

The Fruitland City Council met in Regular Session at City Hall on Tuesday, July 11, 2017 at 7:30 p.m. with the following members present:

President Darlene Kerr, Councilor Roland Palmer, Councilor Chuck Nichols and Councilor Mark Miciotto.

Also present at the table were:

City Manager Psota, Chief Michael Phillips, Deputy Treasurer Mark Swift, City Clerk Raye Ellen Thomas and City Solicitor Andrew Mitchell.

Our guests included:

Public Works Director Mike Gibbons, Finance Coordinator Sheila Dennis, Bob Marvel, Katherine McAllister, Dana Stauffer, Leon Johnson Jr and his daughter Laura , Delegate Carl Anderton and Mike Hammond.

President Kerr called the regular Council meeting to order at 7:30 p.m. and welcomed all in attendance. All recited the Lord's Prayer and all recited the Pledge of Allegiance.

President Kerr acknowledged receipt of the minutes of the Regular Meeting of June and called for additions or corrections. As there were none, **Councilor Nichols moved to adopt the minutes as presented; Councilor Palmer seconded and the motion passed on a vote of four to zero.**

President Kerr delivered the June Treasurer's Report. For June 2017, the City recorded \$190,643 in revenues, including \$115,000 of income taxes. The total billed revenues for the fiscal year are \$7.1 million, including real estate taxes and four quarters of utility billing. The City incurred \$606,256 of expenses for the month of June. The total expenses for the fiscal year to date are \$6.96 million. The net deficit for the City for the month of June is \$415,614 and the net income for the fiscal year to date is \$138,836. It should also be noted that these figures are unaudited and are subject to change pending year-end adjustments and accruals. **Councilor Palmer moved to accept the Treasurer's Report as presented. Councilor Nichols seconded and the motion passed on a vote of four to zero.**

Chief Phillips gave the Police and Code Enforcement reports. He reminded everyone of National Night on August 1st and that the USSSA tournament will be played on the Fruitland fields from July 19th -28th.

City Manager Psota advised that the City had been approved by project Open Space to receive money for a basketball court and sewer package upgrade for the Concession Stand. Both applications have been sent to the State for final approval. He also stated that at 6:00 p.m. on July 26th at the Wicomico Civic Center, the County will host a public meeting to discuss the County's Morris Mill Dam Project.

Public Works Director Gibbons gave an update of the ongoing projects within the City. He also stated that road clean up including spraying for weeds has begun this week.

UNFINISHED BUSINESS

1. **Paid Bills**

President Kerr acknowledged receipt of the paid bill report. **On a motion made by Councilor Palmer and seconded by Councilor Nichols, the paid bills were approved by a vote of four to zero.**

2. **Morris Street Drainage Update**

City Manager Psota advised that GMB is continuing to engineer the rain garden drainage project. Once completed, City Manager Psota, Katherine McAllister and Mr. Carey will meet. City Manager Psota advised that State Aid grant money is available to help defer the cost of engineering.

3. **Water Treatment Upgrade/Well Update**

City Manager Psota advised that Advanced Land and Water is continuing their study and the permit applications have been forwarded to MDE for test wells and monitoring wells.

4. **ENR Upgrade Update Change Order # 4**

City Manager Psota explained that change order #4 is for the addition of screen to trap hair that is entering in the Waste Water Treatment Plant. Chris Derbyshire will send the change order information to MDE for approval and to determine whether if any cost could be covered with grant funding. The cost increase to the project is just under \$115,000.

5. **Hayward Avenue Update**

Council President Kerr advised that Hayward Avenue was discussed last month at the Council Meeting. Councilor Miciotto had suggested having no parking on both sides of the street. It had already been reduced to parking on one side only, and the Council tabled the matter until they could look at the situation. Council President Kerr stated that if it was decided that there would be no parking on the street at all she would like to have area resident's input. The Council decided that the area residents should be notified. City Manager Psota advised that Public Works will notify the residents that it will be discussed at the next meeting.

6. **Campbell Collision**

City Solicitor Mitchell advised that the original debt for Campbell's Collision was \$50,000, guaranteed by Randy Campbell. The interest rate was 4%, with a payment of \$920.83 a month. Zero was paid. Judgments were obtained against Campbell's Collision and Mr. Campbell, and the company's bank account has been garnished twice.

A total of \$22,926.06 was obtained from the garnishments and an additional \$1500.00 more have been paid. The City has occurred court costs and attorney fees. Mr. Campbell has offered to pay \$2000.00 now then \$500 a month for the rest of 2017, then \$750 a month for the year 2018. He has asked that Council reduce the interest rate and return him to the tow list. The Council does not wish to change the interest rate until payments are made in a consecutive matter until the end of the calendar year. Council will not, at this time return him to the tow list. The judgment will not be changed. City Solicitor Mitchell will advise Randy Campbell of the Council's decisions.

7. **Other**

City Manager Psota advised that last year a mowing contract was signed with David Brumley, from Delmarva Excavation and Mowing, to cut 11 ditches in the City, listing the cost of \$85 an hour not to exceed 24 hours. The contract was reviewed by the City Solicitor. The contract will be renewed this year for the same amount, hours and ditches and City Manager Psota is asking permission to sign new contract. **On a motion made by Councilor Palmer to allow City Manager Psota to sign contract, seconded by Councilor Nichols, the motion was passed by a vote of four to zero.**

City Manager Psota advised that at last month's Council Meeting, approval was obtained to install a submersible pump at City Hall for the geo-thermal unit. Approval was for Daisy Well Drilling in the amount of \$3100. An emergency situation arose at City Hall and Daisy could not respond, A.C. Schulte's could replace the well within a few hours and reduced its original bid from \$3900 to \$3700. City Manager Psota is asking to ratify the purchase of \$3700. **On a motion made by Councilor Palmer to ratify the expenditure of \$3700 for the replacement of the submersible pump, an increase, from the original amount of \$3100, seconded by Councilor Miciotto, the motion was approved by a vote of four to zero.**

NEW BUSINESS

1. **Budget Amendments**

Deputy Treasurer Swift read Resolution 11-2017 and Resolution 12-2017. Resolution 11-2017 amends the General Fund Budget and Resolution 12-2017 amends the Utility Fund Budget. **On a motion made by Councilor Palmer to approve Resolution 11-2017 as read by Deputy Treasurer Swift, seconded by Councilor Nichols, the motion was approved by a vote of four to zero. On a motion made by Councilor Palmer to approve Resolution 12-2017 as read by Deputy Treasurer Swift, seconded by Councilor Nichols, the motion was approved by a vote of four to zero.**

2. **Water Meter Replacement Purchase Approval**

City Manager Psota advised that at the January Meeting Council approved the purchase of 300 meters to replace failing meters. Also discussed was the possibly of going with cellular meters. Since that time, research has been done and Deputy Treasurer Swift presented the Council with prices for the cellular option and explained that there are

funds in the budget to cover the purchase. City Manager Psota advised that on the quote from National Meter and Automation there is a starter kit and an engagement fee loyalty program. The kit includes 10 meters for \$5272.56, which does not include the software or training. Until all meters are switched to the cellular type, the City will need two different types of software to read the meters. Finance Coordinator Sheila Dennis, Deputy Treasurer Swift and City Manager Psota advised that the cellular meters would be more efficient and cost saving to the City. **On a motion made by Councilor Palmer to approve to purchase the Beacon AMA starter kit for 10 meters and to approve moving forward with the cellular meter program by finding information about additional purchases as presented by Deputy Treasurer Swift and City Manager Psota, seconded by Councilor Nichols, the motion was approved by a vote of four to zero.** City Manager Psota asked how many new cellular meters the City could purchase now for replacement of the current meters. Councilor Palmer would like to have a bulk rate purchase price; Deputy Treasurer Swift advised they are waiting on a bulk rate quote. Councilor Miciotto advised he was in favor of purchasing some now since the money was in surplus, and Councilor Nichols stated he would also like to have some new meters in stock. Council President Kerr advised that once the price is obtained, the Council Members will determine how many meters to purchase.

*****See Below Under Other*****

3. Paving Projects Bid Approval

City Manager Psota presented the results of the paving projects bidding process. He also advised that the scope contained changes over what was listed in the Highway Department Capital Budget. Specifically, the plan eliminates North Brown Street paving and reduces the length of paving on Camden Avenue. The savings would be used to address the remainder of Morris Street. City Manager Psota advised that the lowest bid was submitted by Chesapeake Paving. The bid submitted included the cost of paving a parking lot at the Fire House, which will be removed from the scope. Therefore, the bid is \$174,267.19, plus a request to add 10% for contingency. Council President Kerr questioned the additional Morris Street paving, which includes the railroad track and parking lots, and if the Railroad Company will assist. Public Works Director Gibbons advised he is in the process of negotiating with the Railroad Company. Councilor Palmer advised that it one of the worst roads in the City, especially when it rains. Councilor Miciotto stated that if there is \$284,000 in the budget and Chesapeake Paving is below that amount, could the other roads and streets that were cut now be included. Council President Kerr advised Public Works Director Gibbons to receive prices for the areas that were cut and the Council will discuss it once the prices have been obtained.

*****See Below Under Other*****

4. Public Works Truck Purchase Approval

Public Works Director Gibbons stated that \$45,000 had been budgeted for a truck to replace a truck from Public Works. The cost is split between the Water and Sewer Department budgets. He has obtained three bids with Pittsville Ford the low bidder at \$41,676. **On a motion made by Councilor Nichols to purchase a 2017 Ford Service Truck not to exceed \$42,000 with the lowest bid being from Pittsville Ford, seconded by Councilor Palmer, the motion was approved by a vote of four to zero.**

5. Election House Museum Relocation

City Manager Psota stated he had been approached by the Wicomico County Historical Society in reference to the Election House Museum that is currently located at the Water Plant. The Historical Society would like to donate it to the City and has made a tentative offer to possibly pay the cost of moving it to City Hall property. Public Works Director Gibbons has obtained quotes to paint the building and to construct a masonry foundation. The cost for the masonry foundation is \$3,030 and painting is \$3,300. City Manager Psota asked if the Council would be interested in having the building relocated near City Hall. All of the Council was in agreement to have the building moved near City Hall, pending further information as to whether the Wicomico Historical Society will pay for all or some of the expense.

6. Other

City Manager Psota stated that Badger Meter is a sole source product for the meters previously mentioned, due to the software package as needed to coordinate with existing equipment. **On a motion made by Councilor Miciotto to recognize per City Manager Psota that Badger be the sole source for the replacement of the cellular meters, seconded by Councilor Palmer, the motion was approved by a vote of four to zero.**

City Solicitor Mitchell advised that he would like to revisit the paving work contract as there had been no vote. In that time, Public Works Director Gibbons could obtain the unit price for the additional work that was mentioned previously, which could later be handled by change order. **On a motion made by Councilor Miciotto to approve the expenditure not to exceed \$175,000 to Chesapeake Paving for the areas outlined by Public Works Director Gibbons, seconded by Councilor Palmer, the motion was approved by a vote of four to zero. On a motion made by Councilor Palmer to approve a 10% contingency on the \$175,000, seconded by Councilor Nichols, the motion was approved by a vote of four to zero.**

Public Comment/General Discussion

Leon Johnson Jr., and his daughter Laura, from B & L Management LLC., approached the Council with concerns they had about a property, located at 405 N. Division Street that was purchased by them at a tax sale in 2014. Mr. Johnson would like to have the fees for clean up, grass cutting, repairs, etc sent to the Dutton family, who were the previous owners, or waived so he is not responsible for them as he technically did not own the property. Council President Kerr explained that when the property was purchased the bills went along with the property. A discussion followed, and it was suggested for Mr. Johnson to have his attorney contact City Solicitor Mitchell to discuss the matter further.

Mike Hammond from Chelsea Lane stated that he enjoyed the Council Meeting and learned some new things and will be attending again.

Delegate Carl Anderton stated that if there were any issues with the County to let him know, he will be meeting with the County Executive on a regular basis and can discuss those.

With no further business to discuss or comments, **on a motion made by Councilor Palmer to recess at 9:37 p.m., seconded by Councilor Nichols, the motion passed by a vote of five to zero, after the recess the Council will reconvene into closed session. On a motion made by Councilor Palmer to proceed to take up a personnel matter and seek legal advice into closed session at 9:42, seconded by Councilor Nichols, the motion was approved by a vote of four to zero.**

During the closed Session the Council discussed Personnel Issues and City property and received legal advice. **On a motion made by Councilor Nichols to reconvene into open session at 10:11 p.m., seconded by Councilor Miciotto, the motion was approved by a vote of four to zero. With no further business to discuss, Councilor Miciotto made a motion to adjourn at 10:12 p.m., seconded by Councilor Nichols, the motion was approved by a vote of four to zero.**

Raye Ellen Thomas
Raye Ellen Thomas / City Clerk
[Approved, August 8, 2017](#)