



MARYLAND

**SALISBURY CITY COUNCIL  
WORK SESSION AGENDA**

-----

**TUESDAY, SEPTEMBER 3, 2013  
CONFERENCE ROOM 306  
GOVERNMENT OFFICE BUILDING**

- 4:30 p.m. Charter change/Advertising requirements discussion – Mark Tilghman
- 4:45 p.m. Community Presentation – hotDesks.org
- 5:00 p.m. Rivers Edge PILOT – Andrew Hanson/Mike Dyer
- 5:25 p.m. Accepting grant for Rain Barrels – JaLeesa Tate/Keith Hall
- 5:40 p.m. Resolution of Support – CP & P Funding Application – Salisbury Skatepark, Phase II – Debbie Stam
- 5:55 p.m. Proposal – Reorganization of Internal Services Department – Keith Cordrey
- 6:25 p.m. Stormwater Utility Feasibility Study – Amanda Pollack
- 6:40 p.m. MOU with DOT for the Northeast Collector Hike & Bike Path – Phase II – Amanda Pollack
- 7:00 p.m. Ordinance No. 2258 - EDU Incentive Zone – Amanda Pollack
- 7:15 p.m. City Attorney/City Clerk evaluations – Council discussion
- 7:25 p.m. General Discussion
- 7:30 p.m. Adjournment

*Times shown are approximate. Council reserves the right to adjust the agenda as circumstances warrant.  
The Council reserves the right to convene in Closed Session as permitted under the Annotated Code of Maryland 10-508(a).*



**memorandum via email**

**To:** Tom Stevenson, Interim City Administrator  
**From:** River Edge Apartments LLC, Andrew Hanson and Mike Dyer  
**Cc:**  
**Date:** August 28, 2013  
**Re:** Rivers Edge Apartments and Studio for the Arts, request for PILOT

---

Attached please find the requested PILOT agreement and associated resolution in draft format. We are requesting the PILOT based on the City Council work session of July 1, 2013 at which time information was presented to the City Council on the Weinberg Foundation opportunity. Weinberg offered to provide Rivers Edge Apartments and Studio for the Arts \$189,480 of funding in exchange for three (3) units being further restricted to those persons who are permanently disabled and non-elderly with incomes of no more than thirty percent (30%) of the area median income for Wicomico County. Accepting the terms of Weinberg will provide for significant reduction of future rental income over the next 40 years.

Please also note that we are enduring a significant rise in construction costs based on several complex issues in the labor market and capacity of local subcontractors. We are also seeing a significant increase in interest rates, which directly impacts how much debt the project can support. When we originally underwrote the project interest rates were much lower, but we have seen an increase of over 100 bps and this may continue to increase.

All these factors together pose new challenges to the project. While we greatly appreciate the waiver of EDU fees provided by the City Council via Resolution 2318, we respectfully request further consideration of assistance to this valuable project.

UNA and Osprey would appreciate an opportunity to present this information, if appropriate, at a City Council work session in the near future.

The PILOT agreement provides for a reduction of \$100 per unit per year for a term equal to the long term affordability restrictions.

Please let us know if you have questions and thank you for your consideration.

1 RESOLUTION NO. \_\_\_\_\_  
2  
3

4 A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND PROVIDING A  
5 PAYMENT IN LIEU OF TAXES (PILOT) TO THE DEVELOPMENT OF RENTAL  
6 HOUSING, LOCATED AT 660-680 FITZWATER STREET  
7

8 WHEREAS, the City Council of the City of Salisbury, Maryland recognizes that there is a  
9 significant need for quality housing units in Salisbury for persons with low or limited incomes,  
10 especially those who specialize and work in the arts as well as those with disabilities; and  
11

12 WHEREAS, Rivers Edge Apartments LLC, a Maryland Limited Liability Corporation,  
13 proposes to develop and operate a rental housing development comprised of approximately ninety  
14 (90) units, known as Rivers Edge Apartments and Studio for the Arts and located at 660-680  
15 Fitzwater Street in Salisbury, MD (the "Project"), all or a portion of which will assist persons of  
16 lower income as required by applicable law or regulations; and  
17

18 WHEREAS, United Needs and Abilities, Inc. and Osprey Property Company LLC have  
19 advised the City that financing and economic circumstances warrant a contribution to the project,  
20 in the form of a payment in lieu of taxes (PILOT); and  
21

22 WHEREAS, the City of Salisbury supports this project because it will address the need for  
23 quality, affordable housing for persons with lower incomes; and  
24

25 WHEREAS, the City of Salisbury desires to provide a Payment in Lieu of Taxes (the  
26 "PILOT"); and  
27

28 BE IT FURTHER RESOLVED THAT the City of Salisbury approves a PILOT agreement  
29 between Rivers Edge Apartments LLC and the City of Salisbury, attached hereto, provided Rivers  
30 Edge Apartments LLC construct and operate a rental housing project at 680-660 Fitzwater Street  
31 for persons with low or limited income in accordance with the guidelines of the Department of  
32 Housing and Community Development. The PILOT agreement provides for a reduction of City of  
33 Salisbury real estate taxes in the amount of \$100 per unit per year if the project continues to  
34 provide affordable housing for persons of lower income for a period of forty (40) years from the  
35 date the building is granted a certificate of occupancy; and  
36

37 BE IT FURTHER RESOLVED THAT, the President of the City Council be  
38 granted the authority to execute said Payment In Lieu of Taxes agreement, which is hereby  
39 attached to this resolution, on behalf of the City of Salisbury; and,  
40

41 THIS RESOLUTION was introduced and duly passed at a meeting of the Council  
42 of the City of Salisbury, Maryland held on \_\_\_\_\_, 2013 and is to become effective  
43 immediately upon adoption.  
44  
45

46 ATTEST:

47

48

49

50 \_\_\_\_\_  
Kimberly R. Nichols

51 CITY CLERK

52

53

\_\_\_\_\_

Jacob R. Day

PRESIDENT, City Council

54 APPROVED by me this \_\_\_\_\_ day of \_\_\_\_\_, 2013

55

56

57

58 \_\_\_\_\_  
James Ireton, Jr.

59 MAYOR, City of Salisbury

60



34           **WHEREAS**, pursuant to City of Salisbury, MD Resolution No. \_\_\_\_ adopted,  
35 September\_\_ 2013, the City Council of the City of Salisbury, Maryland, agreed to enter into an  
36 agreement for payments in lieu of taxes for the Project, and authorized the City Council President  
37 to enter into this Agreement.

38           **NOW, THEREFORE, THIS AGREEMENT WITNESSETH:** In consideration of the  
39 mutual covenants, terms and agreements hereof and pursuant to the power and authority of  
40 Section 7—506.1 of the Tax Property Article of the Annotated Code of Maryland, it is agreed as  
41 follows:

42           1. The Owner agrees: (1) that it will operate the Project as rental housing for low to  
43 moderate income households and will limit rents pursuant to the Extended Low Income Housing  
44 Covenant for Low Income Housing Tax Credits between the Owner and the Maryland  
45 Department of Housing and Community Development (herein the "Extended Use Covenant"); (2)  
46 it will make ninety (90) units available to households having incomes of no more than 60 percent  
47 of the area median income; and (3) that the Project qualifies and will continue to qualify in all  
48 respects under the provision of said Section 7-506.1 of the Tax Property Article of the Annotated  
49 Code of Maryland.

50           2. Beginning July 1, 2014, or the July 1 following the issuance of certificate of  
51 occupancy, whichever is later, the Property shall be exempt from ordinary City property taxes.  
52 The payments to be made hereunder by the Owner to the City with respect to the Project shall be  
53 in lieu of all ordinary City taxes on real property under the Tax Property Article of the Annotated  
54 Code of Maryland. The payments to be made hereunder by the Owner to the City shall be made  
55 by the Owner first and accepted by the City through the Fiscal Year 2055, or for forty years  
56 following the issuance of certificate of occupancy.

57           3. This Agreement shall be in effect for forty years, which is anticipated to be through  
58 ***Fiscal Year 2055, ending June 2055***, or until one of the following occurs: (a) the Project is not  
59 used for the provision of rental housing and related facilities to low income households at limited  
60 rents, pursuant to the Extended Use Covenant; or (b) the Project does not comply with Section 7-  
61 506.1 of the Tax Property Article of the Annotated Code of Maryland, as amended

62           4. If at any time during the term of this Agreement, the City real property taxes are less  
63 than the Payment in Lieu of Taxes (the "PILOT") ; the Owner shall pay the ordinary City real  
64 property taxes payable had the Property not been tax exempt.

65           5. For the ***Fiscal Years 2014 through 2054***, the Owner's annual payment in lieu of taxes  
66 shall be calculated as follows:

67 For the Fiscal Year 2014 Owner shall make payment to the City in an amount equal to Fiscal  
68 Year 2014 taxes, an amount of the assessed value of the property times the City tax rate minus  
69 \$9,000 (such subtracted amount calculated as follows: \$100 x 90 units = \$9,000).  
70

71           6. By July 30<sup>th</sup> of each year, the City shall bill the Owner for the payment which is due  
72 by September 30<sup>th</sup> of that year, as set forth in this Agreement.

73 7. Payments due hereunder will be considered delinquent thirty (30) days after the due  
74 date of the bill sent to the Owner. Interest at the rate of one percent (1%) per month shall be  
75 charged and collected by the City on all amounts remaining unpaid thirty (30) days after the due  
76 date.

77 8. If the Owner is in default for one hundred eighty (180) days for any payment required  
78 under any of the provisions of this Agreement, the City may, at its option, declare a default by  
79 providing written notice of the default to the Owner and to the holders of all mortgages or deeds  
80 of trust. If within thirty (30) days of such notice, the payments have not been brought current,  
81 then the City may, at its option, declare all amounts due as follows: a sum equal to the total real  
82 property taxes which would have been due from the Owner in the absence of this Agreement,  
83 plus all interest, if any, less all amounts actually paid under this Agreement. To enforce its rights  
84 under this paragraph, the City may renegotiate this Agreement, foreclose, or seek any other  
85 remedy available at law or in equity. Notwithstanding anything to the contrary which is or might  
86 be contained in this agreement, payments due under this paragraph shall be considered a first lien  
87 against the Property and superior to any other liens placed upon the Property and may be  
88 collected in the same manner as City taxes.

89 9. This Agreement may be assigned to a holder of a mortgage or deed of trust in the  
90 event of a foreclosure or transfer under said mortgage or deed of trust, provided that the assignee  
91 shall be subject to the terms and conditions of this Agreement.

92 10. For the purposes of this Agreement, all notices shall be hand-delivered or mailed by  
93 first class mail or certified mail, return receipt requested or via overnight delivery service.  
94 Notices shall be given to the parties as follows:

95 TO CITY: Office of Finance/City of Salisbury  
96 Government Office Building  
97 125 N. Division Street  
98 Salisbury, MD 21801  
99

100 TO OWNER: Rivers Edge Apartments LLC  
101 c/o Osprey Property Company LLC  
102 175 Admiral Cochrane Drive, Suite 201  
103 Annapolis, Maryland 21401  
104

105 With a copy to: Wells Fargo Affordable Housing  
106 Community Development Corporation  
107 MAC D1053-170  
108 301 South College Street, 17th Floor  
109 Charlotte, NC 28202-6000  
110 Attention: Director of Asset Management  
111

112 Each notice that is sent by one party to the other party at the listed address shall be presumed to  
113 have been received three (3) days after the date of mailing; except when prior written notice is  
114 given by one party to the other that a party or an address has changed. Notwithstanding any  
115 provision to the contrary contained in this Agreement, any person or party not listed in this

116 paragraph shall not be entitled to notice as may be required by this Agreement, unless one party  
117 notifies the other party that additional notice shall also be sent to such person or party.

118 11. This Agreement shall inure to the parties hereto and their respective successors,  
119 assigns, and/or legal representatives.

120 12. It is understood and agreed by the execution of this Agreement that the City does not  
121 waive any rights of governmental immunity which it may have in any damage suits against it, and  
122 that the City reserves the right to plead governmental immunity in such suit in law or in equity or  
123 such pleading as is appropriate notwithstanding the execution of this Agreement.

124 13. This Agreement shall be governed by Maryland law and any actions between the  
125 parties hereto shall be brought in and vest jurisdiction and venue solely in the Circuit Court for  
126 Wicomico County.

127 **IN WITNESS WHEREOF**, the City has caused this Agreement to be signed in its name by the  
128 City Council President, to be attested to by the City Clerk, and to have the City Seal affixed  
129 hereto; and the Owner has caused this Agreement to be signed in its name by its Managing  
130 Member, duly attested.

131 RIVERS EDGE APARTMENTS LLC

132 ATTEST:

133 \_\_\_\_\_ By: \_\_\_\_\_ (Seal)  
134 By: Rivers Edge Manager LLC  
135 Its Managing Member

136  
137 By: Osprey Property Company LLC  
138 Its Administrative Manager

139  
140 By: Brett N. Guy  
141 Chief Executive Officer  
142

143 ATTEST: CITY OF SALISBURY, MARYLAND

144  
145  
146 \_\_\_\_\_ (Seal)  
147 Jacob R. Day, President

148  
149



# City of Salisbury – Wicomico County

DEPARTMENT OF PLANNING, ZONING AND COMMUNITY DEVELOPMENT

P.O. BOX 870

125 NORTH DIVISION STREET, ROOMS 203 & 201

SALISBURY, MARYLAND 21803-4860

410-548-4860

FAX: 410-548-4955



JAMES IRETON, JR  
MAYOR

TOM STEVENSON  
ACTING CITY ADMINISTRATOR

RICHARD M. POLITT, JR  
COUNTY EXECUTIVE

R. WAYNE STRAUSBURG  
DIRECTOR OF ADMINISTRATION

August 20, 2013

To: M. Thomas Stevenson, Jr., Acting City Administrator  
From: Keith D. Hall, Chief, Long Range and Transportation Planning  
Subject: Resolution – Acceptance of Chesapeake Bay Trust’s Grant Funds

Attached is a Resolution of the City of Salisbury to accept grant funds from the Chesapeake Bay Trust’s (“Trust”) Mini Grant Program. In response to the request for funding, the Trust approved a grant in the amount of \$4,980.00, which requires no financial match of the City.

This award will be used for the Department to purchase approximately 50 – 55 rain barrels. These rain barrels will be distributed, at no cost, to City of Salisbury residents attending a workshop. Department Staff will conduct two workshops designed to educate the community about water quality issues and viable solutions for individual homeowners to reduce stormwater run-off.

Enclosed is the Resolution for accepting the grant funds and the grant approval letter from the Trust. Contingent upon an executed City Resolution accepting the grant funds, the grant agreement is to be signed by the Mayor and project leader JaLessa Tate. The grant agreement is to be executed and submitted to the Trust no later than Tuesday, October 15, 2013. Upon receipt of the City Resolution and signed grant agreement, Department Staff will submit the documentation to the Chesapeake Bay Trust.

It is important to note, the grant agreement identified two minor contingencies that have been addressed by the Staff.

In an effort to proceed with this public education initiative designed to improve local water quality, the Department requests to be added to the September 3<sup>rd</sup>, 2013, City Council work session to present the grant award and address any questions.

Sincerely,

Keith D. Hall

Chief, Long-Range and Transportation Planning



August 16, 2013

James Ireton, Jr.  
City of Salisbury  
125 North Division Street  
Salisbury, MD 21803

Dear Mayor Ireton:

The Chesapeake Bay Trust would like to thank the City of Salisbury for your proposal. I am pleased to report approval of a grant in the amount of \$4,980.00 for support for the Stormwater Management in Your Backyard project. Funds are provided for rain barrels and postcard printing and postage.

**The grant award is contingent upon submission to the Trust by 09/01/2013 of a) a plan to evaluate the number of rain barrels installed and to support installation of rain barrels that are not installed and b) a more robust plan to evaluate increased knowledge in workshop participants (via, for example, simple pre and post surveys).**

Please sign and return the enclosed grant agreement within sixty days of the date of this letter or the Trust reserves the right to cancel the grant award and apply funds to other projects.

If you should have any questions regarding our decision, please feel free to contact Program Officer, Kacey Wetzal at 410-974-2941 ext. 104. The Chesapeake Bay Trust greatly appreciates the time you invested in proposal development, and we look forward to working with you in the future.

Sincerely,

Jana Davis, Ph.D.  
Executive Director

Grant #: 12008  
Project Leader: JaLeesa Tate

1 RESOLUTION NO. \_\_\_\_\_  
2

3 A RESOLUTION OF THE CITY OF SALISBURY ACCEPTING FUNDS FROM THE  
4 CHESAPEAKE BAY TRUST TO PURCHASE AND DISTRIBUTE APPROXIMATELY 50 –  
5 55 RAIN BARRELS AT TWO COMMUNITY WORKSHOPS.  
6

7 WHEREAS, grant funding has been awarded to the City of Salisbury through the  
8 Chesapeake Bay Trust’s Mini Grant Program; and  
9

10 WHEREAS, the purpose of this grant is conduct two public workshops to promote public  
11 education about the importance of improving the quality of local waterbodies by reducing  
12 stormwater run-off; and  
13

14 WHEREAS, these funds will be used to purchase approximately 50 – 55 rain barrels to  
15 distribute at no cost to City residents attending the workshops; and  
16

17 WHEREAS, the use of this funding for implementation of a best management practice  
18 designed to reduce stormwater run-off on individual residential properties is consistent with the  
19 goals and objectives of the 2010 *City of Salisbury Comprehensive Plan*, as well as the 2012  
20 *Wicomico Phase II Watershed Implementation Plan*.  
21

22 NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY  
23 OF SALISBURY, MARYLAND that grant funds of \$4,980.00 be accepted and used to purchase  
24 rain barrels to provide to City residents in an effort to improve the quality of local waterbodies as  
25 a result of reducing stormwater run-off.  
26

27 THIS RESOLUTION was duly passed at a meeting of the Council of the City of  
28 Salisbury held on September 9, 2013, and is to become effective immediately upon adoption.  
29

30 ATTEST:

31 \_\_\_\_\_  
32  
33 Kimberly R. Nichols, City Clerk

\_\_\_\_\_   
Jacob R. Day, President  
Salisbury City Council

35  
36 APPROVED BY ME THIS:

37 \_\_\_\_\_ day of

38 \_\_\_\_\_, 2013  
39  
40  
41  
42  
43

44 \_\_\_\_\_  
James Ireton Jr., Mayor

# Office of Community Development

## MEMO

---

**To: Tom Stevenson**

**From: Deborah Stam**

**Subject: Resolution of Support for the FY 2015 Community Parks & Playgrounds (CP&P) Funding Application – Salisbury Skatepark, Phase 2**

**Date: August 20, 2013**

---

As you are aware, we have submitted a Community Parks & Playgrounds (CP&P) funding application to the Maryland Department of Natural Resources (DNR) for the FY 2015 funding round. This application is for \$375,000 in CP&P funding for Phase 2 of the Salisbury Skatepark project.

The skatepark project has been broken into two phases in order to make it more affordable. The total area available at the site is approximately 14,000 square feet. Phase 1 has been funded through CP&P for 6,000 square feet, and Phase 2 will be 8,000 square feet. Phase 2 of the Skatepark will include the design and construction of 8,000 square feet of poured-in-place concrete skatepark, the remaining fencing, entrance and exit security gates, benches, trash cans, a bike rack, the creation of the parking areas, and portable toilets. The signage for the project was covered in the Phase 1 grant.

Although DNR does not typically request a Resolution of Support when a CP&P funding application is submitted, I feel strongly that it will help us a great deal during the application review phase if we go ahead and send one to them. I don't want the review committee to have any concerns based upon what happened with the Phase 1 grant award.

Attached is a copy of the Community Parks & Playgrounds Project Agreement section of the FY 2015 application, with the updated project description and cost estimates. Also attached is a Resolution of Support for the City's CP&P funding application. Please forward this Resolution to the City Council so that it may be placed on their agenda for the work session on September 3, 2013, and the council meeting on September 9, 2013.



Deborah J. Stam  
Community Development Director

Attachments



## **Salisbury Skatepark – Project Description – FY 2015**

The City of Salisbury has a large number of youth (and many adults) that love to go skateboarding, but they have nowhere locally that they can skate. The closest skating facilities are a small private skatepark in Ocean Pines, MD (28 miles away), and a large skatepark in Ocean City, MD (35 miles away) which charges a fee for skating. Kids who have no transportation and/or no money are left with no way to enjoy their sport of choice. The City of Salisbury wishes to provide a public skatepark for our local youth that is free of charge, so that they may continue to enjoy what is becoming an increasingly popular sport.

In FY 2007 Wicomico County Recreation, Parks and Tourism conducted a series of five community forums designed to determine the recreational needs of the area. In every one of these forums, the need for skateboarding facilities was a dominant subject of the discussion. Accordingly, in April of 2007 the County held a planning session to further refine the type of skateboarding facility that was desired, and identify those members of the public that would be interested in serving on a committee to further this goal. The Salisbury Skatepark Committee was formed from this session, and they have been working on this project for over 6 years now. When it was determined that the most central location for the skatepark was a site within the Salisbury City Park, the City took the governmental lead on the project.

The Salisbury Skatepark Committee has held several fundraising events over the years in an effort to raise matching funds for the CP&P application. Over 400 youth attended the first fundraising event in March 2008, a clear indication of the overwhelming need for this project. The March 2008 event included skating activities in the afternoon and a concert in the evening. Additional fundraising events have been held since then, with the two most recent taking place in March and May of 2010. In March 2010 the Skatepark Committee organized a fundraising skate trip to three different skateparks. The Committee rented a van, packed a cooler full of food, and took 13 skateboarders on a trip to visit free public skateparks in Ridgely, MD, York, PA, and Greenbelt, MD. All the skaters had a great time skating at the different parks, and the Committee raised about \$250 that day. The event in May 2010 took place at the Emmanuel Wesleyan Church. There were numerous obstacles and different types of terrain for the skaters, and the Committee orchestrated three different contests, with the top three skaters in each contest winning a new skate deck. Over 100 skaters attended that event, with every age, every race and both genders being represented. One of the skaters was a Marine who had to report to Dover, Delaware by 7:00 a.m. the next morning to head out for his 2nd tour in Afghanistan. The attendance of that Marine on his last day at home is a perfect example of the passion that skateboarders have for their sport. Everyone had a great time that day, and the committee raised over \$1,000 through that event.

The Salisbury Skatepark Committee is officially incorporated within the State of Maryland, and they have submitted an application packet to the IRS so that they may obtain their 501(c)(3) non-profit status determination letter. Once received, this determination letter from the IRS will greatly increase their fundraising capabilities.

The project has been broken into two phases in order to make it more affordable. The total area available at the site is approximately 14,000 square feet. Phase 1 has been funded through CP&P for 6,000 square feet, and Phase 2 will be 8,000 square feet. Phase 2 of the Skatepark will include the design and construction of 8,000 square feet of poured-in-place concrete skatepark, the remaining fencing, entrance and exit security gates, benches, trash cans, a bike rack, the creation of the parking areas, and portable toilets. The signage for the project was covered in the Phase 1 grant.

As this recreational facility will be utilized by both City of Salisbury and Wicomico County residents, the city wishes to partner with the county in the creation of this important amenity. The county administration has expressed a willingness to partner with the city on the Salisbury Skatepark project, recognizing the overwhelming need for a facility of this type. Therefore, the City of Salisbury has requested \$100,000 in Program Open Space (POS) funds from the Wicomico County Recreation Commission in the POS Proposed Projects list for FY 2014 that was submitted to the Director of Recreation and Parks on June 11, 2013. The Salisbury Skatepark is listed as our first priority project on the FY 2014 POS project list.

Fundraising proceeds contributed by the Salisbury Skatepark Committee will be used to provide a matching amount of \$20,000 for Phase 2 of the skatepark - \$10,000 will be utilized to meet the required 10% match for the POS funds that have been requested, and \$10,000 will be utilized as a matching amount for the CP&P funds that we are requesting in this application.

10. ITEMIZED DETAILED COST ESTIMATE: (Round all estimates to nearest even dollar)				
Item No.	Item	Contract Cost	Force Account Costs	Total Estimated Costs
1.	Acknowledgement Sign Sample text: <b>Maryland Department of Natural Resources, Program Open Space, Community Parks and Playgrounds Program assisted project</b>	Provided for in Phase 1 of project	NA	NA
2.	Design and Construction of poured-in-place concrete skatepark - Phase 2 8,000 square feet @ \$38 per square foot	\$304,000	-0-	\$304,000
3.	Fencing – Approx. 375 linear feet, 10 feet high, vinyl-coated chain link, 1 Double Drive Gate for Maintenance	\$13,750	-0-	\$13,750
4.	Pedestrian Entrance Gate w/Time Lock	\$10,000	-0-	\$10,000
5.	Pedestrian "Exit Only" Swing Gate	\$3,000	-0-	\$3,000
6.	Parking – Widening, paving and re-striping of road to create 25 on-street parallel parking spaces. Creation of a small paved area off-street for 3 handicapped parking spaces with a curb cut for entrance / exit.	\$109,000	-0-	\$109,000
7.	Bike Rack – 18 Bike Capacity (permanent)	\$450	-0-	\$450
8.	Benches – 8 Ft. Benches w/Vertical Steel Slats – 6 @ \$1,325 each	\$7,950	-0-	\$7,950
9.	Trash Cans - In-ground Mount with Dome Top 2 @ \$500 each	\$1,000	-0-	\$1,000
10.	Portable Toilets – 1 Standard & 1 Handicapped Accessible (rental fee for first year of operation)	\$3,600	-0-	\$3,600
11.	Contingency	\$42,250	-0-	\$42,250
<b>Total Development Costs:</b>		<b>\$495,000</b>	<b>-0-</b>	<b>\$495,000</b>

11. LOCAL GOVERNMENT AUTHORIZATION

As the authorized representative of this Political Subdivision, I read the terms of the "Project Agreement and General Conditions" of the Program Open Space (POS) Grants Manual and I agree to perform all work in accordance with the Manual, POS Law and Regulations, Special Conditions of the Community Parks and Playgrounds Program and with the attachments included herewith and made a part thereof.


James Ireton, Jr.
Mayor
8/14/2013  
(Signature) (Print Name) (Print Title) (Date)

PROGRAM ADMINISTRATIVE REVIEW:

12. ON-SITE INSPECTION                      DATE \_\_\_\_\_ BY \_\_\_\_\_

13. STATE CLEARINGHOUSE REVIEW	DATE _____	NUMBER _____
14. CP&P FUND SOURCE _____	AMOUNT \$ _____	
15. DEPARTMENT OF NATURAL RESOURCES – PROGRAM OPEN SPACE APPROVAL:		
(Director's Signature)	(BPW Approval Date)	(Agenda Item No.)

1  
2 **RESOLUTION NO. \_\_\_\_\_**  
3  
4

5 A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND TO APPROVE A  
6 MARYLAND DEPARTMENT OF NATURAL RESOURCES, COMMUNITY PARKS &  
7 PLAYGROUNDS GRANT APPLICATION FOR FUNDING FOR PHASE 2 OF THE  
8 SALISBURY SKATEPARK.  
9

10 WHEREAS, the Maryland Department of Natural Resources (DNR) has solicited  
11 applications from eligible jurisdictions to apply for funding under the Community Parks &  
12 Playgrounds (CP&P) Program for Fiscal Year 2015; and  
13

14 WHEREAS, the City of Salisbury is eligible to apply for CP&P funds from DNR; and  
15

16 WHEREAS, the Council of the City of Salisbury recognizes the important role that our local  
17 parks, playgrounds and recreational areas play in maintaining a healthy, pleasant, attractive  
18 environment for the enjoyment of our local residents; and  
19

20 WHEREAS, the Council wishes to rehabilitate, improve and expand the parks, playgrounds  
21 and recreational areas within the City of Salisbury in order to improve the quality of life for all  
22 citizens; and  
23

24 WHEREAS, DNR has awarded a Community Parks & Playgrounds grant in the amount of  
25 \$262,000 to the City of Salisbury for the Salisbury Skatepark, Phase 1 (CPP # 5980-22-206).  
26

27 NOW, THEREFORE, BE IT RESOLVED THAT, the Council of the City of Salisbury,  
28 Maryland does hereby authorize the submission of an application to the Maryland Department of  
29 Natural Resources for Community Parks & Playgrounds funds to forward the City's recreational  
30 initiatives. This will be accomplished by applying for **\$375,000** to provide funds for the Salisbury  
31 Skatepark, Phase 2.  
32

33 BE IT FURTHER RESOLVED THAT, James Ireton, Jr., Mayor, is authorized and  
34 empowered to execute any and all documents required for the submission of this grant application.  
35

36 THE ABOVE RESOLUTION was introduced and duly passed at a meeting of the Council of  
37 the City of Salisbury, Maryland held on September 9, 2013, and is to become effective immediately.  
38  
39  
40  
41

42 \_\_\_\_\_  
43 Kimberly R. Nichols  
44 CITY CLERK  
45

46 \_\_\_\_\_  
47 Jacob R. Day  
48 COUNCIL PRESIDENT  
49

50 APPROVED BY ME THIS

51 \_\_\_\_\_ day of September, 2013  
52

53 \_\_\_\_\_  
54 James Ireton, Jr.  
55 Mayor

# City of Salisbury



MARYLAND



125 NORTH DIVISION STREET  
SALISBURY, MARYLAND 21801  
Tel: 410-334-3028  
Fax: 410-548-3192

JAMES IRETON, JR.  
MAYOR

TOM STEVENSON  
INTERIM CITY ADMINISTRATOR

KEITH A. CORDREY  
DIRECTOR OF INTERNAL SERVICES

To: Tom Stevenson, Interim City Administrator  
From: Keith Cordrey, Director of Internal Services  
Date: August 27 2013  
Re: Internal Services Restructure

---

Recent turnover has presented the Internal Services – Finance department an opportunity to recommend a restructuring of positions and redistribution of duties necessary in order to achieve departmental goals. This includes the need to change Job Descriptions, titles, and classifications to accommodate these changes. It is our belief that this restructuring will provide efficiency and opportunity for job growth within the department and therefore encourage retention.

Please find attached the ordinance necessary to authorize the changes and the recommended Job Descriptions. Also included is a presentation booklet to be used at the council meeting where we introduce the position changes.

If you have any questions, please let me know.

ORDINANCE NO. \_\_\_\_\_

AN ORDINANCE OF THE CITY OF SALISBURY APPROVING AN AMENDMENT OF THE FY 13 GENERAL FUND BUDGET TO APPROPRIATE FUNDS TO COVER THE CITY'S EMPLOYEE RETIREMENT MATCH.

WHEREAS, the Finance department has determined position changes are needed to procure and retain qualified staff;

WHEREAS; the position changes effected in this ordinance do not result in additional cost to the city; and

WHEREAS, the details of the concerns the position changes address, and the advantages which are expected to result, are found in the presentation booklet provided with this ordinance; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND THAT THE City's Fiscal Year 2014 General Fund Budget be and hereby is amended to include the following position changes:

No	Action	From Position	To Position	Old Grade	New Grade
1	Delete	Assistant Director Finance	NA	13	NA
2	Reclassify	Accountant	Assistant Director Finance Operations	10	13
3	Reclassify	Accountant	Assistant Director Finance Accounting	10	13
4	Reclassify	Payroll Clerk	Payroll Accountant I/or Payroll Accountant II	5	7/10
5	Reclassify	Account Clerk II	Revenue Clerk II	5	6
6	Add	NA	Revenue Clerk I Collections	NA	2

Position Title Changes (no grade revisions):

No	From	To
1	Chief Account Clerk	Utility Billing Supervisor
2	Account Clerk II	Utility Billing II
3	Account Clerk I	Utility Billing I/EMS
4	Account Clerk II	Revenue Clerk II
5	Account Clerk I	Accounts Payable II
6	Account Clerk I	Revenue Clerk I - Parking

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18

THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury held on this \_\_\_\_ day of \_\_\_\_\_ 2013, and thereafter, a statement of the substance of the Ordinance having been published as required by law, was finally passed by the Council on the \_\_\_\_ day of \_\_\_\_\_, 2013...

**ATTEST:**

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

\_\_\_\_\_  
Jacob R. Day, President  
Salisbury City Council

APPROVED BY ME THIS \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
James Ireton, Jr., Mayor

# CITY OF SALISBURY

## JOB DESCRIPTION

**Assistant Director Internal Services-Finance Operations**  
**Grade: 13**

---

**Department: Internal Services-Finance**  
**Date: 8/26/2013**

---

**Job Summary:** Reviews and approves invoices and purchase orders from all city departments and authorizes payments; supervises finance staff (e.g. water billing, A/P, cashier,); takes a lead role in overseeing monthly accounting and financial reporting; performs other duties as assigned.

---

### **Essential Functions:**

*(Functions listed are intended only as illustrations of the various types of work performed. The omission of specific duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.)*

1. Supervises finance staff; conducts interviews; hires and trains employees; conducts performance appraisals; addresses and resolves personnel complaints;
  2. Reviews approved invoices and purchase orders from other City departments for payment and general ledger account number;
  3. Processes finance department invoices and purchase orders for payment;
  4. Manages payable subsidiary including reconciling totals to GL balances quarterly;
  5. Review 1099 reporting;
  6. Oversees all Utility Billing processes ensuring billing is completed on time, collections are effective, and leak information is communicated effectively to owners;
  7. Looks for opportunities to enhance customer service to striving to make customer experience with the city excellent;
  8. Receives request by customers (back up to Asst. Dir. Accounting non water billing related) to speak to supervisors and manages resolution complaints;
  9. Maintains and communicates a clearly defined back up loop for phone answering and cashiering;
  10. Verifies, sets up, and tracks grant and project expenditures and revenue;
  11. For grant and projects, corresponds with departments, records activities including resolutions/ordinances, and reconciles available balances as needed;
  12. Complete and review Bank Reconciliations;
  13. Participate in completing assigned task on a financial reporting check list;
  14. Prepares and records journal entries;
  15. Serves as MUNIS Administrator for City offices in the government building, troubleshoots issues, passwords, back up systems; performs routine updates;
  16. Provides auditors with financial information as needed during the annual audit;
  17. Reviews cash account balances daily and verifies electronic transfers;
  18. Provide support to the Operating and Capital Budget process as directed;
  19. Assist Director with UFR Schedules: IV Revenues Special Revenue Fund, V Expenses Special Revenue Fund, X Revenue Enterprise Fund, Expenses Enterprise Fund, XIV Cash & Investments;
  20. Keeps supervisor informed of new issues or trends as well as any unusual or detrimental conditions and process problems;
  21. Keeps abreast of emerging finance related issues by reading articles, professional periodicals and attending meetings, seminars and workshops;
  22. Monitor markets for software available for processes managed to ensure the city is using the best tools available;
  23. Serve as back up to the Assistant Director Accounting and Director of Internal Services when absent as needed; and
  24. Performs other duties as assigned.
-

**Required Knowledge, Skills, and Abilities:**

*City employees are expected to possess or perform the following:*

1. Thorough knowledge of Employee Handbook, City Charter, City Code as they apply to Internal Services.
  2. Extensive knowledge of accounting practices and principles, budget management and maintenance;
  3. Effectively supervise and coordinate the work of staff in order to accomplish department goals and objectives;
  4. Effectively establish priorities and organize workload;
  5. Effectively maintain a pleasant and productive working atmosphere and maintain composure and work under the stress of handling several tasks at one time;
  6. Effectively keep all relevant parties informed of all major issues and to recommend changes as appropriate;
  7. Effectively work and communicate with diverse individuals in order to accomplish department goals and objectives;
  8. Effectively and accurately make reasonable and logical judgments; and
  9. Effectively communicate and maintain working relationships with other staff members.
- 

**Education and Experience:**

1. Bachelor’s degree; and
  2. Six years’ experience.
- 

**Physical and Environmental Conditions:**

Work requires no unusual demand for physical effort.

Work environment involves everyday risks or discomforts which require normal safety precautions typical of such places as offices or meeting and training rooms, e.g., use of safe work place practices with office equipment, avoidance of trips and falls, and observance of fire and building safety regulations.

---

The above job description is not intended as, nor should it be construed as, exhaustive of all responsibilities, skills, efforts, or working conditions associated with this job.

Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions of this job.

# CITY OF SALISBURY

## JOB DESCRIPTION

**Assistant Director, Internal Services-Finance Accounting**  
**Grade: 13**

---

**Department: Internal Services-Finance Accounting**  
**Date: 8/26/2013**

---

**Job Summary:** Responsible for Billing, Collections, Payroll Processing, Revenue Accounting, supervises finance staff (e.g. Tax Billing, Licenses, EMS billing, Revenue Clerks); takes a lead role in overseeing monthly accounting and financial reporting; performs other duties as assigned.

---

### **Essential Functions:**

*(Functions listed are intended only as illustrations of the various types of work performed. The omission of specific duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.)*

1. Supervises finance staff; conducts interviews; hires and trains employees; conducts performance appraisals; addresses and resolves personnel complaints;
2. Reviews, analyzes and posts (daily) customer payment batches created by Clerk's to general ledger accounts;
3. Manage payroll process; ensure multiple back up operators are able to perform payroll processing as required;
4. Accounting for payroll related liabilities including but not limited to: Leave balances, Retirement, Health Care, payroll taxes and deductions;
5. Oversee all payroll related reporting including but not limited to W2, 941, Unemployment,
6. Administer and account for Payroll benefit activities including but not limited to Medicare RDS, Health Care Rates, TASC, Retirement;
7. Accounting and managing Health Care Trust and Health Care Reserve Fund liabilities;
8. Manage billing, collection, and billing of city taxes and all fees (bulk trash, alarms, licenses etc); ensures that all revenues are accounted for in accordance with GASB standards;
9. Receives request by customers (back up to Asst. Dir. Operations for water billing related) to speak to supervisors and manages resolution complaints;
10. Periodically review process for billing and collection of all revenues (EMS, Taxes, Fees) to ensure they are efficient and effective;
11. Oversee processing of Manufacture Exemptions submitted to the city in accordance with City policies;
12. At the direction of the Director of Internal services account for revenues including managing calculation of deferred revenues in accordance with GASB standards;
13. Verifies fixed assets and tracks additions and/or deletions; runs annual depreciation; ensures that all capital assets are accounted for in accordance with GASB standards;
14. Account for Debt including but not limited to: maintaining subsidiary schedules reconciling debt payments by bond to GL accounts, record draw-downs,
15. Prepares and records journal entries;
16. Provides auditors with financial information as needed during the annual audit;
17. Participate in completing assigned task on a financial reporting check list;
18. Prepares Quarterly financial statements;
19. Complete and route a reconciliation of all AR Subsidiary ledgers to GL Balances quarterly.
20. Manage reconciliation of General Ledger Balances for all balance sheet accounts to support documents quarterly;
21. Provide support to the Operating Budget;
22. Maintain Capital Improvement Plan;

## Essential Functions: (continued)

23. Project revenues and maintain the "Projected Amount in reports used in Budget Preparation;
  24. Estimate revenues for the Operating Budget;
  25. Monitor all revenue account to ensure budgeted revenues are collected;
  26. Assist Director of Internal Services with UFR Schedules: I Revenues General Fund, II Expenses General Fund, III Debt Service, VI Revenue Capital Projects, VII Expenses Capital Projects, XV Property Tax AR, XVII Debt Outstanding, and XXII Local Highway Info;
  27. Serve as back up to Assistant Director Operations and Director of Internal Services when absent as needed;
  28. Keeps supervisor informed of new issues or trends as well as any unusual or detrimental conditions and process problems;
  29. Monitor markets for software available for processes managed to ensure the city is using the best tools available;
  30. Keeps abreast of emerging finance related issues by reading articles, professional periodicals and attending meetings, seminars and workshops; and
  31. Performs other duties as assigned.
- 

## Required Knowledge, Skills, and Abilities:

*City employees are expected to possess or perform the following:*

1. Thorough knowledge of Employee Handbook, City Charter, City Code as they apply to Internal Services.
  2. Extensive knowledge of accounting practices and principles, budget management and maintenance;
  3. Effectively supervise and coordinate the work of staff in order to accomplish department goals and objectives;
  4. Effectively establish priorities and organize workload;
  5. Effectively maintain a pleasant and productive working atmosphere and maintain composure and work under the stress of handling several tasks at one time;
  6. Effectively keep all relevant parties informed of all major issues and to recommend changes as appropriate;
  7. Effectively work and communicate with diverse individuals in order to accomplish department goals and objectives;
  8. Effectively and accurately make reasonable and logical judgments; and
  9. Effectively communicate and maintain working relationships with other staff members.
- 

## Education and Experience:

1. Bachelor's degree; and
  2. Six year's experience
- 

## Physical and Environmental Conditions:

Work requires no unusual demand for physical effort.

Work environment involves everyday risks or discomforts which require normal safety precautions typical of such places as offices or meeting and training rooms, e.g., use of safe work place practices with office equipment, avoidance of trips and falls, and observance of fire and building safety regulations.

---

The above job description is not intended as, nor should it be construed as, exhaustive of all responsibilities, skills, efforts, or working conditions associated with this job.

Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions of this job.

# CITY OF SALISBURY

## JOB DESCRIPTION

**Payroll Accountant I**  
**Grade: 7**

---

**Department: Internal Services-Finance**  
**Date: 8/26/2013**

---

**Job Summary:** Processes Payroll, Maintains Payroll Employee information; Bank Reconciliation processing; other accounting duties as assigned.

---

### **Essential Functions:**

*(Functions listed are intended only as illustrations of the various types of work performed. The omission of specific duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.)*

1. Maintains timesheets and leave records for City Administration;
  2. Runs reports and payroll check/advices;
  3. Manages payroll related GL Liability account and reconciles balances at end of month;
  4. Prepares and deposits 941 tax and State WH taxes;
  5. Maintains W-4 slips, employee action forms and all payroll records and history;
  6. Records data concerning transfers of employees between departments and of new, retiring and terminating employees;
  7. Prepares quarterly reports of earning, taxes and deductions;
  8. Maintains state retirement funds for changes or deletions;
  9. Maintains TASC information;
  10. Maintains Medicare RDS Information;
  11. Completes Bank Reconciliations as assigned;
  12. Process Journals and Budget Transfers;
  13. Assist with Audit Preparation;
  14. Keeps supervisor informed of unusual or detrimental issues and process problems;
  15. Keeps informed on current accounting practices by attending workshops and educational programs or reading specialized literature; and
  16. Performs other duties as assigned.
- 

### **Required Knowledge, Skills, and Abilities:**

*City employees are expected to possess or perform the following:*

1. Working knowledge of payroll and accounting practices and procedures;
  2. Effectively and efficiently organize and track information;
  3. Knowledge of Microsoft Office Suite, the Internet, e-mailing systems, and other relevant software or accounting packages;
  4. Effectively prioritize and multitask with attention to detail;
  5. Effectively communicate and maintain working relationships
-

**Education and Experience:**

1. High School Diploma or G.E.D; Associates Degree or higher preferred
  2. 3 years relevant experience.
- 

**Physical and Environmental Conditions:**

Work requires no unusual demand for physical effort.

Work environment involves everyday risks or discomforts which require normal safety precautions typical of such places as offices or meeting and training rooms, e.g., use of safe work place practices with office equipment, avoidance of trips and falls, and observance of fire and building safety regulations.

---

The above job description is not intended as, nor should it be construed as, exhaustive of all responsibilities, skills, efforts, or working conditions associated with this job.

Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions of this job.

# CITY OF SALISBURY

## JOB DESCRIPTION

**Payroll Accountant II**  
**Grade: 9**

---

**Department: Internal Services-Finance**  
**Date: 8/26/2013**

---

**Job Summary:** Processes Payroll, Maintains Payroll Employee information; Bank Reconciliation processing; other accounting duties as assigned.

---

### **Essential Functions:**

*(Functions listed are intended only as illustrations of the various types of work performed. The omission of specific duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.)*

1. Maintains timesheets and leave records for City Administration;
  2. Runs reports and payroll check/advices;
  3. Manages payroll related GL Liability account and reconciles balances at end of month;
  4. Prepares and deposits 941 tax and State WH taxes;
  5. Maintains W-4 slips, employee action forms and all payroll records and history;
  6. Records data concerning transfers of employees between departments and of new, retiring and terminating employees;
  7. Prepares quarterly reports of earning, taxes and deductions;
  8. Maintains state retirement funds for changes or deletions;
  9. Maintains TASC information;
  10. Maintains Medicare RDS Information;
  11. Completes Bank Reconciliations as assigned;
  12. Process Journals and Budget Transfers;
  13. Assist with Audit Preparation;
  14. Keeps supervisor informed of unusual or detrimental issues and process problems;
  15. Keeps informed on current accounting practices by attending workshops and educational programs or reading specialized literature; and
  16. Performs other duties as assigned.
- 

### **Required Knowledge, Skills, and Abilities:**

*City employees are expected to possess or perform the following:*

1. Working knowledge of payroll and accounting practices and procedures;
  2. Effectively and efficiently organize and track information;
  3. Knowledge of Microsoft Office Suite, the Internet, e-mailing systems, and other relevant software or accounting packages;
  4. Effectively prioritize and multitask with attention to detail;
  5. Effectively communicate and maintain working relationships
-

**Education and Experience:**

1. BS in Business Administration or Accounting and or;
  2. Four years relevant experience.
- 

**Physical and Environmental Conditions:**

Work requires no unusual demand for physical effort.

Work environment involves everyday risks or discomforts which require normal safety precautions typical of such places as offices or meeting and training rooms, e.g., use of safe work place practices with office equipment, avoidance of trips and falls, and observance of fire and building safety regulations.

---

The above job description is not intended as, nor should it be construed as, exhaustive of all responsibilities, skills, efforts, or working conditions associated with this job.

Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions of this job.

# CITY OF SALISBURY

## JOB DESCRIPTION

**Revenue Clerk I - Collections**  
**Grade: 2**

---

**Department: Internal Services-Finance**  
**Date: 08/27/2013**

---

**Job Summary:** Provides clerical support for office accounting functions under the direct supervision of a designated supervisor; performs other duties as assigned.

---

### **Essential Functions:**

*(Functions listed are intended only as illustrations of the various types of work performed. The omission of specific duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.)*

1. Processes payments from customers;
  2. Included in cashier settlement rotation which requires balancing of drawer; counts cash, checks, and receipts, processes bank deposits;
  3. Assist with inputs parking tickets as directed;
  4. Assist with input of AP Invoices;
  5. Assist Revenue Clerk II with billing and collections;
  6. Responds to inquiries and questions from customers and staff from other departments;
  7. Establishes and maintains systems for tracking requested actions and reports;
  8. Assists with personal property tax billing; adjusts and refunds to customer accounts;
  9. Tracks and submits accounts for sale;
  10. Inputs accounts payable; accounts receivable; cash receipts; and collection of payments;
  11. Processes documents for transfer of property;
  12. Mails weekly check and remittances;
  13. Attends court for disputed parking tickets;
  14. Processes weekly coin deposits;
  15. Performs other clerical tasks: types and files documents; verifies and tracks information; processes mail; orders office supplies;
  16. Keeps informed on current accounting practices by attending workshops and educational programs or reading specialized literature; and
  17. Performs other duties as assigned.
- 

### **Required Knowledge, Skills, and Abilities:**

*City employees are expected to possess or perform the following:*

1. Working knowledge of City policies and procedures;
  2. Act as a representative of the City to the public;
  3. Working knowledge of basic accounting practices and procedures;
  4. Effectively and efficiently organize and track information;
  5. Knowledge of Microsoft Office Suite, the Internet, e-mailing systems, and other relevant software or accounting packages;
  6. Effectively prioritize and multitask with attention to detail;
  7. Effectively communicate and maintain effective working relationships with other staff members and members of the public.
-

**Education and Experience:**

1. High School Diploma or G.E.D;
  2. Courses in bookkeeping, office practice and typing;
  3. Or equivalent training, education, and/or experience.
- 

**Physical and Environmental Conditions:**

Work requires no unusual demand for physical effort.

Work environment involves everyday risks or discomforts which require normal safety precautions typical of such places as offices or meeting and training rooms, e.g., use of safe work place practices with office equipment, avoidance of trips and falls, and observance of fire and building safety regulations.

---

The above job description is not intended as, nor should it be construed as, exhaustive of all responsibilities, skills, efforts, or working conditions associated with this job.

Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions of this job.

# CITY OF SALISBURY

## JOB DESCRIPTION

**Revenue Clerk II**  
**Grade: 6**

---

**Department: Internal Services-Finance**  
**Date: 08/26/2013**

---

**Job Summary:** Billing and Collection of Taxes and fees; gives direction to and oversees deadlines for Revenue Clerk I, performs other duties as assigned.

---

### **Essential Functions:**

*(Functions listed are intended only as illustrations of the various types of work performed. The omission of specific duties does not exclude them from the position if the work is similar, related or a logical assignment to the position.)*

1. Reviews information concerning property transfer, printing statements of debts due and forwarding to settlement agent. Interpret intake sheet. Stamps deeds when payment is received for all debts, including water & sewer, personal property taxes & miscellaneous receivables;
2. Inputs data to create invoices for accounts receivable from information received from various City Departments. Changes charge codes and repetitive billing files for different groups (i.e. retiree insurance, restaurant license fees, and pretreatment);
3. Serves as back up for input of accounts payable invoices;
4. Creates checks weekly for accounts payable invoices; posts to general ledger
5. Included in cashier settlement rotation which requires balancing of drawer; counts cash, checks, and receipts, processes bank deposits;
6. Create payment batches for Marina,
7. Reviews information in miscellaneous receivables and personal property tax module for approval of trader's license and enters approval on-line in "elicense system". Tracks changes in location and ownership.
8. Downloads personal property tax account assessments; creates and mails bills. Maintains billing codes, change rates, roll over tax year at end of each fiscal year. Check for credits created by reduced assessments and process refunds. Send statement of past due accounts, when current year bill indicates a delinquency.
9. Adjust personal property tax bills for manufacturing exemptions and create a worksheet that tracks the application of those exemptions.
10. Print reports and produce statements of delinquent personal property tax accounts and report to lawyer's office as needed.
11. Collect and track customer bankruptcy information and send Proof of Claims to the court as needed.
12. Send out various license renewal applications (manually issued), secure needed approvals from other agencies and departments and then issue the license.
13. Annually review all properties which receive real estate tax deferrals and exemptions for qualification standards, and report amount or percentage to Wicomico County for billing. This includes overseeing the Homeowner Rental Tax Conversion Program and tracking any deferrals or exemptions due to annexations and Pilot programs. Update worksheets with annual amounts for audit.
14. Review the entire accounts receivable file annually to check for delinquencies and submit properties for annual Tax Sale by online worksheet to Wicomico County.
15. Review worksheets sent from other departments for accounts receivable billing for accuracy, contacting and working with other departments to resolve discrepancies in information before billing.
16. Process annual landlord license billing, including original scan of information for any needed maintenance of accounts, copying and including any enclosures, reviewing returned information for completeness before accepting payment, make adjustments and post to the general ledger on a regular basis for additions and deletions to the program.
17. Print, sort and mail periodic statements for accounts receivable accounts.

**Essential Functions:** *(Continued from previous page)*

18. Provides customer service by working the public counter, receipting all types of bills as cashier relief, and helping customers interpret personal property tax information, and other charges. Answering phone calls;
  19. Keeps supervisor informed of unusual or detrimental issues and process problems;
  20. Trains and directs Revenue Clerk I on daily tasks needed and coordinates work to deadlines.
  21. Keeps informed on current accounting practices by attending workshops and educational programs or reading specialized literature; and
  22. Performs other duties as assigned.
- 

**Required Knowledge, Skills, and Abilities:**

*City employees are expected to possess or perform the following:*

1. Working knowledge of City policies and procedures;
  2. Act as a representative of the City of Salisbury to the public;
  3. Working knowledge of accounting practices and procedures;
  4. Effectively and efficiently organize and track information;
  5. Knowledge of Microsoft Office Suite, the Internet, e-mailing systems, and other relevant software or accounting packages;
  6. Effectively prioritize and multitask with attention to detail;
  7. Effectively communicate and maintain effective working relationships with other staff members and members of the public.
- 

**Education and Experience:**

1. High School Diploma or G.E.D;
  2. Courses in bookkeeping, office practice and typing;
  3. One year relevant experience;
  4. Or equivalent training, education, and/or experience.
- 

**Physical and Environmental Conditions:**

Work requires no unusual demand for physical effort.

Work environment involves everyday risks or discomforts which require normal safety precautions typical of such places as offices or meeting and training rooms, e.g., use of safe work place practices with office equipment, avoidance of trips and falls, and observance of fire and building safety regulations.

---

The above job description is not intended as, nor should it be construed as, exhaustive of all responsibilities, skills, efforts, or working conditions associated with this job.

Reasonable accommodations may be made to enable qualified individuals with disabilities to perform the essential functions of this job.

# Internal Services: Managing Change

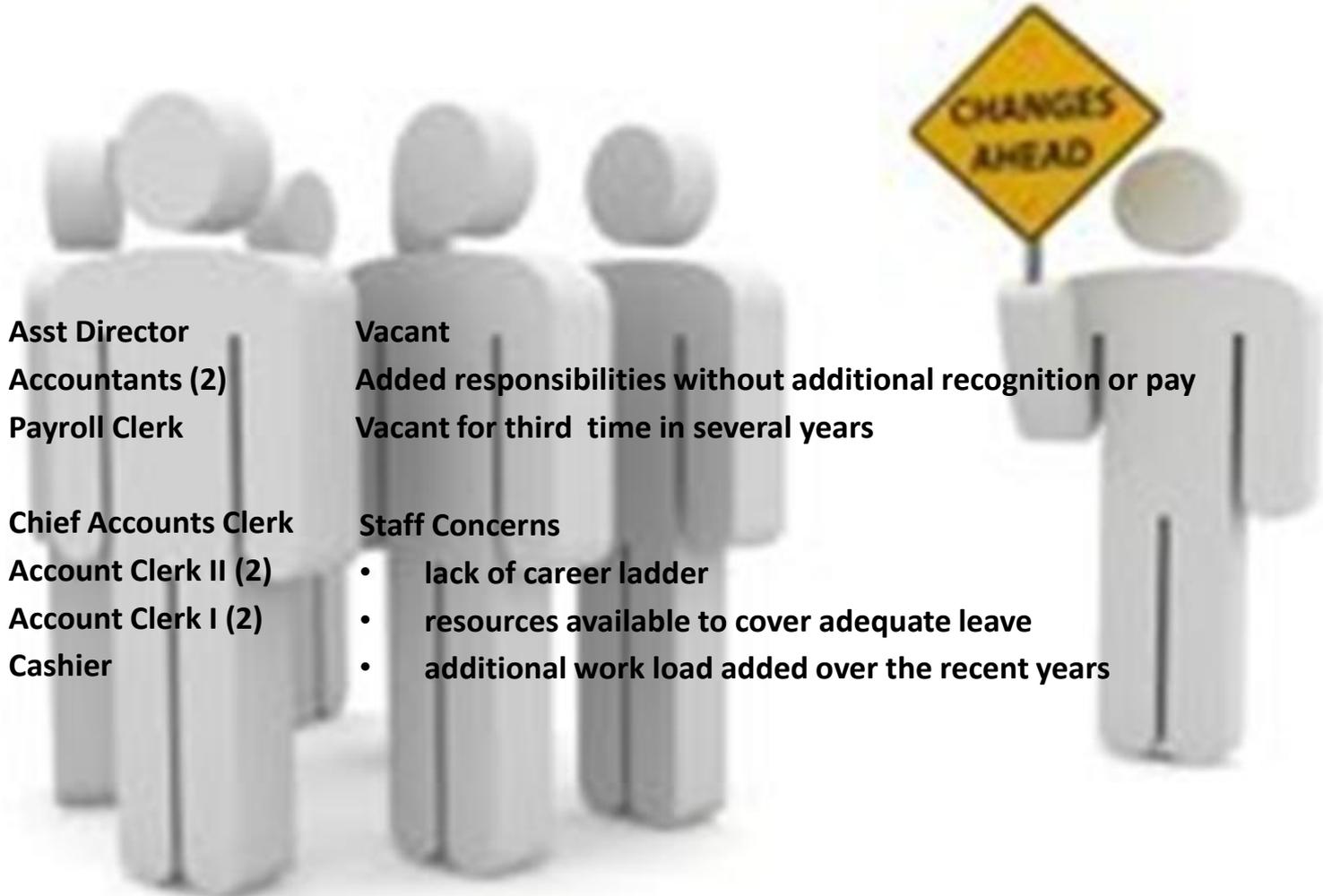
Finance Department

# Presentation Outline

- Concerns
- Position Changes
- Organizational Chart
- Advantages



# Concerns



**Asst Director**  
**Accountants (2)**  
**Payroll Clerk**

**Vacant**  
**Added responsibilities without additional recognition or pay**  
**Vacant for third time in several years**

**Chief Accounts Clerk**  
**Account Clerk II (2)**  
**Account Clerk I (2)**  
**Cashier**

**Staff Concerns**

- **lack of career ladder**
- **resources available to cover adequate leave**
- **additional work load added over the recent years**

# Concerns – Assistant Director Finance

- It is difficult to attract someone who can effectively manage complex financial reporting activities at the current pay range.
- Since it takes time to be effective in supporting the optimal use of the city's software applications, and to be intimate with the processes in place, it is important to retain leadership. It is hard to retain such a professional at the current pay scale.
- The span of control is large (i.e. 10 direct reports) and dilutes the attention that can be given to each function.

# Concerns – Accountants

- The Accountants have taken on additional duties beyond their currently defined job description.
- The Accountants have more to offer the city given their skills and experience. Shawanda has over 8 years of experience but spends much of her time doing cash reconciliations and risk management leaving little time to handle more advanced duties such as project and grant accounting.
- We need to offer opportunity and recognize achievements in order to retain skilled professionals like these.

# Concerns – Payroll Clerk

- The Payroll Clerk position has turned over 3 times in a short period of time.
- Currently the Payroll Clerk is in the customer service phone loop for billing inquiries and also assist with cashiering. This makes it difficult to concentrate on the sometimes complex and tedious tasks required to process payroll for over 400 employees.
- The Payroll Clerk's desk is in an open area in close proximity to other staff members which does not afford the confidentiality appropriate for personnel matters.

# Concerns - Clerical Staff

- Clerks, with significant tenure, have expressed concerns that there is a lack of a Career Ladder which recognizes the skills acquired over the years. We have staff members which have been here 8 years and are making less than \$25,000.
- Additional work loads, without additional pay, have resulted in a decline in Moral.
- Outdated Job Descriptions/Titles need revision to be more specific and to reflect current activities.
- More Resources are needed to reduce spikes in work loads.

# Adapting to Change

Organizations change  
when people in  
them change.



CHANGE  
AHEAD

**"The best way  
to cope with  
change is to  
help create it."**

***Anonymous***



# Experts Say

Periodic change is needed  
to:

- Align Resources
- Enhance Performance
- Provide Opportunity
- Nourish Team Development



# An Action Plan is needed for Departmental Change



# Position Changes

Current								Restructured						Position Count Change	
Title	Assigned	Grade-Step Current	Grade Evergree	Current Salary	Evergreen Salary	Evergreen Increase	%	Title	Grade	Salary	Increase (Decrease)	Evergreen Salary	Evergreen Increase	Accountant	Clerk
Assistant Director	Vacant	11	13	50,523.79	55,991.00	5,467.21	11%	Deleted		-	(50,524)	-	(55,991)	-1	
Accountant	Shawanda	10-4	10	44,963.82	45,335.66	371.84	1%	Operations	13-4	55,531	10,567	59,418	14,082		
Accountant	Trish	10	10	42,369.93	44,446.73	2,076.80	5%	Assistant Director-	13-2	53,375	11,005	57,111	12,664		
Payroll Clerk	Cheryl	5-4	6	30,601.79	34,670.06	4,068.27	13%	Accountant I*	7-1	32,971	2,369	35,283	613	1	-1
Chief Account Clerk	Judy	6-13	8	39,496.90	42,073.26	2,576.36	7%	Utility Billing Supervisor	Same	39,497	-	42,073	-		
Account Clerk II (Utility)	Annette	4-13	5	33,863.75	36,152.86	2,289.11	7%	Utility Billing II	Same	33,864	-	36,153	-		
Account Clerk I (UT/EMS)	Vacant	2-6	3	24,778.35	27,522.12	2,743.77	11%	Utility Billing I/EMS	Same	24,778	-	25,935	(1,587)		
Account Clerk II (AR)	Connie	4-9	5	31,284.50	33,399.66	2,115.16	7%	Revenue Clerk II	6-4	32,402	1,118	34,670	1,270		
Account Clerk I (AP)	Christine	2-9	5-4	26,820.22	32,102.71	5,282.49	20%	Accounts Payable II	Same	26,820	-	32,103	-		
(Parking/Cashier)	Shirley	2-12	3	28,462.69	30,386.64	1,923.95	7%	Revenue Clerk I - Parking	Same	28,463	-	30,387	-		
Cashier	Bea	1-5	2	22,942.45	24,012.94	1,070.49	5%	Cashier	Same	22,942	-	24,013	-		1
	New							Revenue Clerk I - Collections	2-6	24,778	24,778	25,935	25,935		
<b>Total</b>				<b>376,108</b>	<b>406,094</b>	<b>29,985</b>	<b>8%</b>			<b>375,421</b>	<b>(687)</b>	<b>403,080</b>	<b>(3,013)</b>	<b>0</b>	<b>0</b>
<b>Action Summary</b>				<b>\$ Impact</b>				<b>Justification</b>							
Delete Assistant Director / Add Rev Clerk I Collections				(25,746)				additional clerk needed to assist AR and AP clerks							
Delete Accountants (2)/Add Asst Dir (2)				21,572				additional accounting and supervisory duties							
Reclassify Payroll Clerk to Accountant I/II				2,369				additional cash accounting							
Reclassify Account Clerk II to Revenue Clerk II				1,118				additional Supervisor duties of new Revenue Clerk I - Collections							
<b>Updated Job Title / Descriptions</b>				-				to accurately reflect activities and responsibilities							
<b>Total Impact on Budget</b>				<b>(687)</b>											

1. There is no increase in cost based on current pay plan. Also, there is no increase in cost assuming the evergreen plan was adopted.
2. The position count before the changes (3 accountants and 8 clerks) is unchanged. We deleted an accountant and added one. We deleted a clerical position and added one.
3. Numerous alternatives were considered. One of the alternatives was to elevate the salary of the Asst. Dir. and reclassify the accountants in order to recognize their increased skills and responsibilities. This plan was eliminated due to the increased cost associated with it.
4. This plan does not compete with the evergreen study. This plan is targeted at addressing the vacancies and making certain we act now, while the vacancies exist and we have the appropriate mix of staff.

# Organizational Chart

## Director of Internal Services

Assistant Director  
Procurement and  
Parking

Assistant Director  
Operations

Assistant Director  
Accounting

Parking Supervisor

Senior Buyer

Utility Billing Supervisor

Accounts  
Payable II

Cashier

Accountant  
I/II

Revenue  
Clerk I -  
Parking

Revenue  
Clerk I -  
Collections

Revenue  
Specialist  
II

Parking  
Enforcement  
Officer

Parking  
Maintenance  
Worker

Office  
Associate II

Buyer

Buyer  
Assistant

Utility Billing  
I/EMS

Utility Billing II

Finance Department

# Advantages of Departmental Change

## Overall

- More clerical staff improves **Customer Service**
- Promoting from within raises **Employee Moral**
- Salary increases enhance **Retention** by
  - Compensating for Additional Duties
  - Rewarding Longevity
  - Acknowledging increased value to city

# Advantages of Departmental Change

## **Assistant Directors – Operations/Accounting**

- **Enhances Organization Structure** by adapting to the evolution of responsibilities accepted to accommodate vacancies in recent years
- **Enhanced Supervisory Resources** with shorter span of control
- **Improved Retention** by providing compensation for accepted responsibilities
- **Proven Methodology** – County Finance

# Advantages of Departmental Change

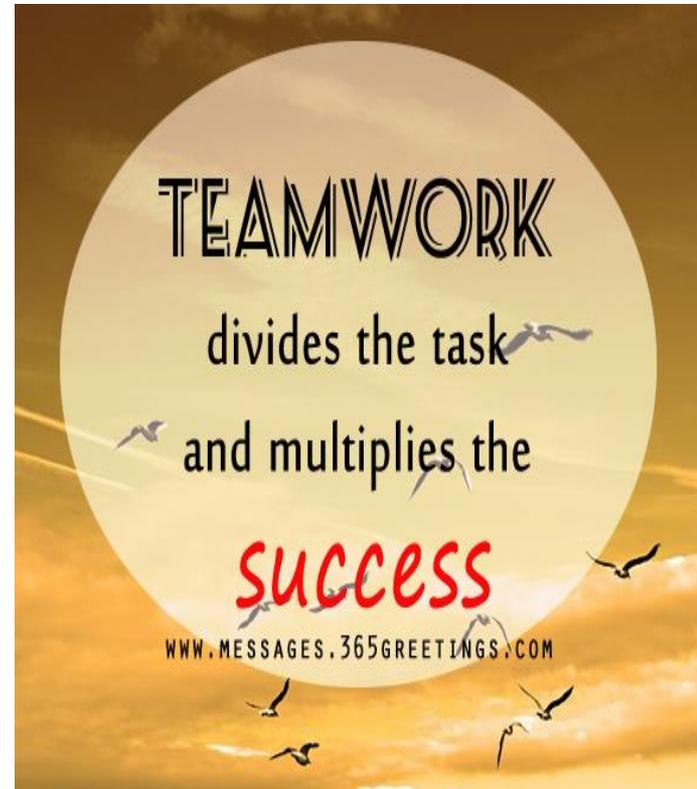
## **Payroll Clerk upgraded to Accountant**

- Provides **Confidentiality** by relocating this position from open area to a back office
- Increases **Skill Level**
- Aides Assistant Directors and allows them to concentrate on more **advance accounting**.
- Improves **Productivity** by reducing distractions

# Advantages of Departmental Change

## Additional Clerk

- Improves Customer Service
- Increase Productivity
- Eliminates Overload due to additional responsibilities
- Provides coverage needed for lunch, vacations, etc.



# Advantages of Departmental Change

## 4 Promotions

- Career advancement
- Retention
- Improved Moral



# Conclusion

- We identified concerns that require an action plan. This plan addresses many of the concerns.
- The proposed organization structure leverages and makes best use of existing personnel. While it is important to optimize organizational structures based on the long run, it is still advantageous to be flexible and fluid enough to take advantage of skilled personnel by making minor tweaks along the way.
- This plan requires no additional cost to the city. This plan would be worthy of investing if additional cost were required. In these economic conditions, it is prudent to find a path that does not require increased cost.





# City of Salisbury



MARYLAND



125 NORTH DIVISION STREET  
SALISBURY, MARYLAND 21801  
Tel: 410-548-3170  
Fax: 410-548-3107

AMANDA H. POLLACK, P.E.  
ACTING DIRECTOR OF  
PUBLIC WORKS

JAMES IRETON, JR.  
MAYOR

TOM STEVENSON  
ACTING CITY ADMINISTRATOR

To: Tom Stevenson, Acting City Administrator  
From: Amanda Pollack, Acting Director of Public Works   
Date: August 16, 2013  
Re: Stormwater Utility Feasibility Study

---

For the continued discussion regarding implementation of a Stormwater Utility, attached is the Executive Summary from the Financing Feasibility Study for Stormwater Management as prepared by the University of Maryland's Environmental Finance Center (EFC). Also attached is Chapter 5, which details the financial needs and structure of the proposed stormwater utility.

The goal of the study was to recommend a long-term dedicated funding stream that is equitable and effective in generating sufficient revenue for the City to maintain a comprehensive stormwater program and meet its Phase II Municipal Separate Storm Sewer System (MS4) permit requirements. The evaluation concluded that a stormwater utility is the most appropriate long-term financing approach for the City of Salisbury. The proposed rate structure for the City of Salisbury is based upon a flat rate fee for residential properties and a fee structure for non-residential units based on land area in years 1 and 2 and impervious surface beginning in year 3.

The Mayor recommends establishing a Stormwater Utility with initial fees of \$20 per year (\$5 per quarter) per residential unit. The funding will be programmed to identify and repair illicit discharges, complete small Capital Improvements Projects, perform flood mitigation projects, expand the street sweeping program, and collect data in preparation for the Watershed Implementation Plan activities. The Stormwater Utility will serve to improve infrastructure with the end goal of improving overall water quality. The Mayor's recommendation is to create the Stormwater Utility effective January 1, 2015.

Unless you or the Mayor have further questions, please forward a copy of this memo to the City Council.

## Chapter 5: Salisbury Stormwater Management Program

### ***Program Funding Needs***

To identify the necessary components of an enhanced stormwater program for Salisbury, the Project Team worked with Salisbury staff to conduct a comprehensive review of all aspects of current spending on stormwater management. When considering the level of level of stormwater management service identified as necessary in the City, the Project Team found that current budgeting practices significantly underfund the stormwater program.

The Project Team found that a 10-year revenue stream totaling approximately \$23.2 million, when adjusted for inflation at a rate of 2.5% per year, will be needed to fully support a comprehensive stormwater program.<sup>12</sup> However, it is important to note that the approximate revenue needed to support a stormwater program is conservative, since it does not include costs associated with green infrastructure and WIP activities.

The total cost of implementing a comprehensive program has been broken down into the following categories: personnel costs, capital improvement costs, and operations and maintenance costs. See Appendix H for an itemized list of the proposed budget for years 1-3. See Appendix I for a breakdown of costs by category projected over a ten year period. The following section describes the expenditures associated with each category in years 1-3.

### ***Level of Service Expenditures***

#### **Personnel**

Total personnel costs include expenditures for the administrative and technical positions needed to run and sustain a comprehensive stormwater management program. The salary and benefit estimates were calculated using the midpoint salary for the proposed appropriate grade structure salary range and the total fringe benefits spreadsheet provided by City staff. It is assumed that salaries and wages will increase each year with inflation.

The personnel needed to build and sustain a stormwater program will be phased in over three years in order to provide the necessary time to plan and hire appropriate staff. The following lists anticipated personnel costs for years 1-3:

#### *Year 1 Personnel Costs:*

- 1 full time Stormwater Utility Manager @ \$88,838
- 1 part time CAD Operator @ \$5,649
- 1 full time GIS position @ \$64,031

#### *Year 2 Personnel Costs:*

- 1 full time Stormwater Utility Manager @ \$91,059
- 1 part time CAD Operator @ \$5,790
- 1 full time GIS position @ \$65,632

---

<sup>12</sup>Inflation was taken into account for all expenditures in years 2-10; Inflation = 2.5% based on 10 year percent change in consumer price index (CPI). The % change in annual CPI since 1999, from December-December = 2.45%. The percent change in the annual average CPI since 1999 = 2.47%. (U.S. Department Of Labor Bureau of Labor Statistics, Washington, D.C. 20212, Consumer Price Index, All Urban Consumers, U.S. City Average, All Items, 1982-84=100, Retrieved from: <ftp://ftp.bls.gov/pub/special.requests/cpi/cpiiai.txt>)

- 1 part time Survey position @ \$8,516 (*new hire*)
- 1 full time Project Engineer @ \$79,703 (*new hire*)

*Year 3 Personnel Costs:*

- 1 full time Stormwater Utility Manager @ \$93,336
- 1 part time CAD Operator @ \$5,935
- 1 full time GIS position @ \$67,273
- 1 part time Survey position @ \$8,729
- 1 full time Project Engineer @ \$81,696
- 1 full time BMP Maintenance Inspector @ \$67,273 (*new hire*)
- 1 full time Utility Technician for cleaning inlets, ditches, and drains @ \$46,736 (*new hire*)
- 1 full time IDD&E Program Inspector @ \$67,273 (*new hire*)
- 1 full time Outreach & Staff Training Project Manager @ \$76,513 (*new hire*)

**Table 3: Total Personnel Costs, 10 Year Projection**

Year 1	\$158,519	Year 6	\$554,344
Year 2	\$250,701	Year 7	\$568,203
Year 3	\$514,764	Year 8	\$582,408
Year 4	\$527,633	Year 9	\$596,968
Year 5	\$540,824	Year 10	\$611,892

### Capital Improvements

Capital improvements consist of expenditures on equipment, project installation, and inspection of stormwater infrastructure. This includes the current CIP costs; module home office purchased to house personnel; vehicles; materials; and software for adequate management of the stormwater program. It is assumed that all capital improvement costs will increase each year with inflation. As the personnel costs will be phased in during the first three years of the program, so too will the capital costs to support hired staff. The following lists anticipated capital improvement costs for years 1-3:

*Year 1 Capital Costs:*

- CIP Project Costs @ \$1,060,000<sup>13</sup>
- Purchasing a modular home office @ \$130,000
- Software (GIS, Office Suite, AdobePro) @ \$3,449<sup>14</sup>
- Camera for Stormwater Utility Manager @ \$250
- Projector for all staff's use @ \$500

<sup>13</sup> As in many communities, the CIP changes each year to reflect the priorities and needs identified in the community. Therefore, the CIP should be evaluated and any changes reflected in the stormwater budget on an annual basis. This figure represents the best estimate of CIP costs at the time of the study.

<sup>14</sup>ARC Editor = \$2,500 (for concurrent license that can be used on multiple computers, only one running at a time, 25% maintenance fees every year after); AdobePro = \$449; Office Professional Suite = \$500.

- Laptop for Stormwater Utility Manager @ \$1,000
- Desktop for GIS capabilities @ \$1,000
- Tools<sup>15</sup> for CAD Operator @ \$250
- Uniform<sup>16</sup> for CAD Operator @ \$20

*Year 2 Capital Costs:*

- CIP Project Costs @ \$2,020,000
- GIS software maintenance @ \$641
- Cell phone for Project Engineer @ \$256
- Laptop for Project Engineer @ \$1,025
- Tools for CAD Operator @ \$256
- Uniform for CAD Operator and Survey position @ \$41

*Year 3 Capital Costs:*

- CIP Project Costs @ \$1,450,000
- BMP Maintenance Truck @ 40,000
- John Boat @ \$15,000
- IDD&E Program Vehicle @ \$20,000
- GIS software maintenance; AdobePro & Office Suite for BMP Inspector and IDD&E Inspector @ \$2,555
- Cell phone for BMP Inspector, Utility Technician, and IDD&E Inspector @ \$788
- Camera for Training Manager, BMP Inspector, and IDD&E Inspector @ \$788
- Laptops for Training Manager, BMP Inspector, Utility Technician, and IDD&E Inspector @ \$4,203
- Tools for CAD Operator, BMP Inspector, Utility Technician, and IDD&E Inspector @ \$1,051
- Uniform for CAD Operator, Survey position, BMP Inspector, Utility Technician, and IDD&E Inspector @ \$105

**Table 4: Total Capital Improvement Costs, 10 Year Projection**

Year 1	\$1,196,429	Year 6	\$2,054,781
Year 2	\$2,022,219	Year 7	\$1,778,343
Year 3	\$1,534,489	Year 8	\$1,773,181
Year 4	\$887,666	Year 9	\$1,777,200
Year 5	\$3,164,388	Year 10	\$1,775,174

<sup>15</sup> A yearly allowance is set aside for each position where tools are needed.

<sup>16</sup> A yearly allowance is set aside for each position where a uniform is needed.

## Operations and Maintenance (O&M)

Operations and maintenance costs consist of expenditures for vehicle maintenance, brochure development, staff training, and material testing. It is assumed that all operations and maintenance costs will increase each year with inflation. The following lists anticipated operations and maintenance costs for years 1-3:

### Year 1 O&M Costs:

- Modular home office O&M @ \$5,000
- Program-related costs for public involvement program<sup>17</sup> @ \$7,500

### Year 2 O&M Costs:

- Modular home office O&M @ \$5,125
- Program-related costs for public involvement program @ \$7,688

### Year 3 O&M Costs:

- Modular home office O&M @ \$5,253
- Program-related costs for public involvement program @ \$7,880
- BMP Maintenance Truck O&M @ \$5,253
- John Boat O&M @ \$8,405
- IDD&E Program Vehicle O&M @ \$3,152
- Testing materials for IDD&E Program @ \$2,101
- Staff training fund<sup>18</sup> @ \$15,759

**Table 5: Total Operations & Maintenance Costs, 10 Year Projection**

Year 1	\$12,500	Year 6	\$51,479
Year 2	\$12,813	Year 7	\$35,371
Year 3	\$47,803	Year 8	\$36,255
Year 4	\$32,845	Year 9	\$55,437
Year 5	\$33,666	Year 10	\$38,090

<sup>17</sup> Program-related costs consist of the production and distribution of brochures, web design, and event hosting.

<sup>18</sup> It is estimated that three staff will participate (\$5,000/staff member), and training provided every three years beginning in year three.

### Total Expenditures

Table 6 shows the projected total expenditures for 10 years, including personnel costs, capital improvement costs, and operations & maintenance costs are as follows:

**Table 6: Total Expenditures, 10 Year Projection**

Year 1	\$1,367,488	Year 6	\$2,660,603
Year 2	\$2,285,732	Year 7	\$2,381,916
Year 3	\$2,097,055	Year 8	\$2,391,844
Year 4	\$1,448,144	Year 9	\$2,429,605
Year 5	\$3,738,878	Year 10	\$2,425,156
<b>Total cost</b>		<b>\$23,226,422</b>	

**Figure 3: Proposed Stormwater Budget, Years 1-10**

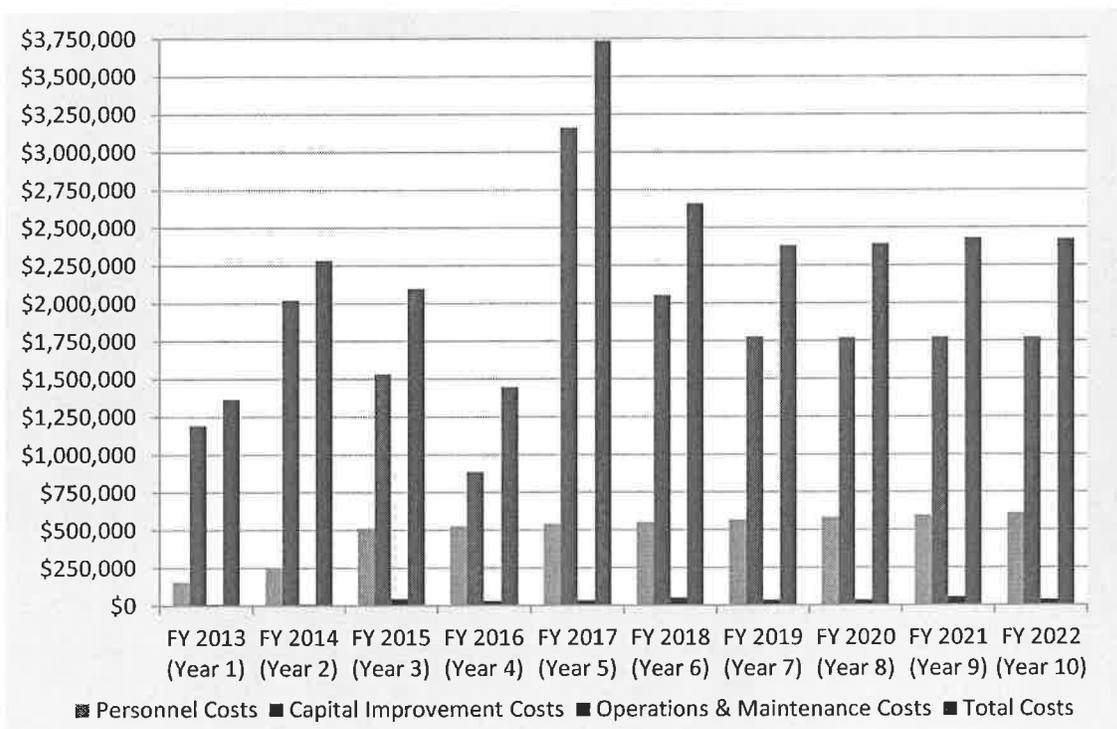


Figure 3 above shows the breakdown of costs by the three categories over 10 years. In each year, operations and maintenance costs are the lowest, while the majority of costs are budgeted for capital improvements. Based on the total expenditures for 10 years, a discussion of the necessary revenue to maintain a sustainable stormwater management program follows.

## Stormwater BMPs Needed to Implement Green Infrastructure & Watershed Implementation Plan Activities

Due to the limited information available, the total costs represented in the proposed stormwater budget did not include the necessary costs associated with implementing green infrastructure improvements and Watershed Implementation Plan (WIP) activities. In order to adequately meet regulatory needs and community priorities, the City will need to factor additional activities into the total costs of the program. The excerpt below from the *Stormwater Cost Estimate Worksheet* prepared for the Maryland Department of the Environment by Dennis King and Patrick Hagan, University of Maryland, Center for Environmental Science provides *unit cost\** estimates for implementing impervious urban surface reduction and urban tree planting (UMCES). When the City of Salisbury has a clearer vision of the scope and scale of additional BMPs to be implemented, these estimates can be used to determine which BMPs are most cost effective and feasible and how these will impact total program costs.

Stormwater BMP**	Cost per Impervious Acre Treated			
	Initial Cost	Average Annual Maintenance Cost	Total (Over 20 Years)	Annual Costs (Over 20 Years)
Impervious Urban Surface Reduction	\$96,250	\$885	\$113,957	\$5,698
Urban Tree Planting	\$33,000	\$1,210	\$57,207	\$2,860
Permeable Pavement w/o Sand, Veg. (New)	\$239,580	\$2,188	\$283,347	\$14,167

\*Unit costs are costs per impervious acre treated, not per acre of BMP.

\*\*The stormwater BMPs provided in this table represent the most relevant sample for Salisbury based on data provided to EFC; however, this is not an exhaustive list of BMPs to mitigate runoff. For a full list of all BMPs [www.mde.state.md.us/programs/Water/TMDL/TMDLImplementation/Pages/PhaseII BayWIPDev.aspx](http://www.mde.state.md.us/programs/Water/TMDL/TMDLImplementation/Pages/PhaseII BayWIPDev.aspx).

### **Utility Revenues: Rate Structure Analysis**

#### **Why This Study is Recommending a Stormwater Utility for Salisbury**

Based on the needs identified by the Project Team, the City of Salisbury will incur approximately \$23.2 million in stormwater expenses over the next ten years (a conservative estimate based on the best available information). Our key recommendation is to create a stormwater utility fee that will distribute the costs of paying for repairs and improvements in proportion to the types of land uses that are contributing to stormwater management needs.

As discussed earlier, the more impervious surface that a property has, the more stormwater it generates and the more responsible the property owner is to help the city manage stormwater. As private driveways, parking lots, swimming pools, decks, and other such structures allow residents and businesses to enjoy additional living and working conveniences, the burden of maintaining and repairing the infrastructure that supports those additional structures and surfaces should be shared by those contributing to the problem rather than the community at large. Just as a property owner is responsible for paying its share of waste disposal, water use, or electricity consumed, so should they recognize and be accountable for the stormwater created from their built environment.

Once it became clear that there was a significant need to have a dedicated funding source to cover the growing stormwater costs of the City, the Project Team considered what financing mechanism would be most appropriate to generate these funds. The Project Team initially considered assessing a property tax, but since the value of a property is not an indicator of the amount of runoff, the property tax was not seen to be the most equitable way to pay for a stormwater program for the City.

A stormwater utility fee allows for the assessment of the amount of impervious surface contributing to the stormwater problem. Since a large and growing percentage of the City is covered in impervious surface, it is appropriate to charge properties that contribute significant runoff more and properties that contribute insignificant runoff less. The major concern with this approach is the capacity within Salisbury's government to ensure properties are billed accurately based on runoff contribution. Therefore, the utility fee must be structured with respect to Salisbury's unique characteristics.

### **Salisbury Stormwater Utility Goals**

In the early stages of this study, the Project Team was able to assess that there were large expenditures associated with managing the City's stormwater program. It became abundantly clear that a utility was potentially going to be the best option for consideration as a way to secure dedicated funding for the stormwater program. The immediate goal of this study was to recommend a long-term dedicated funding stream that is equitable and effective in generating ample revenue for the City to maintain a comprehensive stormwater program. The long-term goal of the EFC's stormwater efforts in Salisbury is to enhance the existing program, raising the level of service in a way that helps the City meet its permit requirements more thoroughly, addressing community water quality priorities, and preparing for future nutrient reduction expectations. This requires the support of a more robust and reliable funding stream than current practices provide.

Please note, the Project Team estimated the City's revenue needs utilizing a pay-as-you-go financing system, and the City would incur no debt using this method. However, a debt-financing scenario could be feasible as well, given the City's current financial obligations and its capacity to incur debt. As of 2011, the City had \$70.6 million in bonds, notes, and leases outstanding<sup>19</sup> creating a debt margin of approximately \$40 million. In 2012 the City entered into two additional bonds totaling approximately \$10 million, leaving the City at an approximate \$30 million debt margin in 2012.<sup>20</sup> If the City is unable to raise the necessary revenue to sustain its municipal stormwater program, then it may issue additional bonds to ensure important needs are not neglected or immediate opportunities can be capitalized upon, although personnel costs would not be eligible expenses under this scenario.

### **Billing Recommendations**

There are two options to consider for billing of a stormwater utility for the City of Salisbury. One is to put it as a separate line on the tax bill and the other is to include it on the water and sewer bill. Each option has advantages and disadvantages. If stormwater is listed as a line item on the property tax bill, it is less likely to be contested since the amount would be very small compared to the larger assessment of the total tax bill. The drawback, however, is that Salisbury taxes are paid to Wicomico County and so the revenue would have an extra step of processing before it was returned to the City. In contrast, if billing occurs as a separate line on the water and sewer bill, it is easier for

<sup>19</sup> City of Salisbury, Maryland, Audit Report, June 30, 2011.

<sup>20</sup> Correspondence between EFC Project Team and John Pick, City Administrator, Loré Chambers, Assistant City Administrator, Gerri Moore, Acting Finance Director, and Jana Potvin, Public Works Engineer, August 21<sup>st</sup>, 2012.

Salisbury to collect since it would not be a considerable additional administrative burden. In speaking with City staff, the Project Team learned that the City already collects and bills residents for sewer and water in-house by sending utility bills quarterly based on property owners' consumption of water. Currently, the City enforces utility payments by charging a 5% penalty for late payments (after 45 days), and cutting off the water supply after approximately 60 days.<sup>21</sup>

It is recommended that the City apply the stormwater utility fee billing to the water and sewer bill as a separate line on the bill that would indicate exactly how much is being applied towards stormwater. When discussing billing recommendations with City staff, they agreed that adding a stormwater bill on the water and sewer bill would be the fairest and easiest option.

Since the City already enforces non-payment of utility bills, the City should also prepare to enforce stormwater non-payment. The Project Team recommends adopting a policy to ensure that non-payment be addressed for stormwater in addition to water and sewer. Leniency on payments should be avoided from the inception of the utility. Based on the experience of other communities, when a city becomes known for not enforcing their fee collection, word spreads very quickly and expected revenue is lost. A stated action policy for non-payment should be set up in advance with strict penalties put into place, similar to the penalties faced for non-payment of the water and sewer bill.

For example, interviews with program staff in Takoma Park, Maryland revealed that the City had a high rate of non-payment in the initial years of implementing their utility. Because no penalty was assessed to non-payers, loss of anticipated revenue began to affect the program. Program staff finally created a policy that stated after three late notices a lien would be placed on the property. They also instituted penalties, including accrued interest, for non-payment. The City was thus able to remedy the non-payment situation very quickly. Salisbury should avoid this mistake by making sure to enforce its program and create a policy for non-payment that results in official action by City officials.

Finally, based on the experience of other communities, it is recommended that the City set up a strong administrative structure to deal with public questions and concerns, particularly when the utility is first launched. Other communities who have implemented stormwater utilities report that the outreach need is very high at first but declines as the utility rolls out. A help line and City staff members should be made available to quickly address customer concerns.

### **Rate Structure Analysis**

In determining an equitable funding strategy for collecting approximately \$23.2 million in revenue over the next 10 years to pay for stormwater related expenditures, the Project Team reviewed available data on all parcels located in the City provided by City staff. The Project Team calculated potential revenue using a flat rate fee for parcels classified residential, residential condominium, townhouse and a combination of a tiered fee and ERU-based fee structure for all other units.

#### **Summary of recommended rate structure for residential properties**

The decision to recommend a flat rate fee for residential properties was not made lightly. After reviewing the large number of residential units and the many different types of residential properties located within the City, the Project Team became concerned that a parcel-specific fee structure would require additional capacity on the part of the City to properly estimate the total

---

<sup>21</sup> Correspondence between EFC Project Team and John Pick, City Administrator, Loré Chambers, Assistant City Administrator, Gerri Moore, Acting Finance Director, and Jana Potvin, Public Works Engineer, August 21<sup>st</sup>, 2012.

impervious surface for all residential properties in the community. Based on our experience working in other communities, it was agreed that calculating the level of impervious surface on every residential property would cause significant administrative burden. In addition to this being an overwhelming effort, the Project Team agreed that the risk of errors on bills could cause confusion about the billing calculation and increase the risk of complaints from the residential population. Additionally, the Project Team found that there was not a large enough spread among the sizes of the residential units to make taking on the task of developing unique bills for 7,999 residential parcels<sup>22</sup> worthwhile. Apartment units are suggested to be handled as non-residential, however, meaning that an apartment building's management firm will be billed as a commercial property and can then determine how best to recuperate these costs from their buildings' residents.

### Summary of recommended rate structure for non-residential properties

Because the size and nature of non-residential units vary widely, the Project Team suggests that a parcel-based rate structure that takes a parcel's specific level of impervious surface into account to be the fairest method of assessing the stormwater fee on these properties.<sup>23</sup> However, due to the time and capacity needed to develop the mapping and administrative processes to bill non-residential properties accurately, it is recommended that in the first two years the City utilize a tiered fee system to bill its non-residential properties. After the first two years of issuing utility bills, municipal staff will have a better grasp on the technical, mapping, and administrative requirements necessary to administer unique bills for all non-residential properties based on actual impervious surface.

Calculating the impervious surface for non-residential properties is a feasible, practical, and appropriate task for the utility manager and GIS staff, and the administrative cost to conduct this analysis is incorporated into the enhanced stormwater program for the City. Salisbury does not currently have adequate GIS in place to estimate the impervious surface for each commercial building, thus it is essential for the City to invest in GIS software and training. In many communities, the Project Team recommends investing in GIS software and training prior to issuing its first utility bill, however since we suggest the City use a tiered system initially, thorough training can be delayed

*All non-residential properties should be assessed a fee that is based on their contribution to stormwater runoff.*

until year 2. Although the size of many properties may be significant, the total number of properties being assessed would not prove difficult for City staff compared to that of assessing residential properties.

For all 2,464 non-residential parcels<sup>24</sup>, it is recommended that a utility fee be assessed based on the land area of a property in years 1 and 2. Research conducted by the Project Team found that many communities utilize a tiered system for residential and/or non-

<sup>22</sup> The total number of residential properties (7,999) is the sum of residential parcels (7,042), residential condominium parcels (210), townhouse parcels (743), and agricultural parcels listed as single-family homes (4). The raw data used to determine the total number of properties for all property types was extracted from the Salisbury\_Parcels\_LU\_Analysis database provided by City staff.

<sup>23</sup> Non-residential units include parcels categorized as: agricultural, apartment, commercial, exempt commercial, commercial condominium, residential commercial, industrial, and exempt, based on the City's Salisbury\_Parcels\_LU\_Analysis database provided by City staff.

<sup>24</sup> The total number of non-residential properties (2,464) is the sum of commercial parcels (1,386), apartment parcels (118), agricultural parcels not listed as single-family homes (4), exempt commercial parcels (337), commercial condominium parcels (51), residential commercial parcels (30), industrial parcels (414), and exempt parcels (124). The raw data used to determine the total number of properties for all property types was extracted from the Salisbury\_Parcels\_LU\_Analysis database provided by City staff.

residential properties. For example, Olathe, Kansas charges non-residential properties starting at \$5.35 per month for properties less than 20,000  $ft^2$ , and increases its fee in increments of 20,000  $ft^2$ .<sup>25</sup> The Project Team recommends using a similar method for Salisbury in the first two years of the program. Using a tiered system, the land area will be assessed based on national impervious surface estimates to calculate the property owner's bill. For example, all non-residential properties that are less than 40,000  $ft^2$  will be charged \$400 since all tiers will be assessed based on 85% impervious surface<sup>26</sup>, and thus all properties in this tier are charged based on 34,000  $ft^2$ <sup>27</sup> impervious surface ( $34,000 \text{ } ft^2 / 3,344 \text{ } ft^2 = 10 \text{ ERUs} \times \$40 = \$400$ ).

It is then recommended, following the first two years of billing using a tiered system, a utility fee be assessed based on each property's total impervious surface. For example, if a commercial property is estimated to have an impervious surface of 10,000  $ft^2$  and each ERU is equal to 3,344  $ft^2$ , the property will be billed for 3 ERUs. If each ERU is worth \$40 a year, the total bill per year for this business is \$120. All non-residential properties, regardless of status (governmental, non-profit, etc.) should be assessed a stormwater utility fee based on its contribution to stormwater runoff.

After conducting a sensitivity analysis<sup>28</sup> using various fee structures, the Project Team found that \$40 a year per ERU of impervious surface<sup>29</sup> was the lowest rate found to yield revenue sufficient to maintain a sustainable and comprehensive stormwater management program. Since the City has not yet decided which BMPs will need to be implemented to meet its GI Plan and WIP requirements, and the BMPs have varying costs, a utility rate adjustment may be needed (in addition to the year 5 and 8 adjustment recommended in this report). It is recommended that the utility be reviewed and adjusted as needed after year 1 and again in year 3. Another variable to be considered in terms of rate adjustment is the impact of a credit system, if it is implemented as recommended later in this document, by year 3.

#### **Estimated total revenue from all properties**

The estimated total revenue generated is distributed between residential and non-residential properties and is calculated as follows:

**Residential** – The residential properties yield a total of \$319,960 per year in years 1-4 based on a fixed rate of \$40 for a total of 7,999 residential properties; a total of \$359,955 per year in years 5-7 based on a fixed rate of \$45 for a total of 7,999 residential properties; and a total of \$399,950 per year in years 8-10 based on a fixed rate of \$50 for a total of 7,999 residential properties.

---

<sup>25</sup> Stormwater Utility Fee Memorandum, from Mary Marshall, Budget Analyst, to Mayor and City Council, Dodge City, KS, November 14, 2011.

<sup>26</sup> National data on the average percent impervious surface by property type were provided by City staff (Source data TR-55, 1983).

<sup>27</sup> 85% of 40,000  $ft^2$  is 34,000  $ft^2$

<sup>28</sup> A sensitivity analysis is defined as "a technique used to determine how different values of an independent variable will impact a particular dependent variable under a given set of assumptions." (Source: <http://www.investopedia.com/terms/s/sensitivityanalysis.asp#axzz24Ck0N3rj>). In order to determine the appropriate fee structure to raise the amount of revenue necessary to fund a comprehensive stormwater management program, the Project Team created different scenarios using different rates and ERUs, therefore conducting a sensitivity analysis.

<sup>29</sup> This includes an increase in year 5 to \$45 a year per ERU, and an increase in year 8 to \$50 a year per ERU to support the entire program.

The residential fee is based on the assumption that an average property has about 3,344  $ft^2$ <sup>30</sup> of impervious surface and, therefore, all properties are billed for 1 ERU per year. The increase from \$40 to \$45 to \$50 is based on the necessary revenue needed to sustain the program over 10 years.

**Non-Residential** – According to data provided by the City, there are 2,464 non-residential properties in Salisbury. Since in the first two years the stormwater utility bill will be based on the land area of each property, the bill will be sent to the property owner or property manager of that building. It will be the property manager’s responsibility to disburse the billing to the business clients as they see fit. The shift to an impervious surface-based fee is suggested for year 3.

Based on 2,464 non-residential properties, the total revenue yield is estimated to be \$1,742,280 per year in years 1 and 2. Table 7 shows the tiered rate structure recommended by the Project Team, to be implemented in years 1 and 2.

**Table 7: Non-residential Property Tiered Rate Structure, Years 1 & 2**

Lot Area ( $ft^2$ )	Annual Fee	Lot Area ( $ft^2$ )	Annual Fee
<20,000	\$200	<280,000	\$2,840
<40,000	\$400	<300,000	\$3,040
<60,000	\$600	<320,000	\$3,240
<80,000	\$800	<340,000	\$3,440
<100,00	\$1,000	<360,000	\$3,680
<120,000	\$1,240	<380,000	\$3,880
<140,000	\$1,440	<400,000	\$4,080
<160,000	\$1,640	<420,000	\$4,280
<180,000	\$1,840	<440,000	\$4,480
<200,000	\$2,040	<460,000	\$4,680
<220,000	\$2,240	<480,000	\$4,880
<240,000	\$2,440	<500,000	\$5,080
<260,000	\$2,640	>500,000	\$5,280

The City provided the Project Team with the total square footage of each property. Using this data, the Project Team determined the number of properties in each tier by property type (also see Appendix J):

*Agricultural (Number of properties = 4)*

- <20,000  $ft^2$  = 2 properties
- <160,000  $ft^2$  = 1 property
- >500,000  $ft^2$  = 1 properties

*Apartment (Number of properties = 118)*

- <20,000  $ft^2$  = 82 properties
- <40,000  $ft^2$  = 4 properties
- <60,000  $ft^2$  = 7 properties
- <220,000  $ft^2$  = 1 property
- <260,000  $ft^2$  = 1 property
- <280,000  $ft^2$  = 2 properties

<sup>30</sup> The average impervious surface for each residential property was calculated using national data, where townhouse and residential condominiums = 65% impervious and single-family homes = 30% impervious. Based on the spreadsheet provided by the City, the Project Team calculated the average impervious surface for each property type. Thus, the average impervious surface for residential properties = 3,344 square feet.

- <100,000  $ft^2$  = 3 properties
- <120,000  $ft^2$  = 2 properties
- <140,000  $ft^2$  = 2 properties
- <160,000  $ft^2$  = 1 property
- <180,000  $ft^2$  = 1 property
- <200,000  $ft^2$  = 2 properties
- <300,000  $ft^2$  = 2 properties
- <340,000  $ft^2$  = 2 properties
- <360,000  $ft^2$  = 1 property
- <420,000  $ft^2$  = 1 property
- >500,000  $ft^2$  = 4 properties

*Commercial (Number of properties = 1,386)*

- <20,000  $ft^2$  = 735 properties
- <40,000  $ft^2$  = 261 properties
- <60,000  $ft^2$  = 126 properties
- <80,000  $ft^2$  = 61 properties
- <100,000  $ft^2$  = 38 properties
- <120,000  $ft^2$  = 19 properties
- <140,000  $ft^2$  = 16 properties
- <160,000  $ft^2$  = 11 properties
- <180,000  $ft^2$  = 13 properties
- <200,000  $ft^2$  = 8 properties
- <220,000  $ft^2$  = 10 properties
- <240,000  $ft^2$  = 6 properties
- <260,000  $ft^2$  = 4 properties
- <280,000  $ft^2$  = 5 properties
- <300,000  $ft^2$  = 6 properties
- <320,000  $ft^2$  = 6 properties
- <340,000  $ft^2$  = 3 properties
- <360,000  $ft^2$  = 1 property
- <380,000  $ft^2$  = 1 property
- <400,000  $ft^2$  = 5 properties
- <420,000  $ft^2$  = 3 properties
- <440,000  $ft^2$  = 3 properties
- <460,000  $ft^2$  = 1 property
- <500,000  $ft^2$  = 1 property
- >500,000  $ft^2$  = 43 properties

*Exempt Commercial (Number of properties = 337)*

- <20,000  $ft^2$  = 185 properties
- <40,000  $ft^2$  = 35 properties
- <60,000  $ft^2$  = 30 properties
- <80,000  $ft^2$  = 7 properties
- <100,000  $ft^2$  = 10 properties
- <120,000  $ft^2$  = 9 properties
- <140,000  $ft^2$  = 4 properties
- <160,000  $ft^2$  = 3 properties
- <180,000  $ft^2$  = 5 properties
- <200,000  $ft^2$  = 5 properties
- <220,000  $ft^2$  = 4 properties
- <280,000  $ft^2$  = 3 properties
- <300,000  $ft^2$  = 2 properties
- <340,000  $ft^2$  = 1 property
- <360,000  $ft^2$  = 2 properties
- <400,000  $ft^2$  = 1 property
- <420,000  $ft^2$  = 1 property
- >500,000  $ft^2$  = 30 properties

*Commercial Condominium (Number of properties = 51)*

- <20,000  $ft^2$  = 50 properties
- <40,000  $ft^2$  = 1 property

*Residential Commercial (Number of properties = 30)*

- <20,000  $ft^2$  = 27 properties
- <60,000  $ft^2$  = 2 properties
- <80,000  $ft^2$  = 1 property

*Industrial (Number of properties = 414)*

- <20,000  $ft^2$  = 219 properties
- <40,000  $ft^2$  = 50 properties
- <60,000  $ft^2$  = 35 properties
- <80,000  $ft^2$  = 9 properties
- <100,000  $ft^2$  = 15 properties
- <120,000  $ft^2$  = 9 properties
- <140,000  $ft^2$  = 10 properties
- <160,000  $ft^2$  = 5 properties
- <180,000  $ft^2$  = 14 properties
- <200,000  $ft^2$  = 9 properties
- <220,000  $ft^2$  = 1 property
- <240,000  $ft^2$  = 2 properties
- <260,000  $ft^2$  = 5 properties
- <280,000  $ft^2$  = 2 properties
- <320,000  $ft^2$  = 3 properties
- <360,000  $ft^2$  = 2 properties
- <380,000  $ft^2$  = 1 property
- <400,000  $ft^2$  = 2 properties
- <460,000  $ft^2$  = 1 property
- <480,000  $ft^2$  = 3 properties
- <500,000  $ft^2$  = 1 property
- >500,000  $ft^2$  = 16 properties

*Exempt (Number of properties = 124)*

- <20,000  $ft^2$  = 113 properties
- <40,000  $ft^2$  = 6 properties
- <60,000  $ft^2$  = 2 properties
- <80,000  $ft^2$  = 1 property
- <120,000  $ft^2$  = 1 property
- <280,000  $ft^2$  = 1 property

To determine the total revenue, the Project Team added all properties by type to determine the total number of properties by tier, and then multiplied the number of properties in each tier by the appropriate annual fee to determine the total revenue generated per year from a tiered rate structure<sup>31</sup>:

- <20,000  $ft^2$ : 1,413 properties x \$200 = \$282,600
- <40,000  $ft^2$ : 357 properties x \$400 = \$142,800
- <60,000  $ft^2$ : 202 properties x \$600 = \$121,200
- <80,000  $ft^2$ : 79 properties x \$800 = \$63,200
- <100,000  $ft^2$ : 66 properties x \$1,000 = \$66,000
- <120,000  $ft^2$ : 40 properties x \$1,240 = \$49,600
- <140,000  $ft^2$ : 32 properties x \$1,440 = \$46,080
- <160,000  $ft^2$ : 21 properties x \$1,640 = \$34,440
- <180,000  $ft^2$ : 33 properties x \$1,840 = \$60,720
- <200,000  $ft^2$ : 24 properties x \$2,040 = \$48,960
- <220,000  $ft^2$ : 16 properties x \$2,240 = \$35,840
- <240,000  $ft^2$ : 8 properties x \$2,440 = \$19,520
- <260,000  $ft^2$ : 10 properties x \$2,640 = \$26,400

---

<sup>31</sup> The fee was determined by the following equation:  $((\text{Land area by tier } (ft^2))(85\%))/3,344 ft^2 = \# \text{ ERUs} \times \$40 = \text{tiered annual fee}$ .

- <280,000  $ft^2$ : 13 properties x \$2,840 = \$36,920
- <300,000  $ft^2$ : 10 properties x \$3,040 = \$30,400
- <320,000  $ft^2$ : 9 properties x \$3,240 = \$29,160
- <340,000  $ft^2$ : 6 properties x \$3,440 = \$20,640
- <360,000  $ft^2$ : 6 properties x \$3,680 = \$22,080
- <380,000  $ft^2$ : 2 properties x \$3,880 = \$7,760
- <400,000  $ft^2$ : 8 properties x \$4,080 = \$32,640
- <420,000  $ft^2$ : 5 properties x \$4,280 = \$21,400
- <440,000  $ft^2$ : 3 properties x \$4,480 = \$13,440
- <460,000  $ft^2$ : 2 properties x \$4,680 = \$9,360
- <480,000  $ft^2$ : 3 properties x \$4,880 = \$14,640
- <500,000  $ft^2$ : 2 properties x \$5,080 = \$10,160
- >500,000  $ft^2$ : 94 properties x \$5,280 = \$496,320

Beginning in year 3, the total revenue yield is estimated to be \$1,982,173 per year. Beginning in year 5, the total revenue yield is estimated to be \$2,229,945 per year. Finally, beginning in year 8, the total revenue yield is estimated to be \$2,477,716 per year. From data provided by the City, the Project Team calculated the average lot size of each non-residential property type, and using national data estimated the average impervious surface by property type<sup>32</sup>, shown in Table 8 below.

**Table 8: Non-residential Property Data used to Calculate ERU-based Fee**

Property Type	Average Lot Size ( $ft^2$ )	% Impervious Surface	Average Impervious Surface ( $ft^2$ )	Number of properties
Agricultural	466,745	77% <sup>33</sup>	359,394	4
Apartment	68,617	65%	44,601	118
Commercial	72,738	85%	61,827	1,386
Exempt Commercial	164,450	85%	139,783	337
Commercial Condominium	4,230	85%	3,596	51
Residential Commercial	11,962	75%	8,972	30
Industrial	82,175	72%	59,166	414
Exempt	11,979	85%	10,182	124

<sup>32</sup> *Urban Hydrology for Small Watersheds*, Technical Release 55, United States Department of Agriculture, Revised June 1986. The average impervious surface for each non-residential property was calculated using national data, where agricultural, commercial, exempt commercial, commercial condominium, and exempt properties = 85% impervious; apartment properties = 65% impervious; residential commercial properties = 75% impervious; and industrial properties = 72% impervious.

<sup>33</sup> *Ibid.* The average percent impervious for agricultural properties was determined by computing the average of all types of agricultural properties with different soil types in TR-55.

For each property type, the average impervious surface was divided by 3,344ft<sup>2</sup> (as stated earlier equals 1 ERU), which yields an average ERU for each property type, as follows:

- Agricultural = 107.47 ERU
- Apartment = 13.34 ERU
- Commercial = 18.49 ERU
- Exempt Commercial = 41.80 ERU
- Commercial Condominium = 1.08 ERU
- Residential Commercial = 2.68 ERU
- Industrial = 17.69 ERU
- Exempt = 3.04 ERU

Each average ERU by property type was then multiplied by \$40, and then again by the total number of properties, thus determining the average each property type will pay by year (years 3 and 4<sup>34</sup>):

- Agricultural = 107.47 ERU x \$40 x 4 = \$17,196
- Apartment = 13.34 ERU x \$40 x 118 = \$62,954
- Commercial = 18.49 ERU x \$40 x 1,386 = \$1,025,032
- Exempt Commercial = 41.80 ERU x \$40 x 337 = \$563,477
- Commercial Condominium = 1.08 ERU x \$40 x 51 = \$2,193
- Residential Commercial = 2.68 ERU x \$40 x 30 = \$3,219
- Industrial = 17.69 ERU x \$40 x 414 = \$292,999
- Exempt = 3.04 ERU x \$40 x 124 = \$15,103

The total revenue for each property type was then added to determine the total revenue for all non-residential properties (\$1,982,173). When adding the anticipated revenue totals over the next ten years from residential and non-residential properties, taking into account all of the recommendations in the report, the Project Team found that the City of Salisbury will raise approximately \$25.1 million. Table 9 below shows the total revenue generated each year for residential and non-residential properties.

**Table 9: Total Revenues, 10 Year Projection**

	Residential	Non-residential		Residential	Non-residential
Year 1	\$319,960	\$1,742,280	Year 6	\$359,955	\$2,229,945
Year 2	\$319,960	\$1,742,280	Year 7	\$359,955	\$2,229,945
Year 3	\$319,960	\$1,982,173	Year 8	\$399,950	\$2,477,716
Year 4	\$319,960	\$1,982,173	Year 9	\$399,950	\$2,477,716
Year 5	\$359,955	\$2,229,945	Year 10	\$399,950	\$2,477,716
				<b>Total revenue</b>	<b>\$25,131,444</b>

<sup>34</sup> For later years, will multiply by ERU rate (\$45 in years 5-7, \$50 in years 8-10).

It is difficult to estimate the effect of a credit system being imposed on the program. However, based on a credit system imposed in year 3, revenues may decrease depending on the parameters of the system, how many residents participate, and to what extent. An estimate of the impact of these credits must be considered in future years, and the utility rate structure must be reevaluated to ensure that a credit system does not infringe on meeting revenue needs. It is unclear just how effective the credit system will be and there are no data that supports an average amount to consider. For more information about a credit system, please see Chapter 6.

**More on how the ERU was calculated for Salisbury** – As stated earlier in this report, an Equivalent Runoff Unit (ERU) is the amount of impervious surface, usually measured in square feet, of a typical property. An ERU is often calculated by collecting the impervious square footage of a random sample of properties across an area of a city. The resulting numbers are then analyzed and an average or median impervious surface value for the data set is used to determine the value of an ERU.

Currently, the City of Salisbury does not have adequate software or capacity in place to calculate an exact ERU for all of the properties located in the City. Because of this, estimating the total revenue yields proved difficult, and thus, estimates are based on national data provided by City staff.<sup>35</sup> In order to calculate a fair and equitable ERU rate for the City, the Project Team began by collecting information about the total number of residents and businesses in the City. Because of the wide variety of housing options, the Project Team decided not to choose a random sample within the City but rather, examined the total number of dwellings of all the property types provided in the spreadsheet. With this information, the Project Team was able to determine an appropriate ERU to set for the City. Based on this data collection, it was determined that one ERU should be equal to 3,344  $ft^2$  of impervious surface.

**Table 10: Average Impervious Surface by Dwelling Type**

Dwelling Type	Average Impervious Surface ( $ft^2$ )
Residential units	4,774
Residential condo units	2,404
Townhouse units	2,855
Agricultural properties	359,394
Apartment properties	44,601
Commercial properties	61,827
Exempt commercial properties	139,783
Commercial condo properties	3,596
Res. commercial properties	8,972
Industrial properties	59,166
Exempt properties	10,182
Average total impervious surface (residential & non-residential):	63,414
Average total impervious surface (residential only):	3,344

The justification for an ERU being set at 3,344  $ft^2$  is that this is the average impervious surface for residential properties (see Table 10 above), and therefore ties the level of payment to the extent to

<sup>35</sup> National data on the average percent impervious surface by property type were provided by City staff (Source data TR-55, 1983).

which a property contributes to runoff. Since residential properties are similar in size compared to non-residential properties, and since calculating impervious surface for all properties proves a large administrative task, it is recommended that all residential properties be billed at one ERU. In addition, after conducting a sensitivity analysis that used different ERU calculations to compare the average impervious surface for all property types, 3,344  $ft^2$  stood out as an equitable number that is fair for all dwelling types.

Finally, the Project Team recommends that when explaining the fee structure to property owners with smaller properties (who may not literally have 3,344  $ft^2$  of property, much less 3,344  $ft^2$  of impervious surface), it should be emphasized that the structure was set up based on **average contribution to stormwater runoff**. It also should be noted that additional structures beyond the units themselves, such as swimming pools, paved parking lots or cement landings, sheds, patios, courtyards, tennis courts, recreational and/or workout rooms, and other such structures are part of calculated total impervious surface. Regardless of individual ownership, some of these amenities and storage spaces must be shared by all owners of the buildings.

## Executive Summary

**Background** – At a special event held at Schumaker Pond in the summer of 2011, City of Salisbury Mayor James Ireton announced the “*Salisbury Environmental Summer*,” demonstrating the community’s eagerness to embark on several new environmental initiatives focusing on reducing the municipality’s carbon footprint and energy costs, and improving the health of the Wicomico River. During this event, City officials expressed hope that Salisbury would be selected to receive technical assistance from the Stormwater Financing and Outreach Unit (Stormwater Unit) at the University of Maryland’s Environmental Finance Center (EFC) to help improve their capacity to initiate these new environmental efforts. Following the City’s acknowledgement of the need for assistance in meeting its regulatory and nutrient reduction requirements, as well as local goals for improved water quality, the EFC met with Mayor Ireton and key staff from the Department of Public Works and other City departments to discuss the City’s long-term stormwater management needs.

City staff reported that the municipal budget did not include dedicated funding for stormwater management activities and funds were being drawn on an as-needed basis from the general fund. Yet reliance on the general fund can leave gaps in local stormwater programs particularly when funds are tight and other community priorities take precedence. The compounding impacts of a stormwater system that has been underserved for many years has left Salisbury in the position of needing a significant investment to bring its program to a level of service that meets both the escalating costs associated with the City’s National Pollutant and Discharge Elimination System Municipal Separate Stormwater System (NPDES MS4) permit anticipated to be reissued in early 2013, as well as the community’s water quality goals.

In September 2011, the EFC was contracted by the City of Salisbury to conduct a stormwater financing feasibility study as part of the Stormwater Unit, an effort made possible through the support of the Chesapeake and Coastal Service of Maryland’s Department of Natural Resources (DNR). Additional funds from the Town Creek Foundation were provided for the Project Team to conduct outreach and education activities to support these efforts.

The immediate goal of EFC’s stormwater efforts in Salisbury was to recommend a long-term dedicated funding stream that is equitable and effective in generating sufficient revenue for the City to maintain a comprehensive stormwater program. Such a financing stream is necessary to address the specific control measures that the City must implement in order to meet its NPDES MS4 permit requirements that come with significant costs. Other outputs of the study included outreach and educational activities targeted at the various stakeholders throughout the community to inform the public of the significance of addressing local stormwater management needs. The goal of this effort was to provide the City guidance for implementing a self-sustaining stormwater management program.

**Process and Analysis** – This year-long study incorporated information from various sources including City staff and officials, Salisbury University staff, business leaders, and the Wicomico River Project Team. Information was collected on the City’s stormwater management needs and current stormwater activities, other taxes and fees charged to City businesses and residents, budget allocations, and the monetary costs of improving the stormwater program. Throughout the project period, the Project Team also engaged citizens through a series of public meetings, presentations to key stakeholders, and a presence at community events. Promotional materials such as flyers and a fact sheet were developed and distributed at these events.

As part of the study, the Project Team evaluated a series of funding options in terms of what would best fit Salisbury’s needs for a fair, equitable, dedicated, and sustainable revenue source to support a comprehensive stormwater management program. While the community has proven skillful at

obtaining grants to cover the expenses of some projects, these funds are becoming more and more difficult to secure and do not provide a sustainable, long-term financing solution. Based on the unique characteristics within the City, the Project Team narrowed the field of potential financing mechanisms to two options: general fund allocation and a stormwater utility. At the end of this evaluation, the Project Team found a stormwater utility to be the most appropriate approach for the City of Salisbury.

Based on the needs assessed by the Project Team in this study, the City of Salisbury will need to spend approximately \$23.2 million over the next ten years for repairs and improvements to their stormwater system. It is important to note that the approximate revenue needed to support a stormwater program is conservative, since it does not include costs associated with green infrastructure (GI) and Watershed Implementation Plan (WIPs) activities, as this data was not available to the Project Team during the course of this analysis. In addition, it is important to note that it will be necessary for Salisbury staff to reevaluate program costs as the stormwater program unfolds, as the \$23.2 million represents the best estimates currently and may change over time.

**Recommendations** – This report recommends distributing the costs of paying for repairs and improvements in proportion to the types of land uses that are contributing to the problem. Just as a building owner or tenant is responsible for paying its share to process the wastewater and potable water it uses, or to provide the electricity it consumes, the Project Team recommends that building owners and tenants recognize and be accountable for the stormwater that is created from their portion of the built environment. However, since the current capacity within the City is limited in its ability to calculate the runoff from each property, the Project Team came up with a rate structure that balances administrative ease with a fee system that is both fair and equitable.

A stormwater utility fee allows for the assessment of the amount of impervious surface contributing to the stormwater problem on a per property basis. Creating a stormwater utility will allow Salisbury to:

- Allocate the costs of stormwater management in a manner that is fair and equitable;
- Assist in the reduction of stormwater runoff to address flooding and water quality issues;
- Generate adequate revenues for stormwater management activities;
- Have stronger accountability for stormwater management spending; and
- Address and reduce water quality stressors.

The Project Team recommends the use of a rate structure based upon Equivalent Residential Unit (ERU) (also known as an Equivalent Runoff Unit) where 1 ERU equals 3,344ft<sup>2</sup>. It is further recommended that each ERU on a property be assessed \$40 per year<sup>1</sup>.

The Project Team calculated revenue based on a flat rate fee for residential properties and a fee structure for non-residential units based on land area in years 1 and 2 and impervious surface beginning in year 3.

**Residential** --The residential fee is based on the assumption that an average property has about 3,344ft<sup>2</sup> of impervious surface and, therefore, all properties are billed for 1 ERU per year. The average impervious surface for residential properties was determined using the data provided by City staff. ***Thus, it is recommended that all residents will be charged \$40 per year regardless of***

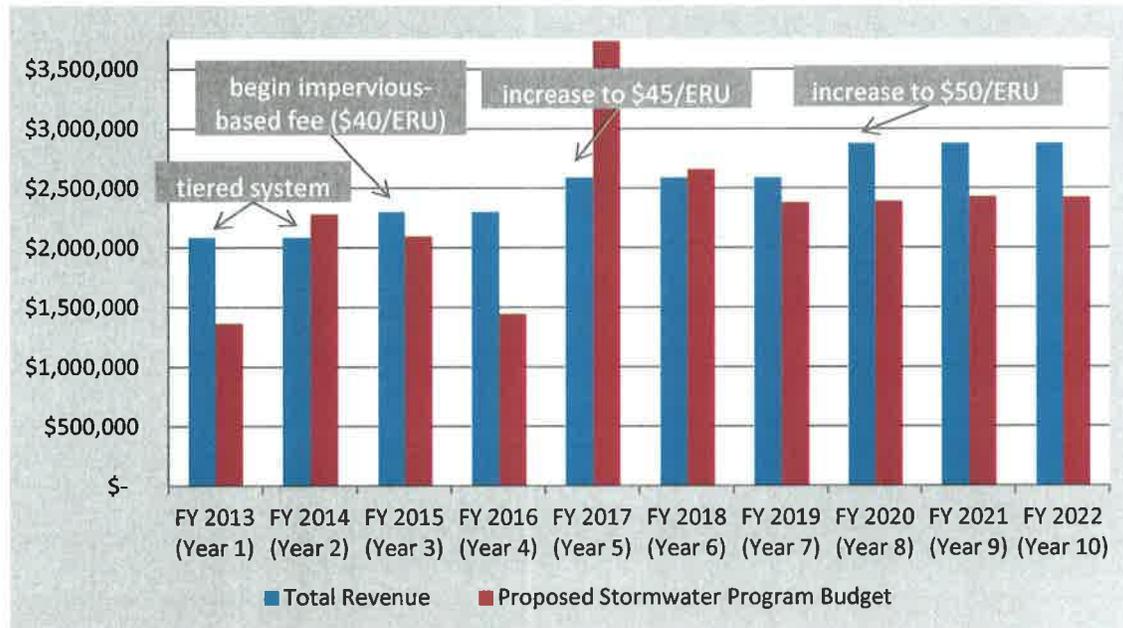
---

<sup>1</sup> The \$40 per year fee should be reevaluated each year to ensure it generates ample revenue. As discussed in Chapter 5, this fee will increase in years 5 and 8 to support the program's expenditures.

**property size or amount of impervious surface.** Revenue from residential properties will yield a total of \$319,960 per year based on \$40 multiplied by 7,999 properties<sup>2</sup>.

**Non-residential** -- Due to capacity issues and the administrative and technical burden of calculating impervious surface for all non-residential properties, **the non-residential fee should be based on a tiered system in years 1 and 2, and slowly transition to a fee that is based directly on the amount of impervious surface on a property.** In years 1 and 2, the tiered fee will allow for properties to be billed based on their land area, increasing in increments of 20,000  $ft^2$ . Once City staff has a handle on the impervious surface data, the non-residential tiered system should transition to an impervious fee structure. Thus, if a commercial property is estimated to be 15,000  $ft^2$  with an impervious surface of 10,000  $ft^2$ , the property will be charged \$200 per year in years 1 and 2 and \$120 (3 ERUs) per year in year 3. All commercial properties, regardless of status (governmental, non-profit, etc.) should be assessed a stormwater utility fee based on its contribution to the problem. Revenue from all non-residential properties will yield an estimated total of \$1,742,280 per year in the first two years and \$1,982,173 per year beginning in year 3<sup>3</sup>, based on 2,464 non-residential properties<sup>4</sup> each paying an average fee of approximately \$615 per year (beginning in year 3)<sup>5</sup>.

**Figure 1: Proposed Stormwater Budget & Utility Revenue, Years 1-10**



<sup>2</sup> The total number of residential properties (7,999) is the sum of residential parcels (7,042), residential condominium parcels (210), townhouse parcels (743), and agricultural parcels listed as single-family homes (4). The raw data used to determine the total number of properties for all property types was extracted from the Salisbury\_Parcels\_LU\_Analysis database provided by City staff.

<sup>3</sup> The total revenue will increase as the per year per ERU fee increases in years 5 and 8.

<sup>4</sup> The total number of non-residential properties (2,464) is the sum of commercial parcels (1,386), apartment parcels (118), agricultural parcels not listed as single-family homes (4), exempt commercial parcels (337), commercial condominium parcels (51), residential commercial parcels (30), industrial parcels (414), and exempt parcels (124). The raw data used to determine the total number of properties for all property types was extracted from the Salisbury\_Parcels\_LU\_Analysis database provided by City staff.

<sup>5</sup> The \$40 per year per ERU fee should be reevaluated each year to ensure it generates ample revenue. As discussed in Chapter 5, this fee will increase in years 5 and 8 to support the program's expenditures.

Figure 1 above shows the estimated total revenue generated each year utilizing the recommendations provided in this report *against* the proposed stormwater budget proposed. As discussed in Chapter 5, these recommendations include an increase in the \$40 per year fee in year 5 to \$45, and then again in year 8 to \$50 in order to fully support the comprehensive stormwater management program for the City of Salisbury.

**Conclusions** – By implementing a flat fee for residential properties and slowly integrating an ERU-based fee for non-residential properties, a stormwater utility in the City of Salisbury is estimated to generate the necessary \$23.2 million by the end of year 10 in order to properly repair and maintain the stormwater system.

# City of Salisbury



MARYLAND



JAMES IRETON, JR.  
MAYOR

TOM STEVENSON  
ACTING CITY ADMINISTRATOR

125 NORTH DIVISION STREET  
SALISBURY, MARYLAND 21801  
Tel: 410-548-3170  
Fax: 410-548-3107

AMANDA H. POLLACK, P.E.  
ACTING DIRECTOR OF  
PUBLIC WORKS

To: Tom Stevenson, Acting City Administrator  
From: Amanda Pollack, Acting Director of Public Works   
Date: August 16, 2013  
Re: Grant Agreement for the Northeast Collector Hike & Bike Path – Phase II

On December 20, 2010 the City of Salisbury signed a Memorandum of Understanding (MOU) with the State of Maryland and the Department of Transportation to provide a grant of \$225,000 for the Northeast Collector Hike & Bike project. The City is providing matching funds in the amount of \$225,000 per the following funding sources: \$112,500 from a Project Open Space Grant, \$66,750 from a 2003 Bond, and \$45,750 from in-kind services provided by the Department of Public Works.

During the design evaluation process with the State of Maryland it was recommended that electronic crossing devices be installed at the crossing of Route 50 (Beaglin Park Drive and the Northeast Collector). This would allow bicyclists to cross Route 50 on a timed signal for a determined period of time working in the same manner as a pedestrian signal. This item was not in the initial grant or in the detailed cost estimate done by the City of Salisbury.

In October 2012, the City signed MOU Amendment No. 1 which eliminated language in the original MOU that stated that the City of Salisbury would not be allowed to receive any additional funding for this project. By executing MOU Amendment No. 1, the State was able to award the City additional funds to cover the electronic crossing devices at Route 50. The funds are part of the Maryland Bikeways Program. The additional grant does not have a match requirement.

Attached is the Grant Agreement for the \$90,000 from Maryland Bikeways Program funds. Also attached is a Resolution to accept this grant.

Unless you or the Mayor has further questions, please forward a copy of this memo to the City Council.

1 RESOLUTION NO. \_\_\_\_\_

2  
3 A RESOLUTION OF THE CITY OF SALISBURY AUTHORIZING THE MAYOR TO SIGN  
4 THE GRANT AGREEMENT AND ACCEPT A GRANT OF \$90,000.00 FROM MARYLAND  
5 DEPARTMENT OF TRANSPORTATION MARYLAND BIKEWAYS PROGRAM FOR THE  
6 NORTHEAST COLLECTOR BIKE PATH PHASE II PEDESTRIAN-AND-BICYCLE-  
7 FACILITIES IMPROVEMENTS

8  
9 WHEREAS, the Maryland Department of Transportation has a Maryland Bikeways  
10 Program for making pedestrian-and-bicycle-facilities improvements;

11  
12 WHEREAS, the Maryland Department of Transportation Maryland Bikeways Program  
13 provides grant funds to the City of Salisbury for use in specific areas;

14  
15 WHEREAS, Maryland Department of Transportation and the City of Salisbury have been  
16 working together to improve bicycle connectivity along the west side of Beaglin Park Drive from  
17 the existing path which ends at approximately Shamrock Drive, across US Route 50, and  
18 terminating at the Salisbury Urban Greenway at North Park Drive;

19  
20 WHEREAS, the total construction cost is estimated to be Five Hundred Forty Thousand  
21 Dollars (\$540,000);

22  
23 WHEREAS, the City has previously obtained commitments of Four Hundred Fifty  
24 Thousand Dollars (\$450,000), which includes Two Hundred Twenty Five Thousand Dollars  
25 (\$225,000) from the Federal Highway Administration's Transportation Enhancements Program,  
26 One Hundred Twelve Thousand Five Hundred Dollars (\$112,500) from Program Open Space  
27 funds, Sixty-Six Thousand Seven Hundred Fifty Dollars (\$66,750) from a municipal bond, and  
28 Forty-Five Thousand Seven Hundred Fifty Dollars (\$45,750) from in-kind Public Works  
29 services;

30  
31 WHEREAS, Maryland Bikeways Program is awarding a grant in the amount of Ninety  
32 Thousand Dollars (\$90,000.00) to enhance bicycle safety and improve bicycle circulation.

33  
34 NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Salisbury,  
35 Maryland does hereby authorize the Mayor to sign the attached Grant Agreement dated  
36 \_\_\_\_\_, 2013 and accepts the grant of \$90,000.00 from Maryland Bikeways Program for the  
37 Northeast Collector Bike Path Phase II.

38  
39 THE ABOVE RESOLUTION was introduced and read and passed at the regular meeting  
40 of the Council of the City of Salisbury held on this \_\_\_\_ day of \_\_\_\_\_, 2013 and is to  
41 become effective immediately upon adoption.

42  
43 ATTEST:

44  
45  
46 \_\_\_\_\_

47 Kimberly R. Nichols  
48 CITY CLERK

Jacob R. Day  
PRESIDENT, City Council

49  
50 APPROVED by me this \_\_\_\_\_ day of \_\_\_\_\_, 2013

51  
52

53 \_\_\_\_\_  
54 James Ireton, Jr.  
55 MAYOR, City of Salisbury

1 **GRANT AGREEMENT**

2  
3 **BY AND BETWEEN**

4  
5 **THE MARYLAND DEPARTMENT OF TRANSPORTATION**

6  
7 **AND**

8  
9 **THE CITY OF SALISBURY, MARYLAND**

10  
11 THIS GRANT AGREEMENT executed in triplicate and entered into this \_\_\_\_\_ day of  
12 \_\_\_\_\_, 2013, by and between the Maryland Department of Transportation  
13 (“Department”) and the City of Salisbury (“City”), in Wicomico County, Maryland.

14 **WITNESSETH:**

15 WHEREAS, the Department has programmed in the FY 2012-2017 Consolidated  
16 Transportation Program-2012 State Report on Transportation a total of Ten Million Dollars  
17 (\$10,000,000) for the Maryland Bikeways Program (“Program”);

18 WHEREAS, the Department budgeted within the Program Ninety Thousand dollars  
19 (\$90,000) for the construction of Phase II of the Northeast Collector Bike Path, a 1.27 mile, 8-  
20 foot wide paved path along the west side of Beaglin Park Drive from US Route 50 to the existing  
21 Salisbury Urban Greenway at South Park Drive in Salisbury (the “Project”);

22 WHEREAS, the City has committed One Hundred Twelve Thousand Five Hundred  
23 Dollars (\$112,500) in City matching funds to support the Project (the “Local Match”);

24 WHEREAS, additionally the City has obtained commitments of Two Hundred Twenty  
25 Five Thousand Dollars (\$225,000) from the Federal Highway Administration’s Transportation  
26 Enhancements Program and One Hundred Twelve Thousand Five Hundred Dollars (\$112,500)  
27 from Program Open Space funds for use in support of the Project;

28 WHEREAS, pursuant to Section 2-602 of the Transportation Article of the Annotated  
29 Code of Maryland, it is in the public interest for the State of Maryland to include enhanced  
30 transportation facilities for pedestrians and bicycle riders as an essential component of the State’s  
31 transportation system;

32 WHEREAS, the Maryland Bikeways Program was established and approved by the  
33 General Assembly to provide state transportation funding to support and expedite projects that  
34 improve bicycle transportation in the State;

35 WHEREAS, the Project will enhance bicycle safety and access in the City and will  
36 improve bicycle circulation and increase access to recreational facilities, shopping and residential  
37 areas in Salisbury, Maryland;

38 WHEREAS, the Project has been presented at public meetings at which public support  
39 has been documented;

40 WHEREAS, the City will assume all maintenance and operating costs associated with the  
41 Project when it is completed;

42 WHEREAS, the Project is a valuable component of Maryland’s transportation system;

43 WHEREAS, the Department has supported similar projects in various locations in the  
44 State;

45 WHEREAS, the Department and the City agree that the Project will benefit the parties to  
46 this Agreement and will promote the safety, health, and general welfare of the citizens of the  
47 State of Maryland;

48 WHEREAS, Section 2-103(i) of the Transportation Article of the Annotated Code of  
49 Maryland (2008 Replacement Volume, 2011 Cum. Supp.) authorizes the Secretary of  
50 Transportation, to the extent permitted by the State budget, to make grants-in-aid to any person,  
51 including political subdivisions of the State of Maryland, for any transportation related purpose;

52 WHEREAS, the Secretary of Transportation has delegated to the Deputy Secretary of  
53 Transportation authority to execute this Agreement.

54 NOW, THEREFORE, THIS AGREEMENT WITNESSETH: That for and in  
55 consideration of the mutual covenants contained herein and other good and valuable  
56 consideration, the receipt and sufficiency of which is hereby acknowledged, the parties hereto  
57 agree as follows:

58 1. The above recitals are re-affirmed and incorporated herein by reference.

59 2. The Department hereby grants to the City a sum not to exceed Ninety Thousand  
60 dollars (\$90,000) (“Grant”) to be used by the City for the completion of the Project. The City  
61 shall be responsible for all work in connection with the Project, including but not limited to the  
62 following:

- 63 a. Construction of the Northeast Collector Bike Path;
- 64
- 65 b. Contribution of the Local Match, which may include the value of in-kind staffing  
66 and/or cash contributions;
- 67
- 68 c. Preparation of quarterly status reports and final reports, as requested by the  
69 Department; and
- 70
- 71 d. Maintaining compliance with all provisions of this Agreement.
- 72
- 73

74 3. The Project shall be completed consistent with relevant design standards and  
75 guidelines, including 2012 AASHTO Bicycle Design Guidelines, the Maryland Manual of

76 Uniform Traffic Control Devices, and the Access Board Advance Notice of Proposed  
77 Rulemaking (ANPRM) on Accessibility Guideline for Shared Use Paths.

78 4. The City shall engage professional services, as needed on the Project. Design  
79 services shall be performed by an engineer registered in the State of Maryland. The City shall  
80 provide to the Department draft deliverables for review and comment and final deliverables for  
81 the Project.

82 5. The City shall require all contractors and subcontractors, prior to commencement  
83 of work on the Project, to secure and keep in force during the term of this Agreement, from  
84 insurance companies, government self-insurance pools or government self-retention funds,  
85 authorized to do business in Maryland, the following insurance coverages:

86 a. commercial general liability, including premises or operations, contractual,  
87 and products or completed operations coverages (if applicable), with  
88 minimum liability limits of \$250,000 per person and \$1,000,000 per  
89 occurrence;

90 b. automobile liability, including Owned (if any), Hired, and Non-Owned  
91 automobiles, with minimum liability limits of \$250,000 per person and  
92 \$1,000,000 per occurrence;

93 c. workers compensation coverage meeting all statutory requirements.

94 This insurance may be in policy or policies of insurance, primary and excess, including the so-  
95 called umbrella or catastrophe form and must be placed with insurers rated "A-" or better by  
96 A.M. Best Company, Inc., provided any excess policy follows form for coverage. The City shall  
97 evidence limits of insurability for general liability coverage in an amount of \$500,000 aggregate  
98 and \$200,000 each occurrence, and \$30,000 per person, \$60,000 per accident for bodily injury  
99 and \$15,000 for property damage for automobile liability and State of Maryland statutory limits  
100 for workman's compensation. The City shall have the right to self-insure.

101 The Department and its agencies, officers, and employees shall be endorsed on the general  
102 liability policies, including any excess policies (to the extent applicable), as additional insured.  
103 Coverage will be primary and noncontributory with any other insurance and self-insurance.  
104 There will be no cancellation, material change, potential exhaustion of aggregate limits or non-  
105 renewal of insurance coverage(s) without thirty (30) days written notice to the Department. At  
106 the request of the Department, certificates of insurance shall be provided to the Department prior  
107 to commencement of any work. All endorsements shall be provided as soon as practicable.  
108 Failure to provide insurance as required in this Agreement is a material breach of contract  
109 entitling the Department to terminate this Agreement.

110 6. The Grant represents the maximum financial liability of the Department under  
111 this Agreement. The parties agree that the City will utilize the Grant for the Project in  
112 conjunction with other funds it has obtained from funding sources other than the Maryland  
113 Bikeways Program to complete the Project.

114 7. The City may use funds only for costs incurred in connection with the Project.  
115 Payment of the Grant by the Department shall be made on a reimbursable basis upon the City's  
116 submission of invoices for such payment, subject to the following conditions.

117 All invoices for payment shall include:

- 118 (a) actual expenditures incurred by the City in connection with these Projects;
- 119 (b) a certification by the City that all costs charged to the Project are in  
120 connection therewith and supported by properly executed records,  
121 vouchers, invoices or contracts evidencing the nature and propriety of the  
122 charges.

123 Invoices/requests for reimbursement will be submitted not more frequently than once per  
124 month (30 days). Invoices/requests for reimbursement will be reviewed by MDOT to determine  
125 (a) that the indicated costs are allowable hereunder and (b) that the invoiced work contributes  
126 directly to the accomplishment of the Project. Failure to meet these conditions will result in  
127 disallowed costs that will be deducted from the authorized appropriated amount. Payment shall  
128 be made by the Department to the City within thirty (30) days of the Department's receipt and  
129 approval of the invoice and accompanying certifications. The final invoice must be submitted  
130 with a Final Report as stipulated by the Department. The final invoice will not be paid until the  
131 Final Report is submitted. No Project costs incurred prior to the execution of this Agreement will  
132 be reimbursed.

133 8. The City shall comply with all applicable Federal, State and local laws in  
134 expending Grant funds and in carrying out the Project, including compliance with the Americans  
135 with Disabilities Act of 1990, particularly as it relates to public meetings held in connection with  
136 the Project.

137 9. The term of this Agreement shall commence upon the date first set forth above  
138 and shall terminate when all payments of the Grant have been made or in 24 months, whichever  
139 is sooner.

140 10. The Department reserves the right to suspend or terminate all or part of the  
141 financial assistance herein provided and to terminate this Agreement, in whole or in part, if:

- 142 (a) the City breaches or fails to fulfill any of the terms of this Agreement;
- 143 (b) funds are not appropriated by the General Assembly of Maryland to fund  
144 this Grant.

145 The City acknowledges and agrees that funding under this Agreement is expressly  
146 dependent upon the availability to the Department of funds appropriated by the General  
147 Assembly and that, except as otherwise provided for herein, the Department shall not be liable  
148 for any breach of this Agreement due to the absence of an appropriation. Termination of this  
149 Agreement will not invalidate obligations properly incurred by the City prior to the date of  
150 termination if such obligations are unable to be canceled. The acceptance of a remittance from  
151 the Department of any or all funds, or the closing out of the Department's financial participation

152 under this Agreement, shall not constitute a waiver of any claim which the Department may  
153 otherwise have against the City arising out of this Agreement. If, upon termination of this  
154 Agreement, it is determined by the Department that funds are due to the Department, the City  
155 shall promptly remit such amount to the Department within forty-five (45) days following  
156 written notification to the City from the Department. The City's agreement to remit any excess  
157 Grant funds to the Department shall survive the termination of this Agreement.

158 In addition to the Department's remedies under this Section, the Department may proceed  
159 to protect and enforce all rights available to it, by suit in equity, action in law or by any other  
160 appropriate proceedings, any or all of which may be exercised contemporaneously with each  
161 other and all of which rights and remedies shall survive the termination of this Agreement.

162 11. The City shall maintain separate and complete accounting records which are  
163 consistent with generally accepted accounting procedures and accurately reflect all income and  
164 expenditures of Grant funds for the Projects. City accounting records shall be maintained for a  
165 period of three (3) years after the termination of this Agreement. The records of the City must be  
166 in sufficient detail to determine the nature of the costs incurred and/or expenditures made by the  
167 City for the Project.

168 12. The Department may perform interim and final audits of the Grant provided for  
169 under this Agreement. Any final audit shall commence within three (3) years of the expiration or  
170 earlier termination of this Agreement. In connection with any audit undertaken hereunder, the  
171 City shall provide access to all records with respect to the Project. Following the completion of  
172 any audit undertaken hereunder, the City shall refund to the Department within forty-five (45)  
173 days following notification by the Department any Grant payments that are found to be  
174 unsupported by acceptable accounting records or not expended in accordance with the terms of  
175 this Agreement. The City's covenant to repay any excess Grant payments shall survive the  
176 expiration or earlier termination of this Agreement.

177 13. This Agreement may be modified only by written instrument, executed by the  
178 Department and the City.

179 14. The City shall, to the extent permitted by law, defend, indemnify, and hold  
180 harmless the Department, its officers, agents, and employees, from any and all claims, demands,  
181 suits, causes of action, liability, damages, losses, costs and expenses (including reasonable  
182 attorneys' fees) of whatsoever nature, including, without limitation, those arising on account of  
183 any injury or death of persons or damage to property, caused by, arising out of, or resulting from  
184 any and all services and activities performed by the City or its employees, agents, subcontractors,  
185 or consultants relating to the Project and this Agreement.

186  
187 15. It is understood and agreed that the sole obligation of the Department is the  
188 payment to the City the sum of money specified in Section 2 of this Agreement.

189 16. All payments hereunder by the Department to the City are subject to the  
190 budgetary and appropriation requirements of Section 3-216(d)(2) of the Transportation Article of  
191 the Annotated Code of Maryland, as amended and supplemented.

192 17. No right, benefit or advantage inuring to the City under this Agreement may be  
193 assigned and no burden imposed on the City hereunder may be delegated or assigned without the  
194 prior written approval of the Department.

195 18. The parties hereby agree that this Agreement shall be construed in accordance  
196 with the law of the State of Maryland.

197 19. As an inducement to the Department to make the Grant, the City hereby certifies  
198 to the Department that:

199 (a) any resolution, ordinance or other action which may be required by local  
200 law has been introduced and adopted, passed, enacted or taken as an  
201 official act of the City's governing body, authorizing the execution and  
202 delivery of this Agreement by the City in such manner and form as to  
203 comply with all applicable laws to make this Agreement the valid and  
204 legally binding act and agreement of the City;

205 (b) no officer or employee of the City, or its designees or agents, no  
206 consultants, no member of the City's governing body, and no other public  
207 official of the City, who exercises any functions or responsibilities over  
208 the Projects or the Grant shall have or obtain a personal or financial  
209 interest or benefit from any activity in connection with the Projects or  
210 Grant or have an interest in any contract, subcontract or agreement with  
211 respect therewith;

212 (c) the City is not in arrears with respect to the payment of any moneys due  
213 and owing the State of Maryland, or any department or unit thereof,  
214 including, but not limited to, the payment of taxes and employee benefits,  
215 and that it shall not become so in arrears during the term of this  
216 Agreement.

217 20. The Department and the City certify that they prohibit, and covenant that they will  
218 continue to prohibit, discrimination on the basis of:

219 (a) age, ancestry, color, creed, marital status, national origin, race or religious  
220 or political affiliation, belief or opinion, or sexual orientation;

221 (b) sex or age, except when age or sex constitutes a bona fide occupational  
222 qualification; or

223 (c) the physical or mental disability of a qualified individual with a disability.

224 Upon the request of the other party, the Department and the City will submit to the other  
225 party information relating to its operating policies and procedures with regard to age, ancestry,  
226 color, creed, marital status, mental or physical disability, national origin, race, religious or  
227 political affiliation, belief or opinion or sex or sexual orientation.

228           21.     The Department and the City shall comply with the State’s policy concerning  
229 drug and alcohol free workplaces, as set forth in COMAR 01.01.1989.18 and 21.11.08, and must  
230 remain in compliance throughout the term of this Agreement.

231           22.     It is specifically agreed between the Department and the City that it is not  
232 intended by any of the provisions of this Agreement to create in any public entity, or any  
233 member thereof, or in any private entity third party beneficiary status in connection with the  
234 performance of the obligations herein.

235           23.     If any provisions of this Agreement is held to be illegal, invalid or unenforceable  
236 by a court of competent jurisdiction:

237                   (a)     such provision shall be fully severable;

238                   (b)     this Agreement shall be construed and enforced as if such illegal, invalid  
239 or unenforceable provision had never comprised a part of this Agreement;  
240 and

241                   (c)     the remaining provisions of this Agreement shall remain in full force and  
242 effect and shall not be affected by the illegal, invalid or unenforceable  
243 provision or by its severance from this Agreement.

244           24.     This Agreement may be executed in a number of identical counterparts, each of  
245 which shall constitute an original and all of which shall constitute, collectively, one agreement.

246           25.     This Agreement shall inure to and be binding upon the parties hereto, their agents,  
247 successors and, to the extent an assignment has been approved pursuant to Section 14 of this  
248 Agreement, their assigns.

249           26.     Each notice, invoice, demand, request, consent, approval, disapproval,  
250 designation or other communications between the parties, to the extent required to be in writing  
251 shall be made by United States Mail to the following addressees:

252           In the case of MDOT:

253           Ms. Kate Sylvester  
254           7201 Corporate Center Drive  
255           P.O. Box 548  
256           Hanover, MD. 21076  
257

258           In the case of the City:

259           Mr. Bill Sterling  
260           125 North Division St.  
261           Salisbury, MD 21801

262                                   **The next page is the signature page.**

263 IN WITNESS WHEREOF, the parties here to have executed this Agreement as of the  
264 day and year first above written.

265

266  
267 **WITNESS:**

**MARYLAND DEPARTMENT OF  
TRANSPORTATION**

268  
269  
270 \_\_\_\_\_

By: \_\_\_\_\_  
Leif A. Dormsjo  
Deputy Secretary

271  
272  
273  
274

**FUNDS AVAILABLE:**

**APPROVED AS TO FORM AND  
LEGAL SUFFICIENCY:**

275  
276  
277  
278  
279 \_\_\_\_\_  
280 David L. Fleming, Chief Financial Officer  
281 Office of Finance  
282

\_\_\_\_\_  
Assistant Attorney General  
Maryland Department of Transportation

283

284 **WITNESS:**

**CITY OF SALISBURY, MARYLAND**

285

286

287

288 \_\_\_\_\_

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

# City of Salisbury



MARYLAND



JAMES IRETON, JR.  
MAYOR

TOM STEVENSON  
ACTING CITY ADMINISTRATOR

125 NORTH DIVISION STREET  
SALISBURY, MARYLAND 21801  
Tel: 410-548-3170  
Fax: 410-548-3107

MICHAEL S. MOULDS, P.E.  
DIRECTOR OF PUBLIC WORKS

To: Tom Stevenson, Acting City Administrator  
From: Michael Moulds, Director of Public Works   
Amanda Pollack, Deputy Director of Public Works   
Date: August 20, 2013  
Re: EDU Incentive Area

---

As discussed at the August 19, 2013 work sessions, the establishment of an "EDU Incentive Area" is recommended as part of the Mayor's Downtown Initiative. The City owns the former Anderson Property (Linens of the Week) and the 317 EDUs associated with the business.

Attached is the Ordinance for review. The Ordinance title has been modified to clarify the location of the incentive area and to spell out Equivalent Dwelling Units (EDUs).

Additionally, the Ordinance specifies that EDU allocation requests will be submitted to the Director of Public Works for review. After review, Public Works shall submit the allocation request to the Mayor for approval. With the Mayor's approval, a resolution will be forwarded to City Council for their approval. The specific resolution for each property will specify that the EDU allocation is valid for two years, with the option to extend for two, one year terms at the discretion of the Public Works Director.

Unless you or the Mayor have further questions, please forward a copy of this memo to the City Council.



- 51 1. Written requests for EDU allocations will be submitted to the Director of Public Works  
52 for review. After review, Public Works shall submit the allocation request to the Mayor  
53 for approval. With the Mayor's approval, a Resolution will be forwarded to City Council  
54 for its approval.  
55 2. The Resolution for each property will specify that the EDU allocation is valid for two  
56 years, with the option to extend the allocation for two one-year terms if approved in  
57 writing by the Public Works Director prior to expiration of the term. The Public Works  
58 Director may refuse to grant a requested extension if the Public Works Director finds that  
59 the property owner is not making good faith efforts to complete the project.  
60 3. The two-year allocation begins to run from the time of the signing of the Resolution  
61 awarding the EDU allocation.  
62 4. Allocated EDUs are assigned to a project and to the property on which the project is  
63 located, and cannot be transferred by the recipient.  
64

65 BE IT FURTHER ORDAINED that this ordinance shall take effect from the date of its final  
66 passage.  
67

68 THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury  
69 held on the \_\_\_ day of \_\_\_\_\_, 2013, and thereafter, a statement of the substance of the  
70 Ordinance having been published as required by law, was finally passed by the Council on the  
71 \_\_\_ day of \_\_\_\_\_, 2013.  
72

73  
74 ATTEST

75  
76  
77 \_\_\_\_\_  
78 Kimberly R. Nichols, City Clerk

\_\_\_\_\_  
Jacob R. Day, President  
Salisbury City Council

80  
81 Approved by me this \_\_\_ day of \_\_\_\_\_, 2013  
82

83  
84 \_\_\_\_\_  
85 James Ireton, Jr. Mayor

# memo

## Salisbury City Council

To: Members of the City Council  
From: Laura Mitchell  
CC: Mayor Jim Ireton, Kim Nichols, Tom Stevenson  
Date: 8/14/2013  
Re: City Attorney & Clerk Evaluations

---

Comments: Now that the City Attorney and City Clerk have been in their current positions for more than a year, it seems appropriate to do performance evaluations on each. A summary of the proposed process will be presented for discussion at the work session.

Because both positions serve a wide range of City Officials, both elected and appointed, it is appropriate to use a 360° approach. As such, the Mayor, each Council member, the City Administrator, and each Department Head will be asked to anonymously complete a survey using a numeric rating scale. Chairs of City Boards and Committees that interact with or rely on the attorney will also be asked to participate as well.

The statistics for each question (average, median, mode, and range) will be compiled confidentially and provided to the Council for review and discussion with the City Attorney to aid in setting goals for the future.

## City Attorney

### PERFORMANCE EVALUATION PROCEDURE

#### Purpose of Evaluation

The purpose of the performance evaluation process to be conducted by and between the City Council and the City Attorney are:

1. To strengthen the relationship between the Council and Legal Counsel.
2. To provide a mechanism for regular evaluation.
3. To consider any performance or project objectives for the Attorney's office.
4. To provide feedback to the attorney and identify areas where improvements may be needed.

This process and policy recognizes that Legal Counsel is a private law firm retained by the City Council under agreement with the City. Terms of the contractual relationship with Legal Counsel may or may not be part of the evaluation process.

#### Frequency

The council will evaluate the City Attorney at least annually. The Schedule for the evaluation will be established jointly by the Council and the Attorney within 30 days before or after the anniversary of the engagement of services with the Attorney.

#### Evaluation Procedures

The evaluation procedure provides guidelines for the City Council and the Legal Counsel to use in reviewing legal services to the City.

On an annual interval, the Mayor, each Council member, the City Administrator, and each Department Head will be asked to anonymously complete a survey using a numeric rating scale. Chairs of City Boards and Committees that interact with or rely upon the advice of the attorney will also be asked to participate as well.

The statistics for each response (average, median, mode, and range) will be compiled confidentially and provided to the Council for review. The Council will meet in closed session to discuss the Attorney's performance. The Council will then conduct a closed session evaluation with the City Attorney to discuss all related Legal Counsel services, performance issues and objectives. The Council may direct that the performance evaluation and any subsequent actions be placed in the City Attorney's contract or vendor file.

## City Clerk

### PERFORMANCE EVALUATION PROCEDURE

#### Purpose of Evaluation

The purpose of the performance evaluation process to be conducted by and between the City Council and the City Clerk are:

1. To strengthen the relationship between the Council and the City Clerk.
2. To provide a mechanism for regular evaluation.
3. To consider any performance or project objectives for the City Clerk's office.
4. To provide feedback to the clerk and identify areas where improvements may be needed.

#### Frequency

The council will evaluate the City Clerk at least annually. The Schedule for the evaluation will be established jointly by the Council and the City Clerk within 30 days before or after the anniversary of the appointment to the position of City Clerk.

#### Evaluation Procedures

The evaluation procedure provides guidelines for the City Council and the City Clerk to use in reviewing quality of services to the City by the City Clerk.

On an annual interval, the Mayor, each Council member, the City Administrator, and each Department Head will be asked to anonymously complete a survey using a numeric rating scale.

The statistics for each response (average, median, mode, and range) will be compiled confidentially and provided to the Council for review. The Council will meet in closed session to discuss the City Clerk's performance. The Council will then conduct a closed session evaluation with the City Clerk to discuss all related services, performance issues and objectives. The Council may direct that the performance evaluation and any subsequent actions be placed in the City Clerk's employee file.