

CITY OF SALISBURY, MARYLAND

REGULAR MEETING

MAY 14, 2012

PRESENT

*Council President Terry E. Cohen
Councilwoman Laura Mitchell
Mayor James Ireton, Jr.*

*Council Vice President Deborah S. Campbell
Councilwoman Eugenie P. Shields
Councilman Timothy K. Spies*

IN ATTENDANCE

City Clerk Kimberly R. Nichols, CMC, City Administrator John Pick, ICMA-CM, Assistant City Administrator Lore Chambers, Ph.D., City Attorney Mark Tilghman, Acting Director Internal Services Gerri Moore, Planning & Zoning Technical Services Coordinator Frank McKenzie, and interested Citizens and Members of the Press.

MEDITATION – PLEDGE OF ALLEGIANCE

The City Council met in regular session at 6:00 p.m. in Council Chambers. Council President Cohen called the meeting to order. A moment of silent meditation was held followed by the Pledge of Allegiance.

CERTIFICATE OF APPRECIATION – presented by Mayor James Ireton, Jr.

Mayor James Ireton, Jr. presented the Certificate of Appreciation to Katherine Mooney, Salisbury University’s SGA Vice President of External Affairs. Salisbury University was recognized for sponsoring the annual community cleanup day, “known as The Big Event,” in which some 500 students helped campus neighbors and residents of Salisbury with household chores such as raking leaves, cleaning attics, and painting. This year’s event was said to have had the largest turnout ever.

ADOPTION OF LEGISLATIVE AGENDA

On a motion by Mrs. Shields and a second by Mr. Spies, the legislative agenda as presented was unanimously adopted.

CONSENT AGENDA – presented by City Clerk Kim Nichols

Consisting of the following items, the Consent Agenda was unanimously approved on a motion by Mr. Spies and a second by Mrs. Shields (Mrs. Shields recused herself from the voting, stating she believed she might know someone at the company applying for Enterprise Zone benefits):

- *March 15, 2012 closed session minutes*
- *March 19, 2012 work session minutes*
- *Resolution No. 2163 – declaring that Eastern Shore Psychological Services, LLC is eligible to receive Enterprise Zone benefits for property located at 2336 Goddard Parkway*

RESOLUTIONS - presented by City Administrator John Pick

- *Resolution No. 2164 – authorizing the Mayor to submit the 2012 CDBG Action Plan to HUD*

Mrs. Shields moved and Mrs. Mitchell seconded to approve Resolution No. 2164.

After discussion, Resolution No. 2164 unanimously passed.

- *Resolution No. 2165 – authorizing the Mayor to sign a memorandum of understanding with the Friends of Poplar Hill Mansion*

Mr. Spies moved and Mrs. Campbell seconded to approve Resolution No. 2165.

Mr. Spies moved and Mrs. Campbell seconded to amend Resolution No. 2165 by changing line 9 in the memorandum of understanding by inserting “intended” after the word “entertainment” and “historical importance and” after the word “its.” Line 9 was amended to read, “...as a venue for community and social events and entertainment intended to maximize its historical importance and educational value.”

Mr. Spies’ motion also included lines 18 and 19 of Resolution No. 2165 by replacing the comma after “community” with the word “and” on line 18. On line 19, the word “events” will follow “social” and the word “intended” will replace the second “events.” The words “historical importance” will be placed after the word “its.” Therefore, Lines 18 and 19 should read, “... grounds of the Poplar Hill Mansion as a museum and as a venue for community and social events and entertainment intended to maximize its historical importance and educational value.” The amendments were unanimously passed.

Resolution No. 2164, as amended, unanimously passed.

PUBLIC HEARINGS

- *Constant Yield Tax Rate*

Gerri Moore provided an explanation of Section 6-38 of the Tax Property Article, Annotated Code of Maryland, which requires the Department of Assessment and

Taxation to certify to all taxable authorities a constant yield tax rate, which will produce the same revenue in the coming year that was produced in the prior year. The City's constant yield tax rate has been calculated to be .8281 cents. In the Mayor's proposed budget, the tax rate is .834 cents. Since a tax rate increase in excess of the constant yield tax rate is proposed, the public hearing is required.

Comments were received from one member of the public during the public hearing and included the following:

- *tax rate increase is unreasonable and unfair*
 - *nothing in the proposed budget justifies an increased tax rate*
- *Ordinance No. 2201 – Mayor's Proposed FY13 Budget*

Mayor Ireton reviewed the FY13 Proposed Budget with a PowerPoint presentation. He said 4.6 million dollars was saved through budget cuts, furlough days, and frozen and unfunded positions, putting the City at the same spending level as in 2008, but with fewer employees and identical dollars. The proposed budget eliminates employee furloughs and includes a 3% increase in health insurance. Water and sewer rates and landlord registration fees are not increased in the proposed budget. If the audited financial statements for June, 2012, reflect a General Fund surplus that meets or exceeds the 1.5 cent property tax increase, Mayor Ireton stated he will recommend refunding City property owners the amount of increase above the tax rate. The Mayor's budget proposes spending 1.24 million dollars out of the \$9.5 million dollars in surplus on capital improvements and paving projects. The Mayor stated that City priorities include law enforcement, emergency medical services, infrastructure, and neighborhood integrity.

Comments were received from one member of the public during the public hearing and included the following:

- *combining City and County departments*
- *eliminating upgrades and furloughs*
- *Marina should be self-sufficient*
- *billing for Water and Sewer should be semi-annual, not quarterly*
- *eliminate all parking meters*
- *must get creative in bringing businesses downtown*

(Council recessed at 7:30 p.m. and reconvened at 7:38 p.m.)

ELECTION REDISTRICTING PRESENTATION & PUBLIC INPUT

Ms. Cohen explained the process of election redistricting and legal factors which must be considered. The Council held five public meetings in March and April to receive input and

direction from the community. Most of the Council members attended a meeting in March held by the National Association for the Advancement of Colored People (NAACP), which hosted the American Civil Liberties Union (ACLU) and a public input meeting held by the Mayor in February.

Ms. Cohen stated there was not consensus among Council to increase to a seven-member council; therefore, the five-member council was upheld. There also was not consensus to go to a five-election district city. The Council considered many possibilities and the two plans preferred by Council were: 1) three districts with two single-member minority - majority districts, and 2) a multi-member District 1 with two seats, and a multi-member District 2 with three seats.

Frank McKenzie presented an overview of the maps for both plans being considered by Council. Mayor Ireton expressed opposition to both plans.

Public comments were heard from two members of the public, and included:

- agreement with not having five districts or seven council members*
- against both current proposals*
- five single-member districts is progressive*

(Council recessed at 9:01 p.m. and reconvened at 9:11 p.m.)

Mrs. Campbell moved and Mrs. Shields seconded to instruct the City Attorney to prepare a charter amendment as required by law to revise the City's election districts to include the following components:

- 1. a two-step election process (like the consent order) which is based on five council seats, with District 1 expanded to the lines shown on the three-district map from tonight, with one seat for the 2013 election, and then District 1 expanded further as shown on the two-district map with two seats for the 2015 election, and with District 2 having three seats, so that proportional representation would be achieved.*
- 2. elimination of staggered terms so that redistricting changes are achieved by having two-year terms for one seat for District 1, one seat for District 2 and the Mayor in the 2013 election; then in 2015, the Mayor and all Council members would run for four-year terms in the newly configured districts, thereby establishing a Mayor and five-member Council election cycle for the City.*
- 3. a text description of district boundaries as was done with the consent order.*

The motion to direct the city attorney to craft a charter amendment passed 3 – 2, with “aye” votes cast by Ms. Cohen, Mrs. Campbell and Mr. Spies, and “nay” votes cast by Mrs. Shields

and Mrs. Mitchell.

PUBLIC COMMENTS

Remarks were received from three members of the public:

- Council members were thanked for doing what they were elected to do
- preferred five people (Council) looking over his interests in the City of Salisbury rather than one (Mayor)
- additional funds to keep playgrounds clean (utilize inmates, volunteers)
- promotion of the two-hour free parking downtown
- Mayor's position should be a two-year term

ADJOURNMENT

The meeting adjourned at 9:50 p.m.

CITY OF SALISBURY, MARYLAND
CLOSED SESSION
APRIL 26, 2012

TIME & PLACE: April 26, 2012 - 6:35 p.m., Government Office Building – Council Chambers, Room 301

PURPOSE: Consult with legal counsel, staff, and consultants for legal advice and to discuss pending or potential litigation

VOTE TO CLOSE: Unanimous

CITATION: Annotated Code of Maryland Sections 10-508(a)(7)(8)

PRESENT: Council President Terry E. Cohen, Council Vice President Deborah S. Campbell, Councilwoman Eugenie P. Shields, Councilwoman Laura Mitchell, Councilman Timothy K. Spies, City Clerk Kimberly R. Nichols, City Administrator John Pick, City Attorney Mark Tilghman, and Planning & Zoning Technical Services Coordinator Frank McKenzie

ABSENT: Mayor James Ireton, Jr.

During the Council's work session on April 26, 2012, Mrs. Campbell moved to convene in closed session for the purpose of consulting with legal counsel and staff for legal advice related to election redistricting. Mr. Spies seconded, the vote was unanimous, and the closed session began at 6:35 p.m.

Mr. Tilghman briefed Council on his meeting with the attorneys with the American Civil Liberties Union (ACLU) representing the National Association for the Advancement of Colored People (NAACP) regarding election redistricting plan options.

After Mr. Tilghman's briefing, at 6:53 p.m., Mrs. Campbell moved and Mr. Spies seconded to adjourn the closed session. The vote was unanimous and Council returned to open session.

*CITY OF SALISBURY, MARYLAND
CLOSED SESSION
MAY 6 – 8, 2012*

*TIME & PLACE: May 6, 2012 - 1:10 p.m., Government Office Building – Council Chambers, Room 301
May 7, 2012 – 9: a.m., Hilton Suite, 32nd St., Ocean City, MD
May 8, 2012 – 9:00 a.m., Hilton Suite, 32nd St., Ocean City, MD*

PURPOSE: Consult with legal counsel, staff, and consultants for legal advice and to discuss pending or potential litigation

VOTE TO CLOSE: Unanimous

CITATION: Annotated Code of Maryland Sections 10-508(a)(7)(8)

*PRESENT: *Mayor James Ireton, Jr., Council President Terry E. Cohen, **Council Vice President Deborah S. Campbell, Councilwoman Eugenie P. Shields, Councilwoman Laura Mitchell, Councilman Timothy K. Spies, City Clerk Kimberly R. Nichols, City Administrator John Pick, Public Works Director Teresa Gardner, ***City Attorney Mark Tilghman, Attorneys Howard Goldberg and Paul Wilber, and ****Judge Joseph F. Murphy*

** present on May 6; present on May 7 from 1 p.m. until the May 8, 2012 adjournment*

*** present on May 6; present on May 7 and May 8, 2012 until noon*

**** present on May 6, 2012*

***** present on May 7 and May 8, 2012*

Council met in open session in Council Chambers, on May 6, 2012 at 1:10 p.m. Mr. Spies moved to convene in closed session for the purpose of consulting with legal counsel, staff, and consultants for legal advice and to discuss pending or potential litigation pertaining to a possible settlement related to the Wastewater Treatment Plant (WWTP) lawsuit. Mrs. Shields seconded and the vote was unanimous.

Attorney Howard Goldberg provided a PowerPoint presentation to prepare for the mediation session scheduled for May 7 and May 8, 2012. He gave a historical synopsis of the facts as they led up to the case. The presentation included the companies responsible for the design and construction of the WWTP, and the costs associated with their respective contributions to the process.

Judge Joseph F. Murphy will facilitate the mediation process.

At 3:45 p.m., the closed session recessed and reconvened at 9:00 a.m. on May 7, 2012.

Judge Murphy relayed a settlement offer. Mr. Spies moved and Mrs. Mitchell seconded to suspend the Council Rules of Order to allow Mrs. Campbell to teleconference into the meeting on May 8, 2012, so that her vote might be counted during decision points. The motion carried on a 3 – 1 vote, with Ms. Cohen, Mr. Spies and Mrs. Mitchell voting “aye” and Mrs. Shields voting “nay.” Mrs. Campbell recused herself from the vote on suspending the rules. Negotiations continued throughout the day, with periodic recesses as necessary.

At 4:35 p.m., on May 7, 2012, the closed session recessed and reconvened at 9:00 a.m. on May 8, 2012. Negotiations, including with the other parties in the suit, continued throughout the day via Judge Murphy, with periodic recesses as necessary. Mrs. Campbell joined the discussion through teleconference, and Council received advice from Mr. Goldberg on how to proceed. A settlement offer from OBG was unanimously accepted by Mayor and Council. A settlement offer from Trojan was also unanimously accepted by Mayor and Council. No agreement was reached with other parties.

At 5:37 p.m., Mr. Spies moved and Mrs. Mitchell seconded to adjourn the closed session. The vote was unanimous, Council returned to open session, and open session adjourned at 5:38 p.m.

Kimberly R. Nichols
City Clerk

Terry E. Cohen
Council President