

# City of Salisbury



MARYLAND

## SALISBURY CITY COUNCIL WORK SESSION AGENDA

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**FEBRUARY 3, 2014**  
**COUNCIL CHAMBERS, ROOM 301**  
**GOVERNMENT OFFICE BUILDING**

### **Closed Session – 4:30 p.m.**

- Vote to convene in Closed Session for the purpose of consulting with counsel to obtain legal advice on a legal matter and to consult with staff, consultants, or other individuals about pending or potential litigation in accordance with the Annotated Code of Maryland §10-508(a)(7)(8). (Council to receive quarterly update on litigation)

### **Work Session – following adjournment of the Closed Session**

- 5:00 p.m. Quarterly Economic Development Update – Dave Ryan
- 5:20 p.m. City Charter Code Change Request – Barbara Duncan
- 5:40 p.m. Changes to the Composition of the Housing Board of Adjustments & Appeals - Susan Phillips
- 6:00 p.m. Snow Plowing MOU – Mike Moulds
- 6:20 p.m. Manufacturing Tax Exemption – Keith Cordrey
- 6:40 p.m. Diversity Initiative – Jake Day
- 7:00 p.m. Changes to the Council Rules of Order – Jake Day
- 7:20 p.m. General Discussion
- 7:30 p.m. Adjournment

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

# City of Salisbury



JAMES IRETON JR.  
MAYOR  
TOM STEVENSON  
ACTING CITY ADMINISTRATOR



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



BARBARA DUNCAN  
CHIEF OF POLICE

December 4, 2013

TO: Tom Stevenson  
City Administrator

FROM: Barbara Duncan  
Chief of Police

SUBJECT: City Code Change Request / SPD Pay Upon Promotion

In December 2012 with funds allocated by the mayor and city council, we were able to make major corrections to the pay scale for sworn members of service and dispatchers of the Salisbury Police Department. These corrections repaired a number of long standing problems relating to compression within the majority of the rank and file, skewed salaries within job titles and the overall issue of low compensation, particularly at the lower ranks. The correction was designed to stop or at least dramatically slow the loss of valuable and seasoned police officers, particularly within the 1-7 year tenure time frame.

As part of the analysis we developed a tracking tool which placed all sworn personnel into a pay bracket. The bracket that an employee was placed into was based on current salary as compared to peers of same rank and longevity within the agency. The analysis and eventual salary realignment repaired the decades old problem of skewed compensation levels within job titles. It also provided competitive salaries for our workforce, particularly to those employees within the 1 to 7 years of service salary range. Salaries of SPD members were compared to peers in comparable police departments within the region. Additional data considerations which impacted the salary bracket included service area population size and makeup, agency strength, and calls for service.

The Evergreen Compensation study had not been completed at the time of this adjustment but after review it appears that implementation will have a positive impact as it moves employees to the closest step without going under what the Administration had set in place. Additionally it appears that the Evergreen Compensation did not have an adverse effect on peer to peer compensation or compression.

The issue to be addressed through this communication is that of pay upon promotion. Currently we follow City Handbook §0304-B which states that employees must receive at least an 8% increase for a one grade increase or a 12% increase for two or more grade

increase. Under this guideline sworn employees promoted beyond grade 3 would be compensated above the currently established SPD bracket and this would re-ignite the salary skewing process. In many cases, remaining under the guidelines of §0304-B a newly promoted employee would automatically be compensated at higher levels than those with seniority in the rank. In some cases the salary of the promoted supervisor would fall short of the established salary bracket. The promotional salary skew was a chronic symptom which caused negative morale issues for our sworn members of service for many years.

In order to ensure that our compensation remains fair and free of salary skewing which was prevalent until the City adjusted the salaries we would like to deviate from the City Handbook procedure and implement our own policy narrowly pertaining to compensation upon promotion. The City Handbook procedures do not appear to adequately account for promotions of large numbers of employees performing the same highly technical job functions within the same rank.

An example of the tool that was used in December 2012 has been attached for use as a point of reference for this discussion. This spreadsheet bracketing tool was updated to reflect the Evergreen salary figures. We would like to use this same tool to address promotion related compensation increases for sworn members of the agency.

A significant concern with coming out from under §0304B is that SPD employees promoted into higher ranks, and assuming greater responsibility and liability in the process, would not enjoy the same rate of salary increase other City employees enjoy. In some cases the SPD employee would be restricted from earning the salary because of the limitations of §0304B. A new structure would correct the problem of newly promoted employees exceeding or 'hop scotching' over compensation levels above those of individuals who had held the position prior to the arrival of the newly promoted supervisor and would also provide a way to compensate those who would be entitled to more than the 12%. This problem generates an obvious need for reasonable compromise.

The new compensation tool is tied directly to the new Evergreen pay chart recommendations and, as a separate issue, will be adjusted as the mayor and council approve cost of living or step increases moving forward. It is important to note that employees were originally placed in brackets in December 2012 yet funds were not available to automatically trigger a bracket shift to move an employee forward to the next bracket as they advance to the next set of years in service. One option is to allow for an automatic bracket shift upon reaching an anniversary date as this would seem to mitigate the issue of not being able to realize the full 8 % to 12% raise upon promotion. Another alternative is to allow for slight adjustments to the salary bracket one is being promoted into.

In light of these circumstances we request thorough dialogue between the City Administrator, the Mayor and the Chief of Police during a promotion cycle. The discussion should focus on slight pay adjustments, specific to the bracket(s) affected by the specific promotion(s) in order to preserve the well structured salary system currently established for the agency.



Barbara Duncan  
Chief of Police

	0-6 Months											
Recruit	39,026	Non-Promoted Non Supervisory Level Position										
		6m-3 years	Non Promoted Position									
PO	43,410											
PFC	49,248	Non Promoted Position										
CPL			5-11years	12-16years	17-21 years	22-25 years	26-30years					
			58,967	60,060	61,176	62,314	63,475					
SGT			8-11 years	12-15 years	16-19 years	20-25 years	26-30years					
			61,130	63,348	65,839	71,771	73,121					
LT			8-11 years	12-15 years	16-19 years	20-25 years	26-30 years					
			73,488	74,872	76,284	77,734	79,193					
				12-15 years	16-19 years	20-25 years	25-30 years	30+ years				
CAPTAIN			80,691	82,220	83,778	85,368	86,990					
					16-19 years	20-25 years	25-30 years	30+ years				
MAJOR					88,483	90,166	91,884	93,636				
					16-19 years	20-25 years	25-30 years	30+ years				
COLONEL					92,225	93,049	94,910	96,808				
One time incentives for new hires:												
AA Degree	BS/BA Degree	Masters & above			Honorable Military Discharge			Bi-lingual Proficiency	Certified Officer Max 5 Years			
\$2,500.00	\$5,000.00	\$7,000.00			\$2,500.00			\$1,000 - \$2,000	\$500-\$2,500			

# Memo

To: Tom Stevenson  
From: Susan Phillips  
Date: January 16, 2014  
Re: Housing Board of Adjustments & Appeals Legislation

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This memo is a follow up to the work session dated January 6, 2014. Attached, you will find improvements made to the legislation as discussed at that meeting.

Unless you or the Mayor has any questions please forward this information to the City Council for review and consideration.

## **Appeal Board Composition Survey**

### Snow Hill, Maryland

The Mayor and Council shall appoint a Housing Review Board consisting of five (5) members who are adults and citizens of Snow Hill. Members shall be selected for their understanding and appreciation of housing principles, knowledge of conditions in the community, its housing objectives and policies, general civic interest as opposed to special or private interest and a fair and judicial approach.

### Princess Anne, Maryland

A Housing Board of Review is hereby created to conduct the hearings authorized by this chapter. Such Housing Board shall consist of five (5) members, to be appointed by the Town Manager and confirmed by the Council for overlapping terms of three (3) years each, except that the members of the first board shall be appointed two (2) for one (1) year, two (2) for two (2) years and one (1) for three (3) years, respectively. Each member of the board shall serve until a successor is appointed. All members of the board shall be citizens of the United States and residents of the Town of Princess Anne.

### Ocean City, Maryland

There is hereby created by the applicable governing body a board to be known as the "Housing Board of Adjustments and Appeals", which shall consist of not less than three (3) members and one (1) alternate member appointed by the governing body. The members shall be residents of the governed area. Members of the board shall be appointed for three (3) year terms, except that on the initial appointment, one shall be appointed for one (1) year, one (1) for two (2) years and one (1) for two (2) years and one (1) for three (3) years. Any one (1) or more members of said board shall be subject to removal or replacement by the appointing authority at any time for cause of stated charges after a public hearing before the appointing authority, and a vacancy on said board shall be filled by the appointing authority for the unexpired term of such vacancy. The members of said board shall serve without compensation.

### Pocomoke, Maryland

A Housing Board of Review is hereby created to conduct the hearings authorized by this chapter. Such Housing Board shall consist of five (5) members, to be appointed by the Town Manager and confirmed by the Council for overlapping terms of three (3) years each, except that the members of the first board shall be appointed two (2) for one (1) year, two (2) for two (2) years and one (1) for three (3) years,

respectively. Each member of the board shall serve until a successor is appointed. All members of the board shall be citizens of the United States and residents of Pocomoke City.

#### Cambridge, Maryland

A Housing Board of Review is hereby created to conduct the hearings authorized by this article. Such housing board of review shall consist of seven (7) members. Such members are to be appointed by the Mayor and confirmed by the City Council for overlapping terms of three (3) years each. Each member of the board shall serve until a successor is appointed. Members may be reappointed to succeed themselves. All members of the board shall be citizens of the United States, and a majority of the members shall be residents of the city.

#### Bowie, Maryland

The Council of the City of Bowie, Maryland may provide for the appointment of an Administrative Review Board composed of seven (7) members who are residents and registered voters of Bowie. Each member shall serve a term of two (2) years or until a successor is appointed. The Board may sit in three (3) member hearing panels which shall be designated by the Chairman. Vacancies shall be filled by the Council for the unexpired term of any member whose term becomes vacant. The members of the Administrative Review Board may be removed for cause by the Council of the City of Bowie upon written charges and after public hearing before the Council of the City of Bowie.

#### Laurel, Maryland

The board is made up of five (5) citizen members and an alternate appointed by the Mayor and confirmed by the City Council for three (3) year terms.

#### Kent County, Maryland

The Kent County Board of Housing Appeals, hereinafter referred to as "the Board", shall consist of three (3) members and two (2) alternates appointed by the County Commissioners of Kent County for terms of two (2) years, except that the initial members and alternates of the Board shall be appointed to the following terms: one (1) member for a term of three (3) years. Vacancies shall be filled by the County Commissioners for any unexpired portion of the term remaining.

1 CITY OF SALISBURY  
2 ORDINANCE NO. \_\_\_\_\_

3  
4 AN ORDINANCE OF THE CITY OF SALISBURY,  
5 MARYLAND, TO AMEND CHAPTER 15.24 HOUSING  
6 STANDARDS OF THE MUNICIPAL CODE TO CHANGE  
7 THE REQUIREMENTS FOR ELIGIBILITY OF BOARD  
8 MEMBERS FOR THE HOUSING BOARD OF  
9 ADJUSTMENTS AND APPEALS.

10  
11 WHEREAS, the Mayor and Council are concerned about the selection of  
12 members of the housing board of adjustments and appeals; and

13 WHEREAS, the Mayor and Council desire to change the composition of  
14 the housing board of adjustments and appeals by requiring that all members be  
15 residents of the City of Salisbury; and

16 WHEREAS, the Mayor and Council seek to amend certain language in  
17 Subsections 15.24.360 and 15.24.370 of Article X, Means of Appeal, of the  
18 Housing Standards to require all members to be residents of the City of Salisbury.

19 NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF  
20 THE CITY OF SALISBURY, MARYLAND, that the following sections be  
21 amended as follows:

22 **15.24.360 Establishment of board.**

23 There is established in the city a board to be called the housing board of  
24 adjustments and appeals, which shall consist of five members. Such board shall be  
25 composed of one realtor or landlord, three homeowners, and one renter, ~~one~~  
26 ~~physician, registered sanitarian or health official, one architect, structural engineer~~  
27 ~~or general contractor, and two members~~ all of whom are from the residents of the

28 city of Salisbury ~~who are homeowners~~. The board shall be appointed by the mayor  
29 and council.

30 **15.24.370 Terms of office.**

31 ~~Of the m~~Members ~~first appointed, two shall be appointed for terms of two~~  
32 ~~years, two for terms of three years and one~~ shall be appointed for a term of four  
33 ~~years, and thereafter they shall be appointed for terms of four years.~~ Any  
34 continued absence of any member from regular meetings of the board shall, at the  
35 discretion of the mayor and council, render any such member subject to immediate  
36 removal from office.

37 AND BE IT FURTHER ENACTED AND ORDAINED BY THE  
38 COUNCIL OF THE CITY OF SALISBURY, MARYLAND, that the Ordinance  
39 shall take effect upon final passage.

40 THIS ORDINANCE was introduced and read at a meeting of the Council  
41 of the City of Salisbury held on the \_\_\_\_\_ day of \_\_\_\_\_, 2014,  
42 and thereafter, a statement of the substance of the ordinance having been  
43 published as required by law, in the meantime, was finally passed by the Council  
44 on the \_\_\_\_\_ day of \_\_\_\_\_, 2014.

45  
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47  
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\_\_\_\_\_  
Kimberly R. Nichols, City Clerk

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

51 Approved by me this

52 day \_\_\_\_\_ of \_\_\_\_\_, 2014.

53

54

55

56

57

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

59 Mayor of the City of Salisbury

# City of Salisbury



JAMES IRETON, JR.  
MAYOR

M. THOMAS STEVENSON, JR.  
INTERIM 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, Interim City Administrator  
From: Mike Moulds, Director *MM*  
Date: January 16, 2014  
Re: Intergovernmental Agreement for Roadway Snow Removal

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For the February 3<sup>rd</sup> Council meeting, we are enclosing an agreement for roadway snow removal shared responsibility between The City and Wicomico County. The agreement designates snow removal responsibility between the City and County for certain roads that transition in and out of the City. In the interest of efficiency and coordination the City and County Public Works Departments have divided up the responsibility for snow plowing these designated streets.

We have reviewed the lane mileage determinations and compared them with the coverage we are currently managing. It is our opinion the road distance sharing is fair and reasonable. We recommend Council approval of the agreement.

The agreement is simply stated and straight forward. However please advise if you feel it necessary for the City solicitor to review.

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

**INTERGOVERNMENTAL AGREEMENT  
FOR ROADWAY SNOW REMOVAL**

This Agreement is entered as of the last date listed below, by and between Wicomico County, Maryland ("the County"), a body corporate and politic of the State of Maryland and the City of Salisbury, Maryland ("the City"), a municipal corporation.

WHEREAS, the County maintains a certain public roadway system for the benefit of the residents of the County, and the City maintains a certain public roadway system for the benefit of the residents of the City; and,

WHEREAS, both the County and the City provide snow removal services on the roads within their respective jurisdictions, and recognize that, due to changes in their respective boundaries, the efficient provision of municipal services can best be accomplished by exchanging certain snow removal obligations; and,

WHEREAS, the County and the City have agreed to exchange snow removal services for certain roadway areas, subject to the terms and conditions of this Agreement;

NOW THEREFORE, in consideration of the mutual promises and covenants contained herein, the benefit to the public served by both the County and the City, and other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, IT IS HEREBY AGREED AS FOLLOWS:

1. Incorporation of Recitals. The recitals to this Agreement are hereby incorporated by reference and constitute an integral component of this Agreement.
2. Roadways Subject to this Agreement. The following portions of the designated public roads shall be subject to the terms of this Agreement:

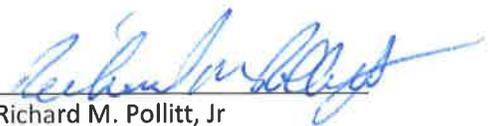
<b>WICOMICO COUNTY SNOW ROUTES</b>		
<b>Road</b>	<b>Area</b>	<b>Lane Miles</b>
Beaglin Park Drive	All South of Rt. 50	10.46
Pemberton Drive	Rt. 349 to Crooked Oak Lane	6.00
South Schumaker Drive	Rt. 12 to Mallard Landing	6.36
Johnson Road	Rt. 12 to Mallard Landing	2.62
Robins Avenue	Rt. 12 to Dykes Road	1.88
Glen Avenue	Long Avenue to Gunby Road	7.06
South Division Street	Dykes Road to Village @ Tony Tank	2.28
Naylor Mill Road	Rt. 50 to Jersey Road	5.48
<b>Total</b>		<b>42.14</b>

<b>CITY OF SALISBURY SNOW ROUTES</b>		
<b>Road</b>	<b>Area</b>	<b>Lane Miles</b>
Beaglin Park Drive	All North of Rt. 50	16.04
Dykes Road	South Division Street to Dead End	3.96
South Division Street	College Avenue to Dykes Road	3.11
Phillip Morris Drive	Rt. 350 to Rt. 346	2.13
Tilghman Road	Rt. 350 to Merritt Mill Road	3.24

Attest:

Wicomico County, Maryland

  
 \_\_\_\_\_  
 Wayne Strausburg  
 Director of Administration

  
 \_\_\_\_\_  
 Richard M. Pollitt, Jr  
 County Executive

Date: 1/14/14

Attest:

City of Salisbury, Maryland

\_\_\_\_\_  
 Tom Stevenson  
 Interim City Administrator

\_\_\_\_\_  
 James Ireton  
 Mayor

Date: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_  
 Jacob Day  
 Council President

Date: \_\_\_\_\_

# City of Salisbury



MARYLAND



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

JAMES IRETON, JR.  
MAYOR

TOM STEVENSON  
INTERIM CITY ADMINISTRATOR

KEITH A. CORDREY  
DIRECTOR OF INTERNAL SERVICES

To: Tom Stevenson, Interim City Administrator  
From: Keith Cordrey, Director of Internal Services  
Date: October 31, 2013  
Re: Manufacturing Exemption

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The City has been granting Manufactures Exemptions to those who have filed the appropriate applications and meet the qualifications. The exemption credit for new equipment is extended over 5 years and declines 10% per year. See Chart 2 provided herein for an example.

Exempting 100% of all Manufactures equipment, based on Manufacturing Exemption granted by SDAT, would result in \$826,866 less PP Tax per year. See Chart 1 for calculations. Given the City has already significantly tightened its budget; further reductions to revenues could affect its ability to fund important projects and operating requirements. Therefore, the approach proposed here is to dedicate a portion of future increases in real property tax revenues to phase in the exemption of manufacturing equipment.

The model shown assumes an increase in city real property assessments of 2.5% per year and that 40% of the corresponding increase in tax revenue would be dedicated to phasing the manufacturing exemption. As the chart indicates, this would result in the ability to phase in 30% in year 3, 60% in year 6, and 100% in year 7. The City would defer the phases until revenues actually achieved the prescribed levels.

Currently, the Personal Property rate is automatically set to 2.5 times the city's real property tax rate. The City should consider decoupling the PP Tax rate from the real property tax rate. For example, when the city adjusted the real property rate to constant yield in FY 14, the PP Tax rate was automatically increased from 2.04 to 2.21 per 100 of assessable value.

Please let me know if you have any questions.

**Chart I – Manufacturing Exemption Phase In**

FY	Tax Rate	Net Assessment	Revenue	2010 Revenue	40 % Increase	Phase In %	Phase In Revenue Decrease	Year
11	0.819	1,901,981,631	15,577,230	15,577,230				
12	0.819	1,885,046,023	15,438,527	15,577,230				
13	0.819	1,829,149,426	14,980,734	15,577,230				
14	0.884	1,697,325,239	15,004,355	15,577,230				
15	0.884	1,739,758,370	15,379,464	15,577,230				1
16	0.884	1,783,252,329	15,763,951	15,577,230	74,688			2
17	0.884	1,827,833,637	16,158,049	15,577,230	232,328	30%	248,066	3
18	0.884	1,873,529,478	16,562,001	15,577,230	393,908		-	4
19	0.884	1,920,367,715	16,976,051	15,577,230	559,528	60%	496,132	5
20	0.884	1,968,376,908	17,400,452	15,577,230	729,289		-	6
21	0.884	2,017,586,331	17,835,463	15,577,230	903,293	100%	826,886	7
22	0.884	2,068,025,989	18,281,350	15,577,230	1,081,648			8
								9
					<b>Total</b>		<b>826,886.31</b>	10

<b>Total Assessed Value for MFG Equipment</b>		48,493,360.00
<b>Less: Existing Average Exemption Granted</b>		10,388,000.00
<b>Net Assessed Value for MFG Equipment</b>		38,105,360.00
<b>Revenue at 2.17</b>		826,886.31
<b>Assumed Assessment Growth Rate</b>		1.025

This chart assumes the city dedicated 40% of tax revenues increases due to rising assessments assumed to be 3% annually. The spreadsheet could be used to adjust the growth rate or the percentage of the tax increase to be dedicated to phasing in the manufacturing exemption.

**Chart 2 – Sample Worksheet**

Company: Sample Company Inc.													
Due	Interest thru 6/2013	Billed Less Exempt	Principal	City Year	Date Billed	Credit	Exemption Total	2008	2009	2010			
							Equipment \$:	333,620	11,500	96,418			
9,346.26	2,855.59	6,490.67	6,490.67	2010	1/29/10								
7,959.43	2,019.56	5,939.87	5,939.87	2011	11/24/10								
6,516.08	1,130.89	5,385.19	5,385.19	2012	12/20/11								
6,966.36	746.40	6,219.96	6,219.96	2013	9/11/12		-						
-				2014		6,577.06	322,405	166,810	50%	6,900	60%	148,695	70%
-				2015		2,771.50	135,858			5,750	50%	130,108	60%
-				2016		2,275.03	111,521					111,521	50%
<b>\$30,788.13</b>	<b>\$ 6,752.44</b>	<b>\$ 24,035.69</b>	<b>\$24,035.69</b>				<b>\$11,623.59</b>	<b>3,403</b>	<b>258</b>	<b>7,963</b>			
Proof													
-													
<b>Exemption Value</b>													
Year	%	<b>Yrs After Equip Yr</b>	<b>Exempt yrs Granted</b>	<b>Calculated Yrs based on equip Yr -&gt;</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>						
1	90%	< 2	5	1	2009	2010	2011						
2	80%	2-3	3	2	2010	2011	2012						
3	70%	3-4	2	2-3	2011	2012	2013						
4	60%	4-5	1	3-4	2012	2013							
5	50%			4-5	2013								
<b># Years:</b>					4-5 Yrs= 1	3-4 Yrs= 2	2-3 = 3						
<b>Date Filed:</b>					02/27/13	02/27/13	02/27/13						