fund. As previously discussed at the April 15, 2014 recreation commission meeting, the auditors advised that could not be done, and a compromise and motion was made to include a building fund reserve line on the budget that would be used for profits or donations received, same as a money market account would. There was no motion proposed by the Council.

6. **Other**

City Solicitor Mitchell advised that Brekford had presented to Chief Phillips an amendment to their contract. Legislation passed a new law amending the speed enforcement rules. This rule goes into effect June 1, 2014. The contract can be extended or comply with the new rules by June 1, 2014. City Solicitor Mitchell asks Council for approval for Chief Phillips to sign the contract to extend to 2017, after City Solicitor Mitchell speaks with Brekford. **On a motion made by Councilor Ortiz, which was seconded by Councilor Cowell to authorize Chief to sign the amendment of existing contract with Brekford until June 1, 2017, and review the placing of the speed cameras, unless determined by the Chief or City Solicitor that there is reason not to sign, the motion passed in a unanimous vote in favor.**

Public Comment/General Discussion

George Mason approached the Council requesting for the new Bennett Middle School to be named Fruitland Middle School. He advised that most schools are named for the City or Town that they are in. Mr. Mason advised that he has not spoken with anyone from the Wicomico County Board of Education, as he wanted to approach the Council first with his suggestion. The Council were all in favor of the naming the school as Fruitland Middle School but believes it needs to be determined by the Board of Education. City Manager Psota advised that he will look into the matter.

Katherine McAllister from GMB discussed with City Solicitor Mitchell the Morris Mill project.

With no other comments, **Councilor Carey made a motion to adjourn, seconded by Councilor Ortiz; the meeting was adjourned at 9:52 p.m., with all in favor.**

Raye Ellen Thomas

Raye Ellen Thomas / City Clerk

Approved, June 10, 2014