

*MILFORD CITY COUNCIL
MINUTES OF MEETING
January 9, 2012*

The Monthly Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware on Monday, January 9, 2012.

PRESIDING: Mayor Joseph Ronnie Rogers

IN ATTENDANCE: Councilpersons Steve Johnson, Garrett Grier III, S. Allen Pikus, Dirk Gleysteen, Owen Brooks, Jr., Douglas Morrow, Sr., James Starling, Sr. and Katrina Wilson

City Manager Richard Carmean, Police Chief Keith Hudson and City Clerk/
Recorder Terri Hudson

City Solicitor David Rutt, Esquire

CALL TO ORDER

Mayor Rogers called the Monthly Meeting to order at 7:06 p.m.

INVOCATION AND PLEDGE

The Pledge of Allegiance followed the invocation given by Councilman Starling.

APPROVAL OF MINUTES

Motion made by Mr. Brooks, seconded by Mr. Pikus to approve the minutes of the November 14, 28 and December 12, 2011 Council Meeting as presented. Motion carried.

RECOGNITION

No special guests in attendance.

MONTHLY POLICE REPORT

After presenting the monthly police report on behalf of Chief Hudson, Mr. Morrow moved to accept the police report as submitted, seconded by Mr. Starling. Motion carried.

CITY MANAGER REPORT

Mr. Carmean presented the following report:

I have spent a great deal of my time during the last month talking with department heads and employees. The purpose was to ask and answer questions regarding the direction of the city, and the city's expectations of our workforce. I believe the majority of the employees, both managers and line staff, are in most cases, comfortable with the future of their positions with the city.

I have gotten the approval of both property owners for the location of our test wells. While their agreements probably allowed us to place them anywhere upon the agreed upon sites, I thought it best to include this one additional step. After advising the owners of the location for drilling, I had them sign for the drilling permits. Work should take place in early February.

I was hoping I could announce that the property on the corner of N.W Front and Church Streets is either demolished or being demolished. The schedule was to begin work this morning, but because of closing the streets and setting up the site, it will most likely be Tuesday morning before the actual demolishing of the structure begins.

I have met with Mr. Bruce Blessing of Blessing Greenhouses and Compost to discuss our continued association with his business. As most of you know, Mr. Blessing accepts our yard waste at his facility at a greatly reduced tipping fee. We plan to do a public information and education program next spring. Mr. Blessing and his staff will be distributing his compost product to our customers at no charge. We will use the occasion to distribute information about our yard waste program, and educate the people on the process of our waste being turned into an environmentally friendly product.

I am meeting with the developers and investors of the planned solar farm to be built next to our planned substation. This project is moving ahead now at an accelerated pace. I will know more about the schedule after next week's meeting, but at this time I expect things to start-up in weeks not months. This will be a fifty to sixty million dollar investment and an important part of our electric future. The plan is to have an interconnection with the generated electric to our substation. While it is not possible to estimate the savings to our customers, there should be a benefit in savings of capacity costs. This will also take care of our green energy purchase requirements for many years.

I have written a position available advertisement for Director of Economic Development. This position was adopted by the mayor and council during this year's budget process. Councilman Grier is the chairperson of the Economic Development Committee and will, along with Gary Norris, assist me in the selection of this person. In addition, he may also add someone from the Economic Development Advisory Panel. However, Mr. Carmean will make the final decision.

I am still working with Brad Dennehy, our Director of Public Works, and Tim Webb, our Superintendent of Streets and Solid Waste, on a solution for our yard waste ordinance and collection. We have really not had too much opportunity to do so with the holidays and other work requirements. We will continue to operate this service as we have in the past until we can present council with a plan that meets your approval. He is considering contractual services to making yard waste voluntary.

Mr. Gleysteen asked if the solar panels will be made in this country or in China. He explained there is a substantial difference in how they are manufactured in the United States versus China. He said the technology is basically the same, though one of the byproducts used is silicon tetrachloride which is corrosive and toxic. It is properly disposed of in this country but is dumped on the ground in China. It is critical to him that we use a US-based manufacturer.

He also asked the city manager to request they provide a disclosure of materials used for the panels and the end of life scenario for recycling.

Mr. Carmean will follow up.

Mr. Pikus asked if the city will benefit from the solar farm; the city manager explained there will be an innerconnection into the city's grid.

It was then confirmed another party could purchase nearby land and set up another farm; Mr. Carmean is unaware of any agreement making them the lone solar farm within the city.

When questioned, the city manager advised the economic development position will be published/posted for two weeks, applications will be accepted for an additional week and interviews are expected to begin in February. In the meantime, City Planner Gary Norris will be handling economic development issues.

Mr. Carmean explained that some marketing could be needed so the budget may have to be adjusted to include those costs. The position will begin as a full-time position. It will be later determined if the position will remain full-time or be cut back to part-time.

When questioned about the changes in trash and recycling collections due to the holidays, Mr. Carmean said he plans to discuss with Office Manager Denise Barnes the possibility of putting those closings and adjusted schedules back on the utility bills. It is his understanding that has not been done for a couple of years.

COMMITTEE REPORTS

Economic Development Committee

Mr. Grier reported the Advisory Panel will meet on January 25th at 5:30 p.m.

Cemetery Meeting

Ms. Wilson advised there will be a Cemetery Committee meeting on January 11th at 8:30 a.m..

COMMUNICATIONS

All communications included in packet.

UNFINISHED BUSINESS

Planning Commission Vacancies and Appointments

It was noted that Karen McColley postponed her resignation until December 21, 2011 to allow time for another commissioner to be appointed.

Mayor Rogers then recommended Ed Holloway of 116 Starling Way fill the position left vacant by Commissioner Kim Stevenson.

Ms. Wilson moved to appoint Edward Holloway as Planning Commission for the City of Milford, term to expire August 31, 2014, seconded by Mr. Starling. Motion carried with no one opposed.

NEW BUSINESS

FY 2011-2012 Budget Amendment/Planning & Zoning Department Legal Expense

FY 2011-2012 Budget Amendment/Council Legal Expenses

FY 2011-2012 Budget Amendment/Water & Wastewater Department(s) Legal Expenses

FY 2011-2012 Budget Amendment/Police Department Legal Expenses

FY 2011-2012 Budget Amendment/Public Works Department Legal Expenses

FY 2011-2012 Budget Amendment/Code Enforcement & Inspections Department Legal Expenses

Due to the need that our true costs are coded to each individual department and the increase in recent legal fees, there is a need to increase that line item in several departments. In the past, most of the expenses were coded as a council expense.

Finance Committee Chair Pikus explained that the majority of these matters are unforeseen at the time the budget is prepared. The money is available but must be transferred into the correct account.

Ms. Wilson asked if it is possible to designate one line item for all legal expenses in future budgets; Mr. Pikus stated he is unsure due to the government auditing requirements. What has occurred this year are a number of unexpected matters that required legal services. Typically, the majority of our legal accounts contain a minimal amount.

Mr. Carmean said he will need to discuss the one legal line option Ms. Wilson suggested with the finance director. Ms. Wilson explained that as each department generated that need, city council would agree to transfer that amount.

Mr. Pikus moved that the planning department legal expense account 101-1035-419-30-20 (\$20,000), city council legal expense account 101-1110-411-30-20 (\$10,000), police department legal expense account 101-1610-421-30-20 (\$10,000) and code enforcement and inspections legal expense account 101-1045-429-30-20 (\$6,000) be increased as requested, and a legal expense account be created for public works in the amount of \$3,500, with those funds being transferred from the general fund reserves, seconded by Ms. Wilson. Motion carried by unanimous roll call vote.

Mr. Pikus moved that the water department legal expense account 202-2020-432-3020 (\$7,000) and wastewater department legal expense account 203-3030-432-3020 (\$7,000) be increased as requested with those funds being transferred from the water and wastewater reserve accounts, seconded by Ms. Wilson. Motion carried by unanimous roll call vote.

FY 2011-2012 Budget Amendment/Code Enforcement & Inspections Department Demolition Expenses
FY 2011-2012 Budget Amendment/Code Enforcement & Inspections Department Engineering Fees
FY 2011-2012 Budget Amendment/Administration Transfer to Council

Mr. Pikus moved that \$566 be transferred from the Wawa lease account to increase code enforcement and inspections department demolition account 101-1045-429-68-10, seconded by Mr. Gleysteen. Motion carried by unanimous roll call vote.

Mr. Pikus moved that \$786 be transferred from General Fund Reserves into the code enforcement and inspections budget to create a new line item 101-1045-429-30-50 Engineering Services, seconded by Mr. Grier. Motion carried by unanimous roll call vote.

Move to approve that \$572 be transferred from the administration's discretionary account 101-1010-413-67-11 into councils' employee recognition 101-1110-411-68-14, seconded by Ms. Wilson. Motion carried by unanimous roll call vote.

Introduction of Ordinance 2012-01/Conditional Use/Key Properties Group/Billboards

City Manager Carmean introduced the following ordinance:

AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF MILFORD, DELAWARE AUTHORIZING A CONDITIONAL USE PERMIT FOR FIRST STATE SIGNS, INCORPORATED ON BEHALF OF KEY PROPERTIES GROUP TO ALLOW TWO BILLBOARDS IN A C-3 DISTRICT ON THE WEST SIDE OF STATE ROUTE 1 AND COUNTY ROAD 206 (WILKINS ROAD). TAX MAP 3-30-11.00-405.00; 4.81 +/- ACRES.

Whereas, the City of Milford has been requested by Dale McCalister of First State Signs, Incorporated on behalf of Key Properties Group to allow a conditional use for two billboards; and

Whereas, the Planning Commission reviewed the application at a public hearing on January 17, 2012 and has presented the item to be considered by the City Council; and

Whereas, the City Council held an advertised public hearing on February 27, 2012 to allow public comment on the application.

Now, Therefore, the City of Milford hereby ordains:

Section 1. Upon the adoption of this ordinance, Key Properties Group is hereby granted a conditional use permit to allow two billboards in accordance with the application, approved plans and any conditions set forth;

Section 2. Construction or operation shall be commenced within one year of the date of issuance or the conditional use permit becomes void.

Section 3. Dates.

Introduction to City Council: 01-09-12

Planning Commission Review & Public Hearing: 01-17-12

City Council Review & Public Hearing 02-27-12

This ordinance shall take effect and be in force ten days after its adoption.

When asked to explain a conditional use, City Solicitor Rutt explained that each zoning classification has a list of permitted uses. Each classification also lists conditional uses, which permits those uses under certain conditions as established by the planning commission and adopted by city council. He emphasized that if a use is not listed as a permitted use or conditional use, it is prohibited. Any use allowed, must be categorized.

Work Scholarship Program Responsibility & Expenses/EDAP Member William Pilecki

Chairman Bill Pilecki recalled his presentation before city council at which time he requested council consider creating a Workforce Development Commission to represent the city when dealing with the Delaware Community Foundation.

Hugh Leahy and Richard Gench of the Delaware Community Foundation (DCF) were both in attendance.

Mr. Pikus recalled the previous meeting at which time there were some potential issues involved with the city administering or collecting the funds.

Mr. Leahy recalled one of the key elements is to ensure distributions from a fund would go to a qualifying, nonprofit organization—either the city or the school district. In the creation of this fund, donations will be charitable contributions. It has since been determined they will go through the city so those issues have been resolved.

Mr. Pikus asked why the school is not interested and recalled a former program, Distributive Education, which was similar and worked well.

Mr. Leahy said he has not talked with the school district about this subject though he discussed similar programs. He agrees that school districts love to have such funds supplement what they are trying to do. However, school district accounting regulations cause them some difficulties. His understanding is that every dollar that is not state appropriated appears to be monies the school does not need. The various types of scholarship funds, teacher material supplementary funds and school district foundations that have been established are often funded through the community foundation. The districts prefer this because the state accounting systems have a difficult time making that work.

Mr. Pikus confirmed that donations would be made to the foundation and not the city. Mr. Leahy stated that the agreement would restrict distributions from the fund to the purpose agreed upon, and as currently envisioned, would be to the City of Milford.

Mr. Pikus said he would need some clarification from Finance Director Jeff Portmann. Mr. Pilecki explained the intent is not have the city directly involved in the funding but only authorize the distribution. In this case, the foundation would be issuing a check to the educational institution under the direction of the city.

Mr. Grier asked if the community foundation carries the liability in relation to a student; Mr. Pilecki explained there is an employment contract agreement with the student that states whatever money they put in, should they choose later not to avail themselves of the scholarship program, their money would be returned. There is no commitment with any other money. If they choose another level of education, they would then receive the monies accumulated on their behalf.

Mr. Pikus asked if the school board is aware of this program; Mr. Pilecki explained it has been reviewed by the school superintendent, who themselves or their designee, would be a member of the panel. Mr. Pilecki said his impression was the superintendent represented the school board.

Mr. Pikus likes the program but feels the school should have more involvement. Mr. Pilecki noted the school will be involved as far as student selection and fund distribution. He said this is a grassroots program that will bring in local businesses, service organizations and the school district to develop students with marketable skills when they graduate in addition to providing an opportunity for advanced education.

Mr. Pilecki emphasized they have worked hard to keep the city out of it. He said the difference in the former program and this one is the scholarship program. He said he tried every option and this is the only program that will work correctly.

Mr. Brooks asked the city responsibility; Mr. Pilecki said to create an organization who can file the application with the Delaware Community Foundation. Once that is accomplished, they will oversee the generation of donations, establish criteria for student selection, establish a conduit of employers and create a database of available jobs.

Mr. Pilecki reported that David Markowitz, who is a member of this subcommittee, will handle the human resource duties. The commission would consist of the mayor or his designee, the school superintendent, a couple advisory panel members, a Lions Club representative, Milford Ministerial Association representative and a Bay Health representative.

He emphasized this will not be a city function though the city's approval is needed. He said that two-thirds of Milford's graduates leave and do not come back; this will give them a reason to stay or come back after they have received some training with a local company.

Ms. Wilson asked how this is different from Jobs for Delaware Graduates or DECA; Mr. Pilecki explained the basic concept of the program is that the student is responsible for his/her future. He/she is willing to step in, take the job and commit \$1 of his salary every hour he works. The employer will match it and the third dollar will come from a donation. That money will be put aside for the student's future. If he chooses to work and put in the time, the money will be there at the end. The other programs do not provide the bonus.

He added that the money will not only be available to someone who is going to college; the money can also be utilized if someone wants to become a commercial driver or attend a welding school or take evening classes. Regardless, it must be some form of education.

If the student decided not to attend school, they would get their money back; the employer's money is a donation to the program of which they will receive the tax benefit.

They anticipate the student will work approximately 800 hours per year during the school year and summer for a total of 1,600 hours or \$1,600 during the two years. They will not accept a child into the program unless they have \$1,600 in the fund to ensure that is covered. At time of acceptance, the third dollar is already in the fund.

It was confirmed the city's commitment is to establish a commission. Mr. Pilecki noted this will only involve three to four meetings per year of which one would be in the fall and one in the spring. They anticipate at least three subcommittees which would have ongoing meetings. One would be to raise funds, another to establish a database of employers and a third to handle the selection process within the school district.

When asked what type of funding is being requested from the city, Mr. Pilecki said at least \$1,000 to cover any incidental expenses incurred by members of the commission though that would be kept separate from the scholarship program.

Mr. Pilecki said he has a good group of volunteers ready to make this work and only need a little work from the city as the administrator to file the application with the foundation.

Mr. Pikus recommended this be reviewed by the finance director before a final decision is made. City Manager Carmean confirmed that no money passes through city finances; Mr. Pilecki stated yes. He added that the checks they have received are made payable to the Delaware Community Foundation. When asked who is collecting these checks, Mr. Pilecki explained that several have been set to the foundation though he has received several himself.

Mr. Pikus then confirmed there would be no expense on the city side; Mr. Pilecki stated as far as the scholarship program no.

Mr. Pikus explained that council does not want to create a new budget or department within the city. Mr. Pilecki noted that former City Manager David Baird recommended and added the expense component though Mr. Pilecki said that was not part of the committee's original request. He said if council agrees to proceed and the city is unable to provide \$1,000, he believes the majority of volunteers would be willing to continue. He said the concept is for the city to be the umbrella with the volunteers doing the work.

City Solicitor Rutt said that before he comments, he would like to review the documents and specifically the application.

Mr. Grier asked how much Mr. Pilecki needs to start the program; Mr. Pilecki said that originally \$10,000 was needed to open the account. Up until November, they had already raised \$7,550; he has additional monies pending and is waiting the final decision from council. As a result, there is no problem with the \$10,000. Once that is in place, there are a variety of programs they can tap into through the Delaware Foundation and similar foundations. The Milford High School Principal offered to add a link on their website for people to make donations. Several businesses have already donated money and have indicated they will donate again next year with many increasing those amounts.

Mr. Brooks asked who would request donations from the businesses each year; Mr. Pilecki said himself initially, along with a member of the Lions Club and a member of the Ministerial Association.

Mr. Rutt questioned Mr. Pilecki's statement about the city establishing criteria; Mr. Pilecki explained that would be the responsibility of the commission. Mr. Rutt asked if Mr. Pilecki was only asking for the city's endorsement. Mr. Pilecki reiterated he is asking the city to create a commission and appoint nine members as was done with the Economic Development Advisory Commission. The Workforce Development Subcommittee members would also be members. Five other people have expressed an interest and he would like their input before the criteria is established.

Mr. Grier confirmed that because this would be an entity of the city, it would fall under FOIA. Mr. Rutt said it would be similar to the Museum Commission who operates independently from the city government. Mr. Pikus asked if someone is available to take minutes. Mr. Pilecki said he has someone who is willing to handle the funding and is confident they can come up with someone if that is a requirement.

Mr. Pikus moved to postpone action until January 23rd while the matter is reviewed, seconded by Mr. Johnson. Motion carried with no one opposed.

MONTHLY FINANCE REPORT

Chairman Pikus reported that through the fifth month of Fiscal Year 2011-2012 with 42% of the fiscal year having passed, 42% of revenues have been received and 37% of the operating budget expended.

Mr. Pikus moved to accept the November 2011 Finance Report, seconded by Mr. Gleysteen. Motion carried.

EXECUTIVE SESSION

Pursuant to 29 Del. C. §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed.

Mr. Grier moved to go into Executive Session reference personnel matters, seconded by Mr. Pikus. Motion carried.

Mayor Rogers recessed the Council Meeting at 8:14 p.m. for the purpose of an Executive Session to discuss a personnel matter.

Return to Open Session

City Council returned to open session at 8:29 p.m.

Executive Session Matter

Mr. Brooks moved for approval of the employment contract as discussed in Executive Session, seconded by Mr. Pikus. Motion carried by unanimous roll call vote.

ADJOURN

With no further business, Mr. Pikus moved to adjourn the Council Meeting, seconded by Mr. Morrow. Motion carried.

The Council Meeting adjourned at 8:30 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Terri K. Hudson". The signature is written in a cursive, flowing style.

Terri K. Hudson, CMC
City Clerk/Recorder