

January 5, 2009
REGULAR SESSION #1
MAYOR & CITY COUNCIL
TOWN OF OCEAN CITY

Present:

Mayor Richard W. Meehan
Council President Joseph Mitrecic
Council Secretary Lloyd Martin

Council Member James S. Hall
Council Member Margaret L. Pillas
Council Member Mary P. Knight
Council Member Douglas S. Cymek
Council Member Joseph T. Hall, II

ATTENDANCE

City Manager Dennis Dare, City Solicitor Guy Ayres, Assistant to City Manager Kathy Mathias, Finance Administrator Martha Lucey, Public Works Director Hal Adkins, Public Works Transportation Superintendent George Thornes, Transportation Operations Manager Steve Bartlett, Special Programs/Grants Coordinator Wayne Pryor, Ocean City Fire Chief Chris Larmore, Budget Analyst Jennie Knapp, Emergency Medical Services Captain Chuck Barton, City Clerk Carol Jacobs, Members of the Press and Interested Parties.

CALL TO ORDER

Council President Joe Mitrecic called this Regular Session to order at 6:00 p.m., in the Council Chambers of City Hall, 301 Baltimore Avenue, Ocean City, Maryland 21842.

PRAYER & PLEDGE

Pastor Ralph Krum of the Ocean City Seventh Day Adventist Church led the Prayer, and Mayor Rick Meehan led the Pledge of Allegiance.

REPORT FROM CITY MANAGER ON UPCOMING WORK SESSION

City Manager Dare advised that the following items will be discussed in the upcoming Work Session:

1. Bid Opening – Risk Management Actuarial Analysis
2. Request for Sole Source Purchase for Repairs to Special Events Stage – presented by Public Works Maintenance Superintendent Bruce Gibbs
3. Presentation of Alternative Selection Process for the Rt. 50 Bridge Study (MSHA)
4. Private Events Permit Process and Fee Structure – Parks and Recreation Director Tom Shuster
5. Discussion of after-dark Swimming Restrictions on the Beach – presented by Ocean City Fire Chief Chris Larmore
6. Discussion of Promotional Rank Structure for the Ocean City Fire Department – presented by Ocean City Fire Chief Chris Larmore

7. Discussion of Cost Reduction Measures and Revenue Enhancements

- a. Parking Fees – Recommendations for the Inlet Lot and Calet Pay Stations
- b. Proposed Sale of West Ocean City EDU's
- c. Winterfest – Recommendations regarding entrance fare and scope of project
- d. Special Events – Proposal to implement service charges
- e. Camp Horizon – Elimination of Free Bus Service

APPROVAL OF MINUTES

Minutes of Regular Session #24, dated December 15, 2008, were approved with the following amendments:

1. On the bottom of Page 3 of Regular Session #24, regarding the *Humane Society*: Council Secretary Lloyd Martin moved to nominate Council Member Mary Knight; seconded by Council Member Jim Hall. **The vote was unanimous.**
2. Also, in the mid section of Page 3, regarding the *Tourism Committee*: Council Member Doug Cymek moved to nominate Council Secretary Lloyd Martin; seconded by Council Member Jim Hall. **The vote was unanimous.**

PUBLIC HEARINGS

Proposed Service Reduction to Fixed Route Public Transportation System – see Attachment A

NEW BUSINESS

- A. Special Programs/Grants Coordinator Wayne Pryor reported on the FY 2008 Homeland Security Grant (see Attachment B).
- B. Ocean City Fire Chief Chris Larmore presented a monthly report on operational changes for the Ocean City Fire Department (see Attachment C).

ITEMS REFERRED TO AND PRESENTATIONS FROM THE CITY SOLICITOR

City Solicitor Ayres presented the following for approval:

- A. Second Reading of Ordinance 2008-23, amending Chapter 10, entitled *Buildings and Regulations* to adopt and update changes from various international building and fire codes. **Council Member Joe Hall moved to approve Ordinance 2008-23 on Second Reading; seconded by Council Member Mary Knight. The vote was 6-0 with Council Member Jim Hall absent.**
- B. Second Reading of Ordinance 2008-24, amending Chapter 38, entitled *Floods*, changing areas defined as critical areas and requires HVAC equipment to be elevated per FEMA Flood Requirements. **Council Member Joe Hall moved to approve Ordinance 2008-24 on Second Reading; seconded by Council Member Mary Knight. The vote was 6-0 with Council Member Jim Hall absent.**
- C. First Reading of Budget Amendment #1 for FY 2009 (see Attachment D). **Council Member Mary Knight moved to approve FY09 Budget Amendment #1 on First Reading; seconded by Council Member Doug Cymek. The vote was 5-0 with Council Member Joe Hall abstained and Council Member Jim Hall absent.**

ITEMS REFERRED TO AND PRESENTATIONS FROM THE CITY MANAGER

City Manager Dare presented the following for approval:

- A. Permission to solicit bids for the City-wide Security Access Control System. **Council Secretary Lloyd Martin moved to approve; seconded by Council Member Mary Knight. The vote was 6-0 with Council Member Jim Hall absent.**
- B. Staff's recommendation to award **American Paving**, in the amount of \$262,469.00, for the Jamestown Road Milling and Paving Project (FY09 Budget Allocation = \$343,500.00). **Council Secretary Lloyd Martin moved to accept this recommendation; seconded by Council Member Mary Knight. The vote was 6-0 with Council Member Jim Hall absent.**

City Manager Dare advised that Worcester County made a cash donation of \$1,000.00 and over \$3,000.00 of in-kind services for the annual Day at the Docks event. **Council Member Doug Cymek moved to approve the Ocean City Chamber of Commerce' request for a \$2,500.00 donation; seconded by Council Secretary Lloyd Martin. The vote was 6-0 with Council Member Jim Hall absent.**

CITIZEN COMMENTS

John McDermott asked the Mayor and Council to consider lowering the city tax rate. He also asked City Manager Dare if the hiring freeze is still in effect. Mr. Dare affirmed.

Jim McGinnis commented on the Public Hearing.

Ellie Diegelmann asked about the First Reading of FY09 Budget Amendment #1, and, the Flood Ordinance, and, complained about the availability of the agenda packet.

Herb Pawlukewicz complained about the state-imposed wastewater fee to clean up the Chesapeake Bay. He also commented on canal dredging.

COMMENTS FROM THE MAYOR AND CITY COUNCIL

Council Member Joe Hall said he wrote a letter to the newspaper regarding his concerns about the budget. He asked citizens to attend the January 27, 2009 work session to offer comments.

Mayor Rick Meehan thanked everyone for attending the Mayor and Council's Open House on New Years Day. He thanked Donna Greenwood and the Beautification Committee, City Staff, and Sue Hurley of the Ocean City Lifesaving Museum for their assistance.

ADJOURNMENT

Council Member Mary Knight moved to adjourn at 8:50 p.m.; seconded by Council Secretary Lloyd Martin. The vote was 6-0 with Council Member Jim Hall absent.

Minutes prepared by Deputy City Clerk Kelly Allmond _____

Minutes certified by City Clerk Carol Jacobs

Minutes approved on:

**Public Hearing: Reduction of Coastal Highway
Fixed-Route Bus Service
Town of Ocean City
January 5, 2009**

Present:

**Mayor Richard W. Meehan
Council President Joe Mitrecic
Council Secretary Lloyd Martin**

**Council Member James Hall
Council Member Margaret Pillas
Council Member Mary Knight
Council Member Douglas Cymek
Council Member Joseph Hall, II**

Also in attendance: City Manager Dennis Dare, City Solicitor Guy Ayres, Assistant to City Manager Kathy Mathias, Public Works Director Hal Adkins, Public Works Transportation Superintendent George Thornes, Transportations Operation Manager Steve Bartlett, Sign Language Interpreter Amy Figgs, City Clerk Carol Jacobs, Members of the Press and Interested Parties.

Council President Joe Mitrecic

The next item on the agenda falls under Public Hearings: Proposed Service Reductions to Fixed-Route Public Transportation System, Mr. Adkins?

Public Works Director Hal Adkins

Good evening, with me this evening, directly in front of me, many of the Council recall the face of Mrs. Amy Figs. She will be assisting us during this Public Hearing for those that are hearing impaired in the audience. At the head table, this evening, in an effort to address any specific questions that the Mayor and City Council may have, when making decisions on this information, are Mr. George Thornes, the Superintendent of Transportation, accompanied by Mr. Steve Bartlett, our Operations Manager.

Council President Joe Mitrecic

Mr. Ayres, do I need to read the notice into the record?

City Solicitor Guy Ayres

Yes, you probably should.

Council President Joe Mitrecic

“Notice of a Public Hearing, Reduction of Coastal Highway Fixed-Route Bus Service. Notice is hereby given that a Public Hearing will be held on Monday, January 5, 2009 at 6:00 p.m. at City Hall, 301 Baltimore Avenue, Ocean City, Maryland, First floor, Council Chambers. The purpose of the Hearing is to solicit public comment on proposed service reduction to Ocean City’s fixed-route public transit (bus) system, operating along Coastal Highway during the months of January through March, of 2009 and annually from November through March. The proposed service reductions are due to anticipated funding difficulties. Topics to be covered are: -Reducing the number of buses servicing the Coastal Highway fixed-route, January through

March. –Reducing the number of buses, and or modifying service hours applied, on the ‘3rd shift’, 10 p.m. to 6 a.m., January through March. –Implementation of smaller more efficient, right-sized vehicles for use on the 3rd shift, 10 p.m. to 6 a.m., January through March. –Service reduction impacts on patrons. –Consideration of financial impacts and savings. The location of this Hearing is accessible to persons with disabilities. Any individual who requires special assistance to participate in the Public Hearing should contact Mrs. Dianna Davis at 410-723-2174 at TTD 410-723-3636, ten days prior to the hearing in order for Ocean City Transportation to make the necessary arrangements. A sign language interpreter will be present and available at the Hearing.”¹ Mr. Adkins.

Public Works Director Hal Adkins

Council President Mitrecic, thank you very much. For the Council’s benefit you will recall that during a work session, held on November 25, 2008, two different potential cost reductions measures were brought forth to the Council that day. One dealt with Solid Waste Collection schedules, and the other dealt with the deployment of the buses on our fixed-route for our Transportation System.

We are here this evening, for this Public Hearing, to speak specifically about the fixed route. If anyone in the audience showed up, unfortunately, thinking this public hearing was specific to our demand-response curb-to-curb ADA Service, it is not. That public hearing will be held on Tuesday evening, January 20th.

With that said, the Council will recall that, during the work session on the 25th, we presented you with a chart, very similar to what is shown on the overhead projector (see Attachment A). It basically indicated to the Council, on the first column to the left, that the FY09 Transportation Budget was structured for deployment of four vehicles per shift. There are three eight-hour shifts in the twenty-four hour day. At a decision of Operations Manager, on or about November one, without input from the Council, we reduced that deployment. So it no longer was four-four and four. We reduced it to three-three and three. I’m here this evening to say that it worked very well.

The second column indicates that the gross savings from that reduction from four buses to three, resulted in roughly a Hundred and Three Thousand Dollars (\$103,000.00), with a net savings of roughly Seventy-Eight Thousand Dollars (\$78,000.00). When the Town as a whole is faced with the budget restrictions that we have looming, coming July One. I want the entire audience to understand that this is not being focused specifically to the Transportation Department. As City Manager Dare mentioned a moment ago, in his opening comments, there are numerous other issues that are forthcoming both this evening’s agenda and future work sessions, that deal with cost cutting measures or revenue enhancements, citywide, everything from parking lot meters to first responders. Please take that in mind with whatever concerns you may have this evening.

We went on that day, on the 25th, to mention to the Mayor and Council, that there would be other service reductions possible for the deployment, if they chose to do so. The third column, though it may difficult for those in the audience to read, showed a further reduction in the deployment, I will go over it briefly, so instead of having three buses on the first shift, that being the morning basically – three buses in the afternoon, and three buses in the graveyard shift from 10 p.m. to 6, that reduction reflects two-two and one. One vehicle running the third shift. It went on to show further cost savings at the bottom of that table, and the Council may recall, there was a question specifically from the Mayor that day on the twentieth of November, whether those were additional savings, or how, in fact had we run the numbers, so we corrected it by putting a foot

¹ *Ocean City Digest*, December 4, 2008

note at the bottom, Mayor [*referring to Attachment A*], and indicating that the further reductions from three-three and three, to two-two and one, resulted in a revised total of one-twenty, not an additional.

Mayor Rick Meehan

Thank you.

Public Works Director Hal Adkins

The last column, further to the right, is one step further in reduction. What it would represent is no bus service whatsoever, on the third shift, Sunday through Thursday. We would only be providing the third shift on Friday's and Saturday evenings. We would do so with one vehicle, thus resulting in an approximately sixty-minute headway.

In addition to the information that was supplied to the Mayor and Council, on November 25th, we felt it was prudent to try to accumulate any and all other information that they could use in the decision-making process. So with assistance of a number of bus drivers that work for us on that third shift, we actually went out and recorded, on an hourly basis...give you a sampling of it (see Attachment B)...an hourly basis, the number of individuals actually using the service, 10-11, 11-12, 12-1 and right on across the board. We did it every day from the work session on the 25th, up until we concluded on the 28th of December, because that was the time we packaged the information for this evening's agenda.

In addition to that, for the benefit of the decision-making process, I want the Council to be aware that, though I was somewhat pessimistic, my Boss was somewhat optimistic, I lose in this case, we monitored the travel time for the bus to go from the inlet to the 144th Street Transit Center, or back from 144th to the Inlet. And though I went on record on November 25th, leading the Council to believe that, in many cases, it may be thirty five minutes, thirty nine minutes, forty one... in almost every one of the cases, they made it in twenty-nine to thirty minutes. They were able to achieve the length of the Island in the thirty minute time-frame. That still poses the two gentlemen at this table, a slight operational logistics in providing breaks for the drivers, if you were to reduce it from three to two; because, by only having two buses on during the shift, you're not really giving that person the opportunity even to use the bathroom, unless we hot seat the bus to provide them with breaks and lunch. So I just wanted to make that point. With that said, and hopefully, with all due respect to the Council they'll agree with what I'm about to say, I turned towards the audience. This is a public hearing, the word public is key. This is your opportunity to provide feedback and information to the Council at this podium about any concerns or comments you may have about any further reductions in the proposed deployment for the bus fleet on Coastal Highway.

So I conclude my comments at that point by saying that, if anyone is in attendance this evening, that wishes to speak, please come to the podium, please mention your name and address, and upon leaving the podium, I would ask that you record it with the City Clerk Carol Jacobs.

Council President Joe Mitrecic

Thank you Hal. Again, when you come up to speak, please state your name and address clearly for the City Clerk. Yes sir?

Jim McGinnis

Jim McGinnis, 1101 Philadelphia Avenue, and I've been a resident in the area for twenty-one years, and part of what I'm trying to say is that I live on the Coastal Highway, so I see the buses coming and going, and I also used to work in a place called "You're Invited" which is on 28th Street, and the bus stop was right in front of

where our store was. And I have to disagree with what Hal is saying, although I have a great respect for him, because I observed four and five buses coming in at a time. When they're telling me that there are three buses running on a given session, I don't believe that. And this is a personal observation, I did it for years and years and years, and where I still am now living, I still see the buses piling up. Now I'm being told by several people that the GPS situation going on, that control all the buses. Someone not either watching the GPS or they're messing up somehow, because the buses don't come one at a time. And the first two buses are always filled. The third bus is sometimes filled, the fourth and fifth buses are always empty. And this is not a good way to be doing the service, I don't want to reduce the service of the buses, but someone's got to save us money by having buses run on time. If there's a schedule, they should keep up with it, and we should go from there. And I'm a person who uses the bus often, and I have to share with you when I use the buses, because my car collapsed about a year and a half ago, I use to call in because the bus drivers were fantastic. They would avoid accidents and they would do all that they could to do their job. And when I called, I would say I'm Jim McGinnis and this is what I have to say, and, later on I had to use the disable bus and I called to make arrangements...inaudible...'are you the Jim McGinnis that called about the bus service? And I said, 'well I guess I'm the only one in Town.' And they said, "you're the only one who commented positively on our bus driver, so we thank you, what do you want?" So the people who are doing the work are doing a good job. But I have to ask you, I don't believe your statistics, Hal. Whenever you say, when I hear that three buses at a time? No it's not the case. It's more than one. And it's never...and when I used to ride the buses, I would always follow or be behind another bus coming up, so it was never one at a time and twenty eight minutes, thirty minutes whatever, you can give all the statistics you want, but I gave you my personal observations, and I've been around a long, long while, and as you know I come to all the meetings, and I've been here before some of you even came to Town. So I'm going...and, from one of the things I know, Chris is here from the paper...

Council President Joe Mitrecic

Mr. McGinnis we need to stick to the subject of the public hearing this evening.

Jim McGinnis

Yeah alright. This is it. Okay I've said my peace.

Council President Joe Mitrecic

Thank you, Mr. Mayor?

Mayor Rick Meehan

I just have a comment, Jim? Jim, before you leave, when you were talking about the buses being, you know, coming two at a time and always being full, I would believe you were talking about the summer bus schedule. What we're talking about now, and what's being proposed, and what's being acted right now, is a schedule from November through March. So, this is the schedule as it pertains to the rider-ship or the bus service today, not during the summertime, when you're right, there are definitely more buses on the road, and yes they do back up because they do get full, and we do move them, and move some quicker to accommodate those that are waiting. But this is to specifically talk about the bus service this time a year based on the numbers of riders shown on the screen and there's only three buses on the road, period, during this time of year, during this schedule that they're talking about.

Jim McGinnis

I appreciate that. Although what I'm talking about, I still see buses coming by all the time and there isn't one bus, there's always two. [Mayor: Okay]. So I may be off on the numbers...you're right...I'm talking about

the summer. You do have more than one bus on a time as coming past. I sit there unfortunately, I'm trapped at home so I watch the buses all the time. And we're getting too much service. And that's my point. Thank you.

Council President Joe Mitrecic

I'm going to ask everyone that this is a public hearing about reducing the third shift bus route. So if we can stick to just that topic this evening. Yes sir?

Patrick McKenna

Yes, hello, my name is Patrick McKenna and I've been an Ocean City Resident for eleven years, I live on 112 78th Street, here in Town. Alright, and I would like to put my little two cents in, and I'd like to thank the Council for me being able to do that here this evening. As a long time resident and one who doesn't drive, I chose Ocean City to live in, because of the public transportation – how convenient every thing is, and how it reduces congestion and pollution and the whole nine yards, and a good solid public transportation system can do that if it's run efficiently and the bus drivers are doing their best with what they got to do with everything, and the City itself is doing it's best. But I think cutting back on the third shift from three to two would be a mistake; for instance, you got a lot of people still working some of them get off at one-two o'clock. And if you miss one bus you have to wait an hour, and I tell you, you don't want to have to do that. I just think it would be a mistake.

Council President Joe Mitrecic

Thank you. Yes sir.

Herb Pawlukewicz

Good evening and Happy New Year to you. Herb Pawlukewicz, Caine Woods Section of Ocean City. Hal, I agree with you on the buses on the afternoon shift. I spoke to you about using the ADA bus when it is slow. The smaller bus and take the big bus off the line. Have you thought about....

Council President Joe Mitrecic

That's part of the discussion this evening. It was read into the public record about using the right-sized vehicle.

Public Works Director Hal Adkins

Mr. Pawlukewicz, one of the things that we have offered up to the Mayor and City Council on the third shift, would be utilization of a smaller vehicle. And the comment that we gave to the Council at the time was to use the, what we call operationally, the 'fourteen and two', which is the curb-to-curb vehicles-the smaller ones. It's still feasible to use them. Our concern is when reviewing the fleet, two of those vehicle have an excess of about a hundred and sixty thousand miles on them right now. That doesn't mean they are not usable. Just as a point that we were going to be making to the Council later this evening – they are starting to get aged themselves.

Herb Pawlukewicz

You save a lot on fuel. [Adkins: yes]. I agree that a lot of times the buses are empty because I see it myself.

Council President Joe Mitrecic

Thank you. If you raise your hand, I'll be happy to take people one at a time. Go ahead.

Jeff Jankowski

Good evening ladies and gentlemen, Mayor Meehan. My name is Jeff Jankowski, I'm a fifteen-year resident of Ocean City. I currently reside on 142nd Street. Ocean City has provided an outstanding bus service for as long as I've lived here. Currently, the buses run on a reliable thirty-minute schedule. Many residents rely on the service to get to and from work and other important appointments. Also, many more residents rely on the steady, regular, reliable service to accomplish more mundane tasks such as shopping, going to the Laundromat, doctor's appointments and so on. Also, many residents as well as visitors use the bus to go out to dinner or a night of fun. Keep in mind, that also that many people that have a bit too much fun, use this bus to return home safely. Every drunk driver kept off the road, and a potential accident averted, is beyond financial measure. The drivers of this bus work very hard and frequently put up with their fair share of abuse. To expect them to work eight hour shifts with no breaks is somewhat unfair, unsafe and possibly illegal. Currently, the drivers have a difficult time making it from north to south in thirty minutes. If a bus were to have a problem with the air doors, wipers, or god forbid totally break down, people would be waiting well over an hour. I realize that times are tough and we're all trying to economize – possibly a rate increase to three dollars, still a reasonable rate, would help to cover the current shortcomings. Ticket books could be left the same prices for those on tighter budgets. I thank you very much for your time.

Council President Joe Mitrecic

Thank you. Yes sir?

Greg Secon

Happy New Year to the Mayor and Council, this is my first time at a meeting and thank you for having me. The gentleman that just spoke...[Mitrecic: you have to give your name and address...], oh I'm sorry, my name is Greg Secon, I live at 9909 Elm Street in West Ocean City. I've been here for five years and I take the bus every single day, and, without overlapping what everybody else said, I had notes jotted down, I think a reduction from three to two buses during the day and in the afternoon, is when I take the bus, I, with all due respect to Mr. Adkins, I never heard him speak or met the man, buses take longer than a half hour, sometimes. And what happens if there's a break down. I mean you're going to be waiting an hour to hour and fifteen minutes for a bus. I think the drivers in this town do an excellent-excellent job, and to the couple that I've seen here, thank you. And I just hope you just keep the schedule the way it is, and especially, I don't go out at night, but the people that work at night in this town need a way to get back and forth to work. Thank you very much.

Council President Joe Mitrecic

Thank you. Alright. Yes Maam.

Vicki Johnson

Hi my name is Vicki Johnson, I live at 94th Street, and I was here about 1990, some of you might remember me, because I still ride the bus. I'd like to say that, once upon a time, we actually lived fine with two-two and one. For the most part. I'm most concerned about possibly losing the graveyard bus because we have people working at the Hilton, at least two right now, who work that shift, and that's how they get to work. They won't be able to get to work. So, I'm sure it's all going to work out fine. Right now, we have the three-three and three. It can be worked out. It will be fine. Just keep all the shifts. Thank you.

Council President Joe Mitrecic

Thank you. Anyone else? Yes sir.

John McDermott

I'm John McDermott, I live at 211 S. Ocean Drive and I'm wondering if there would be some other type of communication that would be less expensive than one of the large buses. Would there be such a thing as...not like a mini-van, but a much smaller bus that would operate more cheaply than the big ones that would handle the late shifts.

Council President Joe Mitrecic

We are looking at running the ADA buses which are the shorter buses on the late shift. Thank you for your comments.

Tom Morehead

Hi. My name is Tom Morehead, thank you for the City Council Meeting. I live at 2801 North Baltimore Avenue, Apartment 103, I've been a resident of Ocean City for ten years, but I've been coming here since the fifties. I'm also a bus driver, and an ADA Driver, and a dispatcher. All the concerns that have been brought up today, I know about personally. As far as driving the bus on the night shift, I did that for eight years and from my personal experience, cutting back to just two drivers is unsafe and inconvenient for the drivers in order to use the facilities. A lot of the drivers are older. They need to use those facilities more often, especially riding around in a bumpy bus on a bumpy street. But my main concern is the safety of the driver and of the people that are out there on the road-pedestrian and traffic-wise. If you're continually driving, I know that the amount of the passengers is down, and a driver gets into a – almost like where they're hypnotized by the road, and I'm sure that you've all had that kind of experience if you've been on the highway for any length of time, and, a lot of the residents have even taken to the point where they've move their arms as we approach the bus stops that we realize that there's somebody standing there waiting for us. So it's a little difficult and if the driver is not picking up a lot of people, he can get in to that hypnotic state, almost. And we don't that to happen. And by continuing to drive, just continuing to drive, continuing to drive, I think that is a safety issue. I think that's all I have to say.

Council President Joe Mitrecic

Thank you very much. Anyone else? Yes Maam?

Ellie Diegelmann

Thank you. Ellie Diegelmann 106 120th Street. I have several questions. One, someone else just asked me to clarify whether three buses was still an option for first and second shift.

Public Works Director Hal Adkins

I think any mix of the options are available for discussion. Any mix.

Ellie Diegelmann

Okay, also, my next comment was in reference to what this previous gentleman just mentioned about highway hypnosis and so on. I was wondering if there's any consideration being given to having the third shift driver on an on-call basis, in other words, he would be paid for the entire shift, but rather than driving up and down the highway, have him stationed at 65th Street or wherever, and when someone needs transportation, he could respond to that passenger. Another consideration, I wondered if there was any consideration given to was, instead of a bus for third shift, to possibly consider having a taxi-voucher system. Where one of the taxi cabs could pick up persons who need third shift service and maybe be paid a voucher that they would pay for like two dollars or a dollar fifty to the City and I guess the compensation, the differential would be compensated to the taxi companies. That might further cut, substantially cut, expenses. Another remote consideration I've

had is that I was wondering if there is any affect of the third shift – of I guess eliminating the third shift on either the police department or the fire department, so far as public safety or crime or whatnot. Lastly, Hal, I wonder if you could elaborate on the notations you have here saying that there’s an average of 4500 patrons on third shift. That utilize it? I guess that must be a year round average or something.

Public Works Director Hal Adkins

Any numbers of that sort that you would be quoting, and I don’t recall 4500 hundred specifically, but Mr. Thornes could you comment to that please?

Public Works Transportation Superintendent George Thornes

When we looked at the demand, the Mayor and Council asked us to look at the demand and when we did, we went back and looked at our winter months and we came up with an average of, I think it was 4200 riders that we used, if I recall correctly. And they were actual riders for the winter months from last year.

Mayor Rick Meehan

That’s total riders for a full winter period. Correct?

Public Works Director Hal Adkins

Mayor it’s per month and in fact it was denoted as 4500 in the paperwork of the 25th of November and it is not 4500 different individuals it’s 4500 times in which someone boarded the vehicle.

Ellie Diegelmann

But that’s per month. [Adkins: correct] Third shift. I’m just confused...

Public Works Director Hal Adkins

Yes that’s correct. Historical numbers.

Ellie Diegelmann

Okay, I’m just confused because, I’m sure that the example of November 25th through December 28th of this year is not isolated. I’m sure that the numbers don’t vary that much between probably November and March of any given year.

Public Works Director Hal Adkins

I would agree with you at this point for this calendar year. I would not reflect previous years. And this is the manual data recently collected for those given dates. We don't have the data otherwise. We have a manual system.

Ellie Diegelmann

So anyway, the other things that I brought up, can anybody respond or answer?

Public Works Director Hal Adkins

Relative to using small vehicles we've said on a couple of occasions this evening we are looking at using the fourteen and two ADA vans. Relative to outsourcing it? To a taxi cab source with vouchers? No it has not been looked at. Okay?

Ellie Diegelmann

And then the on-call where the driver is paid for the full shift but not....

Public Works Director Hal Adkins

The on-call would drive us to go back to the MTA and have a long discussion with them because at that point, you're basically running a demand response for non-eligible ADA-type individuals. It's almost like a direct competition with the taxi cab. I'm not going to say it's not possible, we've never had the discussion with the MTA and I don't know of any other LOTS, which is Locally Operated Transit Systems, in the State of Maryland that do that.

Ellie Diegelmann

First time for everything. And is there also any affect of eliminating the third shift or minimizing the third shift on the police department or the fire department or even just one individual's public safety.

Public Works Director Hal Adkins

I have not spoken directly to the police department or the fire department but a realistic individual would conclude that it may have affects on the police department if a citizen who usually use the bus for an alternative mode of transportation, meaning they also owned the car, and they then chose to go out for the evening to enjoy themselves? In the car? Then it may have an affect on the police department. But I've not asked them correctly.

Ellie Diegelmann

Or even a person getting off of work and suffering hypothermia because they had to wait in the cold or had ... just something that I thought may need to be considered as a preventative maintenance type of thing. Thank you.

Council President Joe Mitrecic

Thank you for your comments. Yes sir.

Sean Rox

Sean Rox, 1406 Chicago Avenue. Over the last decade or so in the business community, there's been a trend to bring labor from overseas. And, I say that we're getting about 10,000 eastern Europeans, Nepalese, Indian kids that come over and help the businesses. And they've been able to help the businesses stay open longer in the winter and bring in more revenue for the businesses and the Town. And I think it's important to keep a good bus system here to make Ocean City a more attractive destination for this cheap overseas labor.

Council President Joe Mitrecic

Thank you. Yes sir?

Raymond Dittmer

My name is Ray Dittmer, I'm a bus driver. I drive usually the first shift or second shift, and I can tell you from the standpoint of....do you want my address? 12106 Brant Road, Bishopville, Maryland...and I can comment about two buses and three buses. Two buses would not work. I've just been driving, I've been driving during the winter and, when you're driving up and down the highway, you have people that get on the bus and some of them get on slow. It delays you. And if several people delay you like that you will fall off, then if you get to the other end, and you have to go to the facilities, you fall off some more. To maintain 25 miles per hour, and do this, is very hard. And that's what we try to do. And a lot of times you have people getting on that are handicap, that get on slow. We run into all these kind of delays which would hurt us very badly. Now, all these people have to get to work on time, and if they don't get to work on time, they complain to us. To maintain it correctly, I think three buses works, and the old saying goes, if it's not broke why fix it? That's my comment.

Council President Joe Mitrecic

Thank you. Anyone else this evening? Yes sir?

Russell Taylor

My name is Russell Taylor, I live at 912 Montrose Drive in Salisbury, Maryland. However, my wife is an Ocean City bus driver. She works the graveyard shift. I think it's ridiculous to cut the buses any more than three on a shift because, if you go to two, they're driving continuously for eight and a half hours. That would be equal to you driving from here, half way to Florida. How many of you would want to do that without a break. Without going to the bathroom. Without eating. You have drivers that are diabetic, they need to eat. You're talking about taking their lunch break away, you're talking about taking their bathroom breaks away, you're talking about them driving continually. We're forgetting the bus drivers here. I mean, they're the ones that do the work. How would you like to work all day, not have a lunch break, not have a bathroom break. It's a safety issue for the passengers and also for the bus drivers and they would get, you know, driving eight hours, eight and a half hours continuously is ridiculous. I don't know how you'd even keep one bus on nights. The buses would drive continually back and forth. It seems ridiculous to me. Not only that but the passengers, the ones that work the bars and the restaurants, they need the graveyard shift drivers also, to get back and forth to work. I think the big thing that everybody is leaving out is the bus drivers. I know I work eight hours a day, and I get a lunch break, I get to go to the bathroom and I think everybody else would like to have that too. And, you're talking about driving with no lunch, you can't eat with passengers on the bus. You're talking about the bus drivers that are diabetic, they need to eat, they have a diabetic coma, wreck the bus, got passengers killed, how would you like that loss.

Council President Joe Mitrecic

Thank you very much for your comments. Yes sir?

John Bloecher

John Bloecher. I'm a bus driver. My address 12423 Salisbury Road, West Ocean City. I have drove the nighttime third shift. I feel that what we're doing right now is very adequate. I am too a diabetic, and I do have to have some nourishment during the eight hour shifts, and to be able to stop and do that, I would not have a chance to do it if there was just one bus or two buses. The other thing is, I'm not a smoker, but we have some bus drivers that are smokers, and we cannot smoke on the bus, we have to get off the bus and take a cigarette break. How are these people going to be able to do these things doing an eight-hour shift continuously? We have people on the third shift that require the bus to get to work, we have a young lady up at the Dunkin Donuts. She leaves around 9:00 in the evening, she doesn't get off until three or four o'clock in the morning. To have her sit up there at 118th Street in that bus stop for an hour to wait for that bus, is a little unfair. Same way, we have a gentleman that the works at the Golden Sands – security guard, he gets off at midnight, and to have him sit across the street there at the Sheraton, and wait for a bus for 30 minutes, he'd have to call a taxi cab, and the cost of a taxi cab running from his location there down to 76th Street would be more than what he pays on the City bus. And these are my comments.

Council President Joe Mitrecic

Thank you very much. Anyone else this evening? [pause] Seeing none, I'll take a motion to close the public hearing?

Council Member Jim Hall

So moved.

Council Secretary Lloyd Martin

Second.

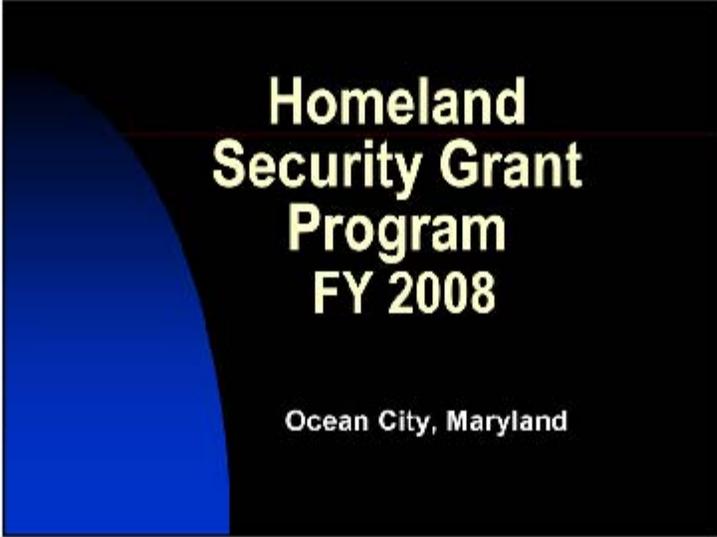
Council President Joe Mitrecic

I have a motion by Council Member Jim Hall and a second by Council Member Martin to close the public hearing. All those in favor? Those opposed? Let the record show the vote was unanimous. Thank you all for being here this evening, and thank you for your comments. We will continue to take this under advisement. Thank you.

Cost Reduction Measures for Transportation

	As Budgeted for in FY09	Current Schedule	Reduction Measures to be Considered	Additional Reduction Measures to be Considered Relative to 3rd Shift Only
Time Period	December thru March	November thru March	January thru March	January thru March
Driver Shifts	1st Shift: 8 a.m. to 2 p.m. 2nd Shift: 2 p.m. to 10 p.m. 3rd Shift: 10 p.m. to 5 a.m.	1st Shift: 5 a.m. to 2 p.m. 2nd Shift: 2 p.m. to 10 p.m. 3rd Shift: 10 p.m. to 5 a.m.	1st Shift: 5 a.m. to 2 p.m. 2nd Shift: 2 p.m. to 10 p.m. 3rd Shift: 10 p.m. to 5 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 - \$79,150	Gross - \$ 720,355 Net - \$85,293 <small>(SEE NOTE)</small>	Gross - \$164,988 Net - \$120,148 <small>(SEE NOTE)</small>

NOTE: The "Gross" and "Net" shown in the 3rd and 4th columns are net "in addition to" the "current schedule". They are simply revised totals if the additional service level reductions are made.





“ Grant Funding”

- Homeland Security - \$2,590,889
- LETPP - \$494,636
- EMPG - \$231,317
- Citizen Corps - \$32,000

• Grant Totals: 28 grants totaling \$3,348,842 over the last 5 years.



“Accomplishments”

- Incident Command Vehicle – OC 1
- Bomb Squad Equipment
- Generators
- CERT Program
- Surveillance cameras – 60
- Finger print system
- Security at 65th Street Complex
- Tactical cameras



“Nine Investment Areas”

- Interoperable Communications
- Critical Infrastructure Protection
- Regional Planning
- Exercise & Training
- Intelligence / Information Sharing
- CBRNE Detection
- Citizen Protection
- Medical Surge
- COOP / COG

“Key Changes in FY 2008”

- Consolidation of LETPP into the Homeland Security grant with 25% earmarked for Law Enforcement.
- At least 25% must be allocated for strengthening IED deterrence and preparedness planning.

“The Challenge”



- Public Safety Group requests totaling \$613,700.
- FY 2008 Homeland Security grant of \$400,531.

The Results”



- In- Car Camera – OCPD - \$65,000
- Security Access – OCPD / Fire - \$150,000
- Emergency Management Planner – Salary & Benefits - \$85,000
- Detection Equipment – Fire Marshal - \$40,000
- Fire Wall – IT - \$15,000
- Emergency AM Radio System - \$30,000
- Phase I Microwave Backbone - \$15,531

“The Future”

- FY 2009 SHSGP grant funding levels are on level with FY 2008 awards at \$861 million nationwide.
- State application to DHS is due March 20,2009.



Operational Changes/Cost Savings

(current & proposed)

1. Historically, all requests for an ambulance have received an emergency response (lights and siren, higher speed allowed and utilized). Additionally, regardless of patient assessment, transport to a local hospital was performed on an emergency basis. We have changed this protocol. Currently, after patient assessment, transports of not serious patients are performed on a routine, non-emergency, basis (without lights and sirens, following traffic laws applicable to normal vehicles). This will conserve fuel, reduce vehicle maintenance, and decrease the probability of accidents.
2. We will reduce apparatus responding to "silent alarms" to one four-person engine crew. In most cases, these are fire alarm activations (based on information from an alarm company or automatic device), or other single sources where there are "bells" ringing, certain types of "service calls," etc. We have been dispatching a four person engine crew, an ambulance crew and, in many cases, additional fire apparatus. Historically, one crew can handle over 90% of these calls. If information is received from a second source (the public, OCPD, management companies, etc.) that would indicate the need for an upgraded response, that would be ordered immediately. (Very few actual fires or rescues come in as "silent alarms.") We would retain the paramedic crew in station. This will conserve fuel, reduce vehicle maintenance, decrease the probability of accidents and, most significantly, keep a paramedic crew in service that would have otherwise responded to well over 1,000 calls. In addition, another piece of apparatus will not respond another 500 times. We estimate the cost of an additional piece of apparatus responding to be between \$300-\$500 per call. Using the conservative number of \$200 per call would result in an annual savings of \$300,000+ per year.
3. We have suspended all purchases from accounts that provide for small tools, hoses, and non-essential operational supplies. We foresee these accounts to be restricted even further in the future. We expect the actual dollars returned to the current year's budget to exceed \$150,000.
4. When crews are short, I have instructed the two "administrative" lieutenants, the deputy Chief, and the two Fire Dept. mechanics (both EMT's) to fill in the gaps in coverage before calling in additional personnel on overtime. This will continue to reflect a reduction in overtime.

5. I have suspended all travel that requires compensation or the “backfilling of the person” traveling. I have also suspended training that requires overtime. Travel from the volunteer account has also been suspended. The combined reductions are \$35,000+.

6. I have restricted the training to be held within the union contract, (one twelve-hour shift every thirty days per employee.) However, I will be reducing staffing during these hours. Because of the shortage of extra personnel, I have restricted all training out of the area. The “contract” does not dictate the times I can offer this training and, with some creativity and scheduling of more training during peak hours, additional savings will be realized. The practice of bringing in “instructors” on overtime has stopped, utilizing those assigned to the shift as trainers. These changes will result in savings of over \$50,000+.

7. Last is to reduce paramedic crews. Off-season, we staff three paramedic crews. We now have a full time staffed four-person career paramedic engine crew in place. Furthermore, the directive for both administrative lieutenants and both fire mechanics to participate as needed did not previously exist. Please refer to Items 2 and 4 (above). Because of these additional assets, we could possibly return to two paramedic crews during non-peak times. Additional justification comes from reduced demoflush numbers that, because of unfortunate economic circumstances, indicate fewer people are visiting. Until this trend is reversed, this is an additional consideration for crew reduction. Of course, any reduction of any kind, at any time, and of any magnitude could be characterized as a reduction in service level; however, under our current fiscal circumstances, this reduction could be considered. This would result in savings of approximately \$350,000 if we also carry this through into the summer season, when additional units are staffed.

Conclusions: Please note that one immediate area of change would be our service to west Ocean City where two paramedic units have been dispatched on some calls. Effective immediately, this will be reduced to one.

Overall, these changes could result in savings approaching \$1 million, or over ten percent of the combined budgets of the Fire Department. I continue to evaluate other areas and feel certain there will be additional ideas and suggestions. I await your response to the seven items listed above.

ORDINANCE 2009-
 TOWN OF OCEAN CITY
 OPERATING BUDGET
 FISCAL YEAR 2009

SOURCE	ADOPTED FY-2009	AMENDMENT # 1 FIRST READING	AMENDMENT # 1 SECOND READING
Section I, General Fund:			
A. Anticipated Revenue:			
Property Taxes	\$ 47,146,932	\$ 47,546,932	\$ 47,546,932
Other Taxes	14,657,241	14,212,438	14,212,438
Licenses and Permits	4,000,340	3,928,717	3,928,717
Revenue From Other Agencies	4,858,498	5,218,800	5,218,800
Charges For Services	8,130,254	7,970,700	7,970,700
Fines and Forfeitures	653,400	658,400	658,400
Other Revenue	1,023,626	1,005,282	1,005,282
Appropriated Fund Balance	<u>0</u>	<u>209,144</u>	<u>209,144</u>
 Total Revenue	 \$ <u>80,470,291</u>	 \$ <u>80,750,413</u>	 \$ <u>80,750,413</u>
 B. Anticipated Expenditures:			
General Government	\$ 4,168,340	\$ 4,170,058	\$ 4,170,058
Public Safety	33,490,061	33,957,054	33,957,054
Public Works/Beach Maintenance	5,798,847	6,155,179	6,155,179
Sanitation and Waste Removal	7,438,885	7,326,630	7,326,630
Highways and Streets	5,976,339	5,931,141	5,931,141
Economic Development -Tourism	5,777,860	5,086,569	5,086,569
Culture and Recreation	8,546,104	8,829,927	8,829,927
Debt Service	<u>3,726,981</u>	<u>3,726,981</u>	<u>3,726,981</u>
 Sub Total	 \$ 74,923,417	 \$ 75,183,539	 \$ 75,183,539
To Transportation Fund	3,028,263	3,028,263	3,028,263
To Airport Fund	226,009	226,009	226,009
To Convention Center Fund	1,740,022	1,740,022	1,740,022
To Capital Projects	<u>552,580</u>	<u>572,580</u>	<u>572,580</u>
 Total Expenditures	 \$ <u>80,470,291</u>	 \$ <u>80,750,413</u>	 \$ <u>80,750,413</u>

SOURCE	ADOPTED FY-2009	AMENDMENT # 1 FIRST READING	AMENDMENT # 1 SECOND READING
Section II, Water Fund:			
A. Anticipated Revenue:			
Water Sales	\$ 3,291,189	\$ 3,156,189	\$ 3,156,189
Water Fixture Charge	3,765,548	3,900,548	3,900,548
Service Charges	472,673	472,673	472,673
Capacity/Impact Fees	126,500	126,500	126,500
Prior Year Reserves	0	209,860	209,860
Total Revenue	\$ 7,655,910	\$ 7,865,770	\$ 7,865,770
D. Anticipated Expenditures:			
Personal Services	\$ 2,177,438	\$ 2,177,438	\$ 2,177,438
Non-Personal Services	2,949,586	3,159,446	3,159,446
Debt Service	1,395,767	1,395,767	1,395,767
Capital Outlay	1,133,119	1,133,119	1,133,119
Total Expenditures	\$ 7,655,910	\$ 7,865,770	\$ 7,865,770
Section III, Transportation Fund:			
A. Anticipated Revenue:			
Bus Revenue	\$ 2,501,823	\$ 2,454,191	\$ 2,454,191
Train Revenue	1,083,000	1,048,000	1,048,000
Federal and State Grants	1,559,156	1,130,463	1,130,463
Transfer-In From General Fund	3,028,263	3,028,263	3,028,263
Prior Year Reserves	0	9,814	9,814
Total Revenue	\$ 8,172,242	\$ 7,670,736	\$ 7,670,736
B. Anticipated Expenditures:			
Personal Services	\$ 4,016,394	\$ 3,948,999	\$ 3,948,999
Non-Personal Services	3,415,988	3,458,197	3,458,197
Capital Outlay	739,860	263,540	263,540
Total Expenditures	\$ 8,172,242	\$ 7,670,736	\$ 7,670,736

SOURCE	ADOPTED FY-2009	AMENDMENT # 1 FIRST READING	AMENDMENT # 1 SECOND READING
Section IV, Wastewater Fund:			
A. Anticipated Revenue:			
Wastewater Treatment Charges	\$ 9,181,582	\$ 9,281,582	\$ 9,281,582
Service Charges	971,957	950,857	950,857
Capacity/Impact Fees	231,000	231,000	231,000
Prior Year Reserves	<u>0</u>	<u>949,147</u>	<u>949,147</u>
Total Revenue	\$ <u>10,384,539</u>	\$ <u>11,412,586</u>	\$ <u>11,412,586</u>
D. Anticipated Expenditures:			
Personal Services	\$ 4,154,368	\$ 4,243,731	\$ 4,243,731
Non-Personal Services	3,120,904	3,406,818	3,406,818
Debt Service	2,354,933	2,354,933	2,354,933
Capital Outlay	<u>754,334</u>	<u>1,407,104</u>	<u>1,407,104</u>
Total Expenditures	\$ <u>10,384,539</u>	\$ <u>11,412,586</u>	\$ <u>11,412,586</u>
Section V, Airport Fund:			
A. Anticipated Revenue:			
Fuel Sales	\$ 670,000	\$ 670,000	\$ 670,000
Rents and Other Revenue	276,785	276,785	276,785
State and Federal Grants	0	0	0
Service Charges	324,000	324,000	324,000
Transfer-In From General Fund	226,009	226,009	226,009
Prior Year Reserves	<u>0</u>	<u>950</u>	<u>950</u>
Total Revenue	\$ <u>1,496,794</u>	\$ <u>1,497,744</u>	\$ <u>1,497,744</u>
B. Anticipated Expenditures:			
Personal Services	\$ 364,162	\$ 364,162	\$ 364,162
Non-Personal Services	1,048,512	1,049,462	1,049,462
Debt Service	84,120	84,120	84,120
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>1,496,794</u>	\$ <u>1,497,744</u>	\$ <u>1,497,744</u>

SOURCE	ADOPTED FY-2009	AMENDMENT # 1 FIRST READING	AMENDMENT # 1 SECOND READING
Section VI, Municipal Golf Course Fund:			
A. Anticipated Revenue:			
Service Charges	\$ 1,818,857	\$ 1,818,857	\$ 1,818,857
Sales and Concessions	465,006	465,005	465,006
Prior Year Reserves	0	1,619	1,619
Total Revenue	\$ 2,283,863	\$ 2,285,482	\$ 2,285,482
B. Anticipated Expenditures:			
Personal Services	\$ 1,045,134	\$ 1,045,134	\$ 1,045,134
Non-Personal Services	1,095,393	1,097,012	1,097,012
Debt Service	143,336	143,336	143,336
Capital Outlay	0	0	0
Total Expenditures	\$ 2,283,863	\$ 2,285,482	\$ 2,285,482
Section VII, Convention Center Fund:			
A. Anticipated Revenue:			
Service Charges	\$ 1,995,300	\$ 1,995,300	\$ 1,995,300
State and County Grants	1,790,022	1,790,022	1,790,022
Food & Beverage Tax	2,190,000	2,190,000	2,190,000
Transfer-In From General Fund	1,740,022	1,740,022	1,740,022
Prior Year Reserves	0	84,263	84,263
Total Revenue	\$ 7,715,344	\$ 7,799,607	\$ 7,799,607
B. Anticipated Expenditures:			
Personal Services	\$ 3,167,050	\$ 3,167,050	\$ 3,167,050
Non-Personal Services	1,898,794	1,928,308	1,928,308
Debt Service	1,257,444	1,257,444	1,257,444
Transfer to Debt Service Reserves	1,157,556	1,157,556	1,157,556
Capital Outlay	234,500	289,249	289,249
Total Expenditures	\$ 7,715,344	\$ 7,799,607	\$ 7,799,607

SOURCE	ADOPTED FY-2009	AMENDMENT # 1 FIRST READING	AMENDMENT # 1 SECOND READING
Section VIII, Information Technology Fund:			
A. Anticipated Revenue:			
Service Charges To Other Funds	\$ 2,149,154	\$ 2,149,154	\$ 2,149,154
Prior Year Reserves	<u>0</u>	<u>4,113</u>	<u>4,113</u>
Total Revenue	\$ <u>2,149,154</u>	\$ <u>2,153,267</u>	\$ <u>2,153,267</u>
B. Anticipated Expenditures:			
Personal Services	\$ 962,682	\$ 962,682	\$ 962,682
Non-Personal Services	1,186,472	1,190,585	1,190,585
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>2,149,154</u>	\$ <u>2,153,267</u>	\$ <u>2,153,267</u>

Section IX, Service Center Fund:

A. Anticipated Revenue:			
Service Charges To Other Funds	\$ 5,685,344	\$ 5,685,344	\$ 5,685,344
Prior Year Reserves	<u>0</u>	<u>38,953</u>	<u>38,953</u>
Total Revenue	\$ <u>5,685,344</u>	\$ <u>5,724,297</u>	\$ <u>5,724,297</u>
B. Anticipated Expenditures:			
Personal Services	\$ 1,883,273	\$ 1,883,273	\$ 1,883,273
Non-Personal Services	3,752,071	3,791,024	3,791,024
Debt Service	<u>0</u>	<u>0</u>	<u>0</u>
Capital Outlay	<u>50,000</u>	<u>50,000</u>	<u>50,000</u>
Total Expenditures	\$ <u>5,685,344</u>	\$ <u>5,724,297</u>	\$ <u>5,724,297</u>

SOURCE	ADOPTED FY-2009	AMENDMENT # 1 FIRST READING	AMENDMENT # 1 SECOND READING
Section X, Vehicle & Equipment Trust Fund:			
A. Anticipated Revenue:			
Service Charges To Other Funds	\$ 3,107,621	\$ 3,109,621	\$ 3,109,621
State and Federal Grants	1,754,838	617,400	617,400
Sale of Assets	140,000	140,000	140,000
Prior Year Reserves	0	209,161	209,161
Total Revenue	\$ 5,002,459	\$ 4,076,182	\$ 4,076,182
B. Anticipated Expenditures:			
Non-Personal Services	\$ 521,703	\$ 521,703	\$ 521,703
Debt Service	1,072,359	1,072,359	1,072,359
Capital Outlay	3,408,397	2,482,120	2,482,120
Total Expenditures	\$ 5,002,459	\$ 4,076,182	\$ 4,076,182
 Section XI, Risk Management Fund:			
A. Anticipated Revenue:			
Service Charges To Other Funds	\$ 2,131,837	\$ 2,131,837	\$ 2,131,837
Interest Earned	111,165	111,165	111,165
Prior Year Reserves	0	2,116	2,116
Total Revenue	\$ 2,243,002	\$ 2,245,118	\$ 2,245,118
B. Anticipated Expenditures:			
Personal Services	\$ 341,326	\$ 341,326	\$ 341,326
Non-Personal Services/Claims	1,901,676	1,903,792	1,903,792
Capital Outlay	0	0	0
Total Expenditures	\$ 2,243,002	\$ 2,245,118	\$ 2,245,118

SOURCE	ADOPTED FY-2009	AMENDMENT # 1 FIRST READING	AMENDMENT # 1 SECOND READING
Section XII, Pension Trust Funds:			
A. Anticipated Revenue:			
Employer Contributions	\$ 5,352,137	\$ 5,187,534	\$ 5,187,534
Employee Contributions	1,845,000	1,845,000	1,845,000
Investment Earnings	<u>3,290,000</u>	<u>3,290,000</u>	<u>3,290,000</u>
Total Revenue	\$ <u>10,487,137</u>	\$ <u>10,322,534</u>	\$ <u>10,322,534</u>
B. Anticipated Expenditures:			
Benefit Payments	\$ 1,750,000	\$ 1,750,000	\$ 1,750,000
Non-Personal Services	600,000	600,000	600,000
Reserve for Employee's Retirement	<u>8,137,137</u>	<u>7,972,534</u>	<u>7,972,534</u>
Total Expenditures	\$ <u>10,487,137</u>	\$ <u>10,322,534</u>	\$ <u>10,322,534</u>
Section XIII, General Capital Projects Fund:			
A. Anticipated Revenue:			
General Fund Contribution	\$ 552,580	\$ 572,580	\$ 572,580
Program Open Space	0	0	0
Inlet Lot Parking Revenue	320,000	320,000	320,000
Miscellaneous Grants	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>872,580</u>	\$ <u>892,580</u>	\$ <u>892,580</u>
B. Anticipated Expenditures:			
Underground Utility Fund	492,580	492,580	492,580
South Ocean Drive Boardwalk	60,000	80,000	80,000
Reserve for Future Capital Projects	<u>320,000</u>	<u>320,000</u>	<u>320,000</u>
Total Expenditures	\$ <u>872,580</u>	\$ <u>892,580</u>	\$ <u>892,580</u>

SOURCE	ADOPTED FY-2009	AMENDMENT # 1 FIRST READING	AMENDMENT # 1 SECOND READING
Section XIV, All Funds Expenditure Summary:			
General Fund	\$ 80,470,291	\$ 80,750,413	\$ 80,750,413
Water Fund	7,655,910	7,865,770	7,865,770
Transportation Fund	8,172,242	7,670,736	7,670,736
Wastewater Fund	10,384,539	11,412,586	11,412,586
Airport Fund	1,496,794	1,497,744	1,497,744
Municipal Golf Course Fund	2,283,863	2,285,482	2,285,482
Convention Center Fund	7,715,344	7,799,607	7,799,607
Management Information Services Fund	2,149,154	2,153,267	2,153,267
Service Center Fund	5,685,344	5,724,297	5,724,297
Vehicle & Equipment Trust Fund	5,002,459	4,076,182	4,076,182
Risk Management Fund	2,243,002	2,245,118	2,245,118
Pension Trust Funds	<u>10,487,137</u>	<u>10,322,534</u>	<u>10,322,534</u>
Sub Total	\$ 143,746,079	\$ 143,803,736	\$ 143,803,736
LESS: Interfund Transfers	<u>(23,972,967)</u>	<u>(23,850,364)</u>	<u>(23,850,364)</u>
Total Expenditures	\$ 119,773,112	\$ 119,973,372	\$ 119,973,372
Capital Projects Fund - General	<u>872,580</u>	<u>892,580</u>	<u>892,580</u>
Grand Total	\$ <u>120,645,692</u>	\$ <u>120,865,952</u>	\$ <u>120,865,952</u>

Section XV, Special Authorization - Budget Manager:

The Budget Manager shall be authorized to reallocate departmental appropriations among the various objects of expenditures as she deems necessary. Such changes shall be approved by the Finance Administrator & City Manager.

Section XVI, Restrictions - City Manager:

- A. The utilization of any contingency appropriation shall be accomplished only with prior authorization from the Mayor and Council.
- B. Utilization of appropriations established in the Capital Improvement Fund may be accomplished only with the express approval of the Mayor and Council.

Section XVII, Tax Rate:

An Ad Valorem Tax Rate of \$0.38 per \$100 of assessed valuation of real property and a rate of \$1.29 per \$100 of assessed valuation of corporate and personal property tax is required to fund this budget.

INTRODUCED at a meeting of the City Council of Ocean City, Maryland held on January 5, 2009.

ADOPTED AND PASSED, by the required vote of the elected membership of the City Council and approved by the Mayor at its meeting held on January 20, 2009.

DENNIS W. DARE, CITY MANAGER

RICHARD W. MFFHAN, MAYOR

CAROL L. JACOBS, CITY CLERK

JOSEPH M. MITRECIC, PRESIDENT

LLOYD MARTIN, SECRETARY

ADOPTED:

Date

MOTION TO ADOPT BY:

MOTION SECONDED BY:

VOTE:

FOR:

AGAINST:

Changes From Adopted Budget:

General Fund Revenue:

Property Tax	400,000	Property tax exceeding estimate
Other Taxes	(444,803)	(50,000) Income Tax; (60,000) Highway User; (334,803) Room Tax
Licenses and Permits	(71,623)	(100,000) Building Permits; +28,377 prior year Critical Areas funds
Revenue from Other Agencies	360,302	340,352 prior year grant funds; 19,950 Violence Against Women grant
Charges For Services	(159,554)	(190,000) Parking revenue; (60,000) Fire Marshal revenue; (10,000) Passport revenue; + 100,446 Summer concert revenue
Fines and Forfeitures	5,000	(30,000) open container citations; +35,000 parking fines
Other Revenue	(18,344)	(150,000) Interest on Investments; +90,310 Boardwalk bench donations 6,250 misc; 35,096 prior year Tree of Life funds
Appropriated Fund Balance	209,144	(629,719) reduce advertising; 222,961 reduce Room Tax estimate; 297,220 Prior Year Pos; 215,000 reduce other revenue estimates; 103,682 offset expenses of concerts/air show
	<u>280,122</u>	

General Fund Expenses:

General Government	1,718	Prior Year Purchase Orders
Public Safety	466,993	149,691 Prior Year P.O.s; 297,352 Prior Yr grant; 19,950 new grant
Public Works/Beach Maintenance	356,332	151,060 non-tidal wetland easement purchase; 90,310 boardwalk benches; 43,000 prior year grants; 38,398 prior year pos; 24,663 critical areas funds; 16,828 Beach renourishment fund payment; 12,073 rental equipment; (20,000) transfer to South Ocean project
Sanitation & Waste Removal	(112,255)	(112,898) tipping fees; 633 prior year pos
Highways and Streets	(45,198)	14,161 prior year pos; (12,073) rental equipment; (55,000) brick pavers 7,714 Stormwater management project
Economic Development - Tourism	(691,291)	(629,719) advertising overage at FY 08 year-end; (111,842) advertising reduction due to reduction of estimated room tax; 50,270 prior yr pos
Culture and Recreation	283,823	154,128 summer concert expenses; 50,000 fund air show; 42,349 prior year pos; 35,096 Tree of Life funds; 2,250 beach wheelchair
Transfer to Capital Projects	<u>20,000</u>	Transfer of railway funds to South Ocean Drive project
	<u>280,122</u>	

Water Fund Revenue:

Water Sales	(135,000)	Reduction in estimate
Water Fixture Charges	135,000	Increase in estimate
Prior Year Reserves	209,860	150,000 change orders to 41st St Water Tank; 50,000 Energy costs 9,860 prior yr pos
	<u>209,860</u>	

Water Fund Expenses:

Non-Personal Services	209,860	150,000 change orders to 41st St Water Tank; 50,000 Energy costs 9,860 prior yr pos
	<u>209,860</u>	

Transportation Fund Revenue:

Bus Revenue	(47,632)	Reduction in bus pass revenue estimate
Train Revenue	(35,000)	Reduction in train revenue
Federal and State grants	(428,686)	(510,938) Reduce revenue for items not funded by MTA; 182,250 include revenue for bus wash rehab
Prior Year Reserves	9,814	Prior year purchase orders
	<u>(501,506)</u>	

Transportation Fund Expenses:

Personal Services	(67,395)	(60,000) cover fuel costs; (7,395) cover AVL Sprint charges
Non-Personal Services	42,209	60,000 fuel costs; 7,395 AVL Sprint charges; (35,000) reduction in advertising campaign to cover reduction in revenue estimates; 9,814 prior year pos
Capital Outlay	(476,320)	(500,000) land acquisition; (116,500) re-skin bus operations building; (62,320) bus shelters; +202,500 bus wash rehab
	<u>(501,506)</u>	

Wastewater Fund Revenue:

Wastewater Treatment Charges	100,000	Increased estimate
Service Charges	(21,100)	(15,000) Plumbing permits; (7,500) Connection Fees; (5,600) Service to West Ocean City; +7,000 Interest on Accounts
Prior Year Reserves	949,147	700,000 Arctic Avenue pump station project; 249,147 prior year pos
	<u>1,028,047</u>	

Wastewater Fund Expenses:

Personal Services	89,363	201,785 Retiree health insurance; (112,422) Transfer to cover electrical failure and professional services
Non-Personal Services	285,914	138,707 Electrical failure repairs; 53,280 professional services; (55,565) savings from clarifier painting; 54,900 operational supplies; 94,592 prior year pos.
Capital Outlay	652,770	700,000 Arctic Avenue pump station project; (201,785) decrease in funds for WW/MAN in order to fund retiree health insurance; 154,555 prior year pos.
	<u>1,028,047</u>	

Airport Fund: Prior Year Reserves were used to fund prior year purchase orders

Golf Course Fund: Prior Year Reserves were used to fund prior year purchase orders

Convention Center Revenue:

Prior Year Reserves	84,263	68,128 prior year purchase orders; 16,135 stair rail replacement
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Convention Center Expenses:

Non-Personal Services	29,514	Prior Year purchase orders
Capital Outlay	54,749	38,614 prior year purchase orders; 16,135 stair rail replacement
	<u>84,263</u>	

Information Technology:		Prior Year Reserves were used to fund prior year purchase orders
Service Center:		Prior Year Reserves were used to fund prior year purchase orders
Vehicle Trust Fund Revenue:		
Service Charges to Other Funds	2,000	Replace a Public Works and a Parks radio
State and Federal Grants	(1,137,438)	Reduce MTA grants (six buses funded; two approved)
Prior Year Reserves	<u>209,161</u>	Prior Year purchase orders
	<u>(926,277)</u>	
Vehicle Trust Fund Expenses:		
Capital Outlay	<u>(926,277)</u>	(1,137,438) funding for four buses; +209,161 prior year purchase orders; +2,000 funding for two radios
	<u>(926,277)</u>	
Risk Management Fund:		Prior Year Reserves were used to fund prior year purchase orders
Pension Trust Revenue:		
Employer Contributions	(164,603)	Change in funding method
Pension Trust Expenses:		
Reserve for Retirement	(164,603)	Change in funding method
General Capital Projects		20,000 was transferred from Public Works operating budget to capital projects to cover walkway on South Ocean Drive