

November 6, 2017

The regular meeting of the Pocomoke City Mayor and Council was held in the Council Chambers at City Hall on Monday, November 6, 2017. The meeting was called to order at 6:30 P.M.

Present: Mayor Bruce Morrison
Council Members: Esther Troast, Dale Trotter, George Tasker
City Manager Robert L. Cowger, Jr
City Attorney Paul Wilbur
City Clerk: Carol L. Sullivan

Review Minutes:

In a motion (Tasker, Trotter passed) to approve the minutes of the October 2, 2017.

Review and approval of bills:

In a motion (Trotter, Tasker passed) the bills presented to be paid. (Copy of bill list attached to original minutes).

Representatives of PKS, Inc., to present audit report for fiscal year ending 2017.

Ms. Leslie Michalik stated that the purpose of their attendance was to make a formal presentation to highlight the annual audit findings. She added that the firm's audit opinion was "a clean or unmodified opinion", which is the highest opinion that they can render regarding the City's audit. She stated that they also have to do an audit of "Government Auditing Standards". The Government Auditing Standards requires them to look at two things; whether or not the City has complied with all laws and regulations of all grants and during the course of their audit they did not find any incidents where the City did not comply with all laws and regulations of the grants; we also have to look at the City's internal accounting policies and procedures and any insufficiency, during the course of the audit they did not find any concerns with the City's policies or procedures.

Ms. Leslie Michalik discussed the General Fund Revenues by source, stating that total revenues were \$5,110,650 with total expenditures of \$5,051,909 with an increase in the General Fund balance of \$58,741. The General Fund transferred \$140,000 to the Water and Sewer which resulted in a net decrease of General Fund balance of \$81,359. At the end of the year the General Fund balance was \$76,586. Property taxes accounted for 72% of the total revenue, followed by intergovernmental revenues of 19%. Compared to revenues for this year, to last year revenues went up about 2% or \$87,000. The largest expense category was Public Safety at 33%, followed by Employee benefits which is 20%; Public Works at 15%. About 64% of expenditures is for salaries and benefits. The total operating loss for the Water and Sewer was \$500,041. The total water and sewer net position at year end was \$7,825,449. The Ambulance fund had an operating income of \$80,403 for an increase of net position of \$12,194, with a net position at end of year of \$48,014 with an unrestricted debt of \$159,494. She stated that the

Water and Sewer fund is not generating enough funds to cover the expense. The General Fund is low and the City needs to think of ways to build up the cash flow.

Mr. Klegler stated that as a guide line the City should have on hand 15% of expenditures. The end of year cash on hand was \$48,014 which is a very low balance. He stated that we need to work on increasing the surplus to at least \$750,000 or better on hand at year end. It has been a concern for a long time. He stated that overall, they are very pleased with the audit results.

Mayor Morrison thanked them for a good audit report. He stated that they are working on the reserve with the new City Manager.

Presentation by Olivia Momme, United Way representative:

Ms. Olivia Momme from United Way gave a presentation on how United Way helps local people on the Lower Eastern Shore. Their administrative cost is only 17%. They have a donor that pays for the United Way dues, so that all the money raised stays here on the shore. She thanked the City for their past support and looks forward to the City's support this year.

Second Reading of Ordinance No. 433 to add Chapter 186 "Rental Property" to Pocomoke City Code. (recommending to table again):

Housing Director Dan Brandewie stated that they met with some citizens on October 11 and had a very nice meeting. He stated that they would like to focus on the exterior and property maintenance at this time. He recommended to table Ordinance No. 433 for a future date.

In a motion (Tasker, Trotter passed) to table Ordinance No. 433 for a future date.

Mayor Morrison asked Director Brandewie if he plans on putting a task force together and bringing this item back to the Council.

Director Brandewie stated that there was a request by the Council to put a task force together.

City Manager Cowger stated that the names would be provided at the next Council meeting. The task force is made up of three landlords and two home owners.

Second Reading of Ordinance No. 434 to amend Chapter 146 "Housing Standards" of Pocomoke City Code:

Housing Director Brandewie stated that this will be making a minor change to Chapter 146-7 (D3). It would increase the violation penalty not to exceed \$100 for the first violation, \$250 for a second violation and \$500 for a third violation. (D4)- deleting "or" and adding "and" posting on property and by deleting "certified mail" to "regular mail". He stated that there was no additional input on this Ordinance.

In a motion (Trotter, Troast passed) to amend Chapter 146 "Housing Standards" of Pocomoke City Code, to increase the violation penalty not to exceed \$100 for the first violation and \$250 for a second violation and \$500 for a third violation. (D4)- deleting "or" and adding "and" posting on property and by deleting "certified mail" to "regular mail".

Second Reading of Ordinance No. 435 to amend Chapter 195 "Solid Waste" of Pocomoke City Code:

Director Brandewie stated that this Ordinance would be changed by adding, "No containers shall be placed in any required front yard setback or in front of main dwelling or main structure". And changing the number of bulk items from 10 to three.

Councilwoman Troast stated that she would like for a notice to be mailed to each citizen. After some discussion, it was recommended that the bulk item would be limited to four (4) items and a notice would be mailed to each citizen.

In a motion (Troast, Tasker) to amend Chapter 195 "Solid Waste" of Pocomoke City Code, by adding "No containers shall be placed in any required front yard setback or in front of main dwelling or main structure". And changing the number of bulk items from 10 to four (4) and each citizen is mailed a copy of the changes.

Second Reading of Resolution No. 511 to accept partial or full financial responsibility for street lights in Woodland Manor and Southern Fields Subdivision:

Mayor Morrison stated that he would like to take out "partial" and take full financial responsibility.

In a motion (Tasker, Trotter passed) to take full financial responsibility for street lights in Woodland Manor and Southern Fields Subdivision.

First Reading of Ordinance No. 436 to add Chapter 85 – Mutual Aid Agreements to Pocomoke City Code:

Mayor Morrison read for the record:

Ordinance No. 436

An Ordinance adding "Chapter 85 Mutual Aid Agreements" to the Pocomoke City Code.

The purpose of this Chapter is to authorize the circumstance under-which Pocomoke City personnel may go or to be sent beyond the boundaries of Pocomoke City.

City Manager to recommend award of Construction Contract Energy Saving Improvements at the Clarke Avenue Pump Station:

City Manager Cowger stated that the funding was approved. We had three bidders', M2 Construction, LLC, Bearing Construction and JJID. The first low bidder left a significant amount of work out of his bid and he was able to withdraw his bid. That left two bidders with Bearing Construction as the low bidder.

In a motion (Troast, Trotter passed) to award Bearing Construction to complete the upgrades to the Clarke Avenue Pump Station in the amount of \$2.337 million dollars.

Discuss vacancies on various Boards and Commissions and update.:

Mayor Morrison asked the Council if they knew anybody that would want to serve on the Boards and Commissions. Mayor Morrison stated that the Planning and Zoning Commissioners and Board of Zoning Appeals members need to be sworn in again as their term has expired. He asked that all Councilmembers reconsider updating the vacancies.

City Manager to discuss water quality and pipes in Pocomoke Heights:

City Manager Cowger showed a water pipe that was in front of the Fire Department on Market Street. He also showed a bottle of water that came out of the fire hydrate after 30 minutes of flushing. He stated that he had only been in his position for eight (8) weeks but lived in Pocomoke all of his life and knew that there was a water issue. He stated that almost half a million dollars has been spent in engineering service and pigging the lines. He had a company to give an estimate of replacing 400 feet of piping the cost of be \$50,000. He contacted Bill East, Director of Public Works, to get him a material list of the cost it would take to replace 400 feet of piping it would be a little over \$5,000. City Manager Cowger stated that he thinks between himself and with help of Public Works and Frank Daniels they can replace the pipes. He would like to begin work immediately.

Mayor Morrison stated that he was shocked at the water on Market Street. He stated that he would like to go back to the engineers to see why they haven't suggested replacing the water pipes.

City Manager Cowger stated that we can replace the pipes in house. He stated that he would like to start replacing pipes on Market Street and moving on to the other streets. He stated that they could easily replace five (5) to ten (10) streets a year. He stated we needed to do whatever it takes to replace the pipes, even if it means borrowing money.

Mayor Morrison stated that a serious discussion needed to take place with the engineers and our staff.

City Clerk Sullivan asked if a motion was needed.

City Manager Cowger stated that he was going to get solid numbers.

Mayor Morrison stated that he wants to get together with the folks now, we are not moving forward at this time.

Correspondence:

Mayor Morrison read a thank you letter from WorCOA for the City's donation of \$1,000.

Mayor Morrison stated that the City was awarded three grants from Community Legacy; one for Downtown Building Improvements in the amount of \$30,000; one for the MarVA Theater to replace their HVAC in the amount of \$45,000; and one for the Costen House for exterior painting in the amount of \$100,000.

Comments from Council:

Councilman Tasker asked the potholes to be repaired on Fourth Street.

Councilman Trotter thanked the Public Works Director and City Manager for repairing the lights downtown. Also, he would like to thank the Veterans for their service.

Mayor Morrison stated that the Rotary Club would be doing "Flags for HERO" Saturday morning at 11:00 at the flag pole in Cypress Park.

Comments from Audience:

Mr. Bill Sparrow stated that he had spoken to the City Manager about the need for a traffic light at Market Street Ext where you cross Rt. 13 to Stockton Road.

Following a motion by Councilman Trotter and seconded by Councilwoman Troast, the Council voted to meet in a closed session at 7:15 P.M. in the Council Chambers. Present were Mayor Morrison, Councilman Trotter, Councilman Tasker, Councilwoman Troast, City Manager Cowger, City Attorney Paul Wilber, and City Clerk Carol Sullivan. The Mayor and Council to discuss the appointment, employment, assignment, promotion, discipline, demotion, compensation, removal, resignation, or performance evaluation of appointees, employees, or officials over whom this public body has jurisdiction; or any other personnel matter that affects one or more specific individuals

Approved: December 4 2017

Carol L. Sullivan

Carol L. Sullivan
City Clerk