

The Fruitland City Council met in Regular Session at City Hall on Tuesday, June 10, 2014, at 7:30 p.m., with the following members present:

President Richard Lee Outen Jr., 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, City Clerk Raye Ellen Thomas, Deputy Treasurer Marcie Wooters, Public Works Director Michael Gibbons and City Solicitor Andrew C. Mitchell Jr.

Our guests included:

Administrative Assistant Linda Powell, Taylor Outen, Christy Outen, Chuck Nichols and Richard Tull.

President Outen called the regular Council meeting to order at 7:30 p.m. and welcomed all in attendance; Councilor Ortiz led all in attendance of the Lord's Prayer and Pledge of Allegiance.

President Outen advised the Council, through written remarks, that he would be resigning from the Council. He advised that he has purchased a residence outside of the City, which disqualifies him sitting on the Council. Mr. Outen also read the accomplishments that he and the Council had achieved during his tenure. The Council expressed their thanks for all that Mr. Outen had done as Council President.

City Solicitor Mitchell advised that, at this time, the Council needs to elect a president pro tem for tonight's meeting, and at the next Council meeting the Council will have to restructure the officers. City Solicitor Mitchell also advised that since Mr. Outen had less than four months left in his term, a special election does not need to be held.

On a motion made by Councilor Cowell, to nominate Treasurer Kerr as acting president pro tem, seconded by Councilor Ortiz, the motion was passed on unanimous vote in favor. City Solicitor Mitchell advised that since Treasurer Kerr was president pro tem for tonight, there is not a conflict with her also being Treasurer at this time.

Treasurer Kerr acknowledged receipt of the minutes of the Regular Meeting of May 13, 2014, and Work Session of June 4, 2014, and called for additions or corrections. As there were none, **Councilor Carey moved to adopt the minutes as presented; Councilor Ortiz seconded and the motion passed on a vote of four to zero.**

Treasurer Kerr delivered the Treasurer's Report.	Cash on Hand 05/01/14	\$ 50,124.49
	Deposits	<u>573,052.30</u>
	Subtotal	\$ 623,176.79
	Disbursements	<u>(430,819.18)</u>
	Total Ending 05/31/14	\$ 192,357.61

Councilor Ortiz moved to accept the Treasurer's Report as presented. Councilor Cowell seconded and the motion passed on a vote of four to zero.

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.

City Solicitor Mitchell advised that since Mr. Outen was the person authorized to sign the paperwork dealing with the Water/Waste Water Treatment Plant ENR upgrade, and he has resigned, then City Manager John Psota, and or Deputy Treasurer Marcie Wooters should be approved to sign the documents. **On a motion made by Councilor Ortiz for Marcie Wooters and John Psota to sign any documents pertaining to the water/wastewater ENR upgrade seconded by Councilor Carey, the motion passed on a vote of four to zero.**

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 Cowell, which was seconded by Councilor Ortiz, the paid bills were unanimously approved as listed.**

2. Adoption of Fiscal Year 2014-2015 Budget and Fees.

Acting President Kerr advised City Manager Psota will begin the adoption process of the 2014-2015 budget and fees.

a. Adopt Water Department Budget and Fees

City Manager Psota then presented the Water Rates and Fees, which remain the same as last year:

Water Rates and Fees

Base Rate-first 8,000 gallons (minimum):

Overage Rate per 1,000 gallons (over minimum):

Residential

\$50.00 per quarter

\$3.00 per 1,000 gallons

Non- Residential

\$50.00 per quarter

\$6.00 per 1,000 gallons

After discussion, **on a motion by Councilor Ortiz which was seconded by Councilor Cowell, the Water Department Budget and Fees for Fiscal Year 2014-2015 were approved as presented by a four to zero vote in favor.**

b. Adopt Sewer Department Budget and Fees

City Manager Psota then presented the Sewer Rates and Fees imposed to balance the budget, which remain the same as last year:

Sewer Rates and Fees

Base Rate-first 8,000 gallons (minimum):

Overage Rate per 1,000 gallons (over minimum):

Residential

\$100.00 per quarter

\$4.00 per 1,000 gallons

Non-Residential

\$100.00 per quarter

\$7.00 per 1,000 gallons

After discussion, **on a motion by Councilor Cowell which was seconded by Councilor Ortiz, the Sewer Department Budget and Fees for Fiscal Year 2014-2015 were approved as presented by a four to zero vote in favor.**

c. Adopt General Operating Budget

City Manager Psota advised that the Real Estate Property Tax Rate, Personal Property Tax Rate, Mobile Home Park Tax Rate and Sanitation Fees Rates will remain the same as last year.

I) Adopt Real Estate Property Tax Rate: \$.96 per \$100 assessed value

As there was no discussion, **on a motion made by Councilor Carey which was seconded by Councilor Ortiz, the Real Estate Property Tax Rate for Fiscal Year 2014-2015 was approved as presented by a four to zero vote in favor.**

II) Adopt Personal Property Tax Rate: \$1.92 per \$100.00 assessed value

As there was no discussion, **on a motion made by Councilor Ortiz which was seconded by Councilor Carey, the Personal Property tax Rate for Fiscal Year 2014-2015 was approved as presented by a four to zero vote in favor.**

III) Adopt Mobile Home Park Tax Rate: 15% of Gross Monthly Charges (excluding tax)

As there was no discussion, **on a motion made by Councilor Carey which was seconded by Councilor Cowell, the Mobile Home Park Tax Rate for Fiscal Year 2014-2015 was approved as presented by a four to zero vote in favor.**

**IV) Adopt Sanitation Fees: Residential Non-Residential
\$44.25 per quarter \$132.75 per quarter**

As there was no discussion, **on a motion made by Councilor Cowell which was seconded by Councilor Ortiz, the Sanitation Fees for Fiscal Year 2014-2015 were approved as presented by a four to zero vote in favor.**

V) **Adopt General Operating Budget in its Entirety**

After adopting the individual components of the General Operating Budget, **on a motion made By Councilor Carey which was seconded by Councilor Ortiz, the General Operating Budget for Fiscal Year 2014-2015 in its entirety was approved as presented by a four to zero vote in favor.**

d. **Adopt Capital Improvements Budget**

City Manager Psota continued the budget adoption process by presenting the Five-Year Capital Improvement Plan for Fiscal Year 2014-2015.

As there was no discussion, **on a motion made by Councilor Ortiz which was seconded by Councilor Carey, the Capital Improvements Budget for Fiscal Year 2014-2015 was approved as presented by a four to zero vote in favor.**

e. **Adopt Five-Year Capital Improvement Plan**

City Manager Psota continued the budget adoption process by presenting the Five-Year Capital Improvement Plan for Fiscal Year 2014-2019, advising that the five year plan had been streamlined to a more realistic plan.

As there was no discussion, **on a motion made by Councilor Cowell which was seconded by Councilor Ortiz, the Five-Year Capital Improvement Plan for Fiscal Year 2014-2019 was approved as presented by a four to zero vote in favor.**

3. **Morris Mill- Urban Service Agreement Amendment**

City Solicitor Mitchell advised that the Urban Service Agreement would not be voted on tonight, still waiting for response from Wicomico County.

4. **Funk and Bolton/Lindsey Rader engagement letter**

City Solicitor Mitchell advised that the engagement letter is a standard letter required for a bond council. A bond council is required for issuing bonds, which will be needed in reference to the ENR upgrade at the Water/Waste Water Treatment Plant. **On a motion made by Councilor Carey to accept the engagement letter which was seconded by Councilor Ortiz, the motion was approved by a vote of four to zero in favor.**

8:00 p.m. Second Reading of Ordinance 270

City Solicitor Mitchell advised this is the Public Hearing for Ordinance 270. Ordinance 270 gives a recital of bond proceeds to be used for public purposes for financing, refinancing, or reimbursing for the ENR sludge handling upgrade improvements. City Solicitor Mitchell advised that the DOOI has been done, which allows the City to intent to borrow funds to do the project, and then for a number of months the bond purchases will be tax free. This is a parameter ordinance, which sets up the outside parameters of what will be borrowed. Since there were no public comments, **on a motion made by Councilor Carey to pass Ordinance 270 as approved, which was seconded by Councilor Ortiz, the motion was approved by a four to zero vote in favor.**

NEW BUSINESS

1. **Swear in Police Officer**

City Clerk Thomas sworn in new Police Officer James Andrew Crockett.

2. **Re-subdivision of lots 745 and 747 S. Camden Avenue**

City Solicitor Mitchell advised that the Planning Commission has already approved the re-subdivision of lots 745 and 747 on South Camden Avenue. The reason for the re-subdivision is for separate lots, with the purpose of selling one. One lot is prohibited from having a dwelling on it. **On a motion made by Councilor Ortiz to accept the recommendation of re-subdivision as approved by the Planning Commission, which was seconded by Councilor Cowell, the motion was passed by a vote of four to zero in favor.**

3. **Annual Planning Report**

City Solicitor Mitchell advised the annual planning report is compiled by information used for analyzing growth and development. Administrative Assistant Powell has reviewed all building permits and records and reported the changes. The annual planning report was reviewed and approved by the Planning Commission. **On a motion made by Councilor**

Carey to accept the Annual Planning report as approved by the Planning Commission, seconded by Councilor Cowell, the motion was passed by a vote of four to zero in favor.

4. SHA Request for ROW/Easement of Warren Street

City Solicitor Mitchell advised that State Highway Administration needs to widen Rt. 13 and S. Division Street due to the new school coming. SHA would also need to widen Warren Street, and is asking if the City would donate the total ownership for fee simple, a parcel totaling 852 square feet. SHA will prepare the necessary paperwork, which City Solicitor Mitchell will review. **On a motion made by Councilor Carey to grant the easement of Warren Street to State Highway as presented by City Solicitor Mitchell, which was seconded by Councilor Ortiz, the motion was passed by a vote of four to zero in favor.**

Public Comment/General Discussion

The Council once again thanked Lee for his term as President, for the sacrifices his family has made, and for the time that was spent as he performed his City Council President duties.

With no other comments, **Councilor Cowell made a motion to adjourn, seconded by Councilor Ortiz; the meeting was adjourned at 8:26 p.m., with all in favor.**

Raye Ellen Thomas

Raye Ellen Thomas / City Clerk

Approved, July 8, 2014