

CITY COUNCIL MINUTES SPECIAL MEETING

APRIL 18, 2011

Mayor Joe LaCascia called the meeting to order at 7:00 p.m.

ROLL CALL

Mayor Joe LaCascia, Vice Mayor Trudy Block, Councilor Adorno, Councilor Mike Blethen, Councilor Don Kimsey-absent and Attorney Tom Cloud; City Clerk Jackson was also present.

A quorum was established.

Contract for Sale and Purchase – Cardinal Hill Property

Mayor LaCascia turned this portion of the meeting over to Vice Mayor Block. Vice Mayor Block reviewed the Contract for Sale and Purchase of the Cardinal Hill Property with City Council; the contract price is \$825,000 with a closing date of August 1, 2011. Vice Mayor Block advised the property owner has been receiving one impact fee credit for water and one impact fee credit for sewer during the tenure of the lease agreement, which cost approximately \$450,000; the appraisal without lot 29 is 326,500, and the City would need to purchase lot 29 at a cost of \$25,000; the only other alternative is to dismantle the system and move it somewhere else, which would be more costly.

Vice Mayor Block made a motion to purchase the Cardinal Hill Property according to the Contract for Sale and Purchase Agreement between Cardinal Hill; the motion was seconded by Councilor Adorno. Discussion took place as follows:

- Attorney Tom Cloud advised the signing of this contract does not obligate the City to close on the property; for some reason should the money not be forthcoming, you can still back out of the contract. This contract locks in a purchase price for a particular period of time, and given the lease agreement Attorney Cloud believes it is a reasonable price and subject to reasonable terms and conditions. The status of the system and reports submitted by GAI to the Council, this contract is consistent with those and enables Council to comply with their agreement with the County, it is consistent with the City's Comprehensive Plan, and he recommends its approval.
- Mayor LaCascia asked if there was any downside not signing it at this time. Attorney Cloud responded the downside is you really don't have a plan for the flows from Mt. Olive other than to patch up their sewer plant, which is going to be very expensive and thus result in a rate increase at a minimum, if you were able to patch it up. The City would probably also run into some compliance problems with DEP down the road because they have made it very clear they do not want

the Mt. Olive Plant operating any more; they want us to transfer the flows to this plant (Cardinal Hill). The additional 29 acres provides for more buffers for this plant, and he again recommended approval of the contract.

- Councilor Blethen asked if we have anyone investigating into any available funding to help the City pay for that; Attorney Cloud advised we have been investigating this, but he doesn't see any monies available this fiscal year from any of those agencies (DEP/EPA). Vice Mayor Block advised we asked our grant writer (Scott Modesitt) to check into this; it is difficult because we don't own the land. Councilor Blethen asked if we could apply for funding after we purchase the property; Attorney Cloud advised it would be difficult to do.
- Vice Mayor Block commented another problem would be impact fees, and Councilor Blethen asked how much those would be. Vice Mayor Block advised around \$450,000; we can't go back and repair what was done previously.
- Mayor LaCascia advised he agrees with GAI.
- Councilor Adorno discussed the value and cost of impact fees; Vice Mayor Block mentioned the additional 29 acres, which was not part of the original assessment, and Councilor Blethen mentioned total acreage. Councilor Adorno asked about the down payment of \$25,000 and what would happen if not paid by August; Attorney Cloud advised the City would lose the deposit.

Roll Call:

Councilor Blethen-aye, Councilor Adorno-aye, Mayor LaCascia-aye, Vice Mayor Block-aye

4-ayes

0-nays

The motion carried.

City Manager Contract

Mayor LaCascia advised he met with Matt Brock for about two hours to discuss what he is looking for in a contract. He then gave a draft of an Employment Contract for Council's review, comments and/or any changes. Mayor LaCascia advised Matt would like to start with the City on May 1st, and he understands there is nothing in the budget to cover what he may be looking for. Council then went over the proposal, which is made a part of these minutes.

Discussion between Council took place regarding several items:

- Councilor Adorno asked about termination and 6 months severance. Attorney Cloud advised with the agreement it depends on the clauses and gave examples of termination without cause, termination with cause and should the City Manager decide to leave
- Performance evaluations; Mayor LaCascia advised Mr. Brook is not opposed to that

- Agreements usually outline the policy and procedures, auto expense, list of benefits, salary, and severance (bill pending which would change length of time). Under severance, Attorney Cloud advised the City could set up some type of vesting period i.e. at the end of three or four months, for each additional year another month of severance could be added up to six months – this is an incentive for both parties. The Attorney could draft a contract consistent with what is being discussed tonight. It was noted that Mr. Brock is expecting a call from the City Attorney.
- Councilor Blethen likes what Attorney Cloud said about the severance package regarding the three months/four months then an additional month each year up to six months. He doesn't feel the City should put a lot of money on the table – it should be progressive.
- Attorney Cloud asked if Council was comfortable with the salary; Councilor Adorno feels the total package is too much. Attorney Cloud advised Council could give Mr. Brock a five month probationary period; Councilor Adorno is comfortable with that, and she also likes the part about the severance package. Mayor LaCascia is okay with the \$72,000. Discussion took place regarding salary and pension. Mr. Brock would start at \$60,000 and as of October 1st it would increase to \$72,000.
- Pension – Attorney Cloud advised another Attorney from his firm could look at the pension; Attorney Cloud advised Council he does not have the authority to bind Council – the only thing he can do is make recommendations to Council, and Council would have to agree. After discussion, it was agreed that Attorney Cloud would get with a pension Attorney.
- Insurance – Vice Mayor Block feels Mr. Brock should have what the employees have. Mayor LaCascia commented about his Veteran's plan; he may not need it
- Vacation Package – same as employees
- Car allowance -- \$400 is reasonable and standard. Vice Mayor Block spoke the mileage she put on her vehicle in the last 10 months (4,000 miles). It was consensus of Council to give a \$400 car allowance
- Resignation – 30 days notice. Councilor Adorno commented if a 30 day notice is given, he should work the full 30 days unless City Council says otherwise. Attorney Cloud advised he would give up his severance if he left sooner than that
- Life Insurance – Vice Mayor Block advised 1 x annual salary; Attorney Cloud advised the last contract he would use as a template would be Cory's
- Attorney Cloud advised he would email a copy of the Ft. Meade City Manager Contract to City Clerk in the morning (next day), he would speak with a Pension Attorney, and he is content to have someone from Council be involved
- Discussion took place with the City Attorney regarding outline and direction; Mayor LaCascia commented the Attorney will do a contract based on the outline he was given to get started; the actual date to begin work for the City Manager will be May 2, which falls on a Monday.
- Attorney Cloud advised he has his direction and will bring back a recommendation which is consistent with what has been discussed at tonight's meeting. City Clerk Jackson advised once this is done a special meeting can be

called. Mayor LaCascia noted Mr. Brock would like a copy of the current budget and last two audits.

The meeting adjourned at 8:03 p.m. upon voice vote.

Patricia R. Jackson, City Clerk

Joe LaCascia, Mayor