

AS AMENDED ON MAY 13, 2013

SALISBURY CITY COUNCIL
BUDGET WORK SESSION
MAY 2, 2013

Public Officials Present

Council President Jacob R. Day

Vice President Laura Mitchell

Councilwoman Eugenie P. Shields

Public Officials Not Present

Mayor James Ireton, Jr.
Councilwoman Terry E. Cohen
Councilman Timothy K. Spies

In Attendance

City Clerk Kim Nichols, City Administrator John Pick, Assistant City Administrator Dr. Loré Chambers, Internal Services Director Keith Cordrey, Assistant Director Internal Services – Finance Gerri Moore, Public Works Director Teresa Gardner, Public Works Deputy Director Amanda Pollick, Public Works Resource Manager Pat Stewart, and interested citizens and members of the press.

The City Council convened in a budget work session at 4:05 p.m. in Conference Room 306 of the Government Office Building.

Water & Sewer Fund – Revenues

Internal Services Director Keith Cordrey briefed Council on the significant changes for the Water & Sewer Fund revenues. The following are highlights of Mr. Cordrey's summary:

- Proposed \$485,000 increase in use of Surplus
- Proposed \$100,000 capital lease proceeds to finance new Concrete Breaker
- Proposed decreases of \$700,000 in Water Impact Fees and \$217,000 in Sewer Impact Fees
- Proposed decrease of \$625,000 General Obligation Bonds issued last year
- Proposed \$1,000,000 decrease in water and sewer sales because of the \$1,000,000 decrease due to the proposed 6.5% rate reduction

Water & Sewer Fund – Expenditures

The following is a synopsis of Public Works Director Teresa Gardner's summary of significant changes for Water Division expenditures:

81080 – Water Fund – Engineering

- Overtime increase needed to continue several projects (Isabella Street, Rt. 13 Stormwater project)
- GIS program participation with Wicomico County
- CIP Project - Park Well Field Raw Water Main & Valve Replacement
- Computer - Software licenses and maintenance fees

- Capital Outlay – Design of 24” water main pipe along Scenic Drive

82075 – Water Treatment Branch (Paleo Water Plant, Park Water Plant and storage tanks)

- Increase in overtime expenses to meet weather and other emergency needs
- Safety glasses to cover up to \$102 per person every other year
- Uniform cleaning and purchase
- Pest control spraying
- Janitorial services decrease
- Land/grounds increase to remove fallen trees and increased of sludge bed cleaning
- Elevated tank inspection and cleaning
- Office for operator work station to house the Scada computer, security computer and work space
- Chemicals account decreased based upon usage
- Operating for increased cost of supplies
- Equipment and maintenance and lab supplies increased
- Natural gas
- Capital outlay – disinfection byproducts rule improvements and tank and reservoir mixing system

82076 – Water & Sewer Branch (in-ground infrastructure) - Water portion

- Increase in operating to cover supplies
- Decrease in computers as only one new is needed
- Decrease in pagers
- Increase in gasoline based upon FY13 usage
- No capital outlays requested

83000 – Water Administration

- Safety shoes increased to cover several managers and staff that were left out last year
- Comcast services for data transmission

Ms. Gardner likewise summarized the following significant changes for the Sewer Division expenditures:

84080 – Civil Engineering Branch

- Computer software increased
- Gasoline and publications account increased
- No capital outlays requested

86083 – Wastewater Treatment Plant

- Decrease of fines by \$1,000
- Decrease skilled services, buildings, equipment maintenance, and machinery and equipment to cover increase in security cost
- Capital outlay projects include Parkside Life Station, Hampshire Rd. Lift Station, and Mill Street Lift Station

86085 – Water & Sewer Branch

- Capital outlay – backhoe & concrete breaker

Mrs. Mitchell indicated she preferred pursuing the purchase of the concrete breaker outright so as to steer away from lease-purchasing the equipment, as the life expectancy of both the new backhoe and concrete

breaker are unknown at this time. Council deliberated on whether to lease or not to lease, as a policy if there are the funds available for outright purchasing. Ms. Gardner was tasked with gathering more information on the existing concrete breaker including how long the City has used it, details of the documented breakdowns and repairs, etc. This purchase was placed on the re-visit list.

86086 – Pretreatment Section of Wastewater Treatment Branch (this group performs pre-treatment tests on local restaurants and significant users and handles the MDE Pretreatment Program)

- Increase uniform cleaning

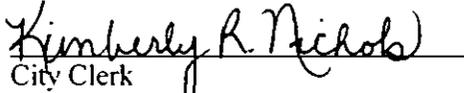
87000 – Sewer Administration

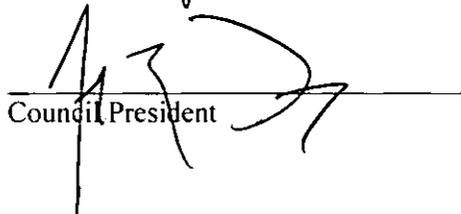
- Decrease in attorney’s fees
- Safety shoes increased
- Comcast services for data transmission

Mr. Cordrey responded to Mr. Day’s question as to why the Finance Consulting Revenue was budgeted higher in FY 13 over the Mayor’s proposed FY14 Budget. It was carried forward from FY12 to FY13 for a FY12 encumbrance (Munis services related to desk audits for documentation of various processes).

Prior to adjournment, Council discussed past pay increases for sworn officers, uniformed officers, and dispatchers for the Police Department, and Cost of Living Adjustments (C.O.L.A.) increases in general. Mr. Pick advised Council to forward budget questions to him and he would get them answered.

Thereafter, with no further discussion, Council President Day adjourned the budget work session at 5:34 p.m.


City Clerk


Council President