

MILFORD CITY COUNCIL
MINUTES OF MEETING
December 10, 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, December 10, 2012.

PRESIDING: Mayor Joseph Ronnie Rogers

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

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 7:00 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. Starling to approve the minutes of the November 7, 13 and 27, 2012 Committee and Council Meetings as presented. Motion carried.

RECOGNITION

No special guests in attendance.

MONTHLY POLICE REPORT

Mr. Gleysteen arrived at this time.

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

CITY MANAGER REPORT

The following report was then presented by the city manager:

ADMINISTRATION

A former discussion was held about the number of employees, excluding police personnel, that the city employed and the position that had been eliminated. Comparing today with 2007, which was the height of the growth period, we had 72 full-time employees and have 63 as of this date.

Mr. Carmean stated that most of the positions eliminated were those created in 2009 at the height of the building boom. However, there have not been any levels of service impacted other than some minor issues with yard debris. Other than that, our service has not been impacted and those positions were not needed during this economy.

He confirmed the city still hires temp employees with parks and recreation using the highest number though solid waste and the street department also use them.

Our solid waste crews have been very busy with yard debris collection. We stop picking up clippings and other yard debris as of October 1st to begin the leaf vacuum program. The storm caused some tree damage which involved mainly branches and small limbs that were broken. I had Mr. Dennehy extend the debris pick-up deadline to help citizens dispose of these materials. I greatly underestimated the amount of debris that was being brought to the curb. Therefore, it became necessary to have all the staff, including department heads and supervisors, pick up the debris. We are behind in leaf collection because of this added task, but thanks to the work of our crews, we are catching up.

Mr. Starling noted there is confusion among our residents about the yard debris pickup. A number of his constituents have seen yard waste being picked up in some areas of town but not in their area. Mr. Carmean said the city just received a shipment of new containers so they will be delivered to our customers this week. We have to abide by the rule that anytime yard debris is picked up, it must be in our container. The city will no longer pick up large piles of limbs or any other debris and anything that does not fit in the container can no longer be picked up.

He said that anyone with a large amount of debris will need to take it to the transfer station. The city manager advised that private haulers no longer pick up debris without charging additional fees. Our residents are paying \$23.50 and expect to put out large trees that have been cut down from their yard. If we continue picking up large volumes, we might have to hire additional employees and buy more expensive equipment.

In the meantime, if council wants to amend the ordinance, the fee will need to be adjusted and additional employees and new equipment added.

Mr. Starling recommends that the ordinance be reviewed; Mr. Carmean said he will do that. He also pointed out that in the case of a storm, there will be exceptions. The street department supervisor is willing to pick up debris under extenuating circumstances. Mr. Brooks pointed out that council asked for that concession before the ordinance was amended.

Mr. Pikus recommended using the press to get this information out so that everyone understands what can and cannot be done. The city manager said he instructed the public works director to start that campaign in early February. Mr. Brooks suggested adding a newsletter or notice in the electric bill to ensure all residents receive the information.

ELECTRIC

The solar field should be energized on the 21st of December. It has been a challenge to our electric crews to build a temporary connection into our system, but they will be ready to accept the load by the planned date. The negotiations with several parties over right-of-ways and easements have been completed for the permanent connection to Delmarva's transmission lines.

When asked if the building permits had to be obtained for the solar farm, Mr. Carmean explained this was a \$60 million project. However, building permits only apply to structures and because these structures were not in concrete, they did not have to have the permitting fee based on the entire \$60 million total cost. However, permits and inspections are still required just like any other project. They do have three buildings that were moved in and are similar to Nanticoke or Beracah Homes.

Mr. Pikus asked if that is one of the reasons our building permits are higher; the city manager stated yes, though we have had a great deal of recent construction including additions and expansions.

STREETS AND SOLID WASTE

The Washington Street Bridge is scheduled to open December 11, 2012. The city owned parking lot that has been used as a construction staging area will be completely resurfaced at no cost to the city though we will have to pay for the striping.

Mr. Carmean said he learned today the bridge is now anticipated to open later than originally scheduled. Erik Retzlaff of Davis, Bowen and Friedel was in attendance and advised there are a few small items that still need to be done. The resurfacing of the street and parking lot is scheduled for Wednesday, Thursday and Friday. Some additional utility work will be done next week. According to the DelDOT inspector, the work must be completed in its entirety by Thursday, December 20th.

The bridge is higher than it was previously and the sidewalk will be tied back into the existing entrance of the parking lot. DelDOT will replace the brickwork on the riverwalk as it existed before the project began.

SEWER AND WATER

Notices were advertised for potential bidders this week to answer questions for the bidding process to begin on the South Washington Street Sewer Pumping Station. Upon return of the document, responses will be evaluated and responsible bidders determined. The bid package will then be sent out to those who qualify. Bids should be received shortly after the first of the year.

Construction work on the bridge was finished without any damages to the utilities attached to the frame of that structure. Hopefully, we will now get that facility rebuilt without any interruption of sewer services.

Erik Retzlaff also commented by explaining a questionnaire is being provided that evaluates the responsibility of each potential bidder. The questions address their past performance. This involves a two-week process and if successful, the contractor will be instructed to pick up their plans and submit a price bid.

When asked when the demolition is scheduled, Mr. Retzlaff said they will do a similar process as with the bid process though no date has been set.

He referenced the item on the agenda that needs council approval. As soon as approval is received from the funding agency for the plans, DBF will begin the process for public bids.

I am continuing to move forward on the South Washington Street Water Treatment, Well and Billing Office Project. I will initially bid the demolition of the buildings, reservoir and treatment plant at the location.

I feel it is necessary to advise the mayor and council the initial test borings have uncovered some soil quality problems. This is not contaminated soil but instead fill material that may have been on site for one hundred plus years during which time it was some type of a dump site. A lot of wood, glass and similar materials have been found there. This does not make the demolition a risk though there is very poor compaction. Unfortunately, this could affect the billing office being placed at the location. Because of the large area, approximately eight feet of soil and trash would need to be removed and the area filled with stone and other materials. At this point, they are unsure of exactly how deep they will need to go though he will inform council once he receives additional information. Worst case scenario, this may cost an additional \$100,000 to \$150,000. A decision may need to be made once the true cost is determined.

However, if we only put the reservoir treatment and related services will work without this work.

We have completed our test well at the Wickersham property located southwest of Milford between Route 30 and Route 1. Our results are satisfactory for our initial well which will be utilized for a tower and treatment facility on the site. Wickersham owners have signed an agreement to donate the land needed for the project.

Mr. Carmean explained that as Milford grows and expands in that direction, a couple more wells will be needed. He asked Mr. Retzlaff to confirm we have enough capacity; Mr. Retzlaff stated yes though we have not yet received the results of the quality tests.

The bore of the Wilkins Road Water Main Extension under Route 1 will begin on Monday December 10th.

Mr. Retzlaff also confirmed that we dug 350 feet on Wilkins Road.

Mr. Brooks asked the status of the public works radio project. Mr. Carmean advised the contract was signed and some of the equipment has been ordered. Delmarva Communications assured him the city will be covered as far as any problems with the FCC deadline of December 31st.

The city manager explained that some of our radios will be changed over to the new broadband which meets our requirements. The rest of the new equipment and change outs will then be considered upgrades by the FCC. He assured council that everything will work as long as we can broadcast over the new band by December 31st.

He said that 25 to 28 old radios can be used though they will all be changed over eventually. It takes approximately 15 minutes to upgrade each radio to the new broadband.

Mr. Pikus asked if the other bid we accepted covered some of our current radios or was it for all brand new radios; Mr. Carmean said it is for all brand new radios. Mr. Pikus asked how we will be using our existing radios; Mr. Carmean said they will be used only temporarily. He confirmed that Delmarva Communications is taking them in trade.

Mr. Pikus referenced the Comcast notice that there is a reduction in their fees. He stated that historically, there has been a difference in costs in Sussex and Kent counties. He asked if the reductions hold true in both counties. Mr. Carmean said it did not specify and that is why he assumed it was across the board.

Mr. Pikus said he knows customers with the exact service in Kent County though their bill is cheaper than what is charged in Sussex County. It was confirmed both homes he was referring to are in city limits. The general consensus was that the fees are the same throughout the City of Milford despite the county.

Joe Palermo of 5 Misty Vale Court, Meadows of Shawnee, stated that though it has been discussed on numerous occasions, there are still freezing problems on WBOC and other channels.

Mr. Carmean said he was at his son's home in Philadelphia and he does not believe that Milford has the signal strength they have in Philadelphia. He also experiences the freezing problems whereby he ends up running through the programs to bring up Encore. He has also had problems with Wi-Fi because of his location.

Mr. Brooks reminded everyone that Tom Worley of Comcast has always encouraged any person with a problem to contact him.

COMMITTEE & COUNCIL REPORTS

Christmas Dinner

Mr. Starling advised that their church is again serving free dinners on Christmas dinners from 12 noon until 4:00 p.m. He asked that people provide them with the name of any person or family that is in need of a dinner that day.

Anyone needing more information should contact him.

COMMUNICATIONS

All correspondence included in council packet.

UNFINISHED BUSINESS

Planning Commissioner Appointment

Mayor Rogers is pleased to submitted the name of Rae Mims of Hearthstone Manor for consideration to fill the vacancy in the planning commission. She is an attorney who currently works in the Civil Division of the Attorney General's Office in Dover.

Mr. Grier moved to appoint Rae Mims, seconded by Mr. Pikus. Motion carried.

It was confirmed this makes a complete complement of members.

Our Town Grant/River Fine Arts and Crafts School/Funding Board/Appointment

Position is still under consideration and will be discussed at an upcoming council meeting. Mayor Rogers asked that the item remain on the agenda until an appointment is made.

NEW BUSINESS

2013 Milford Community Parade Date/Charles Gray

Mr. Gray thanked the Mayor, City Council and Milford Police Department for their support of the 2012 parade and continued support of the event. He also acknowledged the police department for addressing the number of unregistered vendors who showed up again at this year's parade.

He reported that a number of positive comments were received on the Disney radio stars that performed at this year's parade.

Mr. Gray asked that the third Wednesday of October 2013 be approved again for next year's parade.

Mr. Brooks approved October 16, 2013 for the 2013 Community Parade, seconded by Mr. Morrow. Motion carried with no one opposed.

City of Milford Comprehensive Plan Five-Year Update

City Planner Gary Norris advised that per State Law, the City of Milford is required to update its Comprehensive Plan every five years. The last update was in 2008 though there was an amendment last year to the southeast planning area.

The following Powerpoint was then presented:

EXECUTIVE SUMMARY

GOALS FOR 2013 COMPREHENSIVE PLAN

MAKE MILFORD AN ATTRACTIVE ENVIRONMENT FOR ECONOMIC DEVELOPMENT AND IMPROVE THE QUALITY OF LIFE IN THE CITY.

PRESERVE AND IMPROVE THE CHARACTER AND QUALITY OF LIFE IN FAMILY NEIGHBORHOODS.

PROTECT THE PHYSICAL ENVIRONMENT AND ENHANCE THE CHARACTER, QUALITY AND LIVABILITY OF THE CITY BY PRESERVING ITS NATURAL ENVIRONMENT.

IMPROVE THE LIVING ENVIRONMENT FOR FAMILIES AND RESIDENTS IN ORDER TO MAXIMIZE THE NATURAL RESOURCES AND OPEN SPACES PROVIDED IN THE CITY OF MILFORD

PROVIDE ADDITIONAL RECREATIONAL OPPORTUNITIES FOR THE PRESENT AND FUTURE RESIDENTS OF THE CITY OF MILFORD.

DEVELOP A ROLE FOR THE CITY OF MILFORD IN THE CULTURAL GROWTH OF THE CITY.

PROTECT AND IMPROVE THE EXISTING PUBLIC SERVICES IN THE CITY OF MILFORD.

2010 ECONOMIC STATISTICS

MAJOR BUSINESS SECTOR EMPLOYERS INCLUDE:

EDUCATIONAL, HEALTH, AND SOCIAL SERVICES

MANUFACTURING

RETAIL TRADE

NUMBER OF EMPLOYEES

2007 – 4629 for the City of Milford

2012 - 4575 for the City of Milford

2007 – AVERAGE UNEMPLOYMENT RATE

2.7% (Kent and Sussex Counties)

2012 - AVERAGE UNEMPLOYMENT RATE

7.6% (Kent and Sussex Counties)

INCOME

2000 median income \$32,525.00

2010 median income \$44,982.00

2000 median household income \$40,333.

2010 median household income \$58,065.

HOUSING

NUMBER OF HOUSING UNITS IN THE CITY OF MILFORD

2000

2010

2918 Housing Units

3743 Housing Units

Increase of 835 Units or a 28% Increase

From January 2010 to June 2012, there has been 123 Housing Units Constructed

60-70 Units Per Year

VALUE OF HOUSING





FIRST QUARTER OF 2008

FIRST QUARTER OF 2012

AVERAGE SALES PRICE OF A HOME IN MILFORD
\$200,000

AVERAGE SALES PRICE OF A HOME IN MILFORD
\$120,000

POPULATION ESTIMATES
POPULATION GROWTH FROM 2000 TO 2010

2000

2010

6,732

9,559

42% Increase

Approximately 4.2% Per Year

Assume a 2% Growth
Rate Per Year

Assume a 4% Growth
Rate Per Year

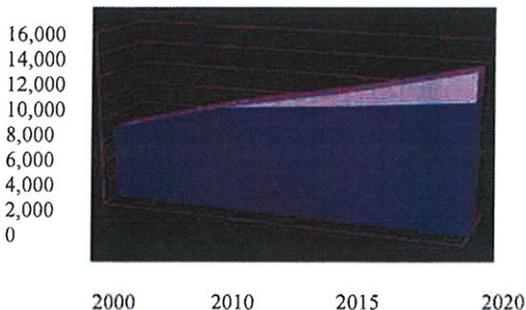
2015 Population-10,500

2015 Population-11,650

2020 Population-11,650

2020 Population-14,200

POPULATION AND POPULATION ESTIMATES FOR 2015 AND 2020



POPULATION WITH A 4% ANNUAL GROWTH RATE
POPULATION WITH A 2% ANNUAL GROWTH RATE
*POPULATION

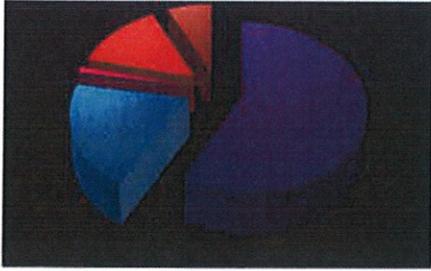
2010 AVERAGE HOUSEHOLD SIZE AND AVERAGE FAMILY SIZE

AVERAGE HOUSEHOLD SIZE
2.48 PERSONS

AVERAGE FAMILY SIZE
3.06 PERSONS

POPULATION DIVERSITY

2010 POPULATION DIVERSITY



- WHITE
- * BLACK
- * ASIAN
- * HISPANIC
- * OTHER

PERCENTAGE OF POPULATION

WHITE - 65%
 BLACK - 22%
 HISPANIC - 16%

POPULATION	WHITE	BLACK	AMERICAN INDIAN	ASIAN	HISPANIC	OTHER	TOTAL
2000	4576	1639	56	107	594	354	6732
2010	6215	2128	50	110	1510	778	9559
& Increase from 2000	36%	30%			244%		42%

PUBLIC SERVICE FOR THE CITY OF MILFORD INCLUDES:

- CITY GOVERNMENT - BALANCE THE BUDGET
- POLICE SERVICE
- FIRE PROTECTION
- TRASH COLLECTION/SOLID WASTE
- PARKS AND RECREATION
- LIBRARY SERVICE
- PUBLIC EDUCATION

CITY INFRASTRUCTURE INCLUDES:

- WATER SYSTEM
- SANITARY SEWER SYSTEM

LAND USE AND ANNEXATION PLAN:

THE CITY HAS NO PLANS FOR ANNEXATION
 THE CITY WOULD HOWEVER ENTERTAIN REQUESTS FOR ANNEXATIONS FROM PROPERTY OWNERS

FUTURE LAND USE EXPLANATION

NEIGHBORHOOD PLANS:

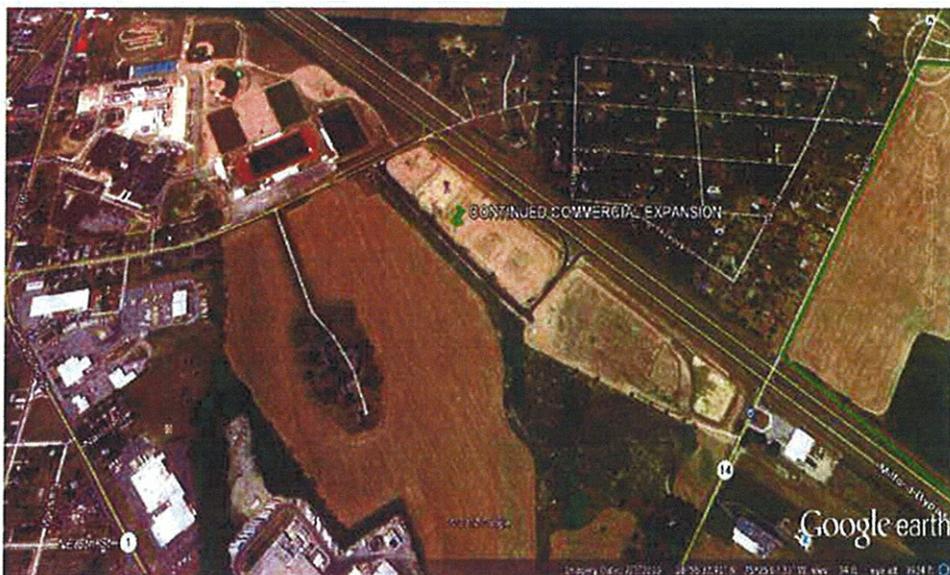
SOUTHEAST

SOUTHWEST

NORTH

TOWN CENTER

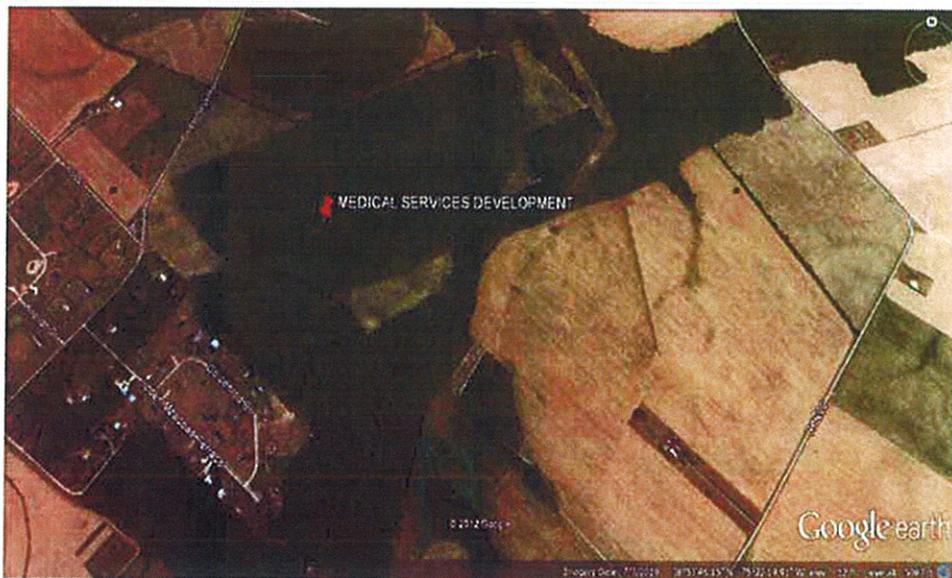
TOWN CENTER NEIGHBORHOOD



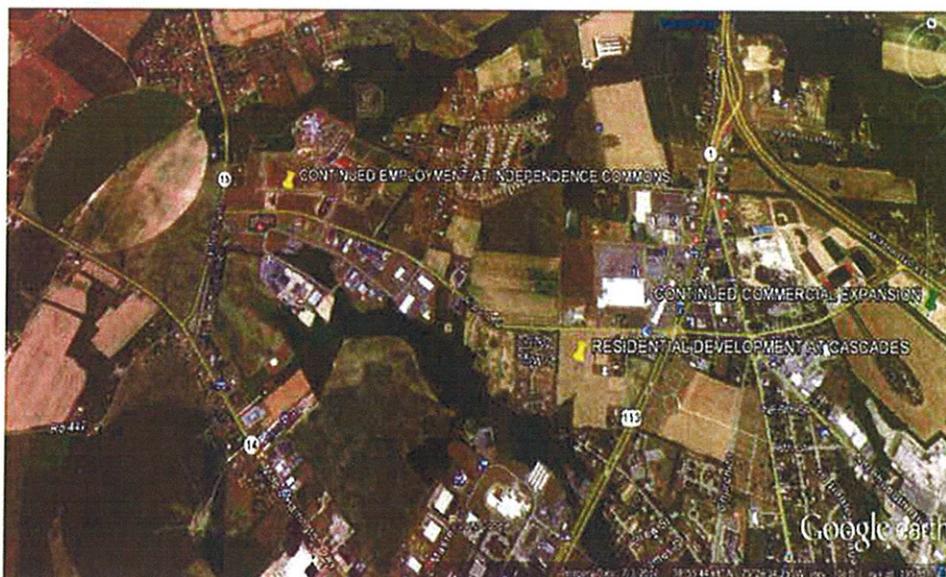
SOUTHWEST NEIGHBORHOOD



SOUTHEAST NEIGHBORHOOD



NORTH NEIGHBORHOOD



In the Town Center Neighborhood, Mr. Norris pointed out that he has received a request for annexation from the Lynch brothers who owns approximately 100 acres east of Route 1 and north of New Wharf Road. They are requesting land use designation as highway commercial. Approximately 30 acres would remain open area.

However, the State Planning Office has expressed some concern about the designation particularly because of their concerns with development east of Route 1. In addition, there is to be no development until the New Wharf Road overpass is completed

Mr. Norris explained that because we have received the request for annexation, the first step is to amend the comprehensive plan and apply the correct designation. Currently, the land is designated as open area.

Mr. Pikus asked if the land is zoned agricultural; Mr. Norris stated that it is currently in agricultural preservation.

Mr. Norris referenced the parcels and wetland areas currently owned by the Lynch brothers. Mr. Carmean pointed out that they have deforested a large portion of the area.

The city planner stated that Milford's plan is to continue with commercial developments along Route 1 and the Silicat Parkway.

In the Southwest Neighborhood, Milford Hospital will be expanding. More development is also expected in the Redner Market area where some commercial construction is already underway.

Mr. Norris is also hoping that the residential development at Milford Ponds at Central Parke will prosper and recalled the modification to the original conditional use approved by city council last year.

He pointed out the area in the Southeast Neighborhood that will be impacted by the proposed overpass at Route 1, Cedar Neck Road and Wilkins Road. Utility work has begun with the construction projected to take over a year. Potential commercial is planned on the Hall property in addition to the proposed shopping center/mall off Route 30.

Also in the vicinity is Innovation Park (Medical Services) whose site is between Cedar Neck Road and Sharp Road.

Continued development is expected in the North Neighborhood in the area of Airport Road and Canterbury Road which should bring more employment to the area. The construction of the Cascades multi-family housing development is well underway.

The solar farm off the Milford-Harrington Highway is near completion.

Mr. Norris reported the only other potential land changes may involve some residential properties in the area of the hospital. If the hospital decides to acquire some additional properties, that zoning would need to be changed from residential to an industrial use.

Mr. Norris summarized by stating the proposed Comp Plan Update was previewed by the planning commission and he plans to have it finalized in 2013.

Black Dot (AT&T Cell) Tenth Street Water Tower Lease Agreement

City Solicitor David Rutt said this is the AT&T lease of space on the Northeast Tenth Street Water Tower. He said this is a preliminary agreement though the representative who contacted the city manager implied it needed to be signed immediately.

The lease provides an option to AT&T to renew the lease for additional five-year terms. The term was initially signed in 2004 then amended in 2006. It had an additional two-year extension with a five-year extension beginning in 2008 and expiring in November 2013.

Mr. Rutt has concerns with some of the proposed changes. He recommended to the city manager that some of the terms be negotiated and nothing signed at this point. He explained the lease gives them the right to remove some their equipment. It states that notwithstanding any terms to the contrary, the tenant not be responsible for the replacement of any trees, shrubs or other vegetation. The tenant may transfer any improvements to the premises anytime during the term without notice to the landlord and without the landlord's consent.

The lease also gives them the right to expand and use all the space on the tower and to remove other tenants thus having exclusive rights to the tower.

Mr. Pikus asked if we can negotiate the fees. Mr. Rutt stated yes. He explained that in 2006, AT&T said they were cutting back on their towers but if the rent was reduced, they would continue using the site if the fees were locked in for a seven-year period. The base rent will continue for an additional five years.

Mr. Rutt recommended the city manager contact the Black Dot representative, who is AT&T's agent, and go through the lease point by point.

Mayor Rogers asked Mr. Carmean to address this after the first of the year and asked Ms. Hudson to add it to the agenda in early 2013.

FY 2012-2013 Budget/Insurance Claim Adjustments/Police Department

Chief Hudson recalled the police department was struck by lightning on two different occasions which required two separate claims being submitted to Travelers.

After their review and a discussion with the city finance director, the chief submitted the following request and explanation:

Damage created by the lightning strike on June, 22, 2012 required equipment replacement costs in the amount of \$26,051.60. A check in the amount of \$21,051.60 was received after the \$5,000 deductible was subtracted.

Lightning strike on July 20, 2012 caused damages that created replacements costs in the amount of \$124,436.00. Minus depreciation costs (\$85,564.89). A check in the amount of \$33,871.11 was received after the \$5,000 deductible was subtracted.

Travelers has agreed to pay the difference between the replacement value and the actual cash value of \$85,564.89 once the equipment is installed.

Both claims amounted to \$150,487.60. Of that, we are receiving \$140,487.60 (minus the \$10,000 deductibles).

I am respectfully requesting \$131,454.00 be placed into Police Capital Equipment Account 101-1610-421.70-40 from City Insurance Proceeds Account. I am also requesting \$9,033.60 be reimbursed into Police Equipment Maintenance and Repair Account 101-1610-421.40-32 from City Insurance Proceeds Account for equipment already replaced and paid for. I am also requesting \$10,000.00 be added to the Police Capital Equipment Account 101-1610-421.70-40 from City General Reserve Account to cover the costs of both \$5000.00 deductibles.

Mr. Pikus moved that the transfers be approved as requested by Chief Hudson, seconded by Mr. Morrow. Motion carried by unanimous roll call vote.

Mr. Morrow added that steps have been taken to prevent this from occurring again. Chief Hudson agreed noting they have had a Lightning Damage Specialist assess the department and determine the causes for the strikes. He explained that several items have been removed, grounding repairs were made and some additional repairs will be made as a result of his recommendations.

Mr. Morrow said the consultant spent a great deal of time there and he thought he did a good job assessing the situation.

Salvation Army/Temporary Construction Easement

Mr. Carmean said that it was determined the Salvation Army was fed from the backside of the building which creates some problems with the demolition of the Washington Street Water Plant Site.

He explained there will be a new service installed that will connect to the building and extended around to Southeast Front Street where a new pit and meter will be installed for their supply in the future. The city will be paying all associated costs because they were unaware of the problem.

Erik Retzlaff of Davis, Bowen and Friedel then explained there are two parts to the agreement. One is to relocate the water service. There is a shared retaining wall that will be replaced when the improvements are made to the site. Right now, all the water that flows off the roof of the building flows through the site of the water treatment plant toward the river.

The temporary construction easement is needed to relocate their water service and to replace the retaining wall.

Mr. Starling moved to approve the Temporary Construction Easement Agreement between the City of Milford and the Salvation Army, seconded by Mr. Morrow. Motion carried by unanimous roll call vote.

Growmark Purchase and Sale Agreement

City Solicitor Rutt presented the agreement for the purchase of the 15.571 acres of land for the proposed police department in the amount of \$875,000 with \$50,000 down. It includes a due diligence period where the city has the right to have the land inspected and if defects are found, the contract is voided. The closing is to be no later than three years.

Mr. Carmean asked for a motion to approve the agreement.

Mr. Gleysteen said he feels this land being purchased is based on the assumption a referendum will pass for a new police station. He said because of the recent tax increases, he does not feel a referendum will pass today or within three years.

Mr. Gleysteen does not want to pay Growmark \$50,000 for this option and then lose \$50,000. He would rather have other options when we spend a significant amount of money.

He asked if the police committee has canvassed the local banks for foreclosed properties. He also asked if they looked at properties coming up for auctions. Mr. Gleysteen then asked if the property could be subdivided and take a 5-acre chunk from the 15-acres.

Police Chairman Morrow explained that this has been studied for more than three years. Expert consultants and engineers have analyzed the overall concept. There were a number of properties considered. One property at Independence Commons would have cost no money. However, the overall public consensus was that it needed to remain in the old city limits and in particular, the downtown area. There were many days spent looking at properties, both developed and undeveloped. This was the property that everyone felt met the overall needs of the community.

He feels that if we continue to postpone taking action, in another three to four years, the property will continue to increase. Right now, property values have decreased. Growmark has indicated verbally they are willing to sell this property. Only seven acres is needed for the police department. However, council feels there is a unique opportunity here for the city to buy a large tract of land in the downtown area that will probably never be available again.

Mr. Morrow explained that in addition, the police committee felt it was an advantage to purchase the entire 15 acres to prevent any additional development in the immediate area. He reiterated this is a golden opportunity for the city and we need to take advantage of it while it is available. This will provide an adequate buffer zone for the police department which is something needed from a security standpoint when designing public buildings today. He noted that the entire 15 acres is not developable and a portion involves wetlands. Mr. Morrow also believes that most people understand the need for public safety in this community.

He emphasized this is only the first step in the process, but an important one.

Mr. Gleysteen thinks the first step should be the referendum. Mr. Morrow said that was also considered but it is very difficult to present a referendum when there is no designated site. That is putting the cart before the horse. There needs to be a concrete plan in place and the site needs to be part of the plan.

Mr. Gleysteen said there can be a plan if you know how many acres are needed. Mr. Morrow disagrees adding the drawings need to be presented, showing the exact site plan which includes the exact location. Then there are no questions later. The overall consensus is that people want the police department to remain in the downtown area. This puts it across from the old police department.

Mr. Pikus adding that we are also locking the land in for three years. He hopes and believes that a referendum will be

successful. However, if it is not, we will need to look for other funding means. Locking this land in is in our favor. This agreement gives the city an option to purchase the land. From the comments and contacts with our congressional leaders, both state and federal, they have all indicated that before they will even talk about funding, a location needs to be locked in. Without a location, they do not even want to discuss it.

Mr. Pikus explained that there was an alternate property chosen initially in the business park that was already owned by the city. However, it was determined that was not the best site and the public pushed for it to remain in the downtown area. As a result, the police committee chairman, police committee members, police chief and police site experts reviewed several locations trying to find other sites.

At this point, there is no guarantee we will have the funding in three years. But this is the first step in working toward that goal.

The site of the current police department is land locked. It cannot be expanded to the east or the west. The Kent County Sewer Plant is on one side and wetlands and the river on the other sides. They talked with a number of funding agencies, including the Department of Agriculture, but no one will discuss anything until the site was finalized.

Mr. Morrow reiterated this is the first step. He has a real concern that five years from now, as this city continues to grow, this police department will be unable to function in that facility which means we cannot protect and serve the public as we are sworn to do. Right now, the police department is jammed into their current department. He and Chief Hudson have attended several seminars relating to this. They have a game plan on how to communicate this from A to Z to ensure the citizens understand before the referendum is held.

He said this is needed not only for the future protection of our citizens and community, but is also needed for the police department to meet the minimum standards that are not able to be met now. When the department applies for funding, having not met those standards often disqualifies them because the building is not up to those standards.

Mr. Morrow moved to approve the agreement between the City of Milford and Growmark as prepared by City Solicitor David Rutt.

Mr. Carmean then stated that he was the one that suggested we pursue the purchase of this land. He referenced Mr. Gleysteen's statement that we could lose \$50,000 if the referendum doesn't go through, but the other choice is we could go ahead and buy this property now for \$850,000. The agreement does provide a three-year window to purchase the land and nothing precludes the city from buying the land at the end of the three years regardless of whether a referendum passes or not. Therefore, the city does not have to lose \$50,000 and instead the city could still purchase the land.

Mr. Rutt pointed out that the land can be purchased at any point during the three-year period. Mr. Starling agreed pointing out the purchase price will remain the same during the three-year period.

Mr. Gleysteen said the purchase price is \$850,000. If we are so cramped for space right now, \$850,000 will go a long way toward an interim solution by expanding at the current location.

Chief Hudson explained they are landlocked at their current site. He said that was considered when the study was originally done. However, it was determined that the building was landlocked, there were code issues and it was in a floodplain.

Mr. Gleysteen asked why the building can't be expanded toward the east. Chief Hudson reiterated that the building is completely landlocked. He referenced a creek that runs between the police department and Wadkins Garage property to the east of the parking lot. Mispillion River is directly behind the property and the Kent County Sewer Treatment facility on the west side.

He said they also considered future expansion and needs. With the new site, there will be additional land to expand.

This site should meet the needs of the police department for years to come. Ten years from now, the ability to find this type of acreage within the center of town will not exist. He cannot predict what those needs will be at that time, but this almost ensures there will not be a need to look for another site.

Mr. Rutt pointed out a motion was on the floor. Mr. Brooks seconded the motion. Motion carried by the following 5-1 vote:

Yes-Grier, Pikus, Brooks, Morrow, Starling,

No-Gleysteen

Mr. Grier stated that the city is not totally committing to the \$875,000 today but is committing to the opportunity to purchase this property within the next three years. He does not feel that \$50,000 is a lot of money today and if you consider an interest-free note, this is cheap today. Even if we decide three years from now not to purchase the land, he does not feel that \$50,000 is a big loss. At this point, he feels this is a good decision and we need to at least allow the public make a decision at the time of the referendum. Therefore, he votes yes.

Mr. Pikus votes yes for several reasons. Number one, he agrees this is an expense but we must have a location for the police department. The trips they took to Washington and the time that has been spent working with our legislators, which went beyond our local representatives, and at one time, they met with the entire bond bill committee. The question always came up where the new police department would be located. They indicated they did not want to discuss it until a site was in place. When working with the Department of Agriculture, their representative stated point blank that without a location, they were unable to help. Therefore, the process starts with the acquisition of a site. He cannot predict what will occur with a referendum and does not have a crystal ball. However, he thinks this can work. No one knows what will happen or what the size will end up being, but there must be a goal in place that we can work toward. He votes yes.

Mr. Gleysteen votes no for the reasons he cited. He feels that \$50,000 is a lot of money and does not believe a referendum will pass today or in three years. He also does not think the city should be in the business of speculating on property that we may not purchase.

Mr. Brooks votes yes stating that by knowing the citizens in this community, there is a lot of support for the police department. This is something that has been needed for a long time. The police department has probably been outgrown for the past ten or more years. As the city grows, it is a fact that more police officers will be needed. There is no way around it. More room will be needed for those police officers, more room is needed for prisoners, more room for people who are reporting crimes, and more space is needed for vehicles, equipment, evidence, dispatchers and other things. He feels the city will be successful and believes our citizens understand the need for good public safety and that a referendum will pass.

Mr. Morrow said he is in agreement with the points made by Mr. Grier and Mr. Pikus that this is a start. There has been a lot of studying and review done over the past three years to determine what is needed. This is an opportunity for the city to invest \$50,000 in what he feels is a perfect piece of land in the downtown area. Chief Hudson and his staff plan to communicate this need, along with the support of city management and city council. He also feels confident a referendum will pass. In addition, this will open new avenues for state and federal funding once the department is able to meet these new minimum standards.

Mr. Starling votes yes adding he believes this is a good plan. It is also an ideal location being right across from the present police department. The value of land will most likely continue to increase and he does not think this will be able to be bought cheaper in the future. Right now, \$50,000 seems to be a lot of money but over the years, he has seen a lot more than \$50,000 thrown away. In this case, this is an investment and he votes yes in favor of the agreement.

Mayor Rogers announced the motion passes by a 5-1 vote. He feels council made a good decision and from his experience, does not feel that waiting until the last minute to apply for funding without a location is a good idea. He likes the site and feels there are many advantages to keeping the police station downtown. The additional land being

purchased that is not needed for the police department, can be considered for other uses by the city. He definitely supports this.

FY 2012-2013 Budget Adjustment/Growmark Land Purchase/Police Department

Mr. Pikus moved for approval of the FY 2012-2013 Budget Adjustment from the reserve account as determined by the finance director for the deposit and purchase of the Growmark property previously discussed. Mr. Carmean then stated this would be at the time of acceptance. Mr. Starling seconded the motion. Motion carried with one dissenting vote.

MONTHLY FINANCE REPORT

Chairman Pikus reported that through the fourth month of Fiscal Year 2012-2013 with 33% of the fiscal year having passed, 42.85% of revenues have been received and 32.96% of the operating budget expended.

He noted that building permits continue to increase. Economically, the city is in good shape. As low as interest rates are today, the city has earned close to 90% in interest. We are expecting some increases including insurance costs even though it was not budgeted.

Mr. Pikus discussed the property tax line which shows 102.94%. He explained that what is showing is what was billed and not what was received. He asked Mr. Carmean to request the finance director to provide a quarterly figure on what has been received; he stated he would request that.

Mr. Pikus moved to accept the October 2012 Finance Report, seconded by Mr. Gleysteen. Motion carried.

ADJOURN

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

The Council Meeting adjourned at 8:25 p.m.

Respectfully submitted,



Terri K. Hudson, MMC
City Clerk/Recorder