

RESOLUTION NO. 1740

A RESOLUTION OF THE COUNCIL OF THE CITY OF SALISBURY, MARYLAND AUTHORIZING THE MAYOR OF SALISBURY TO SIGN A MEMORANDUM OF UNDERSTANDING WITH THE CITY OF FRUITLAND, MARYLAND FOR THE CONSTRUCTION OF AN EMERGENCY WATER SUPPLY CONNECTION BETWEEN THE MUNICIPALITIES

WHEREAS, the Salisbury City Council recognizes the need for a water connection between the City of Salisbury and the City of Fruitland to provide water services to one another in the event of an emergency; and

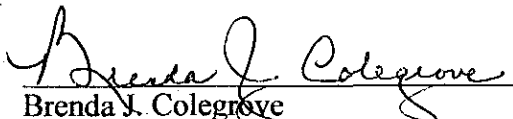
WHEREAS, the Fruitland City Council recognizes the need for a water connection between the municipalities and is willing to reimburse the City of Salisbury up to \$225,000.00 of the construction cost of the water supply connection; and

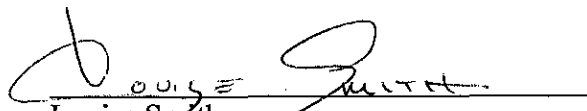
WHEREAS, Salisbury Public Works has designed an emergency water connection (City Contract No.103-09) between the two municipalities and created a Memorandum of Understanding that will govern the construction and cost of the water supply connection; and


NOW, THEREFORE, BE IT RESOLVED that the Salisbury City Council authorizes the Mayor to sign Memorandum of Understanding whereby the City agrees to award and construct contract 103-09 under the terms of the Water Supply Agreement which includes a condition that the cost of the project will not exceed \$450,000.00 and will be shared equally between both municipalities.

THE ABOVE RESOLUTION was introduced and duly passed at a meeting of the Council of the City of Salisbury, Maryland held on the 22nd day of December, 2008 and is to become effective immediately upon adoption.

ATTEST:


Brenda J. Colegrove
CITY CLERK


Louise Smith
PRESIDENT, City Council


Barrie P. Tilghman
MAYOR, City of Salisbury

City of Salisbury



PAMELA B. OLAND

DIRECTOR OF INTERNAL SERVICES

FINANCE DIVISION

DEPARTMENT OF INTERNAL SERVICES
125 N. DIVISION STREET, ROOM 103
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MARYLAND

COUNCIL AGENDA

December 12, 2008

TO: Mayor and City Council

SUBJECT: Requesting Authorization for the Mayor to Sign a Memorandum of Understanding With the City of Fruitland for the Construction of an Emergency Water Supply Connection Between the Municipalities

The City of Salisbury Internal Services Department, Procurement Division, received a request from the Salisbury Public Works (SPW) to enter into an agreement with the City of Fruitland, MD for the construction of an emergency water supply connection between the two municipalities. The Procurement Division requests approval from the City Council to authorize the Mayor to sign a Memorandum of Understanding (MOU) with the City of Fruitland on behalf of the City of Salisbury, whereby each municipality will fund 50% of the cost of the project, not to exceed \$450,000.00.

This project will be conducted in accordance with requirements outlined in the fully executed "Water Supply Agreement" between the two municipalities dated May 9, 2008, the contract documents 103-09, and the attached MOU, as signed and attested by Mr. Gregory J. Olinde, Council President, and Diane C. Nelson, City Clerk, of the City of Fruitland.

Thank you.

A handwritten signature in black ink, appearing to read "Karen D. Reddersen".

Karen D. Reddersen

Assistant Director of Internal Services-Procurement Division

MEMORANDUM-OF-UNDERSTANDING
AMONG
THE CITY OF FRUITLAND
AND
THE CITY OF SALISBURY

The City of Salisbury, hereinafter referred to as "CITY OF SALISBURY", and the City of Fruitland, hereinafter referred to as "CITY OF FRUITLAND", have determined and agreed it is in the best interest of the City of Salisbury and the City of Fruitland to enter into the following MEMORANDUM-OF-UNDERSTANDING, dated December 22, 2008.

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, be it agreed by and among the parties hereto as follows:

1. The CITY OF FRUITLAND agrees to pay the CITY OF SALISBURY the lesser of Two Hundred Twenty Five Thousand Dollars (\$225,000.00), or 50% of the actual cost to design and construct the emergency water main connection between the respective cities.
2. The CITY OF SALISBURY agrees to pay the lesser of Two Hundred Twenty Five Thousand Dollars (\$225,000.00), or 50% of the actual cost to design and construct the emergency water main connection between the respective cities.
3. In the event the total of the Construction contracts to be awarded for this project, upon completion of the bid process, exceed the sum of Four Hundred Fifty Thousand (\$450,000.00), the parties shall confer and may renegotiate their respective contributions to the project.
4. The contributions shall be payable in accordance with the progress payment schedule set forth in the construction contracts. The construction contractors shall be paid forty-five (45) days after City of Salisbury engineer approval of a request for payment. Upon receipt of a request for payment and engineer verification thereof, the CITY OF SALISBURY shall submit by facsimile a request to the CITY OF FRUITLAND for payment of their prorata portion to the CITY OF SALISBURY within thirty (30) days. Each Party's share shall be that amount equal to the product of the sums due for construction times the Party's percentage set forth above. Said payments shall continue until the Party's contribution as set forth above has been paid in full.
5. The CITY OF SALISBURY will execute the construction contracts as identified in "Appendix A" and maintain direct supervision of the construction work with periodic review by the CITY OF FRUITLAND. The CITY OF SALISBURY will provide a copy of the Project Specifications, as soon as available, to the CITY OF FRUITLAND. In addition, the CITY OF SALISBURY will provide the CITY OF FRUITLAND with a copy of the "as-built" plans for the Fruitland to Salisbury Emergency Water Connection project upon completion.
6. Upon completion of the project, the CITY OF SALISBURY and the CITY OF FRUITLAND will own, maintain and operate water connection, as outlined in the "Water Supply Agreement" referred to as Appendix "A".
7. The CITY OF SALISBURY and the CITY OF FRUITLAND shall certify to Karen Reddersen, Assistant Director of Internal Services for the CITY OF SALISBURY that all funds set forth in Paragraphs 1 and 2 are available prior to award of the construction contract.

8. All notices and change orders shall be delivered in writing to the following individuals:

- i. CITY OF SALISBURY – James Caldwell, Director of Public Works
- ii. CITY OF FRUITLAND – Joseph Derbyshire, Director of Utilities

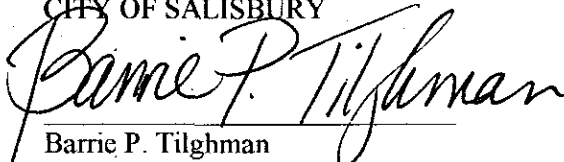
Any change order which affects the monetary contribution of all parties shall be approved in writing by the above listed individuals. (for contract purposes only).

9. Appendix "A" is expressly incorporated and a part of this Memorandum-of-Understanding.


IN WITNESS WHEREOF, the parties have executed this MEMORANDUM-OF-UNDERSTANDING by causing the same to be signed on the day and first written.

AGREED:

CITY OF SALISBURY


Barrie P. Tilghman
Mayor

CITY OF FRUITLAND


Gregory J. Olinde
Council President

Attest:


Brenda Colegrove, City Clerk

Attest:


Diane C. Nelson, City Clerk