MAYOR
Brian K. Grim

CITY ADMINISTRATOR
Jeff Rhodes

CITY SOLICITOR
Michael Scott Cohen

COUNCIL
Seth D. Bernard
David Caporale
Richard J. Rock" Cioni
Eugene T. Frazier

CITY CLERK
Marjorie A. Woodring

AGENDA

DATE: June 19, 2018

I. Closed Session

1. 5:00 p.m. - Convene in Open Session for the purpose of closing the meeting for an Executive Session pursuant to Section 3-305(7) of the General Provisions Article of the Annotated Code of Maryland to consult with counsel to obtain legal advice regarding the CSX bridges
2. Executive Session

II. Open Session

1. 6:15 p.m. - Reconvene into Open Session

III. Pledge of Allegiance

IV. Roll Call

V. Statement of Closed Meeting

1. Summary Statement of Closed Meeting

VI. Certificates and Awards

1. Presentation of City Star to Gayle Griffith in recognition of her years of work organizing Cumberland's annual Heritage Days Festival

VII. Director's Reports

(A) Public Works

1. Utilities Division monthly report for May, 2018
2. Maintenance Division monthly report for May, 2018
3. Engineering Division monthly report for May, 2018

(B) Fire

1. Fire Department monthly report for May, 2018

VIII. Approval of Minutes

1. Approval of the Budget Work Session Minutes of April 3, 2018

IX. Public Hearings

1. Public Hearing to receive comment on the proposed Ordinance authorizing the issuance and sale of general obligation debt not to exceed $2,471,000 to be issued under the State of Maryland's Local Government Infrastructure Financing Program

X. Unfinished Business

(A) Ordinances

1. Ordinance *(2nd and 3rd readings)* - to provide new rates for refuse collection effective July 1, 2018
2. Ordinance *(2nd and 3rd readings)* - to repeal and reenact with amendments, Section 24-86 of the Code to provide for a new schedule of water rates to be effective July 1, 2018
3. Ordinance *(2nd and 3rd readings)* - authorizing the issuance and sale of general obligation debt not to exceed $2,471,000 to be issued under the State of MD's Local Government Infrastructure Financing Programs to finance or refinance the costs of a) information technology improvements, equipment and software, b) new and/or replacement vehicles and equipment, c) facility and property improvements (including HVAC units for Mun. Serv. center), d) water and wastewater filtration plant improvements, e) water distribution infrastructure, waterline, valve, meter and dam design and improvement/replacement

XI. New Business

(A) Resolutions

1. Resolution to approve a project to work with the Cochran Studio to put together an aesthetic design plan for the Baltimore Street Project in partnership with the Downtown Development Commission and the Cumberland Economic Development Commission

(B) Orders (Consent Agenda)

1. Order authorizing execution of Extra Work Order No. 1 to the existing contract with Carl Belt, Inc. for the Willowbrook Road Waterline Replacement Project (1-16-W) for an increased estimated unit price amount of $288,000 contingent upon MDE approval; bringing the new contract amount to $682,800
2. Order accepting the sole source proposal from Bennett, Brewer & Associates LLC to provide professional construction phase services for the Willowbrook Road 12-inch Water Line Replacement Project (01-16-W) in the estimated amount of $32,000 contingent upon MDE approval
3. Order accepting the proposal from Erie Insurance to provide fleet coverage in the amount of $104,879 and parking garage/building and liability coverage in the amount of $5,358 for the period 7/1/18 through 6/30/19
4. Order accepting the proposal of PMA Companies to provide workers compensation insurance for the period July 1, 2018 through July 1, 2019 in the estimated amount of $1,109,767 and authorizing the execution of an agreement with PMA to effect this coverage (Premium coverage = $272,037; Cash Collateral Fund = $810,000; Claim Service Fund = $27,730)
5. Order authorizing execution of a Contract of Sale with Allen and Donna Little for property at 616-618 Maryland Avenue (Tax Acct. 04-013794) for the purchase price of $15,000 provided settlement contingencies are met and authorizing execution of documents to effect the transfer
6. Order declaring one (1) Horizontal Compressor / Purifier (HCP) System to be surplus equipment and authorizing it to be donated to the Oldtown Volunteer Fire Department

XII. Public Comments

All public comments are limited to 5 minutes per person

XIII. Adjournment

Regular Council Agenda
June 19, 2018

Description

5:00 p.m. - Convene in Open Session for the purpose of closing the meeting for an Executive Session pursuant to Section 3-305(7) of the General Provisions Article of the Annotated Code of Maryland to consult with counsel to obtain legal advice regarding the CSX bridges

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Regular Council Agenda
June 19, 2018

Description
Executive Session

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Regular Council Agenda
June 19, 2018

Description
6:15 p.m. - Reconvene into Open Session

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☐ 1st Reading
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☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Regular Council Agenda
June 19, 2018

Description
Summary Statement of Closed Meeting

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Regular Council Agenda
June 19, 2018

Description

Presentation of City Star to Gayle Griffith in recognition of her years of work organizing Cumberland's annual Heritage Days Festival

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Regular Council Agenda
June 19, 2018

Description

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Regular Council Agenda
June 19, 2018

Description
Utilities Division monthly report for May, 2018

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

CITY OF CUMBERLAND

UTILITY DIVISION

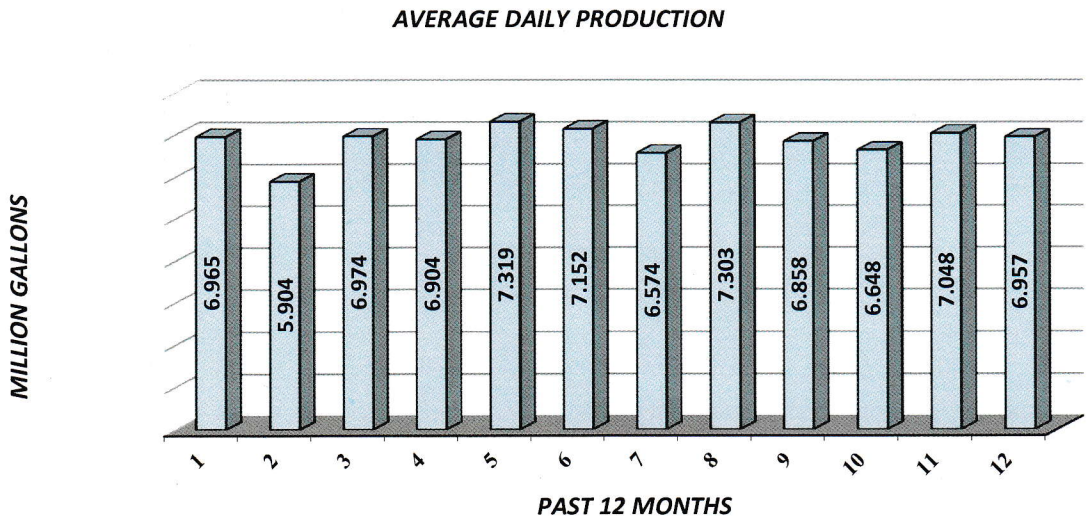
MONTHLY REPORTS

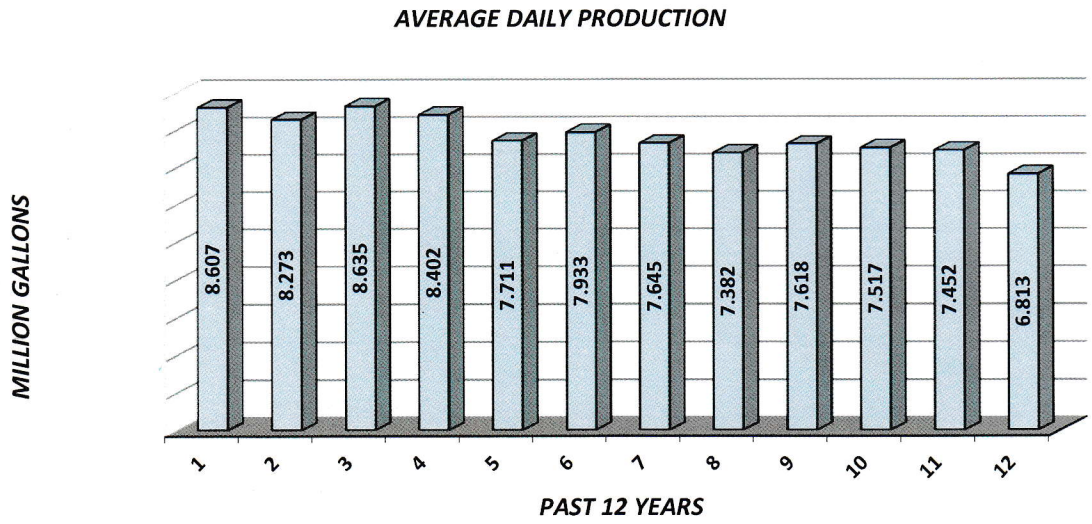
May 2018

CITY OF CUMBERLAND'S WATER TREATMENT PLANT

MONTHLY UTILITY REPORT

MAY 2018





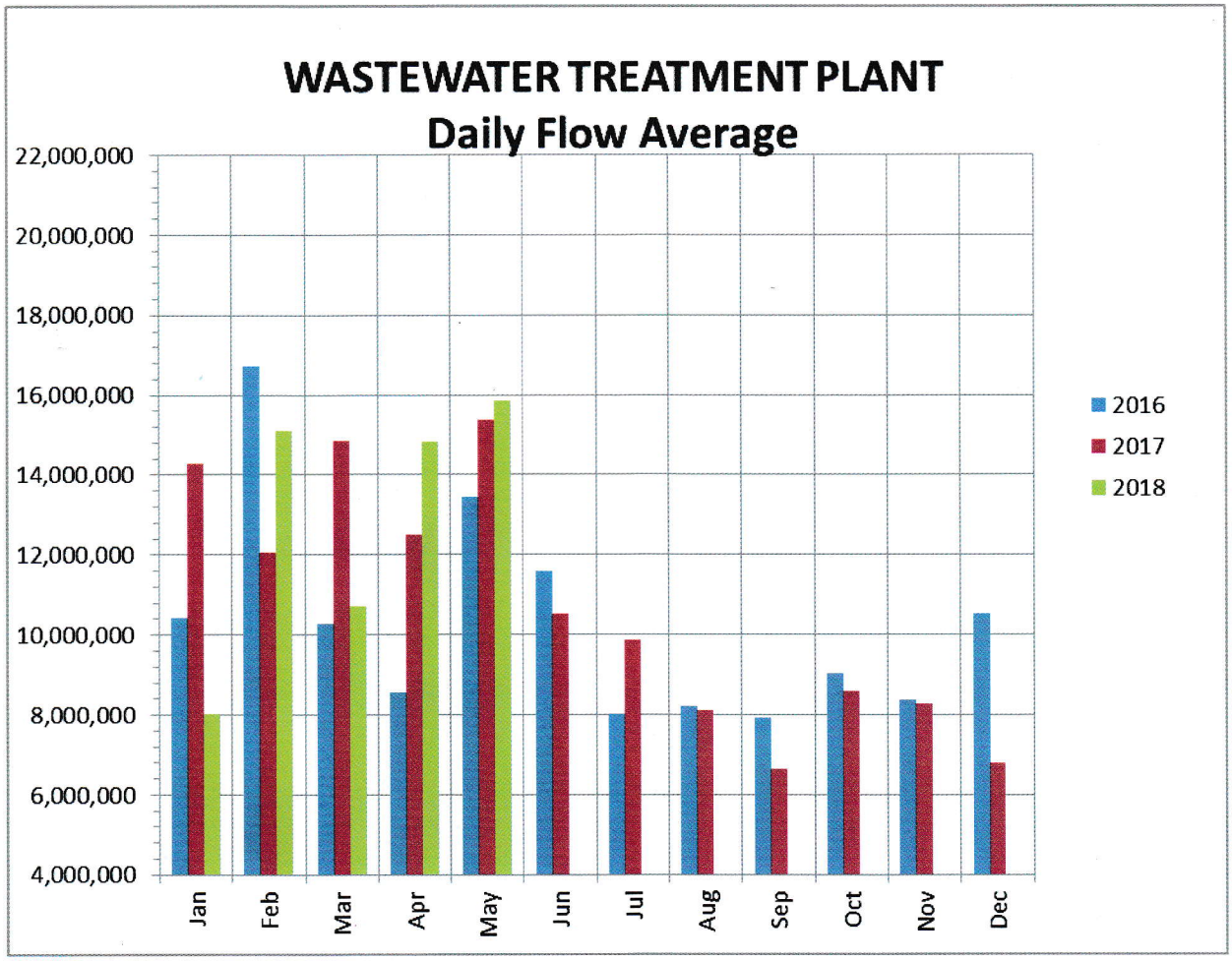
BRIEF LISTING of EVENTS

- *100% COMPLIANCE WITH ALL FEDERAL & STATE DRINKING WATER REGULATIONS*
- *OVER 100 PREVENTIVE MAINTENANCE TASKS COMPLETED/1,300 WATER ANALYSIS PERFORMED/LAKES AT 100% CAPACITY*
- *TREATMENT PLANT, PUMPING STATIONS, TANKS AND RESERVOIRS OPERATED/MAINTAINED CONTINUOUSLY 365/24/7*
- *WFP STAFF ARE CURRENTLY WORKING ON LAKE AND RESERVOIR MAINTENANCE TASKS*
- *PROCESS ADJUSTMENTS AND TESTING IS BEING DONE TO ADDRESS HIGH MANGANESE LEVELS IN WFP WASTEWATER DISCHARGE*
- *FIRST 19 MONTHS OF SAMPLING SOURCE WATER FOR CRYPTOSPORIDIUM HAS DETECTED ZERO OOCYSTS*
- *SECOND ROUND OF MACROINVERTEBRATE BASELINE SAMPLING IN TRIBUTARIES COMPLETED*

Wastewater Treatment Plant – May 2018

OPERATIONS:

Treated 490,837,000 gallons @ an average of 15.833 million gallons per day. Removed 176,837 pounds of total suspended solids, 123,628 pounds of BOD, 35,286 pounds of total nitrogen, and 4,093 pounds of total phosphorous. Processed 978,485 gallons of sludge producing 92.05 Dry tons of Class "A" bio-solids. All Federal and State reporting requirements were in compliance. Monthly Flow Comparison Chart is attached.



Sewer & Flood Monthly Report - May 2018

SEWER

4,194	Ft. Sewer Mains Flushed
2	Storm Sewer Mains Repaired
	Linden St at Frederick St, 577 Winifred Road
45	Catch basins Cleaned
2	Catch Basins Repaired
	200 S George St., Second St at Oak St.
200	Ft. of Sewer Mains Televised
57	Ft. of Sewer Lines televised
3	Overflow's Checked
	Assisted Water Department at seven (7) Hydro Excavating

FLOOD

Test Run Station Pumps and Run Gates
Checked holes and CSO's
C. S. O Inspections (MDE)
Mowed thirty (30) acres
Maintained equipent and cleaned area

WATER DISTRIBUTION

Utilities Activity Report for May 18

REQUEST	W/E 5/4/18	W/E 5/11/18	W/E 5/18/18	W/E 5/31/18	MONTHLY TOTALS
Service Technicians					
NON READS/MDM go backs	10	10	13	6	39
VACANT Accounts report					0
FINAL READS/TURN ONS/SHUT OFFS	5		1	4	10
CURB/METER BOX MAINTENANCE		1			1
LEAK INVESTIGATIONS/turn off-on		9	1	6	16
STOP LOCATES/MAINTENANCE				1	1
METER/STOP INVESTIGATIONS	13	9	8	17	47
REPAIR WIRING/GET READING		1	1		2
ORANGE TAG FOR REPAIRS	2	1	6	2	11
YELLOW TAG FOR H/L USAGE/APPT		1		2	3
RED/PINK TAG FOR SHUT OFF					0
TURN WATER ON	53	48	44	46	191
TURN WATER OFF		1			1
NONPMT/BAD CK/AGREE SHUT OFFS	59	48	40	29	176
SHUT OFF RECHECKS	57	31	54	23	165
PULL METERS - READS/SPAC/WR OFF		1		2	3
PUT METERS BACK ON LINE/READS					0
REPLACE/REPAIR METER/LID/VALVE				1	1
DIRTY WATER/ODOR					0
SVC SEPARATIONS/INVESTIGATIONS					0
INSTALL COUPLERS/PLUGS/LOCK	2	2		2	6
NEW METER/DIAL	4	4	5	6	19
METER TESTS-Residential	2	2		4	8
METER TESTS - Industrial					0
Ind - Register/Chamber Chg Out					0
Industrial - Chamber Cleaning					0
Industrial - Strainer Cleaning					0
HYDRANTS FLUSHED					0
PRESSURE CHECK/NO WATER	1	2			3
MOVE METERS OUTSIDE/READINGS	5	3	4	12	24
Smartpoint change outs/New installs	8	4	5	15	32
Replace smartpoint antenna			3		3
REPAIR/REACTIVATE/MOVE SPs	1		2	1	4
INSULATE METER BOXES					0
FREEZE UPS/METERS & LINES					0
CCP - BACKFLOW/RETRO	5	3	4	12	24
HYDRANT/IRRIGATION METER					0
Total					790
Pipe Technicians					
LINE LOCATOR	55	113	64	152	384
TAPS SERVICED	3	5	3	6	17
LEAKS REPAIRED	1	3			4
418 MAGRUDER - NEW BOX & LID	5				5
TOPSOIL, SEED & STRAW		3			3
563 FAYETTE - RAISE METER BOX		3			3
LOOK FOR LEAK - 935 DINGLE DR		3			3
REPLACED HYD THAT WAS HIT - FAYETTE		5			5
TOPSOILED AROUND HYDS & METER BOXES		4			4
REPLACED VALVE ON HYD/FAYETTE ST			5		5
RESET CURB BOX - 315 N CENTRE			3		3
934 GAY ST - NEW BOX & LID			3		3
TOPSOILED AROUND BX - MASON FIELD			3		3
209 CARROLL - NEW BOX & LID			2		2
ABANDONED SERVICE - 933 GRAND AVE				3	3
BACKFILLED 613 LINCOLN				5	5
CUT OFF SERVICE - 246 BLACKISTON				3	3
CUT OFF SERVICE - 307 BROADWAY				3	3
CUMB @ PAW PAW - FIXED CRIMPED LINE				3	3
REPLACE HYD #458				6	6
ABANDONED SERVICE - 812 ASHLAND				5	5
					0
					0
					0
					0
					0
					0
					0
					0
					0
Projects					
Projects -					0
WEEKLY TOTALS & GRAND TOTAL					1262

Watershed

Worked on Dehaven Rd with John Coyle looking for water leak - none found
Dug ditch for drain pipe & gathered materials for drainage ditch project
Tied new drain pipe into old drain pipe and backfilled
Did an investigation on PA Water Co
800 Golden Ln - Replaced old stop, installed meter box & setter (listed under "taps serviced" above)
Cleaned up trucks & tools
Met with Ed Whitacre about 2" water tap for church
Had meeting with Dennis Broadwater about PA Water Commission
Fueled vehicle
Checked ditch line at dam job site
Checked ditch line off Golden Ln
Performed maintenance in tool shed
Put out barricades on Fayette St for 306 crew
Finished backfilling Golden Ln
Installed 20' of 4" drain pipe at dam - backfilled and cleaned up area
Removed trees from fireline (several days)
Performed leak investigsation at the park
Performed maintenance on Agco
Training on valves and valve machine
Mowed at dam
Performed maintenance on mower & weed eaters
Mowed & weed eated 36" water line (several days)
Weed eated around valves (several days)
Put in new valve box - with Iliff

Regular Council Agenda
June 19, 2018

Description
Maintenance Division monthly report for May, 2018

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

MAINTENANCE DIVISION REPORT
May 2018

Street Maintenance Report

Parks & Recreation Maintenance Report

Fleet Maintenance Report

PUBLIC WORKS/MAINTENANCE
STREET BRANCH
MONTHLY REPORT
MAY 2018

- POTHOLES AND COMPLAINTS
  - Potholed 37 Streets and 8 Alleys using 47 tons of HMA.

- UTILITY HOLE REPAIR
  - Completed 5 Water Utility Hole Repairs using 10 tons of HMA.

- TRAFFIC CONTROL SIGNS/STREET NAME SIGNS
  - Installed/Repaired 12 Traffic Control Signs.
  - Installed/Repaired 1 Street Name Sign.
  - Installed 1 and Removed 2 HC Signs.
  - Painted 26 curbs

- STREET SWEEPING
  - Swept 465 curb miles (approx. 200 cubic yards of debris).
  - Hauled 50 tons of sweeper dumps to landfill.

- MISCELLANOUS
  - Completed 21 Work Orders.
  - Worked Day of Caring and Sharing.
  - Completed Constitution Park Pool concrete work (26cy).
  - Completed Flood Control Concrete work (18cy).
  - Cleaned Underpass, McMullen Bridge, and Welch Ave. drainage ditch 5 times.
  - Completed Stage repair at Smith Park.

STREET MAINTENANCE - MAY 2018		5/1-5/4	5/7-5/11	5/14-5/18	5/21-5/25	5/28-5/31	TOTAL
SERVICE REQUEST COMPLETED							0
PAVING PERFORMED	TONS						0
CONCRETE WORK	CY		6		26	18	50
UTILITY HOLES REPAIRED	WATER	4	1				5
	SEWER						0
	CY						0
	TONS	9.0	1.0				10
POTHOLES FILLED	STREETS	7	10	2	16	10	45
	ALLEYS						0
	DAYS						0
	Cold Mix						0
	TONS	6.5	14.0	2.5	13.0	10.5	47
PERMANENT PATCH	CY					1	1
	TONS						0
COMPLAINTS COMPLETED							0
	CY						0
	TONS						0
TRAFFIC CONTROL SIGNS REPAIRED/INSTALLED		8	4				12
STREET NAME SIGNS REPAIRED/INSTALLED			1				1
HANDICAPPED SIGNS REPAIRED/INSTALLED/REMOVED							0
							0
			1				1
PAINTING PERFORMED	BLUE	1	1				2
	YELLOW						0
	RED	4	20				24
PAVEMENT MARKINGS INSTALLED	No.						0
STREET CLEANING	LOADS	5	11	14	11	9	50
	Miles	33	104	128	107	93	465
SWEEPER DUMPS HAULED TO LANDFILL	TONS	30.4			32.5		63
SALT BARRELLS - PICK UP, FILL	DAYS						0
CLEANED BALTIMORE ST. UNDERPASS		1	1	1	1	1	5
CLEAN SNOW EQUIPMENT	Days						0
BRUSH REMOVAL/TREE WORK	Days			1	4		5
Check Drains/Clean Debris	DAYS						0
LEAF PICK UP	Loads						0

Stage Repair at Smith Park

Spent a Week Hauling Mulch and Soil for Day of Caring and Sharing

Tree Work 5 areas

Worked on Day of Caring and Sharing Cleanup

Completed Concrete Work for Constitution Park Pool 26 cy

Repaired Barricades on Cumberland St Bridge

Completed Concrete Work for Flood Control Addition 18 cy

PUBLIC WORKS/MAINTENANCE
PARKS & RECREATION
MONTHLY REPORT
MAY 2018

- Constitution Park and Area Parklets
  - Cleaned up garbage
  - Finalized all our work in Casino for opening
  - Cut 2 times complete
  - Cut all parklets at least twice
  - Completed pool start up

- Ball Fields
  - Lined 8 fields for a total of 73 times
  - Drug 6 fields for a total of 9 times
  - Cut 8 fields for a total of 32 time

- Miscellaneous Work
  - Assisted with Day of Caring and Sharing
  - Prepared pavilions for rentals

Parks & Recs Field Work

May 2018

	Line	Drag	Spike
Flynn	14	1	
Nonneman	12	2	
Northcraft	12	2	
Bowers FB			
Galaxy FF	3		
United			
Nonneman SF			
Long	7	1	
Cavanaugh	14	2	
JC	6	1	
Abrams	5		
Nonneman Jr			
Northcraft SF			
Bower SF			
TOTAL	73	9	

Parks and Rec Mowing Areas
May 2018

Location	Times cut
Abrams Field	4
JC Field	5
Valley St Parklet	2
Fairmont	2
Ridgedale	2
Springdale	2
Smith Park	4
Vets Park	1
Washington Headquarters	3
Sun Dial	2
Pine Ave	2
Lucy's Park	0
Old HRDC	0
Mullen	1
14 Somerville (rear)	1
Evitts Creek	1
Boat Ramp	1
Rolling Mills Parklet	2
224-226 Cecelia St	1
404-406-414 Park St	1
513-529 Maryland Ave	1
Emily St dead end	2
Louisiana Ave (Hartley’s)	2
Pear St	1
Centre St Playground	2
Municipal Center	2
Mason's Sports Complex	4
Pistol Range	2
Cavanaugh Field	4
Long Field	3
Constitution Park	2

Fleet Maintenance
May 2018

Total Fleet Maintenance Projects	**136**
Central Services	1
Code Enforcement	0
DDC	1
Engineering	7
Fire	3
Flood	0
Municipal Parking	0
P & R Maintenance	14
Police	28
Public Works	7
Sewer	12
Snow Removal	0
Street Maintenance	17
Vehicle Maintenance	1
Water Distribution	12
Water Filtration	1
WWTP	0
Scheduled Preventive Maintenance	28
Field Service Calls	4
Total Work Orders Submitted	**37**
Risk Management Claims	**0**
Fork Lift Inspections	**0**

Regular Council Agenda
June 19, 2018

Description
Engineering Division monthly report for May, 2018

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						May 31, 2018	
Order	**Project No.**	**Project Name**	**Description**	**Phase**	**Comments**	**Updated By**	**Date of Update**
2008	05-08-S	Evitts Creek CSO Upgrades Phase III (gravity sewer under railroad)	Replacement of CSO line connecting Evitts Creek Pump Station effluent with gravity line that parallels the Canal Towpath. Said gravity line is being replaced under project 17-03-S(1).	Design	The funds that were approved last year are not enough to properly complete the project. A new application for funds has been submitted to MDE but it was not approved. We will have to have some additional conversations with MDE about this project. This project has been complicated because of location of the sewer lines deep under the CSX Yards.	JDF	6/14/2018
2010	01-10-WWTP	CSO Storage Facility At WWTP	CSO storage and handling facility in accordance with LTCP	Construction	Base slab construction is proceeding, with several sections poured. Wall forming progressing. Overall work is approximately 22% complete, based on work completed and materials received and stored to date.	PJD	6/8/2018
2012	2-12-M	Baltimore Avenue Improvements	Resurfacing of Baltimore Ave. from Front Street to Marion Street; with ADA and bicycle safety improvements, water main replacement (Goethe St to Marion St), and traffic safety improvements.	Construction Closeout	**UPDATE-** Reimbsursement was sent to SHA For final reimbursement on project.	KAR	6/13/2018
2013	1-13-FPM	Misc Flood Control System Concrete Repairs	Repairs to various points of FCS system per USACOE inspection	Design	**UPDATE** - Project will require a waterway construction permit and for an EAP to be submitted/approved by MDE. Project is on hold until MDE issues can be resolved.	RLS	6/12/2018
2013	4-13-SWM	Avirett Development at 12313 Messick Road	Development at Messick Road, north of the proposed Chessie Federal Credit Union site.	Design	**NO CHANGE** - Currently not a high priority project.	PJD	6/8/2018
2013	12-13-FPM	Flood Control Encroachment Tree Project	Removal of Trees along Flood Wall and Levees per requirements of US Army Corps of Engineers specifications	RFP	**UPDATE Bids were received award was made to Kiddy Contracting.**	KAR	6/14/2018
2014	04-14-WWTP	Sludge Screening Study/Design	Study to select the best alternative to keep rags out of the recently cleaned and modified digester because the modifications will make it impossible to revive rags in the future.	Design	**NO CHANGE** Need/Benefit of the project is being reevaluated, and for now the project is on hold. Design is complete and the project will remain on this report for the time being. The evaluation of the WWTP and WFP will provide recommendations concerning this project in 2018.	JDF	4/2/2018
2014	05-14-M	Mill Grind, patch and Resurface Pavements in accordance with MD SHA Contract	Belt Contract to mill and pave	Construction	**UPDATE**- Project has been closed out all work under this contract has been completed.	KAR	5/10/2018
2014	10-14-M	Amtrak Station Streetscape Improvements - Baltimore Street Rail Connection	ADA improvements to curbs and sidewalks along Baltimore Street from George Street to Chessie System Railroad Tracks.	Construction Closeout	**NO CHANGE** - Construction complete, and waiting for punch list items to be completed (as weather permits)	JRD	2/12/2018

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						May 31, 2018	
Order	**Project No.**	**Project Name**	**Description**	**Phase**	**Comments**	**Updated By**	**Date of Update**
2014	13-14-M	Mechanic Street Access Road Improvement Project	Repaving and ADA ramp improvements to the section Mechanic Street from I-68 to Bedford Street. Includes improvements to the block of Bedford Street from N. Centre to N. Mechanic Street and Baltimore Street to the Bridge.	Design	tried several times to receive an update from SHA regarding review status. Project can't be posted for bidding until we receive their approval. There is a possibility construction may not start until calendar year 2019.	PJD	6/8/2018
2014	18-14-SWM	New HS at site of SHH - SWM	SWM for new Allegany High School	Construction	Work continues.	PJD	6/8/2018
2014	19-14-M	Greene Street Complete Street Plan	Planning Study for Greene Street	Planning	**NO CHANGE** - The Design Report from Alta Planning + Design was submitted and presented to the Mayor and City Council. The plan to start work on Construction Funding Applications has been delayed because of the Baltimore Street Project, which would have been competing for the same funds. This project still needs to be done and should be a priority in the future.	JDF	6/1/2017
2015	9-15-M	Potomac River Walk	The Study Phase of this project is being done through the Cumberland MPO and consists of a Walk / Trail for pedestrians and bikes along the Potomac River between Wills Creek and the YMCA	Study	**NO CHANGE** - This project should become a Canal Place Project. There has not been much activity on this project recently, however we will keep it here until it is either dropped or started by Canal Place. Hopefully a new project under Canal Place will begin in 2018.	JDF	1/11/2017
2015	14-15-SWM	Hampton Inn - Welton Drive	New Hampton Inn off Welton Drive	Construction Closeout	Complete. Occupancy Permit being processed. This will be the last report for this project.	PJD	6/8/2018
2015	18-15-S	CSO Water Quality Analysis	Base line data collection for analysis of future CSO needs after CSO Storage is on line.	Construction	**NO CHANGE** Project continues. Stream sampling ongoing on a monthly basis.	RJK	5/2/2018
2015	19-15-M	WWTP & Collection System Asset Management Plan	Development of an Asset Management Plan	Planning	**UPDATE** Asset Management Program/Capital Improvement implementation. Meetings took place April 12 and 13th to strategize implementation of the City's program. A list of strategies will be reported next. City and consultant will share tasks starting in June.	RJK	5/2/2018
2015	21-15-M	Washington Street Lighting	Install decorative lighting along Washington Street	Complete	First Phase of project complete. Electric Conduit has been installed. Street has been milled and paved. Reimbursement was submitted to MD for the release of State Bind Funds.	KAR	4/11/2018
2015	23-15-M	Flood Insurance Rate Map (FIRM) Modernization and Implementation	Update FIRMs and the Floodplain Ordinance, and conduct an outreach to the community to apprise landowners of the impact of those changes.	Planning	**NO CHANGE** - The Letter of Final Determination date is now October, 2018, with a projected effective date of April, 2019.	PJD	6/8/2018

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						May 31, 2018	
Order	**Project No.**	**Project Name**	**Description**	**Phase**	**Comments**	**Updated By**	**Date of Update**
2016	5-16-SWM	Gasoline and Manual Car Wash Station - Willowbrook Road	L.C. Nixon Development Company Car Wash and Gas Station development of an existing property into a Gas Station and manual car wash.	Design	**NO CHANGE** - Work can start as soon as the Owner desires.	PJD	6/8/2018
2016	12-16-M	Baltimore Street Access Improvement - Final Design	The purpose of the New Baltimore Street Town Center project is to reopen and improve Baltimore Street, which is currently configured as a pedestrian mall, to vehicular traffic while maintaining elements of the mall.	Design	Design continuing, primarily on non-aesthetic aspects. The current goal is for the redevelopment design committee and their consultant, Cochran Studio, to provide their guidance by early August, which would allow EADS to finalize their design.	PJD	6/8/2018
2016	13-16-RE	Constitution Park Pool - Liner and Main Drain Improvements	The main drain is being installed by Carl Belt, Inc. and the Liner is being done by RenoSys under two separate contracts	Construction	**NO CHANGE** -The bathhouse floor and wadding pool were added to the project. The project looks great, however there was an issue with water getting under the pool liner of the wadding pool. It now appears that that issue will have to be resolved in the spring of 2018. We will have to wait to see if the issue has been resolved.	JDF	6/14/2018
2016	1-16-W	Willowbrook Road 12" Waterline Replacement	Replacement of 12" waterline along the NE side of Willowbrook Rd from the roundabout (Main Hospital Entrance) through the intersection of Country Club	Planning	Developing change order for extra work, adding about1,500 feet of additional pipe replacement, since the funding available exceeds the awarded contract price. This will be submitted at the next M & CC meeting, and then on to MDE for	PJD	6/8/2018
2016	17-16-M	Stage Renovations at Liberty Street Stage	Replace wood stage with Concrete	Design	**NO CHANGE** -Plans need to be modified and the project bid, but it is important to hold this work until the New Baltimore Street Town Centre Project is started to make sure that the design is compatible.	JDF	6/1/2017
2016	18-16-BR	John J. McMullen, Bridge No. A-C-01 Repairs	Bridge Repair	Design	Needed repairs were identified in the latest Bridge Inspection Report. We asked for a price, but in that process it was determined that we needed additional Engineering to prepare the specifications for the needed repairs. This work needs to be done and we are working on funding. So far we have not found any funding source other than the City or possible State Aide in lieu of Federal Aide.	JDF	1/11/2018
2017	2-17-FPM	Flood Control Encroachment removal Project	The City as the Local Sponsor of the Flood Control Project is expected to maintain the easements along the Flood Control Project, however the area along Wills Creek and other areas were never given any comments until the Corps of Engineers standards changed. Completion of this project is necessary to allow the City to get a Satisfactory rating on its annual Flood Control Inspections.	Planning	This project has been delayed because of other work, but must be done.	JDF	11/1/2017

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						May 31, 2018	
Order	**Project No.**	**Project Name**	**Description**	**Phase**	**Comments**	**Updated By**	**Date of Update**
2017	3-17-M	Route 51 Bridge 12" Waterline Replacement	Replace water line on bridge as part of SHA Bridge Deck Project	Design	SHA determined that that CSX would not allow the water line to be replaced, however we have been working with CSX to get their approval and the project is now back on. SHA has agreed to include the line in the bridge work, but it will be up to the City to get all CSX permits. The issues with CSX may cause some delay in getting this project bid out, but for now we are still anticipating that the project will proceed with our water line being in the SHA Bridge Deck Contract. The City will have to pay all costs, and this project was not selected as one that would get any grant money. Progress will be reported in future Monthly Reports.	JDF	6/14/2018
2017	8-17-M	Baseline Water Quality Sampling Evitts Creek Water Company	Western Pennsylvania Conservancy to provide detailed technical and scientific consulting to the ECWC including: Habitat Characterization and Baseline Water Quality Sampling.	Construction	**UPDATE** Stream sampling to take place May 7th. Results well be presented at the July Evitts Creek Steering Committee meeting. It keeps raining before planned sampling so this has been rescheduled twice.	RJK	5/2/2018
2017	09-17-M	Non Residential Grass Mowing	Contract for mowing the Commercial and Public Owned Properties within the City Limits. To include water tanks, City Hall, Public Safety and several others.	Construction	**UPDATE** One year extension of project will continue through FY 19	KAR	5/11/2018
2017	10-17-M	Residential Grass Mowing	Contract for mowing the residential properties within the City Limits which include blighted properties and recent demos.	Construction	**UPDATE** One year extension of project will continue through FY 19	KAR	5/11/2018
2017	12-17-M	Computer Aided Design Services	Computer Aided Design (CAD) Services to prepare several AutoCAD Templates, to convert existing standard construction details to CAD, and to create several new standard construction details.	Design	Work on the standard CAD details and a new CAD template are continuing to progress. A review meeting will be scheduled in the near future.	JRD	6/14/2018
2017	13-17-RE	Constitution Park Sound Garden	A sound garden/sound park has been proposed of Constitution Park. This would be a collection of Outdoor Musical Instruments used for recreation and education.	Planning	Hayden Ort-Ulm is currently getting plans of the xylophone, and is getting a manufacturing cost estimate. Engineering will assist in preparing a site plan, and an erosion & sediment control plan if necessary.	JRD	2/12/2018
2017	14-17-WFP	Water Filtration Plant Evaluation	This is an evaluation of the City's Water Plant, being done by GD&F.	Study	Study is about 60% complete as of this date.	JDF	10/18/2017
2017	15-17-WWTP	Wastewater Plant Evaluation	Being done along with 14-17-WFP	Study	This study is also about 60% complete.	JDF	10/18/2017
2017	16-17-	NA	NA	N/A	NA		
2017	17-17-W	24" Main Break Emergency Repairs	Decatur and Glenn Streets	Construction	This emergency work is complete. The work was done by Carl Belt, Inc and was handled by Public Works with assistance from Engineering.	JDF	10/18/2017

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						May 31, 2018	
Order	**Project No.**	**Project Name**	**Description**	**Phase**	**Comments**	**Updated By**	**Date of Update**
2017	18-17-M	Maryland Avenue Development	This is not and Engineering Project, but included here to cover future department work with the development.	Planning	No Department work yet, but a design meeting had been planed and later canceled.	JDF	10/18/2017
2017	19-17-M	Recycle Coach App	Smart phone app for recycling schedules	Planning	**COMPLETE**	RJK	4/2/2018
2017	20-17-WFP	Return on Environment Plan	Bedford County Comp Plan - Optional localized study	Study	**NO CHANGE**	RJK	4/2/2018
2017	21-17-PSB	Public Safety Building Underground Storage Tank Removal	Heating Oil Underground Storage Tank (UST) - Not in use/reviewing removal option	Planning	**NO CHANGE**	RJK	4/2/2018
2017	22-17-RE	Constitution Park and Area Plan (Bike & Walking Paths)	Using MPO Funds through Allegany County this project will work to develop a plan for paths through the Park and also provide connection link to City streets, as well as the WMHS (hospital) and ACM on Willowbrook Road.	Planning	ALTA has been granted a contract to put this plan together and it will include public input as various location. Although not really a part of this planning process, it is expected that other Park needs will be highlighted. In additions to bike and pedestrians paths, this process may include other facilities, like skating and the sound garden (3-17-RE) and other items that come out of the public outreach. The Rec Board met gs with ALTA on May 14, 2018. A Public Survey is being prepared and should go out in June or July.	JDF	6/14/2018
2017	24-17-S	Investigation of Floodwall Underdrain Leak at Valley Street Bridge	Ascertain the source of the sewage that is leaking into the floodwall under drain noted at an under drain box about 90 feet upstream of the Valley Street Bridge, and develop a plan and cost estimate to effect repairs.	Planning	A septic tank was removed. It is not expected to solve this issue, but no more action will take place except to continue to monitor and test the flow. Because of high water in Wills Creek the current flow has very low BOD.	RS	
2017	25-17-SWM	Lions Manor Parking Lot	Due to the site changes from the construction of Allegany High School at the former Sacred Heart Hospital site, Lions Manor will need additional parking.	Construction Closeout	Work complete. This will be the last report for this project.	PJD	6/8/2018
2017	26-17-SWM	Greene Street Gas Line	New line by Columbia Gas for Greene Street, Allegany Street and Arnett Terrace	Planning	Columbia Gas project	KAR	2/12/2018
2017	27-17-SWM	Oak Street Gas Line	New Gas line, by Columbia Gas, for portions of Oak, Lamont and Gay Streets	Construction	Work is near completion restoration will being mid April	KAR	4/11/2018
2017	28-17-SWM	Frederick Street Gas Line	New gas line, by Columbia, on portions of Frederick, Linden, Bedford, Marietta, Victoria and other Streets	Construction	Main line replacement is underway	KAR	4/11/2018
2017	29-17-UTIL	VOID See 19-15-M	VOID				
2017	30-17-WWTP	40 CFR 441 Compliance - Dental Dischargers	Collection of 1-time compliance reports from dental offices that remove amalgam.	Planning	**UPDATE** Eleven (11) dental offices have returned their 1-time compliance report to date. Dental offices have until July 2020 to comply with this new Federal regulation.	RJK	5/3/2018

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						May 31, 2018	
Order	**Project No.**	**Project Name**	**Description**	**Phase**	**Comments**	**Updated By**	**Date of Update**
2017	31-17-W	Decatur Street 24" Crosstown Water Main Replacement	Prior to designing the water main replacement a more detailed Water Model analysis of the City's system will be done to make sure the issues are being properly addressed. Design will follow.	N/A	Funding request submitted to MDE. Information on that request is expected prior to June, 2018. A scope of work and an RFP for Engineering is in progress.	JDF	4/2/2018
2018	01-18-RE	Constitution Park Pool Slide Resurfacing	Re-Gel coat the interior of the main slide in the pool. Repainting of the exterior slide	Complete	**UPDATE** Work is complete final invoice has been processed	KAR	5/11/2018
2018	02-18-RE	Cavanaugh Ball Field Lighting Project	Purchase and installation of new MUSCO lighting system planned for installation	Design	**UPDATE** Funding has been approved specifications and plans in final stages to bid.	KAR	5/11/2018
2018	03-18-SWM	First People's FCU ATM Site-415 Mechanic St	Site changes involving ATM facility and addition to existing garage, as well as milling and overlaying existing paved surface.	Design	SWM Plan approved.	PJD	6/8/2018
2018	04-18-SWM	Grand Avenue Gas Line	Columbia Gas project on Grand Avenue	Planning	Columbia Gas project	KAR	2/12/2018
2018	05-18-WWTP	WWTP Roof Replacement - Dewatering Building	This project includes replacement of the existing built-up roof system (BUR) at the Dewatering Building for the Wastewater Treatment Plant (WWTP-DB) with a new BUR system. The existing WWTP-DB contains 5 different roof levels, with a	Construction	**UPDATE** - Construction will begin the week of 6/25	RLS	6/12/2018
2018	21-18-WWTP	Repaint Primary Clarifier Equipment	This project includes the repainting of the primary clarifier equipment at the WWTP. The steel equipment will be prepared and painted, as well as the effluent channels. Two primary clarifiers and two thickener stations will be repaired	Planning	**UPDATE** - Project should be put out for bid the week of 6/11 with bids returned in mid-July.	RLS	6/12/2018
2018	05-18-WWTP	WWTP Roof Replacement - Dewatering Building	This project includes replacement of the existing built-up roof system (BUR) at the Dewatering Building for the Wastewater Treatment Plant (WWTP-DB) with a new BUR system. The existing WWTP-DB contains 5 different roof levels, with a combined area of approximately 6,100 SF.	Construction	**UPDATE** - Construction will begin the week of 6/26	RLS	6/12/2018

City of Cumberland, Maryland
Engineering Division - Monthly Report

Capital Projects						May 31, 2018	
Order	**Project No.**	**Project Name**	**Description**	**Phase**	**Comments**	**Updated By**	**Date of Update**
2018	21-18-WWTP	Repaint Primary Clarifier Equipment	This project includes the repainting of the primary clarifier equipment at the WWTP. The steel equipment will be prepared and painted, as well as the effluent channels. Two primary clarifiers and two thickener stations will be repaired	Planning	**UPDATE** - Project should be put out for bid the week of 6/11 with bids returned in mid-July.	RLS	6/12/2018
2018	22-18-M	Solid Waste and Recycling Collection	Contract documents for the FY20 garbage and recycling collection bid process	Planning	**UPDATE** Reviewing the previous contract for updates.	RJK	5/3/2018
2018	23-18-WWTP	FY 2019 MDE Energy Grant	Application through MDE for energy grants for WWTP or WFPs	Planning	**UPDATE** Application submitted to MDE for Optimization of WWTP Aeration System	RJK	6/12/2018

City of Cumberland, Maryland
Engineering Division - Monthly Report

Program Projects Update						May 31, 2018	
Order	**Department**	**Program/Project Name**	**Description**	**Phase**	**Comments**	**Updated By**	**Date of Update**
	PUBLIC WORKS	Curbside Recycling	Curbside recycling program started in the City of Cumberland July 1, 2014	Ongoing	**UPDATE** Presentation to Leadership Allegany in May.	RJK	12-Jun-18
	PUBLIC WORKS	Solid Waste Management Board	County Board for planning and discussion of County-wide recycling and solid waste issues	Ongoing	**UPDATE** Terri Hast was appointed the alternat for the City of Cumberland. May was typical promotion of programs and planning for field trips in June and tasks FY19	RJK	12-Jun-18
	WWTP	Cumberland Pretreatment Program	City Ordinance No. 3251 regulates industrial and significant dischargers to Cumberland's sewer and POTW. There are 4 Significant Industrial Users (SIUs) permitted under this Ordinance. Program may also regulate non-significant users that pose a threat or cause problems to the system or POTW.	Regulatory	**UPDATE** Fibred-MD was sold to Unique Soy Products International on April 23. Meetings with the new owners is being scheduled for late June.	RJK	12-Jun-18
	WWTP	POTW NPDES Permit	Requirements for compliance	Annual/As Needed	**UPDATE** - Renewal application mailed June 1, 2018.	RJK	12-Jun-18
	WWTP/CSO	CSO Consent Decree Compliance Reporting	Reporting/Inspections	Semi-Annual/As Needed	**NO CHANGE**	RJK	12-Jun-18
	Watershed	Evitts Creek Steering Committee	Cross-jurisdictional committee working on source water protection efforts.		**UPDATE** Recreation Committee Meeting was scheduled for June. Natural Resource Spc and Environmental Spc have applied to host a Chesapeake Bay Trust Chesapeake Conservation Corps position. Results of Corps placements expected in July.	RJK	12-Jun-18
	STC	Shade Tree Commission	Care of trees along city rights of way and in parks.	NA	**UPDATE** Planning for spring planting	PTE	4-May-18
	Evitts Creek Water Company	Forest Stewardship Plan (aka Resource Management Plan)	Management of the forested property around Lakes Gordon and Koon	NA	**UPDATE** Working on updates and corrections based on public meeting comments. Submitted budget requests for management activities for next fiscal year	PTE	4-May-18

Regular Council Agenda
June 19, 2018

Description
Fire Department monthly report for May, 2018

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

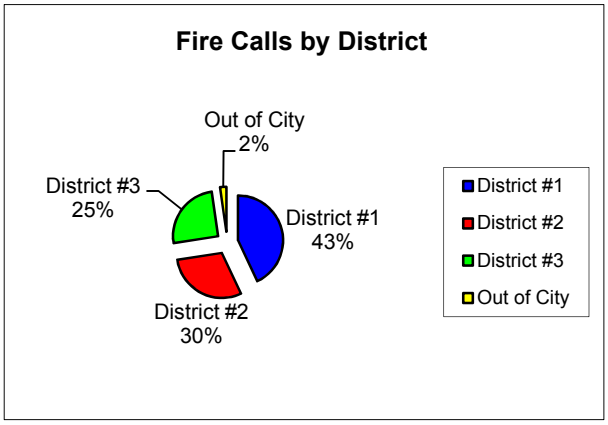
Value of Award (if applicable)

Source of Funding (if applicable)

REPORT OF THE FIRE CHIEF FOR THE MONTH OF MAY, 2018
Prepared for the Honorable Mayor and City Council and City Administrator

Cumberland Fire Department Responded to 135 Fire Alarms:

Responses by District:	
District #1	58
District #2	40
District #3	34
Out of City	3
	135

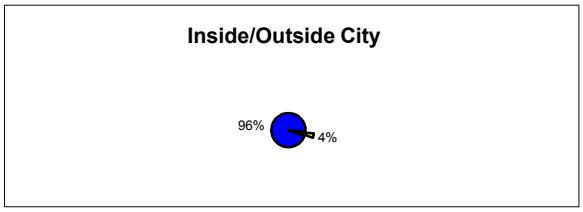


Number of Alarms:	
First Alarms Answered:	135
Calls Listed Below:	
Property Use:	
Public Assembly	3
Educational	2
Institutional	10
Residential	77
Storage	1
Stores and Offices	4
Special Properties	36
Undetermined	2
	135
Type of Situation:	
Fire or Explosion	10
Overpressure, Rupture	0
Rescue Calls	70
Hazardous Conditions	13
Service Calls	21
Good Intent Calls	11
False Calls	10
	135

Total Fire Service Fees for Fire Calls Billed by Medical Claim-Aid in May:	$2,640.00
Total Fire Service Fees for Fire Called Billed by Medical Claim-Aid Fiscal Year to Date:	$39,430.00
Fire Service Fees for Fire Calls Paid in May:	$940.00
Total Fire Service Fees for Fire Calls Paid Fiscal Year to Date:	$8,700.00
Fire Service Fees for Inspections and Permits Billed in May:	$550.00
Fire Service Fees for Inspections and Permits Paid in May:	$500.00
Total Fire Service Fees for Inspections and Permits Paid Fiscal Year to Date:	$2,150.00

Cumberland Fire Department Responded to 482 Emergency Medical Calls:

In City Calls	462
Out of City Calls	20
Total	482



Total Ambulance Fees Billed by Medical Claim-Aid in May, 2018:	$141,630.50
Ambulance Fees Billed Fiscal Year to Date:	$1,409,883.57
Ambulance Fees Paid: Revenue received in May, 2018:	$100,478.85
FY2018 Ambulance Fees Paid in FY2018:	$841,865.61
All Ambulance Fees Paid in FY2018: (Includes all ambulance fees, current and previous fiscal years, paid in FY2018.)	$1,007,175.38

Cumberland Fire Department Responded to 10 Mutual Aid Calls:

9	Mutual aid calls within Allegany County
1	Mutual aid calls outside of Allegany County
10	

Bowman's Addition VFD	6
Cresaptown VFD	3
	9
Ridgeley, WV VFD	1
	10

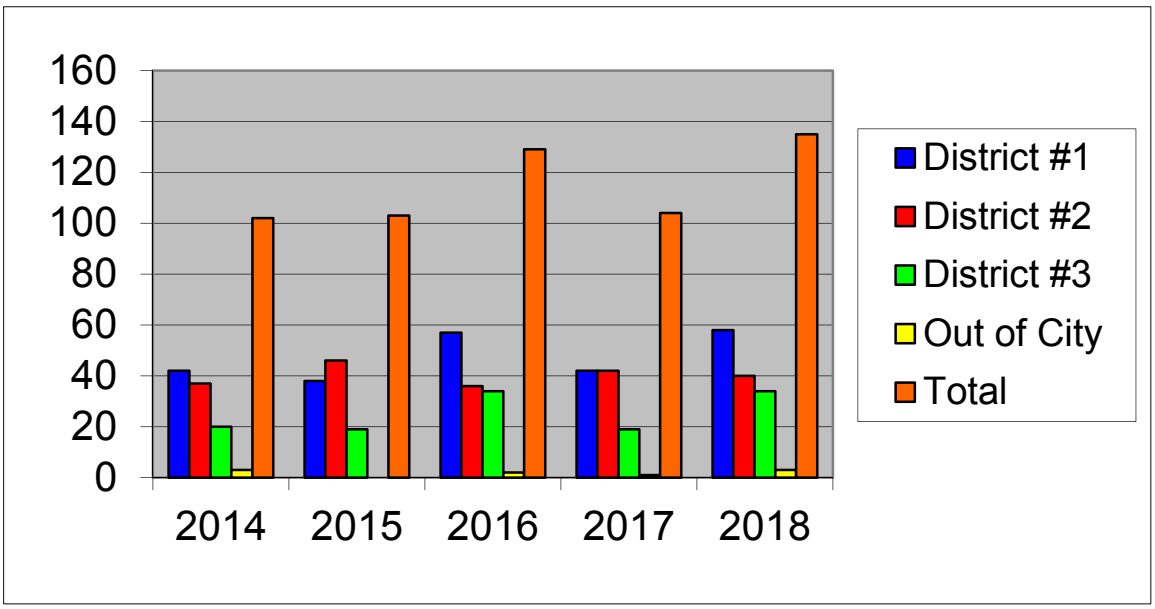
Cumberland Fire Department Responded to 10 Paramedic Assist Calls:

1	Paramedic assist calls within Allegany County
9	Paramedic assist calls outside of Allegany County
10	

Fort Ashby, WV VFD	3
Hyndman, PA Rescue Squad	2
Short Gap, WV VFD	4
	9
LaVale Vol. Rescue Squad	1
	10

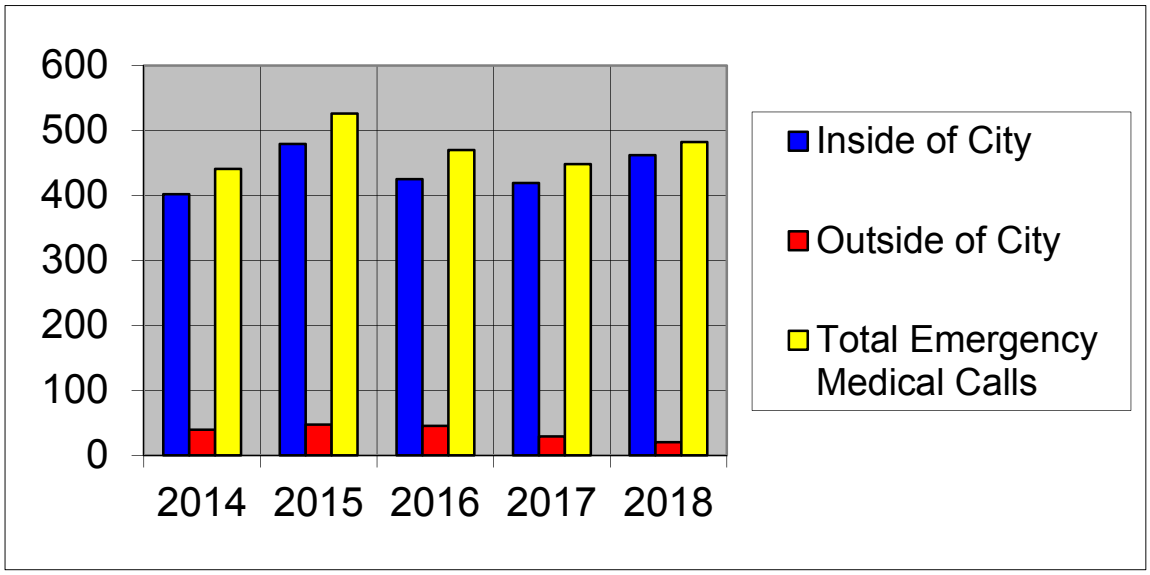
Fire Calls in the Month of May for a Five-Year Period

	2014	2015	2016	2017	2018
District #1	42	38	57	42	58
District #2	37	46	36	42	40
District #3	20	19	34	19	34
Out of City	3	0	2	1	3
Total	102	103	129	104	135



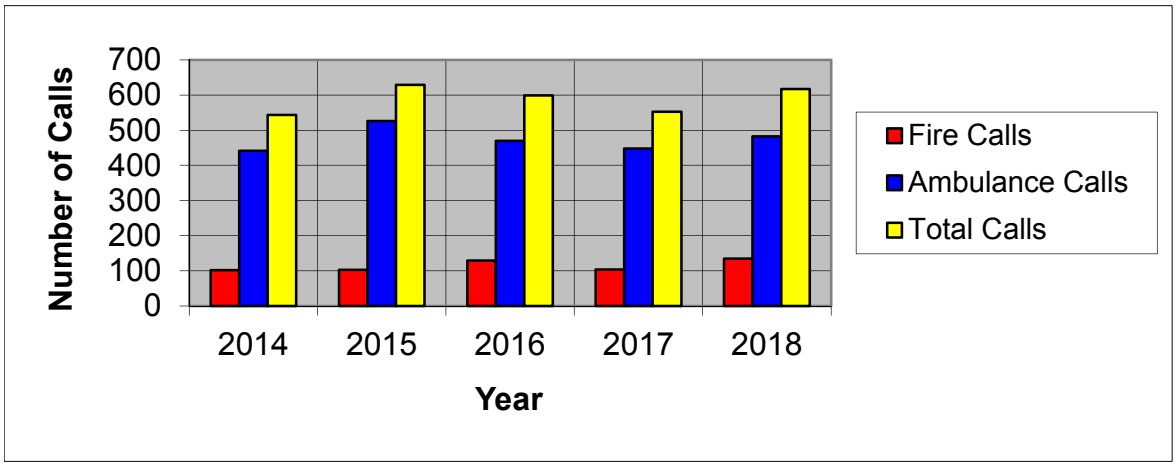
Ambulance Calls in the Month of May for a Five-Year Period

	2014	2015	2016	2017	2018
Inside of City	402	479	425	419	462
Outside of City	39	47	45	29	20
Total Emergency Medical Calls	441	526	470	448	482



Fire and Ambulance Calls in the Month of May for a Five-Year Period

	2014	2015	2016	2017	2018
Fire Calls	102	103	129	104	135
Ambulance Calls	441	526	470	448	482
Total Calls	543	629	599	552	617



Training

Training Man Hours:	169.5	
Policy & Procedures		10.00
Apparatus Check Procedures		18.00
In-Service Inspections		13.50
eMEDS Elite Reporting		4.00
EMS Protocol Updates		58.00
Physical Fitness		44.00
Extrication		22.00
		169.50

Fire Prevention Bureau

Complaints Received	1
Conferences Held	68
Correspondence	14
Inspections Performed	14
Investigations Conducted	9
Plan Reviews	9

Statistics Compiled by Julie A. Davis, Fire Administrative Officer

Regular Council Agenda
June 19, 2018

Description
Approval of the Budget Work Session Minutes of April 3, 2018

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Mayor and City Council of Cumberland

BUDGET WORK SESSION

City Hall Council Chambers
57 N. Liberty Street
Cumberland, MD 21502

Tuesday, April 3, 2018
5:00 p.m.

PRESENT: Brian K. Grim, President; Council Members: Seth Bernard, David Caporale, Richard Cioni, Eugene Frazier

ALSO PRESENT: Jeffrey D. Rhodes, City Administrator; Ken Tressler, Comptroller; Marjorie Woodring, City Clerk; guests; media

I. 2019 BUDGET OVERVIEW

Mr. Tressler discussed details of the attached Power Point presentation, stating that the City continues to face stiff financial challenges and offering the following stats:

Constant Yield indicates an assessable base decline of 1.7%.

The Health Insurance review with the contractor indicates a 4.24% increase, which is much lower than in recent years.

The General Fund shows a deficit of $650,000. If Mayor and Council choose to issue debt for capital purchases, then the deficit is under $120,000.

Assessable Real Estate Property Tax Base is expected to decline, representing a revenue deduction of 1.72%. If the Constant Yield Notice rate is exceeded, public notice is required. Technically the rate could be raised to 1.077 without a public notice.

Personnel Costs – As of last year there were seven vacant positions in the General Fund that the City is assuming won't be filled. Prior to the discussion on those positions it was already determined that there were two other positions that would not be filled – Community Development Director and City Planner. It was determined that those positions could be termed "eliminated," however that did not mean the responsibilities went away; they were instead spread out to other staff.

Mr. Tressler stated that the City is still in negotiations with two unions – Police and Fire. This budget was prepared assuming a 2% COLA increase for all employee groups. The expected Consumer Price Index for 2019 indicates about a 2.5% increase.

The City is also assuming that the employee portion health insurance will be standardized at 10% for low option and 20% for high option.

Health insurance rates are expected to increase by 4.4%. As the City is self-insured, our benefits administrator helps estimate what the annual claims will be and an additional charge of 12-15% is added for cushion. The employee portions are based on the expected number of claims, not the amount the City pays. The City is anticipating a refund of $600,000 this year, which equates to a $445,000 in the General Fund, and that is included as revenue in this budget. Mr. Rhodes stated that a lot of that refund that Mr. Tressler mentioned is essentially healthcare corridor – money that was paid beyond what actual claims are, and later returned to the City.

Mayor Grim added that banking on that is a little bit dangerous, and difficult to count on and its is just a projection. Mr. Tressler replied that he has the information through January, so he is pretty comfortable with it. Mr. Rhodes added that there is a cap on any individual claim, which is $65,000, going to $70,000 in FY19, so that's some protection, but as expected, every year the City has some big claims. Based on the meeting with the consultants, deductibles for employees would be raised to $300 for individuals and $900 for family (out of pocket), and ER co-pays would be raised from $150 to $200.

II. STAFFING

Mr. Tressler stated that personnel is by far the largest portion of the budget, so any major attempts to reduce the budget will have to come through personnel cuts. State Retirement rates also increased and the City has no say in that.

Mr. Tressler passed out information on staffing. Councilman Cioni asked what area of the City is hurting the most because of workforce reduction. Mr. Rhodes answered that on a percentage basis the department that has lost the most staff is the Fire Department, which is down quite a few positions. The Police Department is down a couple. He added that the entire organization has thinned down over the years. He noted that minimum wage would be increasing to $10.10 effective July 1 and other positions had to be increased as well to remain competitive.

III. HEALTH INSURANCE

Mr. Tressler shared information on the breakout of where the City spends healthcare funds. The total expense for healthcare is about 4.5 Million; the total insurance bill that includes employee portions is expected to be 5.2 Million.

IV. CAPITAL PROJECTS OVERVIEW

Mr. Tressler informed everyone that there are significant projects in process and planned. In some cases the City is working to secure financing, one being the Decatur Street water line project. This was pitched to the state, and staff is in the planning process of getting estimates.

He further added that the City is in the process of developing an asset management plan, which was an important factor when borrowing money. Mr. Rhodes stated that every year the City does a capital plan for the state of MD, there has been a GIS tech on board for years, and the City has been mapping systems. This is just a step to tie it all in together and step forward. Councilman Cioni asked that would put the City in a good position if the federal government offered infrastructure money and Mr. Tressler replied yes, that would help make a case for getting grant money. He added that the City is also in the process of getting WFP and WWTP evaluations, as there are a significant amount of assets in those two plants.

V. CAPITAL EXPENDITURES

Mr. Tressler stated there were additional requests from departments for machinery and equipment. All departments had gone through a process to analyze requests and needs and some reductions had already been taken. There is a balance in machinery and equipment of 1.1 million, with a little bit of funding left from last year to apply towards some assets, but there is a balance of 1.65 million so the consideration is to issue new debt to recover that, or reduce it. He added that the problems won't go away. All the "nice to haves" have been eliminated. The "need to haves" for efficient operation cannot be eliminated or it creates a safety issue. He added that the budget is showing the "trimmed-down" version.

VI. CAPITAL PROJECTS OVERVIEW

Mr. Tressler reviewed the list of Capital Projects.

- Baltimore Street Bridge – estimated to cost in excess of $5 million, and the City is expected to get over $4 million in grants, pledged from the County. There are existing debt proceeds available to pay for some of it.
- Downtown Mall – in the early phase, grant has been received, and existing debt is being used to do some engineering. The City is looking for additional financing.
- Three Bridges (owned by CSX) – It was uncertain how this issue would resolve and added that there is nothing in the budget for any of those bridges.
- Street Improvements – City Engineer John DiFonzo has listed Braddock Road, Seton Drive, Bishop Walsh Drive and up around the new Allegany High School as top priorities, costing $720,000, and the Mechanic Street projects that are getting a lot of assistance in funding, and the balance would be the City's responsibility. Councilman Cioni asked whether the County was still planning to help with the Seton Drive area projects. Mr. Rhodes replied that the County has not responded to the City's request, so the assumption is no assistance at this time.
- Proprietary Fund – Still working on plant evaluations, but they are not far enough along to be put on the budget. Future funds will mostly be applied to the Mill Race pipeline, which is associated with the MD State directive that the City address the situation.
- Decatur Street Hydraulics Design – Mr. Rhodes explained that a consultant had been brought in a couple years ago to see why the water line was rupturing in one area. The City's pressures and hydrants were analyzed for months, but nothing could be

identified that was causing the problem. The next step the City wants to do is a comprehensive study of the entire system in addition to replacing the line. He added that, with so many breaks, the line needs replaced regardless, and will be replaced with an upgrade in pipes in terms of the pressure it can handle.

- CSO Storage Project – $30 million project, with 87.5% contributed through a State of MD grant.
- Mill Race Pipeline – $50 million project. The tract of the pipeline is 14,000 linear feet, with a size of 78". Mr. Rhodes stated that the size and length of the pipeline will provide billions more in storage in addition to the underground storage facility at Mason (CSO). Mr. Tressler advised that the timeline for completion is 2023. The directive from the State gives the date required for completion. Mr. Rhodes added that these are old projects that have been in the planning stages for years and have now reached the point of design and construction.

  Mayor Grim stated that these are significant sums of money, but these are unfunded state mandates, and the City doesn't have the ability to move dollars around. Mr. Rhodes added that the State has helped the City with the Bay Restoration Fee, which is helping to pay for the underground storage facility, after the City lobbied to make it eligible. It is a $30 million project, with the City having to borrow $3 million.

VII. DEBT SERVICE SCHEDULE FOR GOVERNMENTAL AND PROPRIETARY FUNDS

Mr. Tressler advised that this is with existing debt. Mayor Grim asked if Mr. Tressler could explain the difference between proprietary vs. City-wide and why it's important to understand that. Mr. Tressler replied that the proprietary funds are business-like funds such as water, sewer and the Municipal Parking Authority. The debt service for those funds is paid out of water/sewer charges whereas debt service on governmental funds is paid out of real estate taxes and other General Fund revenues. Mr. Rhodes added that proprietary debt is not just paid by the City, but also by users of City services, including LaVale and Frostburg.

Mr. Tressler advised that for FY2020 there is $6 million sewer fund debt forgiveness available. He added that the City will be paying $5 million through 2022, then it starts to fall off, assuming there is no new debt.

Mr. Tressler stated that with regard to the proprietary funds, there is a huge profit in sewer, while the other three funds lose money. He added that the sewer fund is showing a profit because the City is receiving a grant from the State that shows up as income, but we have to pay for capital expenditures, so while the City is showing a $19.7 million profit, we only have $600,000 positive cash flow. He further added that without rate or expense adjustments, the City will have a negative cash flow in the other three funds. However, the water and trash funds are relatively healthy in terms of the amount of cash on hand.

MPA (Municipal Parking Authority) – will run out of cash in FY19, and to the extent that the deficit is not addressed, the City will need to fund that through the General Fund. Mr. Tressler stated that this budget was prepared assuming the

General Fund will be giving the MPA $56,000. After this year it will be over $100,000, unless we take steps to curb that deficit.

For Consideration – Mr. Tressler advised issuing debt to cover capital expenditures, but also asked to consider raising rates. He stated that it takes 15% for all three funds, at 5% a year for three years. He added that the Water Fund has a lot of cash - $45 million at the end of FY18.

Mr. Tressler stated that for the MPA, it's a tough problem. Mr. Rhodes stated that the City will look again at what it can do in terms of how the operation is staffed, etc., rather than just raising rates. Mr. Tressler added that the City will not be able to cut expenses enough to erase the deficit.

Governmental Funds – Mr. Tressler explained that all Governmental Funds are basically in and out and that 62% of General Fund revenue comes from taxes. The HUR is going up next year, restoring to normal level. He added that the City has to document where HUR is spent in the street department and on repairs. The Street Maintenance and Snow Removal budget is $1.9 million, which is more than the City gets from HUR.

General Fund Expenditures – Mr. Tressler advised that Public Safety is the biggest element of the General Fund at 49% of the total budget. The Mayor added that the City collects $10 million in taxes and spends over $11 million in Public Safety. Mr. Tressler pointed out that the adopted FY18 budget assumed a $120,000 surplus after the restricted fund balance was utilized. That will be closer to $410,000 because of the health insurance refund. The health insurance refund was not budgeted last year and it was $283,000; right now the City is expected to finish $291,000 better.

Revenue – up $81,000, with an additional $150,000 in health insurance refund expected, so the reduction in real estate tax is partially off-set by an expected slight increase in personal property tax. Mr. Tressler stated that most of the expenditure increase falls into the COLA and personnel-type expenses.

Maryland Municipal Comparisons – Mr. Tressler explained this information was added to show tax rates comparisons. He stated one key statistic was the Unassigned Fund Balance, which is money that hasn't been assigned or restricted. The City's Unassigned Fund Balance is $1.2 million as of 6/30/17 and is 5.8% of our General Expenditures. He explained that there is no set rule, but added that his goal is to reach a 15% level for the Unassigned Fund Balance. Mayor Grim inquired if he knew what Allegany County's is and was advised that it is 25%. The County also has $20 million in unrestricted funds. He added that he has pulled out the median home values from the census, and current tax rates in municipalities, and Cumberland has the highest tax rate but the lowest median home value. Mr. Rhodes added that the City has one of the highest tax rates in the State, but also the most

affordable housing in the country. Assessments are low, so the City makes it up in the tax rate.

VIII. IN SUMMARY

Mr. Tressler went through the budget in summary. He pointed out the 2% COLA increase is approximately $170,000, and that they could choose to reduce it or delay it to save a percentage. He stated that our health care deductibles and overall health plan are still considered very attractive. Regarding MPA expenditures, he mentioned that he had met with Chief Hinnant and some of the MPA folks. He said the City could take dribs and drabs out without doing something drastic, but it would be tough to make a significant reduction by doing that. Mr. Rhodes added that with the exception of metro areas, in most communities, parking is like operating a swimming pool – you can't charge enough to pay for expenses. He further added that the City did well for a while but the expectation is it will probably lose money.

Mr. Tressler asked for questions or comments. Councilman Cioni stated that he was glad median home value comparisons had been added to illustrate that housing value is part of the dilemma. Mr. Rhodes stated that although Cumberland gets beat up over the tax rate, it is still less than Frostburg's. Mr. Tressler added that a couple of years ago the fund balance was at a deficit, and it's still low, but after speaking with rating agencies, they liked the fact that it's ratcheting up and the City is making steps towards improvement. Mr. Rhodes stated that the City was $1.6 million in the hole, and it has made about a $300,000 turn around since then.

Mayor Grim stated that to give Mr. Rhodes and Mr. Tressler a bit of direction, he wanted to be clear that Council was not interested in the Constant Yield Rate, and asked if everyone was in agreement. The consensus was yes. Mr. Grim then asked if everyone was comfortable with issuing Bonds to fund Capital needs. The Consensus was to get down to the $120,000 deficit, and then continue to work on it. The question was asked if this budget was the trimmed-down version, and both Mr. Rhodes and Mr. Tressler confirmed that it was.

Councilman Bernard stated that it was certainly a lot to consider. One of the things he pledged the City would work on when taxes were raised last year was to lower them again, which would mean maybe sacrificing some things. He asked for another budget meeting to be scheduled in two weeks and the consensus was to do so.

Mr. Tressler stated although this budget is a fluid document, the numbers are solid in terms of the number of people, compensation, 2% increase, etc., and they know what the health insurance is going to be if changes are not made. Mr. Rhodes stated that 75% of operation is personnel, but that cost is fairly typical in governments.

Councilman Cioni asked whether the average person that follows these things understands why there is debt, and that the things the City borrows money for is not frivolous. Mr. Rhodes answered that he thinks they are more in tune with the marquis items such as bridge replacements, CSO project, etc. But as far as them knowing the City is borrowing for those things, he's not sure. Councilman Frazier said that he doesn't believe the average person is concerned about the details,

but is more concerned about their tax bill. Mr. Rhodes added that the rating agencies look at Cumberland's debt level and they determine it to be moderate, and a significant portion of that is utility funds, i.e. users of the system, and that doesn't just include Cumberland.

XII. ADJOURNMENT

With no further business at hand, the meeting adjourned at 6:10 p.m. Motion to close was made by Councilman Caporale, seconded by Councilman Bernard, and passed on a vote of 5-0.

Respectfully submitted,

Marjorie A. Woodring
City Clerk

Minutes approved _____

Regular Council Agenda
June 19, 2018

Description

Public Hearing to receive comment on the proposed Ordinance authorizing the issuance and sale of general obligation debt not to exceed $2,471,000 to be issued under the State of Maryland's Local Government Infrastructure Financing Program

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Regular Council Agenda
June 19, 2018

Description

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Regular Council Agenda
June 19, 2018

Description

Ordinance *(2nd and 3rd readings)* - to provide new rates for refuse collection effective July 1, 2018

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☑ 2nd Reading
☑ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

ORDINANCE NO. _____

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, ENTITLED "AN ORDINANCE TO REPEAL AND REENACT, WITH AMENDMENTS, SECTION 21-8.1(a) OF CHAPTER 21 OF THE CODE OF THE CITY OF CUMBERLAND (1991 EDITION) PROVIDING FOR THE SETTING AND COLLECTION OF RATES FOR REFUSE COLLECTION WITHIN THE CITY OF CUMBERLAND."

NOW, THEREFORE

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, that Section 21-8.1(a) of the Code of the City of Cumberland, (1991 Edition) be and the same is hereby repealed and reenacted with amendments, to read as follows:

Sec. 21-8.1 (a) The following fees shall be charged by the City for garbage collection:

A.	*Residential customers*	$10.92 [10.40] per month
	Commercial customers	$20.77 [19.78] per month
	Industrial customers	$20.77 [19.78] per month
	Tax Exempt customers	$10.92 [10.40] per month

SECTION 2: The following monthly fee schedule be and is hereby adopted for the Industrial/Commercial Users who exceed the standard garbage collection amount:

Number of Bags per Pickup		
1-8	9-16	17+
$ 20.77	$ 41.54	$ 62.31

Previously		
1-8	9-16	17+
$ 19.78	$ 39.56	$ 59.34

SECTION 3: The following fee schedule be and is hereby adopted for the Bulk Item Program:

Category 1:	$ 3.15	(40-50 lbs.)	[$ 3.00]
Category 2:	$ 6.30	(50-150 lbs.)	[$ 6.00]
Category 3:	$ 18.90	White Goods	[$18.00]

AND BE IT FURHTER ORDAINED, That commercial, industrial or tax exempt customers with a valid Dumpster Permit issued by the Director of Administrative Services shall be exempt from paying the trash fee contained in this ordinance.

SECTION 4: AND BE IT FURTHER ORDAINED, That this Ordinance shall be in full force and effect as of July 1, 2018.

Passed this ___ day of _____, 2018.

_____
MAYOR

ATTEST:

_____
CITY CLERK

[ ] deleted

_____ new

Regular Council Agenda
June 19, 2018

Description

Ordinance *(2nd and 3rd readings)* - to repeal and reenact with amendments, Section 24-86 of the Code to provide for a new schedule of water rates to be effective July 1, 2018

Approval, Acceptance / Recommendation

- [ ] Budgeted

- [ ] 1st Reading
- [x] 2nd Reading
- [x] 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

ORDINANCE NO. _____

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, ENTITLED "AN ORDINANCE TO REPEAL AND REENACT, WITH AMENDMENTS, SECTION 24-86 OF THE CODE OF THE CITY OF CUMBERLAND (1991 EDITION), PROVIDING FOR A SCHEDULE OF WATER RATES."

SECTION 1: BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, That Section 24-86 of the Code of the City of Cumberland (1991 Edition) be and hereby repealed and reenacted, with amendments, to read as follows:

Section 24-86 Schedule

Effective July 1, 2018, the rates and charges for the use of water supplied by the Water Department shall be as follows, and no abatement or release therefrom is permitted:

(a) EQUIVALENT DWELLING UNIT (EDU). The minimum meter charges shall be determined by the Equivalent Dwelling Unit (EDU), which shall be determined by the size of the meter servicing the customer. The following table sets forth the EDU multiplier for each meter size:

Meter size (inches)	EDU
¾ and below	1
1	2.5
1-1/2	5
2	8
3	16
4	25

6	50
8	80

(b) MINIMUM METER CHARGE FOR INSIDE CITY. The minimum charge for residential and industrial meter customers within the City shall be Four Dollars and Sixty-Six Cents ($4.66) per month per EDU, for which sum, water up to and including one hundred cubic feet may be used. If the quantity of water used exceeds one hundred cubic feet in any month, such excess shall be charged for according to the schedule of rates set forth in subsection (f) of this section.

(c) MINIMUM METER CHARGE FOR OUTSIDE CITY. The minimum charge for residential and industrial meter customers outside the City shall be Six Dollars and Ninety-Nine Cents ($6.99) per month per EDU for which sum, water up to and including one hundred cubic feet may be used. If the quantity of water used exceeds one hundred cubic feet in any quarter, such excess shall be charged for in accordance with the schedule of rates as set forth in subsection (f)of this section.

(d) MINIMUM METER CHARGE FOR WATER COMPANIES. The minimum charge for water companies shall be Thirty-Two Dollars and Two Cents ($ 32.02) per month per EDU for single Water Company accounts such water company has with the City for which sum water up to and including one hundred cubic feet may be used. If the quantity of water used exceeds the consumption in excess of capacity fee, in any month, such

excess shall be charged for according to the schedule of rates set forth in subsection (f) of this section, as appropriate.

(e) Flat rates. There shall be no flat rate customers and the consumption of any customer found not to have a meter shall be estimated and such customer shall be charged double the rates set forth in subsection (b) of this section. All water customers outside the City shall be meter customers, and it shall be unlawful for the Water Department to furnish customers outside the City on a flat rate basis.

(f) CONSUMPTION RATES. The rates per month for residential and industrial water customers shall be as follows:

Class	**Consumption**	**Rates WITHIN CITY LIMITS**	**RATES OUTSIDE CITY LIMITS**
1	First 100 cubic feet	**$4.66**	**$6.99 per EDU**
2	Next 900 cubic feet, per cubic foot	**0.0425**	**0.0637**
3	Next 199,000 cubic feet, per cubic foot	**0.0340**	**0.0475**
4	Next 1,134,000 cubic feet, per cubic foot	**0.0269**	**0.0404**
5	Next 1,166,000 cubic feet, per cubic foot	**0.0122**	**0.0122**
6	All over 2,500,000 cubic feet, per cubic foot	**0.0030**	**0.0030**

(g) WATER COMPANIES. Companies purchasing in excess of 140,000 cubic feet of water from the City on a monthly basis

and reselling that water shall pay the following monthly rates for each account such water company has with the City.

(1) Water Company. Any wholesale water company purchasing water from the City in excess of 140,000 cubic feet per month shall pay both a capacity fee plus a charge based upon consumption in excess of the capacity fee.

(2) Capacity Fee. Each water company shall pay a fixed capacity fee based on the number of EDU's calculated multiplied times the per month per EDU charge. The EDU amount is calculated annually determined by a percentage (70%) of its highest months usage in the previous fiscal year calculated as follows:

$$\frac{\text{PEAK MONTHLY USE} \times 0.7}{30} / 33.42$$

(3) Consumption in Excess of Capacity Fee. Consumption in excess of the capacity fee shall be billed at the rate for customers located outside the City.

SECTION 2: AND BE IT FURTHER ORDAINED, that this Ordinance shall take effect July 1, 2018.

Passed this _____ day of June, 2018.

_____
Brian K. Grim, MAYOR

ATTEST:

_____
CITY CLERK

1st reading: _____
2nd reading: _____
3rd reading: _____
Passed:_____

Regular Council Agenda
June 19, 2018

Description

Ordinance *(2nd and 3rd readings)* - authorizing the issuance and sale of general obligation debt not to exceed $2,471,000 to be issued under the State of MD's Local Government Infrastructure Financing Programs to finance or refinance the costs of a) information technology improvements, equipment and software, b) new and/or replacement vehicles and equipment, c) facility and property improvements (including HVAC units for Mun. Serv. center), d) water and wastewater filtration plant improvements, e) water distribution infrastructure, waterline, valve, meter and dam design and improvement/replacement

Approval, Acceptance / Recommendation

- [ ] Budgeted

- [ ] 1st Reading
- [x] 2nd Reading
- [x] 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

ORDINANCE NO. _____

MAYOR AND CITY COUNCIL OF CUMBERLAND
INFRASTRUCTURE BONDS, 2018 SERIES A

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF CUMBERLAND ENTITLED AN ORDINANCE OF MAYOR AND CITY COUNCIL OF CUMBERLAND, A MUNICIPAL CORPORATION OF THE STATE OF MARYLAND (THE "ISSUER"), PROVIDING FOR THE ISSUANCE AND SALE OF AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED TWO MILLION FOUR HUNDRED SEVENTY-ONE THOUSAND DOLLARS ($2,471,000.00) OF GENERAL OBLIGATION BONDS OF MAYOR AND CITY COUNCIL OF CUMBERLAND, MARYLAND, TO BE KNOWN AS THE "MAYOR AND CITY COUNCIL OF CUMBERLAND INFRASTRUCTURE BONDS, 2018 SERIES A" (OR BY SUCH OTHER OR ADDITIONAL DESIGNATIONS AS REQUIRED BY THE COMMUNITY DEVELOPMENT ADMINISTRATION IDENTIFIED HEREIN, THE "BONDS"), TO BE ISSUED AND SOLD PURSUANT TO THE AUTHORITY OF SECTIONS 4-101 THROUGH 4-255 OF THE HOUSING AND COMMUNITY DEVELOPMENT ARTICLE OF THE ANNOTATED CODE OF MARYLAND, AS AMENDED, FOR THE PURPOSE OF PROVIDING ALL OR A PORTION OF THE FUNDS NECESSARY FOR (I) FINANCING AND/OR REFINANCING COSTS OF THE PROJECTS IDENTIFIED HEREIN AS (A) INFORMATION TECHNOLOGY IMPROVEMENTS, EQUIPMENT AND SOFTWARE, (B) NEW AND/OR REPLACEMENT VEHICLES AND EQUIPMENT (INCLUDING HEAVY DUTY VEHICLES AND EQUIPMENT), (C) FACILITY AND PROPERTY IMPROVEMENTS (INCLUDING, WITHOUT LIMITATION, HVAC UNITS FOR THE MUNICIPAL SERVICE CENTER), (D) WATER AND WASTEWATER FILTRATION PLANT IMPROVEMENTS, AND/OR (E) WATER DISTRIBUTION INFRASTRUCTURE, WATERLINE, VALVE, METER AND DAM DESIGN AND IMPROVEMENT/REPLACEMENT, (II) FUNDING A PORTION OF A CAPITAL RESERVE FUND, AND/OR (III) PAYING ISSUANCE AND OTHER COSTS RELATED TO THE BONDS; PROVIDING THAT THE BONDS SHALL BE ISSUED UPON THE FULL FAITH AND CREDIT OF THE ISSUER; PROVIDING FOR THE DISBURSEMENT OF THE PROCEEDS OF THE SALE OF THE BONDS AND FOR THE LEVY OF ANNUAL TAXES UPON ALL ASSESSABLE PROPERTY WITHIN THE CORPORATE LIMITS OF THE ISSUER FOR THE PAYMENT OF THE PRINCIPAL OF AND INTEREST ON THE BONDS AS THEY SHALL RESPECTIVELY COME DUE; PROVIDING FOR THE FORMS, TENOR, DENOMINATIONS, MATURITY DATE OR DATES AND OTHER PROVISIONS OF THE BONDS; PROVIDING FOR THE SALE OF THE BONDS; AND PROVIDING FOR RELATED PURPOSES, INCLUDING, WITHOUT LIMITATION, THE METHOD OF FIXING THE INTEREST RATE OR RATES TO BE BORNE BY THE BONDS, THE APPROVAL, EXECUTION AND DELIVERY OF DOCUMENTS, AGREEMENTS, CERTIFICATES AND INSTRUMENTS, AND THE

_____
Underlining = Indicates material added by amendment after introduction
~~Strike-through~~ = Indicates material deleted by amendment after introduction

MAKING OF OR PROVIDING FOR THE MAKING OF REPRESENTATIONS AND COVENANTS CONCERNING THE TAX STATUS OF INTEREST ON THE BONDS.

RECITALS

WHEREAS, Mayor and City Council of Cumberland (the "Issuer") is a municipal corporation of the State of Maryland organized under a charter (the "Charter") adopted in accordance with Article XI-E of the Constitution of Maryland and operating under the Charter and other applicable law; and

WHEREAS, Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended (the "Act"), authorizes the Community Development Administration (the "Administration"), a governmental unit in the Division of Development Finance of the Department of Housing and Community Development, a principal department of the government of the State of Maryland, to provide financial assistance to political subdivisions and municipal corporations to finance, among other things, infrastructure projects and to establish a capital reserve fund in connection therewith; and

WHEREAS, pursuant to the authority of the Act, the Issuer has determined to issue its general obligation bonds in the aggregate principal amount not to exceed Two Million Four Hundred Seventy-one Thousand Dollars ($2,471,000.00) (the "Bonds", as defined herein) for the purpose of providing all or a portion of the funds necessary for (i) financing and/or refinancing costs of the Project (as defined herein), (ii) funding a portion of a capital reserve fund, and/or (iii) paying issuance and other costs related to the Bonds; and

WHEREAS, the Issuer proposes to issue and sell the Bonds to the Administration, in connection with the Local Government Infrastructure Financing Program of the Administration (the "Program"); and

WHEREAS, it is the intention of the Issuer by this Ordinance to provide for the issuance and sale of the aforementioned Bonds and to obtain a loan or loans from the Administration pursuant to the Program (collectively, the "Loan"); and

WHEREAS, the Issuer intends to authorize the execution and delivery of the Bonds and all other documents, agreements, certificates and other materials related to the issuance, sale and delivery of the Bonds and the Loan; and

WHEREAS, the Administration intends to issue one or more series of its Local Government Infrastructure Bonds to finance the Loan and other loans to be financed pursuant to the Program.

Underlining = Indicates material added by amendment after introduction
~~Strike-through~~ = Indicates material deleted by amendment after introduction

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND:

Section 1. Authorization, Terms, Form of Bonds.

(a) Mayor and City Council of Cumberland (the "Issuer") shall borrow upon its full faith and credit and shall issue and sell upon its full faith and credit an aggregate principal amount not to exceed Two Million Four Hundred Seventy-one Thousand Dollars ($2,471,000.00) of its general obligation bonds, to be issued pursuant to the authority of Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended (the "Act"), to be known as the "Mayor and City Council of Cumberland Infrastructure Bonds, 2018 Series A" or by such other or additional designation or designations as required by the Administration (as defined herein), including, without limitation, to identify separate series or subseries (collectively, the "Bonds" and, individually, a "Bond"). The proceeds from the sale of the Bonds shall be used for the purpose of providing all or a portion of the funds necessary for (i) financing and/or refinancing costs of certain projects identified as follows: (A) information technology improvements, equipment and software, (B) new and/or replacement vehicles and equipment (including heavy duty vehicles and equipment), (C) facility and property improvements (including, without limitation, HVAC units for the Municipal Service Center), (D) water and wastewater filtration plant improvements, and/or (E) water distribution infrastructure, waterline, valve, meter and dam design and improvement/replacement, together with, in each such case as is applicable with respect to the projects described in clauses (i)(A) through (E), the acquisition or payment for, as applicable, improved or unimproved land, necessary property rights and equipment, related site and utility improvements, and related planning, design, architectural, engineering, bidding, permitting, acquisition, demolition, removal, construction, reconstruction, expansion, rehabilitation, renovation, repair, construction management, installation, improvement, furnishing and equipping expenses and other related expenses, paving, repaving, sidewalk, curb, gutter and drain work, landscaping, and functionally related activities necessary at the locations or facilities at or near which such undertakings occur (collectively, the "Project"), (ii) funding a portion of a capital reserve fund, and/or (iii) paying issuance and other costs related to the Bonds. Notwithstanding the foregoing description of the Project, the Mayor of the Issuer (the "Mayor"), in consultation with the City Administrator of the Issuer (the "City Administrator"), any other appropriate officials of the Issuer, and the Community Development Administration (the "Administration"), is hereby authorized and empowered, on behalf of the Issuer, to determine prior to the sale of the Bonds not to apply Bonds proceeds to finance or refinance costs of any one or more components of the Project due to tax, budgetary or other concerns.

(b) The Bonds shall be issued as one or more fully registered bond certificate(s) in the aggregate principal amount not to exceed Two Million Four Hundred Seventy-one Thousand Dollars ($2,471,000.00) payable to the Administration as the registered owner thereof. The Bonds shall be issued in such aggregate principal amount or such lesser aggregate principal amount as determined by the Mayor pursuant to subsection (g) below, which shall be equal to the aggregate principal amount of the loan or loans to the Issuer from the Administration

(collectively, the "Loan") under the Local Government Infrastructure Financing Program of the Administration (the "Program").

(c) The Bonds shall be dated as of the date of issue, or as of such other date as is specified by the Administration; shall be numbered from R-1 upward or as otherwise required by the Administration; shall be initially registered in the name of the Administration or its designee; shall bear interest from the date of issuance of the Local Government Infrastructure Bonds issued by the Administration (the "Administration's Bonds"), payable semiannually on April 1 and October 1 or on such other days as the Administration may require in connection with the Program, at such annual rate or rates and be payable in annual principal installments at the designated office of the Administration or of the trustee for the Administration's Bonds.

(d) The Bonds shall bear interest at an aggregate rate or rates of interest for a total interest cost (expressed as a yield) not to exceed (1) 3.25 percent for a loan with a maturity of up to five years, (2) 3.80 percent for a loan with a maturity of more than five years but not more than ten years, (3) 4.20 percent for a loan with a maturity in excess of ten years but not more than fifteen years, (4) 4.50 percent for a loan with a maturity in excess of fifteen years but not more than twenty years, (5) 4.70 percent for a loan with a maturity in excess of twenty years but not more than twenty-five years, and (6) 4.75 percent for a loan with a maturity in excess of twenty-five years but not more than thirty years, the actual rate or rates of interest to be borne by the Bonds to be determined and established by the Mayor acting pursuant to Section 1(g) of this Ordinance.

(e) The Bonds shall be in substantially the form set forth on Exhibit A attached hereto and made a part hereof, which form, together with all of the covenants and conditions therein contained, is hereby adopted by the Issuer as and for the form of obligation or obligations to be incurred by the Issuer and such covenants and conditions are hereby made binding upon the Issuer, including the promise to pay therein contained.

(f) The Bonds are to be issued in connection with the Program in order to provide all or a portion of the funds needed to (i) finance and/or refinance costs of the Project, (ii) fund a portion of a capital reserve fund, and/or (iii) pay costs of issuance and other related costs of the Bonds. Under the Program, the Issuer will enter into a Repayment Agreement and a Pledge Agreement with the Administration (respectively, the "Repayment Agreement" and the "Pledge Agreement"). The Issuer also will execute and deliver in connection with the issuance of the Bonds and the Program any additional documents, agreements, instruments and certificates requested by the Administration (which, together with the Repayment Agreement and the Pledge Agreement, are herein referred to as the "Program Documents"). The Program Documents shall be in such forms and shall contain such terms and conditions as shall be approved by the Mayor and/or the City Administrator and acceptable to, and otherwise approved by, the Administration.

(g) Because this Ordinance is being passed before the details have been finalized for the financing pursuant to which the Administration will issue the Administration's Bonds (the "Administration Financing") that will fund the Loan to the Issuer under the Program, the Mayor

is hereby authorized to make such changes to the amount and form of the Bonds, including insertions therein or additions or deletions thereto, as may be necessary or appropriate to conform the terms of the Bonds to the terms of the financing to be provided to the Issuer under the Program. Without limiting the foregoing, it is presently contemplated that the Loan will be in an amount not to exceed $2,471,000.00 in aggregate principal amount hereby authorized, subject to final approval by the Administration; accordingly, the Mayor is specifically authorized: (i) to make changes to the aggregate principal amount of the Bonds in order to reflect the final aggregate principal amount of the Loan, not to exceed $2,471,000.00 as approved by the Administration and accepted by the Issuer, and (ii) to authorize and approve an interest rate or rates and payment schedule(s) reflecting the principal and interest payments with respect to the Bonds but not to exceed the maximum total interest cost to be borne by the Bonds as set forth in subsection (d) above.

(h) This borrowing is in conformance with and does not exceed any and all applicable debt limitations under the Charter of the Issuer (the "Charter").

Section 2. Execution and Completion of Documents. The Bonds shall be executed on behalf of the Issuer by the manual or facsimile signature of the Mayor, and the seal of the Issuer shall be affixed thereto or reproduced thereon and attested by the manual signature of the City Clerk of the Issuer (the "City Clerk"). The Program Documents shall be executed on behalf of the Issuer by the Mayor and/or the City Administrator. In the event any official whose signature appears on any of the Bonds or the Program Documents shall cease to be an official prior to the delivery of the Bonds or the Program Documents, or, in the event any official whose signature appears on any of the Bonds or the Program Documents becomes an official after the date of the issue, the Bonds or the Program Documents shall nevertheless be valid and binding obligations of the Issuer in accordance with their terms. The Mayor is hereby authorized, empowered and directed to complete the applicable forms of the Bonds and to make modifications, deletions, corrections or other changes thereto in any manner which the Mayor, in the Mayor's discretion, shall deem necessary or appropriate in order to complete the issuance and sale of the Bonds, as will not alter the substance thereof. The Mayor and/or the City Administrator are hereby authorized, empowered and directed to complete the applicable forms of the Program Documents and to make modifications, deletions, corrections or other changes thereto in any manner which such official(s), in the discretion of such official(s), shall deem necessary or appropriate in order to complete the execution and delivery of the Program Documents in accordance with the provisions of this Ordinance, as will not alter the substance thereof. The execution and delivery of the Bonds by the Mayor and the execution and delivery of the Program Documents by one or more of the duly authorized officials provided for in this Section 2 shall be conclusive evidence of such official's or officials' approval of the forms and substance thereof. To the extent appropriate, additional officials of the Issuer and the counsel to the Issuer may be signatories to the Program Documents with respect to facts, representations, certifications, covenants and agreements within the scope of their respective responsibilities or authority.

Section 3. Registration of Bonds. The City Clerk shall act as registrar for the Bonds and shall maintain registration books for the registration and registration of transfer of the Bonds. No

security or bond shall be required of the City Clerk in the performance of the duties of registrar for the Bonds.

The Issuer may deem and treat the person in whose name any Bond shall be registered upon the books of the Issuer as the absolute owner of such Bond, whether such Bond shall be overdue or not, for the purpose of receiving payment of, or on account of, the principal of, premium, if any, and interest on such Bond and for all other purposes.

Section 4. Prepayment. The Bonds are being issued in connection with the Program and will secure payment of the Administration's Bonds, which are being issued by the Administration to provide funds to purchase the Bonds from the Issuer, among other purposes. The Repayment Agreement limits the right of the Issuer to prepay the Bonds in accordance with restrictions upon the right of the Administration to redeem the Administration's Bonds. Accordingly, the Issuer may prepay the Bonds only in accordance with the provisions of the Repayment Agreement and the terms governing prepayments as set forth in the Bonds.

Section 5. Replacement of Mutilated, Lost, Stolen, or Destroyed Bonds. In case any Bond shall become mutilated or be destroyed, lost or stolen, the Issuer may cause to be executed and delivered a new Bond of like series or subseries, date and tenor and bearing the same or a different number, in exchange and substitution for each Bond mutilated, destroyed, lost or stolen, upon the owner paying the reasonable expenses and charges of the Issuer in connection therewith and, in the case of any Bond being destroyed, lost or stolen, upon the owner filing with the Issuer evidence satisfactory to it that such Bond was destroyed, lost or stolen, and furnishing the Issuer with indemnity satisfactory to it. Any Bond so issued in substitution for a Bond so mutilated, destroyed, lost or stolen: (i) may be typewritten, printed or otherwise reproduced in a manner acceptable to the Administration, and (ii) shall constitute an original contractual obligation on the part of the Issuer under this Ordinance whether or not the Bond in exchange for which said new Bond is issued shall at any later date be presented for payment and such payment shall be enforceable by anyone, and any such new Bond shall be equally and proportionately entitled to the benefits of this Ordinance with all other like Bonds, in the manner and to the extent provided herein.

Section 6. Use of Proceeds. The proceeds of the Bonds shall be held and invested by the Administration in its sole discretion and shall be:

(a) Administered and disbursed by the Administration pursuant to the Repayment Agreement. The proceeds of the Bonds shall be used, when and as required, to pay Development Costs (as defined in the Repayment Agreement).

(b) After the Project has been completed and all Development Costs in connection therewith have been paid, any balance of the proceeds of the sale of the Bonds held by the Administration under the Repayment Agreement may be applied to the next maturing principal installment or installments, payment of interest on the Bonds or prepayment of the Bonds, as permitted by the Administration.

Section 7. Covenants. The Issuer covenants with the Administration and for the benefit of the Administration and the owners from time to time of the Bonds that so long as the Bonds or installments of principal thereunder shall remain outstanding and unpaid:

(a) The Issuer will duly and punctually pay, or cause to be paid, to the Administration the principal of the Bonds, premium (if any) and interest accruing thereon, at the dates and places and in the manner mentioned in the Bonds from unlimited ad valorem taxes in the event that available funds are inadequate to make such payment.

(b) The Issuer covenants that so long as any of the Bonds are outstanding and not paid, unless other funds are available for payment of principal of, premium, if any, and interest on the Bonds, it shall levy annually, in the manner prescribed by law, ad valorem taxes on all real and tangible personal property within its corporate limits subject to assessment for unlimited taxation in rate and amount sufficient to provide for the payment of the principal of and interest on the Bonds as the same become due and payable; and in the event that the revenues available from the taxes so levied in any fiscal year shall prove inadequate for the above purposes, the Issuer shall levy additional taxes in the succeeding fiscal year to make up such deficiency; and the full faith and credit and the unlimited taxing power of the Issuer are hereby irrevocably pledged to the punctual payment of the principal of and interest on the Bonds as the same become due.

(c) The Issuer will promptly provide to the Administration (or to any person designated by the Administration) all financial information and operating data concerning the Issuer as may be required by the Administration in its discretion in order for the Administration to comply with the requirements of Rule 15c2-12 of the United States Securities and Exchange Commission, as in effect from time to time, applicable to the Administration's Bonds.

Section 8. Ordinance a Contract. The provisions of this Ordinance shall constitute a contract with the purchasers and owners from time to time of the Bonds, and this Ordinance shall not be repealed, modified or altered in any manner materially adverse to the Administration and/or the interests of such purchasers or owners while the Bonds or any portion thereof remain outstanding and unpaid without the consent of the owners of the Bonds and the Administration.

Section 9. Pledge of Local Government Payments. As contemplated and authorized by Section 4-229(b) of the Act, the Issuer hereby pledges, assigns and grants a lien and a security interest to the Administration, its successors in trust and assigns, in all right, title and interest of the Issuer in and to the Local Government Payments (as defined in the Pledge Agreement), now or hereafter acquired, (i) to secure payment of the principal of, premium, if any, and interest on the Bonds and any other Local Obligations (as defined in the Pledge Agreement) issued and to be issued from time to time by the Issuer under the Program and (ii) to provide for deposits to the capital reserve fund securing the Bonds the amount of the Issuer's portion of any deficiency in such capital reserve fund as the Administration shall require, all as more fully set forth and provided in the Pledge Agreement.

Section 10. Purchase Price of Bonds. The Bonds shall be sold for cash in accordance with the terms and provisions of this Ordinance at par, or if premium or discount is permitted by law, at such premium or discount as is agreed to with the Administration in accordance with the terms and provisions of this Ordinance, and as authorized by Section 4-229(a) of the Act.

Section 11. Sale of Bonds. The Bonds shall be sold to the Administration under the Program at private sale, as authorized by Section 4-229(a) of the Act.

Section 12. Authority to Take Action; Publication and Public Hearing.

(a) The appropriate officials and employees of the Issuer are hereby authorized and directed to do all acts and things required of them by the provisions of this Ordinance, for the full, punctual and complete performance of all the terms, covenants and provisions of the Bonds, the Program Documents and this Ordinance and to do and perform all acts and to execute, seal and deliver all documents or instruments of writing which may be necessary or desirable to carry out the full intent and purpose of this Ordinance and the Program Documents.

(b) As required by the Act, prior to the issuance of the Bonds, the Issuer shall publish in a newspaper of general circulation in the jurisdiction of the Issuer a notice of the proposed issuance of the Bonds, which notice shall include the proposed amount of the issue, the nature of the projects to be financed or refinanced, the time and place of the public hearing, the name of the person(s) and address of the place where written comments may be sent, and the Issuer shall hold a public hearing on the proposed issuance of the Bonds. Such actions may be (or have been) taken prior to or simultaneously with the passage of this Ordinance.

(c) The Issuer shall comply with any publication and/or posting requirements set forth in its Charter that are determined to be applicable to this Ordinance.

Section 13. Tax Matters

(a) Any one or more of the Mayor, the City Administrator, the Treasurer of the Issuer (the "Treasurer") and/or the Comptroller of the Issuer (the "Comptroller") shall be the officers of the Issuer responsible for the issuance of the Bonds within the meaning of the Arbitrage Regulations (defined herein). Any one or more of the Mayor, the City Administrator, the Treasurer and/or the Comptroller shall also be the officers of the Issuer responsible for the execution and delivery (on the date of issuance of the Bonds) of a certificate of the Issuer (the "Section 148 Certificate") which complies with the requirements of Section 148 ("Section 148") of the Internal Revenue Code of 1986, as amended (the "Code"), and the applicable regulations thereunder (the "Arbitrage Regulations"), and such official or officials are hereby directed to execute the Section 148 Certificate and to deliver the same to the Administration on the date of the issuance of the Bonds. The Section 148 Certificate may be contained within any of the Program Documents at the discretion of the Administration.

(b) The Issuer shall set forth in the Section 148 Certificate its reasonable expectations as to relevant facts, estimates and circumstances relating to the use of the proceeds of the Bonds, or of any monies, securities or other obligations to the credit of any account of the Issuer which may be deemed to be proceeds of the Bonds pursuant to Section 148 or the Arbitrage Regulations (collectively, "Bond Proceeds"). The Issuer covenants that the facts, estimates and circumstances set forth in the Section 148 Certificate will be based on the Issuer's reasonable expectations on the date of issuance of the Bonds and will be, to the best of the certifying official's or officials' knowledge, true and correct as of that date.

(c) The Issuer covenants and agrees with each of the holders of any of the Bonds that it will not make, or (to the extent that it exercises control or direction) permit to be made, any use of the Bond Proceeds which would cause the Bonds to be "arbitrage bonds" within the meaning of Section 148 and the regulations thereunder which are applicable to the Bonds on the date of issuance of the Bonds and which may subsequently lawfully be made applicable to the Bonds.

(d) The Issuer further covenants that it shall make such use of the proceeds of the Bonds, regulate the investment of the proceeds thereof, and take such other and further actions as may be required to maintain the excludability from gross income for federal income tax purposes of interest on the Bonds. All officials, officers, employees and agents of the Issuer are hereby authorized and directed to take such actions, and to provide such certifications of facts and estimates regarding the amount and use of the proceeds of the Bonds, as may be necessary or appropriate from time to time to comply with, or to evidence the Issuer's compliance with, the covenants set forth in this Section.

(e) Any one or more of the Mayor, the City Administrator, the Treasurer and/or the Comptroller, on behalf of the Issuer, may make such covenants or agreements in connection with the issuance of Bonds issued hereunder as such official(s) shall deem advisable in order to assure the registered owners of such Bonds that interest thereon shall be and remain excludable from gross income for federal income tax purposes, and such covenants or agreements shall be binding on the Issuer so long as the observance by the Issuer of any such covenants or agreements is necessary in connection with the maintenance of the exclusion of the interest on such Bonds from gross income for federal income tax purposes. The foregoing covenants and agreements may include such covenants or agreements on behalf of the Issuer regarding compliance with the provisions of the Code as such identified official(s) shall deem advisable in order to assure the registered owners of such Bonds that the interest thereon shall be and remain excludable from gross income for federal income tax purposes, including, without limitation, covenants or agreements relating to the investment of the proceeds of such Bonds, the payment of rebate (or payments in lieu of rebate) to the United States, limitations on the times within which, and the purpose for which, such proceeds may be expended, or the use of specified procedures for accounting for and segregating such proceeds. Such official(s) may also make on behalf of the Issuer any elections, designations or determinations authorized or permitted by the Code or the Arbitrage Regulations.

Section 14. Effective Date; Miscellaneous. (a) Notwithstanding the provisions of Section 82A(b)(3) of the Charter, pursuant to Section 4-232(c) of the Act, this Ordinance shall take effect from the date of its passage by the Mayor and City Council of the Issuer (the "Mayor and City Council"), and it is the intent hereof that the laws of the State of Maryland shall govern its construction and the construction of the Bonds. Any copy of this Ordinance duly certified by the City Clerk or the City Clerk's successor in office shall constitute evidence of the contents and provisions hereof.

(b) Any reference to an official of the Issuer in this Ordinance shall be deemed to include any such official serving in an "acting" capacity (e.g., the Acting City Administrator of the Issuer or the Acting City Clerk of the Issuer). Any reference to an official of the Issuer in this Ordinance shall be deemed to include references to such official if generally known by another title; titles of officials as used in this Ordinance correspond to the titles used in the Charter or the City Code of the Issuer (the "City Code").

(c) In the event the position of any official who is referred to by title in this Ordinance is vacant at the time any action authorized to be taken by such official in accordance with the provisions of this Ordinance shall occur, and no person has been appointed to such position (including in an "acting" capacity) and is incumbent in such position, references in this Ordinance to such official shall be deemed to refer to any other appropriate official of the Issuer charged with such responsibilities under the Charter or the City Code or, to the extent not so provided for in the Charter or the City Code, as designated by the Mayor and City Council. Written evidence of any such designation shall be provided to the Administration. Notwithstanding the foregoing sentence, in the event two or more officials are charged with responsibility for taking any actions in accordance with the provisions of this Ordinance and only one such position is filled at the applicable time, any such action may be taken solely by the remaining official.

(d) References in this Ordinance to the phrase "to finance", "to pay" or "to fund" or similar phrases shall be deemed to refer to and include "to reimburse" or similar phrases.

(e) The title of this Ordinance shall be deemed to be, and is, a fair summary of this Ordinance for all purposes.

(f) Pursuant to Section 4-232(b) of the Act, this Ordinance shall be subject to petition to referendum by the qualified voters of the Issuer in accordance with Section 82A(c) of the Charter provided that the petition is filed not later than 20 days after this Ordinance is passed by the Mayor and City Council. The provisions of Section 82A(c) of the Charter allowing for a referendum petition to be filed within 30 days following passage of a bond ordinance shall be disregarded and the provisions of Section 4-232(b) of the Act shall control the period in which any referendum petition must be filed.

(g) To the extent not paid from proceeds of the Bonds, the Issuer shall pay costs of issuance relating to the Bonds from other available sources.

(h) The Mayor's signature on this Ordinance constitutes and signifies his approval of this Ordinance as required by Section 4-232(a)(1)(ii) of the Act.

(i) The provisions of this Ordinance shall be liberally construed in order to effectuate the transactions contemplated hereby.

MAYOR AND CITY COUNCIL OF
CUMBERLAND

(SEAL)

_____
Brian K. Grim
Mayor

ATTEST:

_____
Marjorie A. Woodring, City Clerk

Introduced: _____, 2018

Passed: _____, 2018

Effective: _____, 2018

Exhibit A. – Form of Bond

#204452;10002.070

_____
Underlining = Indicates material added by amendment after introduction
~~Strike-through~~ = Indicates material deleted by amendment after introduction

[FORM OF BOND]

EXHIBIT A

United States of America
State of Maryland
Mayor and City Council of Cumberland
Infrastructure Bond, 2018 Series A

No. R-1 $_____

Mayor and City Council of Cumberland, a municipal corporation duly organized and existing under the Constitution and laws of the State of Maryland (the "Issuer"), hereby promises to pay to the

Maryland Community Development Administration

or its registered assigns, the principal amount of _____ Dollars ($_____), plus interest on each unpaid principal installment at rates per annum resulting in the total interest cost ("TIC") (expressed as a yield) set forth on Exhibit A attached hereto, in lawful money of the United States of America, as follows: (a) interest on the outstanding and unpaid principal of this bond shall be due and payable in semiannual payments commencing on _____, 20__, and continuing on the first day of [October] and [April] in each year thereafter until final maturity; (b) principal of this bond shall be paid commencing on _____ and on [April 1] in each year thereafter until final maturity in the aggregate amount of principal installments as set forth on Exhibit A. Payment of the principal hereof and the interest due hereon shall be made by check mailed to the address of the registered owner of this bond as shown on the registration books maintained by the Issuer, or in such other manner and to such other address as the registered owner of this bond may designate. If any payment of the principal of or interest on this bond shall be due on a day other than a Business Day (defined herein), such payment shall be made on the next Business Day with like effect as if made on the originally scheduled date. A "Business Day" is any day other than a Saturday, Sunday or legal holiday in the State of Maryland observed as such by the Issuer.

In the event any payment hereon (whether principal, interest or both) is not paid when due and payable, such payment shall continue as an obligation of the Issuer and shall bear interest until paid at the rate or rates of interest borne by this bond.

This bond, designated as "Mayor and City Council of Cumberland Infrastructure Bond, 2018 Series [A]" (this "Bond"), is a general obligation of the Issuer, and has been duly issued by the Issuer for the purpose of providing all or a portion of the funds necessary for (i) financing and/or refinancing costs of certain projects identified as follows: (A) information technology

_____
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improvements, equipment and software, (B) new and/or replacement vehicles and equipment (including heavy duty vehicles and equipment), (C) facility and property improvements (including, without limitation, HVAC units for the Municipal Service Center), (D) water and wastewater filtration plant improvements, and/or (E) water distribution infrastructure, waterline, valve, meter and dam design and improvement/replacement, (ii) funding a portion of a capital reserve fund, and/or (iii) paying issuance and other costs related to this Bond. Unless paid from other sources, the Issuer covenants that so long as any portion of this Bond is outstanding and not paid, it shall levy annually, in the manner prescribed by law, ad valorem taxes on all real and tangible personal property within its corporate limits subject to assessment for unlimited taxation in rate and amount sufficient to provide for the payment of the principal of and interest on this Bond as the same become due and payable.

This Bond is issued pursuant to the authority of Sections 4-101 through 4-255 of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, Sections 81 and 82A of the Charter of the Issuer, and Ordinance No. _____ of the Issuer passed on _____, 2018 and effective on _____, 2018 (the "Ordinance"). The full faith and credit of the Issuer are hereby irrevocably pledged to the payment of the principal of this Bond and the interest to accrue hereon.

This Bond is issued in connection with the Local Government Infrastructure Financing Program of the Community Development Administration, a governmental unit in the Division of Development Finance of the Department of Housing and Community Development, a principal department of the government of the State of Maryland (the "Administration"). This Bond is subject to the terms and conditions of the Repayment Agreement dated as of _____, 2018, between the Issuer and the Administration (the "Repayment Agreement").

This Bond is not subject to prepayment by the Issuer prior to [April] 1, 20____. On or after _____, this Bond is subject to prepayment by the Issuer at the prepayment prices, expressed as a percentage of the principal amount to be prepaid, plus accrued interest, if any, to the prepayment date, on the principal amount thereof, and during the periods (both dates inclusive) listed below:

Period	**Price**
_____ through _____	%
_____ through _____	
_____ through thereafter	

Notice of prepayment shall be given, the date of prepayment determined, and all prepayments of this Bond shall be applied in accordance with the provision of the Repayment Agreement.

The Issuer may treat the person in whose name this Bond is registered as the absolute owner hereof, whether or not this Bond shall be overdue, for the purpose of receiving payment

_____
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thereof and for all other purposes whatsoever, and shall not be affected by any notice to the contrary, except as provided below.

This Bond is assignable and upon such assignment the assignor shall promptly notify the Issuer by certified mail, and the assignee shall surrender this Bond to the Issuer for transfer on the registration records and verification of the portion of the principal amount hereof and interest hereon paid or unpaid, and every such assignee shall take this Bond subject to such condition. In connection with any transfer of this Bond, the Issuer may make a charge sufficient to reimburse it for any tax, fee or other governmental charge required to be paid with respect to such transfer and any reasonable fees or expenses of the Issuer incurred in connection with such transfer.

Principal of this Bond is paid in annual installments and this Bond is subject to partial redemption without any notation of such payment being made on this Bond or the surrender of this Bond for cancellation and the issuance of a new Bond or Bonds in the amount of the unpaid principal hereof. Accordingly, the outstanding principal of this Bond may be less than the stated face amount hereof and any purchaser or transferee of this Bond should contact the Issuer and the prior owner of this Bond to ascertain the outstanding face amount hereof.

As declared by Section 4-231(c) of the Housing and Community Development Article of the Annotated Code of Maryland, as amended, this Bond shall have and possess all the attributes of negotiable instruments as provided in Section 19-224 of the Local Government Article of the Annotated Code of Maryland, as amended. This Bond is issued with the intent that the laws of the State of Maryland shall govern its construction.

No recourse shall be had for the payment of the principal of, the interest on, or for any claim based hereon or on the Ordinance against any elected or appointed official or employee, past, present or future of the Issuer or any agency thereof; and any such recourse, claim or liability is expressly waived by acceptance by the owner of the delivery of this Bond.

It is hereby certified and recited that each and every act, condition and thing required to exist, to be done, to have happened and to be performed precedent to and in the issuance of this Bond does exist, has been done, has happened and has been performed in full and strict compliance with the Constitution and laws of the State of Maryland, the Charter of the Issuer and the proceedings of the Issuer.

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IN WITNESS WHEREOF, Mayor and City Council of Cumberland has caused this Bond to be signed in its name by the manual or facsimile signature of its Mayor and its corporate seal to be affixed hereto and attested by the manual signature of the City Clerk, as of _____, 2018.

(SEAL)

ATTEST:

MAYOR AND CITY COUNCIL OF CUMBERLAND

_____
City Clerk

By: _____
Mayor

_____
Underlining = Indicates material added by amendment after introduction
~~Strike-through~~ = Indicates material deleted by amendment after introduction

BOND PAYMENT SCHEDULE

[Use the following paragraph (with necessary modifications) to clarify the amount to be paid under the schedule prepared by the Financial Advisor.]

[Repayment Schedule to be Inserted.]

Each installment of Principal and Interest or Interest alone shall be the aggregate of amounts set forth in this Exhibit A for the date of such payment as shown under the heading designated "Debt Service."

_____
Underlining = Indicates material added by amendment after introduction
~~Strike-through~~ = Indicates material deleted by amendment after introduction

Regular Council Agenda
June 19, 2018

Description

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Regular Council Agenda
June 19, 2018

Description

Resolution to approve a project to work with the Cochran Studio to put together an aesthetic design plan for the Baltimore Street Project in partnership with the Downtown Development Commission and the Cumberland Economic Development Commission

Approval, Acceptance / Recommendation

The Downtown Development Commission would like to hire Cochran Studios to come up with the aesthetic design for Baltimore Street. They will work with the DDC, CEDC and members of the community to put together an aesthetic design for Baltimore Street once it is opened up. The Cochrans did the design for Downtown Frederick and the Hagerstown Cultural Trail and their work speaks for itself. The total price for the design is $47,500. We would like to apply for the technical assistance grant to pay for half of the cost. The DDC has the matching amount on hand.

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

City of Cumberland

- Maryland -

RESOLUTION

RESOLUTION NO. _____

A RESOLUTION TO APPROVE A PROJECT TO WORK WITH COCHRAN STUDIO TO PUT TOGETHER AN AESTHETIC DESIGN PLAN FOR THE BALTIMORE STREET PROJECT IN PARTNERSHIP WITH THE DOWNTOWN DEVELOPMENT COMMISSION AND THE CUMBERLAND ECONOMIC DEVELOPMENT COMMISSION.

WHEREAS, The Mayor and City Council of Cumberland proposes to undertake the project described above (the "Project"); and

WHEREAS, The Mayor and City Council of Cumberland has applied to the Department of Housing and Community Development (the "Department) of the State of Maryland for funding in the amount of $25,000.00, for the project under the Department's Technical Assistance Grant; and

WHEREAS, The Mayor and City Council of Cumberland approves the Project.

NOW, THEREFORE, BE IT RESOLVED THAT, The Mayor and City Council of Cumberland hereby express approval of the Project and application for funding from the Department, as described above.

Given under our Hands and Seals this 19th day of June, 2018, with the Corporate Seal of the City of Cumberland hereto attached, duly attested by the City Clerk.

Attest:

_____

Marjorie A. Woodring
City Clerk

Mayor and City Council
Of Cumberland

_____

Brian K. Grim
Mayor

Regular Council Agenda
June 19, 2018

Description

Order authorizing execution of Extra Work Order No. 1 to the existing contract with Carl Belt, Inc. for the Willowbrook Road Waterline Replacement Project (1-16-W) for an increased estimated unit price amount of $288,000 contingent upon MDE approval; bringing the new contract amount to $682,800

Approval, Acceptance / Recommendation

It is the Engineering Department's recommendation to execute Extra Work Order No. 1 in the estimated unit price amount of $288,000. This work will allow for an additional 1,500 LF of 12" waterline to be installed under the current Willowbrook Road Waterline Replacement Project (1-16-W). This award is contingent upon MDE Approval.

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

$394,800 original contract value
$288,000 Extra Work Order
$682,800 New Contract Value

Source of Funding (if applicable)

MDE Grant and Loan Funds

- Order -

of the

Mayor and City Council of Cumberland

MARYLAND

ORDER NO. _____ **DATE:** ____June 19, 2018_____

ORDERED, By the Mayor and City Council of Cumberland, Maryland,

THAT the City Administrator be and is hereby authorized to execute Extra Work Order No. 1 to the existing contract with Carl Belt, Inc., 11521 Milnor Avenue, Cumberland, MD 21502 for the Willowbrook Road Waterline Replacement Project (1-16-W) for an increased estimated unit price amount of Two Hundred Eighty-Eight Thousand Dollars ($288,000.00), bringing the new total contract amount to Six Hundred Eighty-Two Thousand, Eight Hundred Dollars ($682,800.00); and

BE IT FURTHER ORDERED, that this award shall be contingent upon final approval from the Maryland Department of the Environment (MDE).

_____

Brian K. Grim, Mayor

Original Contract Amount	$ 394,800.00
Extra Work Order No. 1	288,000.00
New Contract Total	$ 682,8000.00

Funding: MDE Grant / Loan Funds

CARL BELT
INCORPORATED

CONTRACTING .. ENGINEERING

Telephone: 301-729-8900
FAX Number: 301-729-0163

11521 MILNOR AVENUE
UPPER POTOMAC INDUSTRIAL PARK

POST OFFICE BOX 1210
CUMBERLAND, MARYLAND 21501-1210

City of Cumberland, Engineering Division
20 Bedford Street
Cumberland, MD 21502
ATTN: Mr. Paul DePalatis

June 1, 2018

RE: DESIGN / BUILD CONSTRUCTION
CITY OF CUMBERLAND
WILLOWBROOK ROAD 12" WATERLINE ADDITIONAL WORK

Dear Paul,

In accordance with our conversations, we have investigated the costs of extending the 12" water main west from Country Club Road. ***Carl Belt, Inc.*** is pleased to submit the following information.

Scope of Work

Engineering

- Provide engineered drawings for the waterline extension.
- Obtain applicable permits from both MDE and SHA in conjunction with the base bid portion of the project.
- Provide and coordinate the approved traffic control with SHA.
- Due to width of the roadway a flagging operation will be required to install the waterline. This restricts our allowable worktime to 9:00 AM - 3:00 PM daily or this will be a night shift operation.

12" Waterline

- Provide all labor, equipment, material to install new 12" waterline per the attached drawings.
- Provide traffic control and flagging to comply with SHA standards.
- Provide testing and backfill and compaction per SHA standards.
- Provide new HMA Paving per SHA standards. Due to waterline routing we will be required per SHA standards to pave the entire road shoulder.
- Decommission and grout fill existing waterline.

Price per LF $192.00

Based on our previous conversations and the budget amounts discussed, we would propose extending the waterline 900-1,000 LF to west subject to the City's final determination of the amount of funding available. If additional funding beyond the amount previously discussed is available, we could extend this unit price up to 1,500 LF without adjustment.

We hope this proposal meets your approval. Should you have any questions or concerns please do not hesitate to contact me. Thanks.

Sincerely,
CARL BELT, INCORPORATED

Jeremy Irons

Jeremy G. Irons
Vice President

City of Cumberland

Extra Work Order Number: 1

Project: Willowbrook 12" Waterline Replacement
City Project No.: 1-16-W
Purchase Order No.:
M&CC Order No.: 26,278
Contractor: Carl Belt, Inc
Vendor No.: 20320

This Extra Work Order modifies (adds ~~or deletes~~ work) the contract as follows:

Add / Delete	*Unit*	*Description*	*Delete*	*Add*
Add	LF	Additional 12" waterline replacement, 1,500 LF at $192/LF, per the attached proposal dated June 1, 2018, and in accordance with the original contract terms and conditions.		$288,000.00
		TOTALS		$288,000.00
		NET TOTAL		**$288,000.00**

The Original Contract Sum was:	$394,800.00
Previous Change Orders:	$0.00
Contract Sum as a result of Previous Change Orders:	$394,800.00
The Contract Sum increased/decreased by this Change Order:	$288,000.00
The New Contract Sum as a result of this Change Order is:	**$682,800.00**

Contract Time Change: TBD

Recommended by: _____
Date

Contractor: Carl Belt, Inc.

Accepted by: _____
Date

Approved By: The City of Cumberland:

_____
City Engineer *Date*

_____
City Administrator *Date*

Mayor and City Council Order Number Authorizing this Extra Work Order: _____

Gmail by Google

Margie Woodring <margie.woodring@cumberlandmd.gov>

Re: Willowbrook Road Waterline City Project No. 1-16-W

1 message

John DiFonzo <john.difonzo@cumberlandmd.gov> Wed, Jun 13, 2018 at 2:32 PM
To: "Rhodes, Jeff" <jeff.rhodes@cumberlandmd.gov>
Cc: Margie Woodring <margie.woodring@cumberlandmd.gov>, Robert Smith <robert.smith@cumberlandmd.gov>, "DePalatis, Paul P. E." <paul.depalatis@cumberlandmd.gov>, Kim Root <kim.root@cumberlandmd.gov>, Robert Rider <bob.rider@cumberlandmd.gov>

Jeff,
We have reached an agreement with Carl Belt, Inc. for additional work on Willowbrook Road as was described in this April 12, 2018 email. Kim will be putting an item on the agenda for the next Mayor and City Council meeting to add additional work to the original contract award. We call this "Change Order" an "Extra Work Order" because it is an extension of the contract, not a change to the original work, and MDE prefers that term. This Extra Work order will allow us to replace as much of the existing 12" water main as possible within the amount of grant and loan funds from MDE. The amount of additional line is approximately 1,500 feet, and the unit costs include engineering design.

In addition to the construction work with Belt, we will need to increase the amount we are paying BBA for construction phase services. We will be recommending a separate sole source contract approval with Bennett, Brewer and Associates, LLC (BBA) in the amount of $32,000 for construction phase services. The justification for a sole source is that BBA has handled the preliminary design and contract bidding documents for the City and they are the best qualified to aide the City through the construction of the water main. City Engineering and the Water Distribution will also be involved in this project through construction. The fees to BBA along with a contingent amount are also included in the MDE grant and loan amounts.

Let me know if you have any questions. I will be at that mayor and City Council Meeting.
Thank you,
John

John J. DiFonzo P.E.
Cumberland City Engineer
57 N. Liberty Street
Cumberland, MD 21502
Office 301-759-6600
Direct 301-759-6601
FAX 301-759-6608
Cell 240-580-0781
email: john.difonzo@cumberlandmd.gov

On Thu, Apr 12, 2018 at 11:00 AM, John DiFonzo <john.difonzo@cumberlandmd.gov> wrote:

> Jeff,
> The City Engineering Department is recommending that the Mayor and City Council accept the bid of Carl Belt, Inc. for the Design/Build Project to install a new water main in the right of way of Willowbrook Road. An agenda item will be submitted today. As you know the bid review of a design/build contract can be complicated, however, in this case, Carl Belt, Inc. provided a low bid for a traditional water line replacement, so the selection of their bid as the best bid was easy. A copy of the bid tabulation that Margie prepared is attached for your use.
> The main purpose of this email is to make sure you understand that the bid of Carl Belt, Inc. was very good and well within the funding that is available for this project, so it would be good to do as much additional work as funding will allow. Between Grant and Loan funds, MDE will allow the City up to $750,500. Belt's bid is $394,800 and we have to use some of the funds for construction phase engineering, which BBA has submitted a proposal in the estimated amount of $22,000 to cover most of that cost and City Water and Engineering will also provide inspection work as part of their jobs, so that work will be covered under current the City Budget. That leaves about $333,700 for additional construction, design cost, and construction phase engineering. I believe you will recall that in order to get the project funded, we reduced the amount of pipe in this project with the hope that we could do another project in the future to replace the line all the way tot he 36" main. We will not have enough to complete the entire length, but we can do a very significant portion with the extra funds, so we have requested a proposal from Carl Belt for additional pipe installation. The process of getting MDE approval takes some time so we are recommending that award this contract, contingent on MDE approval, as soon as possible and then do the extra work under a change order.
> Let me know if you have any questions. The attachments include the following:

1. Bid Tab
2. Letter from MDE showing the Grant and Loan amount
3. A proposal from BBA for the first portion of the water line installation.

Thank you,
John

John J. DiFonzo P.E.
Cumberland City Engineer
57 N. Liberty Street
Cumberland, MD 21502
Office 301-759-6600
Direct 301-759-6601
FAX 301-759-6608
Cell 240-580-0781
email: john.difonzo@cumberlandmd.gov

Regular Council Agenda
June 19, 2018

Description

Order accepting the sole source proposal from Bennett, Brewer & Associates LLC to provide professional construction phase services for the Willowbrook Road 12-inch Water Line Replacement Project (01-16-W) in the estimated amount of $32,000 contingent upon MDE approval

Approval, Acceptance / Recommendation

It is the Engineering Department's recommendation to award construction phase services to Bennett, Brewer & Associates LLC for City Project 2-16-W contingent upon MDE approval. This work will be for the over sight of the 12" Waterline Replacement Project along Willowbrook Road. The value of this award is an estimated amount of $32,000.

☑ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

$32,000.00

Source of Funding (if applicable)

MDE Grant/Loan

- Order -

of the

Mayor and City Council of Cumberland

MARYLAND

ORDER NO. _____ **DATE: _____June 19, 2018____**

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT, the sole source proposal of Bennet, Brewer & Associates, LLC to provide professional construction phase services for the Willowbrook Road 12-inch Water Line Replacement Project (01-16-W) is hereby accepted in the estimated amount of Thirty-Two Thousand Dollars ($32,000); and

BE IT FURTHER ORDERED, that this award shall be contingent upon final approval from the Maryland Department of the Environment (MDE).

_____

Brian K. Grim, Mayor

Funding: MDE Grant / Loan

bba
Surveyors | Engineers | Planners

April 5, 2018

City of Cumberland
Engineering Office
20 Bedford Street, Suite 343
Cumberland, Maryland 21502

ATTENTION: JOHN DiFONZO, PE, City Engineer

RE: ENGINEERING PROPOSAL- CONSTRUCTION ADMINISTRATION
WILLOWBROOK ROAD WATER LINE REPLACEMENT

Dear Mr. DiFonzo:

Bennett, Brewer, & Associates are pleased to submit herewith a proposal to provide professional services for the above referenced amendment. Based on our familiarity with the project to date and previous jobs of a similar nature, it is our understanding that the scope of services shall include all engineering support required to administer construction of the water line. We are prepared to perform the following tasks associated with this phase of the project:

CONSTRUCTION PHASE

After award of contract, construction services shall be as follows:

IV-1 Construction Services
Review and approve all shop drawings and proposed field modifications during construction. Attend pre-construction meetings and field meetings as required. Attend the final inspection at project conclusion.

IV-la Consult with and advise the City on an as-needed basis during construction.

IV-lb Attend and conduct the pre-construction conference and weekly progress meetings.

IV-lc Provide construction observation inspection services.

IV-ld Review and approve pre-construction submittals and shop drawings.

Bennett, Brewer
& Associates, LLC

23 East Main Street
Suite 200
Frostburg, MD 21532

Phone (301) 687-0494
Fax (301) 687-0495

IV-1e Review requests for clarifications, shop drawings and work change directives (change orders).

IV-1f Perform an inspection to develop a list of deficiencies (or punch-list) and conduct final inspection with the City and contractor.

IV-1g As-built drawings
Review inspector and contractor field notes and as-built survey (by contractor). Coordinate electronic files and hard copy to City for bond release and permanent record.

COMPENSATION- FEE SCHEDULE

Task	Estimated Hours	Rate	Estimate Fee
Attend Pre-Construction Kickoff Meeting, Design Coordination Meeting, and Eight (8) Weekly Construction Progress Meetings	32	$125.00	$4000.00
Produce Meeting Minutes, Response to Questions, Review Submittals	80	$125.00	$10,000.00
Review Construction Drawings and Specifications	24	$125.00	$3,000.00
8 Hours Site Inspection per Week for 12 Weeks	96	$125.00	$12,000.00
Review As-Builts, Punch List, Final Inspection	24	$125.00	$3,000.00

TOTAL ESTIMATED FEE THIS CONTRACT- $32,000.00

* All work shall be billed on a time and materials basis, in accordance with our standard rate schedule (see attached).

We look forward to providing our services for this project and hope to be working together in the upcoming months. If you should have any questions, please contact this office at (301) 687-0494.

Sincerely,

Matthew S. Brewer, PE, RLS, LEED AP
Principal

Regular Council Agenda
June 19, 2018

Description

Order accepting the proposal from Erie Insurance to provide fleet coverage in the amount of $104,879 and parking garage/building and liability coverage in the amount of $5,358 for the period 7/1/18 through 6/30/19

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

Invoice

Livengood, DeVore & Company Insurance
1214 National Hwy.
LaVale, MD 21502

Voice: (301) 729-2297
Fax: (301) 729-3048
Email: eric@livengoodinlavale.com

Invoice Number
778

Invoice Date
6/14/2018

Page
1

Insured:

Mayor & City Council
Cumberland City Hall Plaza
57 N Liberty St
Cumberland, MD 21501-2312

Invoice printed on 6/14/2018 1:47:01 PM

Sales Rep ID: Foose, Lora	**Date Due:** 7/25/2018

Item	Amount
Fleet Auto - Q070140318 - Erie Insurance Exchange	$104,879.00

Original Amount Due: $104,879.00

Current Amount Due: **$104,879.00**

Description: Fleet Insurance Fiscal year 2019

Note:

Have a great day!!

This is a confirmation of the date and time the information was entered and accepted. We reserve the right to refuse a payment if your payments are not current, if your policy is lapsed, or if your policy is pending cancellation. Please keep in mind that a credit to your account is dependent on the receipt of payment from your financial institution. If we do not receive payment from your financial institution (for example, because your account information is incorrect or your account has insufficient funds) your account will not be credited. Payments submitted after 6 p.m. EST may take an extra business day to process.

Livengood, Devore & Company

Exceptional People Representing an Extraordinary Company

www.LivengoodInLavale.com

Invoice

Livengood, DeVore & Company Insurance
1214 National Hwy.
LaVale, MD 21502

Voice: (301) 729-2297
Fax: (301) 729-3048
Email: eric@livengoodinlavale.com

Invoice Number
777

Invoice Date
6/14/2018

Page
1

Insured:

Mayor & City Council
Cumberland City Hall Plaza
57 N Liberty St
Cumberland, MD 21501-2312

Invoice printed on 6/14/2018 1:46:08 PM

Sales Rep ID: Foose, Lora	**Date Due:** 7/25/2018

Item	Amount
UltraFlex - Q430152741 - Erie Insurance Exchange	$5,358.00

Original Amount Due: $5,358.00

Current Amount Due: **$5,358.00**

Description: Parking Garage Insurance

Note:

Have a great day!!

This is a confirmation of the date and time the information was entered and accepted. We reserve the right to refuse a payment if your payments are not current, if your policy is lapsed, or if your policy is pending cancellation. Please keep in mind that a credit to your account is dependent on the receipt of payment from your financial institution. If we do not receive payment from your financial institution (for example, because your account information is incorrect or your account has insufficient funds) your account will not be credited. Payments submitted after 6 p.m. EST may take an extra business day to process.

Livengood, Devore & Company

Exceptional People Representing an Extraordinary Company

www.LivengoodInLavale.com

- ORDER -

of the

Mayor and City Council of Cumberland

MARYLAND

ORDER NO. _____ **DATE:** ___June 19, 2018___

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT, the proposal from Erie Insurance to provide insurance services for the City fleet, and building/liability insurance for two (2) parking garages for the period July 1, 2018 through June 30, 2019 be and is hereby accepted in the following amounts:

Parking garage / building and liability coverage …….$	5,358.00
Fleet Auto coverage ……	104,879.00
Total …….$	110,237.00

_____

Mayor Brian K. Grim

Regular Council Agenda
June 19, 2018

Description

Order accepting the proposal of PMA Companies to provide workers compensation insurance for the period July 1, 2018 through July 1, 2019 in the estimated amount of $1,109,767 and authorizing the execution of an agreement with PMA to effect this coverage (Premium coverage = $272,037; Cash Collateral Fund = $810,000; Claim Service Fund = $27,730)

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

- Order -

of the

Mayor and City Council of Cumberland

MARYLAND

ORDER NO. _____ **DATE:** _____June 19, 2018____

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT the proposal of PMA Companies to provide Workers Compensation Insurance for the period July 1, 2018 through July 1, 2019, be and is hereby accepted in the estimated amount of One Million, One Hundred Nine Thousand, Seven Hundred Sixty-Seven Dollars ($1,109,767.00) based on the following:

Premium	$ 272,037
Cash Collateral Fund	$ 810,000
Claims Service Fund	$ 27,730
Total	$ 1,109,767

BE IT FURTHER ORDERED, that the City Administrator be and is hereby authorized to execute a Prefunded Deductible Reimbursement and Security Agreement by and between PMA Companies and the City to effect this coverage.

_____

Brian K. Grim, Mayor

Insurance Proposal

In Partnership With

CBIZ Insurance Services

Prepared For

Mayor And City Council Of Cumberland, Maryland

Proposal Date

June 15, 2018

Proposed Policy Effective Date

July1, 2018 to July 1, 2019

www.pmacompanies.com

Member of Old Republic Companies

PMA COMPANIES

June 15, 2018

Mr. Edward Seward
CBIZ Insurance Services.
44 Baltimore Street,
Cumberland, Md 21502

Dear Ed:

Please find enclosed renewal proposal for the City of Cumberland. It is hard to believe that twelve years have already passed since we first wrote the account. We are very pleased with the progress that has been made over this time and very much desire to continue our strong relationship with the city.

As we have demonstrated over the last twelve years, we understand that risk management for state and county governments, as well as municipalities, is unique requiring specialized expertise and flexible solutions. Risk managers face the challenges of protecting employees and safeguarding public money. PMA is a public entity risk management expert. Our skills in risk control and cost management provide value to government entities.

We solve risk management challenges that are unique to the industry, by offering industry expertise and comprehensive solutions.

We have the insureds, strength, expertise, and solutions to prove it, including:
PMA has specialized in risk solutions for public entities for over 50 years.
Many of PMA's municipal and state insureds have national award-winning risk management programs.

We have almost 100 years of experience and success in executing risk management programs for large, sophisticated insureds. Our strength lies not only in what we offer, but also how we deliver results for your business. We offer a truly collaborative relationship with you and Mayor And City Council Of Cumberland, Maryland to understand the unique loss drivers, create and implement the most favorable risk solution, and achieve your client's desired financial results.

Highlights of the tangible value that PMA delivers:

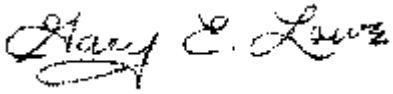
- PMA is part of Old Republic International family of companies, one of the nation's 50 largest publicly held insurance organizations
- Our insureds rate us at a 96% client satisfaction rate, per our latest Client Satisfaction Survey
- Our large insured retention rates average 90% or higher
- A.M. Best "A" Excellent rating for PMA Insurance Group
- Structured Account Management by a dedicated team of risk management experts

with a detailed annual action plan and measurable goals. A dedicated Claim Service Manager oversees your program

- One of the industry's most user-friendly risk management information systems

If you have any questions about the proposal, please do not hesitate to contact me at 410-527-3223, or email me at gary_lowe@pmagroup.com.

Sincerely,



Gary E. Lowe, CPCU
Sr. Underwriting Specialist
Hunt Valley Branch Office

Services

We understand how vital service can be to realizing goals.

PMA - Setting the Bar in Service Excellence
Our entire company is focused on delivering tangible value for our insureds. Our service-driven culture permeates everything we do, and we care about our insureds' business results as if they were our own.

Our core values of passion, accountability, execution, professionalism, and teamwork drive our performance--so every day, every employee is working hard on behalf of those we serve.

96% of respondents reported PMA meets or exceeds their service expectations in our latest survey.
PMA was particularly recognized by our insureds for:

- Prompt and aggressive claims management
- Responsiveness and professionalism of customer service personnel
- Knowledge and expertise in all areas of workers' compensation insurance

Claims Management - We deliver excellent claims management services. The value that PMA delivers is enhanced by industry-leading programs to ensure quality, prevent fraud, and manage litigation.

Our specialized services for large accounts include:

- PMA Account Management, a structured program designed to optimize each insured's performance. A designated team of risk management professionals identifies the most significant loss drivers, organizational needs and special servicing requirements, creates a customized action plan, and is accountable for results.
- A designated Claims Service Manager serves as a single point of contact for insureds and serves as their liaison, overseeing and coordinating services.

PMA Claims Management-PMA Claims Management Services delivers second-to-none solutions and service. The value PMA Companies creates for clients extends beyond servicing claims. We deliver industry-leading programs, including quality assurance, fraud prevention and litigation management, all of which translates into tangible value for clients.

PMA Managed Care Services-PMA provides integrated, industry-leading Managed Care capabilities to ensure seamless delivery of services to our clients and minimize costs. Client benefit from PMA Managed Care offers a comprehensive program of services, including Complex Bill Review, Fee Schedule and UCR Reductions, Pharmacy Benefit Management, PPO Networks, Nurse Case Management, Peer Review and Utilization Review. PMA's Managed Care Program combines our risk management and medical expertise, technology systems, and third-party relationships. This approach enables us to more effectively assess and manage cases with the goal of maximizing outcomes while minimizing costs for clients.

Managed Care Savings - PMA provides integrated, industry-leading Managed Care capabilities to ensure seamless delivery of services to our insureds and manage costs. PMA Managed Care offers a comprehensive program of services, including Durable Medical Equipment Networks, fee schedule and UCR reductions, Out-of-Network Program, panel creation, pharmacy benefit management, PPO Networks, complex bill review, Physical Therapy Networks, nurse case management, peer review, product management, quality management and utilization review.

Risk Management Information Services (RMIS) - PMA Cinch® is one of the most capable and user-friendly risk management information systems available today. Our Risk Management Information System provides insureds with 24-hour access to claim and loss data. Insureds can also choose to have customized report views developed for their specific business needs. PMA Cinch® is designed to help insureds achieve cost savings via improved risk analysis capabilities, quicker corrective action, and automated cost allocation.

Risk Control Services - Our comprehensive and consultative approach provides better protection for businesses and employees, reduced costs, and better bottom-line results. Our program includes in-depth risk management assessment, an analysis of historical losses versus industry benchmarks, and development of an action plan to reduce loss potential through best practices. We provide scheduled stewardship reports to document and communicate our shared results with insureds. PMA offers a full range of resources and services, including occupational health, liability and property protection services.

WORKERS' COMPENSATION

Coverage and Limits

Workers' Compensation	Part I:	Statutory State Requirements	
Employers' Liability	Part II:	Bodily Injury by Accident:	$1,000,000 Each Accident
		Bodily Injury by Disease:	$1,000,000 Each Employee
		Bodily Injury by Disease:	$1,000,000 Policy Limit

States Covered:	MD, PA,
Estimated Payroll:	$11,882,669
Included Risk Control Hours:	100

Experience Modifications:	NCCI: 2.08	PA: .834

	Pre-Funded Deductible	Deductible with LOC
Estimated Standard Premium:	$ 1,299,032	$ 1,299,032
Estimated Premium Discount:	-$ 141,594	-$ 141,594
Estimated Deductible Credit	-$ 887,702	-$ 866,432
Estimated Total Deductible Premium	$ 269,736	$ 291,006
Terrorism:	$ 1,076	$ 1,168
Catastrophe	$ 576	$ 582
Expense Constant:	$ 180	$ 180
Total Estimated Deposit Premium:	$ 271,568	$ 292,936
State Assessments and Surcharges:	$ 469	$ 469
Total Including Surcharges	$ 272,037	$ 293,405
Commission:	Net	Net

SCHEDULE OF CASH PAYMENTS: PREFUNDED DEDUCTIBLE

	Premium	Cash Collateral Fund	Claims Services Fund	Total
1st Installment	$ 27,156.80	$ 81,000	$27,730	$ 135,886.80
PA Assessment	$ 469			$ 469
Total 1st Installment	$ 27,625.80	$ 81,000	$27,730	$ 136,355.80
Nine Remaining Monthly Installments each	$ 27,156.80	$ 81,000	0	$ 108,156.80
Total Annual Deposits	$ 272,037	$ 810,000	$27,730	$ 1,109,767

*Estimated state assessments/surcharges are payable in addition to premium and are subject to change and/or adjustment.

SCHEDULE OF CASH PAYMENTS: DEDUCTIBLE WITH LOC

	Premium	Escrow	Claims Services Fund	Total
1st Installment	$ 29,293.60	$ 50,000	$27,730	$ 107,023.60
PA Assessment	$ 469			$ 469
Total 1st Installment	$ 29,762.60	$ 50,000	$27,730	$ 107,492.60
Nine Remaining Monthly Installments each	$ 29,293.60	$ 0	0	$ 29,293.60
Total Annual Deposits	$ 293,405	$ 50,000	$27,730	$ 371,135

*Estimated state assessments/surcharges are payable in addition to premium and are subject to change and/or adjustment.

At audit, the deductible credit factor will be adjusted so that the audited deductible premium will equal the product of the applicable deductible premium rate times the audited workers' compensation payrolls. Changes in workers' compensation modification factors, statutory premium rates and/or premium discounts, and application or changes of any other statutory credit (including any construction classification credit) or debit, will, therefore, not alter the amount of the audited deductible premium due us.

Forms and endorsements per expiring with any updated editions and mandatory state forms.

The following endorsements are not applicable to workers' compensation:

- Knowledge of Occurrence
- Broad Form All States
- Notice of Occurrence
- Unintentional E&O
- Broad Form Named Insured

WORKERS' COMPENSATION – PRE-FUNDED LARGE DEDUCTIBLE PROGRAM

In a Pre-funded Large Deductible Program the insured assumes a portion of its own risk in the form of a per occurrence deductible. Insureds are protected from catastrophic losses by a policy aggregate loss limitation. The insurance carrier issues a workers' compensation policy and provides full claims, legal, and loss prevention services, while also providing statutory (or policy limits) coverage in excess of the insured's deductible and aggregate under the Large Deductible Program.

Claim payments are made by the insurance carrier and are reimbursed by the insured--this is a statutory requirement in all states. Rather than provide a Letter of Credit, or another type of secured collateral, the insured provides cash to establish a Cash Collateral Fund for the expected claim payments. Reimbursements to PMA are paid by the Cash Collateral Fund. Investment income on the Cash Collateral Fund is given as an up-front reduction of deductible premium.

Program Factors

- The **deductible limit** is **$350,000** per each occurrence and inclusive of Allocated Loss Adjustment Expense (ALAE). (See Section 6 for additional information.)

- **Estimated payroll** at inception of the policy is **$11,882,669**.

- The **deductible premium**, **$269,736** is calculated based on a rate to payroll of **2.270** per $100 of payroll. The deductible premium set forth in the table above is the minimum and will be adjusted upward if audited payroll exceeds the estimated payroll.

- The **aggregate limit**, **$1,800,000**, is calculated based on a rate to payroll of **15.148** per $100 of payroll. The aggregate limit set forth in the table above is the minimum and will be adjusted upward if audited payroll exceeds the estimated payroll.

Medical Cost Containment Expense

There is a **20%** charge applied to any savings which we obtain resulting from medical bill repricing and bill audit activity. See Additional Information section of this proposal for full details

Deductible Reimbursement and Security Agreement and Calculations

A Deductible Reimbursement and Security Agreement will be executed by PMA and Mayor And City Council Of Cumberland, Maryland that will specify the terms and conditions of the Deductible Program. It will set forth the terms and conditions of the Cash Collateral Fund and other security requirements. The insured must sign and return the Deductible Reimbursement and Security Agreement no later than **forty-five (45)** days following policy inception.

Security

Cash Collateral Fund: PMA shall establish an initial Cash Collateral Fund of **$810,000** payable in ten monthly installments. Paid Losses, ALAE, and Loss Based Assessments (LBA) up to your deductible limit and aggregate will be deducted from this fund monthly to satisfy your obligations. After **twenty four (24)** months, and annually thereafter, the Cash Collateral Fund will be adjusted by PMA based on the following formula:

Cash Collateral Fund

(Incurred Losses + Allocated Loss Adjustment Expense + Loss Based Assessments) x the Loss Development Factor

Loss Development Factors (LDF)

The following schedule of LDFs will be applied to the calculation of the required Cash Collateral Fund. Incurred and paid losses will be limited to the insured's deductible and aggregate limits in the calculation of the Cash Collateral Fund.

Adjustment #	Months After Policy Inception	Loss Development Factor
1	24	1.40
2	36	1.25
3	48	1.15
4	60	1.10

Not less than **twelve (12)** months after the final adjustment, and annually thereafter, a collateral review will be completed by PMA to determine the required Cash Collateral Fund amount and the fund will be adjusted accordingly.

CLAIMS SERVICE FUND

We estimate your Claims Service Fund to be **$27,730**. The Claims Service Fund will be adjusted once at **twenty four)** months after inception of the policy based on the actual number and type of claims reported to PMA. The fees to be used are shown:

Type of Claim	Estimated Number	Fee	Total
Record Only	27	$ 40	$ 1,080
Medical Only	31	$ 150	$ 4,650
Lost-time	20	$ 1,100	$ 22,000
Total			$ 27,730

WORKERS' COMPENSATION – LARGE DEDUCTIBLE PROGRAM WITH LOC

In a Large Deductible Program the insured will assume a portion of its own risk in the form of a per loss event deductible. Insureds are protected from catastrophic losses by a policy aggregate loss limitation. The insurance carrier issues a standard workers' compensation policy and provides full claims, legal, and loss prevention services, while also providing statutory (or policy limits) coverage in excess of the insured's deductible and aggregate under the Large Deductible Program. The carrier is bound by all of the regulatory requirements of the state(s) in which the policy is issued.

Claim payments are made by the insurance carrier and are reimbursed by the insured--this is a statutory requirement in all states. The normal reimbursement schedule is monthly. Future expected claims payments are secured by a Letter of Credit from an approved bank, or another form of financial security acceptable to PMA.

At audit, the deductible credit factor will be adjusted so that the audited deductible premium will equal the product of the applicable deductible premium rate times the audited workers' compensation payrolls. Changes in workers' compensation modification factors, statutory premium rates and/or premium discounts, and application or changes of any other statutory credit (including any construction classification credit) or debit, will, therefore, not alter the amount of the audited deductible premium due us.

Program Factors

- The **deductible limit** is **$350,000** per each occurrence and inclusive of Allocated Loss Adjustment Expense (ALAE). (See Section 6 for additional information.)
- **Estimated payroll** at inception of the policy is **$11,882,669**.
- The **deductible premium**, **$291,006**, is calculated based on a rate to payroll of **2.449** per $100 of payroll. The deductible premium is the minimum and will be adjusted upward if audited payroll exceeds the estimated payroll.
- The **aggregate limit**, **$1,800,000**, is calculated based on a rate to payroll of **15.148** per $100 of payroll. The aggregate limit is the minimum and will be adjusted upward if audited payroll exceeds the estimated payroll.

Medical Cost Containment Expense

There is a **20%** charge applied to any savings which we obtain resulting from medical bill repricing and bill audit activity. See Additional Information section of this proposal for full details

CLAIMS SERVICE FUND

We estimate your Claims Service Fund to be **$27,730**. The Claims Service Fund will be adjusted once at **twenty four)** months after inception of the policy based on the actual number and type of claims reported to PMA. The fees to be used are shown:

Type of Claim	Estimated Number	Fee	Total
Record Only	27	$ 40	$ 1,080
Medical Only	31	$ 150	$ 4,650
Lost-time	20	$ 1,100	$ 22,000
Total			$ 27,730

Escrow

An Escrow Fund of **$50,000** will be required. It is payable no later than the due date for the first installment.

Loss Billings

The insured will be billed monthly for all losses paid during the prior month (multiplied by the Loss Conversion Factor, if applicable). Losses include ALAE. The insured will continue to be billed until all claims are closed.

Security Agreement

A Deductible Reimbursement Agreement will be executed by PMA and Mayor and City Council of Cumberland, Maryland that will specify the provisions of the Deductible Program. It will set forth the terms and conditions of the loss fund and collateral requirements. The insured must sign and return the documents no later than **forty-five (45)** days following policy inception.

Security

A clean irrevocable and continuous **Letter of Credit** in the amount of **$600,000** must be provided by the insured from a bank acceptable to PMA. It must be received no later than **fifteen (15)** days following policy inception. At any time, PMA may review the collateral requirements and require additional collateral. If the insured fails to provide a Letter of Credit, including any subsequent demands for additional amounts, we reserve the right to cancel the policy.

Surcharges and Assessments

Certain states impose surcharges and assessments payable in addition to premium. These surcharges and assessments are based on a number of factors, including written premium, total compensation payments, and/or paid losses. Your quote includes estimated surcharges and assessments for those states where you currently have operations. The estimated amount of surcharges and assessments will be adjusted by PMA based on the results of your audit.

If, during a policy year, you begin operations in a state that has surcharges or assessments, upon completion of the audit, we will bill you for same.

If, during a policy year, a state in which you have operations enacts a new or modified surcharge or assessment, upon completion of the audit, we will bill you for same.

If a state in which you have operations retro-actively enacts a surcharge or assessment effective for the policy period in which we provided insurance, upon completion of the audit, we will bill you for same.

A list of the current expected state surcharges and assessments, which are subject to change retroactively, will be provided to you for review upon request.

Assessments are billed through our monthly billing system (AMPS) for Large Deductible and included in the Tax Multiplier for Retro/Retention.

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Implementation Plan

With a 96% client satisfaction rate and large account retention rates averaging 90% or higher, it is about the people, and PMA is known for the positive and long-term relationships we develop. Our team is accessible, responsive, and dedicated to realizing our insureds' core objectives. We have a performance-oriented culture that highly values our mutual success.

The PMA service team consists of results-oriented professionals that are committed to developing a partnership with Cbiz Insurance Ser. and Mayor And City Council Of Cumberland, Maryland. PMA's service team is ready to execute a collaborative implementation plan to ensure a smooth and efficient transition.

Account Management Team		Telephone	Email
Producer:	Edward R. Seward	301-784-2371	Eseward@CBIZ.COM
Underwriter:	Gary E. Lowe	410-527-3223	gary_lowe@pmagroup.com
Claims Service Manager:	Jamie Windell	410-527-3265	Jamie_Windell@pmagroup.com
Risk Control Specialist:	John Murray	717-226-0385	johnpmurray@comcast.net
Information Specialist:	Kat Snowe	717-730-8095 814-414-4156	Kat_Snowe@pmagroup.com
To Report a Claim:	Fax: 1-888-329-2721 On-line: www.pmagroup.com		
General Inquiries:	1-888-4PMANOW (1-888-476-2669)		

Program bound with PMA

Action (as applicable)	Date
Provide policy numbers and confirmation of coverages Schedule date of orientation meeting Issue automobile identification cards Issue workers' compensation posting notices Establish first notice of loss reporting preference Issue welcome/claims kit Compile account contact information	Within 5 days of effective date
Issue policies	Within 10 days of effective date
Issue physician panels for all locations	Within 15 days of effective date
Service orientation meeting – Claims and Risk Control Develop/review special handling guidelines Confirm account contact information and workflow processes—Claims Acknowledgement letters Establish threshold for automatic reserve change Determine loss run/reporting format Review panels and PMA's medical providers Review pharmacy benefit management program Assign location coding for Claims reporting Begin PMA Cinch® installation process Confirm Risk Control/safety contacts and information Agree on Claims and Risk Control annual service action plan	Within 30 days of receiving binding order or effective date
Complete PMA Cinch® training	Within 30 days of effective date

Reference Materials

We are pleased to provide the following reference materials that speak to the value we achieve for our insureds.

PMA By the Numbers brochure provides an overview of the company
http://www.pmacompanies.com/pdf/PM060A_R05_YIR/index.html

96% client satisfaction rating brochure
http://www.pmacompanies.com/pdf/MarketingMaterial/Spotlight_Client_Survey.pdf

Insured Welcome Kit including claims and managed care information
http://www.pmagroup.com/pdf/COP/PMAWelcomeKit.pdf

In addition to the reference materials listed above, you may be interested in:

Additional Information

As used in this proposal, "ALLOCATED LOSS ADJUSTMENT EXPENSE" (or "ALAE") means, but shall not be limited to, the following costs which can be directly allocated to a particular claim:

1. Fees and other related expenses of attorneys or other authorized representatives where permitted for legal services, whether by outside vendors or our employees.

2. Court, alternative dispute resolution and other specific items of expense whether incurred by an outside vendor or by one of our employees, including but not limited to:

    - Medical examination of a claimant to determine the extent of liability, degree of permanency or length of disability;
    - Expert medical or other testimony;
    - Autopsy;
    - Witnesses and summonses;
    - Copies of documents such as birth and death certificates, and medical treatment records;
    - Stenographic;
    - Laboratory and x-ray;
    - Fees or costs for surveillance or other professional investigations which are conducted as part of the handling of a claim;
    - Fees or costs for loss prevention and engineering personnel and fees or costs for rehabilitation nurses or other nurses, if the cost of such nurses is not included in losses, for services which are conducted as part of the handling of a claim;
    - Appeal bond costs and appeal filing fees.

3. Medical cost containment expenses incurred with respect to a particular claim, whether through utilization of an outside vendor or performed internally by our employees for the purpose of controlling losses, to ensure that only reasonable and necessary costs of services are paid. The expenses include but are not limited to:

    - Bill auditing expenses for any medical or vocational services rendered, including hospital bills, (in-patient or out-patient) nursing home bills, physician bills, chiropractic bills, medical equipment charges, pharmacy charges, physical therapy bills, medical or vocational rehabilitation vendor bills;
    - Hospital and other treatment utilization reviews, including pre-certification/pre-admission, and concurrent or retrospective reviews;
    - Access fees and other expenses incurred with respect to managed care organizations, such as, but not limited to, preferred provider network/organizations, medical provider networks, and health care

organizations;
- Medical fee review panel expenses.

4. Expense(s) not defined as losses which are directly related to and directly allocated to the handling of a particular claim and are required to be performed by statute or regulation.

The following shall not be included as Allocated Loss Adjustment Expense:

- Salaries, overhead and traveling expenses of our employees, except for employees while doing activities previously listed as allocated expenses;
- Fees paid to independent claims professionals or attorneys (hired to perform the function of claim investigation normally performed by claim adjusters) for developing and investigating a claim so that a determination can be made of the cause, extent or responsibility, for the injury, disease, or damage, including evaluation and settlement of covered claims;
- Expenses which are defined as either an indemnity or medical loss.

MEDICAL COST CONTAINMENT EXPENSE COMPONENT OF ALLOCATED LOSS ADJUSTMENT EXPENSE

Your pricing structure consists of the following components:

1. There is a **20%** charge applied to any savings which we obtain resulting from the following medical bill repricing and bill audit activity:

   - Application of preferred provider network/organization discounts to physician bills and hospital bills;
   - Application of physical therapy specialty network, durable medical equipment specialty network and other specialty network discounts;
   - Repricing as a result of negotiation of out-of-network physician bills, pharmacy bills and hospital bills;
   - Repricing of medical bills, pharmacy bills and hospital bills by reviewing the bills and applying state rules/edits and/or proprietary rules/edits;
   - Repricing of medical bills, pharmacy bills and hospital bills by our medical review and complex bill review team;
   - Repricing of pharmacy bills as part of our pharmacy benefit management program;
   - Repricing to any applicable state mandated fee schedule;
   - Elimination of unrelated, unauthorized and/or unapproved treatment.

   The term savings means the difference between the amount billed by the physician, hospital, pharmacy and other medical providers and the amount we ultimately paid. We adhere to state mandated fee schedules and/or usual and customary pricing for certain procedures, may contract with preferred provider networks/organizations which have contractual arrangements with certain providers to perform certain procedures at

pre-determined rates (which may be below fee schedule), and may utilize other fee negotiation resources that we determine are necessary and appropriate to determine the amount that should be paid on any given medical bill.

2. The percentage of savings is charged to the claim file as an Allocated Loss Adjustment Expense unless we are required by applicable state law to charge it to the claim file as a different component of the applicable rating plan.

3. Certain items are charged separately to the claim file as an Allocated Loss Adjustment Expense, including:

    - Utilization review services on a per activity basis;
    - Independent medical examinations;
    - Second opinions by a physician;
    - Chiropractic review;
    - Physician advisor/physician consultant programs; and
    - Nurse case management charges.

Policyholder Notice: Notice of Terrorism Insurance Coverage

Coverage for acts of terrorism is included in your policy. You are hereby notified that under the Terrorism Risk Insurance Act, as amended in 2015, the definition of act of terrorism has changed. As defined in Section 102(1) of the Act: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury—in consultation with the Secretary of Homeland Security, and the Attorney General of the United States—to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion. Under your coverage, any losses resulting from certified acts of terrorism may be partially reimbursed by the United States Government under a formula established by the Terrorism Risk Insurance Act, as amended. However, your policy may contain other exclusions which might affect your coverage, such as an exclusion for nuclear events. Under the formula, the United States Government generally reimburses 85% through 2015; 84 % beginning on January 1, 2016; 83 % beginning on January 1, 2017; 82 % beginning on January 1, 2018; 81 % beginning on January 1, 2019 and 80 % beginning on January 1, 2020 of covered terrorism losses exceeding the statutorily established deductible paid by the insurance company providing the coverage. The Terrorism Risk Insurance Act, as amended, contains a $100 billion cap that limits U.S. Government reimbursement as well as insurers' liability for losses resulting from certified acts of terrorism when the amount of such losses exceeds $100 billion in any one calendar year. If the aggregate insured losses for all insurers exceed $100 billion, your coverage may be reduced.

The portion of your annual premium that is attributable to coverage for acts of terrorism that is: shown in the premium summary does not include any charges for the portion of losses covered by the United States government under the Act.

Other Disclosures

This insurance proposal by PMA is intended for explanatory and reference purposes only in order to identify potential coverages, forms, limits of insurance and premium offered solely to you by PMA. Any potential insurance coverages or limits of insurance requested in an application or coverage specifications that have not been identified in this insurance proposal are not offered to you by PMA. No liability will be imposed upon PMA for its declination to offer such insurance coverages or limits of insurance to you. Neither PMA, nor any of its insurers, agents, employees or successors, shall be liable to you or other third parties for any direct, indirect, incidental, special or consequential damages that arise out of the use of this insurance proposal.

This is an insurance proposal only and cannot bind PMA as to any coverage offered. This proposal does not represent the terms of any contract of insurance that may ultimately be issued. You should not terminate any in-force insurance coverages, or decline insurance

coverages elsewhere, until you have received written confirmation from PMA that insurance coverage has been formally issued by PMA. PMA makes no representations or warranties that the insurance coverage applied for will be issued. Final approval for insurance products is made solely by PMA.

Every effort has been made by PMA to provide correct, current, and accurate information regarding this proposal. However, the information contained in this proposal is subject to change without notice by PMA. The calculation of premiums, and other program features, included in this document have been established based upon the information provided by you and your representatives. Additional locations, changes in exposure, or other variations may make it necessary to re-evaluate the proposal, premium calculations and plan factors.

It is PMA's intention to honor any agreement that may be reached with you. PMA is required to follow all regulatory and filing requirements in effect in the states where you have exposure. PMA shall adhere to all state laws and regulatory requirements and shall not issue any form that contravenes a governing law, rule or regulation.

Nothing in this proposal is intended to be, nor should it be relied upon as, tax or legal advice. You are advised to consult with your tax advisor and/or attorney regarding the consequences to you of the insurance programs outlined in this proposal.

IRS Circular 230 Disclosure. To ensure compliance with any requirements imposed by the IRS, we inform you that federal tax advice (if any) contained in this proposal is not intended or written to be used, and cannot be used, for the purpose of (i) avoiding penalties under the Internal Revenue Code, or (ii) promoting, marketing, or recommending to another party any transaction or matter addressed herein.

If you become a PMA insured, PMA may use your name and logo in PMA's marketing materials and may identify you as an entity to which PMA provides insurance services or products.

This proposal is intended for you only and should not be disseminated, copied, or sent to a third party without the prior express written approval of PMA.

Regular Council Agenda
June 19, 2018

Description

Order authorizing execution of a Contract of Sale with Allen and Donna Little for property at 616-618 Maryland Avenue (Tax Acct. 04-013794) for the purchase price of $15,000 provided settlement contingencies are met and authorizing execution of documents to effect the transfer

Approval, Acceptance / Recommendation

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

- Order -

of the

Mayor and City Council of Cumberland

MARYLAND

ORDER NO. _____ **DATE: _____June 19, 2018_____**

ORDERED, By the Mayor and City Council of Cumberland, Maryland

THAT the Mayor be and is hereby authorized to execute a Contract of Sale by and between the Mayor and City Council of Cumberland ("Buyer") and Allen Little and Donna Little ("Sellers") for the property and improvements thereon located at 616-618 Maryland Avenue, Cumberland, as recorded among the Land Records of Allegany County, Maryland in Records Book 2223, Page 68, Tax Account No. 04-013794, for the purchase price of Fifteen Thousand Dollars and No Cents ($ 15,000.00); and

BE IT FURTHER ORDERED, that the City shall accept the deed effecting the transfer of said property, provided settlement contingencies are met; and

BE IT FURTHER ORDERED, that the City Administrator and City Solicitor are jointly and severally granted the authority to execute and deliver such documents as are necessary to facilitate or effect the closing for the subject property.

_____

Brian K. Grim, Mayor

CONTRACT OF SALE

THIS CONTRACT OF SALE ("Contract") is made by and between **Mayor and City Council of Cumberland** ("Buyer") and **Allen Little and Donna Little** ("Sellers") and is effective as of the date its execution is completed as shown in the signature provisions on the last page of this Contract before the Addenda.

l. **Property Description.** Sellers do agree to sell to Buyer, and Buyer does agree to purchase from Sellers, all of the following tracts or parcels of land, together with the improvements thereon, and the rights, roads, ways, waters, privileges and appurtenances thereto or in anywise appertaining which are owned by Sellers and are hereinafter referred to collectively as the "Property":

616-618 Maryland Avenue, Cumberland, MD 21502, Allegany County Land

Records Book 2223, Page 68, Tax Account No. 04-013794.

2. **Purchase Price.** The purchase price for the Property (the "Purchase Price") is Fifteen Thousand Dollars ($15,000.00). The entire Purchase Price shall be paid to Nicholas Walters in satisfaction of the debt in the amount of $26,500.00 secured by the Purchase Money Deed of Trust from Sellers to Sanford Walters, Trustee, for the benefit of Nicholas Walters, dated January 15, 2016 and recorded among the Land Records of Allegany County, Maryland in Book 2223, Page 72. Closing shall be contingent upon Mr. Walters execution of a Certificate of Satisfaction noting the satisfaction of the debt and the release of the Purchase Money Deed of Trust.

3. **Payment Terms.** The Purchase Price shall be paid at settlement.

4. **Estate.** The Property is being conveyed in fee simple.

5. **Contingencies.** This Contract and the consummation of the transaction contemplated by its terms are contingent upon the following:

A. Sellers shall deliver the Property to Buyer free of tenants or inhabitants of any kind, with all of any such individuals' personal property and belongings having been removed. Sellers shall be responsible for legally evicting any tenants who may have been leasing the Property.

B. Sellers shall be responsible for the termination of all utility services to the Property.

C. Settlement shall be contingent upon Buyer's performance of a walk-through inspection of the Property within 48 hours prior to settlement in order to confirm that the Property will be delivered to Buyer in accordance with the terms of Sections 5 and 8 of this Contract. Buyer shall have the right to waive this contingency and proceed to settlement without conducting the said inspection.

Notwithstanding the foregoing, Buyer shall have the right to insist that Sellers perform as required in subparagraphs A and B above. In that regard, Buyer shall have the right to bring an action to specifically enforce those provisions in the event they are not met within the time frame set for settlement as provided for hereinafter.

6. Representations & Warranties. The Property is being sold in as-is condition, without any express or implied warranties or representations made as to its condition or otherwise, and subject to all defects, if any, known or unknown.

7. Risk of Loss. The Property is to be held at the risk of Sellers until legal title has passed or possession has been given to Buyer.

8. Possession. Sellers agree to give Buyer possession and occupancy of the Property at the time of settlement. Sellers will deliver the Property in substantially the same physical condition as of the date of his/her/their/its execution of this Contract but free of Sellers' personal property and all junk, trash and debris. Any personal property, junk, trash or debris shall be deemed to be abandoned and Buyer may dispose of it in any manner it sees fit, including, but not limited to, selling it or disposing of it as rubbish. Notwithstanding the foregoing, Sellers shall have the right to remove fixtures, furnishings and equipment from the Property prior to closing, provided access to the Property is kept secured from the public at large.

9. Adjustments. All general or special taxes, rents, ground rents, public, private or community water and/or sewer charges, including any deferred sewer and water tap fees, homeowners association charges and all other public, private or governmental charges or assessments, excluding liens which must be paid prior to deed recordation, which may exist, whether such have been levied or not, are to be adjusted and apportioned as of the date of settlement, and will be assumed and paid thereafter by Buyer. Notwithstanding the foregoing, any real estate taxes due to the City of Cumberland shall be waived and any due to Allegany County, Maryland shall either be paid by Buyer or Buyer shall procure a waiver thereof.

10. Deed and Title. Upon payment of the Purchase Price, a deed conveying the Property from Sellers to Buyer containing covenants of special warranty and further assurances shall be prepared by Buyer at its expense and executed by Sellers. Title to the Property shall be good and merchantable, free of liens and encumbrances, except as specified herein and except use and occupancy restrictions of public record which are generally applicable to properties in the immediate neighborhood or the subdivision in which the Property is located and publicly recorded easements for public utilities and any other easements which may be observed by an inspection of the Property.

11. Agency/Real Estate Commission. Sellers and Buyer warrant and represent that no real estate broker participated in the procurement or negotiation of this Contract. Each party agrees to defend, indemnify, and hold the other harmless for any claim for real estate commissions arising by reason of the indemnifying party's breach of this warranty. The provisions of this paragraph shall survive settlement and the delivery, acceptance and recordation of the deed for the Property or the termination of this Contract.

12. Settlement. Settlement shall occur no later than sixty (60) days from the effective date of this Contract. It shall occur at the Law Office of Michael Scott Cohen, LLC, 213 Washington Street, Cumberland, MD 21502.

13. Notice Of Disclosure Or Disclaimer Statements. Buyer is advised that under Maryland law (Real Property Article, Section #10-702), a purchaser is entitled to receive from a seller a written Residential Property Condition Disclosure Statement on a form provided by the Maryland Real Estate Commission or a Written Residential Property Disclaimer Statement on a form provided by the Maryland Real Estate Commission. A seller must deliver the completed Disclosure or Disclaimer Statement to a purchaser on or before the buyer enters into a contract of sale (with the exception of a Land Installment Contract, an Option to Purchase Agreement and a Lease Agreement containing an option to purchase provision in which case the disclosure or disclaimer statement must be delivered to the purchaser before the execution of the contract).

If the Disclosure or Disclaimer Statement is delivered by the seller later than 3 days after the seller enters into a contract of sale with a purchaser, the contract is void. A purchaser who does not receive the Disclosure or Disclaimer Statement on or before the execution of a contract by a purchaser has the unconditional right, upon written notice to the seller or the seller's agent, to rescind the contract of sale at any time before the receipt of the Disclosure or Disclaimer Statement or within five (5) days following receipt of the Disclosure or Disclaimer Statement and to the immediate return of any deposit. However, purchaser's right to rescind the contract terminates if not exercised before making a written application to a lender for a mortgage loan, if the lender discloses in writing at or before the time application is made that the right to rescind terminates upon submission of the application.

The following has also been made a part of this Contract:

( ) Property Disclosure Statement

(X) Property Disclaimer Statement

14. Documentary Stamps, Recordation, Transfer Taxes. All transfer and recordation taxes and fees payable in connection with the sale of the Property shall be paid by Buyer.

15. Lead Based Paint Hazards. Title X, Section 1018, the Residential Lead-Based Paint Hazard Reduction Act of 1992 (the "Act"), requires the disclosure of certain information regarding lead-based paint and lead-based paint hazards in connection with the sale of residential real property. Unless otherwise exempt, the Act applies only to housing constructed prior to 1978. A seller of pre-1978 housing is required to disclose to the buyer, based upon the seller's actual knowledge, all known lead-based paint hazards in the property and provide the buyer with any available reports in the seller's possession relating to lead-based paint or lead-based paint hazards applicable to the property. The seller, however, is not required to conduct or pay for any lead-based paint risk assessment or inspection. At the time that the offer to purchase is entered into by the buyer, the seller is required to provide the buyer with the EPA pamphlet entitled "Protect Your

Family From Lead In Your Home" and a "Disclosure of Information on Lead-Based Paint and Lead Based Paint Hazards" form.

The seller is required under the Act to provide the buyer with a ten (10) day time period (or other mutually agreeable time period) for the buyer, at the buyer's expense, to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards unless the buyer waives such assessment or inspection by indicating such waiver on the Lead-Based Paint Disclosure form. The seller and any agent involved in the transaction are required to retain a copy of the completed Lead-Based Paint Disclosure form for a period of three (3) years following the date of settlement.

A SELLER WHO FAILS TO GIVE THE REQUIRED LEAD-BASED PAINT DISCLOSURE FORM AND EPA PAMPHLET MAY BE LIABLE UNDER THE ACT FOR THREE TIMES THE AMOUNT OF DAMAGES AND MAY BE SUBJECT TO BOTH CIVIL AND CRIMINAL PENALTIES.

Sellers represent and warrant to Buyer intending that Buyer rely upon such warranty and representation, that the property: was constructed prior to 1978. Sellers and Buyer agree, represent and warrant, each unto the other, that no binding and enforceable contract shall be deemed to exist or to have been formed unless the requirements of the Act have been complied with prior to the execution of this Contract by Sellers and Buyer. Seller sand Buyer represent and warrant that each intended, as a material term of the offer and acceptance, that the requirements of the Act be complied with as an express condition of the formation of a binding and enforceable contract by and between the parties. Buyer and Sellers acknowledge by their respective initials below that they have read and understand the provisions of this section.

_____ Buyer's Initials _____ _____Sellers' Initials

16. **Assignability.** This Contract may not be assigned without the written consent of Sellers, said consent not to be unreasonably withheld.

17. **Captions.** The marginal captions of this Contract are for convenience and in no way define or limit the intents, rights or obligations of the parties hereunder.

18. **Entire Agreement.** This Contract and any addenda thereto contain the final and entire agreement between the parties, and neither they nor their agents shall be bound by any terms, conditions, statements, warranties or representations, oral or written, not herein contained.

19. **Maryland Law Applies.** This Contract shall be governed and construed according to the laws of the State of Maryland without regard to principles of conflict of laws. It shall be enforceable by means of an action commenced in the Circuit Court for Allegany County, Maryland or the District Court of Maryland for Allegany County, and both parties waive the right to claim that such a proceeding is commence in an inconvenient forum or one that lacks proper venue.

20. **Breach of Contract and Default.** Buyer and Sellers are required and agree to make full settlement in accordance with the terms of this Contract and acknowledge that failure to

do so constitutes a breach hereof. In the event of a breach, each of the parties hereto is entitled to pursue such rights and remedies as may be available, in law or in equity, including, without limitation, an action for specific performance of this Contract and/or monetary damages. If either party defaults, the party committing the default, whether Buyer or Sellers, shall reimburse the non-defaulting party for the reasonable attorneys' fees that party incurred as a result of the default.

21. **Binding Effect.** This Contract shall be binding upon the parties hereto and each of their respective heirs, personal representatives, administrators, executors, successors, assigns, and guardians

22. **Gender/Tense/Conjugation.** The use of any gender, tense, or conjugation herein shall be applicable to all genders, tenses and conjugations. The use of the singular shall include the plural and the plural shall include the singular.

23. **Jury Trial Waiver. THE PARTIES HERETO WAIVE TRIAL BY JURY IN ANY ACTION OR PROCEEDING TO WHICH ANY OF THEM MAY BE PARTIES ARISING OUT OF OR IN ANY WAY PERTAINING TO THIS CONTRACT. IT IS AGREED AND UNDERSTOOD THAT THIS WAIVER CONSTITUTES A WAIVER OF TRIAL BY JURY OF ALL CLAIMS AGAINST ALL PARTIES TO SUCH ACTIONS OR PROCEEDINGS, INCLUDING CLAIMS AGAINST PARTIES WHO ARE NOT PARTIES TO THIS CONTRACT.**

24. **Counterparts.** This Contract may be executed in one or more counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument.

25. **Signing by Facsimile or Other Electronic Means**. Each of the parties hereto expressly authorizes and agrees to sign facsimile and/or other electronically transmitted copies of this Agreement. Facsimile and/or other electronically transmitted copies shall have the same binding effect as would a signed original counterpart of the Agreement once delivered to the other party.

26. **Addenda**. The Contract is subject to the following attached Addenda which are made a part hereof: (1) Maryland Residential Disclaimer Statement; and (2) Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazard.

IN WITNESS WHEREOF, the parties hereto have affixed their signatures hereto as of the date written beneath those signatures.

WITNESS:

MAYOR AND CITY COUNCIL OF CUMBERLAND

_____

By:_____
Brian K. Grim

_____
Date

_____

_____
Allen Little

_____
Date

_____

_____
Donna Little

_____
Date

MARYLAND RESIDENTIAL PROPERTY DISCLOSURE AND DISCLAIMER STATEMENT

Property Address: 616-618 Maryland Ave., Cumberland, MD 21502

Legal Description: Allegany County Land Records Book 2223, Page 68

NOTICE TO SELLER AND PURCHASER

Section 10-702 of the Real Property Article, *Annotated Code of Maryland*, requires the owner of certain residential real property to furnish to the purchaser either (a) a RESIDENTIAL PROPERTY DISCLAIMER STATEMENT stating that the owner is selling the property "as is" and makes no representations or warranties as to the condition of the property or any improvements on the real property, except as otherwise provided in the contract of sale, or in a listing of latent defects; or (b) a RESIDENTIAL PROPERTY DISCLOSURE STATEMENT disclosing defects or other information about the condition of the real property actually known by the owner. Certain transfers of residential property are excluded from this requirement (see the exemptions listed below).

10-702. EXEMPTIONS. The following are specifically excluded from the provisions of §10-702:

1. The initial sale of single family residential real property:
   A. that has never been occupied; or
   B. for which a certificate of occupancy has been issued within 1 year before the seller and buyer enter into a contract of sale;
2. A transfer that is exempt from the transfer tax under §13-207 of the Tax-Property Article, except land installment contracts of sales under §13-207(a) (11) of the Tax-Property Article and options to purchase real property under §13-207(a)(12) of the Tax-Property Article;
3. A sale by a lender or an affiliate or subsidiary of a lender that acquired the real property by foreclosure or deed in lieu of foreclosure;
4. A sheriff's sale, tax sale, or sale by foreclosure, partition, or by court appointed trustee;
5. A transfer by a fiduciary in the course of the administration of a decedent's estate, guardianship, conservatorship, or trust;
6. A transfer of single family residential real property to be converted by the buyer into use other than residential use or to be demolished; or
7. A sale of unimproved real property.

Section 10-702 also requires the owner to disclose information about latent defects in the property that the owner has actual knowledge of. The owner must provide this information even if selling the property "as is." "Latent defects" are defined as: Material defects in real property or an improvement to real property that:

(1) A purchaser would not reasonably be expected to ascertain or observe by a careful visual inspection of the real property; and
(2) Would pose a direct threat to the health or safety of:
   (i) the purchaser; or
   (ii) an occupant of the real property, including a tenant or invitee of the purchaser.

MARYLAND RESIDENTIAL PROPERTY DISCLAIMER STATEMENT

NOTICE TO OWNER(S): Sign this statement only if you elect to sell the property without representations and warranties as to its condition, except as otherwise provided in the contract of sale and in the listing of latent defects set forth below; otherwise, complete and sign the RESIDENTIAL PROPERTY DISCLOSURE STATEMENT.

Except for the latent defects listed below, the undersigned owner(s) of the real property make no representations or warranties as to the condition of the real property or any improvements thereon, and the purchaser will be receiving the real property "as is" with all defects, including latent defects, which may exist, except as otherwise provided in

the real estate contract of sale. The owner(s) acknowledge having carefully examined this statement and further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

The owner(s) has actual knowledge of the following latent defects: _____
_____
_____

Owner _____ Date_____
Allen Little
Owner_____ Date_____
Donna Little

The purchaser(s) acknowledge receipt of a copy of this disclaimer statement and further acknowledge that they have been informed of their rights and obligations under §10-702 of the Maryland Real Property Article.

Purchaser _____ Date_____
Mayor and City Council of Cumberland, by Brian K. Grim,
Mayor

Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

Lead Warning Statement

Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.

Seller's Disclosure (initial)

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i)___ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

_____

_____

(ii)___ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and report available to the seller (check (i) or (ii) below):

(i)___ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

_____

_____

(ii)____Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

Buyer's Acknowledgment (initial)

(c)___ Buyer has received copies of all information listed above.

(d)___ Buyer has received the pamphlet *Protect Your Family from Lead in Your Home.*
(e)___ Buyer has (check (i) or (ii) below):

(i)___ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii)___ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

Agent's Acknowledgment (initial)

(f)N.A. Agent has informed the seller of the seller's obligations under 42 U.S.C. 485 2d and is aware of his/her responsibility to ensure compliance.

Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

Buyer:_____ Date: _____
Mayor and City Council of Cumberland,
by Brian K. Grim, Mayor

Seller:_____ Date: _____
Allen Little

Seller:_____ Date: _____
Donna Little

IMPORTANT!

Lead From Paint, Dust, and Soil in and Around Your Home Can Be Dangerous if Not Managed Properly

- Children under 6 years old are most at risk for lead poisoning in your home.
- Lead exposure can harm young children and babies even before they are born.
- Homes, schools, and child care facilities built before 1978 are likely to contain lead-based paint.
- Even children who seem healthy may have dangerous levels of lead in their bodies.
- Disturbing surfaces with lead-based paint or removing lead-based paint improperly can increase the danger to your family.
- People can get lead into their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.
- People have many options for reducing lead hazards. Generally, lead-based paint that is in good condition is not a hazard (see page 10).

Protect Your Family From Lead in Your Home

EPA United States Environmental Protection Agency

United States Consumer Product Safety Commission

United States Department of Housing and Urban Development

September 2013

Are You Planning to Buy or Rent a Home Built Before 1978?

Did you know that many homes built before 1978 have **lead-based paint**? Lead from paint, chips, and dust can pose serious health hazards.

Read this entire brochure to learn:

- How lead gets into the body
- About health effects of lead
- What you can do to protect your family
- Where to go for more information

Before renting or buying a pre-1978 home or apartment, federal law requires:

- Sellers must disclose known information on lead-based paint or lead-based paint hazards before selling a house.
- Real estate sales contracts must include a specific warning statement about lead-based paint. Buyers have up to 10 days to check for lead.
- Landlords must disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a specific warning statement about lead-based paint.

If undertaking renovations, repairs, or painting (RRP) projects in your pre-1978 home or apartment:

- Read EPA's pamphlet, *The Lead-Safe Certified Guide to Renovate Right,* to learn about the lead-safe work practices that contractors are required to follow when working in your home (see page 12).

Consumer Product Safety Commission (CPSC)

The CPSC protects the public against unreasonable risk of injury from consumer products through education, safety standards activities, and enforcement. Contact CPSC for further information regarding consumer product safety and regulations.

CPSC
4330 East West Highway
Bethesda, MD 20814-4421
1-800-638-2772
cpsc.gov or saferproducts.gov

U. S. Department of Housing and Urban Development (HUD)

HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. Contact HUD's Office of Healthy Homes and Lead Hazard Control for further information regarding the Lead Safe Housing Rule, which protects families in pre-1978 assisted housing, and for the lead hazard control and research grant programs.

HUD
451 Seventh Street, SW, Room 8236
Washington, DC 20410-3000
(202) 402-7698
hud.gov/offices/lead/

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U. S. EPA Washington DC 20460
U. S. CPSC Bethesda MD 20814
U. S. HUD Washington DC 20410

EPA-747-K-12-001
September 2013

Simple Steps to Protect Your Family from Lead Hazards

If you think your home has lead-based paint:

- Don't try to remove lead-based paint yourself.
- Always keep painted surfaces in good condition to minimize deterioration.
- Get your home checked for lead hazards. Find a certified inspector or risk assessor at epa.gov/lead.
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Regularly clean floors, window sills, and other surfaces.
- Take precautions to avoid exposure to lead dust when remodeling.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe certified renovation firms.
- Before buying, renting, or renovating your home, have it checked for lead-based paint.
- Consult your health care provider about testing your children for lead. Your pediatrician can check for lead with a simple blood test.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children avoid fatty (or high fat) foods and eat nutritious meals high in iron and calcium.
- Remove shoes or wipe soil off shoes before entering your house.

Lead Gets into the Body in Many Ways

Adults and children can get lead into their bodies if they:

- Breathe in lead dust (especially during activities such as renovations, repairs, or painting that disturb painted surfaces).
- Swallow lead dust that has settled on food, food preparation surfaces, and other places.
- Eat paint chips or soil that contains lead.

Lead is especially dangerous to children under the age of 6.

- At this age, children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.

Women of childbearing age should know that lead is dangerous to a developing fetus.

- Women with a high lead level in their system before or during pregnancy risk exposing the fetus to lead through the placenta during fetal development.

U. S. Environmental Protection Agency (EPA) Regional Offices

The mission of EPA is to protect human health and the environment. Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

Region 1 (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact
U.S. EPA Region 1
5 Post Office Square, Suite 100, OES 05-4
Boston, MA 02109-3912
(888) 372-7341

Region 2 (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact
U.S. EPA Region 2
2890 Woodbridge Avenue
Building 205, Mail Stop 225
Edison, NJ 08837-3679
(732) 321-6671

Region 3 (Delaware, Maryland, Pennsylvania, Virginia, DC, West Virginia)

Regional Lead Contact
U.S. EPA Region 3
1650 Arch Street
Philadelphia, PA 19103
(215) 814-2088

Region 4 (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact
U.S. EPA Region 4
AFC Tower, 12th Floor, Air, Pesticides & Toxics
61 Forsyth Street, SW
Atlanta, GA 30303
(404) 562-8998

Region 5 (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact
U.S. EPA Region 5 (DT-8J)
77 West Jackson Boulevard
Chicago, IL 60604-3666
(312) 886-7836

Region 6 (Arkansas, Louisiana, New Mexico, Oklahoma, Texas, and 66 Tribes)

Regional Lead Contact
U.S. EPA Region 6
1445 Ross Avenue, 12th Floor
Dallas, TX 75202-2733
(214) 665-2704

Region 7 (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact
U.S. EPA Region 7
11201 Renner Blvd.
WWPD/TOPE
Lenexa, KS 66219
(800) 223-0425

Region 8 (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact
U.S. EPA Region 8
1595 Wynkoop St.
Denver, CO 80202
(303) 312-6966

Region 9 (Arizona, California, Hawaii, Nevada)

Regional Lead Contact
U.S. EPA Region 9 (CMD-4-2)
75 Hawthorne Street
San Francisco, CA 94105
(415) 947-4280

Region 10 (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact
U.S. EPA Region 10
Solid Waste & Toxics Unit (WCM-128)
1200 Sixth Avenue, Suite 900
Seattle, WA 98101
(206) 553-1200

For More Information

The National Lead Information Center
Learn how to protect children from lead poisoning and get other information about lead hazards on the Web at epa.gov/lead and hud.gov/lead, or call **1-800-424-LEAD (5323).**

EPA's Safe Drinking Water Hotline
For information about lead in drinking water, call **1-800-426-4791**, or visit epa.gov/lead for information about lead in drinking water.

Consumer Product Safety Commission (CPSC) Hotline
For information on lead in toys and other consumer products, or to report an unsafe consumer product or a product-related injury, call **1-800-638-2772,** or visit CPSC's website at cpsc.gov or saferproducts.gov.

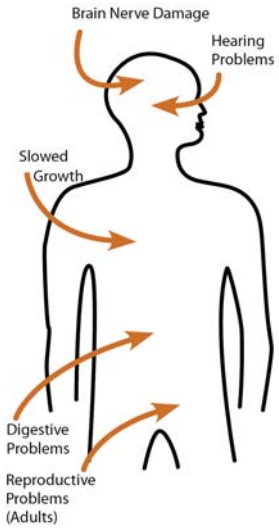
State and Local Health and Environmental Agencies
Some states, tribes, and cities have their own rules related to lead-based paint. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your state or local contacts on the Web at epa.gov/lead, or contact the National Lead Information Center at **1-800-424-LEAD.**

Hearing- or speech-challenged individuals may access any of the phone numbers in this brochure through TTY by calling the toll-free Federal Relay Service at **1-800-877-8339**.

Health Effects of Lead

Lead affects the body in many ways. It is important to know that even exposure to low levels of lead can severely harm children.

In children, exposure to lead can cause:



- Nervous system and kidney damage
- Learning disabilities, attention deficit disorder, and decreased intelligence
- Speech, language, and behavior problems
- Poor muscle coordination
- Decreased muscle and bone growth
- Hearing damage

While low-lead exposure is most common, exposure to high amounts of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults, too.

In adults, exposure to lead can cause:

- Harm to a developing fetus
- Increased chance of high blood pressure during pregnancy
- Fertility problems (in men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain

Check Your Family for Lead

Get your children and home tested if you think your home has lead.

Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect lead. Blood lead tests are usually recommended for:

- Children at ages 1 and 2
- Children or other family members who have been exposed to high levels of lead
- Children who should be tested under your state or local health screening plan

Your doctor can explain what the test results mean and if more testing will be needed.

Other Sources of Lead

While paint, dust, and soil are the most common sources of lead, other lead sources also exist:

- **Drinking water.** Your home might have plumbing with lead or lead solder. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might contain lead:
  - Use only cold water for drinking and cooking.
  - Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.

  Call your local health department or water supplier to find out about testing your water, or visit epa.gov/lead for EPA's lead in drinking water information.
- **Lead smelters** or other industries that release lead into the air.
- **Your job.** If you work with lead, you could bring it home on your body or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture. Call your local health department for information about hobbies that may use lead.
- Old **toys** and **furniture** may have been painted with lead-containing paint. Older toys and other children's products may have parts that contain lead.[4]
- Food and liquids cooked or stored in **lead crystal** or **lead-glazed pottery or porcelain** may contain lead.
- Folk remedies, such as **"greta"** and **"azarcon,"** used to treat an upset stomach.

[4] In 1978, the federal government banned toys, other children's products, and furniture with lead-containing paint (16 CFR 1303). In 2008, the federal government banned lead in most children's products. The federal government currently bans lead in excess of 100 ppm by weight in most children's products (76 FR 44463).

Renovating, Remodeling, or Repairing (RRP) a Home with Lead-Based Paint

If you hire a contractor to conduct renovation, repair, or painting (RRP) projects in your pre-1978 home or childcare facility (such as pre-school and kindergarten), your contractor must:

- Be a Lead-Safe Certified firm approved by EPA or an EPA-authorized state program
- Use qualified trained individuals (Lead-Safe Certified renovators) who follow specific lead-safe work practices to prevent lead contamination
- Provide a copy of EPA's lead hazard information document, *The Lead-Safe Certified Guide to Renovate Right*

RRP contractors working in pre-1978 homes and childcare facilities must follow lead-safe work practices that:

- **Contain the work area.** The area must be contained so that dust and debris do not escape from the work area. Warning signs must be put up, and plastic or other impermeable material and tape must be used.
- **Avoid renovation methods that generate large amounts of lead-contaminated dust.** Some methods generate so much lead-contaminated dust that their use is prohibited. They are:
  - Open-flame burning or torching
  - Sanding, grinding, planing, needle gunning, or blasting with power tools and equipment not equipped with a shroud and HEPA vacuum attachment and
  - Using a heat gun at temperatures greater than 1100°F
- **Clean up thoroughly.** The work area should be cleaned up daily. When all the work is done, the area must be cleaned up using special cleaning methods.
- **Dispose of waste properly.** Collect and seal waste in a heavy duty bag or sheeting. When transported, ensure that waste is contained to prevent release of dust and debris.

To learn more about EPA's requirements for RRP projects visit epa.gov/getleadsafe, or read *The Lead-Safe Certified Guide to Renovate Right*.

Where Lead-Based Paint Is Found

In general, the older your home or childcare facility, the more likely it has lead-based paint.[1]

Many homes, including private, federally-assisted, federally-owned housing, and childcare facilities built before 1978 have lead-based paint. In 1978, the federal government banned consumer uses of lead-containing paint.[2]

Learn how to determine if paint is lead-based paint on page 7.

Lead can be found:

- In homes and childcare facilities in the city, country, or suburbs,
- In private and public single-family homes and apartments,
- On surfaces inside and outside of the house, and
- In soil around a home. (Soil can pick up lead from exterior paint or other sources, such as past use of leaded gas in cars.)

Learn more about where lead is found at epa.gov/lead.

[1] "Lead-based paint" is currently defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter (mg/cm), or more than 0.5% by weight.

[2] "Lead-containing paint" is currently defined by the federal government as lead in new dried paint in excess of 90 parts per million (ppm) by weight.

Identifying Lead-Based Paint and Lead-Based Paint Hazards

Deteriorating lead-based paint (peeling, chipping, chalking, cracking, or damaged paint) is a hazard and needs immediate attention. **Lead-based paint** may also be a hazard when found on surfaces that children can chew or that get a lot of wear and tear, such as:

- On windows and window sills
- Doors and door frames
- Stairs, railings, banisters, and porches

Lead-based paint is usually not a hazard if it is in good condition and if it is not on an impact or friction surface like a window.

Lead dust can form when lead-based paint is scraped, sanded, or heated. Lead dust also forms when painted surfaces containing lead bump or rub together. Lead paint chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when the home is vacuumed or swept, or when people walk through it. EPA currently defines the following levels of lead in dust as hazardous:

- 40 micrograms per square foot (µg/ft^2) and higher for floors, including carpeted floors
- 250 µg/ft^2 and higher for interior window sills

Lead in soil can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. EPA currently defines the following levels of lead in soil as hazardous:

- 400 parts per million (ppm) and higher in play areas of bare soil
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard

Remember, lead from paint chips—which you can see—and lead dust—which you may not be able to see—both can be hazards.

The only way to find out if paint, dust, or soil lead hazards exist is to test for them. The next page describes how to do this.

Reducing Lead Hazards, continued

If your home has had lead abatement work done or if the housing is receiving federal assistance, once the work is completed, dust cleanup activities must be conducted until clearance testing indicates that lead dust levels are below the following levels:

- 40 micrograms per square foot (µg/ft^2) for floors, including carpeted floors
- 250 µg/ft^2 for interior windows sills
- 400 µg/ft^2 for window troughs

For help in locating certified lead abatement professionals in your area, call your state or local agency (see pages 14 and 15), or visit epa.gov/lead, or call 1-800-424-LEAD.

Reducing Lead Hazards

Disturbing lead-based paint or removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.

- In addition to day-to-day cleaning and good nutrition, you can **temporarily** reduce lead-based paint hazards by taking actions, such as repairing damaged painted surfaces and planting grass to cover lead-contaminated soil. These actions are not permanent solutions and will need ongoing attention.
- You can minimize exposure to lead when renovating, repairing, or painting by hiring an EPA- or state-certified renovator who is trained in the use of lead-safe work practices. If you are a do-it-yourselfer, learn how to use lead–safe work practices in your home.
- To remove lead hazards permanently, you should hire a certified lead abatement contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent control.

Always use a certified contractor who is trained to address lead hazards safely.

- Hire a Lead-Safe Certified firm (see page 12) to perform renovation, repair, or painting (RRP) projects that disturb painted surfaces.
- To correct lead hazards permanently, hire a certified lead abatement professional. This will ensure your contractor knows how to work safely and has the proper equipment to clean up thoroughly.

Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

Checking Your Home for Lead

You can get your home tested for lead in several different ways:

- A lead-based paint **inspection** tells you if your home has lead-based paint and where it is located. It won't tell you whether your home currently has lead hazards. A trained and certified testing professional, called a lead-based paint inspector, will conduct a paint inspection using methods, such as:
  - Portable x-ray fluorescence (XRF) machine
  - Lab tests of paint samples

- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards. A trained and certified testing professional, called a risk assessor, will:
  - Sample paint that is deteriorated on doors, windows, floors, stairs, and walls
  - Sample dust near painted surfaces and sample bare soil in the yard
  - Get lab tests of paint, dust, and soil samples
- A combination inspection and risk assessment tells you if your home has any lead-based paint and if your home has any lead hazards, and where both are located.

Be sure to read the report provided to you after your inspection or risk assessment is completed, and ask questions about anything you do not understand.

Checking Your Home for Lead, continued

In preparing for renovation, repair, or painting work in a pre-1978 home, Lead-Safe Certified renovators (see page 12) may:

- Take paint chip samples to determine if lead-based paint is present in the area planned for renovation and send them to an EPA-recognized lead lab for analysis. In housing receiving federal assistance, the person collecting these samples must be a certified lead-based paint inspector or risk assessor
- Use EPA-recognized tests kits to determine if lead-based paint is absent (but not in housing receiving federal assistance)
- Presume that lead-based paint is present and use lead-safe work practices

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency for more information, visit epa.gov/lead, or call **1-800-424-LEAD (5323)** for a list of contacts in your area.[3]

[3] Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8399.

What You Can Do Now to Protect Your Family

If you suspect that your house has lead-based paint hazards, you can take some immediate steps to reduce your family's risk:

- If you rent, notify your landlord of peeling or chipping paint.
- Keep painted surfaces clean and free of dust. Clean floors, window frames, window sills, and other surfaces weekly. Use a mop or sponge with warm water and a general all-purpose cleaner. (Remember: never mix ammonia and bleach products together because they can form a dangerous gas.)
- Carefully clean up paint chips immediately without creating dust.
- Thoroughly rinse sponges and mop heads often during cleaning of dirty or dusty areas, and again afterward.
- Wash your hands and your children's hands often, especially before they eat and before nap time and bed time.
- Keep play areas clean. Wash bottles, pacifiers, toys, and stuffed animals regularly.
- Keep children from chewing window sills or other painted surfaces, or eating soil.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe Certified renovation firms (see page 12).
- Clean or remove shoes before entering your home to avoid tracking in lead from soil.
- Make sure children avoid fatty (or high fat) foods and eat nutritious meals high in iron and calcium. Children with good diets absorb less lead.

Regular Council Agenda
June 19, 2018

Description

Order declaring one (1) Horizontal Compressor / Purifier (HCP) System to be surplus equipment and authorizing it to be donated to the Oldtown Volunteer Fire Department

Approval, Acceptance / Recommendation

The Fire Department recently purchased a new air fill station and the previous air compressor and purifying system, originally purchased in 1992, and is now unused and fully depreciated. The Oldtown Volunteer Fire Department would like to make use of the portable fill station, which is an enclosed device used to place air bottles in when filling to protect against a possible blow-out during filling. Chief Dunn has recommended that the equipment be donated to the volunteer fire department.

☐ Budgeted

☐ 1st Reading
☐ 2nd Reading
☐ 3rd Reading

Value of Award (if applicable)

Source of Funding (if applicable)

- ORDER -

of the

Mayor and City Council of Cumberland

MARYLAND

ORDER NO. _____ **DATE: _____June 19, 2018_____**

ORDERED, By the Mayor and City Council of Cumberland, Maryland:

WHEREAS, the Mayor and City Council of Cumberland is the record owner of certain fire department equipment that has been determined to be of no further value to the City; and

WHEREAS, the Mayor and City Council desire to dispose of said equipment;

IT IS THEREFORE ORDERED BY THE MAYOR AND CITY COUNCIL OF CUMBERLAND, THAT the following equipment is hereby declared to be surplus property and authorized for donation to the Oldtown Volunteer Fire Department:

(1) Horizontal Compressor / Purifier (HCP) System

- Originally purchased per M&CC Order 21,909 / October 13, 1992

_____

Mayor Brian K. Grim