

**CITY OF ANNAPOLIS
SPECIAL MEETING OF THE CITY COUNCIL
March 18, 2013 7:00 p.m.**

Call to Order
Invocation
Pledge of Allegiance
Roll Call

Mayor Cohen
Alderman Paone
Mayor Cohen
City Clerk Watkins-Eldridge

PETITIONS, REPORTS AND COMMUNICATIONS

Reports by Committees

Comments by the General Public

A person appearing before the City Council with a petition, report or communication shall be limited to a presentation of not more than three minutes.

PUBLIC HEARING

- O-2-13 Lease of City Dock Space to Chesapeake Marine Tours** – For the purpose of authorizing for fiscal year 2019 the lease of certain municipal property located at the City Dock to Chesapeake Marine Tours, Inc. for the docking and mooring of certain boats.

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
2/25/13	3/18/13	3/7/13	5/24/13
Referred to	Referral Date	Meeting Date	Action Taken
Economic Matters	2/25/13		
Environmental Matters	2/25/13		

- R-4-13 Peggy Kimbo Way** – For the purpose of declaring that Maryland Avenue shall bear the honorary designation of “Peggy Kimbo Way” to celebrate the contributions of Ethelda “Peggy” Kimbo to the City of Annapolis.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council’s adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
1/24/13	3/18/13	1/30/13	4/26/13
Referred to	Referral Date	Meeting Date	Action Taken
Public Safety	1/24/13	2/20/13	Favorable

LEGISLATIVE ACTIONS

ORDINANCES and RESOLUTION – 2ND READER

- O-43-12 Lease of Public Parking to FRESHFARM Markets, Inc.** - For the purpose of authorizing a lease of municipal property located at 110 Compromise Street from May 2013 through November 2013 to FRESHFARM Markets, Inc.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
12/17/12	1/28/13	1/4/13	03/17/13
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	12/17/12	2/4/13	Favorable w/ amd.
Economic Matters	12/17/12	2/20/13	Favorable w/ amd.

O-1-13 Technical Corrections to the Annapolis City Code - Exempt Service – For the purpose of making certain technical corrections to the Annapolis City Code in regards to the exempt service.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
1/14/13	2/11/13	1/29/13	4/14/13
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	1/14/13	2/19/13	Favorable
Finance	1/14/13	3/14/13	

R-4-13 Peggy Kimbo Way – For the purpose of declaring that Maryland Avenue shall bear the honorary designation of “Peggy Kimbo Way” to celebrate the contributions of Ethelda “Peggy” Kimbo to the City of Annapolis.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
1/24/13	N/A	1/30/13	4/26/13
Referred to	Referral Date	Meeting Date	Action Taken
Public Safety	1/24/13	2/20/13	Favorable

ORDINANCES and RESOLUTIONS – 1st READER

O-10-13 Compensation of Mayor, Aldermen/Alderwomen, and City Manager – For the purpose of specifying compensation and allowances to be paid to the Mayor and Aldermen/Alderwomen for the term of office commencing on the first Monday in December, 2013; and for specifying compensation and allowances to be paid to the City Manager. **Available Monday, March 18.**

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
3/18/13			6/14/13
Referred to	Referral Date	Meeting Date	Action Taken
Finance	3/18/13		

R-21-13 Recommendations of the Council Compensation Commission – For the purpose of providing for consideration, and the City Charter's required public hearing, of the recommendations of the Council Compensation Commission.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
3/18/13			6/14/13
Referred to	Referral Date	Meeting Date	Action Taken
Finance	3/18/13		

O-17-13 Issuance of Bonds – For the purpose of authorizing and empowering the City of Annapolis (the "City") to issue and sell, upon its full faith and credit, general obligation bonds in the aggregate principal amount not to exceed Fifteen Million Three Hundred Seventy Thousand Dollars (\$15,370,000), pursuant to Sections 31 through 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume and 2012 Supplement), as amended, and Article VII, Section 11 of the Charter of the City of Annapolis, as amended, to be designated as "Public Improvements Bonds, 2013 Series" and said bonds to be issued and sold for the public purpose of financing and refinancing certain capital projects of the City as provided in this Ordinance; authorizing and empowering the City to issue and sell, upon its full faith and credit, general obligation bonds in the aggregate principal amount not to exceed Five Million One Hundred Thousand Dollars (5,100,000) pursuant to Sections 31 through 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume and 2012 Supplement), as amended, Section 24 of Article 31 of the Annotated Code of Maryland (2010 Replacement Volume and 2012 Supplement), and Article VII, Section 11 of the Charter of the City of Annapolis, as amended, to be designated as "Public Improvements Refunding Bonds, 2013 Series", for the public purpose of refunding all or a portion of certain outstanding general obligation bonds as provided in this Ordinance; prescribing the form and tenor of said bonds; determining the method of sale of said bonds and other matters relating to the issuance and sale thereof; providing for the disbursement of the proceeds of said bonds; covenanting to levy and collect all taxes necessary to provide

for the payment of the principal of and interest on said bonds; and generally providing for and determining various matters relating to the issuance, sale and delivery of all said bonds.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
3/18/13			6/14/13
Referred to	Referral Date	Meeting Date	Action Taken
Economic Matters	3/18/13		
Finance	3/18/13		
Financial Advisory Commission	3/18/13		

R-18-13 Honoring Jacob Landis – For the purpose of honoring Jacob Landis by designating him a goodwill ambassador from the City of Annapolis as he embarks on his “Home Run for Hearing” cross country charity bicycle tour to raise funds for those in need of cochlear implants.

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
3/18/13			6/14/13
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	3/18/13		
			Suspension of the Rules requested to allow for a vote

R-19-13 Special Event Applications – For the purpose of authorizing City Council approval of selected special events per R-14-12, implementing a moratorium on administrative approvals for events at City Dock; designating specific dates for the sale of merchandise in the Historic District in conjunction with only the approved special events; waiving City fees for the USNA Band Concert Series; and the reimbursement of full fees to the City for the cost associated with the other approved events.

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
3/18/13			6/14/13
Referred to	Referral Date	Meeting Date	Action Taken

Economic Matters	3/18/13		
Finance	3/18/13		

BUSINESS and MISCELLANEOUS

1. Budget transfers (available Monday, March 18)

UPCOMING CITY COUNCIL EVENTS

Work Session: Thursday, March 21, 2013, 1:30 – 4:30 p.m. City Council Chambers

Jessica Cowles
Legislative and Policy Analyst
City of Annapolis Office of Law
E) JCCowles@annapolis.gov
P) 410-263-1184
F) 410-268-3916

March 13, 2013

TO: The Capital Legal Notices: legalad@capgaz.com
FROM: Jessica Cowles, Legislative and Policy Analyst
RE: Notice of Public Hearing
PUBLISH: Please publish on: **Sunday, March 17, 2013 and Monday, March 18, 2013**

Please send bill and certificate of publication to the City of Annapolis Office of Law, 93 Main Street, 3rd Floor, Annapolis, MD 21401.

NOTICE OF ANNAPOLIS CITY COUNCIL PUBLIC HEARING

Notice is hereby given that the Annapolis City Council will hold a public hearing on Monday, March 18, 2013 at 7:00 p.m., in City Council Chambers, 160 Duke of Gloucester Street, Annapolis, for a public hearing on:

- O-2-13** **Lease of City Dock Space to Chesapeake Marine Tours** – For the purpose of authorizing for fiscal year 2019 the lease of certain municipal property located at the City Dock to Chesapeake Marine Tours, Inc. for the docking and mooring of certain boats.

- R-4-13** **Peggy Kimbo Way** – For the purpose of declaring that Maryland Avenue shall bear the honorary designation of “Peggy Kimbo Way” to celebrate the contributions of Ethelda “Peggy” Kimbo to the City of Annapolis.

The above legislation on the City Council agenda for public hearing can be viewed on the City’s website at: <http://www.annapolis.gov/Government/Departments/LawOffice/PendingLegis.aspx>

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**CITY COUNCIL OF THE
City of Annapolis**

Ordinance No. O-2-13 Amended

Introduced by: Mayor Cohen

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
2/25/13			5/24/13
Referred to	Referral Date	Meeting Date	Action Taken
Economic Matters	2/25/13		
Environmental Matters	2/25/13		

8
9 **A ORDINANCE** concerning

10 **Lease of City Dock Space to Chesapeake Marine Tours**

11 **FOR** the purpose of authorizing for fiscal year 2019 the lease of certain municipal property
12 located at the City Dock to Chesapeake Marine Tours, Inc. for the docking and mooring
13 of certain boats.

14
15 **WHEREAS,** the City of Annapolis and Chesapeake Marine Tours, Inc., have entered into a
16 series of leases and amendments, the most recent being O-2-12, to lease
17 through June 30, 2018, certain docking space at the City Dock under certain
18 terms and conditions; and

19 **WHEREAS,** the Annapolis City Council believes that the proposed lease would benefit the
20 City; and

21
22 **WHEREAS,** a lease setting forth details of the rental has been prepared and is considered
23 satisfactory; and

24
25 **WHEREAS,** Article III, Section 8 of the Charter of the City of Annapolis requires the passage
26 of an ordinance to authorize a lease.

27
28 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
29 **COUNCIL** that the proposed Lease, a copy of which is attached hereto and made a part hereof,
30 between the City of Annapolis and Chesapeake Marine Tours, Inc. d/b/a Watermark Cruises, is
31 hereby approved, and the Mayor is hereby authorized to execute the Lease on behalf of the
32 City. It is further expressly found by the City Council that the services to be provided as a result
33 of the Lease will benefit visitors and residents of the City, will generate tax revenues and
34 additional rental income to the City, and will better serve the public need for which the property
35 was acquired.

1 **AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
2 **COUNCIL** that this Ordinance shall take effect from the date of its passage.

3
4 **ADOPTED** this _____ day of _____, 2013.

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ATTEST: THE ANNAPOLIS CITY COUNCIL

BY _____

Regina C. Watkins-Eldridge, MMC, City Clerk Joshua J. Cohen, Mayor

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10 **EXPLANATION**
11 CAPITAL LETTERS indicate matter added to existing law.
12 [brackets] indicate matter stricken from existing law.
13 Underlining indicates amendments.

LEASE

This Lease is made this ____ day of _____, 2013, by and between the City of Annapolis, a municipal corporation of the State of Maryland, Lessor, and Chesapeake Marine Tours, Inc., a corporation of the State of Maryland, Lessee.

Whereas, the parties have entered into a succession of leases beginning in 1972 for purposes of permitting the Lessee to lease docking spaces at the Lessor's City Dock to dock its vessels and carry on its business of operating a cruise and water taxi service on the Chesapeake Bay and its tributaries;

Whereas, the existing Lease expires June 30, 2018;

Whereas, the parties entered into a Lease dated May 1, 2012 for the same purposes to provide for an additional leasing term from July 1, 2017 to June 30, 2018;

Whereas, the parties have agreed to this Lease for the same purposes and to provide for an additional leasing term of another one year period to run from July 1, 2018 to June 30, 2019;

Whereas, the Annapolis City Council has authorized this Lease pursuant to Ordinance - 2-13.

Now, therefore, in consideration of these premises and the terms stated below, and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

1. Identification of Leased Docking Spaces

a. The Lessor hereby rents and leases to the Lessee, and the Lessee hereby rents and leases from the Lessor, for the term stated in paragraph 2, at the rent and upon the other terms set forth in this Lease, the following docking spaces at the City Dock, constituting two hundred sixty (260) linear feet of City Dock docking space:

1. The two end boat slips nearest the channel of Spa Creek known as Slips 21 and 22, both of which are suitable for boats not exceeding sixty five (65) feet in length;
2. The end of the dock adjacent to Slip 22 between two dolphins for a distance of not more than eighty feet (80'); and
3. Sixty feet (60') along the boardwalk adjacent to the Harbormaster's office.

2. Term

a. The term of this Lease shall be for a period of one year beginning July 1, 2018, and ending June 30, 2019.

3. Rent

a. The Lessee shall pay rent to the Lessor, for the lease of two hundred sixty (260) linear feet of City Dock docking space, for the FY period July 1, 2018, through June 30, 2019, at a rate of \$187.79 per linear foot, for a total amount of rent of \$48,825.40. This represents a 3% annual increase, using the same rate per linear foot, from the amount earned by the Lessor from the lease of one thousand four hundred twenty three (1,423) linear feet of total rented dock space at the City Dock during the 2010 calendar year. Annual rent shall be invoiced on or before June 1, 2018 by the City Harbormaster, which the Lessee shall pay not later than July 1, 2018. Payment shall be made directly to the City Harbormaster. If the Lessee fails to pay rent by July 5, 2018, the Lessor shall incur a late payment of 1% of the base rent, and an additional 1% of the base rent if unpaid by the fifth day of any subsequent month.

b. As additional rent for electricity service, the Lessee may, at its option and at its expense, arrange with Baltimore Gas & Electric to have its electric service separately metered and billed directly to the Lessee, or may pay monthly, by the first day of each month to the City Harbormaster the appropriate monthly winter electric rate, as set by the City Council in the Annual Fee Resolution applicable to the term of this Lease which, as it pertains to this Lease, for a one hundred amp outlet, shall be twice the rate set in the Annual Fee Resolution for a fifty amp outlet. If the Lessee chooses to pay pursuant to the monthly winter electric rate, the City Harbormaster shall invoice the Lessee and payment shall be due on the first day of the month after invoicing. If the Lessee fails to pay by the fifth day of any month, the Lessee shall incur a late payment calculated in accordance with the Annual Fee Resolution applicable to the term of this Lease.

c. As additional rent for refuse collection, the Lessee shall pay \$250.00 per month. by the first day of each month. The City Harbormaster shall invoice the Lessee and payment shall be due on the first day of the month after invoicing. If the Lessee fails to pay by the fifth day of any month, the Lessee shall incur a late payment calculated in accordance with the Annual Fee Resolution applicable to the term of this Lease.

d. As additional rent, the Lessee shall also pay from time to time all taxes and other charges or fees required by law.

4. Vessels Authorized at Docking Spaces

a. The Lessee shall have authority to dock an office barge at the leased docking spaces plus the passenger vessels Harbor Queen, No. 539448; Annapolitan II, No. 544467; Cabaret II, No. 1039051; Lady Sarah, No. 1160977; Miss Anne, No. 635636; Miss Anne II, No. 672686; Catherine Marie, No. 1082215; and four water taxi launches.

b. The Lessee may replace any vessel referenced above, provided that all replacement vessels are of the same size, or substantially the same size, and of the use, as Coast Guard certified passenger vessels. All replacement vessels shall be subject to the Lessor's final approval, which shall not be unreasonably withheld as long as all replacement vessels meet the standards of Coast Guard certified passenger vessels.

5. Use of Docking Spaces

a. The Lessee shall use the leased docking spaces solely as passenger vessels for sightseeing, boat charter and water taxi operations and for office space from which to conduct the business which this Lease authorizes at the Lessor's City Dock.

b. The Lessee shall notify the City Harbormaster whenever any of its vessels will be absent from any portion of the leased docking spaces for more than seventy-two (72) hours, during which time the Lessor may utilize any portion of the docking spaces so vacated for any lawful purpose whatsoever without any abatement of the rent due pursuant to this Lease. Whenever the Lessee vacates any portion of the leased space for more than seventy-two (72) hours, the Lessee shall give the Harbormaster twenty-four (24) hours written notice of the intended return to the docking spaces vacated.

c. The Lessee shall not discharge or board passengers at the plaza located at that portion of the City Dock closest to the Markethouse commonly known as the end of Ego Alley.

d. The Lessor shall attempt to keep the leased docking spaces free and clear of unauthorized vessels when the Lessee's vessels are away from the leased docking spaces, but shall be under no obligation or responsibility to do so, nor shall the Lessor assume or incur any liability for failing to do so, and the Lessee hereby unconditionally and completely waives and releases all complaints, claims, suits and actions of all types, both administrative and judicial, against the Lessor in connection therewith.

e. The Lessor shall have the right to remove from the leased docking spaces, without any liability whatsoever for so doing, and without prior or subsequent notice to the Lessee, any alterations made by the Lessee which are made without the express consent of the City Harbormaster. The cost of removal and/or repairs associated with the removal of any such unauthorized alterations, including any administrative costs incurred by the Lessor, shall be billed to the Lessee, and shall be due and payable by the Lessee promptly upon the Lessee's receipt of the invoice.

f. The Lessor shall have the right and privilege, with the consent of the Lessee, which consent shall not be unreasonably withheld, on not less than seven (7) days notice from the Lessor to the Lessee, to reclaim and use all or some of the leased docking spaces in order to meet prior contractual obligations relating to the annual sailboat and/or powerboat shows at or on the City Dock, and to accommodate certain special events, shows or programs conducted from time to time at or on the City Dock. In such event, the Lessee shall vacate designated leased docking spaces to which the consent applies and remove all of its vessels from the designated leased docking spaces during the period specified in the Lessor's notice.

g. If the Lessee vacates any of the leased docking spaces due to any events, shows or programs other than the annual sailboat and/or powerboat shows conducted at or on the City Dock, the Lessee shall be entitled to a pro rata abatement of the rent due pursuant to this Lease based on the ratio which the number of days of vacancy specified in the Lessor's notice to the Lessee bears to the total annual rent, and based on the docking spaces vacated.

h. The Lessee shall conduct its business in and about the City Dock in an orderly manner and shall keep its vessels neat and clean and shall maintain the area immediately adjacent to its mooring area and the leased spaces in a neat and clean manner.

6. Default, Breach and Termination

a. The Lessee shall be deemed to be in breach and default of this Lease if, within ten (10) days of the due date, the Lessee fails to pay the rent, the additional rent, or any other charges due under the terms of this Lease. In such event, the Lessor may declare this Lease

immediately terminated and the Lessor shall be entitled to all unpaid rent, additional rent and other charges due pursuant to this Lease, and to the immediate and exclusive use and possession of each of the leased docking spaces, without any notice or further demand for rent, additional rent and other charges due pursuant to this Lease, and without any notice to quit or vacate or other demand to recover use and possession of the leased docking spaces, or notice of intention to exercise its rights pursuant to this Lease, and the Lessee hereby expressly and unconditionally waives all such notice. In such event, the Lessee shall be responsible for all reasonable attorney fees and costs incurred by the Lessor to obtain eviction.

b. If the Lessee shall be in breach or default in the performance of any of the other terms of this Lease and fails to cure or remedy the breach or default within thirty days after the Lessor gives written notice to the Lessee of the breach or default, the Lessor may declare this Lease immediately terminated and the Lessor shall be entitled to all unpaid rent, additional rent and other charges due pursuant to this Lease, and to the immediate and exclusive use and possession of each of the leased docking spaces, without any notice or further demand for rent, additional rent and other charges due pursuant to this Lease, and without any notice to quit or vacate or other demand to recover use and possession of the leased docking spaces, or notice of intention to exercise its rights pursuant to this Lease, and the Lessee hereby expressly and unconditionally waives all such notice. In such event, the Lessee shall be responsible for all reasonable attorney fees and costs incurred by the Lessor to obtain eviction.

7. Signs

a. All signs which the Lessee desires to post must be approved by the Lessor and the Historic Preservation Commission of the City of Annapolis and any other agency if required by law.

8. Compliance with Law

a. The Lessee shall comply with all federal, state and municipal licensing laws and regulations to insure that the Lessee's vessels and crews are certified as appropriate and that the Lessee's operations are conducted in a safe and non-hazardous and lawful manner.

9. Insurance

a. The Lessee shall for the duration of this Lease maintain and pay the premiums for a policy of insurance covering liability for personal injury and property damage arising out of its business and operations pursuant to this Lease in the amount of no less than One Million Dollars (\$1,000,000.00) per person for bodily injury and property damage and Three Million Dollars (\$3,000,000.00) for each occurrence in the aggregate. The Lessee shall specifically name City of Annapolis and its Mayor, Aldermen and Alderwomen, employees, contractors and other agents as an additional insureds, and shall deliver a copy of such insurance policy and a certificate of insurance to the City Attorney at least ten days prior to the commencement of the lease term.

b. The Lessee shall have adequate workers' compensation insurance covering its employees who enter upon the access road leading to the Rental Area and the Rental Area itself and in no event shall the coverage in such policy be less than One Million Dollars (\$1,000,000.00) per person for accidental bodily injury and occupational disease. The Lessee shall specifically name City of Annapolis and its Mayor, Aldermen and Alderwomen, employees,

contractors and other agents as an additional insureds. The Lessee shall deliver a copy of its Worker's Compensation insurance policy and a certificate of insurance to the City Attorney at the time of the execution of this Lease and an updated certificate of insurance on the commencement date of each renewal term.

10. Indemnification

a. The Lessee shall indemnify, defend, and hold the City of Annapolis, its Mayor, Aldermen and Alderwomen, employees, contractors and other agents, harmless from all actions, causes of action, complaints, claims or demands, and all liability for injuries or damages to person or property, arising or alleged to arise as a result of any act or omission of the Lessee, its employees, contractors or other agents, whether or not the result of negligence or other fault, during the term of this Lease.

b. In the event the Lessee is required to defend any such actions, causes of action, complaints, claims or demands, the Lessee shall be entitled to participate in its defense, either in whole or in part as it so deems, and to select its own attorneys to provide a defense at the sole expense, for purposes of attorney fees and litigation costs, of the Lessee.

11. Immunities

a. The Lessor reserves and shall be entitled to enforce any and all immunities, partial or total, statutory or common law, in any proceeding that is initiated as a result of this Lease, whether initiated by the Lessor, the Lessee or any third party.

12. Assignment

a. The Lessee shall be entitled to assign its Lease obligations with the prior written consent of the Lessor, which the Lessor shall not unreasonably withhold, but any assignee, to the reasonable satisfaction of the Lessor, shall be financially able to meet the obligations of the Lease, including the payment of all rent due timely and the maintenance of the minimum insurance coverage required by this Lease, have the overall capability, expertise and resources to operate a waterfront tour and cruise business of a scale and quality comparable to that of the Lessee, or, in the alternative, to operate a maritime business that qualifies as an "amusement" under the Maryland State tax laws, and to otherwise perform the obligations of the Lease at the same level as the Lessee.

13. Absence of Agency

a. The Lessee acknowledges that it is an independent contracting party and not the agent or employee of the Lessor.

14. Notice

a. All notices pursuant to this Lease shall be by regular mail, fax or email, except notice of termination, which shall be by certified mail, return receipt requested.

b. Notice to the Lessor shall be to the City Attorney, 160 Duke of Gloucester Street, Annapolis, Maryland 21401.

c. Notice to the Lessee shall be to Debbie Gosselin at PO Box 3350, Annapolis, MD 21403.

d. The parties shall timely advise each other in writing of any change of address.

15. Venue, Waiver of Jury Trial and Governing Law

a. Venue for all judicial proceedings which result from this Lease shall be the courts of Anne Arundel County, Maryland.

b. The parties hereby expressly waive trial by jury in any such judicial proceeding.

c. The laws of the State of Maryland shall govern all matters relating to this Lease.

16. Modification or Amendment

a. This Agreement may not be modified or amended except in a writing signed by the parties and witnessed. No waiver of any provision of this Agreement shall be construed as a modification or amendment of this Agreement or valid unless in writing and signed by the parties and witnessed.

17. Integration

a. This Lease constitutes the entire agreement between the parties regarding the Lessee's lease of the Lessor's docking spaces. There are no other terms or understandings, oral or written, between the parties with respect thereto.

18. Binding Effect

a. The terms of this Lease shall be binding upon and shall be for the benefit of the parties and their successors and assigns.

Witness the signatures and seals of the parties.

Attest:

Lessor

Regina C. Watkins-Eldridge, MMC

By: _____
Joshua J. Cohen, Mayor (Seal)

Lessee

Witness

By: _____
Debbie Gosselin, President (Seal)

Approved for form and Legal Sufficiency:

Gary M. Elson, Assistant City Attorney
Date:

Policy Report

Ordinance O-2-13

Lease of City Dock Space to Chesapeake Marine Tours

The proposed ordinance would authorize for fiscal year 2019 the lease of certain municipal property located at the City Dock to Chesapeake Marine Tours, Inc. for the docking and mooring of certain boats.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at 410.263.1184 or JCCowles@annapolis.gov

FISCAL IMPACT NOTE

Legislation No: O-2-13 Amended

First Reader Date: 2/25/13

Note Date: 3/7/13

Legislation Title: Lease of City Dock Space to Chesapeake Marine Tours

Description: For the purpose of authorizing for fiscal year 2019 the lease of certain municipal property located at the City Dock to Chesapeake Marine Tours, Inc. for the docking and mooring of certain boats.

Analysis of Fiscal Impact:

This legislation would extend the City's current lease with Chesapeake Marine Tours for a period of one year, commencing July 1, 2018 and terminating June 30, 2019. This extension will provide the City with an estimated \$48,825.40 in rental revenue plus \$3,000.00 in refuse collection revenue in Fiscal Year 2019. The lessee may arrange with Baltimore Gas and Electric to have separately metered service billed directly to the lessee, or may pay to the City twice the appropriate monthly winter electric rate, as set by the City Council, for a fifty amp outlet. The current monthly winter rate for a fifty amp outlet is \$225 and if this method is selected the annual amount to be paid to the City for electricity would be \$5,400.

See below for actual revenues for FY2008 – FY2013 and estimated future revenues going forward through the period of this lease, assuming electricity is purchased through the City in FY2017 and FY2019. Unless specifically set by the leases, future years will consider the CPI-U in calculating revenues.

Chesapeake Marine Tours					
	Rent	Electricity	Refuse	Adjustment for dock restoration	Total
Past					
FY2008	39,148.68	2,018.28	725.85	-20,881.14	21,011.67
FY2009	40,753.78	2,101.03	755.61		43,610.42
FY2010	40,794.53	2,103.13	758.39		43,656.05
FY2011	41,895.98	2,159.91	776.79		44,832.68
FY2012	42,524.42	2,192.31	788.44		45,505.17
FY2013	43,800.15	2,258.08	812.09		46,870.32
Future					
FY2014	44,544.75	2,296.46	825.90		47,667.11
FY2015	44,544.75	2,296.46	825.90		47,667.11
FY2016	44,544.75	2,296.46	825.90		47,667.11
FY2017	48,825.40	5,400.00	3,000.00		57,225.40
FY2018	48,825.40	5,400.00	3,000.00		57,225.40
FY2019	48,825.40	5,400.00	3,000.00		57,225.40

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**CITY COUNCIL OF THE
City of Annapolis**

Resolution No. R-4-13

Introduced by: Mayor Cohen, Alderman Pfeiffer and Alderwoman Finlayson

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
Referred to	Referral Date	Meeting Date	Action Taken
1/24/13			4/26/13
Public Safety	1/24/13		

8
9 **A RESOLUTION** concerning

10 **Peggy Kimbo Way**

11 **FOR** the purpose of declaring that Maryland Avenue shall bear the honorary designation of
12 "Peggy Kimbo Way" to celebrate the contributions of Ethelda "Peggy" Kimbo to the City
13 of Annapolis.

14
15 **WHEREAS,** Peggy Kimbo was a native Annapolitan, born on College Avenue near the U.S.
16 Naval Academy -- an institution she would help transform; and

17
18 **WHEREAS,** Peggy Kimbo was named by the U.S. Naval Academy's Class of 1958 as an
19 honorary member; and

20
21 **WHEREAS,** Peggy Kimbo worked on Maryland Avenue for over 50 years, touching the
22 hearts of many Annapolitans and visitors while serving as the Hostess for the
23 City; and

24
25 **WHEREAS,** Peggy Kimbo lived a life that made a difference to people from all walks of life,
26 not seeing color, wealth, or power but rather individuals deserving respect and
27 kindness; and

28
29 **WHEREAS,** Peggy Kimbo and the Kimbo family opened their home and hearts by
30 sponsoring African American Midshipmen for many years as the Academy
31 worked to become more fully integrated; and

32
33 **WHEREAS,** Peggy Kimbo served as the mom in Annapolis for these Midshipmen and
34 helped ease their transition to the U.S. Naval Academy and supported them in
35 the challenges they encountered by providing a refuge, encouragement and, if
36 necessary, tough love; and
37

1 **WHEREAS,** Peggy Kimbo was an anchor of Annapolis culture, who remembered its past,
2 forgave its injustices, and focused on a positive, unified future;
3

4 **WHEREAS,** the honorary designation of Maryland Avenue as “Peggy Kimbo Way” is a
5 fitting celebration of these accomplishments;
6

7 **WHEREAS,** the honorary designation does not conflict with any other City street names nor
8 Anne Arundel County street names in the Annapolis area.
9

10
11 **NOW, THEREFORE, BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that Maryland
12 Avenue shall be shall bear the honorary designation of “Peggy Kimbo Way” to celebrate the
13 contributions of Ethelda “Peggy” Kimbo to the City of Annapolis.
14

15 **AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that a copy of this
16 resolution shall be provided to the Kimbo family.
17

18
19 **ADOPTED** this _____ day of _____, _____.
20
21

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

22
23
24
25
26
27 **EXPLANATION**

28 CAPITAL LETTERS indicate matter added to existing law.

29 [brackets] indicate matter stricken from existing law.

30 Underlining indicates amendments.
31

Policy Report

R-4-13

Peggy Kimbo Way

The proposed resolution would declare that Maryland Avenue shall bear the honorary designation of “Peggy Kimbo Way” to celebrate the contributions of Ethelda “Peggy” Kimbo to the City of Annapolis.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at JCCowles@annapolis.gov or 410.263.1184.



City of Annapolis City Council
Standing Committee Referral Action Report

Date: 2/20/13

To: Jessica Cowles,
City of Annapolis Office of Law,
Legislative and Policy Analyst

The Public Safety Committee has reviewed R-4-13 and has taken the following action:

- Favorable
- Favorable with amendments
- Unfavorable
- No Action
- Other
- Comments:

Roll Call Vote:

Ald. Finlayson, Chair yes

Ald. Paone yes

Ald. Kirby yes

Meeting Date _____

Signature of Chair _____

FISCAL IMPACT NOTE

Legislation No: R-4-13

First Reader Date: 1/24/13

Note Date: 1/30/13

Legislation Title: **Peggy Kimbo Way**

Description: For the purpose of declaring that Maryland Avenue shall bear the honorary designation of 'Peggy Kimbo Way' to celebrate the contributions of Ethelda "Peggy" Kimbo to the City of Annapolis.

Analysis of Fiscal Impact: Other than signage, this legislation produces no significant fiscal impact.

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**CITY COUNCIL OF THE
City of Annapolis**

Ordinance No. O-43-12

Introduced by: Mayor Cohen

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
12/17/12			03/10/13
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't			
Economic Matters			

8
9

An ORDINANCE concerning

Lease of Public Parking Lots to FRESHFARM Markets, Inc.

10
11

FOR the purpose of authorizing a lease of municipal property located at 110 Compromise Street from May 5, 2013 through November 24, 2013 to FRESHFARM Markets, Inc.

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16
17

WHEREAS, FRESHFARM Markets, Inc. ("Lessee"), desires to lease certain municipal property for the purpose of conducting an open-air farmers market; and

18
19
20

WHEREAS, the Annapolis City Council finds that a farmers market would be a desired public mercantile use for City residents; and

21
22
23

WHEREAS, a lease setting forth terms of the rental has been prepared and is considered satisfactory; and

24
25
26

WHEREAS, the Annapolis City Council finds that the lease of the property is authorized by Section 7.28.010 of the Annapolis City Code; and

27
28
29

WHEREAS, the Annapolis City Council finds that the lease of the property for a farmers market will better serve the public need for which the property was acquired; and

30
31
32

WHEREAS, Article III, Section 8 of the Charter of the City of Annapolis requires the passage of an ordinance to authorize the leasing of City-owned property.

33
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36
37

SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that the proposed Lease Agreement between the City of Annapolis and Lessee for the rental of certain municipal property located at 110 Compromise Street, also known as the Donner Lot and the Public Parking Lot between the Fleet Reserve and the site formerly known as Fawcett Boat Supplies, from May 5, 2013 to November 24, 2013, a copy of which is attached

1 hereto and made a part hereof, is hereby approved, and the Mayor is authorized to execute the
2 Lease Agreement on behalf of the City of Annapolis.

3
4 **SECTION II: AND, BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
5 **ANNAPOLIS CITY COUNCIL** that pursuant to Section 6.04.210D3 of the City Code, the
6 Annapolis City Council hereby waives that portion of each monthly fee for permits and approvals
7 in excess of \$50.00 associated with Lessee’s use of City facilities and services in connection
8 with the use of the property, except as otherwise specified in the Lease Agreement.

9
10 **SECTION III: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE**
11 **ANNAPOLIS CITY COUNCIL** that this Ordinance shall take effect from the date of its passage.

12
13
14
15 **ADOPTED** this _____ day of _____, _____.

16
17
ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

18
19 **EXPLANATION**

20 CAPITAL LETTERS indicate matter added to existing law.

21 [brackets] indicate matter stricken from existing law.

22 Underlining indicates amendments.

LEASE

Authorized by O-43-12

This Lease is made this ____ day of _____, 2013, by and between the City of Annapolis, a municipal corporation of the State of Maryland ("Lessor") and Freshfarm Markets, Inc., a Washington, D. C. non-profit corporation ("Lessee").

Whereas, the Lessee is a regionally recognized nonprofit organization building a vibrant local food movement in the greater metro DC area that supports the region's farmers; and

Whereas, the Lessee's mission is to connect city dwellers with farmers and their locally-grown food, to educate the public about food and farming issues and to provide economic opportunities for farmers; and

Whereas, the parties desire to enter into a lease for that purpose and to set forth their respective responsibilities; and

Whereas, the City is authorized to lease land pursuant to Article III, Section 8, of the City Charter to better serve the public need for which the land was acquired.

Now, therefore, in consideration of these premises and the mutual terms and conditions of this Agreement, and other good and valuable consideration, the receipt and sufficiency of which the parties acknowledge, the parties agree as follows:

1. Premises and Term

a. The Lessor leases to the Lessee, and the Lessee leases from the Lessor, for the purpose of holding the Annapolis City Dock Fresh Farm Market, that land known as the Donner Parking Lot and Public Parking Lot between the Fleet Reserve and property owned by Chandler, LLC, as shown in Exhibit A attached to this Agreement ("Premises"), each and every Sunday from May 5, 2013 through November 24, 2013, from 6 am to 2 pm, except September 29, 2013 and October 13, 2012, when the Lessee shall not have access to the Premises during the Sundays of the United States Sailboat and Power Boat Shows.

2. Rent

a. Rent shall be Fifty Dollars (\$50.00) per month.

b. Pursuant to City Code, Section 6.04.210.D.3., the Lessor hereby waives any additional rent, including but not limited to fees for traffic control services if any are provided, parking meters authorized for use by Lessee, inspections, permit applications and rental beyond that stated above, except as provided herein.

3. Use of Premises

1 a. The Premises may be used by the Lessee for activities authorized by the Lessee
2 and identified in this Lease.

3
4 b. This Lease in no way creates an obligation upon the Lessor to furnish any
5 services, materials or equipment for the Lessee's farmer's market, except as specifically
6 provided in this Lease.

7
8 4. Exhibitors

9
10 a. The Lessee shall provide to the Lessor, not later than May 1, 2013, a complete list
11 of all exhibitors, vendors displays, activities, festivities, and operations associated with this
12 Lease, which shall not be amended without the Lessor's written consent.

13
14 b. The Lessee shall use its best efforts to contract with Annapolis/Anne Arundel
15 County area farmers in all matters related to the farmers market.

16
17 5. Licenses/Taxes

18
19 a. Exhibitors or vendors who are permitted to sell any item at the farmers market
20 shall obtain and produce to the Lessor upon request all required non-City licenses and pay all
21 required Federal, State, County and City taxes and fees.

22
23 b. The Lessee shall satisfy any of the Lessor's licensing requirements for such
24 exhibitors or vendors.

25
26 6. Transportation & Parking Plan

27
28 a. The Lessee shall prepare and submit to the Lessor's Director of Transportation,
29 no later than May 1, 2013, a transportation plan with a parking element, which shall address
30 matters specified by the Director.

31
32 b. Except for public ways within the Premises, the plan shall not provide for the
33 closure of any street or restrict parking to those associated with the farmers market.

34
35 c. Upon receipt of the plan, the Director shall make copies available to relevant
36 agencies and to interested parties who have requested a copy and shall arrange for a meeting,
37 if determined to be necessary by the Director, with relevant agencies and representatives of
38 interested parties to review the plan.

39
40 d. The Director shall approve the plan before this Lease commences.

41
42 7. Pre-Market Inspection

43
44 a. Before the farmers market opens to the public, the Lessee's representative shall
45 meet with representatives of Lessor's Police Department, Fire Department, Emergency
46 Management, Harbormaster, Department of Central Services, Department of Neighborhood and
47 Environmental Programs and Department of Public Works to inspect the Premises and nearby
48 areas to determine compliance with the Lessor's requirements.

1
2
3 b. Written approval by all such representatives is required before the Lessee may
4 open the farmers market to the public.

5
6 c. The Lessor shall not unreasonably refuse permission to open the farmers market
7 unless a threat to health or safety has been identified by the Lessor to the Lessee.

8
9 d. Following the pre-market inspection, at all times during this Lease, the Lessee
10 shall promptly comply with all reasonable directives of the Lessor which the Lessor determines
11 in its sole discretion are necessary to bring the Lessee and activities on the Premises into
12 compliance with this Lease, the City Code, and the Lessor's public safety requirements.

13
14 8. Interior Construction.

15
16 a. The Lessee shall have the right to construct, install or erect upon the Premises
17 such seats, booths, tents, exhibits and any other apparatus or structure which the Lessee may
18 deem necessary or desirable for purposes related to this Lease.

19
20 b. The Lessee shall not enclose the Premises in such a manner as to limit entry onto
21 the Premises or any part thereof.

22
23 9. Permits

24
25 a. The Lessee shall obtain any and all zoning permits, licenses and authorizations
26 required to be obtained from the Lessor for the purpose of constructing or erecting temporary
27 structures on the Premises and for operating the farmers market.

28
29 b. All other Federal, State or County permits which may be required shall be the
30 responsibility of Lessee.

31
32 10. Alcohol

33
34 a. There shall be no beer, wine or liquor consumption or other open containers of
35 alcoholic beverages on the Premises.

36
37 11. Food Sales

38
39 a. The Lessee may offer traditional farmers market food, beverages and produce for
40 sale during hours of operation.

41
42 12. Music

43
44 a. The Lessee may play non-amplified music during the hours of operation.

45
46 13. Conduct of Operations

47
48 a. The Lessee shall conduct its operations in an orderly and commercially

1 reasonable manner so as not to annoy, disturb, whether by noise or otherwise, endanger or be
2 offensive to others.

3
4 b. The Lessee shall use and maintain the Premises in such manner so as to avoid
5 the creation of any nuisance from obnoxious odors, smoke, noxious gases, vapors, dust, noise
6 or otherwise, and shall not keep, store, display or use any explosives or explosive devices at the
7 Premises.

8
9 c. The Lessee shall maintain the Premises in a clean, orderly and safe condition so
10 as to avoid injury to persons and property.

11
12 d. If the Lessee fails to comply with the terms of this provision, the Lessor shall have
13 the authority to require the Lessee to immediately cease and desist all activities and operations
14 on the Premises and may immediately declare the Lessee in breach of this Lease and
15 immediately terminate this Lease without prior notice to the Lessee.

16
17 14. Trash and Recycling

18
19 a. The Lessee, at its sole expense, shall provide the number of trash and recycling
20 containers within the Premises as required by the Lessor's Director of Public Works in his sole
21 discretion during this Lease and shall provide for the prompt removal of these containers by
22 contractors approved by the Lessor.

23
24 b. The Lessor, if necessary, shall aid the Lessee in obtaining trash and recycling
25 containers.

26
27 15. Cleanliness

28
29 a. The Lessee, at its sole expense, shall be responsible for keeping the Premises
30 free of trash and shall place all in trash containers.

31
32 b. The Lessee shall at all times police the Premises for trash removal.

33
34 16. Security Services

35
36 a. The Lessee shall be solely responsible for security within the Premises during
37 hours of operation.

38
39 b. The Lessee shall establish a security liaison with the Lessor's Police Department
40 and coordinate all Premises security with the Lessor's Police Department according to it
41 requirements.

42
43 c. In addition to such other requirements as the Lessor's Police Department may
44 impose, the Lessee shall, at its sole expense, hire licensed professional security officers who
45 shall provide security within the Premises during hours of operation at such staffing levels as the
46 Lessor's Police department may, in its sole discretion, require.

47

1 d. The Lessee shall produce to the Lessor at any time the Lessor requests all
2 credentials of the security officers retained by the Lessee and may reject the hiring or retention
3 of any security officer for reasonable cause.
4

5 17. Fire Services
6

7 a. Following the erection of all booths and other structures at the Premises, but
8 before the farmers market opens to the public, the parties shall meet at the Premises to assure
9 compliance with the Lessor's Fire Department regulations and accessibility of fire lanes and
10 turning radius.
11

12 18. Utility Services
13

14 a. The Lessor shall make available to the Premises existing water and electricity
15 facilities.
16

17 b. The Lessee, at its own expense, shall install any temporary electrical equipment,
18 lines and devices required to provide power to the Premises, in compliance with the City Code
19 and the National Electric Code.
20

21 c. The Lessee shall not operate any such equipment, lines or devices until inspected
22 and approved by the Lessor's Department of Neighborhood and Environmental Programs.
23

24 19. Other Services
25

26 a. The parties, if necessary, shall coordinate other services in advance of the term of
27 this Agreement.
28

29 20. Removal of Lessee's Property
30

31 a. No later than 1 p.m. of every market day, the Lessee shall remove all of its
32 property from the Premises with the exception of such signs as approved by the Lessor's
33 Historic Preservation Commission.
34

35 b. If the Lessee fails to remove any of its property, either during or at the termination
36 of this Lease, the Lessor reserves the right to remove and store it at the Lessee's sole expense
37 or, as an alternative, to leave it at the Premises.
38

39 c. In either case, the Lessor shall charge the Lessee a per diem rental for storage of
40 its property at a rate generally charged by private storage companies in Anne Arundel County,
41 Maryland.
42

43 d. The Lessor shall bear no responsibility or liability for damage to or expense
44 incurred as a result of property left, removed or stored under the provisions of this paragraph.
45

46 e. The Lessee shall pay to the Lessor any expenses or charges under this paragraph
47 within 30 days after delivery of any bill by the Lessor to the Lessee.

1 f. If any property is not claimed by the Lessee within 60 days after the termination of
2 this Lease, the Lessor, in its sole discretion, may sell such property at private or public sale
3 under such terms as the Lessor may deem appropriate and apply such proceeds as it may
4 deem appropriate in its sole discretion.

5
6 21. Liens
7

8 a. The Lessee hereby consents to and the Lessor shall have a lien upon all goods,
9 personal property and fixtures of the Lessee located upon the Premises for any and all unpaid
10 rent or charges which arise under this Lease.

11
12 b. The Lessee hereby consents to and the Lessor shall have the power to impound
13 and retain possession of such goods, personal property and fixtures until all such rent and
14 charges due under this Lease have been paid, in full, to the satisfaction of the Lessor.

15
16 c. If such charges remain unpaid 30 days after the termination of the term of this
17 Lease, the Lessor shall have the power to sell such property at public auction and apply the
18 receipts from such auction to all such unpaid charges.

19
20 22. Quiet Enjoyment
21

22 a. As long as the Lessee is not in material breach of this Lease, the Lessee shall be
23 entitled to peacefully hold and quietly enjoy the Premises in a manner consistent with and
24 subject to this Lease without any disturbance or hindrance from the Lessor or from any other
25 person claiming through the Lessor, except that the Lessor or others claiming through the
26 Lessor may enter onto the Premises to effect necessary repairs to their own facilities for public
27 safety and City Code compliance reasons.

28
29 b. The Lessee shall cooperate with the Lessor to effect this access to the Premises.
30

31 23. Payment
32

33 a. The Lessee shall make all payments due under this Lease by check, payable to
34 the City of Annapolis, and deliver the payments to the Lessor's Director of Finance, 160 Duke of
35 Gloucester Street, Annapolis, Maryland, 21401.

36
37 b. In addition to all other amounts due pursuant to this Lease, the Lessee shall pay
38 the Lessor a monthly late fee of 1.5% (18% per annum) of any payment required that is more
39 than 60 days past due, until paid.
40

41 24. Remedies
42

43 a. Any and all duties, liabilities and/or obligations imposed upon or assumed by the
44 Lessee by this Lease shall be taken or construed as cumulative and not as a limitation or
45 restriction upon any or all of the other duties, liabilities, or obligations imposed upon or assumed
46 by Lessee under this Lease.

47 b. All remedies allowed by this Lease shall be construed to be cumulative and in
48 addition to any other remedies provided in law or equity.

1
2 c. The parties shall have the right to seek and obtain in any court of competent
3 jurisdiction an injunction, without the necessity of posting a bond, to restrain a violation by the
4 other party of any term of this Lease.

5
6 d. In no case shall a waiver by either party of the right to seek a remedy under this
7 paragraph constitute a waiver of any other or further such right.

8
9 25. Venue, Waiver of Jury Trial and Governing Law

10
11 a. Venue for all administrative and judicial proceedings which result from this Lease
12 shall be the courts of Anne Arundel County, Maryland.

13
14 b. The parties hereby expressly waive trial by jury in any such judicial proceeding.

15
16 c. The laws of the State of Maryland shall govern all matters relating to this
17 Agreement.

18
19 26. Authority to Lease.

20
21 a. If it is ever determined by a court of competent jurisdiction that the Lessor lacks
22 the authority to lease any portion or all of the Premises, the Lessor shall not be liable for any
23 losses or damages sustained by the Lessee as a result thereof.

24
25 27. Impossibility of Performance

26
27 a. If, for any reason, an unforeseen event not the act of the Lessor occurs, including
28 but not limited to flood, severe weather, fire, casualty, act of God, labor strike or other
29 unforeseen occurrence which renders use of the Premises impossible for any period of this
30 Lease, the Lessee shall have no right to any claim for damages against the Lessor, but the
31 Lessee shall not be liable for the payment of rent for the period that it cannot use the Premises.

32
33 28. Insurance

34
35 a. The Lessee shall, at its own expense, obtain and keep in full force and effect a
36 policy of comprehensive commercial general liability insurance for all loss, costs, damages and
37 expenses suffered by any person due to personal injury arising out of the activities permitted by
38 this Lease in the amount of One Million Dollars (\$1,000,000.00) per person and Three Million
39 Dollars (\$3,000,000.00) in the aggregate per occurrence, and One Million Dollars
40 (\$1,000,000.00) for damage to any property, including the Premises and property owned by
41 Lessor, due to or alleged to be due to (1) an act, omission or the negligence of the Lessee, its
42 officers, agents, employees contractors, patrons, guests or invitees, or (2) to the use of the
43 Premises or any part thereof by the Lessee, its officers, agents, employees, contractors,
44 patrons, guests or invitees.

45
46 b. The insurance policy shall specifically name the City of Annapolis, and in their
47 capacity as such, the Mayor, council members, department directors, and all other officers,
48 employees, contractors and agents of the City of Annapolis, as additional insureds.

1
2 c. The insurer shall be authorized to write the required insurance, approved by the
3 Insurance Commissioner of the State of Maryland, and subject to the reasonable approval of
4 Lessor's City Attorney.
5

6 d. The form and substance of the policy shall be subject to reasonable approval by
7 Lessor's City Attorney and shall be submitted to the City Attorney for such approval not later
8 than May 1, 2013.
9

10 e. The policy or the Certificate for the policy shall contain a statement that the insurer
11 shall not cancel the policy or fail to renew the policy, whether for nonpayment of premium, or
12 otherwise, whether at the request of the Lessee or for any other reason, except after 30
13 calendar days advance written notice sent by the insurer to the City Attorney by certified mail,
14 postage prepaid, with return receipt requested.
15

16 f. If the policy is cancelled during the term of this Lease and the Lessee is unable to
17 obtain an equivalent policy, the Lessor may immediately declare Lessee in breach of this Lease
18 and immediately terminate this Lease without prior notice to Lessee.
19

20 29. Vendor Insurance
21

22 a. The Lessee shall provide documentation to the Lessor's City Attorney not later
23 than May 1, 2012, that each participating vendor at the farmers market is adequately covered to
24 the satisfaction of the City Attorney by general and product liability insurance.
25

26 b. All terms that apply in paragraph 17 shall apply in this paragraph.
27

28 c. For vendors added after May 1, 2013, the Lessee shall provide the same
29 documentation at least one full calendar week prior to the commencement date of the vendor's
30 participation in the farmers market and such vendors shall not be permitted to participate in the
31 farmers market until the City Attorney approves the policy.
32

33 30. Indemnification
34

35 a. The Lessee shall forever indemnify, defend and hold the Lessor, its Mayor, council
36 members, department directors, and all of its other officers, employees, contractors and agents
37 harmless from and against any and all claims, suits, actions, judgments, and liability for loss,
38 injury, damages and/or expenses suffered or alleged to have been suffered by any person or to
39 the Premises or to any property due to or alleged to be due to (1) an act, omission or the
40 negligence of the Lessee, its officers, agents, employees, contractors, patrons, guests or
41 invitees, or (2) the use of the Premises or any part thereof by the Lessee, its officers, agents,
42 employees, contractors, patrons, guests or invitees.
43

44 b. The Lessee shall reimburse the Lessor, within 30 days after demand for such
45 reimbursement, for any damage done to the Lessor's buildings, facilities, equipment or property
46 caused by the negligence of the Lessee, its officers, agents, employees, contractors, patrons,
47 guests or invitees during the Lessee's use and/or occupancy of the Premises or any part thereof
48 or to any other property.

1
2 c. Such indemnification does not limit any immunity to which the Lessor or its Mayor,
3 council members, department directors and all of its other officers employees, contractors and
4 agents, and includes all costs and expenses, including attorney's fees, whether or not related to
5 administrative or judicial litigation.
6

7 31. Immunities
8

9 a. The Lessor reserves any and all immunities, partial or total, statutory or common
10 law, in any proceeding related to this Lease, to the activities referred to in this Lease or to the
11 use of the Premises or any part thereof before, during or after the term of this Lease. Such
12 reservation of rights shall extend to any claim made by or through the Lessee and to any claim
13 made by or through any third party
14

15 32. Assignment
16

17 a. The Lessee shall not assign or transfer its interest in or its rights or obligations
18 pursuant to this Lease without the prior written consent of the Lessor.
19

20 33. Non Agent
21

22 a. The Lessee acknowledges it is an independent contracting party and not the
23 agent or employee of Lessor.
24

25 34. Compliance with All Laws
26

27 a. The Lessee shall comply with all laws, ordinances and statutes applicable to the
28 Premises, or any part thereof, and the use thereof, and to pay all taxes or charges imposed by
29 law in connection with Lessee's use and occupancy of the Premises.
30

31 35. Contact Persons
32

33 a. For purposes of coordinating inspections, providing notices and other matters set
34 forth under this Lease, except as otherwise provided, the parties designate the following contact
35 persons:
36

37 Lessor: Department of Neighborhood and
38 Environmental Programs
39 City of Annapolis
40 160 Duke of Gloucester Street
41 Annapolis, Maryland 21401
42 Phone No. 410-263-7946
43
44 Lessee: FRESHFARM Markets Inc
45 PO Box 15691
46 Washington, DC 20003
47 Attention; Ann Harvey Yonkers
48 Phone No. 202-362-8889

1
2 36. General Powers
3

4 a. Nothing herein shall be construed to preclude the Lessor from exercising its
5 general public safety powers as it deems appropriate to protect the public safety, interest and
6 welfare.
7

8 37. Termination for Breach or Violation
9

10 a. The Lessor shall be entitled to immediately terminate this Lease for any breach or
11 violation by the Lessee of this Lease.
12

13
14 38. Termination for Other Reasons
15

16 a. If the Lessor, in its sole discretion, determines that, for purposes and
17 conveniences related to the public interest of the City of Annapolis, it is necessary to terminate
18 this Lease before the end of its term, the Lessor shall provide 30 days written notice, by certified
19 mail, postage prepaid, to the Lessee to vacate, and shall be entitled to take possession and
20 control of the Premises immediately upon the 31st day after such notice.
21

22 b. The Lessee shall comply with all terms of this Lease that otherwise relate to its
23 vacating the Premises upon the expiration of the Lease.
24

25 c. The Lessor shall make reasonable attempts to relocate the Lessee's farmers
26 market to another location for the balance of the term of this Lease.
27

28 d. If Lessee does not accept any relocation offered by the Lessor with 7 days of the
29 date offered, this Lease shall terminate at such time.
30

31 39. Condition of Premises At End of Lease
32

33 a. At the end of this Lease, the Lessee, at its sole expense, shall return the Premises
34 to the same or superior condition than received, natural wear and tear excepted.
35

36 40. Time is of the Essence
37

38 a. Time is of the essence in the performance of this Lease.
39

40 b. Time for performance shall not be extended for any reason, except by mutual
41 agreement of the parties.
42

43 41. Modifications
44

45 a. The parties may, at any time, in writing, mutually modify only the following terms
46 of this Lease:
47

1 1. the location of the Premises to be leased, provided such modifications do not
2 result in an increase or enlargement of the area of the Premises;

3
4 2. the dates and hours during which the Premises will be used, provided such
5 modifications do not result in an increase or enlargement of the dates or times set forth in
6 paragraph 1a;

7
8 3. the Lessee's obligations with regard to security on the Premises and the
9 payment of fees for City inspections of the Premises.

10
11 b. Following a request by either party for modification, pursuant to Article III, Section
12 8 of the City Charter, the Lessor's Mayor may negotiate and agree to any modification which the
13 Lessee may propose without the necessity of an additional ordinance approving the
14 modification.

15
16 c. Any modification shall be set forth in writing executed by the parties, but shall not
17 take effect until the City Council has approved the modification.

18
19 42. Binding Effect

20
21 a. This Lease is binding upon the parties and their respective successors and
22 assigns.

23
24 43. Integration. This Lease constitutes the entire agreement between the parties
25 regarding its subject matter. There are no other terms or understandings, oral or written,
26 between the parties with respect thereto.

27
28 Witness the signatures and seals of the parties.

29
30 **Freshfarm Markets, Inc.**

31
32
33 _____ By: _____
34 Witness Ann Harvey Yonkers, (Seal)
35 Co- Executive Director
36

37 State of Maryland, County of Anne Arundel, to wit:

38
39 I hereby certify that on this _____ day of _____, 2013, before me, the subscriber,
40 a Notary Public in and for the State and County aforesaid, personally appeared Ann Harvey
41 Yonkers, known to me or satisfactorily proven to be the person who has signed this Agreement,
42 and she has signed this Agreement in my presence and acknowledged that she is co-Director of
43 Freshfarm Markets, Inc., and authorized to sign this Agreement on its behalf and to bind it
44 thereby, and that this Agreement is her free and voluntary act and the free and voluntary act of
45 Freshfarm Markets, Inc. made for the purposes set forth therein.

46
47 Witness my signature and Notary Seal.
48 _____

Notary Public
My Commission expires:

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Witness By: _____
Bernadine Prince, (Seal)
Co-Director

State of Maryland, County of Anne Arundel, to wit:

I hereby certify that on this ____ day of _____, 2013, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Bernadine Prince, known to me or satisfactorily proven to be the person who has signed this Agreement, and she has signed this Agreement in my presence and acknowledged that she is co-Director of Freshfarm Markets, Inc., and authorized to sign this Agreement on its behalf and to bind it thereby, and that this Agreement is her free and voluntary act and the free and voluntary act of Freshfarm Markets, Inc. made for the purposes set forth therein.

Witness my signature and Notary Seal.

Notary Public
My Commission expires:

ATTEST: City of Annapolis

Regina C. Watkins-Eldridge, MMC By: _____
City Clerk Joshua J. Cohen, Mayor (Seal)

State of Maryland, County of Anne Arundel, to wit:

I hereby certify that on this ____ day of _____, _____, before me, the subscriber, a Notary Public in and for the State and County aforesaid, personally appeared Joshua J. Cohen, known to me or satisfactorily proven to be the person who has signed this Agreement, and he has signed this Agreement in my presence and acknowledged that he is the Mayor of the City of Annapolis and authorized to sign this Agreement on its behalf and to bind it thereby, and that this Agreement is his free and voluntary act and the free and voluntary act of the City of Annapolis made for the purposes set forth therein.

Witness my signature and Notary Seal.

Notary Public

My Commission expires:

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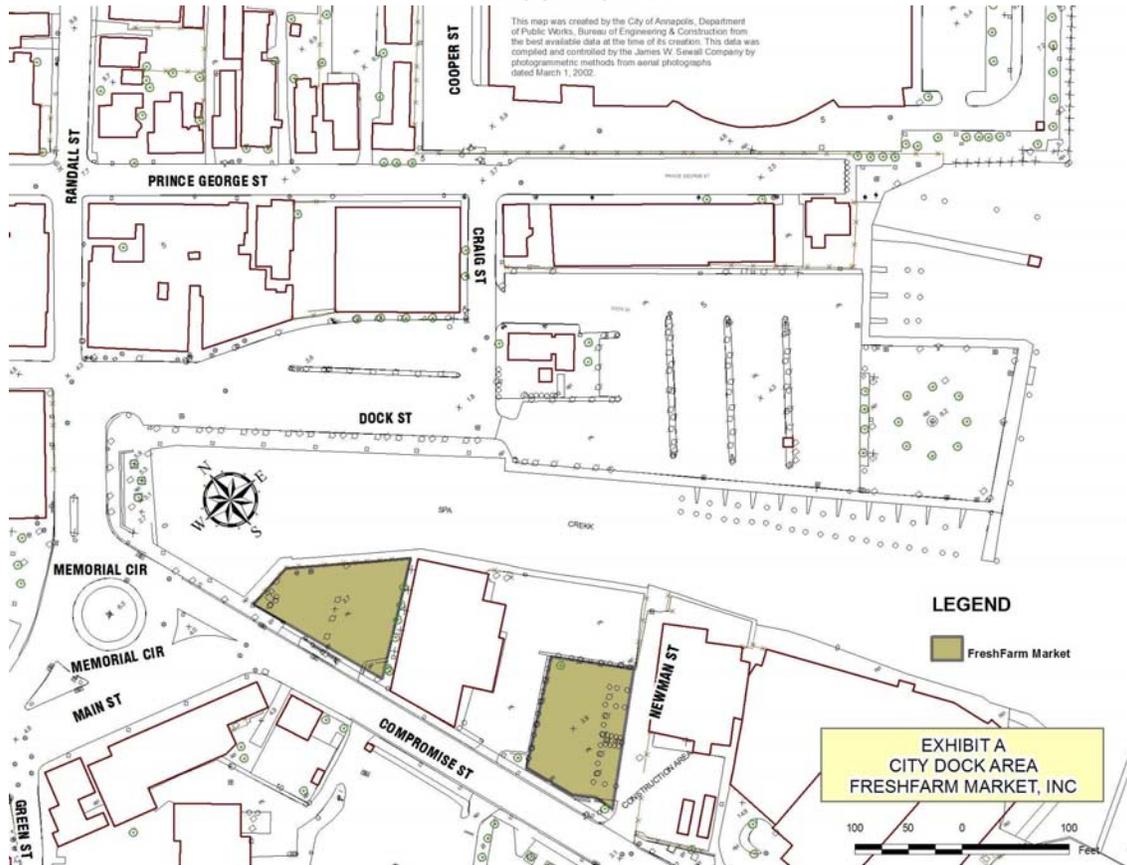
Approved for form and legal sufficiency:

Karen M. Hardwick, City Attorney

Date:

Lease of the Donner Lot to FRESHFARM Markets Inc.

Attachment A



Policy Report

Ordinance O-43-12

Lease of Public Parking Lots to FRESHFARM Markets, Inc.

O-43-12 authorizes a lease of municipal property located at 110 Compromise Street from May 5, 2013 through November 24, 2013 to FRESHFARM Markets, Inc. 110 Compromise Street is also known as the Donner Lot and the Public Parking Lot between the Fleet Reserve and the site formerly known at Fawcett Boat Supplies. FRESHFARM Markets, inc. desires to lease the property for the purpose of conducting an open-air farmers market.

Prepared by Carol Richardson, Legislative and Policy Analyst Office of Law, cdrichardson@annapolis.gov, 410-263-1184.



City of Annapolis City Council
Standing Committee Referral Action Report

Date: 02/04/13

To: Jessica Cowles,
City of Annapolis Office of Law,
Legislative and Policy Analyst

The Rules and City Government Committee has reviewed O-43-13 and has taken the following action:

Favorable

Favorable with amendments

To insert the lease dates that are excepted in to the ordinance.

Unfavorable

No Action

Other

Comments:

Roll Call Vote:

Ald. Israel, Chair yes

Ald. Hoyle yes

Ald. Arnett yes

Meeting Date 2/4/13

Signature of Chair Richard Israel



City of Annapolis City Council
Standing Committee Referral Action Report

Date: 2/20/13

To: Jessica Cowles,
City of Annapolis Office of Law,
Legislative and Policy Analyst

The Economic Matters Committee has reviewed 0-43-12 and has taken the following action:

Favorable

Favorable with amendments (attached)

Unfavorable

No Action

Other

Comments:

Roll Call Vote:

Ald. Paone, Chair YES

Ald. Finlayson YES

Ald. Israel YES

Meeting Date 2/20/13 Signature of Chair Frederick M. Paone

Economic Matters amendments to O-43-12 Lease of Public Parking to Fresh Farm Market

On page one, line 37 after 2013 add ", subject to prior leases already approved by the city council".

On page 3 line 35 to delete "except September 29th *and* October 13th, 2012" and replace with "except September 29th *though* October 13th, 2013."

FISCAL IMPACT NOTE

Legislation No: O-43-12

First Reader Date: 12/17/12

Note Date: 1/4/13

Legislation Title: Lease of Public Parking Lots to FRESHFARM Markets, Inc.

Description: For the purpose authorizing a lease of municipal property located at 110 Compromise Street from May 5, 2013 through November 24, 2013, to FRESHFARM Markets, Inc.

Analysis of Fiscal Impact: This legislation requires that FRESHFARM Markets, Inc. (Lessee) pay \$50 a month for each month of the lease for a total of \$350.

There are about 50 metered parking spaces in the area of the lease. The hours of the lease are 6 a.m. to 2 p.m. and the parking meters are in operation from noon to 7:30 p.m. Assuming all the meters would be in operation for 2 hours on each day at \$1 per hour, the estimated lost revenue from parking meters would be \$100 per day or \$2,800 for the 28 Sundays.

The Lessee shall install any temporary electrical equipment, lines and devices required on the premises upon approval by the City. The Department of Neighborhoods and Environmental Programs reports that there will be no City inspections other than an initial checking of the electrical connection. The cost to the City is estimated at \$60 for the services of an inspector. Cleaning, trash removal and security services will be provided by the Lessee. City water and electricity will be available at no cost to the Lessee but are expected to be negligible.

The total estimated negative fiscal impact of \$2,510 is calculated as follows:

Rent	350.00
Lost parking meter revenue	-2,800.00
Electrical inspection cost	-60.00
	<hr/>
\$	-2,510.00

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**CITY COUNCIL OF THE
City of Annapolis**

Ordinance No. O-1-13

Sponsors: Mayor Cohen, Alderwoman Finlayson, Alderman Arnett

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
1/14/13			4/14/13
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	1/14/13		
Finance	1/14/13		

8
9 **A ORDINANCE** concerning

10 **Technical Corrections to the Annapolis City Code - Exempt Service**

11 **FOR** the purpose of making certain technical corrections to the Annapolis City Code in
12 regards to the exempt service.

13 **BY** making technical amendments regarding certain exempt service positions in order to
14 reflect the original intent of Ordinance No. O-10-12 Amended, which repealed and re-
15 enacted with amendments the following portions of the Code of the City of Annapolis,
16 2012 Edition:

17 Section 3.08.010

18 Section 3.08.030

19
20 **WHEREAS,** Sections 3.08.010 and 3.08.030 of the Code were amended pursuant to
21 Ordinance No. O-10-12 Amended, which was adopted by the Annapolis City
22 Council on June 4, 2012;

23 **WHEREAS,** pursuant to Ordinance No. O-10-12 Amended, certain positions were added to
24 exempt service and certain positions were eliminated from exempt service;

25 **WHEREAS,** certain technical amendments are necessary to effectuate the original purpose of
26 Ordinance O-10-12 Amended.

27
28
29
30 **SECTION I: BE IT ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY**
31 **COUNCIL** that the Code of the City of Annapolis shall be amended to read as follows:
32

1 **CHAPTER 3.08 – EXEMPT SERVICE**

2
3 **3.08.010 - Positions included.**

4 The exempt service includes:

- 5 1. All the elected officials;
- 6 2. All department directors;
- 7 3. City Manager;
- 8 4. Communications Officer;
- 9 5. City Attorney;
- 10 6. Assistant City Attorney;
- 11 7. Community Relations Specialist;
- 12 8. Human Services Officer and Ombudsman;
- 13 9. Administrative Assistant;
- 14 10. Assistant City Manager;
- 15 11. Public Information Officer and Quartermaster
- 16 12. Executive Office Associate;
- 17 13. Recruitment/[EEO] EMPLOYEE RELATIONS Administrator;
- 18 14. Deputy Fire Chiefs; and
- 19 15. Police Major and Captains.

20
21 **3.08.030 - Salary.**

22 A. 1. For purposes of setting annual salaries, the following positions in the exempt service
23 are assigned grades in the City's pay plan as indicated:

Position	Grade
Executive Office Associate	A10
Recruitment/[EEO] EMPLOYEE RELATIONS Administrator	A15
Communications Officer	A18
Deputy Fire Chief	F18
Human Resources Director	A20
Director of Transportation	A20
[Director of Economic Affairs]	[A20]
Director of Neighborhood and Environmental Programs	A20
[Central Services Officer]	[A20]
Director of Recreation and Parks	A20
City Attorney	A20
Assistant City Attorney	A18
Director of Finance	A20
Director of Planning	A20
Human Services Officer and Ombudsman	A18
[Development/Events Specialist]	[A12]
Community Relations Specialist	A12
[Boards and Commissions/Council Associate]	[A10]
Administrative Assistant	A8
Assistant City Manager	A14
Public Information Officer and Quartermaster	A12

Fire Chief	F20
Police Chief	P20
Police Major	P18
Police Captain	P17
Director of Public Works	A20

1
2 2. The salary of the City Manager shall be proposed and approved by the council at the
3 time of the City Manager's confirmation hearing.

4
5 **B. Salary raises:**

6 1. Shall be justified by either satisfactory or above satisfactory performance reviews by the
7 Mayor and shall be entirely at the Mayor's discretion, with the exception of those positions listed
8 in subsection (B)(2) of this section;

9 2. Shall be at the discretion of the Department Director for the following positions:

- 10 i. Deputy Fire Chiefs,
- 11 ii. Police Captains,
- 12 iii. Police Major,
- 13 iv. Recruitment/Employee Relations Administrator,
- 14 v. Assistant City Attorney[.],
- 15 vi. EXECUTIVE OFFICE ASSOCIATE,
- 16 vii. COMMUNICATIONS OFFICER,
- 17 viii. HUMAN SERVICES OFFICER AND OMBUDSMAN,
- 18 ix. COMMUNITY RELATIONS SPECIALIST
- 19 x. ADMINISTRATIVE ASSISTANT,
- 20 xi. ASSISTANT CITY MANAGER,
- 21 xii. PUBLIC INFORMATION OFFICER AND QUARTERMASTER.

22 3. Shall not be awarded to an individual more frequently than once a year;

23 4. Shall not be for an amount exceeding one pay step in the grade range for the position as set
24 in subsection (A)(1) of this section;

25 5. Shall not cause an individual's salary to exceed the maximum salary of the assigned grade.

26
27 **C. Longevity salary increases awarded to civil service employees shall not be a benefit of**
28 **the exempt service.**

29
30 **D. A City employee appointed to a position specified in subsection (A)(1) of this section**
31 **shall be assigned to a salary in the new pay grade which is at a minimum five percent higher**
32 **than the employee's salary prior to promotion or shall be assigned to the minimum of the new**
33 **grade, whichever is higher. In no case shall the new salary exceed the maximum salary of the**
34 **new grade.**

35
36 **E. For positions other than those specified in subsection (B)(2) of this section, the Mayor**
37 **may make an initial appointment at a salary greater than the first step of the assigned grade.**
38 **The appointment and initial salary is subject to confirmation by the City Council. For those**
39 **positions specified in subsection (B)(2) of this section, appointments made by Department**
40 **Director do not require City Council approval and initial appointments may be made at a salary**
41 **greater than the first step of the assigned grade subject to the availability of funding.**

42
43 **F. The Mayor shall report to the City Council on an annual basis the salaries of all positions**
44 **listed in subsection A of this section, and all increases in salary awarded since the prior report.**

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SECTION II: AND BE IT FURTHER ESTABLISHED AND ORDAINED BY THE ANNAPOLIS CITY COUNCIL that this Ordinance shall take effect from the date of its passage.

ADOPTED this _____ day of _____, _____.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

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EXPLANATION

CAPITAL LETTERS indicate matter added to existing law.
[brackets] indicate matter stricken from existing law.
Underlining indicates amendments.

Policy Report

Ordinance O-1-13

Technical Corrections - Exempt Service

The proposed ordinance would make certain technical corrections to Sections 3.08.010 and 3.08.030 to the Annapolis City Code, 2012 Edition. These technical corrections are necessary to ensure that the Code reflects the original intent of Ordinance No. O-10-12 Amended, which was adopted by the Annapolis City Council on June 4, 2012.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at 410.263.1184 or JCCowles@annapolis.gov and Carol Richardson, Legislative and Policy Analyst in the City of Annapolis Office of Law.

Proposed Amendment to O-1-13
Technical Corrections to the Annapolis City Code – Exempt Service

Amendment #1

Page 3, Line 15: correct the spelling error to read ASSOCIATE.



City of Annapolis City Council
Standing Committee Referral Action Report

Date: 2/19/13

To: Jessica Cowles,
City of Annapolis Office of Law,
Legislative and Policy Analyst

The Rules and City Government Committee has reviewed 0-1-13 and
has taken the following action:

Favorable

Favorable with amendments

Unfavorable

No Action

Other

Comments:

Roll Call Vote:

Ald. Israel, Chair yes

Ald. Hoyle yes

Ald. Arnett yes

Meeting Date 2/19/13

Signature of Chair Richard Grad

FISCAL IMPACT NOTE

Legislation No: O-1-13

First Reader Date: 1/14/13

Note Date:

Legislation Title: **Technical Corrections to the Annapolis City Code – Exempt Service**

Description: For the purpose of making certain technical corrections to the Annapolis City Code in regards to the exempt service.

Analysis of Fiscal Impact: This legislation produces no fiscal impact because it corrects the City Code to current practice.

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**CITY COUNCIL OF THE
City of Annapolis**

Resolution No. R-4-13

Introduced by: Mayor Cohen, Alderman Pfeiffer and Alderwoman Finlayson

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
1/24/13			4/26/13
Referred to	Referral Date	Meeting Date	Action Taken
Public Safety	1/24/13		

8
9 **A RESOLUTION** concerning

10 **Peggy Kimbo Way**

11 **FOR** the purpose of declaring that Maryland Avenue shall bear the honorary designation of
12 "Peggy Kimbo Way" to celebrate the contributions of Ethelda "Peggy" Kimbo to the City
13 of Annapolis.

14
15 **WHEREAS,** Peggy Kimbo was a native Annapolitan, born on College Avenue near the U.S.
16 Naval Academy -- an institution she would help transform; and

17
18 **WHEREAS,** Peggy Kimbo was named by the U.S. Naval Academy's Class of 1958 as an
19 honorary member; and

20
21 **WHEREAS,** Peggy Kimbo worked on Maryland Avenue for over 50 years, touching the
22 hearts of many Annapolitans and visitors while serving as the Hostess for the
23 City; and

24
25 **WHEREAS,** Peggy Kimbo lived a life that made a difference to people from all walks of life,
26 not seeing color, wealth, or power but rather individuals deserving respect and
27 kindness; and

28
29 **WHEREAS,** Peggy Kimbo and the Kimbo family opened their home and hearts by
30 sponsoring African American Midshipmen for many years as the Academy
31 worked to become more fully integrated; and

32
33 **WHEREAS,** Peggy Kimbo served as the mom in Annapolis for these Midshipmen and
34 helped ease their transition to the U.S. Naval Academy and supported them in
35 the challenges they encountered by providing a refuge, encouragement and, if
36 necessary, tough love; and

1 **WHEREAS,** Peggy Kimbo was an anchor of Annapolis culture, who remembered its past,
2 forgave its injustices, and focused on a positive, unified future;
3

4 **WHEREAS,** the honorary designation of Maryland Avenue as “Peggy Kimbo Way” is a
5 fitting celebration of these accomplishments;
6

7 **WHEREAS,** the honorary designation does not conflict with any other City street names nor
8 Anne Arundel County street names in the Annapolis area.
9

10
11 **NOW, THEREFORE, BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that Maryland
12 Avenue shall be shall bear the honorary designation of “Peggy Kimbo Way” to celebrate the
13 contributions of Ethelda “Peggy” Kimbo to the City of Annapolis.
14

15 **AND BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that a copy of this
16 resolution shall be provided to the Kimbo family.
17

18
19 **ADOPTED** this _____ day of _____, _____.
20
21

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

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27 **EXPLANATION**

28 CAPITAL LETTERS indicate matter added to existing law.

29 [brackets] indicate matter stricken from existing law.

30 Underlining indicates amendments.
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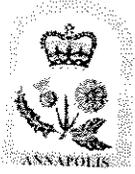
Policy Report

R-4-13

Peggy Kimbo Way

The proposed resolution would declare that Maryland Avenue shall bear the honorary designation of “Peggy Kimbo Way” to celebrate the contributions of Ethelda “Peggy” Kimbo to the City of Annapolis.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at JCCowles@annapolis.gov or 410.263.1184.



City of Annapolis City Council
Standing Committee Referral Action Report

Date: 2/20/13

To: Jessica Cowles,
City of Annapolis Office of Law,
Legislative and Policy Analyst

The Public Safety Committee has reviewed R-4-13 and has taken the following action:

- Favorable
- Favorable with amendments
- Unfavorable
- No Action
- Other
- Comments:

Roll Call Vote:

Ald. Finlayson, Chair yes

Ald. Paone yes

Ald. Kirby yes

Meeting Date _____

Signature of Chair _____

FISCAL IMPACT NOTE

Legislation No: R-4-13

First Reader Date: 1/24/13

Note Date: 1/30/13

Legislation Title: **Peggy Kimbo Way**

Description: For the purpose of declaring that Maryland Avenue shall bear the honorary designation of 'Peggy Kimbo Way' to celebrate the contributions of Ethelda "Peggy" Kimbo to the City of Annapolis.

Analysis of Fiscal Impact: Other than signage, this legislation produces no significant fiscal impact.

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**CITY COUNCIL OF THE
City of Annapolis**

Resolution No. R-21-13

Introduced by: Mayor Cohen

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
3/18/13			6/14/13
Referred to	Referral Date	Meeting Date	Action Taken
Finance	3/18/13		

A RESOLUTION concerning

Recommendations of the Council Compensation Commission

FOR the purpose of providing for consideration, and the City Charter's required public hearing, of the recommendations of the Council Compensation Commission.

WHEREAS, pursuant to the Annapolis City Charter, Article II, Section 4, the City Council appointed the Council Compensation Commission via R-38-12 adopted on October 8, 2012; and

WHEREAS, the Council Compensation Commission provided a report containing recommendations on compensation for the Mayor, Aldermen/Alderwomen and the City Manager and the City Council accepted the attached report on January 28, 2013; and

WHEREAS, on _____ the Annapolis City Council held a public hearing on the recommendations of the Council Compensation Commission as required by the Charter.

NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL that the report of the Council Compensation Commission is attached.

ADOPTED this _____ day of _____, _____.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

Regina C. Watkins-Eldridge, MMC, City Clerk

BY

Joshua J. Cohen, Mayor

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EXPLANATION

CAPITAL LETTERS indicate matter added to existing law.

[brackets] indicate matter stricken from existing law.

Underlining indicates amendments.

Policy Report

R-21-12

Recommendations of the Council Compensation Commission

The proposed resolution would provide for consideration, and the City Charter's required public hearing, of the recommendations of the Council Compensation Commission.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at JCCowles@annapolis.gov or 410.263.1184.

January 28, 2013

Mayor Josh Cohen and
The Annapolis City Council
City Hall
160 Duke of Gloucester Street
Annapolis, Maryland 21401

Dear Mayor Cohen and Aldermen:

Enclosed is the Report and Recommendations, with Exhibits, of the Council Compensation Commission. We appreciate the opportunity to serve our fellow residents, and trust that you will find our recommendations useful. If you have any questions or would like to hear from us in person, we would be pleased to attend a City Council meeting, work session, or other forum as you see fit.

Very truly yours,

Dale P. Kelberman
Chairman
Annapolis City Council Compensation Commission

Cc w/ encl: Karen M. Hardwick, Esq., City Attorney

**REPORT AND RECOMMENDATIONS OF THE
2012-2013 ANNAPOLIS CITY COUNCIL
COMPENSATION COMMISSION**

I. Introduction

Pursuant to the City Charter, Article II Section 4, on October 22, 2012 and November 26, 2012, the City Council appointed the undersigned as the members of the 2012-2013 City Council Compensation Commission. The members were sworn in by Mayor Cohen at the first meeting of the full Commission on November 27, 2012. The Commission was charged with the responsibility of making recommendations to the City Council on the compensation to be paid to the Mayor and the Aldermen, and to formulate an “executive pay plan” to govern the compensation of the City Manager, to take effect after the next City election.

II. Meetings of the Commission

The Commission held public meetings on the following dates: November 5, 2012, November 27, 2012, December 4, 2012, December 11, 2012, January 8, 2013 and January 15, 2012, either at City Hall or the Gorman Street location. In addition, on December 18, 2012, the Commission held a public hearing to solicit the views of the citizens of Annapolis on the issues.

III. Documents and Witnesses Interviewed

The Commission obtained a variety of documents from different sources as part of its information gathering process. The Commission had access to, among other materials: (1) the Report and related data from the previous Compensation Commissions that made compensation recommendations in 2005 and 2009; (2) comparative charts of the compensation of similar officer holders and City Managers in other parts of Maryland; (3) descriptive information regarding the duties and responsibilities of the respective officials, their salaries and benefits; (4) the 2006 Civil Service Board Hendricks Classification and Compensation Study; (5) Consumer Price information data; (6) the present contract of the City Manager; (7) salary data for the present City supervisors.

The Commission also interviewed a number of relevant parties during several of its meetings. We heard from the City Manager, the City Finance Director, the head of the City’s Human Resources Department, the Mayor, and three Aldermen: Ms. Finalyson, Ms. Hoyle and Mr. Paone (all the Aldermen were invited to meet with the Commission or submit their comments in writing).

IV. Compensation Recommendations and Justification

a. The Mayor

Recommendation: The Mayor's salary should remain at \$98,000 per year.

In 2009, our predecessor Commission recommended that the Mayor's compensation be increased to \$120,000 per year. The City Council reduced that amount, and fixed the Mayor's compensation at \$78,000, \$88,000 and \$98,000, for the years 2010, 2011 and 2012, respectively. In addition, the Mayor receives other benefits similar to those of other senior personnel in the City, such as health insurance and participation in the State Retirement program. Those benefits cost the City approximately \$30,000 per year.

According to information from the Maryland Municipal League, the Mayor's salary is the highest in the State for comparable size cities. In addition, since the last Commission made its recommendations, the City has created the position of City Manager, which has altered the day-to-day responsibilities of the Mayor. The Mayor remains a full-time position that requires a great commitment of time and energy, as the Mayor remains the CEO of the City, and the City Manager reports to the Mayor. While it is difficult to determine the extent of the change in the Mayor's duties, at the very least his duties have shifted with the advent of the City Manager position, so that the Mayor now has more time to devote to policy-making issues.

Over the last three years, the Mayor's compensation has increased an average of 12% per year, while the other City employees have had no pay increases or cost of living adjustments (although they have received step increases).

We believe the Mayor's present compensation and benefits are fair and reasonable, and should remain unchanged.¹ In addition, we believe that the current compensation package for the Mayor is sufficient such that qualified applicants for this important elected position would not be discouraged from seeking the office.

b. The Aldermen

Recommendation: The Aldermen's compensation should be increased to \$13,500 per year. The allocation of \$1500 each, presently set aside for education and training, should be expanded to permit the use of those funds for City Council expenses, such as cell phones, postage, correspondence, office supplies, and the like.

Article IV, Section 2, of the City Charter sets out the duties and responsibilities of the Aldermen, as follows:

- (a) The city council shall be the legislative body of the City of Annapolis vested with the power to enact laws. The city council shall have the authority to enact all laws necessary

¹ We considered, but ultimately rejected, including a cost-of-living increase commensurate with other City employees for the Mayor.

or convenient for the exercise of the powers granted to the City of Annapolis for the proper functioning of the government of the city and for enforcement of these laws. Except as otherwise provided by the city council, all laws adopted by the council shall take effect upon the date of adoption.

(b) The powers and duties of the city council include the power and duty to conduct oversight of the expenditure of public money and the delivery of municipal services.

(c) The city council shall sit as the planning and zoning authority of the city, except for those functions delegated to the board of appeals, the planning commission or to the planning and zoning director.

(d) The city council shall perform such other functions as specified in this Charter or by ordinance, or as conferred upon local governing bodies by the laws of the State of Maryland.

Article 2.16.190 of the City Code establishes the various City Council committees, and the duties of each.

There are at least two schools of thought on the compensation for Aldermen. On the one hand, there are those who believe that the Aldermen are essentially volunteers performing an important and valuable civic function, and any compensation they receive should be viewed as a stipend. On the other hand, there are those who say that, while the position is part-time, Aldermen spend more and more time at Council meetings, committee hearings and meetings, ceremonial duties, and responding to constituent contacts and their compensation should reflect the increased time commitment of these positions.

In 2009, the previous Compensation Commission recommended that each Alderman's compensation be increased to \$18,000 per year, with a \$1500 per year allotment for each for training and educational purposes. The City Council reduced that amount, so that the Aldermen now receive an annual salary of \$12,600 per year, and there is an allotment of \$1500 per year for education and training expenses. The Aldermen participate in the State Retirement Pension plan, but receive no other benefits.

As the City has grown and become more complex, the duties and time devoted by Aldermen has also increased, and thus a modest increase in compensation is warranted. While only two citizens appeared at the Commission's public hearing, it is worth noting that both of them recommended increasing the compensation of Aldermen.

However, the Commission has found that, in each of the last three years, roughly two-thirds of the funds set aside for training and educational expenses have not been used. At the same time, Aldermen have been required to use their own funds to pay for such expenses as office supplies to communicate with their constituents and others. Now that the Aldermen will each have space in the newly-renovated City Hall,² we believe the City should expand the use of the training and

² Section 2.16.215 of the City Code now provides that Aldermen shall have their own "dedicated office space" within City Hall.

education allotment to permit the Aldermen to use those funds for cell phones, postage, and other office expenses, to the same extent as other City agencies.

c. Executive Pay Plan for the City Manager

Article VI, Section 2B of the City Code provides:

(d) The compensation of the city manager **shall be fixed by the mayor according to the provisions of an executive pay plan formulated by the Council Compensation Commission and adopted by ordinance.** If the city manager is hired during an interim year, the mayor and council shall determine the compensation based upon the recommendations from the Finance Committee. (emphasis added).

The Commission found this language, and the Resolution creating our body, ambiguous, as we were unable to determine whether the executive pay plan we were asked to draft was designed to govern the compensation for the present City Manager. In reviewing the present City Manager's contract, it appeared that there was a conflict between our duties and his contract, and provisions of the City Code. Consequently, we sought legal advice from the City Attorney. See Exhibit A, Letter to City Attorney. Because the City Attorney believed that she might have a conflict of interest, or the appearance of such, in responding, she engaged outside counsel, Fred Sussman, Esq., a former City Attorney, to provide a response. Mr. Sussman's letter of advice is enclosed as Exhibit B. In essence, Mr. Sussman advised the Commission to objectively formulate an executive pay plan for the position of City Manager, without regard to the present City Manager's contract or other provisions of the City Code, and to leave it to the City Council to reconcile any inconsistent provisions. Based upon Mr. Sussman's advice, we considered the following issues and formulated the recommended executive pay plan accordingly.

The Commission believes that the executive pay plan (the "plan") for the City Manager should be designed to fairly compensate the City Manager for the duties and responsibilities of his position. The City Manager reports to the Mayor, and oversees each of the City department heads, a task that requires 24/7 oversight of a City of approximately 38,000 residents, a budget in excess of \$75 million, and more than 670 employees. The plan should also be competitive in the market for such executive positions, in order to attract qualified candidates with the requisite training and experience to apply for the position. To the extent possible, the plan should also insulate the City Manager from the vicissitudes of political changes, and provide incentives for improved performance on the job. The City Manager position should be included as other supervisory positions in the City Budget, without the necessity for entering into a contract with the City Manager. The Manager should be subject to removal to the same extent as other supervisory personnel, but with severance pay under certain conditions. With these general objectives in mind, the Commission recommends the following be included in the executive pay plan:

1. Base Salary with incremental increases based upon performance evaluations: The plan should include a base salary ranging from \$120,000 to \$180,000 per year, with incremental increases based upon annual performance reviews conducted by the Mayor.

The initial base salary should be fixed within the above range based upon the City Manager's education and employment experience. The annual performance review should be based upon criteria established in advance by the Mayor and City Council, in cooperation with the Director of Human Resources. The base salary and increments should be subject to cost of living increases every two years, based upon COLAs awarded to other City supervisory personnel during the two year period. The City Manager's compensation should be subject to reduction to the same extent as other supervisory City employees, including reductions based upon furloughs or similar actions.

3. **Benefits:** The City Manager should be entitled to receive the same benefits as other City supervisory personnel, such as inclusion in the City's health care and retirement plans, in which the City and the employee contribute in the same proportion as other City supervisory employees. Because of the City Manager's general duties and responsibilities, the City should provide the Manager with a City vehicle, or additional compensation to reimburse him for the use of a vehicle.
4. **Severance pay:** The Commission believes that severance pay should be a part of the pay plan in order to provide the Manager with a sense of stability and confidence, and at the same time, provide the City with the opportunity to remove the Manager for poor performance or other nonpolitical reasons without too great a penalty. The pay plan should provide for three (3) months' severance pay of salary only for a City Manager who has been removed from his position without cause and no severance if the removal is for cause. Grounds for removal that constitute "cause" shall be established by the Mayor and City Council in writing as part of the pay plan. Removal for cause shall be mandatory for the conviction of any felony, and should be within the discretion of the City Council for any other violation of law or other misconduct.
5. **Other provisions:** The Commission recommends that any other components of the City Manager's compensation plan, including termination, be adopted and applied to the City Manager according to the provisions of the City Code, to the same extent as those provisions apply to other supervisory personnel.

V. Other Issues Considered

The Commission strongly urges the City Council, the Mayor, and the City Attorney to carefully review Mr. Sussman's letter of advice to the Commission, attached as Exhibit B. Mr. Sussman has identified a number of legal issues regarding the position of City Manager, such as conflicts between the City Charter, the Code and the present City Manager's contract, that should be addressed by the City to eliminate ambiguity and inconsistency.

The Commission wishes to express its appreciation to Hilary Raftovich for staffing our Commission and providing her valuable assistance during the course of performing our duties.

Respectfully submitted,

NICK BERRY

FRANK B. BRADLEY

AMY BURDICK

FAYE CURRIE

CANDACE DONOHO

RICHARD HILLMAN

DALE P. KELBERMAN, CHAIRMAN

Date: January 28, 2013

**Dale P. Kelberman
68 Southgate Avenue
Annapolis, MD 21401
443-482-2993
kelberman@verizon.net**

December 7, 2012

By Hand Delivery

Karen Hardwick, Esq.
City Attorney
Office of Law
93 Main Street
Annapolis, Maryland 21401

Dear Ms. Hardwick:

As the Chairman of the Annapolis City Council Compensation Commission, I am writing on behalf of our Commission to seek your legal advice regarding an issue that has arisen in the course of our deliberations, specifically with respect to the recommendations for compensation to the City Manager. As you know, our Commission's task is to recommend to the City Council the compensation to be paid to the Mayor and City Council representatives commencing after the next general election. City Code, Article II, Section 4.

In addition, according to Article VI, Section 2B of the City Code, we have a role in setting the compensation for the City Manager. That section provides:

(d) The compensation of the city manager **shall be fixed by the mayor according to the provisions of an executive pay plan formulated by the Council Compensation Commission and adopted by ordinance.** If the city manager is hired during an interim year, the mayor and council shall determine the compensation based upon the recommendations from the Finance Committee. (emphasis added).

In the course of gathering information for the purpose of making our recommendations, we have obtained a copy of the existing contract between the City and the present City Manager (the "contract"). That contract is dated December 22, 2010, and sets forth the compensation and duties of the City Manager, in addition to other important provisions. The contract, however, has no termination date, and thus appears to continue in existence indefinitely (although there is a *procedure* for termination spelled out in the contract.)

In addition to setting the present salary and benefits for the City Manager, the contract also has two other provisions that relate to the City Manager's compensation. Section 5 A provides: "Employer [the City] agrees to increase said base salary and/or benefits of employee in such amounts and to such extent as the Employer may determine that it is desirable to do so on the basis of an **annual salary review** of said employee made at the same time and in the same manner as similar consideration is given other employees generally." (emphasis added.) Section 6 A of the contract states that "The Mayor shall review and evaluate the performance of Employee annually . . . "

Section 18 of the contract, labeled "No reduction of Benefits," provides: "Employer shall not at any time during the term of this agreement reduce the salary, compensation, medical benefits or other financial benefits of Employee, except to the degree of such a reduction across the board for all employees of the Employer."

Thus, according to the contract, it appears that the City Manager's compensation may only be increased based upon an annual performance evaluation by the Mayor, and his compensation may not be decreased at all during the existence of the contract, which is indefinite in duration. Nothing in the contract makes reference to the executive pay plan we are required to formulate for the purpose of governing the City manager's salary. Conversely, if we are to avoid breaching the terms of the existing (and indefinite) contract,

our executive pay plan must conform, at the least, to the terms of the contract, thereby restricting our discretion.¹

The terms of the contract appear to be inconsistent with the Code provision requiring the City Manager's compensation to be set based upon an executive pay plan established by our Commission. Even though the City Manager was hired during an interim year, because his contract has an indefinite term with fixed procedures for increases and no decreases, we fail to see how any executive pay plan we formulate will ever have a bearing on the City Manager's compensation.

We would therefore appreciate your advice on how we should proceed with regard to any recommendations for the City Manager's compensation, and the executive pay plan we are charged with formulating. Our report and recommendations to the City Council are due by late January, 2013, so we would appreciate your advice at your earliest opportunity. Thank you for your consideration, and should you need any additional information from our Commission, please do not hesitate to contact me.

Very truly yours,



Dale P. Kelberman
Chairman
Annapolis City Council Compensation Commission

Cc: Michael D. Mallinoff, City Manager

¹ For example, any executive pay plan we formulate must include: (1) a provision that prohibits any reduction in compensation and benefits; and (2) an annual salary review by the Mayor (and *not* the City Council), in order to comport with the current City Manager's contract.

January 15, 2013

HAND DELIVERED

Dale P. Kelberman, Chair
Annapolis City Council Compensation Commission
Annapolis City Hall
160 Duke of Gloucester Street
Annapolis, MD 21401

Re: Recommendation for Compensation for City Manager

Dear Mr. Kelberman:

On December 7, 2012, you delivered a letter to the Annapolis City Attorney on behalf of the Annapolis City Council Compensation Commission ("Commission"). Your letter sought advice from the City Attorney regarding what the Commission perceived may be inconsistencies between the Annapolis City Code and Charter, the current City Manager's Employment Agreement ("Agreement"), and the Commission's charge to make recommendations for an executive pay plan for the position of City Manager. The City Attorney engaged me to respond to the Commission's inquiries because she perceived that she may have a conflict of interest in giving this advice to the Commission.

The Commission was formed by City Council Resolution No. R-38-12 Amended that was adopted on October 8, 2012.¹ This Resolution directed the Commission to make specific recommendations "on the salaries, fringe benefits, and allowable expenses, for the Mayor, eight City Council members, and City

¹ The Council Compensation Commission is provided for in Article II, Section 4, of the City Charter. This Section establishes a process for a commission appointed by the City Council at least one year before any general municipal election to recommend compensation to be paid to the Mayor and members of the Council in the next term of office. Section 4 does not refer to the commission making a recommendation for compensation for a City Manager. That additional duty is included in Article VI, Section 2B, of the City Charter. Section 2B does not refer to a City Manager's term of office.

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Manager that would be effective on December 2, 2013.” As I understand the Commission’s request for guidance, the Commission is concerned that its recommendation of an “executive pay plan”² for the City Manager may be inconsistent with existing provisions of law, and that implementation of the Commission’s recommendations may cause the City to breach the City Manager’s Agreement.

In summary, I believe that while various provisions of the Charter, Code and Agreement may not be entirely consistent, they generally can be harmonized. Furthermore, to the extent that any part of the Agreement is unconstitutional, invalid or unenforceable, the remainder of the Agreement remains in place. Finally, the Commission’s responsibility is to make a recommendation regarding compensation for the position of City Manager.³ The City Council will be responsible to receive and act upon the Commission’s recommendation. Action by the City Council to adopt an executive pay plan for the City Manager must be adopted by ordinance. Thereafter, the Mayor will be responsible to implement the City Council’s legislative determinations in accordance with law.⁴ I explain.

² As discussed later in this letter, the City Charter provides for the Council Compensation Commission to establish an “executive pay plan” to fix the compensation of the City Manager. The Charter does not define “executive pay plan.” The absence of a definition or description of an “executive pay plan” leaves to the reasonable discretion of the Commission to determine what components of compensation should be included in the plan. Resolution R-38-12 Amended which created your Commission directs the Commission to make recommendations regarding salary, fringe benefits and allowable expenses. While this may reflect the City Council’s conception of what should be included in an executive pay plan, I believe that the Commission has further latitude to include other items, if any, that the Commission determines reasonably may be related to a comprehensive package of compensation for a City Manager.

³ Even though Resolution No. R-38-12 Amended speaks in terms of salaries, fringe benefits and allowable expenses, a reasonable construction of the City Council’s intent in enacting this Resolution was to ask the Commission to prepare and present to the Council an executive pay plan for the City Manager as contemplated by Article VI, Section 2B, of the City Charter.

⁴ Article V, Section 2, of the City Charter charges the Mayor with the duty of seeing “that the actions of the city council are duly and faithfully executed....”

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Scope of Review and Assumptions

As part of the preparation of this letter of advice I have reviewed numerous provisions of the City Charter and City Code relating to the creation of the position of City Manager, the inclusion of the position of City Manager in the City's exempt service, terms and conditions of employment of members of the City's exempt service, minutes of meetings of the City Council and City Council's Finance Committee related to the hiring of the current City Manager, the Agreement, and other matters I deemed relevant.

For purposes of this advice I make three key assumptions – (i) that the Agreement is a lawful act of the City (subject to excising any specific provisions that may be unconstitutional, invalid or unenforceable); (ii) that the position of City Manager is not a “public officer” within the meaning of Article III, Section 35, of the Maryland Constitution (“...nor may the salary or compensation of any public officer be increased or diminished during his term of office except those whose full term of office is fixed by law in excess of 4 years”); and (iii) that the Charter Amendment that created the position of City Manager is a lawful and valid enactment.

Relevant Statutory Context

Your inquiries must be evaluated in the context of provisions of the Annapolis City Charter and Code that apply to the position of City Manager and the City Manager's compensation.

The position of City Manager was established by Charter Amendment CA-03-10, adopted on April 26, 2010, effective on June 15, 2010. This Charter Amendment amended Article VI, Section 2B, of the Charter to eliminate the position of City Administrator and to create a new position of City Manager within a modified structure of the City government.^{5,6} Section 2B(d) as amended by this

⁵ The position of City Administrator was established pursuant to Charter Amendment CA-4-96 Amended/Reconsidered adopted February 10, 1997, effective April 1, 1997.

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Charter Amendment established the process for setting the initial compensation for a City Manager that exists today:

The compensation of the city manager shall be fixed by the mayor according to the provisions of an executive pay plan formulated by the Council Compensation Commission and adopted by ordinance. If the city manager is hired during an interim year, the mayor and council shall determine the compensation based upon the recommendations from the Finance Committee.

The City Code contains additional provisions relating to the compensation of a City Manager. The City Manager is a member of the City's exempt service. City Code, § 3.08.010.3.⁷ Section 3.08.030 provides methods of determining salaries for members of the exempt service. Section 3.08.030.A.1. assigns all members of the exempt service, except for the City Manager, to a salary pay grade in the City's pay plan. However, with respect to the City Manager, Section 3.08.030.A.2. states that "[t]he salary of the City Manager shall be proposed and

⁶ The title to this Charter Amendment states that the purpose of the Charter Amendment is for "clarifying" the role of the City Manager, "enhancing" certain supervisory powers of the City Manager", and "providing" that the Mayor must approve the dismissal of the City Manager. The title to this Charter Amendment does not state that its purpose was to create the position of City Manager. Nevertheless, the City Clerk advised me that there was no prior Charter Amendment that created the position of City Manager.

⁷ The identification of the City Manager as a member of the exempt service was accomplished by Ordinance O-10-12 Amended, adopted June 4, 2012, effective from the date of its passage. The term "City Administrator" was changed to "City Manager." A corresponding provision in Article VIII, Section 2, of the Charter has not yet been amended to reflect the change from City Administrator to City Manager. However, the City Manager is a member of the exempt service by the catch-all provision in Section 2(9) that includes in the exempt service "[a]ll exempt service positions as established from time to time in Chapter 3.08 of the Annapolis City Code.

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approved by the Council at the time of the City Manager's confirmation hearing."⁸ Section 3.08.030.B.1., provides for salary increases for members of the exempt service. Section 3.08.030.B.1. applies to all exempt positions except for certain expressly named positions, none of which is the City Manager. Section 3.08.030.B.1. provides "B. Salary raises: 1. Shall be justified by either satisfactory or above satisfactory performance reviews by the Mayor and shall be entirely at the Mayor's discretion..."

In addition to addressing salaries, other provisions of Chapter 3.08 of the City Code address employment benefits for members of the exempt service. Each of these employment benefits applies to the City Manager as a member of the exempt service.⁹ As discussed later in this letter, the benefits afforded to the City Manager in Chapter 3.08 are not entirely consistent with the benefits provided to the City Manager in the Agreement.

Section 3.08.020 provides that members of the exempt service "are entitled to each employment benefit that is provided to employees in the civil service, except as provided in this chapter." Section 3.08.040 addresses annual, sick and personal leave for members of the exempt service, including annual leave after one or more continuous years of service with the City and sick leave on the basis of "reasonable need." Department directors (but not the City Manager) are not

⁸ My review of minutes of meetings of the City Council and its Finance Committee reflect that the process set forth in Article VI, Section 2B, of the Charter, and Section 3.08.030.A.2. generally were followed.

⁹ As the Commission has noted, there are inconsistencies between and among various legislative enactments, and between legislative enactments and the current City Manager's Agreement. As part of the Commission's report to the City Council, the Commission may want to consider recommending that the City Council review and eliminate these various inconsistencies, including enacting such further charter amendments and ordinances as may be necessary. The Commission also may want to consider whether the compensation of the City Manager, including salary and benefits, should be addressed in an employment agreement between the City and the Manager, rather than treating the Manager as a member of the exempt service for purposes of salary and benefit provisions on the City Code.

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entitled to personal leave to which civil service employees may be entitled. By virtue of Section 3.08.020 members of the exempt service are entitled to all other leave to which civil service employees are entitled.

Finally, Section 3.08.050 provides for severance pay under limited circumstances for members of the exempt service. Section 3.08.050 does not provide severance pay when employees in the exempt service, including the City Manager, are terminated for non-disciplinary reasons. Rather, an entitlement to severance pay in the amount of 1/8th of the employee's annual salary is payable when the exempt service employee has been terminated for disciplinary reasons.

Current City Manager's Employment Agreement

The provisions of the Agreement relevant to this analysis are as follows:

1. The City Manager is employed for an indefinite term, subject to termination by either party upon 45 days notice, subject to immediate termination by the City upon the City Manager's conviction of certain crimes, and further subject to termination by the City for certain disability or illness related reasons when the City Manager has remained off from work more than 4 weeks after using all of the City Manager's accrued sick leave.

2. The City Manager will receive severance benefits upon termination of employment by the City, except where termination is for conviction of certain crimes. The severance benefit is a lump sum payment equal to 180 days salary, plus health and life insurance continuation at City expense.¹⁰

3. The City Manager will be paid a salary in the amount of \$138,310 per year, except that for purpose of the City's contribution to State Retirement System

¹⁰ Note that under City Code Sections 3.08.050 and 3.16.140 exempt employees, including the City Manager, are entitled to severance pay in amount of 1/8th of salary if they are removed for disciplinary reasons.

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the salary will be deemed to be \$145,225.50, the rate of pay prior to the furlough based wage reduction in the City's FY 2011 budget. The City Manager also is entitled to salary or benefit increases in such amounts and to such extent as the City deems desirable on basis of an annual salary review in the same manner as similar consideration is given to other employees generally.

4. The City Manager is required to work a minimum of 35 hours per week.

5. The City Manager is entitled to 4 weeks annual leave per year, credited to his account at the time of employment as City Manager and thereafter at each anniversary date.¹¹

6. The City Manager is entitled to other leave, including sick leave, to the same extent as other employees in the exempt service.

7. The City Manager is entitled to disability, health and life insurance benefits on the same basis as provided for other full-time exempt employees.

8. Subject to availability of funds in the budget, the City will pay professional dues and subscriptions for the City Manager.

9. The City agrees to budget and pay for travel and expenses for the City Manager's professional development.

10. The City Manager has use, at the city's expense, of a City-provided vehicle in connection with performance of his duties.

11. The City Manager will be provided with a parking pass to park in the City's parking garage.

¹¹ Note that under City Code Section 3.08.040 an employee is not entitled to 4 weeks of annual leave until completing seven years of continuous service.

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12. The City will provide the City Manager use of a City computer and appropriate software.

13. The City will reimburse the City Manager for non-personal and job-related expenses in accordance with City rules, regulations and policies.

14. The City Manager is not entitled to any benefits, rights or privileges of City civil service employment except as specifically provided in the Agreement.

15. The City may not reduce the City Manager's salary, compensation, medical benefits or other financial benefits, except to the degree of such a reduction across the board for all employees.¹²

16. The Agreement contains a severability clause which says that if any part or provision of the Agreement is unconstitutional, invalid or unenforceable, the unconstitutionality, invalidity or unenforceability does not affect other provisions of the Agreement, which shall remain in full force and effect.

Discussion

The Commission is one of three cogs in the City's governing structure for setting and implementing compensation for a City Manager. The Commission performs an advisory function to the City Council. The Commission's charge by Resolution R-38-12 Amended is to provide a recommendation to the City Council "on the salaries, fringe benefits, and allowable expenses, for the Mayor, eight City Council members, and City Manager that would be effective on December 2, 2013." While this effective date is required by the Maryland Constitution and City Charter for compensation for the Mayor and members of the City Council, there is

¹² This provision is ambiguous to the extent that it is not clear as to whether the "no reduction" clause means that only the salary and benefits specified in the Agreement may not be reduced below those levels, or whether it proscribes a reduction of any enhanced salary or benefits that may be provided in future years.

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no similar proscription against altering the compensation of the City Manager before or after that date.¹³

Notwithstanding the reference in Resolution R-38-12 Amended to the salary, fringe benefits and allowable expenses for the City Manager being effective on December 2, 2013, the Resolution still must be read in the context of the City Charter and Code provisions that address the compensation of the City Manager and members of the exempt service. So that the Commission's recommendations regarding an executive pay plan may be effective for any compensation review of the current City Manager that the Mayor may make before December 2, 2013, or may be applicable to any new City Manager should a vacancy arise before that date, the Commission may want to consider recommending that any ordinance that the City Council adopts to approve an executive pay plan for the City Manager expressly provide that, from and after the effective date of the ordinance, the approved pay plan be used in making any compensation decisions for the current or any successor City Manager.

The Commission should not feel constrained in its deliberations and recommendations by existing provisions for salary, fringe benefits and expenses contained in the City Code for members of the City's exempt service or in the City

¹³ December 2, 2013, is the date on which the newly elected Mayor and members of the City Council will take office. According to Article II, Section 4, of the City Charter, recommendations of the Commission regarding Mayoral and Council member compensation take effect only for the next succeeding term of office, and that the salaries specified when the Mayor and members of the City Council take office may not be changed during the period for which they were elected. This is consistent with the prohibition in Article III, Section 35, of the Maryland Constitution which prohibits the salary or compensation of any public officer from being increased or diminished during his or her term of office except those whose full term of office is fixed by law in excess of 4 years. The absence of a similar proscription for the effective date of a change in compensation for the City Manager is based upon the assumption noted on page 3 of this letter – that the City Manager is not a “public officer”. If the City Manager is a public officer there could be no change in his compensation because he holds the position for an indefinite term. The City Manager does not hold a four year term coterminous with that of the Mayor and members of the City Council.

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Manager's Agreement. The Commission is expected to use its independent judgment in determining what the Commission believes are reasonable terms of an executive pay plan for the City Manager. In exercising that judgment the Commission may, and should, take into account the current salary, benefits and expenses, as they reflect the considered judgment of the Mayor and City Council when the City Manager was hired approximately two years ago. As discussed below, it will be the responsibility of the Mayor and City Council to address and reconcile differences between the Commission's recommendations, the City Code and the Agreement.

Once the Commission submits its recommendations, its task is completed. The City Council then must act by ordinance if it is to approve an executive pay plan for the position of City Manager. If this executive pay plan alters provisions relating to salary and benefits for the City Manager as a member of the exempt service as set forth in the City Code, the City Council likely would need to amend those provisions of the Code to the extent that they are inconsistent with the adopted executive pay plan.

After the City Council approves this executive pay plan the Mayor will be responsible to implement it consistent with law. To the extent that the current City Manager is employed under the Agreement, the Mayor will need to consider the provisions of the Agreement during the implementation of the pay plan. Part of this implementation may necessitate a legal review to determine whether certain provisions of the adopted executive pay plan may be implemented for the current City Manager in light of the Agreement.

If the terms of the executive pay plan are consistent with the Agreement the Mayor presumably would implement the pay plan according to its terms in order to carry out law as established by ordinance of the City Council. Several options do exist for the Mayor to address inconsistencies between the Agreement and the adopted executive pay plan - (i) determine that certain provisions of the Agreement are unconstitutional, invalid or unenforceable and implement provisions of the plan notwithstanding the Agreement, (ii) enter into an amendment to the Agreement

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with the City Manager to reflect the provisions of the new executive pay plan, or (iii) terminate the employment of the City Manager if the City Manager does not accept the provisions of the executive pay plan.

With respect to salary, Section 3.08.030.B.1. provides for salary increases for members of the exempt service, including a City Manager, at the Mayor's discretion based upon performance reviews. This is not inconsistent with the current City Manager's Agreement, which provides for salary increases based upon performance review by the Mayor. If the Commission recommends a salary or salary range for the City Manager position that is less than the salary contained in the City Manager's Agreement, the Mayor will need to consider the validity and enforceability of the "no reduction in compensation" clause in the Agreement. If the Mayor determines that the "no reduction in compensation" clause is valid and enforceable, the provisions of the executive pay plan relating to salary would apply to a succeeding City Manager. If the approved salary, or salary range, for the position of City Manager exceeds the salary in the current Agreement, the Mayor may use that salary as guidance when determining a salary increase for the current City Manager based upon performance review.

As the Commission concludes its deliberations I remind the Commission that Sections 3.08.020 and 3.08.050 of the City Code address for all members of the exempt service several elements discussed on pages 5-6 of this letter that the Commission may consider to be part of an executive pay plan. As examples, these Sections address severance pay, leave and all other benefits afforded to employees in the City's civil service, except as expressly restricted by Chapter 3.08.

The Commission should consider recommending to the City Council that, in conjunction with the Council's adoption of an executive pay plan for the City Manager, the Council should carefully review and amend those existing provisions of the City Code that may be inconsistent with the adopted executive pay plan. Additionally, it is commonplace in local government for city and town managers and administrators to be employed under employment agreements. The Commission should consider whether it may be more desirable to have all issues

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Re: Recommendation for Compensation for City Manager

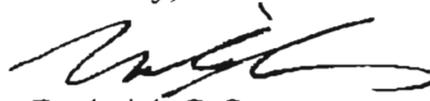
File No.: 17523.01

January 15, 2013

relating to the City Manager's compensation addressed in an employment agreement rather than in a patchwork of an agreement and provisions of the City Code. It is this patchwork that has led to the ambiguity, lack of clarity and inconsistencies that currently are presented. Placing the terms of the City Manager's employment in an agreement or the City Code, but not both, should eliminate opportunities for inconsistencies between the two. Finally, the Commission's work has revealed that the City Charter and Code provisions relating to establishment and alteration of salary and other compensation for a City Manager are ambiguous and lack clarity. The Commission should consider recommending a further review and revision of Charter and Code provisions relating to City Manager compensation to resolve these ambiguities and lack of clarity.

I trust that this letter provides the Commission with the guidance it is seeking. Please let me know if the Commission has any questions or would like me to clarify or elaborate upon the advice that I have given in this letter.

Sincerely,



Frederick C. Sussman

FCS:tbn
17523.01

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**CITY COUNCIL OF THE
City of Annapolis**

Ordinance No. O-17-13

Introduced By: Mayor Cohen

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
3/18/13			6/14/13
Referred to	Referral Date	Meeting Date	Action Taken
Economic Matters	3/18/13		
Finance	3/18/13		
Financial Advisory Commission	3/18/13		

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AN ORDINANCE concerning

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Issuance of Bonds

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FOR the purpose of authorizing and empowering the City of Annapolis (the "City") to issue and sell, upon its full faith and credit, general obligation bonds in the aggregate principal amount not to exceed Fifteen Million Three Hundred Seventy Thousand Dollars (\$15,370,000), pursuant to Sections 31 through 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume and 2012 Supplement), as amended, and Article VII, Section 11 of the Charter of the City of Annapolis, as amended, to be designated as "Public Improvements Bonds, 2013 Series" and said bonds to be issued and sold for the public purpose of financing and refinancing certain capital projects of the City as provided in this Ordinance; authorizing and empowering the City to issue and sell, upon its full faith and credit, general obligation bonds in the aggregate principal amount not to exceed Five Million One Hundred Thousand Dollars (5,100,000) pursuant to Sections 31 through 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume and 2012 Supplement), as amended, Section 24 of Article 31 of the Annotated Code of Maryland (2010 Replacement Volume and 2012 Supplement), and Article VII, Section 11 of the Charter of the City of Annapolis, as amended, to be designated as "Public Improvements Refunding Bonds, 2013 Series", for the public purpose of refunding all or a portion of certain outstanding general obligation bonds as provided in this Ordinance; prescribing the form and tenor of said bonds; determining the method of sale of said bonds and other matters relating to the issuance and sale thereof; providing for the disbursement of the proceeds of said bonds; covenanting to levy and collect all taxes necessary to provide for the payment of the principal of and interest on said bonds; and generally providing for and determining various matters relating to the issuance, sale and delivery of all said bonds.

1 The Refunding Act authorizes the City to issue bonds for the purpose of refunding
 2 outstanding bonds issued by the City in order to (i) realize debt service savings on either a
 3 direct comparison or present value basis, or (ii) restructure debt that (1) in the aggregate effects
 4 such a reduction in the cost of debt service; or is determined to be in the best interests of the
 5 City, to be consistent with the City's long term financial plan, and to realize a financial objective
 6 including improving the relationship of debt service to a source of payment such as taxes,
 7 assessments or other charges.

8 The City has determined that it is in the best interest of the City to refund the Refunded
 9 Bonds in order to restructure its debt in order to realize the financial goals of the City consistent
 10 with the City's long term financial plan.

11 The Charter contains no limitations upon the rate at which *ad valorem* taxes may be
 12 levied by the City for the payment of the principal of and interest on said bonded indebtedness.

13 Since the adoption of Article XI-E as an amendment of the Constitution of Maryland, the
 14 General Assembly of Maryland has passed no law proposing a limitation upon the rate at which
 15 taxes may be levied by the City or a limitation upon the amount of bonded indebtedness which
 16 may be incurred by the City different from that set forth in the Charter.

17 NOW, THEREFORE, BE IT ESTABLISHED AND ORDAINED BY THE CITY COUNCIL,
 18 that:

19 SECTION 1. All terms used herein which are defined in the Recitals hereof shall have
 20 the meanings given such terms therein.

21 SECTION 2. It is in the best interest of the City to borrow money and incur indebtedness
 22 and the City is authorized and empowered to issue and sell, upon its full faith and credit, its
 23 general obligation, fully registered bonds in the aggregate principal amount not to exceed
 24 Fifteen Million Three Hundred Seventy Thousand Dollars (\$15,370,000) to be known as "Public
 25 Improvements Bonds, 2013 Series A" (the "Series A Bonds") or such other designation as
 26 deemed appropriate by the Mayor of Annapolis (the "Mayor") and City Manager of Annapolis
 27 (the "City Manager") for the purposes of financing and refinancing the costs of the public
 28 projects listed below (the "Projects"), including the costs of issuing the Series A Bonds.

FUND	PROJECT NUMBER	PROJECT NAME	BOND FUNDING
		<i>GENERAL FUND</i>	
General Fund	20004	Maintenance Facilities	\$ 415,000
	20005	City Hall Restoration	1,310,000
	50008	Truxtun Park Pool	50,000
	tbd	Fire Station Paving	426,212
	40001	General Roadways	2,000,000

	tbd	General Sidewalks	600,000
	tbd	Trail Connections	150,000
	50006	Truxtun Park Improvements (Trail)	65,000
	74001	City Dock Development	315,000
		General Fund Total:	\$5,331,212
		<i>ENTERPRISE FUNDS</i>	
Water Fund	71001	Water Treatment Plant	\$5,000,000
	71003	Water Distribution Rehab	1,880,000
		Water Fund Total:	\$6,880,000
Sewer	72002	Sewer Pump Station Rehab	\$ 614,000
	72004	Sewer Rehab & Upgrades	2,320,000
		Sewer Fund Total:	\$2,934,000
Total			\$15,145,212

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3 The costs of the Projects shall include (without limitation) the costs of the planning,
4 construction, reconstruction, demolition, improvement, refurbishing, renovation, restoration,
5 extension, alteration, installation, repair, acquisition, conversion and modernization of
6 structures; the acquisition of structures and sites for structures; the acquisition of rights of way
7 for roads; architectural and engineering services, including preparation of plans, drawings and
8 specifications; and all customary and necessary furnishings and fixed permanent equipment for
9 structures.

10 SECTION 3. It is in the best interest of the City to borrow money and incur indebtedness
11 and the City is authorized and empowered to issue and sell, upon its full faith and credit its
12 general obligation, fully registered bonds in the aggregate principal amount not to exceed Five
13 Million One Hundred Thousand Dollars (\$5,100,000) to be known as "Public Improvements
14 Refunding Bonds, 2013 Series A" (the "Refunding Bonds" and together with the Series A Bonds,
15 the "Bonds") or such other designation as deemed appropriate by the Mayor and City Manager for
16 the purposes of refunding all or a portion of the Refunded Bonds, and to pay the costs of issuing
17 such bonds.

18 Any Bonds issued pursuant to this Ordinance may be issued as one or more series of
19 Bonds, as deemed appropriate by the Mayor and City Manager.

20 SECTION 4. The City hereby covenants that any Bonds issued hereunder shall comply
21 with all limitations of the Charter and that no Bonds shall be issued by the City if, by the
22 issuance thereof, the total bonded indebtedness of the City incurred, less the amount of sinking

1 funds established for the retirement thereof, would then exceed ten per centum (10%) of the
2 assessed value of all real and personal property in the City taxable for municipal purposes.

3 SECTION 5. The Bonds authorized by this Ordinance shall be dated the date of their
4 delivery, shall be fully registered bonds without coupons in the denomination of Five Thousand
5 Dollars (\$5,000) each or any integral multiple thereof and shall bear interest at the interest rate
6 or rates fixed at the time of the awarding of the Bonds in accordance with an executive order of
7 the Mayor and the provisions of this Ordinance as hereinafter provided. Interest on the Bonds
8 shall be payable semi-annually on the dates and in the years as may be determined by the
9 Mayor in an executive order. The Bonds shall mature, subject to the option of prior redemption,
10 in annual installments, including any mandatory sinking fund installments, in the years as shall
11 be determined by the Mayor pursuant to an executive order; provided however, that the final
12 maturity of the Bonds shall not exceed 30 years from the date of delivery of the Bonds. Each
13 Bond shall bear interest from the interest payment date next preceding the date on which it is
14 authenticated, unless authenticated upon an interest payment date, in which event it shall bear
15 interest from such interest payment date, or unless authenticated prior to the first interest
16 payment date, in which event it shall bear interest from the date of the Bonds; provided,
17 however, that if at the time of authentication of any bond interest is in default, such bond shall
18 bear interest from the date to which interest has been paid.

19 SECTION 6. Certain of the Bonds may be subject to redemption prior to maturity as
20 may be determined by the Mayor in an executive order. With respect to the Bonds subject to
21 redemption, if any, the redemption dates and the redemption prices shall be specified in an
22 executive order by the Mayor.

23 The Bonds shall be redeemed only in integral multiples of \$5,000. If less than all of the
24 Bonds of any one maturity are called for redemption, the particular bonds to be redeemed from
25 such maturity shall be selected by lot by the bond registrar for the Bonds (the "Bond Registrar")
26 in such manner as the Bond Registrar in its sole discretion may determine or under the
27 procedures for book-entry bonds if the Bonds are under a book-entry system.

28 When less than all of a Bond in a denomination in excess of \$5,000 shall be so
29 redeemed, then upon the surrender of such Bond, there shall be issued to the registered owner
30 thereof, without charges, for the unredeemed balance of the principal amount of such Bond, at
31 the option of such owner, Bonds in any of the authorized denominations, the aggregate face
32 amount of such Bonds not to exceed the unredeemed balance of the Bond so surrendered, and
33 to bear the same interest rate and to mature on the same date as said unredeemed balance.

1 If the City elects to redeem all or a portion of the Bonds outstanding, it shall give a
2 redemption notice by first class mail, postage prepaid, at least 20 days prior to the date fixed for
3 redemption to each registered owner appearing on the books kept by the Bond Registrar.
4 Notwithstanding the foregoing, so long as all of the Bonds are registered in the name of Cede &
5 Co., as nominee for the Depository Trust Company, New York, New York ("DTC"), such notice
6 shall be given by a secure means (e.g. legible facsimile transmission, registered or certified mail
7 or overnight express delivery) in a timely manner designed to assure that such notice is in DTC
8 possession no later than the close of business on such 20th day; provided, however, that the
9 failure to mail the redemption notice or any defect in the notice so mailed or in the mailing
10 thereof shall not affect the validity of the redemption proceedings. The redemption notice shall
11 state (i) whether the Bonds are to be redeemed in whole or in part and, if in part, the maturities
12 and numbers of the Bonds to be redeemed, (ii) the date fixed for redemption and the
13 redemption price or prices, (iii) that the Bonds to be redeemed shall be presented for
14 redemption at the office of the Bond Registrar, (iv) that interest on the Bonds called for
15 redemption shall cease to accrue on the date fixed for redemption; and (v) other conditions, if
16 any, for the redemption on the date fixed for redemption, including but not limited to the
17 availability of funds for such redemption.

18 From and after the date fixed for redemption, if notice has been duly and properly given
19 and if funds sufficient for the payment of the redemption price of the Bonds called for
20 redemption plus accrued interest due thereon are available on such date, the Bonds so called
21 for redemption shall become due and payable at the redemption price or prices provided for
22 redemption of such Bonds on such date, interest on the Bonds shall cease to accrue and the
23 registered owners of the Bonds so called for redemption shall have no rights in respect thereof
24 except to receive payment of the redemption price plus accrued interest to the date fixed for
25 redemption. Upon presentation and surrender of a Bond called for redemption in compliance
26 with the redemption notice, the Bond Registrar shall pay the redemption price of such bond plus
27 accrued interest thereon to the date fixed for redemption. If bonds so called for redemption are
28 not paid upon presentation and surrender as described above, such bonds shall continue to
29 bear interest at the rates stated therein until paid.

30 SECTION 7. The Bonds shall be executed in the name of the City and on its behalf by
31 the Mayor. Such signature of the Mayor shall be imprinted on such Bonds by manual or
32 facsimile and a facsimile of the corporate seal of Annapolis shall also be imprinted thereon,
33 attested by the manual or facsimile signature of the City Clerk of Annapolis, all in accordance
34 with and pursuant to the authority of the Maryland Uniform Facsimile Signature of Public

1 Officials Act, being Sections 2-301 through 2-306 of the State Finance and Procurement Article
2 of the Annotated Code of Maryland.

3 In the event any official whose signature shall appear on such Bonds shall cease to be
4 such official prior to the delivery of the Bonds, or in the event any such official whose signature
5 shall appear on the Bonds shall have become such after the date of issue thereof, the Bonds
6 shall nevertheless be valid and legally binding obligations of Annapolis in accordance with their
7 terms.

8 All Bonds shall be issued as fully registered bonds without coupons and shall be
9 registered in the name or names of the owner or owners thereof; on books kept for such
10 purpose at the principal office of the Bond Registrar. The Bonds initially will be issued in book-
11 entry form without any physical distribution of certificates made to the public. DTC will act as
12 securities depository for the Bonds and the Bonds will be registered in the name of DTC's
13 partnership nominee, Cede & Co. The City reserves the right to terminate maintenance of the
14 Bonds in a book-entry only system and to issue fully certificated bonds. The Mayor or his
15 designee is hereby authorized to appoint a financial institution to act as the Bond Registrar and
16 as paying agent (the "Paying Agent") for the Bonds, unless the Mayor determines after
17 consulting with the financial advisor to the City (the "Financial Adviser") that the City shall act as
18 the Bond Registrar or the Paying Agent or both. Payment of the principal of and interest on the
19 Bonds shall be made to the person appearing on the registration books maintained by the Bond
20 Registrar as the registered owner thereof, such principal to be payable at the principal office of
21 the Paying Agent upon presentation and surrender of such bonds as the same become due and
22 payable, and such interest to be payable by check mailed by the Paying Agent to the persons in
23 whose names the bonds are registered on the regular record date which shall be the fifteenth
24 day of the month immediately preceding each regular interest payment date, or such other day
25 specified in the bond (the "Regular Record Date"), at the registered owner's address as shown
26 on the registration books maintained by the Bond Registrar.

27 SECTION 8. Any interest on any Bond which is payable but is not punctually paid or
28 provision for the payment of which has not been made ("Defaulted Interest") shall forthwith
29 cease to be payable to the registered owner on the relevant Regular Record Date solely by
30 virtue of such registered owner having been such registered owner; and such Defaulted Interest
31 may be paid by the City, at its election in each case, as provided in paragraph (1) or (2) below:

32 (1) The City may elect to make payment of any Defaulted Interest on the Bonds to
33 the persons in whose names such Bond is registered at the close of business on a record date
34 for the payment of such Defaulted Interest (the "Special Record Date"), which shall be fixed in

1 the following manner. The City shall notify the Paying Agent in writing of the amount of
2 Defaulted Interest proposed to be paid on the Bonds and the date of the proposed payment
3 (which date shall be such as will enable the Paying Agent to comply with the next sentence
4 hereof), and at the same time the City shall deposit or cause to be deposited with the Paying
5 Agent an amount of money equal to the aggregate amount proposed to be paid in respect of
6 such Defaulted Interest or shall make arrangements satisfactory to the Paying Agent for such
7 deposit prior to the date of the proposed payment, such money when deposited to be held in
8 trust for the benefit of the persons entitled to such Defaulted Interest as provided in this
9 paragraph. Thereupon the Paying Agent shall fix a Special Record Date for the payment of
10 such Defaulted Interest which shall be not more than fifteen (15) nor less than ten (10) days
11 prior to the date of the proposed payment after the receipt by the Paying Agent of the notice of
12 the proposed payment. The Paying Agent shall promptly notify the City of such Special Record
13 Date and, in the name of the City, shall cause notice of the proposed payment of such Defaulted
14 Interest and the Special Record Date therefore to be mailed, first-class postage prepaid, to each
15 registered owner at his address as it appears in the registration books maintained by the Bond
16 Registrar not less than ten (10) days prior to such Special Record Date. The Paying Agent
17 may, in its discretion, in the name of the City, cause a similar notice to be published at least
18 once in a newspaper of general circulation in Annapolis, Maryland but such publication shall not
19 be a condition precedent to the establishment of such Special Record Date. Notice of the
20 proposed payment of such Defaulted Interest and the Special Record Date therefore having
21 been mailed as aforesaid, such Defaulted Interest shall be paid to the registered owners of the
22 Bonds as of the close of business on such Special Record Date.

23 (2) The City may make payment of any Defaulted Interest in any other lawful manner
24 not inconsistent with the requirements of any securities exchange on which the Bonds may be
25 listed, and upon such notice as may be required by such exchange, if, after notice given by the
26 City to the Paying Agent of the proposed payment pursuant to this paragraph, such payment
27 shall be deemed practicable, and approved in writing, by the Paying Agent.

28 Except as provided hereinafter or in ordinances of the Mayor and Aldermen of the City of
29 Annapolis adopted prior to the issuance and delivery of the Bonds, all Bonds shall be
30 substantially in the following form, with appropriate insertions as therein indicated and such
31 other modifications as shall be approved by the Mayor, which form and all of the covenants
32 therein contained are hereby adopted by Annapolis as and for the form of obligation to be
33 incurred by Annapolis, and said covenants and conditions are hereby made binding upon
34 Annapolis, including the promise to pay therein contained:

No. R-_____
\$_____

(Form of Bond)

UNITED STATES OF AMERICA
STATE OF MARYLAND
CITY OF ANNAPOLIS, MARYLAND

GENERAL OBLIGATION BOND

PUBLIC IMPROVEMENTS BOND
2013 SERIES

Interest Rate Per Annum Maturity Date Date of Original Issue CUSIP

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT DOLLARS

CITY OF ANNAPOLIS (the "City"), a municipal corporation created and existing under the laws of the State of Maryland, hereby acknowledges itself indebted, and, for value received, promises to pay to the Registered Owner shown above or registered assigns or legal representatives on the Maturity Date shown above (unless this bond shall be redeemable, shall have been called for prior redemption and payment of the redemption price made or provided for), the Principal Amount shown above or so much thereof as shall not have been paid upon prior redemption in any coin or currency which, at the time of payment, is legal tender for the payment of public and private debts upon presentation and surrender of this bond on the date such principal is payable or if such date is not a Business Day (hereinafter defined) then on the next succeeding Business Day at the principal office of the Paying Agent, and to pay to the registered owner hereof by check or draft, mailed to such registered owner at his address as it appears on said registration books (the "Bond Register") maintained by the Bond Registrar interest on said principal amount at the Interest Rate shown above until payment of such principal amount, or until the prior redemption hereof, such interest being payable semi-annually on the first days of [_____] and [_____] in each year, in like coin or currency to the registered owner in whose name this bond is registered on the Bond Register as of the close of business on the regular record date, which shall be the fifteenth day of the month immediately preceding each regular interest payment date (the "Regular Record Date"). Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered owner on the Regular Record Date, and may be paid to the person in whose name this bond is registered at the close of business on a date fixed by the Paying Agent for such defaulted interest payment (the "Special Record Date"), notice of which is given to the registered owner hereof not less than ten (10) days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirement of any securities exchange on which the bonds of this series may be listed and upon such notice as may be required by such exchange.

"Business Day" means a day other than a Saturday, Sunday or day on which banking institutions under the laws of the State governing the Paying Agent are authorized or obligated by law or required by executive order to remain closed.

1
2 This bond shall not be valid or become obligatory for any purpose, until this bond shall have
3 been authenticated by an authorized officer of the Bond Registrar.
4

5 This bond is one of a duly authorized issue of general obligation bonds of the City aggregating
6 _____ Dollars (\$_____) in principal amount, which are in
7 denominations of \$5,000 or any integral multiple thereof, mature serially in installments on the
8 first day of August in each of the years 20_ to 20_, inclusive, and bear interest per annum as
9 follows:

10	Year of	Principal	Interest	Year of	Principal	Interest
11						
12	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Rate</u>
13						
14						
15						
16						
17						
18						

19 The bonds are numbered from one consecutively upwards prefixed by the letter "R" and are of
20 like tenor and effect except as to maturity, number, interest rate, denomination and redemption
21 provisions, and are issued pursuant to and in full conformity with the provisions of Sections 31
22 to 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume
23 and 2012 Supplement), as amended, and Article VII, Section 11 of the Annapolis City Charter,
24 and by virtue of due proceedings had and taken by the Mayor and Aldermen of the City of
25 Annapolis particularly an Ordinance adopted on the _____ day of _____, 20__ (approved
26 _____ 20__) (the "Ordinance").
27

28 The bonds which mature on or before [_____] are not subject to redemption prior to their
29 maturities. The bonds which mature on or after [_____] are subject to redemption prior to
30 their maturities on or after [_____] at the option of the City either as a whole or in part at
31 any time, in any order of maturities, at a redemption price expressed as a percentage of the
32 principal amount of the bonds to be redeemed, set forth in the table below, together with interest
33 accrued to the date fixed for redemption:
34

35	<u>Redemption Period (both dates inclusive)</u>	<u>Redemption Price</u>
36		
37		
38		

39 If less than all of the bonds of any one maturity of this issue shall be called for redemption, the
40 bonds to be redeemed shall be selected by lot by the Bond Registrar in such manner as, in its
41 discretion, it shall determine.
42

43 When less than all of a bond in a denomination in excess of \$5,000 shall be so redeemed, then,
44 upon the surrender of such bond, there shall be issued to the registered owner thereof, without
45 charge, for the unredeemed balance of the principal amount of such bond, at the option of such
46 owner, bonds in any of the authorized denominations, the aggregate face amount of such bonds
47 not to exceed the unredeemed balance of the bond so surrendered, and to bear the same
48 interest rate and to mature on the same date as said unredeemed balance.
49

50 If the City elects to redeem all or a portion of the bonds outstanding, it shall give a redemption
51 notice by first class mail, postage prepaid, at least 20 days prior to the date fixed for redemption

1 to each registered owner appearing on the books kept by the Bond Registrar. Notwithstanding
2 the foregoing, so long as all of the Bonds are registered in the name of Cede & Co., as nominee
3 for the Depository Trust Company, New York, New York ("DTC"), such notice shall be given by
4 a secure means (e.g. legible facsimile transmission, registered or certified mail or overnight
5 express delivery) in a timely manner designed to assure that such notice is in DTC possession
6 no later than the close of business on such 20th day; provided, however, that the failure to mail
7 the redemption notice or any defect in the notice so mailed or in the mailing thereof shall not
8 affect the validity of the redemption proceedings. The redemption notice shall state (i) whether
9 the bonds are to be redeemed in whole or in part and, if in part, the maturities and numbers of
10 the bonds to be redeemed, (ii) the date fixed for redemption and the redemption price or prices,
11 (iii) that the bonds to be redeemed shall be presented for redemption at the office of the Bond
12 Registrar, (iv) that interest on the bonds called for redemption shall cease to accrue on the date
13 fixed for redemption, and (v) other conditions, if any, for the redemption on the date fixed for
14 redemption, including but not limited to the availability of funds for such redemption.
15

16 From and after the date fixed for redemption, if notice has been duly and properly given and if
17 funds sufficient for the payment of the redemption price of the bonds called for redemption plus
18 accrued interest due thereon are available on such date, the bonds so called for redemption
19 shall become due and payable at the redemption price or prices provided for redemption of such
20 bonds on such date interest on the bonds shall cease to accrue and the registered owners of
21 the bonds so called for redemption shall have no rights in respect thereof except to receive
22 payment of the redemption price plus accrued interest to the date fixed for redemption. Upon
23 presentation and surrender of a bond called for redemption in compliance with the redemption
24 notice, the Bond Registrar shall pay the redemption price of such Bond plus accrued interest
25 thereon to the date fixed for redemption. If bonds so called for redemption are not paid upon
26 presentation and surrender as described above, such bonds shall continue to bear interest at
27 the rates stated therein until paid.
28

29 This bond is transferable only upon the registration books kept at the principal office of the Bond
30 Registrar, by the registered owner hereof in person, or by his attorney duly authorized in writing,
31 upon surrender hereof together with a written instrument of transfer in the form attached hereto
32 and satisfactory to the Bond Registrar duly executed by the registered owner or his duly
33 authorized attorney, and thereupon, within a reasonable time, the City shall issue in the name of
34 the transferee a new registered bond or bonds of any authorized denominations in aggregate
35 principal amount equal to the principal amount of this bond or the unredeemed portion hereof,
36 and maturing on the same date and bearing interest at the same rate. Said new bond or bonds
37 shall be delivered to the transferee only after payment of any tax or governmental charge
38 required to be paid with respect to and any shipping expenses or insurance relating to, such
39 transfer and only after due authentication thereof by an authorized officer of the Bond Registrar.
40 The City shall not be required to issue, transfer or exchange any bond during the period
41 beginning fifteen days before any selection of bonds to be redeemed and ending on the day of
42 publication and mailing of the notice of redemption or to transfer or exchange any bond called or
43 being called for redemption in whole or in part. The City may deem and treat the person in
44 whose name this bond is registered as the absolute owner hereof for the purpose of receiving
45 payment of or on account of the principal or redemption price hereof and interest due hereon
46 and for all other purposes.
47

48 The full faith and credit and unlimited taxing power of the City are hereby irrevocably pledged to
49 the prompt payment of the principal of and interest on this bond according to its terms, and the
50 City does hereby covenant and agree to pay the principal of this bond and the interest thereon,

1 at the dates and in the manner mentioned herein, according to the true intent and meaning
2 hereof.
3

4 It is hereby certified and recited that all conditions, acts and things required by the Constitution
5 or statutes of the State of Maryland, the Charter and the Ordinance to exist, to have happened
6 or to have been performed precedent to or in the issuance of this bond, exist, have happened
7 and have been performed, and that the issue of bonds of which this is one, together with all
8 other indebtedness of the City, is within every debt and other limit prescribed by said
9 Constitution or statutes or Charter, and that due provision has been made for the levy and
10 collection of an *ad valorem* tax or taxes upon all legally assessable property within the corporate
11 limits of the City in rate and amount sufficient to provide for the payment, when due, of the
12 principal of and interest on this bond.
13

14 IN WITNESS WHEREOF, this bond has been executed by the facsimile signature of the Mayor
15 of the City, which signature has been imprinted hereon, a facsimile of the corporate seal of the
16 City has been imprinted hereon, attested by the manual or facsimile signature of the City Clerk
17 as of the first day of _____, ____.

18
19 ATTEST: CITY OF ANNAPOLIS

20
21
22
23 _____ By: _____
24 City Clerk Mayor

25
26
27
28 CERTIFICATION OF AUTHENTICATION

29
30 The undersigned hereby certifies that this bond is one of the registered bonds of the City of
31 Annapolis.
32

33 _____
34 _____
35 [Authorized Officer of Bond Registrar]

36
37 (Form of Assignment)
38

39 FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto _____ the
40 within bond and all rights thereunder, and does hereby constitute and appoint
41 _____ to transfer the within bond on the books kept for the registration thereof,
42 with full power of substitution in the premises.
43

44 Dated: _____
45

46 In the presence of:
47
48 _____
49

- 1 Notice: The signature to this assignment must correspond with the name as it appears upon the
- 2 face of the within bond in every particular, without alteration or enlargement or any change
- 3 whatever.
- 4

1
2 SECTION 9. All of the Bonds authorized by this Ordinance may be sold by solicitation of
3 competitive sealed proposals at public sale in accordance with the provisions of the following
4 Notice of Sale at the principal office of the City, on such date as may be selected by the Mayor
5 pursuant to an executive order for cash at no less than par, to the bidder therefore whose bid is
6 deemed to be for the best interests of Annapolis. Bids shall be received as provided in the
7 Notice of Sale. The Bonds authorized by this Ordinance may also be sold, if the Mayor
8 determines that it would be in the best interest of the City, at private (negotiated) sale without
9 advertisement, publication, notice of sale, or solicitation of competitive bids. The Mayor shall
10 award the sale of the Bonds by executive order.

11 Unless a referendum petition shall be filed as provided hereinafter or the Bonds are sold
12 at private (negotiated) sale, the City Clerk of Annapolis is authorized and directed to publish a
13 notice of sale at least twice in a daily or weekly newspaper having general circulation in
14 Annapolis. The publication of such notice of sale shall be made once at least ten days prior to
15 the date of sale. The City Clerk may give such other notice of the sale of such Bonds, within or
16 without this State, by publication or otherwise, as the Mayor may deem appropriate.

17 The Director of Finance of Annapolis (the "Finance Director") is hereby authorized and
18 directed to make all necessary arrangements for the tabulation and comparison of the proposals
19 received, including the employment of specially qualified personnel, if necessary, so that he will
20 be able promptly to advise the Mayor as to the proposal which produces the lowest true interest
21 cost for the Bonds sold.

22 The Mayor, City Manager and Finance Director are hereby authorized to prepare and
23 distribute a preliminary official statement and final official statement in connection with the sale
24 of the Bonds.

25 The Notice of Sale if used for the issue of Bonds authorized by this Ordinance shall be in
26 substantially the form hereinafter set forth, with the insertions therein indicated. The terms and
27 conditions stated in such Notice of Sale are hereby adopted and approved as the terms and
28 conditions under which and the manner in which such Bonds shall be sold, issued and delivered
29 at public sale, subject to such insertions, alterations, additions or deletions as the Mayor may
30 deem advisable due to financial or market conditions prevailing at the time based upon the
31 advice of the Financial Advisor.

NOTICE OF SALE

\$ _____
CITY OF ANNAPOLIS, MARYLAND
General Obligation Bonds
Public Improvements Bonds, 2013 Series

Electronic bids via the BiDCOMP/Parity Competitive Bidding System (“PARITY”) will be received until ____ a.m., prevailing Eastern time, on _____ (unless postponed as described herein) by City of Annapolis (the “City”) for the City’s General Obligation Bonds, Public Improvements [Refunding] Bonds, 2013 Series [A] (the “Bonds”).

Terms of the Bonds

The Bonds shall be dated the date of their delivery.

Interest on the Bonds is payable on _____ and semi-annually thereafter on [_____] and [_____] until maturity. The Bonds will mature on [_____] in the following respective years and principal amounts:

<u>Maturing</u> *	<u>Principal</u> <u>Amount*</u>	<u>Maturing</u> *	<u>Principal</u> <u>Amount*</u>
2013		2023	
2014		2024	
2015		2025	
2016		2026	
2017		2027	
2018		2028	
2019		2029	
2020		2030	
2021		2031	
2022		2032	

*Preliminary, subject to change. See “Adjustments of Principal Amounts.”

The proceeds of the Bonds will be used to finance the costs of certain public projects of the City and pay the costs of issuing the Bonds. The Bonds will be fully registered bonds without coupons in the denomination of \$5,000 each or any integral multiple thereof.

Authority

The Bonds are issued pursuant to Sections 31 through 39, inclusive, of Article 23A of the Annotated Code of Maryland (2011 Replacement Volume and 2012 Supplement), [Section 24 of Article 31 of the Annotated Code of Maryland (2010 Replacement Volume and 2012 Supplement), and Article VII, Section 11 of the Charter of the City of Annapolis, as amended. The Bonds are authorized pursuant to Ordinance O-____-12.

1 The Bonds are general obligations of the City, and will constitute an irrevocable pledge
2 of its full faith and credit and unlimited taxing power.

3
4 **Book-Entry System**

5
6 One bond representing each maturity of the Bonds will be issued to and registered in the
7 name of Cede & Co., as nominee of The Depository Trust Company, New York, New York
8 (“DTC”), as registered owner of the Bonds and each such bond shall be held in the custody of
9 DTC. DTC will act as securities depository for the Bonds. Individual purchases will be made in
10 book-entry form only, in the principal amount of \$5,000 or any integral multiple thereof.
11 Purchasers will not receive physical delivery of certificates representing their interest in the
12 Bonds purchased. The winning bidder, as a condition to delivery of the Bonds, will be required
13 to deposit the bond certificates representing each maturity with DTC.

14
15 Interest on the Bonds will be payable when due and the principal or redemption price of
16 the Bonds will be payable at maturity or upon earlier redemption to DTC or its nominee as
17 registered owner of the Bonds. Transfer of principal and interest payments to beneficial owners of
18 the Bonds by participants of DTC (“Participants”) will be the responsibility of Participants and other
19 nominees of beneficial owners. The City will not be responsible or liable for such transfers of
20 payments or for maintaining, supervising or reviewing the records maintained by DTC,
21 Participants or persons acting through Participants.

22
23 **Optional Redemption**

24
25 Bonds maturing on or before [_____] are not subject to redemption prior to their
26 stated maturities. Bonds maturing on or after [_____] are subject to redemption prior to
27 their maturities at the option of the City on or after [_____] either as a whole or in part at
28 any time in any order of maturity at the option of the City, at par plus accrued interest thereon to
29 the date fixed for redemption.

30
31 **Adjustments of Principal Amounts**

32
33 The preliminary aggregate principal amount of the Bonds and the preliminary principal
34 amount of each annual payment on the Bonds as set forth in this Notice of Sale (the
35 “Preliminary Aggregate Principal Amount” and the “Preliminary Annual Principal Amount”, and
36 collectively the “Preliminary Amounts”) may be revised before the receipt and opening of the
37 bids for their purchase. Such revisions may include the addition or deletion of maturities of the
38 Bonds. **ANY SUCH REVISIONS** made prior to the opening of the bids (the “Revised Aggregate
39 Principal Amount” and the “Revised Annual Principal Amount”, and collectively the “Revised
40 Amounts”) **WILL BE PUBLISHED ON THOMPSON MUNICIPAL MARKET MONITOR (“TM3”)**
41 **(www.tm3.com) NOT LATER THAN 9:30 A.M. (LOCAL BALTIMORE, MARYLAND TIME) ON**
42 **THE ANNOUNCED DATE FOR RECEIPT OF BIDS FOR THE BONDS.**

43
44 In the event that no such revisions are made, the Preliminary Amounts will constitute the
45 Revised Amounts. Bidders shall submit bids based on the Revised Amounts and the Revised
46 Amounts will be used to compare bids and select a winning bidder.

47
48 Such Revised Amounts, among other things, will be used by the City to calculate the final
49 aggregate principal amount of the Bonds and the final principal amount of each annual payment
50 on the Bonds (the “Final Aggregate Principal Amount” and the “Final Principal Amount” of each
51 annual payment, respectively, and collectively, the “Final Amounts”). In determining the Final

1 Amounts the City reserves the right to increase or decrease the aggregate amount of the Bonds
2 by an amount not to exceed twelve percent (12%) and correspondingly adjust the issue size, with
3 all calculations to be rounded to the nearest \$5,000.
4

5 In the event of any such adjustment, no rebidding or recalculation of the bid submitted will
6 be required or permitted. If necessary, the total purchase price of the Bonds will be increased or
7 decreased in direct proportion to the ratio that the adjustment bears to the aggregate principal
8 amount of the Bonds specified herein; and the Bonds of each maturity, as adjusted, will bear
9 interest at the same rate and must have the same initial reoffering yields as specified in the bid of
10 the successful bidder. However, the award will be made to the bidder whose bid produces the
11 lowest true interest cost, calculated as specified in the section entitled "Basis of Award" herein.
12 THE SUCCESSFUL BIDDER MAY NOT WITHDRAW ITS BID OR CHANGE THE INTEREST
13 RATES BID OR THE INITIAL REOFFERING PRICES AS A RESULT OF ANY CHANGES MADE
14 TO THE PRINCIPAL AMOUNTS WITHIN THESE LIMITS. IN READJUSTING THE PRINCIPAL
15 AMOUNT OF THE BONDS FOLLOWING THE AWARD, [THE CITY WILL HOLD CONSTANT
16 THE BIDDER'S GROSS SPREAD PER \$1,000 BONDS AS INDICATED IN THE ORIGINAL BID.]
17 In this process, however, the City reserves the right to adjust the actual dollar amount of Bidder's
18 gross spread resulting from an upward or downward adjustment of the principal amount of the
19 Bonds.

Change of Bid Date and Closing Date

20 The City reserves the right to postpone, from time to time, the date established for the
21 receipt of bids and will undertake to notify registered prospective bidders via notification published
22 on [TM3](#).
23

24 A postponement of the bid date will be announced via TM3 not later than 4:00 p.m.,
25 prevailing Eastern Time, on the last business day prior to any announced date for receipt of bids,
26 and an alternative sale date and time will be announced via TM3 at that time or at a later date.
27

28 On any such alternative date and time for receipt of bids, the City will accept electronic
29 bids for the purchase of the Bonds, such bids to conform in all respects to the provisions of this
30 Notice of Sale, except for the changes in the date and time for receipt of bids and any other
31 changes announced via TM3.
32

33 The City reserves the right to change the scheduled delivery date for the Bonds.
34

Bid Parameters

35
36
37 No bid of less than 100% of par or more than 112% on an "all-or-none" basis, no oral bid
38 and no bid for less than all of the Bonds described in this Notice of Sale, will be considered.
39

40 Bidders are requested to name the interest rate or rates in multiples of 1/8 or 1/20 of 1%,
41 and the highest rate may not exceed the lowest rate by more than 3% and no interest rate may
42 exceed 5.50%. A zero rate may not be named. No Bond shall bear more than one rate of
43 interest which rate shall be uniform for the life of the Bond.
44

Basis of Award

45
46
47 The Mayor of the City will not accept and will reject any bid for less than all of the Bonds.
48 The City will award all of the Bonds to one bidder. The City reserves the right to reject any and

1 all bids and to waive any irregularities in any of the bids. The judgment of the City shall be final
2 and binding upon all bidders with respect to the form and adequacy of any proposal received
3 and as to its conformity with the terms of this Notice of Sale.
4

5 The Bonds will be awarded to the bidder naming the lowest true interest cost (TIC) for
6 the Bonds in any legally acceptable proposal and offering to pay not less than par. The lowest
7 true interest cost with respect to the Bonds will be determined by doubling the semiannual
8 interest rate, compounded semiannually, necessary to discount the debt service payments from
9 the payment dates to the date of the Bonds and to the amount bid.
10

11 Where the proposals of two or more bidders result in the same lowest true interest cost
12 for any Bonds, such Bonds may be apportioned between such bidders, but if this shall not be
13 acceptable, the City shall have the right to award all of such Bonds to one bidder. There will be
14 no auction. The right is reserved to the City to reject any or all proposals and to waive any
15 irregularity or informality in any proposal. The City's judgment shall be final and binding upon all
16 bidders with respect to the form and adequacy of any proposal received and as to its conformity
17 to the terms of this Notice of Sale. Any award of the Bonds may be made as late as 4:00 p.m.,
18 prevailing Eastern Time, on the sale date. All bids remain firm until an award is made. Upon
19 notice of such award, the winning bidder shall advise the City of the initial reoffering prices to
20 the public of each maturity of the Bonds and the names of the members of the underwriting
21 groups.
22

23 **Procedures for Electronic Bidding**

24 ***Bidders to Submit Bids by PARITY***

25 Bids must be submitted electronically via PARITY pursuant to this Notice of Sale until
26 11:00 a.m., prevailing Eastern time, on the sale date but no bid will be received after the time for
27 receiving bids specified above. To the extent any instructions or directions set forth in PARITY
28 conflict with this Notice of Sale, the terms of this Notice of Sale shall control. For further
29 information about PARITY, potential bidders may contact i-Deal LLC at 1359 Broadway, 2nd
30 Floor, New York, New York 10018, telephone (212) 849-5021.
31
32
33

34 ***Disclaimer***

35 Each prospective electronic bidder shall be solely responsible to submit its bid via
36 PARITY as described above. Each prospective electronic bidder shall be solely responsible to
37 make necessary arrangements to access PARITY for the purpose of submitting its bid in a
38 timely manner and in compliance with the requirements of this Notice of Sale. Neither the City
39 nor PARITY shall have any duty or obligation to provide or assure access to PARITY to any
40 prospective bidder, and neither the City nor PARITY shall be responsible for proper operation
41 of, or have any liability for any delays or interruptions of, or any damages caused by PARITY.
42 The City is using PARITY as a communication mechanism, and not as the City's agent, to
43 conduct the electronic bidding for the Bonds. The City is not bound by any advice and
44 determination of PARITY to the effect that any particular bid complies with the terms of this
45 Notice of Sale and in particular the "Bid Parameters" set forth herein. All costs and expenses
46 incurred by prospective bidders in connection with their submission of bids via PARITY are the
47 sole responsibility of the bidders; the City is not responsible, directly or indirectly, for any of such
48 costs or expenses. If a prospective bidder encounters any difficulty in submitting, modifying, or
49 withdrawing a bid for the Bonds, such bidder should telephone i-Deal LLC at (212) 849-5021
50 and notify Davenport & Company LLC by facsimile at (866) 932-6660.
51

1
2 **Electronic Bidding Procedures**
3

4 Electronic bids must be submitted for the purchase of the Bonds (all or none) via
5 PARITY. Bids will be communicated electronically to the City at 11:00 a.m., prevailing Eastern
6 time, on [_____]. Prior to that time, a prospective bidder may (1) submit the proposed
7 terms of its bid via PARITY, (2) modify the proposed terms of its bid, in which event the
8 proposed terms as last modified will (unless the bid is withdrawn as described herein) constitute
9 its bid for the Bonds or (3) withdraw its proposed bid. Once the bids are communicated
10 electronically via PARITY to the City, each bid will constitute an irrevocable offer to purchase
11 the Bonds on the terms therein provided. For purposes of the electronic bidding process, the
12 time as maintained on PARITY shall constitute the official time.
13

14 **Good Faith Deposit**
15

16 A good faith deposit in the amount of \$_____ is required of the winning
17 bidder for the Bonds. The winning bidder for the Bonds is required to submit such good faith
18 deposit payable to the order of the City in the form of a wire transfer in federal funds as
19 instructed by the City's Financial Advisor, Davenport & Company LLC or a financial surety bond.
20 The winning bidder shall submit the good faith deposit not more than two hours after verbal
21 award is made. The winning bidder should provide as quickly as it is available, evidence of wire
22 transfer by providing the City the federal funds reference number. If the winning bidder fails to
23 comply with the good faith deposit requirement as described herein, that bidder is nonetheless
24 obligated to pay to the City the sum of \$_____ as liquidated damages due to the failure
25 of the winning bidder to timely deposit the good faith deposit.
26

27 A bidder may submit a financial surety bond from an insurance company acceptable to
28 the City, the claims paying ability of which is rated AAA by Standard & Poor's, a Division of the
29 McGraw-Hill Companies, Inc., or Aaa by Moody's Investors Service, Inc. and licensed to issue
30 such a bond in the State of Maryland and such surety bond must be submitted to the Director of
31 Finance of the City prior to 11:00 a.m., prevailing Eastern Time, on the date of sale. The financial
32 surety bond must identify each bidder whose good faith deposit is guaranteed by such financial
33 surety bond. If the Bonds are awarded to a bidder utilizing a financial surety bond, then the
34 successful bidder is required to submit its good faith deposit to the Director of Finance of the City
35 not later than 12:00 noon, prevailing Eastern Time, on the next business day following the award
36 either in the form of a wire transfer as described above in accordance with the City's instructions
37 to such successful bidder. If such good faith deposit is not received by that time, the financial
38 surety bond may be drawn by the City to satisfy the good faith deposit requirement.
39

40 **Submission of a bid to purchase the Bonds serves as acknowledgement and acceptance**
41 **of the terms of the good faith deposit requirement.**
42

43 The good faith deposit will be retained by the City until the delivery of the Bonds, at which
44 time the good faith deposit will be applied against the purchase price of the Bonds or the good
45 faith deposit will be retained by the City as partial liquidated damages in the event of the failure of
46 the successful bidder to take up and pay for such Bonds in compliance with the terms of this
47 Notice of Sale and of its bid. No interest on the good faith deposit will be paid by the City. The
48 balance of the purchase price must be wired in federal funds to the account detailed in the
49 closing memorandum, simultaneously with delivery of the Bonds.
50

1 **Approving Legal Opinion**
2

3 The approving legal opinion of McKennon Shelton & Henn LLP, Baltimore, Maryland,
4 Bond Counsel, will be furnished to the purchasers without cost. There will also be furnished the
5 usual closing papers and, in addition, a certificate signed by appropriate officers of the City,
6 certifying that there is no litigation pending or, to the knowledge of the signers of such
7 certificate, threatened affecting the validity of the Bonds and that on the date of the Official
8 Statement mentioned below and at the time of delivery of the Bonds the statements and
9 information contained in such Official Statement which are made and provided by the City are
10 and will be true, correct and complete in all material respects and the Official Statement does
11 not and will not omit any statement or information which is required to be stated therein or
12 necessary to make the statements and information therein, in the light of the circumstances
13 under which they were made, not misleading or incomplete in any material respect.
14

15 **Preliminary Official Statement; Continuing Disclosure**
16

17 The City has deemed the Preliminary Official Statement with respect to the Bonds dated
18 _____ (the "Preliminary Official Statement") to be final as of its date for purposes of
19 Rule 15c2-12 of the United States Securities and Exchange Commission (the "SEC"), except for
20 the omission of certain information permitted to be omitted by said Rule. The City agrees to
21 deliver to the successful bidder for its receipt no later than seven business days after the date of
22 sale of the Bonds such quantities of the final official statement as the successful bidder shall
23 request; provided, that the City shall deliver up to 300 copies of such official statement without
24 charge to the successful bidder.
25

26 The City has made certain covenants for the benefit of the holders from time to time of
27 the Bonds to provide certain continuing disclosure, in order to assist bidders for the Bonds in
28 complying with Rule 15c2-12(b)(5) of the SEC. Such covenants are described in the
29 Preliminary Official Statement.
30

31 **Delivery**
32

33 The Bonds will be delivered on or about [_____] (unless a notice of a change in
34 the delivery date is provided) through the facilities of DTC in New York, New York, against
35 payment therefore in federal or other immediately available funds.

36 **Reoffering Price Certificate**

37 SIMULTANEOUSLY WITH OR BEFORE DELIVERY OF THE BONDS, THE
38 SUCCESSFUL BIDDER SHALL FURNISH TO THE CITY A CERTIFICATE ACCEPTABLE TO
39 BOND COUNSEL TO THE EFFECT THAT (I) THE SUCCESSFUL BIDDER HAS MADE A
40 BONA FIDE PUBLIC OFFERING OF EACH MATURITY OF THE BONDS AT THE INITIAL
41 REOFFERING PRICES, (II) AS OF THE DATE OF THE SALE OF THE BONDS, THE
42 SUCCESSFUL BIDDER REASONABLY EXPECTED TO SELL A SUBSTANTIAL AMOUNT OF
43 EACH MATURITY OF THE BONDS TO THE PUBLIC (EXCLUDING BOND HOUSES,
44 BROKERS AND OTHER INTERMEDIARIES) AT THEIR RESPECTIVE REOFFERING
45 PRICES, AND (III) A SUBSTANTIAL AMOUNT OF EACH MATURITY OF THE BONDS WAS
46 SOLD TO THE PUBLIC (EXCLUDING BOND HOUSES, BROKERS AND OTHER
47 INTERMEDIARIES) AT THEIR RESPECTIVE INITIAL REOFFERING PRICES OR SUCH
48 OTHER FACTS REGARDING THE ACTUAL SALE OF THE BONDS AS BOND COUNSEL
49 SHALL REQUEST, AS DESCRIBED BELOW. Bond Counsel advises that (i) such certificate

1 must be made on the best knowledge, information and belief of the successful bidder, (ii) the
2 sale to the public of 10% or more in par amount of each maturity of the Bonds at the initial
3 reoffering prices would be sufficient to certify as of the sale of a substantial amount of the bonds
4 and (iii) reliance on other facts as a basis for such certification would require evaluation by Bond
5 Counsel to assure compliance with the statutory requirement to avoid the establishment of an
6 artificial price for the Bonds.

7
8 **Miscellaneous**
9

10 It is expected that CUSIP numbers will be printed on the Bonds. However, the validity,
11 sale, delivery or acceptance of the Bonds will not be affected in any manner by any failure to
12 print, or any error in printing, the CUSIP numbers on said Bonds, or any of them.

13
14 The right to reject any or all bids, or to waive any irregularity or informality in any bid, is
15 reserved.
16
17
18

19 CITY OF ANNAPOLIS, MARYLAND

20
21
22 By: /s/ _____
23 Mayor

24
25 By: /s/ _____
26 Director of Finance
27
28

1
2 SECTION 10. If any Bonds are sold pursuant to the foregoing Notice of Sale, the award
3 shall be made by order of the Mayor. Such action of the Mayor shall also fix the interest rate or
4 rates payable on the Bonds in accordance with the accepted proposal. The Mayor shall also be
5 authorized to make all changes necessary to the form of the Bond to comply with a book-entry
6 only system. The Bonds shall thereupon be signed as hereinabove provided and delivered to
7 the successful bidder upon payment of the balance of the purchase price thereof. The proceeds
8 of the Bonds shall be paid to the Finance Director. Upon approval of the appropriate vouchers,
9 in accordance with the established procedure of the City, the Finance Director shall pay, from
10 the proceeds of the Bonds in his hands, all expenses incurred in the issuance of the Bonds,
11 including costs of advertising, printing, document reproduction and counsel fees and expenses.
12 The balance of said proceeds shall be credited by the Finance Director to the several accounts
13 on his books for the Projects described above and the Finance Director shall make
14 disbursements for such Projects in accordance with the established procedure of Annapolis.
15 Prior to expenditure of such proceeds, the same or any part thereof shall be invested by the
16 Finance Director, with the approval of the Mayor, in any authorized investment of the City. If the
17 funds derived from the sale of the Bonds shall exceed the amount needed to finance any of the
18 Projects described in this Ordinance, or if the City Council determines that the public interest
19 requires a change in the capital improvements program of Annapolis, the funds so borrowed
20 and not expended for the public improvements provided by this Ordinance shall be set apart in a
21 separate fund by the Finance Director and applied in payment of the debt service on the Bonds,
22 unless the City Council shall adopt an ordinance allocating such funds to some other public
23 capital improvement project or projects of Annapolis.

24 SECTION 11. In order to provide for the payment of the principal of and interest on the
25 Bonds hereby authorized when due, there shall be appropriated in the next ensuing fiscal year
26 of Annapolis and in each fiscal year thereafter, so long as any of the Bonds are outstanding and
27 unpaid, or until a sufficient funds had been accumulated and irrevocably set aside for the
28 purpose, an amount sufficient to meet the debt service on the Bonds coming due in such fiscal
29 year and there shall be levied ad valorem taxes upon all property within the corporate limits of
30 the City subject to assessment for full City taxes, in rate and amount sufficient in each such year
31 to fund such appropriations and to provide for the payment when due of the principal of and
32 interest on all Bonds maturing in each such fiscal year. In the event the proceeds from the
33 taxes so levied in each such fiscal year shall prove inadequate for the above purposes,
34 additional taxes shall be levied in the subsequent fiscal year to make up any deficiency.

1 Thereafter, prior to each semi-annual interest payment date, the Finance Director shall deposit
2 with the Paying Agent, from the tax proceeds above described, the amounts needed to pay the
3 principal of and interest on the Bonds coming due on each such interest payment date. All
4 moneys so deposited with the Paying Agent shall be deemed and treated by the Paying Agent
5 as trust funds for the use and benefit of the holders from time to time of the Bonds hereby
6 authorized. Any such trust funds so held by the Paying Agent for the payment of particular
7 Bonds for periods of more than two (2) years from the dates of such Bonds, upon the expiration
8 of any such two-year period and the failure of the holders of said Bonds to present the same for
9 payment within such period, shall be returned by the Paying Agent to the City and, therefore,
10 the holders of any such Bonds shall have claims only against the City for payment of the
11 obligations held by them and the Paying Agent shall be relieved of the trust hereby imposed.

12 To assure the performance by the City of the provisions of this Section, the full faith and
13 credit and unlimited taxing power of the City are hereby irrevocably pledged to the payment to
14 maturity of the principal of and interest on the Bonds hereby authorized as and when the same
15 respectively mature and become payable and to the levy and collection of the taxes
16 hereinabove described as and when such taxes may become necessary in order to provide
17 sufficient funds to meet the debt service requirements of the Bonds hereby authorized to be
18 issued. This pledge is made hereby for the benefit of the holders, from time to time, of the
19 Bonds hereby authorized.

20 The City hereby solemnly covenants and agrees with each holder of any of the Bonds
21 hereby authorized to levy and collect the taxes hereinabove described and to take any other
22 action that may be appropriate from time to time during the period that any of such Bonds
23 remain outstanding and unpaid to provide the funds necessary to make principal and interest
24 payments thereon when due.

25 SECTION 12. This Ordinance and the question of the issuance of Bonds hereunder
26 shall not be submitted to a referendum of the registered voters of Annapolis, as permitted by
27 law, unless, within ten (10) days after the passage of this Ordinance, there shall be served upon
28 the Mayor a notice signed by not fewer than two hundred (200) of the registered voters of
29 Annapolis, advising that a petition for a referendum on the issuance of said bonds is being
30 circulated by one or more of the persons signing said notice and unless, within twenty (20) days
31 after the delivery of such notice, there shall also be filed with the Mayor a petition or petitions
32 requesting the holding of such a referendum, properly signed as required by the Charter, by not
33 fewer than twenty-five per centum (25%) of the registered voters of Annapolis, as shown by the

1 registered voters books of Annapolis, maintained by the Board of Supervisors of Elections of the
2 City (the "Board of Supervisors"). In view of the foregoing, no action shall be taken by
3 Annapolis pursuant to this Ordinance for a period of ten (10) days following its passage. If,
4 within such ten (10) day period, the notice above described is filed as aforesaid, then no action
5 shall be taken by Annapolis pursuant to this Ordinance for a period of twenty (20) days following
6 the filing of such notice. If, within such twenty (20) day period, a petition for referendum, as
7 above-described, shall be filed as aforesaid, then no action shall be taken by Annapolis under
8 this Ordinance unless and until the Mayor shall receive written advice from the City Attorney and
9 the Board of Supervisors that such referendum petition does not meet the requirements of the
10 Charter or unless and until the referendum requested in such petition shall be duly held in
11 accordance with law and the Board of Supervisors shall certify to Annapolis that, in the election
12 at which such referendum is held, a majority of the registered voters of Annapolis voting on the
13 question referred duly cast their ballots in favor of the issuance of the Bonds hereby authorized.
14 If this Ordinance shall be ratified or approved on any such referendum, then the Mayor and City
15 Clerk may proceed with the issuance of the Bonds hereby authorized, without further action by
16 Annapolis.

17 SECTION 13. That CUSIP numbers may be printed on the Bonds; provided, however,
18 that the printing of CUSIP numbers on the Bonds (even if incorrect) shall have no legal effect
19 and shall not in any way affect the enforceability or validity of any Bond. Any expenses in
20 relation to the printing of CUSIP numbers on the Bonds, including any CUSIP Service Bureau
21 charge for the assignment of such numbers, in the discretion of the Finance Director, may be
22 paid for by the City from the proceeds of the Bonds.

23 SECTION 14. In addition to the insertions and variations prescribed by this Ordinance,
24 the Mayor is hereby authorized to make such further modifications in such forms as will not alter
25 the substance of such forms. In connection with the issuance of any Bonds pursuant to this
26 Ordinance, the City is hereby authorized to enter into one or more agreements as the Mayor
27 shall deem necessary or appropriate for the issuance, sale, delivery or security of such Bonds,
28 which may include (without limitation) (i) underwriting, purchase or placement agreements for
29 Bonds sold at private (negotiated) sale in accordance with the provisions of this Ordinance; (ii)
30 trust agreements with commercial banks or trust companies providing for the issuance and
31 security of such Bonds; (iii) any dealer, remarketing or similar agreements providing for the
32 placement or remarketing of such Bonds; (iv) agreements providing for any credit or liquidity
33 facilities supporting any Bonds; (v) agreements with commercial banks or trust companies
34 providing for the deposit of proceeds of any Bonds; (vi) agreements with fiscal agents providing

1 for the issuance of Bonds, their authentication, registration, verification of amounts and earnings
2 set aside to pay the Refunded Bonds or payment or other similar services; and (vii) continuing
3 disclosure agreements, including any such agreements required to enable the underwriters of
4 any Bonds to meet the requirements of paragraph (b)(5) of Rule 15c2-12 promulgated by the
5 United States Securities and Exchange Commission. Each such agreement shall be in such
6 form as shall be determined by the Mayor by executive order. The execution and delivery of
7 each such agreement by the Mayor shall be conclusive evidence of the approval of the form of
8 such agreement on behalf of the City.

9 SECTION 15. The Mayor and the Finance Director shall be the officers of the City
10 responsible for the issuance of the Bonds within the meaning of the "Arbitrage Regulations"
11 (defined herein).

12 The Mayor and the Finance Director shall also be the officers of the City responsible for
13 the execution and delivery (on the date of issuance of the Bonds) of a certificate of the City (the
14 "Tax and Section 148 Certificate") which complies with the requirements of Section 148 of the
15 Internal Revenue Code of 1986, as amended ("Section 148"), and the applicable regulations
16 thereunder (the "Arbitrage Regulations"), and such officials are hereby authorized and directed
17 to execute the Tax and Section 148 Certificate and to deliver the same to Bond Counsel on the
18 date of the issuance of the Bonds.

19 The City shall set forth in the Tax and Section 148 Certificate its reasonable
20 expectations as to relevant facts, estimates and circumstances relating to the use of the
21 proceeds of the Bonds, or of any moneys, securities or other obligations to the credit of any
22 account of the City which may be deemed to be proceeds of the Bonds pursuant to Section 148
23 or the Arbitrage Regulations (collectively, "Bond Proceeds"). The City covenants with each of
24 the holders of any of the Bonds that the facts, estimates and circumstances set forth in the Tax
25 and Section 148 Certificate will be based on the City's reasonable expectations on the date of
26 issuance of the Bonds and will be, to the best of the certifying officials' knowledge, true and
27 correct as of that date.

28 In the event that Bonds are issued pursuant to this Ordinance with the expectation that
29 interest on such Bonds will be excludable from gross income for federal income tax purposes,
30 the City covenants with each of the registered owners of any of the Bonds that it will not make,
31 or (to the extent that it exercises control or direction) permit to be made, any use of the Bond
32 Proceeds which would cause the Bonds to be "arbitrage bonds" within the meaning of Section
33 148 and the Arbitrage Regulations. The City further solemnly covenants that it will comply with
34 Section 148 and the regulations thereunder which are applicable to the Bonds on the date of

1 issuance of the Bonds and which may subsequently lawfully be made applicable to the Bonds
2 as long as the Bonds remain outstanding and unpaid. The Mayor, the City Manager, and the
3 Finance Director are hereby authorized and directed to prepare or cause to be prepared and to
4 execute any certification, opinion or other document, including, without limitation, the Tax and
5 Section 148 Certificate, which may be required to assure that the Bonds will not be deemed to
6 be "arbitrage bonds" within the meaning of Section 148 and the regulations thereunder.

7 The City further covenants with each of the registered owners of any of the Bonds (i) that
8 it will not take any action or (to the extent that it exercises control or direction) permit any action
9 to be taken that would cause the Bonds or a portion of the Bonds to be "federally guaranteed"
10 within the meaning of Section 149(b) of the Internal Revenue Code of 1986, as amended, and
11 (ii) that it will not make, or (to the extent that it exercises control or direction) permit to be made,
12 any use of the proceeds of the Bonds or a portion of such proceeds that would cause the Bonds
13 or a portion of the Bonds to be "private activity bonds" within the meaning of Section 141 of the
14 Internal Revenue Code of 1986, as amended.

15 In the event that the Bonds are being issued hereunder with the expectation that interest
16 on such Bonds will be excludable from gross income for federal income tax purposes, the Mayor
17 may make such covenants or agreements in connection with the issuance of such Bonds as he
18 shall deem advisable in order to assure the registered owners of such Bonds that interest
19 thereon shall be and remain excludable from gross income for federal income tax purposes and
20 such covenants or agreements shall be binding on the City so long as the observance by the
21 City of any such covenants or agreements is necessary in connection with the maintenance of
22 the exclusion of the interest on such Bonds from gross income for federal income tax purposes.
23 The foregoing covenants or agreements may include such covenants or agreements on behalf
24 of the City regarding compliance with the provisions of the Internal Revenue Code of 1986, as
25 amended, as the Mayor shall deem advisable in order to assure the registered owners of the
26 Bonds that the interest thereon is and shall remain excludable from gross income for federal
27 income tax purposes, including (without limitation) covenants or agreements relating to the
28 investment of Bond Proceeds, the payment of certain earnings resulting from such investment
29 to the United States, limitations on the times within which, and the purposes for which, Bond
30 Proceeds may be expended, or the use of specified procedures for accounting for and
31 segregating Bond Proceeds. Any covenant or agreement made by the Mayor pursuant to this
32 paragraph may be set forth in or authorized by the Tax and Section 148 Certificate or an order
33 executed by the Mayor.

1 SECTION 16. Bonds issued under this Ordinance are hereby specifically exempted
2 from the provisions of Sections 10 and 11 of Article 31 of the Annotated Code of Maryland
3 (2010 Replacement Volume).

4 SECTION 17. This Ordinance shall take effect from the date of its approval by the
5 Mayor, on or following the date of its final adoption and, thereafter, within not more than three
6 calendar days of such approval, notice of the adoption of this Ordinance shall be duly given by
7 publication of the title hereof at least once in "The Capital," or another newspaper published and
8 of general circulation in the City.

9 **ADOPTED** this _____ day of _____, 2013.
10
11

ATTEST:

THE ANNAPOLIS CITY COUNCIL

Regina C. Watkins-Eldridge, MMC,
City Clerk

BY: _____
Joshua J. Cohen, Mayor

12
13 **EXPLANATION**

14 CAPITAL LETTERS indicate matter added to existing law.

15 [brackets] indicate matter stricken from existing law.

16 Underlining indicates amendments.

Policy Report
Ordinance O-16-13
Issuance of Bonds

The proposed ordinance O-16-13 would authorize the City of Annapolis (the "City") to 1) issue and sell, upon its full faith and credit, general obligation bonds not to exceed \$15,370,000 to be designated "Public Improvements Bonds, 2013 Series" for the purpose of financing the projects listed on Pages 3 and 4 and 2) issue and sell, upon its full faith and credit, general obligation bonds not to exceed \$5,100,000 to be designated "Public Improvements Refunding Bonds, 2013 Series" to refund all or a portion of certain outstanding general obligation bonds.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at 410.263.1184 or JCCowles@annapolis.gov.

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**CITY COUNCIL OF THE
City of Annapolis**

Resolution No. R-18-13

Introduced by: Alderman Israel, Alderman Paone and Mayor Cohen

LEGISLATIVE HISTORY			
<i>Legislative referrals are subject to City Council action at the time of introduction and are reflected in the City Council's adopted minutes</i>			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
3/18/13			6/14/13
Referred to	Referral Date	Meeting Date	Action Taken
Rules and City Gov't	3/18/13		
			Suspension of the Rules requested to allow for a vote

8
9 **A RESOLUTION** concerning

10 **Honoring Jacob Landis**

11 **FOR** the purpose of honoring Jacob Landis by designating him a goodwill ambassador from
12 the City of Annapolis as he embarks on his "Home Run for Hearing" cross country
13 charity bicycle tour to raise funds for those in need of cochlear implants.

14 **WHEREAS,** Jacob Landis, son of Randy and Lois Landis, experienced severe hearing loss
15 as a child; and

16
17 **WHEREAS,** loss of hearing at any age, especially during childhood, can be isolating; and

18
19 **WHEREAS,** Jacob's hearing was restored by a cochlear implant procedure; and

20
21 **WHEREAS,** now as an adult, Jacob is embarking on a cross country bicycle tour, beginning
22 in early April, of over 100 days and 11,000 miles by visiting Major League
23 Baseball stadiums as part of his "Home Run for Hearing" initiative to raise
24 funds for cochlear implants.
25

26 **NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that the Council
27 joins with Jacob and his friends and family in celebrating the restoration of his hearing.
28

29 **AND, BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that the Council
30 wishes Jacob a safe and enjoyable trip across the United States.
31

32 **AND, BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL** that Jacob is
33 designated a goodwill ambassador for the City of Annapolis and, as such, asks those municipal
34 corporations along his route to extend to him their kindness and courtesies in his journey.
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ADOPTED this _____ day of _____, _____.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

EXPLANATION

CAPITAL LETTERS indicate matter added to existing law.
[brackets] indicate matter stricken from existing law.
Underlining indicates amendments.

Policy Report

R-18-13

Honoring Jacob Landis

The proposed resolution would honor Jacob Landis by designating him a goodwill ambassador from the City of Annapolis as he embarks on his “Home Run for Hearing” cross country charity bicycle tour to raise funds for those in need of cochlear implants.

Prepared by Jessica Cowles, Legislative and Policy Analyst in the City of Annapolis Office of Law at JCCowles@annapolis.gov or 410.263.1184.

**CITY COUNCIL OF THE
City of Annapolis**

Resolution No. R-19-13

Introduced by: Mayor Cohen

LEGISLATIVE HISTORY			
First Reading	Public Hearing	Fiscal Impact Note	90 Day Rule
3/18/13			6/14/13
Referred to	Referral Date	Meeting Date	Action Taken
Economic Matters	3/18/13		
Finance	3/18/13		

A RESOLUTION concerning

Special Event Applications

FOR the purpose of authorizing City Council approval of selected special events per R-14-12, implementing a moratorium on administrative approvals for events at City Dock; designating specific dates for the sale of merchandise in the Historic District in conjunction with only the approved special events; waiving City fees for the USNA Band Concert Series; and the reimbursement of full fees to the City for the cost associated with the other approved events.

WHEREAS, the Annapolis City Council adopted R-14-12 on April 23, 2012 that enacted a moratorium on administrative approvals of major special events at City Dock; and

WHEREAS, R-14-12 shall expire on April 23, 2013 or on the effective date of a forthcoming comprehensive special event ordinance; and

WHEREAS, Section 7.40.090 of the City Code allows the City Council to designate certain days when peddlers, hawkers and itinerant merchants may sell in the Historic District or a nonresidential area; and

WHEREAS, Section 6.04.210 of the City Code states that “whenever a person leases, uses or occupies a City facility, the person shall be charged and pay a minimum of full fees for the use of the facility.” Examples of City facilities include public spaces, grounds, parks, athletic facilities, fields, docks, piers, wet slips, moorings, developable waters, buildings, motor vehicles, equipment, structures, rooms or other parts of public buildings. Examples of City services include traffic control, crowd control, public safety support (police or fire), trash removal, sanitary services, recycling, bulk pick-up, the provision of water, sewer, electricity, communications or other utilities, transportation, and labor. Full fees “means the value of the right to lease, use or occupy the City facility as determined by the Finance Director in a fiscal impact note, plus all costs incurred by the City of Annapolis including, but not limited to, utility costs and

costs associated with municipal services (public safety, public works, custodial, renovations, repairs, maintenance, transportation and parking).”

WHEREAS, the following applicants seek to hold special events in the City in 2013 (complete details are included in the attached staff report);

- Four Rivers Garden Club (Flower Mart: April 30)
- Wellness House Annapolis (8K Run: April 20)
- Inner West Street Business Association (First Sunday Art Festivals: May 5, June 2, July 7, August 4, September 1, October 6)
- Maryland Avenue/State Circle Association (Festivals: April 21, June 9, September 29)
- Race Across America (Bicycle race: June 19-24)
- United States Naval Academy Band (Concert Series: July 4, July 9, July 16, July 23, July 30, August 6, August 13)
- Maritime Republic of Eastport (.05K Compromise Street Bridge Run: May 11).

NOW THEREFORE, BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL that the City Council authorizes the above special events and exempts from the R-14-12 moratorium the Wellness House Annapolis 8K Run, the MRE .05K Run, the Race Across America, and the USNA Band Concert Series.

NOW THEREFORE BE IT RESOLVED BY THE ANNAPOLIS CITY COUNCIL that sales of merchandise in the Historic District are allowed in conjunction only with the approved special events (Flower Mart, First Sunday Art Festivals, Maryland Avenue/State Circle Festivals, Race Across America, and MRE .05K Run) and in the geographic location of the approved special events.

AND, BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL that there shall be a waiver of full fees for the USNA Band Concert Series in recognition of this public service to our City.

AND, BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL that there shall be no waiver of full fees for any other approved special event in this resolution. Notwithstanding any other provision of law, the Director of Finance shall determine the full fees incurred by the City government and the organizers of the event shall reimburse the City for full fees.

AND, BE IT FURTHER RESOLVED BY THE ANNAPOLIS CITY COUNCIL that a representative of the City will be present to resolve matters relating to this special event and his/her cell phone number shall be posted on the City’s website during the hours the event is open to the public.

ADOPTED this _____ day of _____, _____.

ATTEST:

THE ANNAPOLIS CITY COUNCIL

BY _____

Regina C. Watkins-Eldridge, MMC, City Clerk

Joshua J. Cohen, Mayor

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EXPLANATION

CAPITAL LETTERS indicate matter added to existing law.
[brackets] indicate matter stricken from existing law.
Underlining indicates amendments.

Staff Report

R-19-13

Special Event Applications

The proposed resolution would authorize Council approval of the following special events under the three categories, below:

- Vendor Sales in the Historic District [CHAPTER 7.40.090 § A]
- Moratorium on Administrative Approvals of Major Special Events at City Dock [R-14-12]
- Waiver of fees [CHAPTER 6.04.210 § D4]

Four Rivers Garden Club—Applicant

Event: Four Rivers Garden Club Flower Mart

Council Action: Vendor Sales in Historic District

Sales: plants (annuals, perennials, May Day baskets), cut flowers, baked goods

Location: Hopkins Plaza outside Market House

Date: Tuesday, April 30, 2013

Event Time: 8:30am-2:30pm

Property Use Time: 8am-2:30pm

Participants: 30-Garden Club volunteers

Attendees: visitors to and residents of Annapolis

Street closures: None

Post no parking: yes, Market House

Admission fee: None

City Services: full cost paid

1) DNEP: Vendors permit to sell in Historic District

2) ADOT: Posted no parking for two spaces at Market House for loading/unloading

Police service provided within normal APD patrols; EMS service provided within normal AFD 911 service.

Inner West St. Business Association—Applicant

Event: First Sunday Art Festivals

Council Action: Vendor Sales in Historic District

Sales: vendor merchandise and food

Location: Six festivals held in the same locations: on West St. between Church Circle and Calvert St.; Whitmore Park, Calvert St.; City Gate Park, corner of Calvert St. and West St.

Dates: May 5, June 2; July 7; August 4; September 1; October 6, 2013

Event Time: Noon-5pm

Property Use Time: 8am-7pm

Attendees: visitors to and residents of Annapolis

Admission fee: public, none

Street closures: West St. from Church Circle to Calvert St.

Posted no parking: West St., 1st block; Calvert St., Whitmore Park side only West St. to Clay St.

Amplified music: at Whitmore Park; City Gate Park

Food: available from vendors on West St. and Whitmore Park.

City Services: full cost paid

1) DNEP: Vendors permit to sell in the Historic District.

2) ADOT: Posting of no-parking signs and reimbursement of lost parking fees for each Festival day, total six (6) days.

Police service provided within normal APD patrols; EMS service provided within.

Maryland Ave/State Circle Association—Applicant

Event: Spring Festival/Irish Festival/Fall Festivals 2013

Council Action: Vendor Sales in Historic District

Sales: vendor merchandise

Location: All three festivals will be held in the same locations: on Maryland Ave. between State Circle and Prince George St.; Maryland Ave. between Prince George St. and Cumberland Court.

Dates: Spring Festival, April 21, 2013; Irish Festival, June 9, 2013; and Fall Festival September 29, 2013.

Event Time: 10am-5pm

Property Use Time: 7am-6pm

Attendees: visitors to and residents of Annapolis

Admission fee: None

Street closures: two segments of Maryland Ave.: above State Circle to Prince George St.; and, Prince George St. to Cumberland Ct. Prince George St. will remain open to traffic.

Posted no parking: none

Amplified music: at both event location segments

Food: available through the Galway Bay outdoor courtyard, for which a license has been requested from the Alcohol Beverage Control Board. There will be no cooking at the event site.

City Services: full cost paid

1) DNEP: Vendors permit to sell in the Historic District; total three (3) days.

2) ADOT: Posting of no-parking signs and reimbursement of lost parking fees for each Festival day for a total of three (3) days.

Police service provided within normal APD patrols; EMS service provided within normal AFD 911 service.

Race Across America—Applicant

Event: Race Across America

Council Action: Vendor Sales in Historic District; Moratorium on Administrative Approvals (posted no parking)

Sales: RAAM specific vendor merchandise

Posted no parking: 21 parking spaces

Location: Susan Campbell Park; first row of City Dock parking immediately adjacent

Dates: Wednesday-Monday, June 19-24, 2013

Event Time: Noon-5pm

Property Use Time: 8am 6/19/13 to 11pm 6/24/13

Attendees: visitors to and residents of Annapolis

Admission fee: public, none

Street closures: none

Amplified music: pre-recorded music; announcements

Food: none served or for sale

City Services: full cost paid

1) DNEP: Vendors permit to sell in the Historic District.

2) ADOT: Posting of no-parking signs and reimbursement of lost parking fees for 21 parking spaces.

Police service provided within normal APD patrols; EMS service provided within normal AFD 911 service.

USNA Band Operations—Applicant

Event: USNA 2013 Annapolis Concert Series

Council Action: 1) Moratorium on Administrative Approvals (posted no parking); 2) Waiver of posted no parking cost and fees

Posted no parking: 21 posted no parking spaces

Location: Susan Campbell Park; first row of parking closest to SCC Park

Dates: July 4, 9, 16, 23, 30; August 6, 13.

Event Time: 7pm-9pm (except 4th of July: 8pm-dark)

Attendees: visitors to and residents of Annapolis

Admission fee: None

Property Use Time: 4:30pm-9:30pm

Street closures: none

Amplified music: none

Food: none sold or served

Sales: none

City Services: request for waiver

- 1) RECS & PARKS: Provision of chairs for band members; normal operations
- 2) ADOT: Posting of 21 no-parking signs for each concert and lost parking costs.

Police service provided within normal APD patrols; EMS service provided within normal AFD 911 service.

Maritime Republic of Eastport—Applicant

Event: MRE .05K Bridge Run

Council Action: Moratorium on Administrative Approvals (road closure)

Street closures: Compromise St. at Bridge

Location: Compromise St. Bridge

Dates: May 11, 2013

Event Time: Noon-12:15pm

Property Use Time: 9am-12:30pm (includes setup on Eastport Side)

Attendees: visitors to and residents of Annapolis

Admission fee: None

Amplified music: none

Food: none sold; water and snacks served

Sales: MRE material on the Eastport side

City Services:

- 1) APD patrol to close the bridge for 15 minutes; normal operations

Police service provided within normal APD patrols; EMS service provided within normal AFD 911 service.

Second Wind Productions—Applicant

Event: Wellness House 8K

Council Action: Moratorium on Administrative Approvals (road closure)

Street closures: Route below; in City Dock: Randall Street from Main to Prince George St.

Location: Navy-Marine Corps Stadium

Dates: Saturday, April 20, 2013

Event Time: 7:00am-8:30am

Property Use Time: 5:00am-8:30am (end time when roads open up)

Attendees: visitors to and residents of Annapolis

Admission fee: \$35 to race participants; free to public

Sales: at Stadium only

Posted no parking: none

Amplified music: at Stadium only—pre-recorded music; announcements

Food: served at Stadium only

City Services: full cost paid

1) APD: Police route management

2) AFD: EMS on site

RUN ROUTE:

	<u>Course Monitor</u>	<u>APD</u>
Start - Taylor Ave. & Stadium lot exit	Y	Y
Taylor Ave. & Melrose	-	-
Taylor Ave. & Genessee	Y	-
Taylor Ave. & Cedar Park	Y	Y
Cedar Park & Woodlawn/Linden Aves.	-	-
Cedar Park & Glen Ave.	Y	Y
Cedar Park & Farragut Rd.	Y	Y
Farragut Rd. & Howison/Ludlow/Dewey/Schley	-	-
Farragut Rd. & Rowe Blvd	Y	Y
Rowe Blvd. & Taylor Ave.	Y	Y
Rowe Blvd. & Herman Sachs Blvd.	-	Y
Rowe Blvd. & College St.	Y	-
College Ave. & Church Circle	Y	-
Church Circle & Main St.	Y	-
Main St. & Market St.	Y	Y
Main St. & Randall St.	Y	-
Randall St. & Dock Street	Y	-
Dock Street Parking lot & Susan Campbell Park	Y	-
Dock Street & Craig Street	Y	-
Dock Street & Randall St.	Y	-
Randall St/East St. & King George St./Gate 1	Y	Y
King George St. & Martin St.	-	-
King George St. & Maryland Ave.	Y	Y
King George St. & College Ave.	Y	-
King George St. & Wagner St.	-	-
King George St. & Rt. 450	Y	Y
Rt. 450 (Annapolis St.) & Taylor Ave.	Y	Y
Taylor Ave. & Ridgely Ave.	Y	Y
Taylor Ave. & Rowe Blvd.	Y	Y
Taylor Ave. @ stadium lot exit Sachs Blvd.	Y	Y

Prepared by Michelle LeFurge, Special Events Coordinator at mmlefurge@annapolis.gov and Jessica Cowles, Legislative and Policy Analyst in the Office of Law at JCCowles@annapolis.gov

**Alderman Israel Amendment to O-43-12
Lease of Public Parking Lots to FRESHFARM Markets, Inc.**

Amendment #1

Page 10, Line 23: strike "2012" and insert "2013"



City of Annapolis City Council
Standing Committee Referral Action Report

Date: 3/14/13

To: Jessica Cowles,
City of Annapolis Office of Law,
Legislative and Policy Analyst

The Finance Committee has reviewed 0-1-13 and has taken the following action:

Favorable

Favorable with amendments

Unfavorable

No Action

Other

Comments:

Roll Call Vote:

Pfeiffer
Ald. Israel, Chair yes

Ald. Arnett yes

chair
Ald. Finlayson yes

Meeting Date _____

Signature of Chair _____

Kids at Hope
Mid-Atlantic Youth Development Institute Master's Seminar

April 3-5 2013
Annapolis Loews Hotel
Annapolis Maryland

Program

Tuesday April 2

Opening Reception—6:30-8:30 pm— Loews Hotel

Wednesday, April 3

Continental Breakfast and Registration

Welcome & Greetings - 8:30 - 9:00

Squire Taylor -

Carlesa Finney (Co Chair - Anne Arundel and Annapolis Steering Committee)

Claudia Thomas (Chair - Kids at Hope Herndon)

Special Greetings

County Executive-Linda Neuman

Mayor Joshua Cohen

Superintendent Kevin Maxwell

Sessions:

9:00 - 11:45 - Kids at Hope-Annapolis and Anne Arundel County - Rick Miller

11:45 - 12:00 - BREAK

12:00 - 1:00 - Lunch

1:00 - 2:15 - HYPE (Helping Youth Pursue Excellence) - Darrell "Coach D" Andrews

2:15 - 2:45 - Reception Line - Meeting Dr. Lowery and BREAK

2:45 - 3:45 - **Keynote:** "The State of Hope" - Dr. Lillian Lowery, State
Superintendent of Schools

3:45 Wrap- up and break

5:30 - Re-convene for Dinner, Dialog, and Discovery

Thursday, April 4

School Visits - 8:30 - 12:15

Session:

12:30 - 1:00 - School Visit Debrief

1:00 - 4:00 - Hope in the Community - Rob Levit

Open Evening

Annapolis Tours - Evening (Optional)

Friday, April 5

Continental Breakfast and Networking

Sessions:

8:30 - 10:30 - "Adopting a Cultural Framework" - Rick Miller,

10:30 - BREAK and Check Out

11:00 - 12:30 - "Strategic Thinking" - Rick Miller

Awards Luncheon and Adjourn - 12:30

**ds at Hope – Annapolis
and Anne Arundel County**
*Supporting the Success
of ALL Children*
Steering Committee

Tony J. Spencer
*Transportation Specialist
Annapolis Department of Transportation
Representing the City of Annapolis*

Frank & Sheryl Menendez
*Pastors, Restoration Community
Development Corporation
Light of the World
Family Ministries*

Deborah Wood, Ph.D.
*Executive Director,
Chesapeake Children's Museum*

Carlesa R. Finney
*Executive Director,
Office of Equity & Human Relations
Office of the Superintendent
AA County Public Schools*

Sascha Lipczenko
*Director,
Annapolis Youth Services Bureau
AA County Community Action Agency*

Lisa Keough, LCSW-C
*School Social Worker,
Annapolis Middle School
AA County Public Schools*

J. Dianne Williams
*Director of Community Services
AA County Community Action Agency*

Tracy Smith
*Vice President and Branch Sales
Manager, BankAnnapolis.*

Katie Fitzwater
*Branch Manager,
Annapolis Towne Centre BankAnnapolis*

Wendy Scarborough
*Adaptive & Inclusion Recreation
Supervisor,
AA County Department of
Recreation and Parks*

Holli Dillard-Cranfill
*Treasure Hunters Clearinghouse
Coordinator,
Volunteer Center for AA County*

Tierra M. Snowden
*Director of Program Operations,
Boys & Girls Club of Annapolis
and AA County*

Jo Blackstone
*Licensed Therapist,
Annapolis Youth Services Bureau
AA County Community Action Agency*

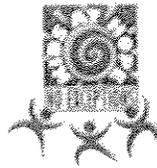
Dear Community Business:

On January 17, 2010, the City of Annapolis, co-sponsored by Mayor Joshua Cohen, adopted the first resolution in the state of Maryland to a "City of Hope." Dr. Kevin Maxwell, Superintendent of Anne Arundel County Public Schools has joined Mayor Cohen in expanding the "Hope" community throughout the county. "Kids at Hope" is an innovative, researched-based cultural framework that is adopted by schools, youth-serving agencies, businesses and community stakeholders used to individually and collectively demonstrate our commitment to support all youth in county. It empowers organizations to transform their cultures through professional development workshops, seminars, institutes, and classes in order to demonstrate individually and collectively, the belief that all children can succeed; no exceptions.

Kids at Hope and Anne Arundel County Public Schools are proud to announce the first Northeast Region Youth Development Mini-Master's Institute scheduled for April 3-5, 2013. The institute brings together our top education and youth development researchers, practitioners, and policy makers. Participants will explore advanced research and practices important to the success of all children, without exception.

As a member of our Kids at Hope Steering Committee, I am reaching out to you, a local business, for help with financial contributions or to sponsor a teacher, youth counselor, parent, or agency staff person to attend our first-ever seminar, culminating in an awards luncheon, featuring the recipient of our first Kids at Hope Ellen Moyer award. Contributions will be used to help us to support seminar, meals, honorariums, and training materials and supplies, or you may sponsor any of the program components at the following levels.

<u>Level of Support</u>	<u>Activity</u>
\$500 - 1,000	Teachers' stipends to chaperone AACPS student entertainment Sponsor for one of the 5 seminar meals Nationally acclaimed motivational speakers: Dr. Lillian Lowery, State Superintendent of Schools Darrell Coach "D" Andrews or Rob Levit Bus transportation to Kids at Hope school destination tours
\$300	Tuition for one or more participants each
\$50	Training materials and supplies



You and your representatives are welcome to be one of our participants, and your generous support will be recognized on our publications, throughout the seminar, and at the Friday luncheon. Mail checks to: Chesapeake Children's Museum/Kids at Hope, 25 Silopanna Road, Annapolis, MD 21403, or call in with credit card: 410-990-1993, best between 10 am and 5 pm. (A 501(c)(3) tax deductible contribution)

City of Annapolis Budget Revision Request

Control number GT-16-13

Department
Public Works

Date 8-Mar-2013

Number	Account Title	Amount	
		Debits	Credits
30400-585000-50003	Capital Reserve		161,000.00
30400-484500-50003	Other Financing Sources	161,000.00	
0100-497030	Trsf from Capital Project		161,000.00
0100-597063	Trsf to Stormwater	161,000.00	
63044-497010	Trsf from General		161,000.00
63460-530800	Contract Services	161,000.00	

To provide funding for emergency repairs to Culvert under Bywater Road that needs immediate attention.

Approved for Financial & Accounting Sufficiency:



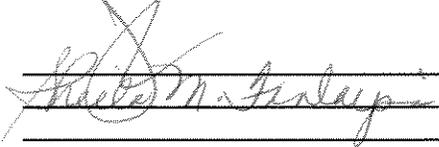
 Finance Director



 Department Director

Approved by:

Mayor
Finance Committee
City Council



GT -~~16~~-2013

This is a request from Public Works Department to transfer \$161,000 form Capital Project #50003 for Capital Reserve projects to the Stormwater Operating fund #63460 to cover cost of emergency repairs that need to be done at a culvert under Bywater Road. These repairs are necessary to avoid the possibility of sinkhole at this location.

proposal for your review.

I have also attached the original PO from Howard County for the 5-year contract, a portion of the existing contract that we have with Howard County, which includes the 'line items' and 'pricing', and the 'extension' for this year. If you need further information, please just let me know. Numerous other counties and municipalities have been able to 'bridge' this existing contract - hopefully, you are able to do the same. We would be glad to provide you with references from Anne Arundel, Frederick, St. Charles, Harford, Montgomery, PG, and Baltimore Counties as well as the City of Bowie for this exact type of work.

We are readily available to start this work and look forward to working with you. Please let me know your intentions and we would be glad to discuss further. My cell number is (757) 620-4840.

Thanks and have a nice weekend,
Albert

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Albert Pugliese
(757) 498-9029 (P)
(757) 431-9132 (F)