



August 31, 2010
Work Session
Mayor and Council
Town of Ocean City

In attendance: Mayor Rick Meehan, Council President Joe Mitrecic, Council Secretary Lloyd Martin, Council Members Jim Hall, Margaret Pillas, Mary Knight, Doug Cymek and Joe Hall, City Manager Dennis Dare, City Solicitor Guy Ayres, City Clerk Kathleen Mathias, Solid Waste Manager Steve Brown, Public Works Director Hal Adkins, Public Works Wastewater Superintendent Charlie Felin, City Engineer Terry McGean, Tourism Director Debbie Turk, General Services Director Joe Sobczak, Zoning Administrator Blaine Smith, Ocean City Police Lieutenant Greg Guiton, Budget Analyst Jennie Knapp, Human Resource Director Wayne Evans, Members of the Press and Interested Parties.

Council President Joe Mitrecic called this work session to order at 12:00 p.m.; then, **Council Member Mary Knight moved to convene into closed session to: (1) consult with counsel to obtain legal advice; and, (2) 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; seconded by Council Member Doug Cymek. The vote was 5-0 with Council Member Joe Hall and Jim Hall absent.**

1. Council President Mitrecic reopened the meeting at 12:00 p.m. to report that legal and personnel matters were discussed in the closed meeting. Persons present were Mayor Rick Meehan, Council President Joe Mitrecic, Council Secretary Lloyd Martin, Council Members Jim Hall, Margaret Pillas, Mary Knight, Doug Cymek and Joe Hall, City Manager Dennis Dare, City Solicitor Guy Ayres, City Clerk Kathleen Mathias and Human Resource Director Wayne Evans. **Council Member Jim Hall moved to close the closed session; seconded by Council Member Mary Knight. The vote was unanimous.**

Council Member Jim Hall moved to convene into closed session after this meeting; seconded by Council Member Mary Knight. The vote was unanimous.

2. Mayor Meehan presented retiring Solid Waste Manager Woodrow "Woody" Shockley with a Certificate of Appreciation for his 39 years of service with the Town.
3. Public Works Deputy Director Dick Malone recommended that the Council nominate Solid Waste Manager Steve Brown to the Worcester County Solid Waste Advisory Committee. **Council Member Doug Cymek moved to nominate Steve Brown to the Worcester County Solid Waste Advisory Committee; seconded by Council Member Jim Hall. The vote was unanimous.**

4. Public Works Director Hal Adkins presented three Engineering Service Proposals from Whitman, Requardt and Associates for:
 - (1) Upgrades to the 15th Street Sewage Pumping Station for \$135,322.00;
 - (2) Upgrades to the 32nd Street Pumping Station for \$149,813.00; and,
 - (3) Construction of an 8" raw water main from 45th Street to 5102 Coastal Highway; and, a 24" sewer force main from 15th Street to 49th Street in Coastal Highway for the sum of \$319,000.00.

Director Hal Adkins advised that all three projects are funded in accordance to Bond Ordinance 2010-15, passed on July 19, 2010. **Council Member Jim Hall moved to approve; seconded by Council Member Mary Knight. The vote was unanimous.**

5. *The approval for Engineering Services Proposal for the Installation of Sewer Main from 15th to 49th Streets and Raw Water Main from 45th to 51st Street was included in Item #4.*
6. Public Works Wastewater Superintendent Charlie Felin requested approval to (1) purchase three gravity thickener drive units from **Sherwood Logan**, for the amount of \$55,800.00 (FY11 Budget Allocation = \$61,000.00). **Council Secretary Lloyd Martin moved to approve; seconded by Council Member Mary Knight. The vote was unanimous.** (2) contract with **Parkson Corporation**, in the amount of \$70,067.00 (FY11 Budget Allocation = \$71,000.00) to rebuild the Headworks bar screens. **Council Member Jim Hall moved to approve; seconded by Council Secretary Lloyd Martin. The vote was 6-0 with Council Member Mary Knight out of the room.** (3) purchase a polymer feed system from **Kershner Environmental Technologies** for the amount of \$27,056.20 (FY11 Budget Allocation = \$27,000.00). **Council Secretary Lloyd Martin moved to approve; seconded by Council Member Jim Hall. The vote was unanimous.**
7. City Engineer Terry McGean requested permission to sole source purchase one heat exchanger from **Tranter Inc.**, in the amount of \$28,802.52 (FY11 Budget Allocation = \$35,000.00). **Council Member Jim Hall moved to approve; seconded by Council Secretary Lloyd Martin. The vote was unanimous.**
8. Tourism Director Debbie Turk, accompanied by Andy Malis, President of MGH Advertising, presented an update on the Town's current Tourism campaigns. **Council Member Mary Knight moved to accept the Tourism Commission's recommendation to extend MGH's Advertising Contract for three years; seconded by Council Secretary Lloyd Martin.** *Council Member Mary Knight withdrew her motion.* Council President Joe Mitrecic asked City Clerk Mathias to schedule a review and discussion on a three-year agreement with MGH in the next work session.
9. General Services Director Joe Sobczak made a recommendation to reject the Automated Refuse Truck Body bids, and, award **Elliott Wilson Trucks** for the Cab/Chassis (only) in the amount of \$113,694.00. **Council Member Jim Hall moved to accept this recommendation; seconded by Council Secretary Lloyd Martin. The vote was unanimous.**

10. Director Sobczak requested permission to solicit bids for Public Safety Uniforms. **Council Secretary Lloyd Martin moved to approve; seconded by Council Member Jim Hall. The vote was unanimous.**
11. Zoning Administrator Blaine Smith presented for approval a Planning Commission recommendation to change height limits for mobile homes. **Council Member Mary Knight moved to accept the recommendation subject to all life safety regulations; seconded by Council Member Doug Cymek. The vote was unanimous.**
12. Ocean City Police Lieutenant Greg Guiton presented General Order 400 E-1, entitled *Vehicle Operation Routine and Non-Routine*, for approval. **Council Secretary Lloyd Martin moved to approve; seconded by Council Member Jim Hall. The vote was unanimous.** The Mayor concurred with the vote.
13. Budget Analyst Jennie Knapp presented FY10 Budget Amendment #2 for approval (see Attachment A). The Council asked Budget Analyst Knapp for more detail on business licenses in a future meeting. **Council Member Jim Hall moved to approve the presentation of FY11 Budget Amendment #2 in the next Regular Session; seconded by Council Member Mary Knight. The vote was unanimous.**
14. Human Resource Director Wayne Evans presented a study matching benchmark incumbent salaries against both specific governmental salaries and general positions on the Eastern Shore. He concluded that the Town's salary structure aligns with the survey data but the Town's pay ranges are a little broader than others. He recommended that COLA adjustments be withheld from the pay scale. **Council Member Jim Hall moved to accept the recommendations and freeze COLA adjustments on the pay scale, manage anniversary increments, and, request that Director Evans report back in one month to discuss a plan to reconsider the salary scale for jobs with higher starting salaries; seconded by Council Member Mary Knight. The vote was unanimous.**
15. City Clerk Kathleen Mathias addressed the Council to discuss proposed ballot questions.
 - Regarding the first proposed question: "*Whether Ocean City should have a non-smoking beach.*" **Council Member Jim Hall moved to schedule a public hearing on this matter rather than placing this question on the ballot; seconded by Council Secretary Lloyd Martin. The vote was unanimous.**
 - Regarding the second proposed question: "*Municipal Election held the same as the general election in November.*" **Council Member Jim Hall moved to reject placement of this question on the ballot; seconded by Council Secretary Lloyd Martin. The vote was 6-1 with Council Member Joe Hall opposed.**
 - Regarding the third proposed question: "*Pay scale for Council Members.*"
[Consideration to add this as a ballot question was withdrawn.]

16. Council Secretary Lloyd Martin reported on the Police Commission Meeting held on July 14, 2010 (see Attachment B).

Inserted
Items

Mayor Rick Meehan read Worcester County Commissioner Bud Church's letter to DNR Secretary John Griffin requesting that the proposed aquaculture operation exclude all waterways north of Public Landing. **Council Member Jim Hall moved to ask Mayor Meehan to issue a letter in support of Commissioner Church's request; seconded by Council Member Mary Knight. The vote was unanimous.**

Council President Joe Mitrecic presented a request from SeaRocket Owner Graham Bostick to add parasailing operations to 1st Street Conditional Use Permit. **Council Secretary Lloyd Martin moved to allow the parasailing operation until the Planning and Commission Hearing; seconded by Council Member Mary Knight. The vote was unanimous.**

Council Member Mary Knight moved to convene into closed session to discuss public security as the public body determined that public discussion would constitute a risk to the public or public security, including the development and implementation of emergency plans; seconded by Council Secretary Lloyd Martin. The vote was unanimous.

Council President Joe Mitrecic re-opened the meeting at 4:12 p.m. and reported that a public security matter was discussed in the closed session. Persons present were Mayor Rick Meehan, Council President Joe Mitrecic, Council Secretary Lloyd Martin, Council Members Jim Hall, Margaret Pillas, Doug Cymek, Mary Knight and Joe Hall, City Manager Dennis Dare, City Solicitor Guy Ayres, City Clerk Kathleen Mathias, Emergency Services Director Joe Theobald, Dispatch Reporter Brian Russo and Ocean City Today Reporter Christine Cullen. **Council Member Mary Knight moved to close the closed session; seconded by Council Secretary Lloyd Martin. The vote was unanimous.**

Council Secretary Lloyd Martin moved to adjourn at 4:15 p.m.; seconded by Council Member Mary Knight. The vote was 4-0 with Council Members Jim Hall, Joe Hall and Doug Cymek absent.

Minutes prepared by: Deputy City Clerk Kelly Allmond
Minutes certified by: City Clerk Kathleen Mathias
Minutes approved by Council on:

ATTACHMENT A

ORDINANCE 2010-

TOWN OF OCEAN CITY
OPERATING BUDGET
FISCAL YEAR 2010

SOURCE	AMENDMENT # 1 SECOND READING	AMENDMENT # 2 FIRST READING	CHANGE
Section I, General Fund:			
A. Anticipated Revenue:			
Property Taxes	\$ 43,879,769	\$ 43,804,769	\$ (75,000)
Other Taxes	12,933,758	13,039,500	105,742
Licenses and Permits	3,682,873	3,835,434	152,561
Revenue From Other Agencies	4,920,950	5,433,217	512,267
Charges For Services	7,616,662	7,623,035	6,373
Fines and Forfeitures	635,400	695,435	60,035
Other Revenue	1,559,360	811,626	(747,734)
Bond Issuance	0	7,872,682	7,872,682
Transfers In	0	1,137,591	1,137,591
Appropriated Fund Balance	<u>1,692,590</u>	<u>682,504</u>	<u>(1,010,086)</u>
Total Revenue	\$ <u>76,921,362</u>	\$ <u>84,935,793</u>	\$ <u>8,014,431</u>
B. Anticipated Expenditures:			
General Government	\$ 3,944,163	\$ 4,039,070	\$ 94,907
Public Safety	33,371,854	33,259,178	(112,676)
Public Works/Beach Maintenance	5,090,553	7,963,978	2,873,425
Sanitation and Waste Removal	6,734,133	6,592,992	(141,141)
Highways and Streets	5,864,863	5,686,929	(177,934)
Economic Development -Tourism	5,766,108	6,070,818	304,710
Culture and Recreation	7,900,700	7,681,135	(219,565)
Debt Service	<u>3,871,366</u>	<u>9,257,052</u>	<u>5,385,686</u>
Sub Total	\$ 72,543,740	\$ 80,551,152	\$ 8,007,412
To Transportation Fund	2,507,838	2,459,517	(48,321)
To Airport Fund	295,623	308,023	12,400
To Convention Center Fund	1,574,161	1,574,161	0
To Capital Projects	<u>0</u>	<u>42,940</u>	<u>42,940</u>
Total Expenditures	\$ <u>76,921,362</u>	\$ <u>84,935,793</u>	\$ <u>8,014,431</u>

SOURCE	AMENDMENT # 1 SECOND READING	AMENDMENT # 2 FIRST READING	CHANGE
Section II, Water Fund:			
A. Anticipated Revenue:			
Water Sales	\$ 3,082,181	\$ 2,832,181	\$ (250,000)
Water Fixture Charge	3,918,282	3,918,282	0
Service Charges	396,403	182,403	(214,000)
Capacity/Impact Fees	79,200	79,200	0
Bond Issuance	0	2,246,836	2,246,836
Prior Year Reserves	38,253	211,242	172,989
	<u>7,514,319</u>	<u>9,470,144</u>	<u>1,955,825</u>
Total Revenue	\$ <u>7,514,319</u>	\$ <u>9,470,144</u>	\$ <u>1,955,825</u>
B. Anticipated Expenditures:			
Personal Services	\$ 2,102,404	\$ 2,206,009	\$ 103,605
Non-Personal Services	3,473,798	3,048,087	(425,711)
Debt Service	1,396,915	3,643,751	2,246,836
Capital Outlay	541,202	572,297	31,095
	<u>7,514,319</u>	<u>9,470,144</u>	<u>1,955,825</u>
Total Expenditures	\$ <u>7,514,319</u>	\$ <u>9,470,144</u>	\$ <u>1,955,825</u>

Section III, Transportation Fund:

A. Anticipated Revenue:			
Bus Revenue	\$ 2,411,600	\$ 2,426,579	\$ 14,979
Train Revenue	1,003,000	963,697	(39,303)
Federal and State Grants	1,966,254	1,966,254	0
Transfer-In From General Fund	2,507,838	2,459,517	(48,321)
Prior Year Reserves	59,003	59,003	0
	<u>7,947,695</u>	<u>7,875,050</u>	<u>(72,645)</u>
Total Revenue	\$ <u>7,947,695</u>	\$ <u>7,875,050</u>	\$ <u>(72,645)</u>
B. Anticipated Expenditures:			
Personal Services	\$ 3,712,059	\$ 3,569,202	\$ (142,857)
Non-Personal Services	3,523,821	3,594,033	70,212
Capital Outlay	711,815	711,815	0
	<u>7,947,695</u>	<u>7,875,050</u>	<u>(72,645)</u>
Total Expenditures	\$ <u>7,947,695</u>	\$ <u>7,875,050</u>	\$ <u>(72,645)</u>

SOURCE	AMENDMENT # 1 SECOND READING	AMENDMENT # 2 FIRST READING	CHANGE
Section IV, Wastewater Fund:			
A. Anticipated Revenue:			
Wastewater Treatment Charges	\$ 9,509,843	\$ 9,564,843	\$ 55,000
Service Charges	1,010,134	894,534	(115,600)
Capacity/Impact Fees	125,000	138,600	13,600
Bond Issuance	0	6,453,899	6,453,899
Prior Year Reserves	181,857	0	(181,857)
	<u>10,826,834</u>	<u>17,051,876</u>	<u>6,225,042</u>
Total Revenue	\$ <u>10,826,834</u>	\$ <u>17,051,876</u>	\$ <u>6,225,042</u>

B. Anticipated Expenditures:

Personal Services	\$ 4,179,410	\$ 3,955,153	\$ (224,257)
Non-Personal Services	3,189,779	3,225,179	35,400
Debt Service	2,694,725	9,148,624	6,453,899
Capital Outlay	762,920	722,920	(40,000)
	<u>10,826,834</u>	<u>17,051,876</u>	<u>6,225,042</u>
Total Expenditures	\$ <u>10,826,834</u>	\$ <u>17,051,876</u>	\$ <u>6,225,042</u>

Section V, Airport Fund:

A. Anticipated Revenue:

Fuel Sales	\$ 637,600	\$ 491,919	\$ (145,681)
Rents and Other Revenue	287,575	288,852	1,277
State and Federal Grants	403,593	400,682	(2,911)
Service Charges	67,500	57,829	(9,671)
Transfer-In From General Fund	295,623	308,023	12,400
Bond Proceeds	0	725,000	725,000
Prior Year Reserves	13,593	10,681	(2,912)
	<u>1,705,484</u>	<u>2,282,986</u>	<u>577,502</u>
Total Revenue	\$ <u>1,705,484</u>	\$ <u>2,282,986</u>	\$ <u>577,502</u>

B. Anticipated Expenditures:

Personal Services	\$ 365,116	\$ 356,801	\$ (8,315)
Non-Personal Services	856,248	717,065	(139,183)
Debt Service	84,120	84,120	0
Capital Outlay	400,000	1,125,000	725,000
	<u>1,705,484</u>	<u>2,282,986</u>	<u>577,502</u>
Total Expenditures	\$ <u>1,705,484</u>	\$ <u>2,282,986</u>	\$ <u>577,502</u>

SOURCE	AMENDMENT # 1 SECOND READING	AMENDMENT # 2 FIRST READING	CHANGE
Section VI, Municipal Golf Course Fund:			
A. Anticipated Revenue:			
Service Charges	\$ 1,830,810	\$ 1,565,847	\$ (264,963)
Sales and Concessions	482,218	397,212	(85,006)
Other Revenue	90,600	42,804	(47,796)
Prior Year Reserves	<u>6,828</u>	<u>6,828</u>	<u>0</u>
Total Revenue	\$ <u>2,410,456</u>	\$ <u>2,012,691</u>	\$ <u>(397,765)</u>
B. Anticipated Expenditures:			
Personal Services	\$ 1,063,789	\$ 1,011,455	\$ (52,334)
Non-Personal Services	1,041,215	1,001,236	(39,979)
Debt Service	305,452	0	(305,452)
Capital Outlay	<u>0</u>	<u>0</u>	<u>0</u>
Total Expenditures	\$ <u>2,410,456</u>	\$ <u>2,012,691</u>	\$ <u>(397,765)</u>

Section VII, Convention Center Fund:

A. Anticipated Revenue:			
Service Charges	\$ 1,911,500	\$ 1,764,911	\$ (146,589)
State and County Grants	1,609,569	1,582,219	(27,350)
Food & Beverage Tax	1,102,212	1,102,212	0
Transfer-In From General Fund	1,574,161	1,546,811	(27,350)
Bond Issuance	0	490,000	490,000
Prior Year Reserves	<u>50,712</u>	<u>71,866</u>	<u>21,154</u>
Total Revenue	\$ <u>6,248,154</u>	\$ <u>6,558,019</u>	\$ <u>309,865</u>
B. Anticipated Expenditures:			
Personal Services	\$ 3,080,077	\$ 2,912,666	\$ (167,411)
Non-Personal Services	1,783,634	1,749,756	(33,878)
Debt Service	1,236,743	1,236,743	0
Transfer to Debt Service Reserves	100,000	100,000	0
Capital Outlay	<u>47,700</u>	<u>558,854</u>	<u>511,154</u>
Total Expenditures	\$ <u>6,248,154</u>	\$ <u>6,558,019</u>	\$ <u>309,865</u>

SOURCE	AMENDMENT # 1 SECOND READING	AMENDMENT # 2 FIRST READING	CHANGE
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Section VIII, Information Technology Fund:

A. Anticipated Revenue:

Service Charges To Other Funds	\$ 2,101,966	\$ 2,101,966	\$ 0
Prior Year Reserves	6,264	6,264	0
Total Revenue	<u>\$ 2,108,230</u>	<u>\$ 2,108,230</u>	<u>\$ 0</u>

B. Anticipated Expenditures:

Personal Services	\$ 1,017,625	\$ 1,017,625	\$ 0
Non-Personal Services	1,065,605	1,065,605	0
Capital Outlay	<u>25,000</u>	<u>25,000</u>	<u>0</u>
Total Expenditures	<u>\$ 2,108,230</u>	<u>\$ 2,108,230</u>	<u>\$ 0</u>

Section IX, Service Center Fund:

A. Anticipated Revenue:

Service Charges To Other Funds	\$ 5,276,418	\$ 5,276,418	\$ 0
Prior Year Reserves	40,713	40,713	0
Total Revenue	<u>\$ 5,317,131</u>	<u>\$ 5,317,131</u>	<u>\$ 0</u>

B. Anticipated Expenditures:

Personal Services	\$ 1,752,589	\$ 1,752,589	\$ 0
Non-Personal Services	3,536,542	3,536,542	0
Debt Service	0	0	0
Capital Outlay	<u>28,000</u>	<u>28,000</u>	<u>0</u>
Total Expenditures	<u>\$ 5,317,131</u>	<u>\$ 5,317,131</u>	<u>\$ 0</u>

SOURCE	AMENDMENT # 1 SECOND READING	AMENDMENT # 2 FIRST READING	CHANGE
Section X, Vehicle & Equipment Trust Fund:			
A. Anticipated Revenue:			
Service Charges To Other Funds	\$ 2,715,446	\$ 2,715,446	\$ 0
State and Federal Grants	1,882,300	2,784,192	901,892
Sale of Assets	110,000	110,000	0
Prior Year Reserves	68,700	68,700	0
Total Revenue	\$ <u>4,776,446</u>	\$ <u>5,678,338</u>	\$ <u>901,892</u>
B. Anticipated Expenditures:			
Non-Personal Services	\$ 637,114	\$ 637,114	\$ 0
Debt Service	376,624	376,624	0
Transfers Out	592,948	592,948	0
Capital Outlay	3,169,760	4,071,652	901,892
Total Expenditures	\$ <u>4,776,446</u>	\$ <u>5,678,338</u>	\$ <u>901,892</u>

Section XI, Risk Management Fund:

A. Anticipated Revenue:			
Service Charges To Other Funds	\$ 1,915,320	\$ 2,115,320	\$ 200,000
Interest Earned	115,000	115,000	0
Total Revenue	\$ <u>2,030,320</u>	\$ <u>2,230,320</u>	\$ <u>200,000</u>
B. Anticipated Expenditures:			
Personal Services	\$ 228,508	\$ 228,508	\$ 0
Non-Personal Services/Claims	1,801,812	2,001,812	200,000
Capital Outlay	0	0	0
Total Expenditures	\$ <u>2,030,320</u>	\$ <u>2,230,320</u>	\$ <u>200,000</u>

SOURCE	AMENDMENT # 1 SECOND READING	AMENDMENT # 2 FIRST READING	CHANGE
Section XII, Pension Trust Funds:			
A. Anticipated Revenue:			
Employer Contributions	\$ 5,244,769	\$ 5,244,769	\$ 0
Employee Contributions	1,860,000	1,860,000	0
Investment Earnings	<u>3,325,000</u>	<u>3,325,000</u>	<u>0</u>
Total Revenue	\$ <u>10,429,769</u>	\$ <u>10,429,769</u>	\$ <u>0</u>
B. Anticipated Expenditures:			
Benefit Payments	\$ 2,175,000	\$ 2,175,000	\$ 0
Non-Personal Services	500,000	500,000	0
Reserve for Employee's Retirement	<u>7,754,769</u>	<u>7,754,769</u>	<u>0</u>
Total Expenditures	\$ <u>10,429,769</u>	\$ <u>10,429,769</u>	\$ <u>0</u>
Section XIII, OPEB Trust Funds:			
A. Anticipated Revenue:			
Employer Contributions	\$ 3,002,836	\$ 3,104,000	\$ 101,164
Employee Contributions	87,276	87,276	0
Investment Earnings	<u>0</u>	<u>0</u>	<u>0</u>
Total Revenue	\$ <u>3,090,112</u>	\$ <u>3,191,276</u>	\$ <u>101,164</u>
B. Anticipated Expenditures:			
Benefit Payments	\$ 436,380	\$ 436,380	\$ 0
Reserve for Retiree Health	<u>2,653,732</u>	<u>2,754,896</u>	<u>101,164</u>
Total Expenditures	\$ <u>3,090,112</u>	\$ <u>3,191,276</u>	\$ <u>101,164</u>
Section XIII, General Capital Projects Fund:			
A. Anticipated Revenue:			
General Fund Contribution	\$ 0	\$ 42,940	\$ 42,940
Long Term Debt	0	308,700	308,700
Inlet Lot Parking Revenue	320,000	320,000	0
Miscellaneous Grants	<u>0</u>	<u>8,000</u>	<u>8,000</u>
Total Revenue	\$ <u>320,000</u>	\$ <u>679,640</u>	\$ <u>359,640</u>
B. Anticipated Expenditures:			
Robin Drive Shoreline	0	359,640	359,640
Reserve for Future Capital Projects	<u>320,000</u>	<u>320,000</u>	<u>0</u>
Total Expenditures	\$ <u>320,000</u>	\$ <u>679,640</u>	\$ <u>359,640</u>

SOURCE	AMENDMENT # 1 SECOND READING	AMENDMENT # 2 FIRST READING	CHANGE
Section XIV, All Funds Expenditure Summary:			
General Fund	\$ 76,921,362	\$ 84,935,793	\$ 8,014,431
Water Fund	7,514,319	9,470,144	1,955,825
Transportation Fund	7,947,695	7,875,050	(72,645)
Wastewater Fund	10,826,834	17,051,876	6,225,042
Airport Fund	1,705,484	2,282,986	577,502
Municipal Golf Course Fund	2,410,456	2,012,691	(397,765)
Convention Center Fund	6,248,154	6,558,019	309,865
Management Information Services Fund	2,108,230	2,108,230	0
Service Center Fund	5,317,131	5,317,131	0
Vehicle & Equipment Trust Fund	4,776,446	5,678,338	901,892
Risk Management Fund	2,030,320	2,230,320	200,000
Pension Trust Funds	10,429,769	10,429,769	0
Other Post Employment Benefit Trust	3,090,112	3,191,276	101,164
Sub Total	\$ 141,326,312	\$ 159,141,623	\$ 17,815,311
LESS: Interfund Transfers	(24,634,377)	(24,915,210)	(280,833)
Total Expenditures	\$ 116,691,935	\$ 134,226,413	\$ 17,534,478
Capital Projects Fund - General	320,000	679,640	359,640
Grand Total	\$ 117,011,935	\$ 134,906,053	\$ 17,894,118

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 \$0.395 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 September 7, 2010.

ADOPTED AND PASSED, as amended, by the required vote of the elected membership of the City Council and approved by the Mayor at its meeting held on September 20, 2010.

DENNIS W. DARE, CITY MANAGER

RICHARD W. MEEHAN, MAYOR

KATHLEEN A.P. MATHIAS, CITY CLERK

JOSEPH M. MITRECIC, PRESIDENT

LLOYD MARTIN, SECRETARY

ADOPTED:
Date

MOTION TO ADOPT BY:

MOTION SECONDED BY:

VOTE: FOR: AGAINST:

Changes Since Adopted Budget:

General Fund Revenue:

Property Taxes	(75,000)	(261,130) Real property tax below estimate; Interest + 186,130.
Other Taxes	105,742	(176,186) Income Tax; (66,034) Admissions Tax; +347,962 Room Tax
Licenses and Permits	152,561	(49,000) Business Licenses; + 39,000 Building Permits; +162,561 Taxi Medallions
Revenue from Other Agencies	512,267	251,460 09 Homeland Security; 116,667 State Tourism; 137,140 Public Safety grants; 7,000 Energy grants
Charges for Services	6,373	(176,426) Liquor Bd Sales; + 136,000 Parking Revenue; + 19,000 Recycling Sales (14,346) Recreation Revenue; + 10,000 Corporate Sponsorships 32,145 Tax Sale Collection Fees
Fines and Forfeitures	60,035	4,469 Parking Fines; 55,566 Forfeited Assets
Other Revenue	(747,734)	(592,948) reclassification of revenue; (162,000) interest on investments; Donations: 5,949 Tree of Life; 1,250 CO detector; 15 grant interest
Bond Issuance	7,872,682	4,569,534 2009 Refunding Bonds; 3,260,208 65th St Land Purchase 42,940 Robin Drive Shoreline
Transfers In	1,137,591	592,948 reclassification of Vehicle Trust transfer in; 544,643 Burke & Walker property payments
Appropriated Fund Balance	<u>(1,010,086)</u>	Savings from various divisions
	8,014,431	

General Fund Expenses:

General Government	94,907	68,000 retirement incentives; 5,403 worker's comp allocation; 7,419 retiree health; 28,000 Mercer pension calculations; 17,100 Bolton/Carefirst (68,247) savings in other line items; 37,232 from Tourism for Comm Mgr
Public Safety	(112,676)	235,221 Homeland Security grants; 137,140 Public Safety grants; 55,566 Forfeited Asset funds; 1,250 CO detector donation; 96,973 worker's comp allocation; 60,088 retiree health; (698,914) line item savings
Public Works/Beach Maintenance	2,873,425	3,260,208 65th St Land purchase; 25,000 District Court roof replacement 6,991 Homeland Security grants; 15,536 worker's comp allocation 7,224 retiree health; (44,433) Winterfest; (21,220) Springfest; (109,891) transfers to other divisions; (265,990) line item savings
Sanitation & Waste Removal	(141,141)	43,691 transfer from Public Works; 16,222 worker's comp allocation 8,591 retiree health; (248) Winterfest; (2,499) Springfest; (206,898) line item savings
Highways and Streets	(177,934)	(20,000) to Solid Waste; 86,200 from other Public Works' divisions; (25,000) District Court roof; 9,263 Homeland Security grants; 18,276 worker's comp allocation; 8,787 retiree health; (15,049) Winterfest; (25,030) Springfest; 7,000 Energy grant; (222,381) line item savings
Economic Development - Tourism	304,710	217,974 Winterfest; 56,651 Springfest; 116,667 State Tourism grant (50,840) line item savings; 635 worker's comp allocation; 855 retiree health; (37,232) transfer to Gen'l Gov't;
Culture and Recreation	(219,565)	(158,244) Winterfest; (7,902) Springfest; 14,601 worker's comp allocation 8,200 retiree health; 5,949 Tree of Life donations; (132,169) line item savings; 50,000 Air show funding.
Debt Service	5,385,686	4,569,534 2009 Refunding Bonds; 544,643 Walker & Burke property principal & interest; 271,509 principal & interest on Golf Course land
Transfers to Other Funds	<u>7,019</u>	(48,321) Transportation; 12,400 Airport; 42,940 Robin Drive shoreline
	8,014,431	

Water Fund Revenue:

Water Sales	(250,000)	Reduce revenue estimate for metered usage charges
Service Charges	(214,000)	(144,000) Connection fees; (70,000) Interest on Investments
Bond Issuance	2,246,836	2009 Refunding Bonds
Prior Year Reserves	172,989	464,000 revenue adjustments; (291,011) expense reductions
	<u>1,955,825</u>	

Water Fund Expenses:

Personal Services	103,605	(50,773) Connection expenses; +73,178 retirement incentives + 35,881 interdepartmental labor + 3,493 worker's compensation + 25,412 overtime + 16,414 other salary and benefit increases
Non-Personal Services	(425,711)	(93,227) Connection expenses; (140,000) wall replacement funding; (40,000) Energy costs; (100,000) supplies; (52,484) other expenses
Debt Service	2,246,836	2009 Refunding bonds
Capital Outlay	31,095	Additional roof replacement expense
	<u>1,955,825</u>	

Transportation Fund Revenue:

Bus Revenue	14,979	40,548 Insurance claim payments (25,569) bus passenger revenue
Train Revenue	(39,303)	(25,403) train passenger revenue; (13,900) train advertising
General Fund Contribution	(48,321)	Resulting from expense reduction
	<u>(72,645)</u>	

Transportation Fund Expenses:

Personal Services	(142,857)	(121,500) Part-time Salaries; (21,251) FICA; (36,270) Full-Time salaries 9,319 worker's comp allocation; 26,845 Unemployment
Non-Personal Services	70,212	Vehicle expenses
	<u>(72,645)</u>	

Wastewater Fund Revenue:

Wastewater Treatment Charges	55,000	Adjust estimate to actual
Service Charges	(115,600)	(111,000) Interest on investments; (4,600) miscellaneous changes
Capacity/Impact Fees	13,600	Adjust estimate to actual
Bond Issuance	6,453,899	2009 Refunding Bonds
Prior Year Reserves	(181,857)	Reductions in Expenses
	<u>6,225,042</u>	

Wastewater Fund Expenses:

Personal Services	(224,257)	(189,431) Full-Time salaries; (20,000) overtime; (19,851) retirement 5,025 worker's comp allocation
Non-Personal Services	35,400	82,000 Secondary clarifier repair +48,000 Equipment Maintenance (45,000) Energy (37,000) Building maintenance; (12,600) Contracted Services
Debt Service	6,453,899	2009 Refunding Bonds
Capital Outlay	(40,000)	Transfer to cover secondary clarifier repair
	<u>6,225,042</u>	

Airport Fund Revenue:

Fuel Sales	(145,681)	(65,348) Jet Fuel; (80,333) 100 LL
Rents and Other Revenue	1,277	880 Parking Lot Rent; 397 Other revenue changes
State and Federal Grants	(2,911)	Reduce PAPI grant to actual
Service Charges	(9,671)	Concrete recycling revenue
Transfer in from General Fund	12,400	9,200 cover revenue reductions; 3,200 expense increases
Bond Proceeds	725,000	Hangar J Project
Prior Year Reserves	(2,912)	Reduce PAPI grant to actual
	<u>577,502</u>	

Airport Fund Expenses:

Personal Services	(8,315)	(5,100) overtime; (3,300) part-time salaries; (2,600) unemployment 78 worker's comp allocation; 3,200 Group insurance; (593) misc changes
Non-Personal Services	(139,183)	(108,500) Fuel purchases; (14,000) Building maintenance; (6,000) credit card fees; (5,823) PAPI grant expenses; (3,150) Legal fees; (1,710) misc
Capital Outlay	<u>725,000</u>	Hangar J Project
	<u>577,502</u>	

Golf Course Fund Revenue:

Service Charges	(264,963)	(263,363) Greens Fees and Cart Rental; (1,600) Interest on investments
Sales and Concessions	(85,006)	(48,293) Pro Shop; (36,713) Concessions
Other Revenue	<u>(47,796)</u>	(13,796) Admissions Tax; (12,000) Advertising; (22,000) Sponsorships
	<u>(397,765)</u>	

Golf Course Fund Expenses:

Personal Services	(52,334)	(38,218) Transfer of position to Parks Maintenance; (21,000) Part-Time salaries; 7,166 Unemployment; 718 worker's comp allocation; (1,000) OT
Non-Personal Services	(39,979)	(25,000) Purchases for resale; (6,125) equipment maintenance; (4,654) supplies; (4,200) Contracted Services
Debt Service	<u>(305,452)</u>	Transfer of Debt Service to General Fund for Golf Course land
	<u>(397,765)</u>	

Convention Center Revenue:

Service Charges	(146,589)	(72,000) Food & Beverage; (42,913) Service Charges; (17,245) Sales Other; (14,431) Other revenue reductions
State and County Grants	(27,350)	Eliminate Ass't Convention Center Director position
Transfer In From General Fund	(27,350)	Eliminate Ass't Convention Center Director position
Bond Issuance	490,000	Convention Center Expansion
Prior Year Reserves	<u>21,154</u>	Walk In Floor Insulation
	<u>309,865</u>	

Convention Center Expenses:

Personal Services	(167,411)	(54,700) partial year Ass't Conv Center Director; (42,000) overtime 7,084 worker's comp allocation; 5,240 Unemployment (70,000) vacant positions (13,035) misc reductions
Non-Personal Services	(33,878)	27,000 Energy; (32,378) supplies; (12,500) Vehicle expenses; (16,000) contracted services
Capital Outlay	<u>511,154</u>	490,000 Convention Center Expansion; 21,154 Walk In Floor Insulation
	<u>309,865</u>	

Information Technology:

Personal Services 0 2,378 worker's comp allocation; (2,378) Full-time salaries

Service Center:

Personal Services 0 4,259 worker's comp allocation; (4,259) Full-time salaries

Vehicle Trust Fund Revenue:

State and Federal Grants 901,892 ARRA grant 179,928 Bus Cost Increase; 721,964 Add'l Bus purchase

Vehicle Trust Fund Expenses:

Capital Outlay 901,892 ARRA grant 179,928 Bus Cost Increase; 721,964 Add'l Bus purchase

Risk Mgt Fund Revenue:

Service Charges to Other Funds 200,000 Additional worker's compensation allocation to all departments

Risk Mgt Fund Expenses:

Non-personal Services/Claims 200,000 Additional funding for worker's compensation claim reserves

Pension Trust Funds:

No change

OPEB Trust Fund Revenue:

Employer Contributions 101,164 Additional funding from savings throughout General Fund departments

OPEB Trust Fund Expenses:

Reserve for Retiree Health 101,164 Additional funding from savings throughout General Fund departments
101,164

General Capital Projects

General Fund Contribution 42,940 Robin Drive Shoreline
Long Term Debt 308,700 Robin Drive Shoreline
Miscellaneous Grants 8,000 Robin Drive Shoreline
359,640

OPEN SESSION

July 14, 2010 3:00 P.M.

Present: Mayor Richard Meehan, City Manager Dennis Dare, Chairman Lloyd Martin, Council Member Doug Cymek, Chief Bernadette DiPino, Captains Colbert, Kirstein, and Bunting, A/Lt. Austin, Records Supervisor Michelle Monico, Crime Analyst Brandon Reim, Scooter Rental Business Owners.

1. Approved June 9, 2010 Police Commission Open Session Minutes. Motion to approve made by Councilman Cymek and seconded by Mayor Meehan.
2. Traffic and Parking Commission Matters
 - A. White Marlin Open – granted permission for the White Marlin Open the use of 30 feet of parking along Jacqueline Avenue, between 14th and 15 St., from the fire hydrant south to the corner from Friday, July 30 through Friday, August 6, 2010. for parking spaces. Motion to approve made by Councilman Cymek and seconded by Mayor Meehan.
3. New Business
 - Scooter Rentals –Crime Analyst Brandon Reim presented an analysis of scooter statistics for May 1 through July 8, 2010. A total of 171 citations were issued for not wearing a helmet. There were 25 collisions and 7 tows. Mayor Meehan asked for statistics showing the names of rental businesses where the violators had rented the scooters. The Commission voted to increase the base fine for helmet municipal infraction violations from \$25 to \$100.

The Commission members agreed that there should be a standard policy for renting the scooters. The owners present agreed to attend a meeting moderated by the Ocean City Police Department to establish a standardized procedure including disclosure forms. Chairman Martin and Councilman Cymek will attend the meeting. Scooter rental businesses were asked to submit the forms they are currently using prior to the meeting. A letter will be sent to the scooter rental businesses advising them of the date, time and place of the meeting. Mayor Meehan proposed prohibiting scooter rentals after dark. Scooter rental businesses are subject to a municipal infraction for not providing helmets to all riders. Chief Dipino will make it clear to officers that damages to scooters are a civil matter. Officer will respond only for peace and good order. Chief DiPino has observed scooters driving at speeds higher than 40MPH. She suggested the rental businesses regulate the speed ability of the scooters. Scooter violation statistics will be gathered for the meeting with the rental owners.

Chief Dipino will issue a Chief of Police Memorandum, and a press release informing officers and scooter rental businesses and patrons that violators will be issued a fine of \$100.00 for riding without a helmet and footwear. Businesses will be fined for not providing helmets and insuring riders are wearing some type of footwear.

- Grilling and Picnicking at the Inlet Lot – City Solicitor Guy Ayres will draft a revision to the current open flame city ordinance to ban grilling on parking lots except for special events. Officers will ask visitors not to take up a parking space solely for picnicking.
- Public Information Officer – Chief DiPino was asked for a breakdown of PFC Levy’s duties and percent of time allotted to each of his duties. His PIO duties should be 20% or less of his time. PAS Jessica Levy is the primary Public Affairs Officer, PFC Levy is the

secondary contact. PFC Levy is training horses, doing community policing and crime prevention. Should we look at hiring another civilian to save payroll? Councilman Cymek said that PFC Levy is a very expensive employee and earning a lot of overtime.

- School Bus Grant- OCPD has received \$18,652 for School Bus Safety Enforcement.
- Chief DiPino has been elected the Vice Chairperson of the Maryland Police and Corrections Training Commission.
- Laser Pointers Complaints – A large number of complaints have been received about red and green lasers. Officers have been looking for lasers but it is tough to determine who is shining them. Shining lasers on a person is a misdemeanor. The state law was passed in 1999. The city solicitor does not advocate banning the use and sale of lasers since they have a valid use. You cannot ban everything that could possibly be used as an assault weapon. Officers should visit businesses and businesses should post signs stating red and green lasers are illegal to shine on people.