



November 25, 2008
WORK SESSION
MAYOR AND CITY COUNCIL
TOWN OF OCEAN CITY

In attendance: Mayor Rick Meehan, Council President Joe Mitrecic, Council Members Jim Hall, Margaret Pillas, Mary Knight, Doug Cymek and Joe Hall, City Manager Dennis Dare, City Solicitor Guy Ayres, Assistant to City Manager Kathy Mathias, Finance Administrator Martha Lucey, City Engineer Terry McGean, Public Works Director Hal Adkins, Public Works Transportation Superintendent George Thornes, Public Works Solid Waste Superintendent Woodrow Shockley, Public Works Project Manager Dick Malone, Emergency Medical Services Captain Chuck Barton, Ocean City Police Department Captain Kevin Kirstein, Information Technology Director Nancy Bloxom, Chief Building Official Kevin Brown, Deputy City Clerk Kelly Allmond, Members of the Press and Interested Parties. Council Secretary Lloyd Martin was absent.

Council President Joe Mitrecic called this work session to order at 12:00 a.m. He advised that the discussion regarding the Town's website is postponed. **Council Member Mary Knight moved to convene into closed session to discuss legal and personnel matters; seconded by Council Member Doug Cymek. The vote was 6-0 with Council Secretary Lloyd Martin absent.**

The Open Session reconvened at 1:08 p.m..

1. Council President Joe Mitrecic reported on the closed session held prior to this open session at 12:20 p.m.. Topics of discussion were: (1) to discuss the appointment, employment, assignment, removal or resignation of appointees, employees or officials over whom it has jurisdiction; or, any other personnel matter that affects one or more specific individuals; (2) to consult with counsel to obtain legal advice; (3) to consult with Staff, Consultants or other individuals about pending or potential litigations, and, (4) perform a personal interview and evaluation. Persons present were: Council President Joe Mitrecic, Council Members Jim Hall, Margaret Pillas, Mary Knight, Doug Cymek and Joe Hall, City Manager Dennis Dare, City Solicitor Guy Ayres, Assistant to City Manager Kathy Mathias and Board of Port Wardens Candidate Blake McGrath.

Council Member Joe Hall moved to hold the City Manager's salary for this year; seconded by Council Member Margaret Pillas. The vote was 6-0 with Council Secretary Lloyd Martin absent.

Council Member Mary Knight moved to close the closed session; seconded by Council Member Doug Cymek. The vote was 6-0 with Council Secretary Lloyd Martin absent.

2. In accordance with the Town's Employee Recognition Program, Public Works Transportation Superintendent George Thornes introduced Transportation Employees Steve Bartlett and Ed Nock.

3. Bid openings:

A. Medical Supplies

(FY09 Budget Allocation = \$60,000.00)

Vendor
Amerisochi, Inc., Mentor, Ohio
Elikort International, Towson, Maryland
Allmed, Lowman, Maryland
Matrix Medical, Irmo, South Carolina
Resort Health Systems, Baltimore, Maryland
Southeastern Emergency Equipment, Wake Forest, North Carolina
Cole Medical, Inc., Sykesville, Maryland
Bound Tree Medical LLC, Dublin, Ohio
Medical Supply Company, Dayton Beach, Florida
Moore Medical LLC, Farmington, Connecticut
Medical Products Supply, Inc., Babylon, New York
Laerdal Medical Corporation, Wappingers Fall, New York

Council Member Mary Knight moved to acknowledge the bids with remand to Staff for review; seconded by Council Member Margaret Pillas. The vote was 6-0 with Council Secretary Lloyd Martin absent.

4. Public Works Director Hal Adkins, accompanied by Public Works Solid Waste Superintendent Woodrow Shockley, presented **cost reduction measures for Solid Waste Collection** (see Attachment A). Director Adkins proposed the following schedule for trash collection: *-Residential: One Day Per Week; -Commercial: Three Days Per Week; -Saturday Collection: Eliminated (But Covered By One Staff Member As A Precaution)*” Director Adkins stressed that his Staff will closely monitor this new schedule. **Council Member Jim Hall moved to accept this recommendation; seconded by Council Member Mary Knight. The vote was 6-0 with Council Secretary Lloyd Martin absent.**

Public Works Director Hal Adkins, accompanied by Public Works Transportation Superintendent George Thornes, presented **cost reduction measures for Winter Bus Service**. They offered three possible deployment changes (see Attachment B). **Council Member Doug Cymek moved to schedule a public hearing regarding the reduction of winter bus services; seconded by Council Member Jim Hall. The vote was 6-0 with Council Secretary Lloyd Martin absent.**

5. Ocean City Police Department Captain Kevin Kirstein, accompanied by Information Technology Director Nancy Bloxom, made a recommendation to purchase eight (8) Panasonic Toughbooks from **Hill Country**, in the amount of \$26,518.00; plus, an additional \$15,930.00 for software. Total purchase = \$44,612.00 (FY09 Budget Allocation = \$45,985.00). Council Member Margaret Pillas asked Information Technology Director Nancy Bloxom for statistics on the reliability of Toughbooks. **Council Member Jim Hall moved to proceed with this purchase; seconded by Council Member Doug Cymek.**

The vote was 5-0 with Council Member Margaret Pillas abstained and Council Secretary Lloyd Martin absent.

6. City Engineer Terry McGean made a recommendation to award **Shoreline Design** for the South Ocean Drive revetment, in the amount of \$417,642.00 (Staff Estimate = \$526,983.00; walkway not included). **Council Member Joe Hall moved to approve; seconded by Council Member Jim Hall. The vote was 6-0 with Council Secretary Lloyd Martin absent.**
7. Chief Building Official Kevin Brown advised that the General Assembly enacted legislation to create the Home Builder Guaranty Fund to protect consumers against negligent Home Builders. He said that Permit Offices are required to collect \$50.00 per permit for construction of new homes, custom homes, mobile homes, modular homes and condominiums. Monies collected are then remitted to the Office of Attorney General on a monthly basis. **Council Member Jim Hall moved to proceed with this effort; seconded by Council Member Mary Knight. The vote was 6-0 with Council Secretary Lloyd Martin absent.** Solicitor Guy Ayres said he will contact the Attorney General's Office for clarification on whether the fee is collected per building permit or per dwelling.
8. Jim Rapp, Executive Director of Delmarva Low Impact Tourism Experiences (DLITE), and Lisa Gutierrez of Maryland's Department of Natural Resources, presented a proposed plan for the Ayres Creek Water Trail and Park. City Solicitor Guy Ayres advised that any plans are subject to approval by the State of Maryland. Mayor Rick Meehan advised Mr. Rapp that the Town will assist DLITE with obtaining grant money for this project.
9. [The discussion regarding design of the Town's website was postponed.]
10. Finance Administrator Martha Lucey requested permission to solicit bids for auditing services. **Council Member Jim Hall moved to approve; seconded by Council Member Margaret Pillas. The vote was 6-0 with Council Secretary Lloyd Martin absent.**
11. City Solicitor Guy Ayres presented a draft ordinance to create a tax exempt trust fund for post-employment benefits (see Attachment C). **Council Member Jim Hall moved to proceed with the First Reading in the next Regular Session; seconded by Council Member Mary Knight. The vote was 6-0 with Council Secretary Lloyd Martin absent.**

Council Member Jim Hall moved to adjourn at 3:10 p.m.; seconded by Council Member Mary Knight. The vote was 6-0 with Council Secretary Lloyd Martin absent.

Attachment A

To: Dennis W. Darr, City Manager
From: Hal O. Adkins, Public Works Director
Re: Cost Reduction Issues
Solid Waste and Construction Divisions
Service Level Reductions: December 2008 Thru March 2009
Date: November 19, 2008

In accordance with recent discussions pertaining to potential cost reduction measures, and as a follow up to your recent presentation to the Mayor and City Council, I wish to submit the following issue for consideration.

The Solid Waste Division currently provides refuse collection as follows during the winter months:

Residential : Two Days Per Week
Commercial: Five Days Per Week
Saturday Collection: To Specific Locations Due To Lack Of Capacity Concerns

There is the potential to reduce this level of service during the forthcoming months of December thru March of 2009 as follows:

Residential: One Day Per Week
Commercial: Three Days Per Week
Saturday Collection: Eliminated (But Covered By One Staff Member As A Precaution)

After charging Woodrow and his Staff with the challenge of calculating the potential cost savings for this service reduction, Woodrow prepared the attached two page document.

This document specifically spells out the single day of Residential Collection, by location within Town, that would be provided and depicts the fuel savings that is attributable to the elimination of the second day of fleet use.

Additionally, the attachment defines the 3 days of the week that Commercial collection would occur and depicts the fuel savings that is attributable to the elimination of the 4th and 5th days of collection.

In summary the overall fuel savings would be slightly over \$15,000.00.

The potential service level reductions in refuse collection result in a manpower (Fulltime staff) surplus becoming available within the Solid Waste Division for these specific months. In an effort to better utilize the available full time staff, it would then be my recommendation that the available staff be reassigned, at my decision and direction, to the Construction Division, and that the current Part - time staff that is employed in that Division (to meet the annual construction manpower demands) be released. This reallocation of manpower will result in an approximate savings of an additional \$32,000.00 to the General Fund.

As a side note for consideration, please keep the following issues in mind when considering the service level reduction:

(1) Tipping fees paid to the County will not reduce simply because of the collection schedule modifications. "The tonnage is the tonnage" regardless of what days you chose to collect it. DUT....please be aware that regardless of our current or proposed collection schedules, the tipping fees paid thus far this fiscal year are running over \$100,000.00 below the allocated budget. This in and of itself paints the proverbial picture that business in general in the Town is down.....and so goes the tonnage of trash.....and by the way.....the frequency of collection needs.

(2) It would never be our intent to EVER allow this Town to become dirty. We have strived for far to many years to achieve a level of unparalleled cleanliness and I, for one, would never recommend a service reduction that would ruin that achievement. With that said, and with the "understanding and willingness" of our residential and commercial customers, we would work thru this transition, identifying any "true" capacity limitations that may arise, focus on expansion of individuals recycling efforts to minimize a refuse capacity concern, and adjust our frequency of collection IF needed at specific locations, while those locations took proactive action to correct their problem. In the same vein, it should be noted that Staff is well aware of the holidays that fall within the time frame of December to March of 2009 and schedules would be adjusted accordingly to address the refuse volume that is generated around those dates.

(3) The attachment defines those locations that are currently serviced by a Saturday collection effort. In MANY cases it is the opinion of the Staff that these locations do not need Saturday service "due to capacity concerns" and could easily make it until Monday morning. To prove our case, while still assuring you and the Mayor and City Council that we would

never intend to cause a refuse collection problem at these locations, we are proposing to staff the Collection Division with one staff member each Saturday. This employee will have the expertise to operate both a front end and automated collection vehicle. This employee will be scheduled Off a weekday to compensate for the hours worked on Saturday. BUT...if this Staff member is in fact called out of the office for a Saturday collection effort, the employee will be instructed to note what the actual volume of refuse at the site is and, upon returning to work on Monday for the next "regularly scheduled date of collection" will view the situation and that time to determine if in fact the preceding Saturday collection effort was truly "necessary".

In closing, when faced with tough times we all need to make concessions. With the explanation provided above, it is my hope, should you chose to implement these service reductions, that the "customers themselves" will clearly realize the reasoning for the change and work with us to achieve a common goal.

cc. J. Parsons
W. Shockey
R. Malone

Solid Waste Reduction

Cost Reduction Measures for Transportation

	As Budgeted for in FY09	Current Schedule	Reduction Measures to be Considered	Additional Reduction Measures to be Considered Realtive to 3rd Shift Only
Time Period	December thru March	November thru March	January thru March	January thru March
Driver Shifts	1st Shift: 6 a.m. to 2 p.m. 2nd Shift: 2 p.m. to 10 p.m. 3rd Shift: 10 p.m. to 6 a.m.	1st Shift: 6 a.m. to 2 p.m. 2nd Shift: 2 p.m. to 10 p.m. 3rd Shift: 10 p.m. to 6 a.m.	1st Shift: 6 a.m. to 2 p.m. 2nd Shift: 2 p.m. to 10 p.m. 3rd Shift: 10 p.m. to 6 a.m.	
Bus Deployments	1st Shift: 4 Buses 2nd Shift: 4 Buses 3rd Shift: 4 Buses	1st Shift: 3 Buses 2nd Shift: 3 Buses 3rd Shift: 3 Buses	1st Shift: 2 Buses 2nd Shift: 2 Buses 3rd Shift: 1 Bus / Vehicle	3rd Shift: (Sunday - Thursday) 0 Buses / Vehicles (Friday - Saturday) 1 Bus / Vehicle
Bus Headways	1st Shift: 30 minutes 2nd Shift: 30 minutes 3rd Shift: 30 minutes	1st Shift: 30 minutes 2nd Shift: 30 minutes 3rd Shift: 30 minutes	1st Shift: 30 minutes* 2nd Shift: 30 minutes* 3rd Shift: 60 minutes* NOTE: Timetables and Headways are expected to fluctuate throughout the shift due to traffic flow, passenger activity, and employee needs.	3rd Shift: (Sunday - Thursday) n/a (Friday - Saturday) 60 minutes*
Operating Costs	\$240,910		NOTE: Reduction in service levels from 3 buses to anything less will require a public hearing with a 30 day advertised period.	
Anticipated Savings	Gross - n/a Net - n/a	Gross - \$103,240 Net - \$78,160	Gross - \$ 120, 253 Net - \$85,293	Gross - \$164,986 Net - \$120,146

Attachment I

I "Winter" Bus Operations - *As Budgeted for in FY09*
(December thru March)

- Driver Shifts:
 - 1st Shift: 6 a.m. to 2 p.m.
 - 2nd Shift: 2 p.m. to 10 p.m.
 - 3rd Shift: 10 p.m. to 6 a.m.

- Bus Deployment per Shift:
 - 1st Shift: 4 Buses
 - 2nd Shift: 4 Buses
 - 3rd Shift: 4 Buses

- Bus Headways:
 - 1st Shift: 30 Minutes
 - 2nd Shift: 30 Minutes
 - 3rd Shift: 30 Minutes

- Operating Costs
 - Gross - \$240,910

II "Winter" Bus Operations – *Currently (November 03 – March 29)*

- Driver Shifts:
 - 1st Shift: 6 a.m. to 2 p.m.
 - 2nd Shift: 2 p.m. to 10 p.m.
 - 3rd Shift: 10 p.m. to 6 a.m.

 - Bus Deployments per Shift:
 - 1st Shift: 3 Buses
 - 2nd Shift: 3 Buses
 - 3rd Shift: 3 Buses
 - Increase in deployments for Special Events

 - Bus Headways:
 - 1st Shift: 30 Minutes
 - 2nd Shift: 30 Minutes
 - 3rd Shift: 30 Minutes

 - Anticipated Savings:
 - Gross Savings – \$103,240
 - Net Savings - \$78,160
-

Attachment I

III “Winter” Bus Operations - *Cost Reduction Proposal (December-March)*

- Driver Shifts
 - 1st Shift: 6 a.m. to 2 p.m.
 - 2nd Shift: 2 p.m. to 10 p.m.
 - 3rd Shift: 10 p.m. to 6 a.m.

 - Bus Deployments per Shift:
 - 1st Shift: 2 Buses
 - 2nd Shift: 2 Buses
 - 3rd Shift: 1 Bus
 - Sunday – Thursday

 - Bus Headways:
 - 1st Shift: 30 Minutes*
 - 2nd Shift: 30 Minutes*
 - 3rd Shift: 30 Minutes*
 - * Headways are defined as the time interval between vehicles moving in the same direction on a fixed route. Minimum deployments will not allow the buses to sustain headways to leave on the half-hour and hour. This will cause a rolling schedule throughout the day. Therefore where once a patron could expect a bus to pass a designated point at a given time that will no longer be the case.

 - Anticipated Savings:
 - Gross - \$82,040
 - Net - \$44,591
 - Gross Savings - \$185,280
 - Net Savings - \$124,919
-

Attachment I

IV “Winter” Bus Operations - *Cost Reduction Proposal*

Should the Mayor and Council wish to eliminate the Night Liners (3rd shift), I would be remiss in not sharing the ridership history.

As reported for the months of November through March, for FY 05, 06, 07 & 08, ridership figures indicate the following:

- On average, 38,000 patrons board the bus each month November through March during a 24-hour period.
 - On average, 4,500 patrons board the bus each month during the 3rd shift.
 - 4,500 patrons represent roughly 12% of total ridership for this period.

 - Driver Shifts
 - 1st Shift: 6 a.m. to 2 p.m.
 - 2nd Shift: 2 p.m. to 10 p.m.
 - 3rd Shift: 10 p.m. to 6 a.m.

 - Bus Deployments per Shift:
 - 1st Shift: 2 Buses
 - 2nd Shift: 2 Buses
 - 3rd Shift: 0 Buses
 - Sunday – Thursday

 - Anticipated Savings:
 - Gross - \$20,515
 - Net - \$7,595
 - Gross Savings - \$200,795
 - Net Savings - \$132,514
-