

MILFORD CITY COUNCIL
MINUTES OF MEETING
November 27, 2012

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Tuesday, November 27, 2012.

PRESIDING: Honorable Mayor Joseph Ronnie Rogers

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

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

City Solicitor David Rutt, Esquire

CALL TO ORDER

Mayor Rogers called the Council Meeting to order at 7:05 p.m.

INVOCATION AND PLEDGE

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

RECOGNITION

During the meeting, Mayor Rogers recognized James Burk, the new Chairman of the City of Milford Planning Commission.

COMMUNICATIONS & CORRESPONDENCE

Holiday Meals

Mr. Starling announced that his church community again provided Thanksgiving meals to a number of individuals and families in the Milford area.

He also advised that they will also be providing free meals on Christmas Day. More details will follow.

UNFINISHED BUSINESS

Appointment of City of Milford Planning Commissioner

Mayor Rogers announced that he has received an application from an interested resident in the first ward. He will follow up and plans to make the recommendation at the December meeting of city council.

Appointment of City of Milford Board of Adjustment Member

Mayor Rogers appointed Brendon T. Warfel of 960 NE Front Street to fill the vacancy left when Samuel Johnson resigned.

Mr. Pikus moved to confirm the appointment of Brendon Warfel, seconded by Mr. Gleysteen. Motion carried by unanimous roll call vote.

NEW BUSINESS

Adoption of Resolution 2012-18/DWSRF Application/Water Facility Planning Grant

Erik Retzlaff of Davis, Bowen and Friedel advised that he had submitted an application to the Drinking Water State Revolving Fund (DWSRF) Program to secure a \$17,500 grant (no matching funds) to analyze what is needed to upgrade the SCADA system for the overall water system operation. The existing metering equipment in each facility will be evaluated and a determination made on how to interact with the various radio programs.

This will provide real time information on how the system is operating so it can be determined to make operational improvements to save money, improve reliability and limit time with equipment malfunctions, etc.

This grant only covers the cost of the investigation to provide a game plan and cost analysis.

When asked who will do the work, Mr. Retzleff explained he will coordinate the project. He will be working with an electrical and programming system integration sub-consultant.

Mr. Pikus moved to adopt the following resolution, seconded by Mr. Brooks:

WHEREAS, the Mayor and Council of the City of Milford have approved a project to upgrade the operation, reliability and efficiency of its water utility by improving the implementation and integration of its existing Supervisory Control and Data Acquisition (SCADA) system, and

WHEREAS, the State Drinking Water State Revolving Fund (DWSRF) program has funding available for such projects in their Water Facility Planning Grant fund.

NOW, THEREFORE, BE IT RESOLVED, the Mayor and Council of the City of Milford approve of submitting an application to the DWSRF program for a Water Facility Planning grant to assist in funding the costs of evaluating their existing water system controls and data acquisition equipment for their improved implementation and integration into the Supervisory Control and Data Acquisition (SCADA) system.

Motion carried by unanimous roll call vote.

DPH CONTRACT-SCADA Upgrades/DSWRF Planning Grant

Mr. Retzlaff advised that the resolution adopted allowed DBF to submit the application. The grant covers the cost of the proposed contract and allows the city to enter into the contract with the State of Delaware so that the money can be distributed.

Mr. Pikus moved to approve DPH Contract #130240 between the Division of Public Health and Social Services and the City of Milford for the SCADA Upgrades Planning Grant, seconded by Mr. Starling. Motion carried by unanimous roll call vote.

Award of Bid/Indoor Switchboards (Electric Department)

City Manager Carmean advised this bid is for the new substation but also for the connection point where we will be connecting to Delmarva Power.

An evaluation of the bids was completed by Progressive Engineering Consultants, Incorporated. P.E. Michael A. Dawson of that firm submitted the following letter to City Manager Carmean:

Sealed bids were received, publicly opened, and read on October 23, 2012 for furnishing Indoor Switchboards for the Delivery #2 Substation and 138 kV Tap Station. As shown by the enclosed tabulation of bids received, Schweitzer Engineering Laboratories, Inc. submitted the lowest cost proposal in the amount of \$150,260.00.

While evaluating the submitted proposal it was determined that some of the equipment was found to be excessive for the required needs of the switchboards. Several of the items quoted are typically used for transmission systems rather than

substations. Schweitzer Engineering Laboratories, Inc. was contacted about the proposed equipment and asked if other products could be used which would be more suitable for use in a substation while still meeting the requirements of the specifications and, subsequently, reducing the costs associated with the equipment. It was determined that several of the items could be replaced and the proposal was amended based on the replacement equipment. The cost breakdown is as follows:

<u>Section 1: Delivery #2 Substation</u>	
Switchboard	\$79,220.00
Spare Differential Relay	\$3,750.00
Spare Overcurrent Relay*	\$3,580.00
<u>Section 2: 138 kV Tap Station</u>	
Switchboard	\$22,280.00
Spare Overcurrent Relay*	\$3,580.00

* The spare overcurrent relay proposed for both Section 1 and Section 2 are identical requiring only one spare.

We have reviewed the revised proposal and believe it to be in compliance with the specifications. Therefore, we recommend that the City purchase the Indoor Switchboards from both sections, one (1) spare differential relay, and one (1) spare overcurrent relay from Schweitzer Engineering Laboratories, Inc. in the amount of \$108,830.00.

Please notify us of your decision in order that we may prepare the necessary contract documents for execution.

Mr. Pikus asked if this would be paid from electric reserves; Mr. Carmean recalled the 2008 referendum that provided borrowing for these projects. The funding will come from that fund though there could be a blend with the electric reserves. He recalled council awarding bids on transformers and other electrical equipment in the past few months. He explained that we will not know the total price until the entire project is completed and on line.

Mr. Pikus moved to award the bid, as recommended by Progressive Engineering, to Schweitzer Engineering Laboratories, Inc. in the amount of \$108,830.00, seconded by Mr. Gleysteen. Motion carried by unanimous roll call vote.

EXECUTIVE SESSION

Pursuant to 29 Del. C. §10004(b)(4) Strategy sessions, including those involving legal advice or opinion from an attorney-at-law, with respect to collective bargaining or pending or potential litigation-Property Damage/Sewer Backup

Mr. Pikus moved to go into Executive Session reference a discussion on potential litigation (property damage caused by a sewer backup), seconded by Mr. Brooks. Motion carried.

Mayor Rogers recessed the Council Meeting at 7:18 p.m. for the purpose of an Executive Session as is permitted by Delaware's Freedom of Information Act.

Return to Open Session

City Council returned to Open Session at 7:59 p.m.

Property Damages/Reimbursement/Account Approval

Mr. Pikus moved that the City of Milford absorb the costs of the damages caused to the two homes by the sewer backup last month on Kings Highway and that the funds would be paid from sewer reserves, seconded by Mr. Gleysteen. Motion carried by unanimous roll call vote.

ADJOURN

With no further business, Mr. Pikus moved to adjourn the meeting, seconded by Mr. Gleysteen. Meeting adjourned at 8:00 p.m.

Respectfully submitted,

A handwritten signature in cursive script that reads "Terri K. Hudson".

Terri K. Hudson, MMC
City Clerk/Recorder

MILFORD CITY COUNCIL
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The City Council of the City of Milford met in Workshop Session on Tuesday, November 27, 2012 in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Honorable Mayor Joseph Ronnie Rogers

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

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The Workshop Session convened at 8:00 p.m.

Our Town Grant/Scott Angelucci

Mayor Rogers deferred to Scott Angelucci for his comments regarding his request to speak to city council.

Mr. Angelucci reported that some members of city council may not be aware of the project the grant is being requested for. He explained that two and a half years ago, he explored the idea of a school for fine art and crafts. Based on information, partially from training through the national trust but also through existing schools from around the country, he learned there were no such schools in the Mid Atlantic area. They only exist in the northeast, southeast, northwest and southwest. He feels there is a large population here that could be served with this type school.

The goal is to use the former Carlisle Fire Hall. Courses and classes would be created and offered locally, regionally and nationally. This would create a destination for the community. The concept would allow what started with the studio spaces downtown and to expand into more studio spaces and educational opportunities.

Today, he said he met with Director Bill Pfaff of the Small Business Development Center. He has been working with him over the past few months to create a business plan and looking at funding for this project. This is a major project that will require a large pool of capital to get started. Over the past few years he has researched this, reviewed the other schools and has met with the other directors to discuss their programs and business plans.

The primary purpose and function of the River Arts Center for Traditional Modern Craft can be divided into two guiding principles. For established artists and fine craft artisans, the center will offer studio space to lease with access to support resources specific to the center. The center will act on its own behalf to market and advertise courses and workshops which the resident artists may elect to participate in along with unique exhibits and shows which will be open to the public. In creating an atmosphere conducive to creative endeavor, Mr. Angelluci said the professional artist/artisan will have the opportunity for optimum business development.

The second principal focuses on providing exceptional learning opportunities across many subjects directly related to art and fine craft education and instruction as well as subjects related to the business of art. The latter part of this mission will enable the center to act as an entrepreneurial incubator and community development facility. To further enhance its role in community development, this center will include, as part of its mission statement, the continuing effort to use its resources to find ways to improve the city. One way is to provide programs for financially challenged citizens and foster children to participate in workshops and classes which is "Art for Everyone".

Another concept is to partner with the city to develop a successful public art program to create a more visible representation of the city's adopted moniker "River Town, Art Town, Home Town".

He said the center will actively participate as a catalyst for businesses outside of the arts by attracting patrons to the downtown through local, regional and national advertising.

Increased foot traffic will incur entrepreneurial development throughout the downtown surrounding area. Adding the increase in cultural interest in development and the result is a significant improvement in the quality of life for the community.

In the last month, Mr. Angelucci discovered the national trust supported this grant process through the National Endowment for the Arts or Our Town Grant. It focuses on partnerships between private, nonprofit and government (local) agencies to create a strong partnership in building and establishing creative placemaking. The intent is to use arts as the core for economic development in the community.

He confirmed that this type facility will aid in economic development, not only for Milford, but for the region as well. When he first began to explore the concept, he had the opportunity to meet with Bernice Whaley of Delaware Economic Development (DED0). This attracted the governor's attention. Mr. Angelucci said they now have a letter of support from Governor Jack Markell.

They also received support from Kent County tourism and are now working on funding. The first step was working with DED0 though the money was restricted to what to 'a profit business' (they do not work with nonprofits). He said that guided him in structuring the business.

After they discovered the grant, he felt they will have more strength working with nonprofits, profits, the city and the state through partnerships.

The executive summary, which is extremely lengthy but was included in the packet, discusses fourteen different examples in various communities. He feels Milford's project could be the poster child of what the grant application is about. According to the grant description, the project must enhance the quality of life in the community by improving quality of life, encourage greater creative activity, foster stronger community identity and a sense of place and revitalize economic development using arts as its core means for these goals.

Mr. Angelucci feels this fits the criteria and the project has merit with the program.

He said he must determine whether there is support from the city before he can move forward with the application. However, he is still determining what the role of the city will be. His understanding is there would be a commitment to participation and leadership to this project.

Mr. Pikus referenced Mr. Angelucci's statement that the State of Delaware and Kent County Tourism has offered support. He asked if that is in the form of financial support. Mr. Angelucci explained that Governor Markell arranged the first meeting through DED0 to see how they could help in moving this forward. Kent County Tourism offered to support the project through promotions though he is unsure if that would be financial support noting they are a nonprofit. However, that could be one of the partners.

He explained there is a minimum three partners required though no maximum number is necessary. Mr. Angelucci said the more partners involved, the more likelihood of success the project would have.

In relation to financial support from DED0, Mr. Pfaff informed him that if they can secure support for the grant, it is an almost an open door to DED0. The grant requires dollar for dollar matching from a non-federal entity which can be state funding or other private funding. The grant amounts range from \$25,000 to \$200,000. Any amount received will require the same matching funds either in-kind or cash.

When asked if there will be a private corporation involved, Mr. Angelucci explained that they will establish the corporation. Mr. Pikus asked if that is you; Mr. Angelucci stated yes, it will be a limited liability corporation. They will then partner with a nonprofit. He said he discussed this briefly with Downtown Milford who agreed to act as the non-profit. He also

believes they will have the state's support because they received the governor's pledge of support.

Mr. Pikus asked if Downtown Milford will have to come up with the funds; Mr. Angelucci answered no, the funds would be distributed by using the partners together. This ensures a check and balance system to ensure the funds are spent as allowed.

Mr. Angelluci stated that Mr. Pfaff provided four other foundations in Delaware that provide grants for these reasons. If this grant is awarded, everything falls into place. Mr. Pfaff felt the likelihood of DEDO matching the grant is very high because if this type funding is received on a national level, they would get behind the project.

Mr. Pikus asked if the matching funds need to be in place in order to get the grant. Mr. Angelucci stated that it does not have to be in place but only indicated where they intend to get it. The application can be made without that though they need to demonstrate the other resources available. He has also spoken with other area businesses who are willing to support the project.

After reading the executive summary, he finds that most of the other projects received funding through eight or ten different sources. Once the National Endowment is in place, this project will become attractive to even more foundations.

At this point, they need to put the grant together and submit it. He requested to be on the agenda tonight because the application deadline is January 14th which means he has to start working on it tomorrow to complete it in time. One of the things he discussed with Mr. Pfaff is an associate of his who is a board member on the National Endowment for the Arts. She is familiar with grant writing and was a former director for the Delaware Arts Division. He will contact her for a recommendation. In addition, Mr. Pfaff provided three or four other names.

The grant must be very specific and then electronically filed.

Mr. Pikus asked about any other financial commitments; Mr. Angelucci said he has no pledges at this point. He has been working with Bayhealth about a fundraising event next year. He also spoke with Caulk Company in an attempt to create a connection with the two entities.

He informed the Caulk representative that video development (short films and multi-media) will be one of the courses offered. That will also be part of the business portion training for any artist interested in other areas including media and video production for marketing purposes. He got the immediate impression that Caulk could potentially hire four or five additional staff members for this purpose.

Mr. Carmean said this will probably pay Mr. Angelucci dividends and if this is just a matter of the mayor writing a letter of support on behalf of the city and council. However, if he is asking for money, he needs to state that so it can be forwarded to the finance committee. Mr. Angelucci said he is not looking for money from the city at this point though there will be other things he may ask for down the road.

The program in Paducah, Kentucky is the national model for the artist relocation program. They were able to take a district in the city which was in very bad condition and convert into spaced for living and working studios for artists which created funding pools through local banks. The result was \$30 million in funding for the city.

According to Mr. Angelucci, this is an area has been overlooked as a source for economic development. Instead, the grants have gone toward nonprofits such as the Delaware Music School, Mispillion Art League, etc. They did not consider the value of the for-profits which is a broader area and harder to measure.

Mr. Pikus asked if Mr. Angelucci has been working with the city's economic development director; Mr. Angelucci said he began to speak with Steve Masten tonight.

He then discussed Governor Jack Markell's visit to his art gallery and described the outlay, business, and the number of artists that currently utilize his building.

Mr. Angelucci said he has been instrumental in bringing new businesses to town. He advised that Marcia Reed of Massachusetts will open Gallery 37 at 8 South Walnut Street next to the Riverfront Theater on December 8th. She purchased the building, lives there and has her gallery downstairs.

Mr. Angelucci stated that she moved here after he met her following the arts and jazz festival when she was given a tour of the gallery and provided a vision and goals to develop an arts community.

Ms. Wilson asked if the letter from Mayor Rogers is required stating that the City of Milford is supporting this project. In addition, does the grant require city support in order to proceed and will the city be required to oversee any funding.

Mr. Angelucci stated the answer to Ms. Wilson's first question is yes. The local government entity must partner in the project. However, he is unable to determine who is the overall facilitator of the funds. The grant does require someone from the city to play a role in the decision making and in guiding the project.

Mr. Gleysteen asked the projected timeline of the project from the funding to completion. Mr. Angelucci explained that Mike Nally (potential landlord) with Colby Cox (Mobious Investments LLC) would like a contract next week though that cannot be done until they have funding. The building, as divided by the state for its use, is suited to their needs. There will be very little structural changes required which is fortunate otherwise it would need some updating per Milford's current code.

Mr. Gleysteen recalled that Mr. Angelucci mentioned this would be a living/working space for the artists. Mr. Angelucci stated the living part is related more to the properties within the city. He foresees some of the derelict properties or foreclosed or rundown areas used as artists' living spaces associated with the center. The artists would not actually be living at the center itself.

However, he has discussed some other possibilities. All of the schools he has reviewed have accommodations at the site. He has been working to address the problem that visiting students will encounter when looking for lodging. Mr. Angelucci has talked with the management at Hampton Inn about creating some type of pre-registration idea with discounted lodging.

Residents of the center will look for housing in the community. He will be asking the city for assistance in the form of a tax rebate for anyone wishing to purchase these depressed properties.

Mr. Pikus said he feels the city will support Mr. Angelucci's program, but financially it will have to be reviewed by the city manager, finance director and finance committee for future funding and in particular, at budget hearing.

Mr. Angelucci emphasized that at this point, he is not asking for financial support. The idea is for the city to act as a partner with his corporation and a nonprofit which is yet to be named. That team would work toward using the funding from the grant.

Mr. Angelucci said the only thing he is looking for from the city is one person being designated to a committee who would oversee handling and utilizing the funds for the project. He said it could be anyone and a representative from the EDAP subcommittee would be even be appropriate.

Mayor Rogers said that he, along with the council, will discuss and determine who the representative should be. Because this is a workshop, no decision can be made at this time. He will ensure Mr. Angelucci it will be someone committed to the project.

Mr. Angelucci agreed with the mayor adding that because he has been working on this for sometime, he is willing to provide the entire business plan to city council. He noted that the center will operate independent of the city. The grant is the only place they need the city's support and in particularly, will play a part in how the funds would be used. He explained there are specific rules on how the funding can be used. For example, it cannot be used for building renovations or purchasing a building. The specific guidelines require the city play a role. They will need to guarantee the funds will be used as the rules state.

Mr. Angelucci stated his next step is to locate a grant writer. If he has the city's blessing, he will proceed and in the meantime, will provide all council members with the business plan so they can have a closer look at the school and how it will function in its daily operations. He believes there will be a number of opportunities for future involvement and interaction with the city.

Ms. Wilson likes the idea of having more opportunities for new residents, visitors as well as for our youth. She likes the idea of being known as an Art Town and likes the studio.

Mr. Angelucci responded by stating they want to create programs for everyone in the community and make it all-inclusive. Part of the goal is to lay the groundwork for the young people looking for future direction in the art world.

Mr. Johnson asked what date is the letter needed; Mr. Angelucci said he does not necessarily need a letter. As he moves forward, he will know more about what he needs though they will need an appointed person who needs to be named in the documents they will be submitting.

He verified that he must list every individual who is involved. The application requires detailed information about how the program will work, how the funding will be spent as well as the players in the partnership involved in funding aspect. Though he does not need the name immediately. At this point, he needs to know the city is interested. Again, he stated he will work toward getting a grant writer. After that, that person will inform him what is needed next. He will then come back to council and provide additional information.

Mr. Angelucci said he will immediately provide electronic copies of the business plan so council understands the concept. He will forward more information once he determines how the grant will be utilized.

City Solicitor Rutt directed Mr. Angelucci to provide the business plan to the city clerk so she can properly disseminate the documents to city council; Mr. Angelucci agreed.

With no further business, the Workshop Session concluded at 8:36 p.m.

Respectfully submitted,



Terri K. Hudson, MMC
City Clerk/Recorder