



Work Session

Tuesday, March 12, 2019

Mayor and City Council

Town of Ocean City, Maryland

CALL TO ORDER

THE HONORABLE MAYOR AND CITY COUNCIL PRESIDING

Attendee Name	Organization	Title	Status	Arrived
Lloyd Martin	Ocean City	Council President	Present	
Mary Knight	Ocean City	Council Secretary	Present	
Dennis Dare	Ocean City	Council Member	Present	
Tony DeLuca	Ocean City	Council Member	Present	
John Gehrig Jr.	Ocean City	Council Member	Present	
Matthew James	Ocean City	Council Member	Present	
Mark L. Paddack	Ocean City	Council Member	Present	
Richard W. Meehan	Ocean City	Mayor	Present	

STAFF IN ATTENDANCE: City Manager Doug Miller, City Solicitor Guy Ayres, Finance Director Chuck Bireley, City Clerk Diana Chavis, Emergency Services Director Joseph Theobald, Budget Manager Jennie Knapp, Members of the Press and Interested Parties.

Council President Lloyd Martin called this Work Session to order at 1:00 PM in the Council Chambers of City Hall, 301 N. Baltimore Avenue, Ocean City, Maryland 21842.

NOTICE AND REPORT ON CLOSED SESSION

- A. Closed Session - Tuesday, March 12, 2019, 11:30 AM - 1:00 PM to discuss Legal, Real Estate, Collective Bargaining and Contractual Matters

Convened into Closed Session to: 1) consider the acquisition of real property for the public purpose and matters directly related thereto; 2) consult with counsel to obtain legal advice; 3) conduct collective bargaining negotiations or consider matters that relate to the negotiations; and 4) before a contract is awarded or bids are opened, discuss a matter directly related to a negotiation strategy or the contents of a bid or proposal, if public discussion or disclosure would adversely impact the ability of the public body to participate in the competitive bidding or proposal process.

Motion to convene into Closed Session by Council Member DeLuca; seconded by Council Secretary Knight. The vote was unanimous.

Council President Lloyd Martin reported on Closed Session. Persons present were Mayor Rick Meehan, City Manager Doug Miller, Council President Lloyd Martin, Council Secretary Mary Knight, Council Members Dennis Dare; Matt James; Tony DeLuca; John Gehrig and Mark Paddack, City Solicitor Guy Ayres, City Clerk Diana Chavis, Risk Manager Eric Lagstrom, Human Resource Director Wayne Evans, Finance Director Chuck Bireley and Legal Counsel Dan Altchek of Miles & Stockbridge [via phone.]

Motion to adjourn Closed Session at 1:05 PM.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Matthew James, Council Member
SECONDER:	Mark L. Paddack, Council Member
AYES:	Martin, Knight, Dare, DeLuca, Gehrig Jr., James, Paddack

Council President Lloyd Martin reported on action taken at the February 19, 2019, Closed Session.

Motion to make the following lease offer to Todd Clark of 67th Street Gym, LLC: \$7.50 per sq. ft./\$5,500 monthly rent; \$150 per month for each parking space [10]/\$1,500; lease expires December 31, 2019; no penalty for early withdrawal.

RESULT:	APPROVED [4 TO 3]
MOVER:	Tony DeLuca, Council Member
SECONDER:	Mark L. Paddack, Council Member
AYES:	DeLuca, Gehrig Jr., James, Paddack
NAYS:	Martin, Knight, Dare

Motion to reconvene into Closed Session by Council Member Matt James; seconded by Council Member Tony DeLuca. The vote was unanimous with Council Secretary Mary Knight away for the vote.

Council President Lloyd Martin reported on Closed Session. Persons present were Mayor Rick Meehan, City Manager Doug Miller, Council President Lloyd Martin, Council Secretary Mary Knight, Council Members Dennis Dare; Matt James; Tony DeLuca; John Gehrig and Mark Paddack, City Solicitor Guy Ayres, City Clerk Diana Chavis and Public Works Director Hal Adkins.

Motion to adjourn Closed Session at 4:00 PM.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Tony DeLuca, Council Member
SECONDER:	Matthew James, Council Member
AYES:	Martin, Knight, Dare, DeLuca, Gehrig Jr., James, Paddack

ACKNOWLEDGEMENTS AND RECOGNITIONS

COMMENTS FROM THE PUBLIC

Susan Jones of the Ocean City Hotel-Motel-Restaurant Association spoke on behalf of HMRA and OC Chamber of Commerce Executive Director Melanie Purcell stating neither oppose a room tax increase and believe the current formula split has worked since 2007. She also spoke on increased rental demand versus inventory, consideration of a rental license increase and stated opposition to additional parking meters or parking rate increases.

Vince Gisriel commented on town spending, advertising funds, tourist spending and property tax.

NEW BUSINESS

- A. Request to Purchase Pagers for the Ocean City Fire Department presented by Emergency Services Director

Motion to approve purchase of 80 pagers not to exceed \$44,000. [Funds will be paid from Worcester County grant revenue that exceeded budgeted amount.]

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Matthew James, Council Member
SECONDER:	Mark L. Paddack, Council Member
AYES:	Martin, Knight, Dare, DeLuca, Gehrig Jr., James, Paddack

- B. Room Tax Increase Continued Discussion presented by City Manager

Room tax was discussed at the January 3rd Tourism Commission meeting. The Commission voted to support the 0.5 percent room tax increase and recommended Council review Ordinance 2007-20 on how funds would be divided in Marketing and Economic Development. Council Member Gehrig stressed the need to amend the ordinance to increase the percentage of gross room revenue for economic development investment (sports complex). Council Member James prefers Council determine a tax allocation plan before approving an increase.

Motion that Ordinance 2007-20 wording remain the same and reconsidered once more is known about future tourism, economic and development needs; tax increase start date of January 1, 2020; fund the sports complex study through FY19 TAB funds and; any unspent funds budgeted for marketing in FY20 can be reserved to finance future economic development.

RESULT:	APPROVED [5 TO 2]
MOVER:	Mary Knight, Council Secretary
SECONDER:	Tony DeLuca, Council Member
AYES:	Martin, Knight, Dare, DeLuca, Paddack
NAYS:	Gehrig Jr., James

ADJOURN

Motion to adjourn at 4:05 PM.

RESULT:	APPROVED [UNANIMOUS]
MOVER:	Tony DeLuca, Council Member
SECONDER:	Matthew James, Council Member
AYES:	Martin, Knight, Dare, DeLuca, Gehrig Jr., James, Paddack

Approved by Mayor and Council this _____ day of _____, 2019.

Diana L. Chavis, CMC
City Clerk