CAMBRIDGE MATTERS

By: Commissioner Steve Rideout

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The Mayor and Commissioners met at 5:00 p.m. in an open meeting in order to hold closed meetings in regard to two matters both of which were confidential in nature. One involved a personnel matter and the other involved a discussion of a negotiating strategy for a possible contract. After a lengthy discussion on both issues, City Council returned to an open meeting with no reportable action having been taken.

The regular City Council meeting then began shortly after 6:00 p.m. with the Mayor and all commissioners being present. The Agenda was approved as presented and three people took the opportunity to speak during the Public Comment portion of the meeting. Michael Wheatley spoke regarding the request by Downtown Cambridge/Main Street for possible funding by the city and provided some supporting documentation. Dudley Parr and Charlie Powell then spoke about the possibility of the Overflow Café having a food truck parked on the property of the Overflow Café to use as an extra kitchen to prepare food for the Overflow Café. As there was a difference of opinion regarding what might be allowed under the city code, this matter was referred to the City Attorney for research and further discussion with Mr. Parr.

Next on the agenda was the Consent Calendar, where the following items were approved unanimously:

* The Meeting Minutes of the March 12th City Council Meeting.
* The request from Five Fold LLC for a variance from the noise ordinance and permission for outside liquor sales during the Eastern Shore Affiliate Challenge at Governor’s Hall at Sailwind’s Park on May 5, 2018 form 8:00 a.m. to 6:00 p.m.
* The request from Downtown Cambridge/Main Street for permission to use the City-owned parking lot in the 500 block of Race Street on May 5, 2018 from noon to 5:00 p.m. for the Cambridge Spring Artscape Event and to close the parking lot from 9:00 a.m. to 7:00 p.m. and, among other things, for a variance from the noise ordinance.
* The request of Downtown Cambridge/Main Street on behalf of High Spot Restaurant to hold the Cambridge Beer Festival in the 300 block of High Street on May 12, 2018 from 1:00 p.m. to 6:00 p.m. and to close the street from noon to 7:00 p.m. and, among other things, for a variance from the noise ordinance.
* The request from Chris Rodgers of Shore Shakespeare to use Long Wharf Park for their production of “As You Like It” on Friday and Saturday June 8 and 9, 2018 and, among other things, for a variance from the noise ordinance

Next came two proposed ordinances. The first was Ordinance 1117 that was on for first reading and continuation over to April 9th for second reading, public hearing, and possible passage. This ordinance was introduced to clear up a discrepancy regarding what prior city councils have allowed with regard to the discharge of firearms in the city at the Hyatt Regency Resort under an Administrative Standard Operating Procedure (ASOP) that was not supported by any existing ordinance. The proposed ordinance will give the City Council the authority to approve the discharge of firearms within the corporate limits of the city on a case-by-case basis.

The next ordinance is 1118 and was also on for first reading and continuation over to April 23rd for a second reading, public hearing, and possible passage. This relates to one of several fiscal matters that the city manager and city finance director are bringing to City Council to help improve the long term financial situation of the city.

This ordinance, if passed, will allow the city to issue for sale a bond or bonds totaling up to $1,880,000 as infrastructure bonds. The bond is intended to pay off the current $1.8 million line of credit that the city has drawn down on to repair the wharf and bulkhead at Governor’s Hall at Sailwind’s Park, funding a portion of the Capital Reserve Fund, and paying the cost of issuing the bonds.

The attached staff memo for this agenda item provides more details on this item, but the reasoning behind it is to replace the city’s line of credit with 1880 Bank that has a variable interest rate that will likely increase in the future and could be called in the short term with a long-term bond or bonds of 30 years that will have fixed and a lower interest rate that cannot be changed. It is hoped that when a developer is found for Sailwind’s Park that monies received from the agreement with the developer will be used to pay off this bond. In addition, the current payment on the line of credit is approximately $150,000 a year and the anticipated payment under the bond will be about $30,000 less than that depending on the final interest rate established for the bond or bonds.

Next on the agenda was a hearing related to the FY 2019 Budget involving what is called the “Constant Yield”. Staff had recommended that the commissioners approve the maintenance of the current real property and personal property tax rates. That will allow the property tax coming to the city to grow over the constant yield level that would have keep tax payments at the FY 2018 level.

As this issue is not easy to explain in a few words, I am attaching the staff memo to this report for your consideration. Jeff Hubbard from the Dorchester Chamber of Commerce was the only speaker at the public hearing. He requested that the city maintain the constant yield as that would help reduce the tax rate for everyone by a small amount. For FY 2018 the commissioners had maintained the constant yield because the value of assessed property had gone down and a constant level of funding was felt appropriate then.

Because of new development in the city, additional taxes under the current rate are expected to increase by $63,275. For a number of reasons including small raises being offered to city staff and other anticipated expenses, the commissioners unanimously agreed to maintain the current real property and personal property tax rates that would generate this increase of monies coming to the city for needed expenditures to improve the functioning and appearance of the city.

The next consideration under the budget portion of the agenda was a cost of living adjustment for city staff. The city manager’s recommendation was a 2% increase for all staff with salaries up to $40,000 a year and a 1 ½% increase for all positions with salaries over $40,000 with the exception of the City Manager position. This request was approved unanimously by the commissioners.

The last consideration under the budget portion of the agenda was that city council move $292,430 from the Unappropriated General Fund balance and increase the FY 2018 General Fund debt service budget to pay off a line of credit that was originally taken out in 2009 as a result of the financial crisis then. By paying off the line of credit early, $118,000 from the General Fund operating budget will then be released and available to help fund the cost of living increases that were approved and capital projects that will not occur until FY 2019. While this lowers the General Fund balance to $861,507, it saves approximately $50,000 total in interest payments that would have been due over the next two years.

Under New Business three items were taken up. The first involved the appropriation of monies to repair and replace the Cosby Avenue Playground. This playground was damaged in the summer of 2016 by vandals. The property is covered by insurance with a $5,000 deductible that the city must pay. Most of the insurance monies are available to pay for the repairs and the insurance company has indicated the remainder will be released upon completion of the project and final invoice.

Apparently, this playground has been damaged in the past by vandals so a discussion occurred regarding the property and how to deter damage in the future. City staff will look at possible options including cameras.

The next item was the city acceptance of a grant from the State Highway Administration in the amount of $200,000 for installation of a sidewalk and associated drainage improvement on the north side of Bayly Road from Maces Lane to Governors Ave. This grant, in addition to the city’s contribution to this project, will allow for safer passage of children walking to school at Choptank Elementary and Maces Lane Middle School. Depending on costs the city’s portion will be between $40,000 and $50,000. Those monies are in the FY 2018 Department of Public Works Capital Budget and available for this purpose. Hopefully this project and another project funded last FY year can be combined in the bid requests so that the city might benefit in lower than anticipated costs for both.

The final matter was a request by the Hyatt Regency Resort to allow skeet shooting to take place on the golf course near hole 17 on Sunday April 22nd from 9:00 a.m. to noon. As this matter involves Ordinance 1117 that was heard earlier in the meeting, this request was continued to the April 9th meeting to be scheduled for hearing and approval after the anticipated passage of that ordinance.

With the conclusion of the business portion of the meeting, everyone was reminded that on April 9th the FY 2019 Proposed Operating and Capital Improvement Budget will be filed and that presentations of the proposed Mayor and Council Goals, Council Goals, and Administrative Budgets will be heard along with the opening of the public hearing on the proposed budget to be continued to April 16th.

I hope that the above and the attached are helpful.