



TOWN OF OCEAN CITY
301 N. BALTIMORE AVENUE
OCEAN CITY, MARYLAND 21842

SEPTEMBER 10, 2013 ✦ WORK SESSION

In attendance: Mayor Rick Meehan, Council President Lloyd Martin, Council Secretary Mary Knight, Council Members Margaret Pillas, Doug Cymek, Brent Ashley, Dennis Dare and Joe Mitrecic, City Solicitor Guy Ayres, Finance Director Martha Bennett, Budget Analyst Jennie Knapp, City Engineer Terry McGean, Deputy City Clerk Terrance Murray, Members of the press and interested parties.

CALL TO ORDER

Council President Lloyd Martin called the Work Session to order at 12:00 p.m.; then, **Council Member Joe Mitrecic moved to convene into closed session to consult with counsel to obtain legal advice; seconded by Council Member Pillas. The vote was unanimous.**

REPORT ON CLOSED SESSION - SEPTEMBER 10, 2013 - 12:00 P.M.

Council President Lloyd Martin re-opened the meeting at 1:00 p.m. and reported that legal matters were discussed in closed session. Persons present were: Mayor Rick Meehan, Council President Lloyd Martin, Council Secretary Mary Knight, Council Members Doug Cymek, Brent Ashley, Dennis Dare, Margaret Pillas and Joe Mitrecic, City Solicitor Guy Ayres and Executive Office Associate Diana Chavis. The vote to close was unanimous.

COMMENTS FROM THE PUBLIC

John Medlin suggested that the Turf Aerator should be funded solely by the Golf Course.

NEW BUSINESS

- A. Bid Opening - Design Proposals for Beach Patrol Headquarters
One late bid was received at 11:25 a.m. from Fisher Architects. **Council Member Joe Mitrecic moved to disqualify the bid; seconded by Council Member Cymek. The vote was unanimous.**

Proposals were received from:

- | | |
|-----------------------------------|-----------------------------|
| (1.) David A. Quillen | (6.) Bignel Watkins Hasser |
| (2.) Jeffrey Lees | (7.) Buchart Horn |
| (3.) Atlantic Planning and Design | (8.) George Miles & Buhr |
| (4.) AWB | (9.) The Design Group |
| (5.) Becker Morgan | (10.) Ed Meades & Stromdahl |

Council Member Joe Mitrecic moved to acknowledge the 10 bids with remand to staff for review; seconded by Council Member Pillas. The vote was unanimous.

- B. Request to Purchase Surplus City Property at 3529 Atlantic Ave presented by City Engineer
Council Member Margaret Pillas moved to proceed with the sale by requesting an appraisal; seconded by Council Member Cymek. The vote was unanimous.

- C. Request for Approval to Purchase a Turf Aerator presented by Finance Administrator
Council Member Joe Mitrecic moved to approve the purchase; seconded by Council Member Pillas. The vote was unanimous.
- D. Budget Manager Discussion of FY13 Budget Amendment #2 (see Attached)
Council Member Joe Mitrecic moved to proceed with the first reading of Budget Amendment #2 in the September 16, 2013 Regular Session; seconded by Council Secretary Knight. The vote was unanimous.
- E. FY14 Pension and Retiree Health Fund Contributions presented by Finance Administrator
Council Secretary Mary Knight moved to accept the actuarial recommendation and divide the contributions into three payments with one-third paid in October, November and December 2013; seconded by Council Member Ashley. The vote was unanimous.

ADDED ITEM

Council Member Dennis Dare moved to ask staff to prepare a canal dredging report for discussion in an upcoming council meeting; seconded by Council Member Cymek. The vote was unanimous.

ADJOURN

Council Member Joe Mitrecic moved to adjourn at 1:51 p.m.; seconded by Council Member Pillas. The vote was unanimous.

*mcc approved 10/7/13
Kelly J. Allmond*

Budget Amendment # 2

General Fund

Revenue Changes

Property Taxes	\$	(18,000)
Other Taxes	\$	927,570
Licenses and Permits	\$	121,414
From Other Agencies	\$	1,084,989
Service Charges	\$	(12,742)
Fines & Forfeitures	\$	87,165
Other Revenue	\$	60,046
Appropriated Fund Balance	\$	<u>(827,570)</u>

Expenditure Changes

FEMA Reimbursement	\$	545,251
Advertising	\$	559,022
Grants	\$	122,790
Legal Fees	\$	133,628
Donations	\$	115,631
Postage	\$	58,000
Forfeiture Funds	\$	51,376
Towing Expense	\$	68,189
Lightning Strike Expenses	\$	<u>27,267</u>
Subtotal for expenditure changes	\$	\$1,681,154

Water and Wastewater Funds

Water Fund:

FEMA reimbursement in the amount of \$1,000,000 to cover overtime costs related to Hurricane Sandy

Wastewater Fund:

Recognition of \$1,000,000 from Prior Year Reserves to fund Spring infrastructure upgrades

Recognition of \$1,000,000 Fixture Charges and Service to West Ocean City to cover the purchase of a ground penetrating radar device, the sewer repair on 60th street, interdepartmental labor and overtime costs

Recognition of \$1,000,000 FEMA reimbursement to cover costs related to Hurricane Sandy

Transportation, Airport and Golf Course Funds

Transportation:

Overall fund reduction of Bus revenue reductions
were offset by increases in boardwalk tram revenue and a
state unemployment grant
reduction in Unemployment expense offset
\$21,896 expense increases

Airport:

insurance reimbursement to repair lightning
damage to scales

Golf Course:

FEMA reimbursement of for expenses related to
Hurricane Sandy
Insurance reimbursement of for lightning strike
damage

Convention Center Fund

Convention Center:

Increases:

FEMA reimbursement for hurricane damages	\$ 91,546
Insurance reimbursement for hurricane damages	\$ 42,251
Insurance reimbursement for fire damages	<u>\$ 16,231</u>
Total Increases	\$150,028

Reductions:

Savings in salaries and benefits	(\$198,938)
Savings in energy, maintenance, etc.	<u>(\$175,182)</u>
Total Reductions	(\$374,120)

Net reductions:

IT, Service Center and Vehicle Trust Funds

IT:

lightning strike insurance reimbursement
appropriation of fund balance for AS400 purchase

Service Center:

reduction of estimate for fuel and parts revenue
offset by reduction of purchases for resale

Vehicle Trust:

reduction of FY 13 MTA grants to actual
reduction of cellular antenna rental revenue