



MARYLAND

**SALISBURY CITY COUNCIL
WORK SESSION AGENDA**

JULY 7, 2014

**COUNCIL CHAMBERS, ROOM 301
GOVERNMENT OFFICE BUILDING**

- 4:30 p.m. Bond Council Information Session –Sam Ketterman
- 5:00 p.m. Request from Salisbury Coin Club to use City seal for commemorative coins – Ray Szmajda
- 5:15 p.m. Expansion of Henry S. Parker Sports Complex - Gary Mackes, Director Wicomico County Recreation, Parks & Tourism
- 5:45 p.m. Approving Revolving Loan Applicant – Echelon Restaurant – Terence Arrington
- 6:05 p.m. Ben’s Red Swings Enhancement Project – Mike Moulds/ Matt Drew
- 6:25 p.m. Riverside Drive & South Blvd. Bike Lanes – Mike Moulds/ Amanda Pollack
- 6:45 p.m. MOU for acquisition of surplus federal property – Chief Barbara Duncan
- 7:05 p.m. Accepting WINTF Funds – Chief Barbara Duncan
- 7:25 p.m. False Alarm Ordinance/Enhanced Call Verification – Council Discussion
- 7:55 p.m. General Discussion
- 8:00 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).*

INTER

OFFICE

MEMO

CITY CLERK

To: City Council
From: Kim Nichols
Subject: Expansion of Henry S. Parker Sports Complex
Date: July 2, 2014

The attached donation request and maps were provided by Wicomico County Recreation & Parks Director Gary Mackes for consideration at the July 7, 2014 Work Session.

Wicomico County is seeking a donation of land consisting of 34.94 acres from the City of Salisbury to expand the Henry Parker Athletic Complex. Expansion of this facility will position the County to retain, grow and attract new events amateur sports tournaments which benefit the local economy.

Background:

Wicomico County has established a regional brand encompassing 12 Mid-Atlantic States as a venue to hold amateur sports tournaments. Last year, Wicomico hosted 13 tournaments attracting 860 teams. These events required over 18,000 hotel room nights infusing over \$11,400,000 into the local economy and an additional \$4,500,000 into the regional economy primarily in Ocean City.

One event, brought here by the United States Sports Specialty Association (USSSA) is a Girls World Series which attracted 400 teams over a 3 week period requiring. The event required 19 fields some of which were located outside the County.

Agreement with the USSSA and other event organizers will be obtained to add baseball and 3 other field sports tournaments here. This equates to 12 new tournaments to be phased in over the next 4 years. The anticipated economic impact from them is \$7,000,000.

An agreement with Ocean City to form a regional marketing partnership known as the Mid Atlantic Amateur Sports Marketing Alliance (MAASA) and a relationship with Maryland's Office of Sports Marketing to market MAASA to event organizers will aid the County's ability to grow this market. The Mid Atlantic Amateur Sports Marketing Alliance (MAASA) features a web site, published collateral and joint utilization of facilities & an established hotel booking service to offer room blocks, best available rates & event organizer rebates to accommodate events. Maryland's Office of Sports Marketing will market MAASA to event organizers. To our knowledge this is the first partnership of its kind.

The agreement with USSSA requires a host site featuring 8 softball/baseball fields and 8 soccer/lacrosse fields. The County intends to expand the Henry Parker Sports Complex (HPSC) to meet this request. A site design and estimate was prepared to construct 4 soccer & 3 baseball fields; lighting an existing softball field; and expanding parking & patron amenities. The project's estimate is \$3,000,000.

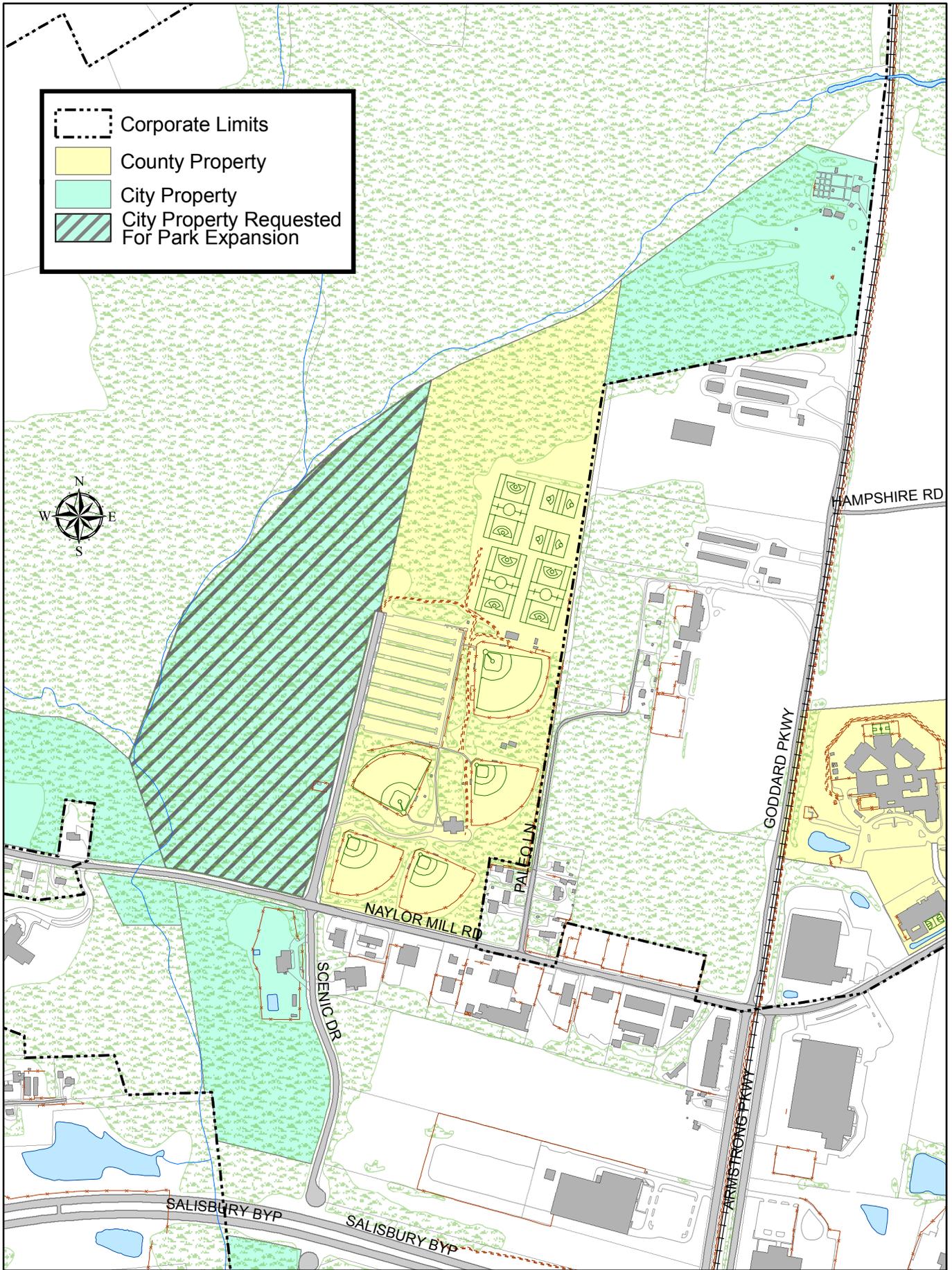
The State too benefits from the economic impact generated from these events. For every \$14.50 spent, the State generates \$1.00 in tax revenue (sales, income and corporate income tax). Utilizing this formula (source: Market & Economic Analysis Wicomico Youth & Civic Center 1/2012 by Crossroads Consulting Services; commissioned by the Maryland Stadium Authority), the State's annual tax yield would increase by 50% from \$800,000 to \$1,200,000.

Since this project fits within Maryland's mission to retain & grow business in a very competitive market place, it allocated \$1,000,000 to expand the Parker Complex in its FY15 budget. This will be matched equally by the County. Construction will begin in November 2014. Additional funding from the State will be sought next year to complete the project. A completion date of April 2016 has been set.

The City of Salisbury equally benefits from this expansion. Benefits include room tax and increased traffic to its hotels, restaurants, retail and attractions. It also enhances its citizen's quality of life as the complex is utilized by public recreation sports leagues.



-  Corporate Limits
-  County Property
-  City Property
-  City Property Requested For Park Expansion



INTER

OFFICE

MEMO

OFFICE OF THE MAYOR

To: Tom Stevenson
From: Terence Arrington
Subject: Revolving Loan Application
Date: June 24, 2014

Upon your review and approval, please advance the attached letter of commitment and resolution approving Echelon Sby LLC application requesting assistance by way of the City of Salisbury Revolving Loan Fund. The Banker's Review Committee reviewed Echelons business plan and cash flow projections for this project and unanimously recommended Chauwan Matthews, owner of Echelon Sby LLC to receive \$24,000 in Revolving Loan funds. The funds will be used to help finance the renovation of Echelon Southern Bistro and Lounge located at 100 North Division Street formally the Seth Mitchell Law Office in Downtown Salisbury. This loan is securable by a Uniform Commercial Code (UCC) filing with the State of Maryland, positioning the City as first lienholder on all equipment within the facility. The execution of this loan is contingent upon Echelon sby LLC receiving a secondary loan from Maryland Capital Enterprises (MCE) up to \$25,000. The total estimated cost of the project is approximately \$88,162.

Salisbury's Revolving Loan Fund was established in FY 83 using Community Development Block Grant (CDBG) funds originally intended for a bulk-heading project. When the project could not be undertaken, the City was directed to appropriate the funds into a Revolving Loan Fund to support revitalization efforts in Downtown Salisbury. Since 1983, Revolving Loan Funds have been used as a resource to business owners who own property in Downtown Salisbury. Salisbury's Revolving Loan Program has assisted in the revitalization of numerous of properties in the Downtown Salisbury, primarily on Main Street.

The Director of Finance monitors the funding for this program. M&T Bank services all loan approved by City Council under an agreement with the City. Eligible business owners can apply for a loan by contact the Business Development Specialist located in the Office of Community Development. Eligible application are forward to the Assistant City Administrator for review with members of the Bankers Review Committee. After review, the Committee members make a motion to advance approved applications to City Council for considerations. If a borrower is delinquent on payment, M&T will notify the City.

Revolving Loan Application

Page 2 of 2

The Banking committee is comprised of Martin Neat from First Shore Federal Bank, Heather Bacher-Smith from M&T Bank, Dennis Hebert from Shore Bank, and William Turner of from Farmer's Bank of Willards. The Assistant City Administrator and Business Development Specialist administrate the Revolving Loan Program with recommended action from members of the Banker's Review Committee.

In order to qualify for a loan, the applicant must own or lease the property, use the proceeds of the loan to establish a business in Downtown Salisbury. Approved applicants must be willing to personally guarantee the loan. The Banking Committee reviews the information presented by the applicant, and makes a recommendation to the City Council based on a number of factors, including the ability of the applicant to repay the loan, the contribution to Downtown Development, conformity to program guidelines, and the soundness of the loan. Most, if not all, of the loans made under this program have been for the purpose of exterior or interior renovations to the building owned or leased by the applicant.

Attachments: Letter of Commitment
Resolution approving the loan

Notwithstanding any provision to the contrary above, I do not authorize the City of Salisbury to share my personal information with the Mayor, City Council, City Solicitor, and/or the Bankers Review Committee, other than information the City of Salisbury may share as otherwise provided by law.

ASSETS		LIABILITES	
Cash on hand and in Banks (Schedule 1)	\$5,000	Notes Payable to Banks (Schedule 5)	\$
Cash Value of Life Insurance (Schedule 2)		Loans on Cash Value of Life Ins. (Schedule 2)	
Stocks and Bonds – at market (Schedule 3)		Notes Payable to Others (Schedule 5)	
Real Estate – at market (Schedule 4)		Mortgages Payable (Schedule 4)	
Autos and Trucks	\$8000	Charge Accounts and Bills Payable (Schedule 6)	
Accounts or Notes Receivable		Other Liabilities (Itemize)	
Other Assets (Itemize)			
Refrigerator, 2 convection ovens, microwave, freezer, pizza oven, induction plate, Furniture, glassware, flat ware, grills (3), electronics	\$16000		
		Total Liabilities	
		Net Worth (Total Assets Minus Total Liabilities)	
Total Assets	\$29,000	Total Liabilities and Net Worth	\$

INCOME INFORMATION			PERSONAL INFORMATION		
	Person 1	Person 2		Person 1	Person 2
Gross Salary – Annual	\$34,275	\$	Date of Birth	08/04/1978	
Bonus			Social Security Number		
Rental Income			Have you ever been bankrupt?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Dividend or Investment Income			Are you a defendant in any legal action?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Other income (income from alimony, child support or separate maintenance need not be revealed if you do not choose to rely upon such income in applying for credit.)			Do you endorse, guaranty, or co-sign any loan not listed above? (Schedule 7)	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
			Are you under indictment, on probation or parole or ever been convicted for a criminal offense?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No
Total Income	\$34,275	\$	Are any of your taxes past due?	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	<input type="checkbox"/> Yes <input type="checkbox"/> No

Attach additional schedules if necessary

Schedule 1 CASH ON HANDS & IN BANKS				
Name of Bank	Type of Account	Maturity (if any)	Assigned to (if any)	Amount
				Total \$

Schedule 2 CASH VALUE OF LIFE INSURANCE					
Face Amount	Name of Insurance Company	Beneficiary	Loans on Cash Value of Life Insurance	Assigned to (if any)	Cash Value
\$			\$		\$

Total \$

Total \$

Schedule 3

STOCKS & BONDS

No. of Shares	Description	Owner(s) of Record	Assigned to (if any)	Market Value
				\$
Total \$				

Schedule 4

REAL ESTATE

Location and Property Use	Owner(s) of Record	Year Acquired	Cost	Mortgage Balance	Held By	Monthly Payment	Market Value
			\$	\$		\$	\$
Total \$				Total \$			

Schedule 5

NOTES PAYABLE TO BANKS & OTHERS

Name of Creditor	Type of Note	Monthly Payment	Maturity	Secured By	Endorsed or Guaranteed by	Present Balance
		\$				\$
Total \$						

Schedule 6

CHARGE ACCOUNTS & BILLS PAYABLE (list only amounts over \$500)

Owed to	Type of Account	Monthly Payment	Secured by	Present Balance
		\$		\$

Schedule 7

LOANS ENDORSED, GUARANTEED OR CO-SIGNED

Name of Borrower	Type of Loan	How obligated (endorser guarantor or co-signer)	Secured by	Present Balance
				\$
				\$



City of Salisbury

125 North Division Street
Room 304
Salisbury, MD 21801

LOAN APPLICATION Downtown Revolving Loan Program

I. APPLICANT INFORMATION

1. Name of Applicant: Chauwan Matthews
 Mailing Address: 100 N. Division St. Salisbury, MD 21801
 Telephone Number(s): 410-430-8304 (Office)
 _____ (Home)
 _____ (Cell)
 _____ (Fax)
 E-Mail Address: echelonsby@gmail.com

2. Taxpayer I.D. Number: 45-5393640
 3. This Loan is Being Requested for the Following General Purpose (check one):
 a. To provide funds for a new business start-up in Salisbury
 b. To provide funds for the expansion and/or renovation of
 an existing business in Salisbury

4. Name of Existing Business or Proposed New Business:
(Bistro At The Links LLC) Echelon Sby Southern Bistro and Lounge

5. Location of Existing Business or Proposed New Business:
100 N. Division Street Salisbury MD 21801

6. Form of Organization (Sole proprietorship, LLC, LLP, PA, Corporations, etc.)
LLC

(Attach a copy of articles of incorporation or partnership agreement, if applicable. [For all partners or corporate officers, attach a list of the names, addresses, telephone numbers, social security numbers and % ownership.]

If applicant is leasing building, indicate names of lessor and attach a copy of the lease agreement:
Division Street Properties LLC

7. Describe the nature of the business to be assisted, including types of products and/or Services to be offered:
Restaurant serving lunch and dinner daily. Full bar offering happy hour daily. Venue for local musicians, comedians, poets, and other local artists. Showcasing craft beers, local wines, and craft liquors.

8. Indicate approximate date of opening of new business (if appropriate):
July 2014

9. Does the applicant have previous experience in this type of business? yes If yes, indicate nature of said experience:
15 years management experience in local retail and restaurant establishments. 10 yrs restaurant experience including cafe, lunch counter, and sit down restaurants.

II. BUILDING INFORMATION – Tenant /Owner

Building Name: Division Street Building
 Property Owner: Division Street Properties LLC
 Property Owner Address: 100 N Division Street Salisbury MD 21801
 Property Owner Phone No.: 914-629-5307
 Legal Description: _____

Address: 100 N. Division St. Salisbury MD 21801
 No. of Stories: Building 3- leasing ground floor
 Ground Floor Sq. Ft.: 2500
 Total Sq. Ft.: _____

Assessed Market Value: _____ Approved Market Value: _____
 # of Residential Units: _____ # of Bedrooms in each: Unit 1: _____

Unit 2: _____
 Unit 3: _____
 Unit 4: _____
 Unit 5: _____
 Unit 6: _____
 Unit 7: _____
 Unit 8: _____

Space Allocation	
Retail %: _____	Residential %: _____
Office %: _____	Other %: _____
Other Commercial %: _____	

III. FINANCIAL INFORMATION

FINANCIAL SUMMARY	AMOUNT 200,000
Appraised Value of Property 200,000	\$
Existing Financing	
First and Second Mortgage(s) or Other Long-term Debt(s)	\$
Other Loans or Debts	\$
Gross Equity in Property	\$
Total Project Cost (as per attached estimates)	\$ 88,162
Applicants Investment (provide confirmation of investment)	\$ 39,829
Balance to be Financed	\$
	48,333
Committed Project Financing (provide confirmation of financing)	\$
Requested Revolving Loan Amount	\$ 24,000

3. Provide evidence of the commitment of applicant's share.

Echelon Southern Bistro and Lounge

BUSINESS AND MARKETING PLAN

June 11, 2014

Confidential

Chauwan Matthews, Owner
100 Division St., Salisbury, MD 21801
410-430-8304
echelonsby@gmail.com

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FINANCING REQUEST

The following business plan proposes financing for opening Echelon Southern Bistro and Lounge, located at the corner of N. Division and W. Main Streets on the Downtown Plaza in Salisbury. Echelon is owned by Chauwan Matthews, who operated as *Bistro at the Links* in Delmar for three years. Chauwan has a following from the Bistro operations, including a catering clientele.

A 1-year lease has been signed, with an option to renew for five years. The Downtown Plaza area is growing as a night entertainment district and now has four bars open at night, and four restaurants open during the day. Echelon will be open for lunch, and dinner and live entertainment in the evening. The monthly rent is \$1,500. Renovations started in February and the business will open during the second week in July, 2014.

Projected start-up costs total \$88,162. The plan proposes a financing package of \$48,333.

Sources of Funds:

Owner Investment	\$39,829
Term Loan-MCE	\$25,000
City of Salisbury	<u>\$23,333</u>
Total:	<u>\$88,162</u>

Uses of Funds (Refer to Table 1: Year 1 Cash Flow Projections for detail and assumptions):

Inventory	\$ 4,000
Build-out/Renovations	\$50,028
Equipment	\$ 3,000
Décor	\$ 6,091
Licenses/Permits	\$ 4,000
Insurance	\$ 4,100
Marketing	\$ 600
Menus	\$ 300
Phone/Internet	\$ 310
Pest Control	\$ 135
Legal	\$ 300
Closing Costs	\$ 1,300
Working Capital	<u>\$13,998</u>
Total	<u>\$88,162</u>

Financial Projections

Echelon projects \$178,846 in 2014 revenues (six months' revenue; restaurant opening in July), increasing to \$366,346 by the end of 2015 (12 months' revenue; represents 2% increase over 2014 if the restaurant had been open a full year in 2014). Projected positive cash flow of \$61,577 in the first year will be sufficient to cover debt service. (See Cash Flow Projections Table 1, 1B, 1C and 2 spreadsheets for detail).

Competitive Advantages

Echelon approaches the marketplace with the following competitive advantages:

- **PRE-LAUNCH PUBLICITY:** At the April Third Friday downtown event, Mayor Ireton announced that Echelon was opening on the Plaza. In addition, owner Chauwan Matthews has interviewed on WMDT News along with City Council President Jake Day about the resurgence of businesses downtown and Echelon's upcoming opening. WhySBY News has interviewed Chauwan about Echelon's upcoming opening. Rinnier sent out press releases to all the local businesses in Salisbury about Echelon.
- **EXPERIENCE AND EXPERTISE:** 7 years restaurant experience , 2 successful restaurants
 - **Good Fellas in Delmar** (2008-2010), Chauwan grew the restaurant from \$12,000 a month to \$20,000. The business closed when the landlord raised the rent sharply.
 - **Bistro at the Links** (2011-2013), the business generated \$96,000 in sales in 2013.
- **LOYAL FOLLOWING:**
 - Extensive, established catering clientele, including PRMC, Delmarva Surgery Center, Pohanka, Delmar Auto Outlet (weekly catering), Courtesy Chevrolet, Good Will, local churches
 - Established customer base from the catering clientele who have indicated enthusiasm for the move to Salisbury. Also, Bistro had a strong following of younger patrons from Salisbury when it had live entertainment, including SU's Radio Station DJ who brings 40-50 people with him.
- **EXCELLENCE CUSTOMER SERVICE:** Chauwan visits tables and responds quickly to customer issues. The Bistro had a strong reputation for outstanding customer service.
- **UNIQUE AND FLAVORFUL FOOD AND BEVERAGES:** Comfort food with a healthy twist, such as baked instead of fried chicken, mac n cheese with higher grades cheeses, fish taco instead of beef.

COMPANY PROFILE

Company Description

Echelon will provide a unique and modern café and lounge concept that is conducive to the demographics Salisbury shows, and will bring fresh life to a reemerging downtown. Echelon will showcase local talent, wineries, and craft breweries. It will seat 70 guests, and will have a bar, dining area, lounge.

The site is located at 100 Division St. in Downtown Salisbury. The total space is 2,000 square feet.

We will be serving lunch and dinner. The cuisine will be modern southern; a modern twist on classic southern comfort foods, also offering health conscious and vegetarian/vegan options. Hours of operations will be Monday-Wednesday from 11 am to midnight; Thursday-Saturday from 11 am-2am.

Business Structure

The company is registered as a Maryland Limited Liability Company (LLC) owned by Chauwan Matthews.

Licenses/Permits

Echelon requires the following licenses and permits to operate:

- Wicomico County Health Department permit
- Wicomico County Liquor Board license
- Wicomico County Trader's License
- City of Salisbury Business License

Suppliers

- **Food and Dry Goods:** Sam's Club, Sysco, Holt
- **Liquor: Beer and wine distributors:** Eastern Shore Distributors, Carey Distributors, F.P. Winner

Management/Staffing

- Manager/Chef (1): owner Chauwan Matthews
- Asst. Cook (2)
- Wait Staff (4)
- Bartenders (3)
- Bar backs (2)

MARKET ASSESSMENT AND MARKETING PLAN

Market Scope

The market scope is the Lower Shore, including people working in the Downtown Area, local residents, and visitors to the area.

Customer Segments

Echelon will provide an atmosphere conducive to conversation, enjoying music, and social gathering and interaction. It is not a sports bar with multiple TVs on at all times, and loud music that inhibits conversation.

Echelon will target its marketing efforts to the following customer segments (25-55 years old):

- Young professionals, particularly in the downtown area
- Pre-established clientele
- Law enforcement officers, county and city officials
- Couples (not a sports bar)
- 30's for jazz on Thursday nights

Competitors

Echelon will compete with the following restaurants in the downtown Plaza area:

- Mojo's: higher price points for food; less variety-majority of meals is seafood; closed Sundays, doesn't open until 4 pm on Saturdays
- Roadie Joe's: hamburgers, etc. Doesn't open until 4 pm., no lunch service
- Cellar Door: caters to an older crowd; no entertainment; more of a pub atmosphere; closed Sundays
- Mabella's: sells mainly pizza; only open until 5 pm.

We offer different food options and a clearly different concept than what is already present in the Downtown Area. Our menu will include soul food with a modern, healthier twist: half a Cornish hen with greens; more herbs and spices without cooking with bacon fat; a better quality cheese for Mac 'n Cheese, healthy salads with vinaigrette, chicken salad on a lettuce wrap, veggie Panini sandwich. Highest price dish will be \$13 (Cornish hen).

Entertainment will include jazz on Thursdays, eclectic local artists on Fridays, DJ on Saturdays for dancing.

Marketing Activities

Most of Echelon's marketing will be through social media, targeting its customer segments that are younger, professional:

1) Strong internet Presence

- a. Website
- b. Mobile App
- c. Facebook
- d. Twitter
- e. Instagram
- f. Trip Advisor
- g. Yelp
- h. Mass e-mail campaign; currently has 400 email addresses); will use email address/comment cards at the tables to get email addresses for a discount

2) Signage

- a. Large sign on front of building, well-lit and easily seen

3. Ads- online and newspaper

- a. Facebook
- b. Deal Chicken (on front page of The Daily Times)
- c. The Guide

4. Flyers

5. Door-to-Door, grass roots company introduction campaign

6. **Restaurant Reviews:** Go Magazine

ECHELON
YEAR 1 CASH FLOW PROJECTIONS

TABLE 1

	CASH FLOW												TOTAL	
	2014 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec		
CASH (Begin of Month)	0	0	0	0	0	0	998	23094	30144	35922	41565	48166		
INCOME														
Revenue: Food*							15000	15000	14000	14000	15000	20000	93000	
Revenue: Liquor**							13846	13846	12923	12923	13846	18462	85846	
Owner Investment	39829												39829	
Loan-MCE							25000						25000	
Loan-City of Salisbury						23333							23333	
Tot. income	39829	0	0	0	0	0	23333	53846	28846	26923	26923	28846	38462	267008
Tot. Cash and Inc.	39829	0	0	0	0	0	23333	54844	51940	57067	62845	70411	86627	
EXPENSES														
COGS: Food (30%)		0	0	0	0	0	4500	4500	4200	4200	4500	6000	27900	
COGS: Liquor (25%)		0	0	0	0	0	3462	3462	3231	3231	3462	4615	21462	
Owner Draw							1000	1000	1000	1000	1000	1000	6000	
Wages***							6000	6000	6000	6000	6000	6000	36000	
Taxes (11%)		0	0	0	0	0	660	660	660	660	660	660	3960	
Inventory							4000						4000	
Renovations (See T1B for detail)	33028						17000						50028	
Equipment (Convection Oven)							3000						3000	
Décor (See Table 1C for detail)	2391						3700						6091	
Rent/Mortgage		0	0	0	0	0	0	1500	1500	1500	1500	1500	7500	
Bus Liability insur (Farmers)	1900												1900	
Utilities (electricity)							800	800	800	800	800	800	4800	
Phone /Internet	310						410	410	410	410	410	410	2770	
Worker's Comp Insurance	2200												2200	
License/permits							4000					450	4450	
Dues & Subscriptions							225						225	
Bank Fees		0	0	0	0	0	555	555	518	518	555	740	3443	
POS System fees							255	255	255	255	255	255	1530	
Debt repay MCE (8%/5 yrs)								507	507	507	507	507	2535	
Debt repay CitySal (1%/5 yrs)								399	399	399	399	399	1995	
Closing Costs							1300						1300	
Legal & Accounting							300						300	
Trash							100	100	100	100	100	100	600	
Pest Control							135	135		135			405	
Repair/Maintenance							200	200	200	200	200	200	1200	
Security System							50	50	50	50	50	50	300	
Cleaning/Office supplies							52	52	52	52	52	52	312	
Menus							300						300	
Marketing/Advertising							600	100	100	100	100	100	1200	
Liquor Tax (9%)		0	0	0	0	0	1246	1246	1163	1163	1246	1662	7726	
TOTAL EXPENSES	39829	0	0	0	0	0	22335	31750	21796	21145	21280	22246	25050	205431
CASH (End of Month)	0	0	0	0	0	0	998	23094	30144	35922	41565	48166	61577	
Operating Profit/(Loss)		0	0	0	0	0	998	22096	7050	5778	5643	6600	13411	

Asumptions:

***Revenue/Food:** Projections are based on owner's previous experience operating a restaurant in Salisbury; they averaged \$27,000/month with no alcohol served and serving breakfast, lunch and dinner (open seven days/week)

Echelon will be open six days a week, and is projecting @\$15,000/month for food since they will be serving alcohol, which reduces food revenue in the owner's experience. Includes Catering and lunch deliveries; Echelon already has a catering clientele from its Bistro Restaurant.

Projected food revenue fluctates by month due to seasonal variations such as families dining out a little less in Sept, Oct. due to school opening; revenues increase during the holiday months due to catering and holiday parties

****Revenue/Liquor:** Liquor is projected to be 48% of total sales. Projections are based on owner's previous experience running Bistro at the Links in Delmar, which had entertainment on Friday and Saturday nights and did \$400-500 in liquor sales within that closed community = @ \$13,000/month. Echelon will be in a central location within a much bigger catchment area. Delmar capacity was 42 patrons; new site will have 70 occupancy. Also, the Echelon demographic is younger with a higher ticket (\$7-8 per drink vs. \$5 in Delmar for older clientele).

*****Wages** include 4 waitstaff, 3 bartenders, 2 barbacks (this staff will be paid \$3.68/hour and average 30 hrs/week). 2 kitchen staff will be paid \$8/hr. The owner will be the manager and main cook.

ECHELON
YEAR 2 CASH FLOW PROJECTIONS

TABLE 2

	CASH FLOW												TOTAL
	2015 Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
CASH (Begin of Month)	61577	68072	74567	81899	87045	94867	98499	106042	112537	119032	124891	130936	
INCOME													
Revenue: Food*	15000	15000	16000	15000	16000	16000	16000	15000	15000	14500	15000	22000	190500
Revenue: Liquor**	13846	13846	14769	13846	14769	14769	14769	13846	13846	13385	13846	20308	175846
Owner Investment													0
Other Investment													0
Loan													0
Tot. income	28846	28846	30769	28846	30769	30769	30769	28846	28846	27885	28846	42308	366346
Tot. Cash and Inc.	90423	96918	105336	110746	117814	125636	129269	134888	141383	146917	153737	173244	
EXPENSES													
COGS: Food (30%)	4500	4500	4800	4500	4800	4800	4800	4500	4500	4350	4500	6600	57150
COGS: Liquor (25%)	3462	3462	3692	3462	3692	3692	3692	3462	3462	3346	3462	5077	43962
Owner Draw	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	1000	12000
Wages***	6500	6500	6500	6500	6500	6500	6500	6500	6500	6500	6500	6500	78000
Taxes (11%)	715	715	715	715	660	715	715	715	715	715	715	715	8525
Equipment													0
Rent	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	1500	18000
Business Liability Insurance						1900							1900
Utilities (electricity)	800	800	800	800	800	800	800	800	800	800	800	800	9600
Phone /Internet	410	410	410	410	410	410	410	410	410	410	410	410	4920
POS System fees	255	255	255	255	255	255	255	255	255	255	255	255	3060
Worker's Comp Insurance						2100							2100
License/permits				1350							450	200	2000
Dues & Subscriptions							225						225
Bank Fees	555	555	592	555	592	592	592	555	555	537	555	814	7052
Debt repay MCE (8%/5 yrs)	507	507	507	507	507	507	507	507	507	507	507	507	6084
Debt repay CitySal (1%/5 yrs)	399	399	399	399	399	399	399	399	399	399	399	399	4788
Legal & Accounting			300										300
Trash	100	100	100	100	100	100	100	100	100	100	100	100	1200
Pest Control			135			135			135			135	405
Repair/Maintenance	200	200	200	200	200	200	200	200	200	200	200	200	2400
Security System	50	50	50	50	50	50	50	50	50	50	50	50	600
Cleaning/Office supplies	52	52	52	52	52	52	52	52	52	52	52	52	624
Liquor Tax (9%)	1246	1246	1329	1246	1329	1329	1329	1246	1246	1205	1246	1828	15826
Marketing/Advertising	100	100	100	100	100	100	100	100	100	100	100	100	1200
TOTAL EXPENSES	22351	22351	23437	23701	22947	27137	23227	22351	22351	22026	22801	27242	281921
CASH (End of Month)	68072	74567	81899	87045	94867	98499	106042	112537	119032	124891	130936	146002	
Operating Profit/(Loss)	6495	6495	7332	5145	7822	3632	7542	6495	6495	5859	6045	15066	

ASSUMPTIONS
*Revenue-Food: Food Revenue projections are conservative, representing a modest increase over 2014 if the restaurant had been open for 12 months.

**Revenue-Liquor: Assumes 48% of total revenues

***Same staffing and hours; pay rate will increase due to hike in minimum wage

6/16/2014

BISTRO AT THE LINKS LLC 2012 -2013

Total	184,556
Food	67,200
Wine	5,776
Liquor	----
Beer	71,820
Soft Beverages	7,680
Catering	32,000
COGS	
Food	13,440
Wine	1,440
Liquor	----
Beer	15,120
Soft Beverages	3,840
Catering	6,418
TOTAL COGS	40,258
Gross Profit	144,298
Labor Cost	60,000
Opening Costs	8,400
OCCUPANCY	
Rent	21,600
Property Tax	-----
Waste Removal	1,068
Insurance	601.44
Utilities	3,747.60
Equipment Repairs	-----
Building Repairs	929
Total Occupancy	27,973.04
Entertainment	12,000
Net Profit/Loss	35,924.96

LEASE AGREEMENT

This Commercial Lease Agreement made this 28th day of January, in the year 2014, between Division Street Properties LLC, (hereinafter called the "Lessor") and Chauwan Mathews (hereinafter called the "Lessee").

WITNESSETH: The parties hereto, for the considerations hereinafter mentioned, covenant and agree as follows:

1. The "Lessor" hereby leases to the "Lessee" the following described premises:
100 North Division Street, Salisbury Maryland 21801, The first floor consisting of 2000 S.F. To be used for: Restaurant Business
2. **TO HAVE AND TO HOLD** the said premises with their appurtenances for the term beginning on February 1st, 2014 and ending on January 31st, 2015 subject to termination and renewal rights as may be hereinafter set forth. Lessee is given permission to begin build out immediately following lease signing of this agreement, however the lease term will officially begin February 1st for rent payment purposes.
3. Tenant covenants and agrees to pay to Landlord, or its designee: Division Street Properties LLC without notice or demand and without abatement, deduction or set-off, in funds drawn on a member bank of the Federal Reserve System the following:
4. **Lease Term:** The said lessee is to have and hold the leasehold premises for a term of **1 Year** beginning on the commencement date of this Lease as hereinafter defined and ending 1 Year after and subsequent to the said commencement date.
5. **Minimum Rent:** Tenant shall pay in advance, on the first day of each calendar month, annual minimum rent as follows: The **1st** year shall be Fifteen Hundred Dollars \$1,500.00 per month. This rent will be waived for the first 6 months, meaning tenant will begin paying rent August 1, 2014. During the first 6 months tenant will still be responsible for utilities, and costs associated with operating their business. A late charge of **2%** will be assessed for all payments received after the **5th** day of the month. "Lessee" agrees to pay "Lessor" a **\$45.00** return check fee for all checks returned by the bank for any reason. "Lessee" agrees to pay for all court costs, collection fees, and attorneys fees, should "Lessee" default on this lease for any reason.
6. **Amount of Security Deposit:**
 - (a) "Lessee", simultaneously, with the execution of this Lease, has deposited with the "Lessor" the sum of **\$1,500.00** Dollars, receipt of which is hereby acknowledged by the "Lessor". Said deposit shall be held by "Lessor", without liability for interest, as security for the faithful performance by "Lessee" of all the terms, covenants and conditions of this Lease by said "Lessee" to be kept and performed during the term hereof. If at any time during the term of this Lease, any of the rent herein reserved shall be overdue and unpaid, or any other sum payable by "Lessee" to "Lessor" hereunder shall be overdue and unpaid, then "Lessor" may, at the option of "Lessor", (but "Lessor" shall not be required to), appropriate and apply any portion of said deposit to the payment of any such overdue rent or other sum.

- (b) **USE AND RETURN OF DEPOSIT:** In the event of the failure of "Lessee" to keep and perform any of the terms, covenants and conditions of this Lease by "Lessee", then the "Lessor" at its option may, after terminating this Lease, appropriate and apply said entire deposit, or so much thereof as may be necessary to compensate the "Lessor" for all loss or damage sustained or suffered by "Lessor" due to such breach on the part of the "Lessee", its agents, servants, employees, concessionaires, officers, licensees, invitees, or contractors. Should the entire deposit, or any portion thereof be appropriated and applied by "Lessor" for the payment of overdue rent or other sums due and payable to "Lessor" by "Lessee" hereunder, then "Lessee" shall, upon written demand of "Lessor", forthwith remit to "Lessor" a sufficient amount in cash to restore said security to the original sum deposited, and "Lessee's" failure to do so within fifteen (15) days after receipt of such demand, shall constitute a breach of this Lease. Should "Lessee" comply with all of said terms, covenants and conditions and promptly pay all of the rental herein provided for as it becomes due and all other sums payable by "Lessee" to "Lessor" hereunder, the said deposit shall be returned in full to "Lessee" following the expiration of this Lease or upon the earliest termination of this Lease.
- (c) **TRANSFER OF DEPOSIT:** "Lessor" may deliver the funds deposited hereunder by "Lessee" to the purchaser of "Lessor's" interest in the premises, in the event that such interest is sold and thereupon, "Lessor" shall be discharged from any further liability with respect to such deposit.

Covenants of "Lessee":

7. And said "Lessee" does hereby covenant and agree with said "Lessor" that it will:
- (a) Pay said rent at the times and place and in said manner aforesaid;
 - (b) Use and occupy said premises in a careful and proper manner;
 - (c) Not commit any waste therein;
 - (d) Not use or occupy said premises for any unlawful purpose; and will conform to and obey all present and future laws and ordinances and all rules, regulations, requirements and orders of all governmental authorities or agencies, respecting the use and occupation of (but not repairs or alterations in or to) the demised premises.
 - (e) Not assign this Lease nor sublet said premises nor any part hereof, without the written consent of said "Lessor", provided, however, such consent shall not be unreasonably withheld;
 - (f) Not use or occupy said premises or permit the same to be used or occupied for any purpose or business deemed extra hazardous on account of fire or otherwise;
 - (g) Make no alterations or additions in or to said premises without the written consent of said "Lessor" which consent shall not unreasonably be withheld;
 - (h) Leave the premises at the expiration or prior termination of this Lease or any renewal or extension thereof in as good condition as received or in which they may be put by the "Lessor", excepting reasonable wear and tear and damage arising from the negligence or default of the "Lessor" or its agents or employees, or from any of the causes set forth in Paragraph 9(a);
 - (i) Permit the "Lessor" to enter upon said premises at all reasonable times, with prior notice, 24 hours in advance to examine the condition of same;
 - (j) Indemnify and save harmless the "Lessor" from and against any loss, damage and liability (except fire loss and losses commonly insurable by extended coverage endorsement) occasioned by, growing out of, or arising or resulting from any default hereunder, or any tortuous or negligent act on the part of the "Lessee", its agents or employees;
 - (k) Maintain the interior and the glass in the exterior wall of the demised premises in good repair and able condition during the continuance of this Lease, except in case of damage

arising from the negligence of the "Lessor" or its agents or employees; subject, however, to the provisions of Paragraph 9(a);

- (l) Pay metered utility bills as they become due; maintain the premises at its expense in a clean, orderly and sanitary condition, by use of Dumpster, if necessary.
- (m) Lessee shall not store any items outside of said building. All property of Lessee shall be stored inside at all times.
- (n) Liability Insurance: "Lessee" shall, during the entire term hereof, keep in force and effect a policy of public liability and property damage insurance with respect to the premises, and the business operated by "Lessee", in which the limits of public liability shall not be less than One Million and 00/100 Dollars (\$1,000,000.00) per person and One Million and 00/100 Dollars (\$1,000,000.00) per accident and in which the property damage liability shall not be less than One Million and 00/100 Dollars (\$1,000,000.00). Such policy or policies shall name "Lessor" and "Lessee" as insured and shall contain a clause that the insurer will not cancel or change the insurance without first giving the "Lessor" ten (10) days prior written notice.
- (o) Lessee assumes all responsibility for making any and all leasehold improvements or alterations. Any such work shall first have the written approval of Lessor.
- (p) Lessee shall be responsible for maintaining the exterior grounds of the property including snow removal and landscaping.

Covenants of "Lessor":

- 8. And the "Lessor" on its part covenants and agrees with the "Lessee" that it will:
 - (a) Maintain the exterior (including roof, walls and structural systems but excluding glass) and concrete floors, replace and maintain heating and air conditioning units of the demised premises in good repair and tenantable condition during the continuance of this Lease, except in case of damage arising from the negligence of the "Lessee" or its agents or employees; subject, however, to the provisions of Paragraph 9(a);
 - (b) Indemnify and save the "Lessee" harmless from and against any loss, damage and liability (except fire loss and losses commonly insurable by extended coverage endorsement) occasioned by, growing out of or arising or resulting from any default hereunder or any negligent act on the part of the "Lessor", the "Lessor's" agents or employees; and

Mutual Covenants:

- 9. It is mutually agreed by and between the "Lessor" and the "Lessee" that:
 - (a) If the "Lessee" shall pay the rent as herein provided, and shall keep, observe and perform all of the other covenants of this Lease, the "Lessee" shall and may peaceably and quietly have, hold and enjoy the said premises for the term aforesaid;
 - (b) If the "Lessee" shall at any time be in default in the payment of rent herein reserved, or in the performance of any of the covenants, term, conditions or provisions of this Lease, and the "Lessee" shall fail to remedy such default within twenty-one (21) days after written notice thereof from the "Lessor"; or if the "Lessee" shall be adjudged a bankrupt, or shall make an assignment for the benefit of creditors, or if a receiver of any property of the "Lessee" in or upon said premises be appointed in any action, suit or proceeding by or against the "Lessee" or if the interest of the "Lessee" in said premises shall be sold under execution or other legal process, it shall be lawful for the "Lessor" to enter upon said premises, and again have, repossess and enjoy the same as if this Lease had not been made, and thereupon this Lease and everything herein contained on the part of the "Lessor" to be done and performed shall cease and determine, without prejudice, however, to the right of the "Lessor" to recover from the "Lessee" all rent due up to the time of such entry. In case of any such default by "Lessee" and entry by "Lessor", the "Lessor" shall attempt to mitigate losses by re-leasing the demised premises for the

remainder of said term for the highest rent obtainable and may recover from the "Lessee" any deficiency between the amount so obtained and the rent herein reserved;

- (c) This Lease and all the covenants, provisions and conditions herein contained shall inure to the benefit of and be binding upon the heirs, legal representatives, successors and assigns of the parties hereto; provided, however, that no assignment by, from, through or under the "Lessee" in violation of any of the provisions hereof shall vest in the assigns any right, title or interest whatsoever.
- (d) The "Lessor" and "Lessee" hereby release each other from responsibility for loss or damage occurring on or to the leased premises or to the contents of either thereof, caused by fires or other hazards ordinarily covered by Fire and Extended Coverage Insurance policies and each waives all rights of recovery against the other for such loss or damage; negligence lawfully attributable to either party, whether in whole or in part a contributing cause of the casualty giving rise to the loss or damage, shall not affect the foregoing release and waiver;

10. Miscellaneous:

- (a) The first Six months of the initial Lease shall be rent free. Lessee, however, shall be responsible for utilities and any operating costs.
- (b) Tenant is permitted to use, at tenant's expense, any current signage left behind by previous tenant. All signage must meet local regulations and be approved by Lessor. Tenant will be given permission to convert the first floor into a usable restaurant

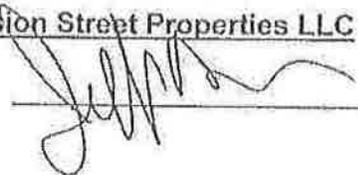
11. Build Out:

- (a) Landlord is not responsible for any build out to the space. Tenant will perform all necessary repairs and construction with proper permitting and written consent from the lessor.

In Witness Whereof, this instrument has been executed by the "Lessor" and the "Lessee as of the day and year first above written.

Witness: 

Division Street Properties LLC

By:  (Seal)

Witness: 

Christy Joy Hall

Christy Joy Hall
Notary Public
Maryland

Wicomico County

My Commission Expires November 4, 2015

Chauwan Mathews

By:  (Seal)

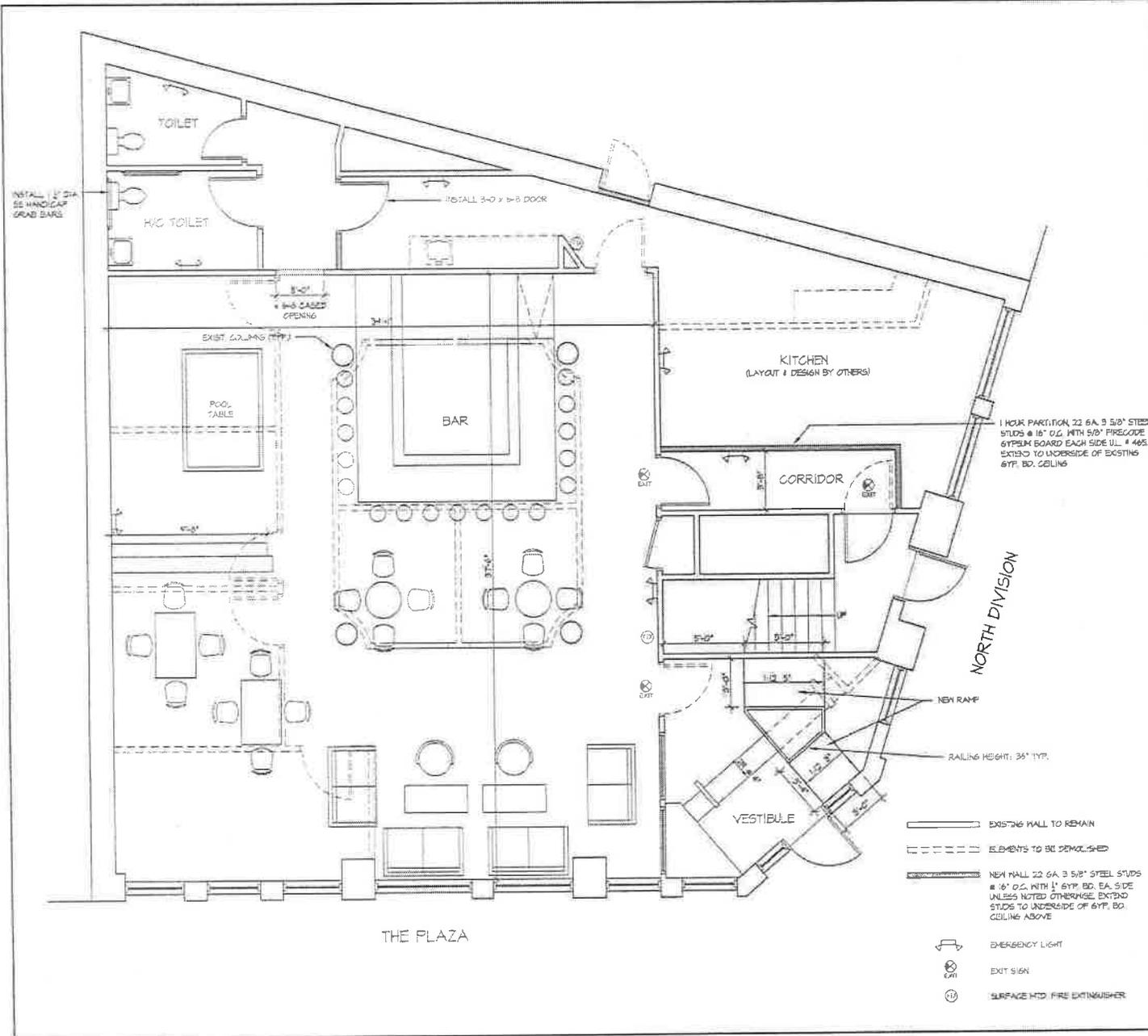
Title: Owner

T1C Decor Costs

ECHELON		TABLE 1B	
DÉCOR COSTS			
	Expense		
Bar stools	\$ 311	Rose's and Walmarts	
tables w benches	\$ 80	Independent salesman	
Booths	\$ 1,000	Independent salesman	
tables and chairs	\$ 1,000	Independent salesman	
Total Already Spent	\$ 2,391		
Lounge sets	\$ 1,900		
Bar stools	\$ 300		
Lighting	\$ 1,500		
Total to Spend	\$ 3,700		
Total Décor Expenses	\$ 6,091		

T1b Renov Costs

ECHELON RENOVATION EXPENSES			TABLE 1B
Date	Vendor	Cost	Item Description
5/19/2014	Walmart	\$ 45	Wall Mount
5/19/2014	Walmart	\$ 191	bar stools
	Lowes	\$ 2,572	
	Dollar Store	\$ 40	cleaning supplies/materials
	Electrician	\$ 1,700	
	Building Permit	\$ 65	
	Indep. Contractor	\$ 200	Debris removal /dump
	Robinson Signs	\$ 300	Window Signs
	Meals for contractors	\$ 640	
	Parking	\$ 175	
	Labor expense	\$ 22,600	
	Contractor fees	\$ 4,500	
	Total Already Spent	\$ 33,028	
	Flooring/Painting	\$ 3,500	
	Plumbing	\$ 10,000	
	Electrician	\$ 1,000	
	Bar	\$ 500	
	A&E	\$ 2,000	
	Total to Spend	\$ 17,000	
	Total Renovation expense:	\$ 50,028	



dbf DAVIS BOWEN & FRIEDEL, INC.
 ARCHITECTS, ENGINEERS & SURVEYORS
 EASTON, MARYLAND • WILFORD, DELAWARE
 410.770.4744 • 302.434.1441
 SALISBURY, MARYLAND • 410.843.9079

APPLICABLE CODES:
 - 2012 IRC (CHAPTER 34 EXISTING STRUCTURES)
 - 2012 NFPA 101 LIFE SAFETY CODE (CHAPTER 45 BUILDING REHABILITATION)
OCCUPANCY: A12
OCCUPANT LOAD: DINING AREA BASED ON CHAIR COUNT # 47
 KITCHEN 2 REAS. SEE SPEC. OR GOVT.

- GENERAL NOTES:**
1. THESE DRAWINGS ARE PROVIDED FOR THE EXCLUSIVE USE OF CHALWAN, MATTHEWS. OWNER/ARCHITECT SERVICES AGREEMENT IS FOR LIMITED DETAIL ARCHITECTURAL/ENGINEERING DRAWINGS REQUIRED FOR PERMIT & APPROVAL ONLY. EXTENSIVE DRAWINGS & SPECIFICATIONS ARE NOT PART OF THE OWNER/ARCHITECT AGREEMENT.
 2. IT IS AGREED THAT THE PROFESSIONAL SERVICES OF THE ARCHITECT DO NOT EXTEND TO OR INCLUDE THE REVIEW OR OBSERVATION OF THE CONTRACTOR'S WORK OR PERFORMANCE.
 3. THE CONTRACTOR SHALL VERIFY ALL SITE CONDITIONS AND DIMENSIONS BEFORE CONSTRUCTION. ANY VARIATIONS OR DISCREPANCIES SHALL BE BROUGHT TO THE ARCHITECT'S ATTENTION PRIOR TO CONSTRUCTION.
 4. ANY CHANGE OR FIELD ALTERATION SHALL BE BROUGHT TO THE ATTENTION OF THE ARCHITECT PRIOR TO CONSTRUCTION.
 5. ANY ITEMS NOT SPECIFICALLY SHOWN ON THE DRAWINGS BUT WHICH ARE REASONABLY INCIDENTAL TO AND NECESSARY FOR THE SATISFACTORY COMPLETION OF THE PROJECT IN ACCORDANCE WITH INDUSTRY STANDARDS, ARE INCLUDED WITHIN THE INTENT OF THESE DRAWINGS.
 6. BUILDING CODE COMPLIANCE, CONSTRUCTION DETAILING, AND COORDINATION, RESULTING FROM THE USE OF THESE DRAWINGS SHALL BE THE RESPONSIBILITY OF THE CONTRACTOR.
 7. ALL EGRESS DOORS SHALL BE READILY OPERABLE FROM THE EGRESS SIDE WITHOUT THE USE OF A KEY OR SPECIAL KNOWLEDGE OR EFFORT. NO BOLTS, HOOKS, OR SIMILAR DEVICES SHALL BE USED. INSTALLATION WILL BE IN ACCORDANCE WITH IRC & THE LIFE SAFETY CODE, LATEST EDITION.
 8. FIRE SEPARATION ASSEMBLIES ARE TO BE AS INDICATED ON THE DRAWINGS, BUILT TO PROVIDE A CONTINUOUS RATED ASSEMBLY BETWEEN OCCUPANCIES. ANY PENETRATIONS SHALL BE AS ALLOWED BY THE U.L. ASSEMBLY AND SHALL BE PROPERLY FIRESTOPPED WITH A MATERIAL WHICH WILL MAINTAIN THE RATED ASSEMBLY.
 9. SMOKE DETECTORS ARE TO BE INSTALLED THROUGHOUT GRADE LEVEL & BASEMENT IN ACCORDANCE WITH APPLICABLE CODES.

THIS DRAWING, THE DESIGN AND CONSTRUCTION FEATURES DISCLOSED ARE PROPRIETARY TO DAVIS, BOWEN & FRIEDEL, P.C. AND SHALL NOT BE ALTERED OR REUSED WITHOUT WRITTEN PERMISSION.

Project:
 N. DIVISION & THE PLAZA
 RESTAURANT FIT-OUT
 SALISBURY, MARYLAND

Sheet Title:
 FLOOR PLAN

Proj. No.: 2407A001_A01	Sheet No.:
Drawn By: Moreno	1
Scale: 1/4" = 1'-0"	
Date: 02/24/2014	
COPYRIGHT © 2014	

100 N. Division began as 9 office areas, four enclosed areas, four cubicles, and one open space. The offices and cubicles contained wall to wall carpeting, electrical outlets and individual lighting.

Three of the four enclosed office areas have been opened up, the walls removed, electricity rewired, and carpeting removed to create the dance floor/dj area, lounge area, and side bars. The fourth area on the wall facing N. Division Street is now the kitchen. The carpet has been removed, the floors refinished, rewired for kitchen use, and the floors refinished. Electrical outlets for consumer use were maintained.

The cubicles are now the bar area. The columns have been incorporated into the bar design. The carpet was removed, the floors refinished, and the area rewired for a bar. Electrical outlets for consumer use were maintained. The open office area is now dining which overlooks the plaza. The carpeting was removed and the floor refinished.

The existing plumbing includes 2 restrooms, with the addition of handicap rails, the bathrooms are ready for public use. Outfitting the kitchen to include three tub sink, hand wash stations, and dishwashing facilities will require a plumber to run pipes and install a hot water heater.

ECHELON SBY

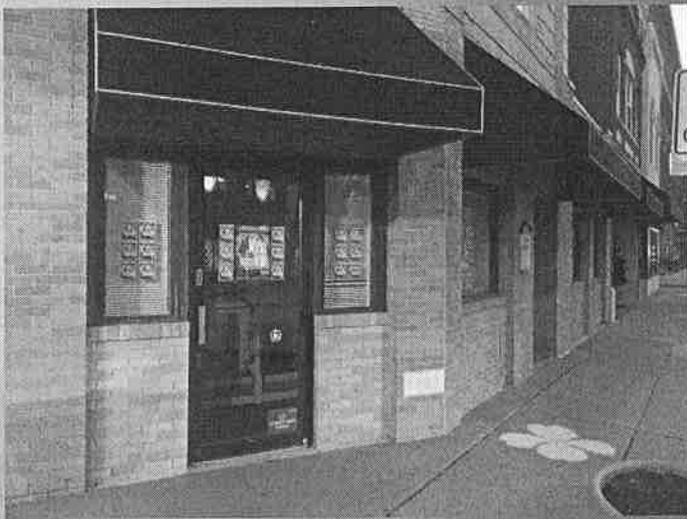
Remodel

100 N Division St - Salisbury MD

Chauwan Matthews

Front Entrance

Before



After



Dining Area

Before



After

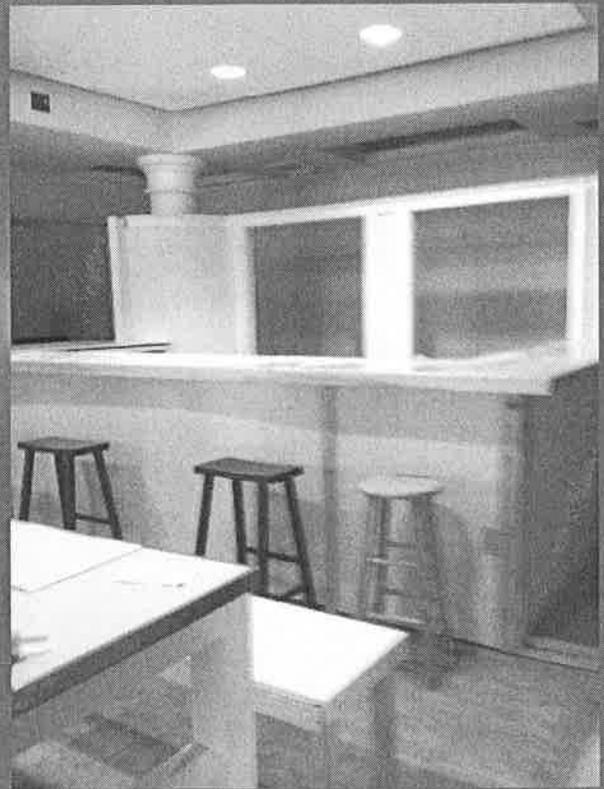


Bar Area

Before



After



Kitchen

Before



After



TEMCO BUILDERS, INC.

107 Williamsport Circle

Salisbury, MD 21804

Phone: 410-546-5981

Fax: 410-543-9316

May 12, 2014

Restaurant fit out

Attn:

Dear Mr. Matthews,

We would like to thank you for the opportunity to submit a proposal for the above referenced project. The price for the renovation of the existing building located at N. division and Salisbury City Plaza to a new Restaurant is \$ 72,733.00 (SEVENTY TWO THOUSAND SEVEN HUNDRED THIRTY THREE DOLLARS.)

The above price is based upon the above referenced project documents and predicated upon the following list of clarifications and exclusions:

If you have any questions regarding this proposal, please feel free to contact me.

Cordially yours,
Dwayne Pellegrin

Scope of Work for Downtown Restaurant

We have based this proposal on the meeting held on sight.
The above price is predicated upon the following inclusions:

1. Supervision
2. Demolition of existing office walls
3. Removal of existing carpeting and flooring (not to include hardwood in main dining)
4. Removal of existing ceiling material in office area
5. Install of new acoustical ceiling (2x4 lay in) in area where office walls are to be demolished
6. Install of new flooring (TBD by owner) allowance of \$9.00 per square ft
7. Construction of new 1 hr fire rated wall between kitchen and corridor
8. Remove existing door in corridor and install New 3'0 x 6'8 door
9. Install new wall and 3'0 x 6'8 door in dish wash area
10. Paint all new drywall with one coat primer and two coats finish
11. New doors and trim to receive one coat primer and two coats finish
12. Paint existing walls through out
13. New construction of ramp at interior entrance to comply with drawings
14. Provide Two new fire extinguisher
15. Provide and install handicap grab bars in one restroom
16. Plumbing, (One 40 gallon hot water heater, one 3 compartment sink, up two three hand sinks) tied into existing drain. Water to be tied into existing water line
17. .Electrical, Provide 10 – 120 volt 20 amp receptacle per code.
- 18.

Exclusions

1. Anything not outlined in this proposal or above listed project documents is excluded.
2. Any work on existing building not listed in contract documents is excluded.
3. Any tap fees or impact fees are excluded.
4. Any utility fees are excluded.
5. Any liquidated or actual damages are excluded.
6. Any changes made by local code enforcement that differ from the drawings or scope of work including changes required by reviews or inspections are excluded.
7. Permitting
8. Architectural fees
9. Flooring not to exceed \$9.00 per square ft
10. Any equipment electrical hook up to be done by others
11. Any gas equipment hook up to be done by others
12. Kitchen equipment by others
13. Bar by others

14. The scope of work herein takes precedence over referenced specifications and drawings

Innovative Construction & Environmental Solutions, LLC.

Energy Smart – Environmentally Sound

Echelon Restaurant
File Number: 207291
101 North Division Street
Salisbury, MD 21801

ICES

Proposal

Serving Delmarva's Residential
and Commercial Community
with:

Fire Damage Restoration

Crawlspace Solutions

Mold Abatement • Moisture Control

Reconstruction • New Construction

Echelon Restaurant

**100 North Division Street
Salisbury, MD 21801**

ICES is a licensed and insured general contractor.

MD General Contractor's License #22331584

MD Home Improvement License #91987

RRP Certified Lead Renovator # NAT-RV-I-EN-06-24-10-06

ICES holds certifications in the following areas:

Mold Remediation Technician (MRT) under NAMP and IOT International – ID # 90589

Water Damage Restoration (WRT) under IICRC Register # 150382

Phone: 410-251-8995 27142 Pemberton Drive, Salisbury Maryland 21801

Echelon Restaurant

100 North Division Street
Salisbury, MD 21801

ICES

Proposal

Location: 100 North Division Street
Salisbury, MD 21801

5/2/14

Contact: Chauwan Mathews

Scope: **Fit Out For Echelon Restaurant**

Permits

- The price does not include any type of approvals from historic associations or societies.
- All work will be performed as specified in plans provided. The referenced plans provided by Davis Bowen & Friedel, Inc and dated 2/24/14, for the proposed project:
-

Echelon Restaurant

100 North Division Street
Salisbury, MD 21801

- Referenced drawings include page 1 Project # 2407A001-A01 Date 2/24/14
- Price does not include any removal or handling of waste or debris that are deemed hazardous or special waste. Only items that can be disposed of at the local landfill or recycling centers
- All debris will be removed off site to the local landfill or recycling center.

Demolition

- Provide labor and material for the Demolition portion of the project as specified on Pages 1 through 1 of the plans provided.. Includes :
- Removal of interior walls and doors.
- Remove carpeting.
- Removal of interior walls.

Framing

- Provide labor and material for the framing portion of the project as specified on Pages 1 through 1 of the plans provided.

Plumbing

- Provide labor and material for the plumbing portion of the project as specified on Pages 1 through 1 of the plans provided.

Electrical

- Provide labor and material for the Electrical portion of the project as specified on Pages 1 through 1 of the plans provided.

Drywall and Insulation

- Provide labor and material for the drywall and insulation portion of the project as specified on Pages A.2 through A.16 of the plans provided.. Includes
- All seams will be taped ,mudded and sanded.

Echelon Restaurant

100 North Division Street
Salisbury, MD 21801



Proposal

Location: 100 North Division Street
Salisbury, MD 21801

5/2/14

Contact: Chauwan Mathews

Scope: **Fit Out For Echelon Restaurant**

ICES is a licensed and insured general contractor, DBE #921027
ICES is a certified minority owned company under 8(a)(1) and 8(b) with contract value over \$2,000,000
ICES holds certifications in Water Purveyor, Restoration Technology (SITGL), ICES #1000-1-1110004
ICES: NEP Certified Lead Responder # 1047-RU-120-00000140

Other than those conditions listed in the contingency, any unseen damage or conditions discovered during the course of completing the aforementioned work, which would require additional labor and/or material, will be brought to the attention of the owner or the owner designee as soon as possible. An acceptable course of action and related cost will be agreed upon prior to performing said work.

Due to the unforeseen possibilities of material and/or labor increases we reserve the right to withdrawal this estimate if not accepted within thirty days from the date listed below.

We will not be held responsible for delays caused by other trade, material, shortages, material deliverers, labor strikes, legal holidays and contract disputes over acts of nature. In the event that litigation becomes necessary to collect payment, we reserve the right to seek reimbursement for all professional expenses incurred until; such payment has been received in full.

Acceptance of Proposal, specification, and conditions are satisfactory and are hereby accepted. You are authorized to do the work as specified. Payments will be made as stated

Terms of Agreement

Payment of 1/3 of the total is due upon signing	\$16,000.00
Payment of 1/3 of the total is due upon installing the Roof	\$16,000.00
Final payment is due upon completion of the job.	<u>\$16,000.00</u>

Total Contract Amount \$48,000.00

Signature _____ Printed Name _____

Authorized by: _____ for ICES Date _____

We Fix It, LLC.

15306 Britts Ln

Delmar DE 19940

Phone: 302 846 3225

Fax: 302 846 3225

May 19, 2014

Restaurant fit out

Attn:

Dear Mr. Matthews,

We would like to thank you for the opportunity to submit a proposal for the above referenced project. The price for the renovation of the existing building located at N. division and Salisbury City Plaza to a new Restaurant is \$ 73,543.00 (SEVENTY THREE THOUSAND FIVE HUNDRED FOURTY THREE DOLLARS.)

The above price is based upon the above referenced project documents and predicated upon the following list of clarifications and exclusions:

If you have any questions regarding this proposal, please feel free to contact me.

Thank you,
Wes Brown

Scope of Work for Downtown Restaurant

We have based this proposal on the meeting held on sight.
The above price is predicated upon the following inclusions:

1. Supervision
2. Demolition of existing office walls
3. Removal of existing carpeting and flooring (not to include hardwood in main dining)
4. Removal of existing ceiling material in office area
5. Install of new acoustical ceiling (2x4 lay in) in area where office walls are to be demolished
6. Install of new flooring (TBD by owner) allowance of \$9.00 per square ft
7. Construction of new 1 hr fire rated wall between kitchen and corridor
8. Remove existing door in corridor and install New 3'0 x 6'8 door
9. Install new wall and 3'0 x 6'8 door in dish wash area
10. Paint all new drywall with one coat primer and two coats finish
11. New doors and trim to receive one coat primer and two coats finish
12. Paint existing walls through out
13. New construction of ramp at interior entrance to comply with drawings
14. Provide Two new fire extinguisher
15. Provide and install handicap grab bars in one restroom
16. Plumbing, (One 40 gallon hot water heater, one 3 compartment sink, up two three hand sinks) tied into existing drain. Water to be tied into existing water line
17. Electrical, Provide 10 – 120 volt 20 amp receptacle per code.
18. .

Exclusions

1. Anything not outlined in this proposal or above listed project documents is excluded.
2. Any work on existing building not listed in contract documents is excluded.
3. Any tap fees or impact fees are excluded.
4. Any utility fees are excluded.
5. Any liquidated or actual damages are excluded.
6. Any changes made by local code enforcement that differ from the drawings or scope of work including changes required by reviews or inspections are excluded.
7. Permitting
8. Architectural fees
9. Flooring not to exceed \$9.00 per square ft
10. Any equipment electrical hook up to be done by others
11. Any gas equipment hook up to be done by others
12. Kitchen equipment by others
13. Bar by others

14. The scope of work herein takes precedence over referenced specifications and drawings

ARTICLES OF ORGANIZATION

The undersigned, with the intention of creating a Maryland Limited Liability Company files the following Articles of Organization:

(1) The name of the Limited Liability Company is: Echelon Sby LLC

(2) The purpose for which the Limited Liability Company is filed is as follows: To open a restaurant and lounge on the downtown plaza in Salisbury MD.

(3) The address of the Limited Liability Company in Maryland is 100 N. Division Street Salisbury, MD 21801

(4) The resident agent of the Limited Liability Company in Maryland is Chauwan Matthews and ~~Chandler Sickmund~~

whose address is 9172 Clubhouse Drive Delmar MD 21875

(5) Chandler Sickmund

[Signature]
Signature(s) of Authorized Person(s)

(6) [Signature]
Resident Agent

I hereby consent to my designation in this document.

Filing party's return address:
Chauwan Matthews

(7) 100 N. Division Street

Salisbury, MD 21801

STATE OF MARYLAND
I hereby certify that this is a true and complete copy of the
page document on file in this office. DATED: 6-16-2014
STATE DEPARTMENT OF ASSESSMENTS AND TAXATION:
BY: Kimberly V. G... Custodian
This stamp replaces our previous certification system. Effective: 6/95

CORPORATE CHARTER APPROVAL SHEET

**** EXPEDITED SERVICE ** ** KEEP WITH DOCUMENT ****

DOCUMENT CODE 40 BUSINESS CODE _____

Close _____ Stock _____ Nonstock _____

P.A. _____ Religious _____

Merging (Transferor) _____

Surviving (Transferee) _____

Affix Barcode Label Here

Affix Barcode Label Here

New Name _____

FEES REMITTED

Base Fee: 100
Org. & Cap. Fee: _____
Expedite Fee: 20
Penalty: _____
State Recordation Tax: _____
State Transfer Tax: _____
1 Certified Copies
Copy Fee: 21
Certificates _____
Certificate of Status Fee: _____
Personal Property Filings: _____
Mail Processing Fee: _____
Other: _____
TOTAL FEES: 191

- _____ Change of Name
- _____ Change of Principal Office
- _____ Change of Resident Agent
- _____ Change of Resident Agent Address
- _____ Resignation of Resident Agent
- _____ Designation of Resident Agent and Resident Agent's Address
- _____ Change of Business Code

- _____ Adoption of Assumed Name

- _____ Other Change(s)

Credit Card _____ Check _____ Cash
_____ Documents on _____ Checks

Code _____
Attention: _____

Approved By: [Signature]

Mail: Name and Address
E. Chason
100 N. Division St
Salisbury MD 21801

Keyed By: _____

COMMENT(S):

Stamp Work Order and Customer Number HERE

State of Maryland
**Department of
Assessments and Taxation**

Charter Division



Martin O'Malley
Governor

Robert E. Young
Director

Paul B. Anderson
Administrator

Date: 06/16/2014

ECHELON SBY LLC
100 N. DIVISION ST.
SALISBURY MD 21801

THIS LETTER IS TO CONFIRM ACCEPTANCE OF THE FOLLOWING FILING:

ENTITY NAME : ECHELON SBY LLC
DEPARTMENT ID : W15915382
TYPE OF REQUEST : ARTICLES OF ORGANIZATION
DATE FILED : 06-16-2014
TIME FILED : 02:34 PM
RECORDING FEE : \$100.00
EXPEDITED FEE : \$70.00
COPY FEE : \$21.00
FILING NUMBER : 1000362006577029
CUSTOMER ID : 0003101857
WORK ORDER NUMBER : 0004318437

PLEASE VERIFY THE INFORMATION CONTAINED IN THIS LETTER. NOTIFY THIS DEPARTMENT IN WRITING IF ANY INFORMATION IS INCORRECT. INCLUDE THE CUSTOMER ID AND THE WORK ORDER NUMBER ON ANY INQUIRIES. EVERY YEAR THIS ENTITY MUST FILE A PERSONAL PROPERTY RETURN IN ORDER TO MAINTAIN ITS EXISTENCE EVEN IF IT DOES NOT OWN PERSONAL PROPERTY. A BLANK RETURN WILL BE MAILED BY FEBRUARY OF THE YEAR FOR WHICH THE RETURN IS DUE.

Charter Division
Baltimore Metro Area (410) 767-1350
Outside Metro Area (888) 246-5941

Memorandum

To: Terence Arrington
CC: RLF Committee
From: Chauwan Matthews
Date: 6/11/2014
Re: Professional & Personal References

Personal References

Keyontae Willis – (609) 408-4890 keyontaewillis@gmail.com

Barbara Sickmund (410) 726-3437 nirvana4@verizon.net

Scott McGuigan (410) 341-3063 scott.mcguigan@usairways.com

Professional References

Andrew Turner, Safe Schools Coordinator, Wicomico County Board of Ed
aturner@wcboe.org 410-677-4400

Gwen Hutley, Admin Assistant, Choices, Wicomico County Board of Ed
ghutley@wcboe.org 410-677-4400

Dr. Dayton-Jones Delmarva Surgery Center
410-543-4590

CONFIDENTIAL

City of Salisbury



MARYLAND



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

JAMES IRETON, JR.
MAYOR

M. THOMAS STEVENSON, JR.
CITY ADMINISTRATOR

TERENCE ARRINGTON
ASSISTANT CITY ADMINISTRATOR

June 24, 2014

Echelon SBY LLC
100 N Division Street
Salisbury, MD 21801

Dr. Chauwan Matthews:

I am pleased to inform you that the City of Salisbury Banking Review Committee has approved your loan request of \$24,000, subject to all of the terms and conditions which follow herein following approval from the Salisbury City Council. This loan is being made from the City of Salisbury Revolving Loan Fund for Downtown Redevelopment. For simplicity, the City will be referred to as the "City", you as the "Borrower," the foregoing loan as the "Loan" and the hereinafter mentioned security as the "Collateral Property".

This letter of commitment is not meant to be nor shall be construed as an attempt to define all of the terms and conditions involved in this financing. Rather, it is intended only to outline certain key points regarding our understanding around which the final terms and conditions are to be structured.

Upon receipt of your acceptance of our commitment, we will forward your funding request to City Council. Assuming approval by the City Council we will schedule the loan closing.

This commitment letter is provided to you, solely for the purposes described herein, and may not be disclosed to or relied upon by any other party without prior consent from the City.

TERMS

Borrower:	Echelon SBY LLC, C/O Chauwan Matthews 100 North Division Street Salisbury, MD 21801
Loan Amount:	\$24,000
Purpose:	To provide financing for renovation to lease commercial space
Collateral:	Uniform Commercial Code (UCC) –Equipment

Assignment or Modification

This loan cannot be modified or assigned without written consent from the City of Salisbury. In order for this commitment to remain effective, the acceptance copy of commitment must be executed by Borrower and returned to the City at 125 North Division Street, Salisbury, Maryland, 21801 on or before the expiration of twenty (20) days from the date hereof. Any extension of such time for acceptance must be in writing and signed by the City.

Termination of Commitment

The City may terminate this commitment if any material change shall occur with respect to the borrower, guarantors, lender(s), collateral, or with respect to any entity or person connected with the repayment of this loan prior to the closing. Termination of this commitment can occur if the collateral used to satisfy the requirement of this loan have been repossessed or other court proceedings is pending at the time of closing unless approved in writing by the City. The terms and conditions of this commitment shall survive settlement and any violation of said terms and conditions will constitute default under the note and mortgage.

If you have any questions relating to this commitment, please contact the City at (410) 548-3100. We appreciate the opportunity to provide for your financing needs and look forward to a mutually rewarding relationship.

Regards,

Terence Arrington

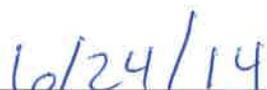
Terence Arrington
Assistant City Administrator

The undersigned hereby accepts the foregoing commitment and the terms and conditions herein set forth and agrees to be bound thereby:

Accepted:
ECHELON SBY, LLC



Chauwan Matthews
Owner



Date

RESOLUTION NO. ____

A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND APPROVING A LOAN TO ECHELON SBY, LLC FROM THE CITY'S REVOLVING LOAN FUND TO ASSIST IN THE RENOVATION OF THE BUILDING LOCATED AT 100 NORTH DIVISION STREET, SALISBURY MARYLAND 21801

WHEREAS, the City has a revolving loan fund for the purpose of aiding in the revitalization of the downtown area; and

WHEREAS, ECHELON SBY, LLC has requested a loan from this fund to help finance the renovation of a restaurant located at 100 North Division Street; and

WHEREAS, the City's Bankers Review Committee has reviewed this request and determined that it meets all of the guidelines for the revolving loan fund;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that a loan of \$24,000 from the City's Revolving Loan fund to Echelon Sby, LLC for the renovation of a restaurant building located at 100 N. Division Street St. is hereby approved subject to the conditions set forth in the attached commitment letter.

THIS RESOLUTION was duly passed at a meeting of the Council of the City of Salisbury held on _____, and is to become effective immediately upon adoption.

ATTEST;

Kimberly R. Nichols, City Clerk

Jacob Day,
Council President

APPROVED BY ME THIS:

_____ Day of _____, 2014

James Ireton Jr., Mayor

City of Salisbury



JAMES IRETON, JR.
MAYOR

M. THOMAS STEVENSON, JR.
CITY ADMINISTRATOR

TERENCE ARRINGTON
ASSISTANT CITY ADMINISTRATOR

125 NORTH DIVISION ST., RM 202
SALISBURY, MARYLAND 21801
Tel: 410-548-3170
Fax: 410-548-3107

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

MARYLAND

To: Tom Stevenson, City Administrator
From: Mike Moulds, Director of Public Works *M. Moulds*
Date: May 27, 2014
Re: Salisbury Bike Route – South Boulevard & Riverside Drive Bike Path

In 2013, Salisbury Public Works (SPW) applied for a grant from the Maryland Bikeways Program. The Maryland Department of Transportation (MDOT) / Office of Planning approved this grant worth \$32,440 for the Salisbury Bikeways project, contingent upon the review of the design. SPW has designed the Bike Route and MDOT approved the plans on May 19th. The Office of Planning and Capital Programming of the Maryland Department of Transportation prepared the attached Grant Agreement.

The total estimated cost of this Project is \$52,280.00. With the City's \$19,840.00 allocation of in-kind services toward this project, bicycle safety will be improved with pavement striping for bike lanes, markings for shared bike lanes and signage along South Boulevard and Riverside Drive. The result will be enhanced bicycle circulation between downtown Salisbury and Salisbury University.

Please find attached a Resolution to sign the Grant Agreement with MDOT and to accept the Maryland Bikeways Program Grant in the amount of \$32,440.00. SPW recommends approval of the grant agreement to provide for the expansion of Salisbury's bike lane network.

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

Paul B. Mauser, E.I.
Project Engineer

Michael S. Moulds, P.E.
Director of Public Works

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 \$32,440.00 FROM MARYLAND
5 DEPARTMENT OF TRANSPORTATION MARYLAND BIKEWAYS PROGRAM FOR THE
6 PROVISION OF 1.18 MILES OF PAVEMENT MARKING AND SIGNAGE ON RIVERSIDE
7 DRIVE AND 0.37 MILES OF PAVEMENT MARKING AND SIGNAGE ON SOUTH
8 BOULEVARD NECESSARY TO CREATE A BIKE ROUTE FROM DOWNTOWN
9 SALISBURY TO SALISBURY UNIVERSITY.

10
11 WHEREAS, the Maryland Department of Transportation has a Maryland Bikeways
12 Program for making pedestrian-and-bicycle-facilities improvements; and
13

14 WHEREAS, the Maryland Department of Transportation Maryland Bikeways Program
15 provides grant funds to the City of Salisbury for use in specific areas; and
16

17 WHEREAS, Maryland Department of Transportation and the City of Salisbury have been
18 working together to improve bicycle connectivity between the Downtown Central Business
19 District and Salisbury University; and
20

21 WHEREAS, the bicycle facilities improvements to be constructed include the creation of
22 a bike route which will run along Riverside Drive from the intersection of Riverside Drive and
23 West College Avenue to the intersection of Riverside Drive and Mill Street, as well as along
24 South Boulevard from the intersection of South Boulevard and Camden Avenue to the
25 intersection of Riverside Drive and South Boulevard; providing dedicated bicycle-only lanes and
26 shared bicycle and motorized vehicle lanes; pavement marking for dedicated lanes, shared lane
27 markings for shared lanes, bicycle markings on the pavement, and bike route signage along the
28 route; and
29

30 WHEREAS, the entire estimated project cost for this segment is approximately
31 \$52,280.00;
32

33 WHEREAS, the City of Salisbury agrees to provide 37.9% of the project cost in
34 matching funds, including private contributions and/or services of actual project costs, in an
35 amount not to exceed \$19,840.00, for the pedestrian-and-bicycle-facilities improvements; and
36

37 WHEREAS, the City of Salisbury will coordinate the installation of the signage and
38 pavement marking for the bike paths and shared lanes; and
39

40 WHEREAS, Maryland Bikeways Program has awarded a grant in the amount of
41 \$32,440.00 to provide for pavement marking and signage; and
42

43 WHEREAS, the Project will enhance bicycle safety and access to the Maryland Blue
44 Crab Scenic Byway and will improve bicycle circulation in downtown Salisbury and the vicinity
45 of Salisbury University.
46

47 NOW, THEREFORE, BE IT RESOLVED that the City Council of the City of Salisbury,
48 Maryland does hereby authorize the Mayor to sign the attached Grant Agreement dated
49 _____, 2014 accepting the project term and definition of matching funds, for the betterment
50 of the City and its residents, and accepts the grant of \$32,440.00 from Maryland Bikeways
51 Program to add pavement marking and signage for the Bike Route.

52
53 THE ABOVE RESOLUTION was introduced and read and passed at the regular meeting
54 of the Council of the City of Salisbury held on this ____ day of _____, 2014 and is to
55 become effective immediately upon adoption.

56
57 ATTEST:

58
59
60 _____
61 Kimberly R. Nichols
62 CITY CLERK

Jacob R. Day
PRESIDENT, City Council

63
64 APPROVED by me this _____ day of _____, 2014

65
66
67 _____
68 James Ireton, Jr.
69 MAYOR, City of Salisbury

GRANT AGREEMENT

BY AND BETWEEN

THE MARYLAND DEPARTMENT OF TRANSPORTATION

AND

THE CITY OF SALISBURY

THIS GRANT AGREEMENT executed in triplicate and entered into this _____ day of _____, 2014, by and between the Maryland Department of Transportation (“Department”) and the City of Salisbury (“Grantee”), Maryland.

WITNESSETH:

WHEREAS, the Department has programmed in the FY 2014-2019 Consolidated Transportation Program-2014 State Report on Transportation a total of Ten Million Dollars (\$10,024,000) for the Maryland Bikeways Program (“Program”);

WHEREAS, the Department budgeted within the Program Thirty Two Thousand Four Hundred Forty Dollars (\$32,440) for bike route signage and bike lanes along Riverside Drive and South Boulevard in Salisbury, Maryland (the “Project”);

WHEREAS, the Grantee has committed Nineteen Thousand Eight Hundred Forty Dollars (\$19,840) in Grantee matching funds;

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

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

WHEREAS, the Project is a priority of the County and will enhance bicycle safety and access in Salisbury to a state designated Main Street and Sustainable Community Area;

WHEREAS, the Project is within a Priority Funding Area and is consistent with the City’s Comprehensive Plan;

WHEREAS, the Grantee has presented the Project at public meetings at which public support has been clearly documented, and the Project will include ongoing opportunities for public input;

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

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

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

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

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

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

1. The above recitals are re-affirmed and incorporated herein by reference.
2. The Department hereby grants to the Grantee a sum not to exceed Thirty Two Thousand Four Hundred Forty Dollars (\$32,440) ("Grant") to be used by the Grantee for the completion of the Project. The Grantee shall be responsible for all work in connection with the Project, including the following:
 - a. Finalizing design plans;
 - b. Installing bicycle pavement markings and signage on Riverside Drive and South Boulevard;
 - c. Preparing quarterly status reports and final reports as requested by the Department; and
 - d. Contributing Grantee matching funds toward completion of the Project, which may include in-kind and/or cash contributions.
3. Notwithstanding anything to the contrary herein, if there are any cost savings on the Project, the Grantee's matching funds may be reduced.
4. The Project shall be consistent with relevant design standards and guidelines, including 2012 American Association of State Highway and Transportation Officials (AASHTO) Bicycle Design Guidelines, the Maryland Manual of Uniform Traffic Control Devices, and the Access Board Advance Notice of Proposed Rulemaking (ANPRM) on Accessibility Guideline for Shared Use Paths.

5. The Grantee shall engage a professional engineer, registered in the State of Maryland, for design services on the Project. The Grantee shall provide to the Department final deliverables for the Project record. Notwithstanding anything to the contrary herein, the Grantee shall have final rights of approval.

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

- a. commercial general liability, including premises or operations, contractual, and products or completed operations coverages (if applicable), with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence;
- b. automobile liability, including Owned (if any), Hired, and Non-Owned automobiles, with minimum liability limits of \$250,000 per person and \$1,000,000 per occurrence;
- c. workers compensation coverage meeting all statutory requirements.

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

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

7. The Grant represents the maximum financial liability of the Department under this Agreement subject to, limited by and contingent upon the appropriation and availability of funds, as well as the types of liabilities, damage caps, and notice requirements stated in the Maryland Torts Claims Act, currently found at Maryland Annotated Code, State Government, Section 12-101 ("MTCA").

8. The parties agree that the Grantee will utilize the Grant for the Project in conjunction with other funds it has obtained from other funding sources other than the Maryland Bikeways Program to complete the Project.

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

All invoices for payment shall include:

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

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

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

11. The term of this Agreement shall commence upon the date first set forth above and shall terminate when all payments of the Grant have been made or September 26, 2015, whichever is sooner.

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

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

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

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

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

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

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

15. This Agreement may be modified only by written instrument, executed by the Department and the Grantee.

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

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

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

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

20. As an inducement to the Department to make the Grant, the Grantee hereby certifies to the Department that:

- (a) any resolution, ordinance or other action which may be required by local law has been introduced and adopted, passed, enacted or taken as an official act of the Grantee's governing body, authorizing the execution and delivery of this Agreement by the Grantee in such manner and form as to comply with all applicable laws to make this Agreement the valid and legally binding act and agreement of the Grantee;
- (b) no officer or employee of the Grantee, or its designees or agents, no consultants, no member of the Grantee's governing body, and no other public official of the Grantee, who exercises any functions or responsibilities over the Project or the Grant shall have or obtain a personal or financial interest or benefit from any activity in connection with the Project or Grant or have an interest in any contract, subcontract or agreement with respect therewith;
- (c) the Grantee is not in arrears with respect to the payment of any moneys due and owing the State of Maryland, or any department or unit thereof, including, but not limited to, the payment of taxes and employee benefits, and that it shall not become so in arrears during the term of this Agreement.

21. The Department and the Grantee certify that they prohibit, and covenant that they will continue to prohibit, discrimination on the basis of:

- (a) age, ancestry, color, creed, marital status, national origin, race or religious or political affiliation, belief or opinion, or sexual orientation;
- (b) sex or age, except when age or sex constitutes a bona fide occupational qualification; or
- (c) the physical or mental disability of a qualified individual with a disability.

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

22. The Department and the Grantee shall comply with the State's policy concerning drug and alcohol free workplaces, as set forth in COMAR 01.01.1989.18 and 21.11.08, and must remain in compliance throughout the term of this Agreement.

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

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

- (a) such provision shall be fully severable;
- (b) this Agreement shall be construed and enforced as if such illegal, invalid or unenforceable provision had never comprised a part of this Agreement; and
- (c) the remaining provisions of this Agreement shall remain in full force and effect and shall not be affected by the illegal, invalid or unenforceable provision or by its severance from this Agreement.

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

26. This Agreement shall inure to and be binding upon the parties hereto, their agents, successors and, to the extent an assignment has been approved pursuant to Section 18 of this Agreement, their assigns.

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

In the case of MDOT:

Ms. Kate Sylvester
7201 Corporate Center Drive
P.O. Box 548
Hanover, MD 21076

In the case of the Grantee:

Mr. Paul Mauser
Project Engineer
City of Salisbury
Department of Public Works
125 N Division Street, Suite 202
Salisbury, MD 21801

The next page is the signature page.

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

WITNESS:

**MARYLAND DEPARTMENT OF
TRANSPORTATION**

By: _____
Leif A. Dormsjo
Deputy Secretary

FUNDS AVAILABLE:

David L. Fleming, Chief Financial Officer
Office of Finance

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

Assistant Attorney General
Maryland Department of Transportation

WITNESS:

CITY OF SALISBURY

By: _____

City of Salisbury



JAMES IRETON, JR.
MAYOR

M. THOMAS STEVENSON, JR.
CITY ADMINISTRATOR

TERENCE ARRINGTON
ASSISTANT CITY ADMINISTRATOR

125 NORTH DIVISION ST., RM 202
SALISBURY, MARYLAND 21801
Tel: 410-548-3170
Fax: 410-548-3107

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

MARYLAND

To: Tom Stevenson, City Administrator
From: Mike Moulds, Director of Public Works 
Date: May 27, 2014
Re: Salisbury Bike Route – South Boulevard & Riverside Drive Bike Path

The attached ordinance creates a bike route which will run along Riverside Drive from the intersection of Riverside Drive and West College Avenue to the intersection of Riverside Drive and Mill Street, as well as along South Boulevard from the intersection of South Boulevard and Camden Avenue to the intersection of Riverside Drive and South Boulevard. The route will provide dedicated bicycle-only lanes where feasible and shared bicycle and motorized vehicle lanes where the roadway width is not sufficient for a dedicated bike lane. Public Works utilized the Manual on Uniform Traffic Control Devices (MUTCD) Chapter 9, Traffic Control for Bicycle Facilities, for the design and layout of the project. The project will install lane striping, symbols, shared lane markings and signage as per the standards and the existing roadway conditions.

Our project application to the Maryland Bikeways Program has been approved. The Maryland Department of Transportation (MDOT) has approved \$32,440 in reimbursable grant funding for Salisbury Bikeways. SPW has also created a resolution to Council allowing the Mayor to accept the MDOT grant. The funds from this grant will be used to cover the costs to create the Bike Route.

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



Paul B. Mauser, E.I.
Project Engineer



Michael S. Moulds, P.E.
Director of Public Works

ORDINANCE NO. _____

AN ORDINANCE of the City of Salisbury, Maryland creating a bike route which will run along Riverside Drive from the intersection of Riverside Drive and West College Avenue to the intersection of Riverside Drive and Mill Street, as well as along South Boulevard from the intersection of South Boulevard and Camden Avenue to the intersection of Riverside Drive and South Boulevard; providing dedicated bicycle-only lanes and shared bicycle and motorized vehicle lanes as directed by MDMUTCD Chapter 9, Traffic Control for Bicycle Facilities (MDMUTCD); installing appropriate pavement markings in the form of lane striping for dedicated lanes; installing shared lane markings for shared lanes; installing bicycle markings on-pavement; and installing bike route signage along the route per the MDMUTCD.

WHEREAS, the City of Salisbury desires to encourage cycling throughout the City; and

WHEREAS, the proposed bicycle route will consist of a route, in both directions, which will run along Riverside Drive from the intersection of Riverside Drive and West College Avenue to the intersection of Riverside Drive and Mill Street, as well as along South Boulevard from the intersection of South Boulevard and Camden Avenue to the intersection of Riverside Drive and South Boulevard; and

WHEREAS, in order to define the dedicated bicycle lane, appropriate lane striping and lane markings must be provided on the pavement; and

WHEREAS, in order to provide a bicycle route, portions of the roads must be marked as shared between motorized vehicular traffic and bicycle traffic; and

WHEREAS, in order to define the portions of the roadway that are to be available for usage by bicycles, appropriate shared markings will be installed on the pavement; and

WHEREAS, in order to clearly define the route, appropriate signage will be installed; and

WHEREAS, the curb-to-curb street width on affected streets shall be unchanged by the proposed bicycle route; and

WHEREAS, the Director of Public Works has determined that the impact of the proposed bicycle route on vehicular traffic flow will be minimal.

46 NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF SALISBURY,
47 MARYLAND that a bicycle route be created, in both directions, which will run
48 along Riverside Drive from the intersection of Riverside Drive and West College
49 Avenue to the intersection of Riverside Drive and Mill Street, as well as along
50 South Boulevard from the intersection of South Boulevard and Camden Avenue
51 to the intersection of Riverside Drive and South Boulevard; that bicycles be
52 permitted to travel this route in dedicated/shared lanes; that appropriate
53 pavement markings be provided in the form of lane striping and symbols where
54 appropriate; and that signage be installed to identify the route.

55
56 AND BE IT FURTHER ENACTED AND ORDAINED BY THE CITY OF
57 SALISBURY, MARYLAND, that this Ordinance shall take effect upon final
58 passage.

59
60 THIS ORDINANCE was introduced and read at a meeting of the Council of the
61 City of Salisbury, Maryland held on the ___ day of _____, 2014, and,
62 thereafter, a statement of the substance of the Ordinance having been published
63 as required by law, in the meantime, was finally passed by the Council on the
64 ___ day of _____, 2014.

65
66
67 ATTEST:

68
69
70 _____
71 Kimberly R. Nichols
72 CITY CLERK

70 _____
71 Jacob R. Day
72 PRESIDENT, City Council

73
74
75 APPROVED BY ME THIS

76
77 _____ Day of _____, 2014

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81 _____
82
83 James Ireton, Jr.

84
85 MAYOR, City of Salisbury
86
87

May 14, 2014

TO: Mr. Tom Stevenson

FROM: Major David Meienschein

SUBJECT: Resolution – 1033 Defense Reutilization Marketing Office, DRMO, and Memorandum of Understanding.

The 1033 Defense Reutilization Marketing Office maintains property that is no longer required for federal government use. Under the 1033 DRMO program state and local agencies may enter into an MOU and become eligible to acquire property that in turn may be utilized at no expense. The Chief of Police has authorized to enter into the Memorandum of Understanding in years past to participate in the DRMO program. DRMO property greatly benefits the City by providing resources that may otherwise be too expensive to acquire and it allows for a better allocation of funds to purchase other items not contained within the DRMO program. Items available may include but are not limited to vehicles, weapons, computers and storage systems.

This property is awarded on a first come, first served basis therefore time is of the essence when claiming property. The City's process for accepting such property is typically much slower than the process used by the Marketing Office when making items available to be claimed.

This resolution is intended to gain authorization for the Chief of Police to once again enter into a Memorandum of Understanding with Defense Reutilization Marketing Office as in years past. This resolution shall further authorize the Mayor to direct the Chief to accept possession of DRMO property when property first becomes available. By allowing the Mayor to grant such authorization to the Chief, the City Council would place the City into a competitive position for the acquisition of surplus federal property. The MOU outlines terms and condition of acquisition, relinquishment, care & maintenance of DRMO property.

DRMO property acquisitions will be claimed by the Chief of Police after consultation with and authorization by the Mayor. The property will then be submitted for acceptance by the City Council as an additional custodial asset through the submission of Written Ordinance, in accordance with the Salisbury City Charter. In no case will 1033 DRMO property be utilized for its intended purpose or deployed as designed until properly accepted in the manner described above. In cases where the City Council disapproves the acceptance of the asset, the property will be returned to DRMO as outlined in the MOU.

Unless you or the Mayor has further questions, please forward this resolution to the City Council.

Major David Meienschein
Administrative Commander

Attachment

1 RESOLUTION No. _____
2

3 A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING
4 THE CHIEF OF POLICE ENTERING INTO A MEMORANDUM OF UNDERSTANDING,
5 MOU WITH DEFENSE REUTILIZATION MARKETING OFFICE, DRMO AND
6 AUTHORIZING THE MAYOR TO DIRECT THE CHIEF TO ACCEPT PROPERTY FROM
7 DRMO ON BEHALF OF THE CITY UNTIL SUCH TIME THAT IT CAN BE APPROVED
8 AND RECOGNIZED AS AN OFFICIAL CITY ASSET BY CITY COUNCIL.
9

10 WHEREAS, the Police Department has created a policy for handling Defense
11 Reutilization Marketing Office, DRMO acquisitions, and;
12

13 WHEREAS, the Chief of Police is authorized to sign and enter into a Memorandum of
14 Understanding, MOU, with DRMO, and;
15

16 WHEREAS, the Mayor is authorized to direct the Chief of Police to acquire property
17 through DRMO as it becomes available and to hold such property until accepted through
18 ordinary process by City Council, and;
19

20 WHEREAS, the DRMO program allows for state and local governments to compete for
21 and acquire surplus federal property at no cost, and;
22

23 WHEREAS, the City of Salisbury will be required to care and maintain the acquired
24 property, and will not be allowed to sell or otherwise dispose of the property to private vender,
25 and;
26

27 WHEREAS, the City of Salisbury at any time and for any reason return to DRMO any
28 acquired property, and;
29

30 WHEREAS, DRMO may at any time inspect and request the return of any and all
31 acquired property, and;
32

33 WHEREAS, the purpose of acquiring property from DRMO will be to enhance public
34 safety by obtaining equipment that might otherwise not be available or too costly and will free
35 funds that may be used in other ways, and;
36

37 NOW, THEREFORE, BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY
38 OF SALISBURY, MARYLAND that authorization is given to the Chief of Police to sign and
39 enter into a MOU with Defense Reutilization Marketing Office, DRMO and acquire on behalf of
40 the City of Salisbury federal property for the purpose of enhancing public safety and improving
41 the quality of life for the citizens of Salisbury.
42

43 THIS RESOLUTION was duly passed at a meeting of the Council of the City of
44 Salisbury held on _____, 2014, and is to become effective immediately upon
45 adoption.
46 ATTEST;

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Kimberly R. Nichols, City Clerk

Jacob Day, President
Salisbury City Council

APPROVED BY ME THIS:

_____ Day of _____, 2014

James Ireton Jr., Mayor

10-33 PROGRAM

A PROGRAM OVERVIEW AND WHAT IT MEANS
TO THE SALISBURY POLICE DEPARTMENT

PROGRAM OVERVIEW

- ▣ Program enables the US Dept of Defense (DOD) to transfer excess DOD equipment and supplies to state and local law enforcement agencies for use in LAW ENFORCEMENT duties.
- ▣ Property is procured at no cost to the agency with the exception of shipping or transportation costs.

Propertyeverything from vehicles to desks, printers, and clothing



- ❑ The program can increase the capabilities and readiness of the Salisbury Police Department while reducing the burden on taxpayers.
- ❑ Property is strictly accounted for and Agencies are subject to audit; Agencies must request permission for turn in, transfer, or disposal.
- ❑ Items are available on a first-come basis, most must be inspected and picked up within a few weeks of their posting.

- ▣ Law enforcement and the Military have different missions, however they share common goals with regard to
 - Emergency Management
 - Humanitarian Aid in times of Crisis
 - Restoring order
 - Fleet and personnel management

- ▣ As we seek to provide the highest level of service to the citizens of Salisbury the 1033 program provides one more option for needed equipment and supplies.

City of Salisbury



JAMES IRETON JR.
MAYOR

TOM STEVENSON
CITY ADMINISTRATOR



Maryland
699 W. SALISBURY PARKWAY
SALISBURY, MD 21801
TEL: 410-548-3165



BARBARA DUNCAN
CHIEF OF POLICE

May 28, 2014

TO: Tom Stevenson
FROM: Major David Meienschein
SUBJECT: Resolution – WINTF Funds

Attached, please find a Resolution to accept \$15,000.00 in funds from the Wicomico County Narcotics Task Force (WINTF). The funds will be used for the purchase of equipment, a new Salisbury Police K-9 and/or cover the cost for officer training.

Unless you or the Mayor, have further questions, please forward this Resolution to the City Council.



David Meienschein
Administrative Commander

1 RESOLUTION NO. _____

2
3 A RESOLUTION OF THE CITY OF SALISBURY, MARYLAND ACCEPTING
4 FUNDS FROM THE WICOMICO COUNTY NARCOTICS TASK FORCE TO PURCHASE
5 EQUIPMENT AND/OR FUND TRAINING FOR OFFICERS AND THE TRAINING AND
6 PURCHASE OF A NEW SALISBURY POLICE K-9 THEREBY ENHANCING LAW
7 ENFORCEMENT EFFORTS TO PROVIDE A SAFER ENVIRONMENT FOR THE
8 CITIZENS OF SALISBURY AND WICOMICO COUNTY.

9
10 WHEREAS, these funds have been provided by the Wicomico County Narcotics Task
11 Force to fund the purchase of equipment and a new Salisbury Police K-9; and

12
13 WHEREAS, these funds may also be used to cover the cost of training for Salisbury
14 Police Officers; and

15
16 WHEREAS, the training of officers and the purchase of equipment and a new K-9 can
17 significantly improve the effectiveness of enforcement efforts and provide a safer environment
18 for the citizens of Salisbury and Wicomico County.

19
20 NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY
21 OF SALISBURY, MARYLAND that funds of \$15,000.00 be accepted from the Wicomico
22 County Narcotics Task Force and used to purchase equipment and/or training for the Salisbury
23 Police Department.

24
25 THIS RESOLUTION was introduced and duly passed at a meeting of the Council of the
26 City of Salisbury, Maryland held on _____, 2014, and is to become
27 effective immediately upon adoption.

28
29
30 ATTEST:

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32
33 _____
34 Kimberly R. Nichols, City Clerk

35 _____
36 Jacob R. Day
37 Salisbury City Council

38 APPROVED BY ME THIS:

39 _____ Day of _____, 2014

40
41
42 _____
43 James Ireton, Jr., Mayor
44

INTER

OFFICE

MEMO

OFFICE OF THE MAYOR

To: City Council
From: Tom Stevenson
Subject: Revisions to Chapter 8.04 False Alarms
Date: July 2, 2014

During previous work sessions, the Council considered improvements to Chapter 8.04 (False Alarms). The discussions leaned heavily toward the inclusion of a requirement for Enhanced Call Verification or (ECV).

ECV requires that a second call be placed to an alternate telephone number, in most cases a cellular phone, to verify the validity of a burglar alarm before the Salisbury Police Department is dispatched.

Mr. Ron Boltz, owner and operator of Alarm Engineering in Salisbury testified before the council in support of ECV. Cities and towns across the United States that have required ECV have realized substantial decreases in the need for unnecessary dispatch. This frees up valuable police resources and helps alarm users avoid potentially preventable false alarm charges.

It is important to note that ECV **does not** apply to fire, EMS, or intruder dispatch requests.

In addition to the ECV requirement, language has also been added to allow alarm users the opportunity to appeal contested false alarm charges.

I also took the liberty of making some grammatical improvements.

March 18, 2013

To: Ron Boltz:

In this letter I will attempt to answer your concerns on false alarm fines.

My responses contained herein are based on my 15 years of experience having reviewed many hundreds of ordinances, as well as helping to amend existing ordinances and drafting new ordinances for scores of agencies. In fact, I can easily defend my claim that I am the most experienced and knowledgeable person on the topic of alarm ordinances and what works and what doesn't.

The concept of escalating fines for false alarm activations has been around for decades. Not only was this concept one of the earliest used in alarm ordinances, it remains present in virtually every ordinance currently being proposed. The court systems understand escalating fines and I know of no jurisdiction that has had any difficulty enforcing this provision in an ordinance.

Ordinances that don't have escalating fines most typically charge a fee based upon the **fully burdened cost** to respond to an alarm. *It is commonly accepted within industry and law enforcement circles that the average out of service time when responding to alarms is 20 minutes, and to my knowledge every agency strives to dispatch the equivalent of two officers on every alarm response.* Those jurisdictions that charge a fee based on their cost to respond charge in the area of \$100.00 per response. It is my educated opinion that the fees being proposed by Salisbury as their cost to respond would be extremely difficult to defend.

In some states municipal fees cannot exceed the cost to provide the service and in at least two instances jurisdictions were required to refund millions of dollars in fees that exceeded the cost to respond.

I hope that the above information is of some help to you and the City of Salisbury.

Best regards,

Ron Walters, Director



MBFAA

A Member of the National Electronic Security Alliance

Maryland Burglar and Fire Alarm Association

10024 Vanderbilt Circle, #4, Rockville, MD 20850

Toll Free-866-MDBFAA1 (866-632-3221) - Fax: 301-519-9508

Email: exdirector@mbfaa.org - Web Site: <http://www.mdbfaa.org>

Memo

To: Ron Boltz
 From: Brad Shipp, MDBFAA
 Date: 3.25.13

An examination of false alarm fines in Maryland jurisdictions shows that the newly adopted fees in Salisbury are higher than any other jurisdiction.

City/County	False Alarm Response Fees/Fines
Anne Arundel	2 Free, 3-4=\$50, 5=\$75, 6=\$100, 7=\$125, 8=\$150, 9=\$175, 10=\$200 11=\$225, 12+=\$250
Baltimore City	2 Free, 3=\$50, 4=\$100, 5=\$150, 6=\$200, 7=\$250, 8=\$300, 9=\$400, 10=\$500, 11=\$600. Residential- 12=\$700, 13=\$800, 14+=\$1000. Non-Residential - 12+=\$2000
Baltimore County	2 Free, 3=\$50, 4=\$50, 5=\$75, 6=\$100, 7=\$125, 8=\$150, 9=\$200, 10=\$250, 11=\$300, 12=\$350, 13=\$400, 14+=\$500
Calvert County	Per Calendar Year: 2 free, 3=\$25, 4=\$50, 5=\$75, 6=\$100, 7=\$125, 8=\$150, 9=\$175, 10=\$200, 11+=\$300 each
Charles County	For registered alarm users: 1-3=Free, 4=\$50, 5-7=\$150, 8-10=\$200, 11+=\$300. Non-registered alarm users are subject to \$150 non-permitted penalty in addition to the false alarm fine. Based on a rolling 12-month period.
City of Frederick	2 free. Residential fines: 3=\$25,4=\$50,5=\$75,6=\$100,7=\$125,8=\$150,9=\$175,10=\$200,11=\$225,12=\$250,13=\$275,14=\$300,15=\$325. Commercial fines: 3=\$50,4=\$100,5=\$150,6=\$200,7=\$250,8=\$300,9=\$350,10=\$400,11=\$450,12=\$500,13=\$550,14=\$600,15=\$650
Frederick County	2 free per calendar year. Residential fees: 3=\$30, 4=\$45, 5=\$60, 6=\$75, 8=\$115, 9=\$130, 10+=\$150. Non-residential fees: 3=\$50, 4=\$75, 5=\$100, 6=\$125, 7=\$150, 8=\$175, 9=\$200, 10=\$225, 11=\$250,
City of Greenbelt	3 free, 4-6=\$50 each, 7-9=\$100 each, 10-12=\$150 each, 13-15=\$250 each, 16-18=\$500 each, 19+=\$1000 each. Plus, 6th alarm in 12 months requires \$25 fine and Recertification Form, 12th alarm in 12 months requires \$50 fine and Alarm Upgrade Form.
Harford County	All false alarm fines run from Jan. 1 to Dec. 31 per calendar year. Fines: 2=Free, 3=\$100, 4=\$150, 5=\$200 and all consecutive false alarms top out at \$200. At the beginning of the new year the process starts over. All newly installed alarms=60 day grace period.
Howard County	2 free, 3=\$50, 4=\$100, 5=\$150, 6=\$200, 7=\$250, 8=\$300, 9=\$350, 10=\$400, 11=\$500, 12=\$600, 13=\$700, 14=\$800, 15+=\$1000
City of Hyattsville	2 free, 3=\$50, 4-6=\$100 each, 7+=\$200 each
City of Laurel	If more than 3 false alarms in a calendar year, then residential=\$50 for each of the first two and \$100 for each subsequent offense. Non-Residential: then \$100 for the first, \$150 for the second, and \$200 for each subsequent offense.
Montgomery County	1 Free, 2 = \$25 and escalates to \$1000 each for residential at 15th and each subsequent false alarm, and \$4000 each for commercial at 20th and each subsequent false alarm.
Prince George's County	3 free, 4-6=\$50 each, 7-9=\$100 each, 10-12=\$150 each, 13+=\$200 each
Washington County	Residential: 1-2=warning letter, 3=\$30, 4=\$45, 5=\$60, 6-\$75, 7=\$90, 8=\$115, 9=\$130, 10=\$150. Non-Residential: 1-2=warning letter, fees begin at \$50 and increase by \$25 for each subsequent false alarm until \$300 for each false signal.

1 **CITY OF SALIBURY**

2
3 ORDINANCE No. _____

4
5 AN ORDINANCE OF THE CITY OF SALISBURY AMENDING CHAPTER 8.04 OF
6 THE SALSIBURY MUNICIPAL CODE TO REQUIRE ENHANCED CALL VERIFICATION
7 (ECV) FOR ALARM DISPATCH NOTIFICATION SYSTEMS.

8 WHEREAS, through the creation of section 8.04 the City has established standards and
9 regulations pertaining to alarm systems; and

10 WHEREAS, from time to time it is prudent to review and amend the code, and

11 WHEREAS, it has been shown that countless alarm notifications prove to be unintentional; and

12 WHEREAS, responses to the these unintentional alarms can be expensive and consume valuable
13 city resources; and

14 WHEREAS, requiring participation in an Enhanced Call Verification (ECV) system will
15 significantly reduce the number of inadvertent calls.

16 NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF
17 SALISBURY, MARYLAND that Chapter 8.04 be modified as follows:

18 **Chapter 8.04 ALARMS***

19 **Sections:**

20 8.04.010 Purpose and definitions.

21 8.04.020 License—Required.

22 8.04.030 Application for license—Fees.

23 8.04.040 Alarm companies to provide list of users to police and fire departments.

24 8.04.050 False alarms—Violations and penalties.

25 8.04.060 Appeals

26 8.04.~~060~~070 Weather-related activation of alarms.

27 8.04.~~070~~080 Holdup alarms.

28 ~~8.04.080 Panic alarms prohibited.~~

29 8.04.090 Audible alarm systems.

30 8.04.100 Auto dialer.

- 31 8.04.120 Operating without a license—Penalties.
- 32 8.04.130 Alarm system operating instructions.
- 33 8.04.140 Alarm system operation and maintenance.

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37

8.04.150 Enhanced Call Verification

38 **8.04.010 Purpose and definitions.**

39

40 The purpose of this chapter is to provide standards and regulations applicable to alarms such
41 as burglar (intrusion), holdup (robbery) alarms, life safety alarms (fire detection, heat detection,
42 smoke detection and water flow in occupancies), alarm companies, alarm agents and alarm users
43 as defined in this chapter. It is the intent of this chapter to provide for the registration of alarm
44 companies, and alarm systems, to control false alarms, to ensure the proper operation,
45 maintenance, and use of alarm systems, to place a time limit on audible alarms and to provide
46 penalties for violations of this chapter.

47 For the purpose of this chapter, the following words shall have the meanings ascribed to
48 them:

49 "Alarm" means activation of any alarm system that indicates that a criminal activity, fire or
50 fire-related emergency, or medical emergency is taking place. The alarm may be an audible
51 alarm at or within the occupancy or it may be transmitted to a central monitoring station by
52 electronic means.

53 "Alarm agent" means any person employed by an alarm company whose duties shall include
54 the altering, installing, maintaining, moving, repairing, replacing, selling, servicing, responding,
55 or causing others to respond, to an alarm system.

56 "Alarm company" means any person who engages in the business of altering, maintaining,
57 selling at retail, servicing or responding to an alarm system but does not include telephone
58 answering services which receive alarm activation signals and relay information to the ~~p~~P~~o~~l~~i~~c~~e~~ or
59 ~~f~~F~~i~~r~~e~~ ~~d~~D~~e~~p~~a~~r~~t~~m~~e~~n~~t~~ dispatch centers but do not function in any other manner.

60 "Alarm dispatch notification" means the process for notification of the ~~f~~F~~i~~r~~e~~ or ~~p~~P~~o~~l~~i~~c~~e~~
61 dispatch centers indicating that an alarm, either automatic or manual, has been activated at a
62 particular alarm site.

63 "Alarm signal" means the actual activation of an alarm system.

64 "Alarm site" means a single premise or location served by an alarm system or systems.

65 "Alarm system" means any assembly of equipment, mechanical or electrical, device or series
66 of devices, including, but not limited to, systems interconnected by radio frequency signals,
67 arranged or designed to signal an alarm indicating an unauthorized entry to, or criminal activity
68 requiring attention and to which the ~~p~~P~~o~~l~~i~~c~~e~~ are expected to respond. It shall also mean an alarm
69 indicating fire, smoke, excessive heat, or sprinkler water flow in the occupancy by emitting or
70 transmitting a remote or local audible, visual, or electronic signal indicating an alarm condition
71 that requires immediate attention and to which the ~~f~~F~~i~~r~~e~~ ~~d~~D~~e~~p~~a~~r~~t~~m~~e~~n~~t~~ is expected to respond.
72 Alarm system includes devices activated automatically, such as burglar~~y~~ alarms, fire, heat, or

73 smoke detectors, water flow alarms and devices activated manually, such as holdup alarms and
74 individual emergency pull stations. Alarm system does not include an alarm installed on a
75 vehicle or an alarm designed to alert only the occupants of a premise that does not have a
76 sounding device that is audible on the exterior of the alarm site.

77 "Alarm user" means any owner or lessor of any alarm system, the occupant of any dwelling
78 unit with an alarm system, each tenant using an alarm system in a multi-tenant occupancy, or any
79 person, firm, partnership, corporation, government or other entity which uses an alarm system at
80 an alarm site.

81 "Audible alarm system" means an alarm system, which utilizes an audible device such as a
82 siren, bell, horn, klaxon, etc., as a warning device when the alarm is activated.

83 "Automatic dialing device" means an alarm system, which automatically sends over a
84 regular telephone line, by, direct connection or otherwise, a prerecorded voice message
85 indicating the existence of the emergency situation that the alarm system is designed to detect.

86 "Cancellation" means verification from the alarm business or company that there is no actual
87 emergency at the alarm site and there is no further need for the police or fire department to
88 respond.

89 "Central monitoring station" means ~~a control center, including but not limited to a telephone~~
90 ~~answering service which provides for the receiving, on a continuous basis through trained~~
91 ~~employees, emergency signals from alarm systems and thereafter immediately relaying the~~
92 ~~message by live voice to any office, station, or telephone answering service where trained~~
93 ~~employees monitor and/or receive emergency signals from alarm systems, and relay messages~~
94 ~~from such signals by live voice to the City of Salisbury Police and Fire Department~~
95 ~~telecommunications and dispatch center, of the police department or the dispatch center for the~~
96 ~~fire department of the city of Salisbury.~~

97 "City" means the city of Salisbury, Maryland.

98 "Control panel" means the on-site central processing unit designed to control, manage, and
99 operate an alarm system.

100 "Digital dialer" means a device that transmits digital signals from an alarm system to a
101 central monitoring station through the telephone network. (should we include internet as well?)

102 "Enhanced Call Verification" means that all central monitoring stations that handle
103 residential or commercial intrusion and/or burglar alarm activations shall make two (2) phone
104 calls in an attempt to verify the validity of any monitored alarm activation.

105 "False alarm" means any alarm ~~caused by means other than criminal activity, or dispatch~~
106 ~~request to the Police or Fire Department, which results in the responding officer(s) finding no~~
107 ~~evidence of a criminal offense, attempted criminal offense, or~~ an actual fire or medical
108 emergency, ~~after completing an investigation of the alarm site. including, but not limited to, the~~
109 ~~activation of an alarm system through mechanical failure, malfunction, improper installation or~~
110 ~~the negligence of the owner or lessee of an alarm or of his employees or agents; any alarm that is~~
111 ~~caused by means other than criminal activity or when functioning properly.~~

112 "Fire eChief" means the eChief of the fFire dDepartment of the eCity of Salisbury,
113 Maryland, or his/her designeated representative.

114 "Fire ~~d~~Department" means the ~~e~~City of Salisbury ~~f~~Fire ~~d~~Department.

115 "Fire ~~d~~Department dispatch center" means the agency responsible for dispatching the ~~f~~Fire
116 ~~d~~Department for event response.

117 "Holdup alarm system" means an alarm system signaling a robbery or attempted robbery.

118 "Key box entry system" means a device designed to safely secure keys, or other information,
119 for use by ~~f~~Fire ~~d~~Department personnel to quickly gain access to the control panel. ~~and entry into~~
120 ~~an occupancy.~~

121 "Keypad or touch pad" means a device that permits the control of an alarm system by the
122 manual entering of a coded sequence of numbers or letters.

123 "Monitoring" means the process by which an alarm company receives signals from alarm
124 systems and relays an alarm dispatch notification to the dispatching agency for the purpose of
125 summoning fire, emergency medical services, and/or police personnel to respond to the alarm
126 site.

127 "Panic alarm" means an alarm system described or advertised for the purpose of being
128 normally or otherwise activated by a person to summon ~~f~~Fire ~~d~~Department personnel or ~~p~~Police
129 for any reason other than robbery or robbery attempts or an actual fire or a medical emergency.

130 "Person" means any person, firm, partnership, association, corporation, company of any
131 kind.

132 "Police ~~e~~Chief" means the ~~e~~Chief of the ~~p~~Police ~~d~~Department of Salisbury, Maryland or
133 his/her design~~ated representative.~~

134 "Police ~~d~~Department" means the Salisbury ~~p~~Police ~~d~~Department.

135 "Proprietor" means any person who owns or controls the use of property in which an alarm
136 system is installed.

137 "Residential alarm user" means the occupant of any residential dwelling that constitutes a
138 single alarm site with an alarm system.

139 "Takeover" means the transaction or process by which an alarm user takes over the control
140 of an existing alarm system that was previously controlled by another alarm user.

141 "Twelve-month period" means ~~a consecutive~~ twelve (12) consecutive months ~~period~~ within
142 a calendar year.

143 "Verification" means the attempt by the alarm company or its representative/s to contact the
144 alarm site by telephone or other electronic means, whether or not actual contact with a person is
145 made, to corroborate, or verify, the information transmitted by the alarm signal.

146 "Written notice" means notice by certified mail, return receipt requested.

147 (Ord. 1955 (part), 2005)

148 **8.04.020 License—Required.**

- 149 A. It is unlawful for any person or alarm company ~~intending~~ to conduct business within the ~~city~~
150 ~~limits of the e~~City of Salisbury without first having obtained a license from the ~~d~~Director of
151 ~~i~~Internal ~~s~~Services.
- 152 B. The application for an alarm company license shall be signed by the individual proprietor of
153 the business or by a partner or by the proper corporate official as is appropriate for the form
154 of business seeking to register for a license.
- 155 C. The ~~p~~Police ~~d~~Department shall establish standards that an alarm company must meet to
156 obtain an alarm company license. The ~~p~~Police ~~d~~Department shall refuse a license to any
157 alarm company that fails to meet its alarm company standards.
- 158 D. The ~~p~~Police ~~d~~Department shall, within thirty (30) days after receipt of the application, either
159 approve or deny the issuance of a license. In the case of approval, the ~~d~~Director of ~~i~~Internal
160 ~~s~~Services shall notify the applicant in writing of the approval and shall issue a license on a
161 form established by the ~~d~~Director of ~~i~~Internal ~~s~~Services. In the case of denial, the ~~p~~Police
162 ~~d~~Department shall notify the applicant that he may appeal the denial and set forth a
163 procedure for appeal. A procedure for appealing the denial of a license shall be established
164 by the ~~p~~Police ~~d~~Department.

165 (Ord. 1992 (part), 2006: Ord. 1955 (part), 2005)

166 **8.04.030 Application for license—Fees.**

167 Applications shall be made on forms furnished by the ~~d~~Director of ~~i~~Internal ~~s~~Services. The
168 applicant shall pay a one-time registration fee of fifty dollars (\$50.00) and may renew the
169 registration, at no cost, prior to expiration each calendar year. All companies currently
170 conducting business in the city shall re-register and update information before July 1, 2006.

171 (Ord. 1992 (part), 2006: Ord. 1955 (part), 2005)

172 **8.04.040 Alarm companies to provide list of users to police and fire departments.**

173 All licensed alarm companies shall provide the ~~p~~Police and ~~f~~Fire ~~d~~Departments with the
174 following:

- 175 1. A complete list of names and addresses of all persons to whom alarm systems have
176 been sold, leased, rented or otherwise given use of;
- 177 2. The ~~alarm system's~~ location of the customers' alarm systems; and
- 178 3. All other information requested on a form provided by the ~~p~~Police ~~d~~Department.

179 (Ord. 1955 (part), 2005)

180 **8.04.050 False alarms—Violations and penalties.**

- 181 A. If, within a calendar year, the ~~f~~Fire and/or ~~p~~Police ~~d~~Departments respond to more than two
182 (2) false alarms at the same location, response fees will be charged to the property owner, as

183 defined ~~in~~at the bottom of this Section ~~15.24.530~~, in accordance with the fee schedule in
184 effect at the time of the response. The fee schedule shall be set by the Council of the City of
185 Salisbury from time to time as the Council deems appropriate. Prior to January 31st of each
186 year, for the purpose of setting a fee schedule, the ~~p~~Police ~~d~~Department and ~~f~~Fire
187 ~~d~~Department shall provide the Council with up-to-date response fees from each department.
188 Each billable false alarm response shall incur a separate twenty-five (\$25.00) administrative
189 processing fee in addition to the false alarm response fee.

190 Failure to pay said fees within ninety (90) days of the date on the notification of the
191 violation will result in a lien against the real property until the fees are satisfied and shall be
192 collectible in the same manner as real estate taxes and accrue interest and penalties, if
193 applicable, as allowed for unpaid real estate taxes as well.

194 B. Newly installed and newly transferred alarm systems will be given a thirty (30) day grace
195 period to allow for correction of equipment and user errors. During the thirty (30) day
196 period, the alarm user will be allowed unlimited false alarms, as long as steps are being
197 taken to correct any problems. The alarm company installing the new system or transferring
198 a system shall notify the ~~p~~Police and ~~f~~Fire ~~d~~Departments in writing of the new installation or
199 transfer, including the effective date, within 10 days of the effective date.

200 C. The ~~d~~Director of ~~i~~Internal ~~s~~Services will maintain accurate records of false alarms and will
201 bill for payment thereof by mailing said bill to the property owner of the subject location.

202 D. If the false alarm bill remains unpaid for more than ninety (90) days, the ~~d~~Director of
203 ~~i~~Internal ~~s~~Services shall place a lien against the subject real property by forwarding to the
204 last known address of the owner as recorded in the real estate assessment records of the
205 ~~e~~City of Salisbury by written notice, a notice of lien, and such receipt shall constitute a
206 prima facie evidence of service upon such owner if it is signed either by the owner or by a
207 person of suitable age and discretion located at such address. In the event that delivery of
208 said notice of lien is refused by the property owner or his agent, then valid service may be
209 accomplished by hand delivery of same to either the property owner or a person of suitable
210 age and discretion employed or residing at the subject location or by posting the written
211 notice in a conspicuous place in or about the structure or property affected by such notice.

212 E. Municipal Infraction

213 For any violation occurring after the fourth false alarm response by the same responding
214 department within the same calendar year, the person owning and/or in control of the subject
215 real property shall be guilty of a municipal infraction and shall be subject to a fine of up to a
216 maximum of one thousand dollars (\$1,000.00) for each offense. Each false alarm response
217 thereafter within the same calendar year shall constitute a separate offense. Notice and
218 service of a citation shall be as directed under Local Government Article of the Maryland
219 Annotated Code 23A § 36-101, et seq. and § SC5-1(38), as amended, concerning municipal
220 infractions. The Chief of Police and Fire Chief are designated by the Council to direct the
221 designated persons within their departments to act as enforcement officers for the purpose of
222 preparing and carrying out the requirements for issuing and serving municipal infractions.

223

224

False Alarm Fee Schedule

False Alarm Occurrence	Administrative Processing Fee	False Alarm Response Fee	
		Police	Fire
1st	0.00	0.00	
2nd	0.00	0.00	
3 rd and each subsequent false alarm in a calendar year	25.00	246.40 <u>120.00</u>	272.09 <u>135.00</u>

(Ord. 1992 (part), 2006; Ord. 1955 (part), 2005)

8.04.060 Appeals

Any alarm user who is assessed a false alarm fee by the City of Salisbury may appeal the fee in writing to the City Administrator or designee within ten (10) days of the date of the notification of the violation. Within twenty-one (21) days after receipt of the appeal, the City Administrator or designee shall review the file and if necessary, arrange a hearing to discuss the application. Following the hearing and/or review, the City Administrator must render a written decision affirming, reversing, or modifying the violation issued by the Police and/or Fire Department. Failure to file a timely appeal shall constitute acceptance of the violation and related fees.

8.04.0670 Weather-related activation of alarms.

- A. Police Department Actions. Due to the activation of many alarms during severe weather, the on-duty commander of the ~~p~~Police ~~d~~Department shall have the option of assigning alarms a low priority during this time. If time permits the building may be visually checked by an officer. If, because of other calls or because of an excessive amount of alarms, the ~~p~~Police ~~d~~Department is unable to respond to the alarm location, the central monitoring station will be notified of the problem, and it will be the alarm company's responsibility to have someone check the building or to notify a representative of the business of the situation. Once this notification is made, the ~~p~~Police ~~d~~Department is relieved of any responsibility to respond to that alarm.
- B. Fire Department Actions. Due to the activation of many alarms during severe weather, the ~~f~~Fire ~~d~~Department shall have the option of assigning alarms a low priority during this time. Priority assignments shall be made based on the type of alarm, the type of occupancy, and the ~~f~~Fire ~~d~~Department's previous experience and history of alarms received from the occupancy and its response to the location. The ~~f~~Fire ~~d~~Department shall cause a process of verification of the alarm to be initiated to assist in the assignment of a priority to the alarm activation. If the ~~f~~Fire ~~d~~Department is unable to immediately respond to the location due to the increased volume of alarm system activations, the ~~f~~Fire ~~d~~Department dispatch center shall be notified. The alarm company shall be responsible to investigate the nature and cause for the alarm activation and advise the ~~f~~Fire ~~d~~Department dispatch center. Unless verification indicates that the ~~f~~Fire ~~d~~Department's services are required at the alarm location,

260 the ~~f~~ire ~~e~~Department is relieved of any responsibility to respond to the alarm and of any
261 liability associated with the lack of a sufficient response to the alarm site.

262 (Ord. 1955 (part), 2005)

263 **8.04.0780 Holdup alarms.**

264 It is unlawful for any alarm user to activate any alarm system known as a "holdup alarm" to
265 summon police for anything other than a holdup in progress. Use of alarm systems for crimes
266 such as thefts, disorderly or intoxicated subjects is prohibited and shall be charged as a false
267 alarm.

268 (Ord. 1955 (part), 2005)

269 ~~**8.04.080 Panic alarms prohibited.**~~

270 ~~No system known as a "panic alarm" will be permitted within the limits of the city of~~
271 ~~Salisbury.~~

272 (Ord. 1955 (part), 2005)

273 **8.04.090 Audible alarm systems.**

274 It is unlawful for any person, firm or business to install or maintain any audible alarm
275 system which does not automatically discontinue emitting an audible sound within fifteen (15)
276 minutes. The use of an audible alarm by itself is prohibited. The alarm must have the capability
277 of notifying someone of an alarm activation by means other than emitting an audible sound. This
278 shall not apply to fire alarms, elevator emergency alarms, water flow activation alarms, or alarms
279 which indicate a medical emergency.

280 (Ord. 1955 (part), 2005)

281 **8.04.100 Auto dialer.**

282 It is unlawful for any person to have any device attached in any way to a telephone or
283 telephone-type equipment which, when activated by remote control, dials a preprogrammed
284 number and transmits a prerecorded message communicating a then-existing emergency
285 condition including, but not limited to fire, illness or a criminal offense, which used the number
286 of the ~~p~~Police or ~~f~~ire ~~e~~Departments. The ~~p~~Police and Fire eChiefs isare authorized to grant
287 exceptions for handicapped persons.

288 (Ord. 1955 (part), 2005)

289 **8.04.120 Operating without a license—Penalties. (shouldn't this section be after 8.04.030?)**

290 A. An alarm company may not conduct business, including, but not limited to installing,
291 altering, leasing, monitoring, maintaining, repairing, replacing or servicing an alarm system,
292 within the ~~e~~City of Salisbury, without an alarm company license. A violation of this

293 subsection shall be a misdemeanor, subject to imprisonment of up to thirty (30) days, or a
294 fine not to exceed five hundred dollars (\$500.00) and imprisonment not to exceed thirty (30)
295 days.

296 B. Any alarm company conducting business within the eCity of Salisbury on the effective date
297 of the ordinance codified in this chapter shall apply for a license within thirty (30) days of
298 the effective date of the ordinance codified in this chapter and may continue conducting
299 business while its license application is being processed. An alarm company not previously
300 conducting business in the limits of the city on the effective date of this chapter shall not
301 commence conducting business until the application is approved.

302 C. Any violation of this chapter which does not specifically provide for a penalty shall be a
303 misdemeanor and subject to a fine of not more than one hundred dollars (\$100.00).

304 (Ord. 1955 (part), 2005)

305 **8.04.130 Alarm system operating instructions.**

306 The alarm user shall maintain a copy of the operating instructions for the alarm system at the
307 alarm site and provide this document to the fFire dDepartment upon request.

308 (Ord. 1955 (part), 2005)

309 **8.04.140 Alarm system operation and maintenance.**

310 The alarm user shall:

311 A. Maintain the premises and the alarm system in such a manner that will minimize or
312 eliminate unnecessary false alarms.

313 B. Cause a representative to respond to the alarm system's location within thirty (30)
314 minutes (or less) when requested by the Police or fFire dDepartment.

315 C. Ensure that the alarm system control key(s) or code(s) are safely secured in the facility's
316 key box in accordance with key box entry system code provisions.

317 **8.04.150 Enhanced Call Verification**

318 All central monitoring stations that handle residential or commercial intrusion and/or
319 burglar alarm activations shall make two (2) phone calls in an attempt to verify the validity of
320 any monitored alarm activation prior to calling the Salisbury Police Department to request a
321 dispatch.

322

323

324 AND BE IT FURTHER ENACTED AND ORDAINED BY THE CITY OF SALISBURY,
325 MARYLAND, that the Ordinance shall take effect upon final passage.

326

327 THIS ORDINANCE was introduced and read at a meeting of the Council of the City of
328 Salisbury held on the _____ day of _____, 2014 and thereafter, a statement of the
329 substance of the ordinance having been published as required by law, in the meantime, was
330 finally passed by the Council on the ___ day of _____, 2014.

331 ATTEST:

332

333 _____
334 Kimberly R. Nichols, City Clerk

Jake Day, City Council President

335

336

337

338 Approved by me, this _____ day of _____, 2014.

339

340

341 _____
342 James Ireton, Jr.,
343 Mayor