

# City of Milford



## AGENDA

Monthly Council Meeting

February 10, 2014

Joseph Ronnie Rogers Council Chambers, Milford City Hall, 201 South Walnut Street, Milford, Delaware

7:00 P.M.

### Public Hearing

Proposed \$3.5 Million Borrowing - Water System Improvements

Adoption of Resolution 2014-04 Authorizing Borrowing & 2014-05 Scheduling Special Election

### COUNCIL MEETING

Call to Order - Mayor Joseph R. Rogers

Invocation

Pledge of Allegiance

Approval of Previous Minutes

Recognition

Monthly Police Report

City Manager Report

Committee & Ward Reports

Annexation Committee Report/Anna M. Legates & JoAnn L. Currey/Tax Parcel MD-174.00-02-27.00-00001

Communications & Correspondence

Unfinished Business

Milford Community Parade Committee/President Charles Gray/Traffic Control Expenses

FY 2013-2014/Budget Adjustment/Funding Source/Parks & Recreation Land Purchase/216 SE Second Street

New Business

FY 2013-2014 Budget Adjustment/Kent County Profile & Sussex County Profile/Chamber of Commerce Project

Introduction of Ordinance 2014-01/Annexation/Anna M. Legates & JoAnn L. Currey/Change of Zone

Consideration of Water Code Amendment/Impact Fee Waiver/Add New Construction\*

Consideration of Sewer Code Amendment/Impact Fee Waiver/Add New Construction\*

Consideration of Electric Tariff Amendment/Impact Fee Waiver/Add New Construction\*

2014 City of Milford Board of Elections

City of Milford Water Tower Logo\*\*

Monthly Finance Report

Adjourn

This agenda shall be subject to change to include additional items including executive sessions or the deletion of items including executive sessions which arise at the time of the public body's meeting.

**SUPPORTING DOCUMENTS MUST BE SUBMITTED TO THE CITY CLERK IN ELECTRONIC FORMAT  
NO LATER THAN ONE WEEK PRIOR TO MEETING; NO PAPER DOCUMENTS WILL BE ACCEPTED  
OR DISTRIBUTED AFTER PACKET HAS BEEN POSTED ON THE CITY OF MILFORD WEBSITE.**



STATE OF DELAWARE  
DEPARTMENT OF NATURAL RESOURCES &  
ENVIRONMENTAL CONTROL  
OFFICE OF THE SECRETARY  
5 E. REED STREET, SUITE 200  
DOVER, DELAWARE 19901

FINANCIAL ASSISTANCE BRANCH

TELEPHONE: (302) 739-9941  
FAX: (302) 739-2137

September 17, 2013

Mr. Richard Carmean  
City Manager  
City of Milford  
201 S. Walnut Street  
P.O. Box 159  
Milford, DE 19963

RE: Delaware Drinking Water Revolving Fund (DWSRF), Binding Commitment  
Letter Offer, City of Milford – Water System Improvement Projects

Dear Mr. Carmean:

On behalf of the Delaware Drinking Water Revolving Fund (Fund), the Department of Health and Social Services (Department) is pleased to advise you that a Loan (Loan) has been authorized from the Fund to the City of Milford (City) in the amount of **\$3,500,000** for a term of **twenty (20) years**. The Loan will primarily be used for the construction costs associated with the City's approved water system improvement projects (Projects) to remove and replacement faulty valves throughout the existing water distribution system; creation of operational and efficiency improvements through the integration of a SCADA system; and the installation of supplemental water supply facilities and associated treatment upgrades to replace older failing equipment.

The interest rate for the Projects shall be **1.5%**. The City shall pay semi-annual interest only payments during project construction based on cumulative principal loan draws. After project completion, the City shall pay semi-annual principal and interest payments sufficient to amortize the loan over the 20 year term. At loan closing the City shall provide a **1% loan origination fee** check payable to the Fund in the amount of **\$35,000**; which cannot be counted towards the proceeds of the Loan.

It is understood that a General Obligation Pledge of the City will secure the Loan. The City must, if applicable, provide the Fund with evidence that other funds and/or financing are in place for the Project costs not funded with the proceeds of the Loan, prior to the closing of the Loan. All legal costs, incurred by the Fund, associated with loan closing shall be borne by the City and will become part of loan proceeds.

The Fund reserves the right to withdraw or alter the terms of the commitment if, between the date of the City's loan application and the date of the closing, the City incurs any debt or its financial condition changes in any way deemed material by the Fund at its

*Delaware's Good Nature Depends on You!*

Mr. Richard Carmean  
September 17, 2013  
DWSRF Binding Commitment Letter  
Water System Improvement Projects  
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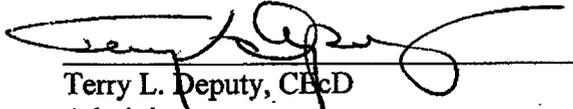
sole discretion. Loan closing and the disbursement of funds shall remain subject to the satisfaction of any conditions established by the Fund. The City shall comply in all respects with all applicable Fund project requirements and reporting, federal laws, regulations and other requirements related to or arising out of, or in connection with the Projects and funding by the Fund.

The City shall also comply in all respects with the Federal Single Audit Act and OMB Circular A-133, as a sub-recipient of Federal funds. The Catalog of Federal Domestic Assistance (CFDA) number for the Fund is 66.458. Where noncompliance of such requirements is determined by the Fund or the Department, the issue shall be referred to the Proper Federal authority and/or agency for consultation and/or enforcement action.

If you have any questions concerning the foregoing, please contact this office at (302) 739-9941. If you concur with the terms and conditions herein stated, please acknowledge your acceptance thereof by signing below and returning the original to this office no later than October 17, 2013.

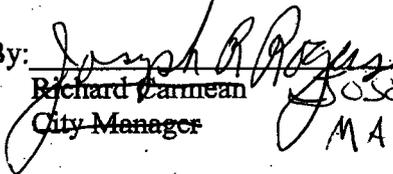
If Loan closing shall not have occurred within 120 days of receipt of this letter, the Fund reserves the right to discontinue processing the City's application.

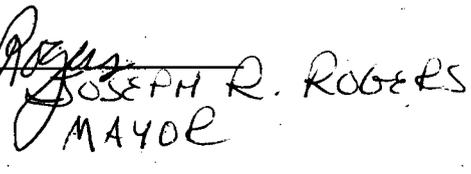
Sincerely,  
FOR THE DELAWARE DRINKING WATER  
REVOLVING FUND



Terry L. Deputy, CE&D  
Administrator  
Financial Assistance Branch  
DNREC, Office of the Secretary

The foregoing terms and conditions are hereby acknowledged and accepted this 14<sup>th</sup> day  
of October, 2013.

By:   
Richard Carmean  
City Manager

  
JOSEPH R. ROGERS  
MAYOR

(SEAL OF THE CITY)

Mr. Richard Carmean  
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cc: Dr. Karyl Rattay, DHSS-DPH  
Paul Silverman, DHSS-DPH  
Thom May, DHSS-DPH  
Paul Hyland, DHSS-DPH  
Robert J. Zimmerman, DNREC



OFFICE OF THE CITY MANAGER  
RICHARD D. CARMEAN  
TELEPHONE 302-424-3712, FAX 302-424-3558

201 SOUTH WALNUT STREET  
MILFORD, DE 19963  
www.cityofmilford.com

October 28, 2013

Financial Assistance Branch  
DNREC, Office of the Secretary  
5 East Reed Street, Suite 200  
Dover, Delaware 19901

RECEIVED  
DEC 18 2013

Financial Assistance Branch

Attn: Terry L. Deputy, CEcD  
Administrator

RE: **DWSRF Loan Closing**  
Water System Improvements Project  
City of Milford, Delaware

Dear Mr. Deputy:

The City of Milford has recently learned of your intent to delay the closing of our proposed \$3,500,000 DWSRF loan until construction bids have been received. This is contradictory to what we understood to be the case. The city understood the terms of the new loan for the Water System Improvements project were to match those of our existing DWSRF loan for the Washington Street Water Treatment Facility Replacement project. We were able to close that DWSRF loan immediately after the money was allocated to the DSWSRF program and the borrowing approved by the City via referendum.

The City of Milford is requesting that the DWSRF loan go to closing immediately after our referendum passes to authorize the borrowing. We are concerned by this indication that loan closing will only occur after construction bids are secured. The City is not financially capable of covering the costs for the investigatory and design services needed prior to securing construction bids. These terms are not mentioned in the recent binding commitment letter offer from your office dated September 17, 2013. In fact, that letter states that loan closing shall occur within 120 days of receipt of the letter.

Please note that postponing loan closure until construction bids are received will not work for our proposed Water System Improvements project. The proposed project includes three (3) distinctly different scopes of work and will result in more than one construction contract. At the time the application was prepared and the scope of the overall improvements project defined, we were not informed of any such stipulation regarding the delayed loan closing.

Furthermore, breaking the project funding into separate design and construction loans will not work either as the actual amount of the contract for the valve replacement work will not be known until the work is completed. Additionally, the multiple phases included in the project will require multiple loan closings for the design and construction of each phase. Considering the City is required to pay for both the City and the State's costs for loan closing, multiple loan closings would be very costly and better spent on actual construction activities.

Our proposed improvements project has been prepared to accomplish the following three (3) goals:

- Implement a system-wide SCADA system to improve overall operational efficiencies and performance monitoring;
- Replace inoperable valves and insert additional valves to address maintenance and reliability concerns within the distribution system. The valve replacement program will also allow for improved system flushing and better water quality for our users;
- Perform groundwater investigation to determine the best means of increasing the production capacity at an existing under-performing treatment facility. If project funds remain after the completion of the SCADA, valve and investigatory work, we will pursue installing the additional or replacement well and any associated treatment upgrades. This work will reduce our current dependence on one large production facility. This additional production capacity will also improve our ability to perform much-needed routine maintenance and upgrade projects at the other facilities.

The primary objectives are to complete the SCADA implementation, replace all inoperable valves and conduct the necessary groundwater investigation for increasing production capacity. We have well-founded estimates for the costs related to the SCADA implementation and the groundwater investigation.

However, we do not know the extent of the valve replacement work and will not until we actually complete the project. We know there are approximately 2,500 valves within the City's distribution network at this time and not all of them are working properly. Some of the existing valves may simply need some extra torque applied to free them up rather than completely replacing them. Unfortunately, we cannot risk straining the valves and potentially breaking them without the funds to replace them if they do break.

Once we have completed the SCADA implementation and groundwater investigation work, we plan on proceeding with the valve replacement work on a unit price basis. Our valve replacement effort will be complete once all of the valves have been addressed or all of the project money expended. If the valve work is complete and money remains in the project, we will then pursue the installation of an additional or replacement production well and any associated treatment improvements. If project funds still remain unused after that, we can pursue other necessary improvements and upgrades at the remainder of our treatment facilities.

The City of Milford appreciates your consideration of our request. If you have any questions, please contact us at (302) 424-8394.

Thank you,



Richard D. Carmean  
City Manager

cc: Erik Retzlaff, DBF



## **RESOLUTION 2014-04**

### **RESOLUTION GIVING FINAL AUTHORIZATION FOR THE BORROWING OF FUNDS THROUGH THE ISSUANCE OF UP TO \$3,500,000 MAXIMUM PRINCIPAL AMOUNT OF A GENERAL OBLIGATION BOND TO FINANCE COSTS ASSOCIATED WITH IMPROVEMENTS TO THE WATER DISTRIBUTION SYSTEM OF THE CITY OF MILFORD.**

WHEREAS, the City of Milford, Delaware (the "City") pursuant to Article 8 of 72 Del. Laws Ch. 148, as amended (the "Charter") proposes to borrow an amount not exceeding the maximum principal amount of \$3,500,000 in order to: (i) finance the construction costs associated with the City's approved water distribution system improvement projects to remove and replace faulty valves throughout the existing water distribution system, create operational and efficiency improvements through the integration of a SCADA system and install supplemental water supply facilities and associated treatment upgrades to replace older, failing equipment; and (ii) pay certain administrative and other costs incurred in connection therewith (collectively, the "Project");

WHEREAS, the City has applied for a loan through the Delaware Department of Health and Social Services (the "Department") in order to provide funds to pay for the Project;

WHEREAS, the Department, in conjunction with the Delaware Department of Natural Resources and Environmental Control, has issued a commitment letter dated September 17, 2013, to lend the City, from the Delaware Drinking Water State Revolving Fund, up to \$3,500,000 in the aggregate principal amount for the Project at an annual interest rate of 1.5% for a period of twenty (20) years;

WHEREAS, pursuant to a Resolution adopted on January 27, 2014, the City gave notice of its intention to borrow up to \$3,500,000, with the aforementioned terms, through the issuance of a general obligation bond (the "Bond") of the City for the Project and established a public hearing on the matter for February 10, 2014; and

WHEREAS, having conducted the public hearing, after notice, in accordance with Article 8 of the Charter, the Council of the City (the "City Council") hereby determines to give its final authorization to proceed with the borrowing.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Milford, Delaware, as follows:

Pursuant to Article 8 of the Charter and after a public hearing conducted on February 10, 2014, after notice, all in accordance with the requirements of the Charter, the City Council hereby gives its final authorization and resolves to proceed with borrowing from the Department an amount of money not to exceed \$3,500,000, at an annual interest rate of 1.5% for a period of twenty (20)

years, to fund the Project. The City will secure the borrowing through the issuance of a general obligation bond of the City and the full faith and credit of the City will be pledged to pay the principal of and interest on the Bond. The City Council shall provide in its budget and in fixing of the rate of tax, or otherwise, for the payment of principal of and interest on the Bond.

ADOPTED AND RESOLVED this 10<sup>th</sup> day of February, 2014.

By:  
Name: Joseph R. Rogers  
Title: Mayor

(CITY SEAL)

Attest:  
Name: Teresa K. Hudson  
Title: City Clerk



## **City of Milford RESOLUTION 2014-05**

### **RESOLUTION PROPOSING THE ISSUANCE BY THE CITY OF MILFORD, DELAWARE, OF UP TO \$3,500,000 MAXIMUM PRINCIPAL AMOUNT OF A GENERAL OBLIGATION BOND TO FINANCE COSTS ASSOCIATED WITH IMPROVEMENTS TO THE WATER DISTRIBUTION SYSTEM OF THE CITY OF MILFORD AND ORDERING A SPECIAL ELECTION IN CONNECTION THEREWITH.**

WHEREAS, the City of Milford, Delaware (the "City") pursuant to Article 8 of 72 Del. Laws Ch. 148, as amended (the "Charter") proposes to borrow an amount not exceeding the maximum principal amount of \$3,500,000 in order to: (i) finance the construction costs associated with the City's approved water distribution system improvement projects to remove and replace faulty valves throughout the existing water distribution system, create operational and efficiency improvements through the integration of a SCADA system and install supplemental water supply facilities and associated treatment upgrades to replace older, failing equipment; and (ii) pay certain administrative and other costs incurred in connection therewith (collectively, the "Project");

WHEREAS, the City has applied for a loan (the "Loan") through the Delaware Department of Health and Social Services (the "Department") in order to provide funds to pay for the Project;

WHEREAS, the Department, in conjunction with the Delaware Department of Natural Resources and Environmental Control, has issued a commitment letter, dated September 17, 2013, to lend the City, from the Delaware Drinking Water State Revolving Fund, up to \$3,500,000 in the aggregate principal amount for the Project at an annual interest rate of 1.5% for a period of twenty (20) years;

WHEREAS, pursuant to a Resolution adopted on January 27, 2014 (the "Initial Resolution"), the City gave notice of its intention to borrow up to \$3,500,000 through the issuance of a general obligation bond (the "Bond") of the City for the Project and established a public hearing on the matter for February 10, 2014; and

WHEREAS, having conducted the public hearing, after notice, and having adopted a resolution authorizing the Loan, all in accordance with Article 8 of the Charter, the Council of the City (the "City Council") hereby determines to proceed with the proposed borrowing and hereby orders a Special Election to be held not less than thirty (30) nor more than sixty (60) days after the aforementioned public hearing, for the purpose of voting for or against the proposed borrowing, all in accordance with the Charter.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Milford, Delaware, as follows:

1. Pursuant to the Initial Resolution and after a public hearing conducted on February 10, 2014, after notice, and following adoption of a resolution authorizing the Loan, all in accordance with the requirements of the Charter, the City Council hereby resolves to proceed with borrowing an amount of money, not to exceed \$3,500,000 to fund the Project.

2. Pursuant to Article 8 of the Charter:

Amount of Borrowing: Total principal amount not to exceed \$3,500,000.

Rate of Interest: The interest rate for the Loan shall be 1.5%.

Manner of Securing the Same: The City will borrow the funds through the issuance of a general obligation bond of the City to finance the Project and the full faith and credit of the City will be pledged to pay the principal of and interest on the Bond.

Manner of Paying or Funding: The City Council shall provide in its budget and in fixing of the rate of tax, or otherwise, for the payment of principal of and interest on the Bond.

Purpose for Borrowing: The City Council hereby finds that the Project constitutes the following, which is a permitted purpose for which money may be borrowed under Article 8 of the Charter:

Finance the construction costs associated with the City's approved water distribution system improvement projects to remove and replace faulty valves throughout the existing water distribution system, create operational and efficiency improvements through the integration of a SCADA system and install supplemental water supply facilities and associated treatment upgrades to replace older, failing equipment. Such costs, including the costs of issuance of the Bond, are estimated not to exceed \$3,500,000.

3. The City Council hereby orders that a Special Election be held on March 29, 2014 (the "Special Election") for the purpose of voting for or against the proposed borrowing. The Special Election shall be conducted at the Milford City Hall, 201 South Walnut Street, Milford, Delaware, 19963, and the polls shall open at 12:00 p.m. (noon) and shall close at 8:00 p.m. Such Special Election shall be held not less than thirty (30) nor more than sixty (60) days after the aforementioned public hearing and adoption of the resolution authorizing the Loan.
4. At such Special Election, every person who would be entitled to vote at an annual election if held on that day shall be entitled to one vote.
5. The City Council hereby directs that notice of such Special Election be posted and published as required by the Charter, Article 8.04 by:
  - (i) Posting notices thereof in five (5) public places in the City at least two weeks prior to the day fixed for the holding of the Special Election; and
  - (ii) Publishing a copy of such notice once each week during those two (2) weeks immediately preceding that week during which the day fixed for the holding of the Special Election shall fall in a newspaper generally circulated in the City.
6. Pursuant to Article 8 of the Charter, the Special Election shall be conducted by an Election Board (the "Board of Election") whose members shall be appointed or selected in the same manner and they shall have the same qualifications as provided in the case of annual elections of the City.
7. The Board of Election shall count the votes for and against the proposed borrowing and shall announce the result thereof. The Board of Election shall make a certificate under their hands of the number of votes cast for and against the proposed borrowing, and shall deliver the same, in duplicate, to the City Council, one copy of the certificate shall be entered in the minutes of the next meeting of the City Council, and the other copy shall be filed with the papers of the City Council.

8. Pursuant to Article 8 of the Charter, the City Council shall hereby cause the notices of the Special Election to be published and/or posted as provided herein and by the Charter and to take such other actions as are necessary or appropriate and in the best interest of the City to effectuate the resolutions adopted above and the requirements of the Charter.

ADOPTED AND RESOLVED this 10<sup>th</sup> day of February, 2014.

By:  
Name: Joseph R. Rogers  
Title: Mayor

(CITY SEAL)

Attest:  
Name: Teresa K. Hudson  
Title: City Clerk

# Milford Police Department



E. Keith Hudson  
Chief of Police



400 N.E. Front Street  
Milford, Delaware 19963

TO: Mayor and Members of City Council

FROM: E. Keith Hudson, Chief of Police

DATE: February 10, 2014

RE: Activity Report/January 2014

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## **Monthly Stats:**

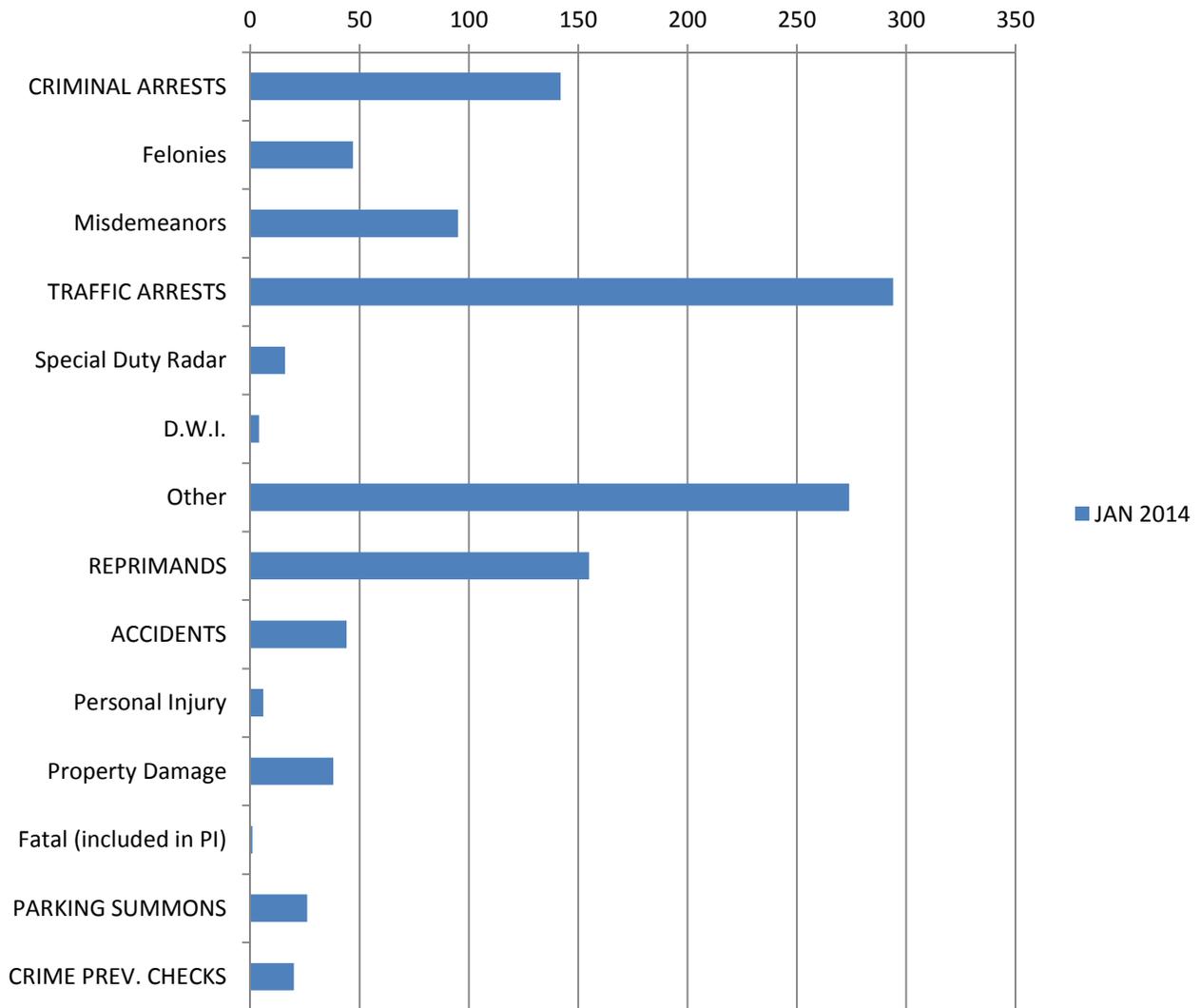
A total of 436 arrests were made by the Milford Police Department during January 2014. Of these arrests, 142 were for criminal offenses and 294 for traffic violations. Criminal offenses consisted of 47 felonies and 95 misdemeanors. Traffic violations consisted of 16 Special Duty Radar, 4 Drunk-Driving charges, and 274 other.

Police officers investigated 44 accidents during the month (6 personal injury, and 38 property damage) and issued 155 written reprimands. In addition, they responded to 1128 various complaints including city requests and other agency assistance.

JANUARY 2014 ACTIVITY REPORT

|                        | JAN 2014    | TOTAL 2014  | JAN 2013     | TOTAL 2013   |
|------------------------|-------------|-------------|--------------|--------------|
| COMPLAINTS             | 1128        | 1128        | 1049         | 1049         |
| CRIMINAL ARRESTS       | 142         | 142         | 166          | 166          |
| Felonies               | 47          | 47          | 38           | 38           |
| Misdemeanors           | 95          | 95          | 128          | 128          |
| TRAFFIC ARRESTS        | 294         | 294         | 451          | 451          |
| Special Duty Radar     | 16          | 16          | 117          | 117          |
| D.W.I.                 | 4           | 4           | 5            | 5            |
| Other                  | 274         | 274         | 329          | 329          |
| REPRIMANDS             | 155         | 155         | 156          | 156          |
| ACCIDENTS              | 44          | 44          | 50           | 50           |
| Personal Injury        | 6           | 6           | 6            | 6            |
| Property Damage        | 38          | 38          | 44           | 44           |
| Fatal (included in PI) | 1           | 1           | 0            | 0            |
| PARKING SUMMONS        | 26          | 26          | 21           | 21           |
| CRIME PREV. CHECKS     | 20          | 20          | 20           | 20           |
| FINES RECEIVED         | \$ 6,655.24 | \$ 6,655.24 | \$ 10,522.02 | \$ 10,522.02 |

# JAN 2014





OFFICE OF THE CITY MANAGER  
RICHARD D. CARMEAN  
P 302.424.3712, F 302.424.3558

CITY HALL  
201 SOUTH WALNUT STREET  
MILFORD, DE 19963

## **City Manager Report February 24, 2014**

### **Administration**

The designed changes for our billing office project in the PNC building have been submitted to the Fire Marshal's office for approval. I will move this design along to the bidding stage, and then bring those bids before Council.

### **Streets & Solid Waste**

The process of discontinuing our commercial trash service is moving ahead. This will only apply to customers who require a dumpster. We will continue to offer commercial pick-up to those who can make do with two 90 gallon cans. As you recall this has become necessary due to the State's mandate that commercial recycling must be provided to customers. It was determined that we could not offer that service within our fee structure.

I want to mention the excellent job our employees did during our recent winter storms. The Street Department is responsible for the clearing of snow from the streets, but there is a great deal of time and effort spent removing snow from our own facilities. Parking lots and sidewalks controlled by the City also have to be cleaned. The crews apply salt and sand to intersections and walkways. I want to recognize all the employees that help get this done. Our solid waste crews help with streets and try to keep our trash collection on schedule.

After several weather related delays S.E. Front Street has started to move ahead with all the planned repairs to sidewalks, infrastructure, and street surface.

I know I do not have to point out to the Council the widespread problem of potholes in our streets. The crews will be addressing this as quickly and completely as possible. The hot-mix asphalt plants are not open this time of year so we must use cold patch for the repairs. As soon as warm weather arrives, the more permanent hot-mix will be used.

### **Sewer & Water**

The freezing temperatures have caused our water department some challenges. While we have experienced some freezing of our lines, it is the customers who have had the most use of our water employees. They were kept busy several days assisting customers by disconnecting water to residences and businesses which had pipes burst within their homes and buildings.

I continue to work with DBF to move the planned southern water tower toward construction. We are close to finalizing the acquisition of the property for the tower. The easements were already obtained. The sewer extension from Wilkins Road to our southern limits is also being planned and designed.



TO: Mayor Ronnie Rogers & City of Milford Council Members  
FR: Annexation Committee  
DA: 02/06/14  
RE: Annexation Committee Report

A public meeting was held in Council Chambers on February 6, 2014 to consider the annexation request for lands described as:

|                            |  |
|----------------------------|--|
| Property Owner:            | Anna M. Legates and JoAnn L. Currey  |
| Location:                  | The east of Delaware Route 1, between County Road 408A (east) and Carpenter Pit Road (north) |
| Size:                      | 6.481 +/- Acres  |
| Existing Zoning:           | AR-1: Agricultural Residential   |
| Proposed Zoning:           | C-3  |
| Tax Map and Parcel Number: | MD-00-174.00-02-27.00  |

**APPLICANT**

A petition by the property owners was submitted on December 16, 2013 to annex 6.481 +/- acres into the corporate limits of the City of Milford.

**LOCATION**

The property is identified as Kent County tax parcels MD-00-174.00-02-27.00 and would be located in the Third Ward of the City of Milford.

**STREETS**

The property fronts both County Road 408A to the east and Carpenter Pit Road to the north, both of which are maintained by the State of Delaware. Access approval will be required from DelDOT. The parcel is currently vacant.

**DRAINAGE**

Storm water management on the parcel will be controlled by the Kent County Soil Conservation District at the developer's expense.

**ZONING**

The area proposed to be annexed is currently zoned AR in Kent County under the Kent County Zoning Ordinance. The applicant requests the property to be zoned C-3 Highway Commercial under the City of Milford's Zoning Ordinance. Proposed development is unknown, currently a vacant lot.

## **SEWER**

The area proposed to be annexed would be connected to the City of Milford's sewer system and then be treated at the Kent County Regional Sewer Authority. All costs for utility extensions to this property shall be completed at the expense of the developer and upon completion, the utility lines transferred to the City for incorporation into the City's wastewater system. Wastewater capacity cannot be guaranteed until a final site plan has been approved by the Milford Planning Commission, or a subdivision application has been approved by the Milford City Council, building permits issued, and the scheduled impact fees are remitted to the City.

## **WATER**

The area proposed to be annexed would be connected to the City of Milford's water system. All costs for utility extensions to this property shall be completed at the expense of the developer and upon completion, the utility lines transferred to the City for incorporation into the City's water system. Water capacity cannot be guaranteed until a final site plan/subdivision has been approved by the Planning Commission/City Council, building permits issued, and the scheduled impact fees are remitted to the City.

## **ELECTRIC**

The Electric Department has 3 phase electric currently serving Lighthouse Estates and running down Carpenters Pit Road.

## **TRAFFIC**

The Department of Transportation will most likely require a traffic impact study based on commercial trip generations and further require entrance permits for project. The developer will pay the related costs.

## **ENVIRONMENTAL ISSUES**

The U.S. Army Corp of Engineers will control provisions under Section 404 of wetlands on the parcel. The applicant has not determined if wetlands are on the property at this time, however according to Map Figure 3 titled "Natural Features" in the 2008 Comprehensive Plan there are not wetlands shown on this site. This parcel is located in a poor recharge area. The developer will have to comply with the Excellent Recharge Area Ordinance of the City of Milford and conform to the provisions of this ordinance. According to Map 3A Natural Features, of the 2008 City of Milford Comprehensive Plan, this property is not located in a Well Head Protection Area.

## **AREA LAND USES**

The area proposed to be annexed is located east of Delaware Route 1, between County Road 408A (east) and Carpenter Pit Road (north). Lands to the north are located in the City of Milford, developed as Lighthouse Estates subdivision, and zoned R-3. Lands to the west and east are out of the City's limits with scattered single family home sites/vacant on parcels of land and are zoned AC under the Kent County Zoning Ordinance. Parcel 5-00-174.00-02-27.01 is directly west of this property and this annexation would create an enclave to the City limits.

## **FIRE AND POLICE**

The Carlisle Fire Company, Inc. currently provides and would continue to provide fire protection. Police protection is primarily provided by the Delaware State Police with assistance from the Milford Police Department. Upon annexation, primary police service would be provided by the City of Milford Police Department. The Carlisle Fire Company would provide ambulance service. The State Fire Marshal's Office would regulate construction issues relating to fire protection

## **COMPREHENSIVE LAND USE PLAN**

The City of Milford's Comprehensive Plan identifies this property within the City Urban Growth Boundary on Map Figure 10 titled "Future Land Use". It is further identified in the Neighborhood- North as shown on Map Figure 14A titled "Neighborhood Map-North". The property is recommended in the Comprehensive Plan as Highway Commercial or C-3.

**STRATEGIES FOR STATE POLICIES AND SPENDING**

This property is located in State Strategies Level 3; however, the property located to the north is in Level 1 according to the 2010 plan. Investment Level 3 is described as: Investment Level 3 Areas generally fall into two categories.

1. The first category covers lands that are in the long-term growth plans of counties or municipalities where development is not necessary to accommodate expected population growth during this five-year planning period (or longer). In these instances, development in Investment Level 3 may be least appropriate for new growth and development in the near term.
2. The second category includes lands that are adjacent to or intermingled with fast-growing areas within counties or municipalities that are otherwise categorized as Investment Levels 1 or 2. These lands are most often impacted by environmentally sensitive features, agricultural-preservation issues, or other infrastructure issues. In these instances, development and growth may be appropriate in the near term, but the resources on the site and in the surrounding area should be carefully considered and accommodated by state Agencies and local governments with land-use authority.

**PROPERTY TAXES AND OTHER ECONOMIC CONSIDERATIONS**

According to Christine Crouch, Deputy City Clerk for the City of Milford, there are no farmland assessments or preservation districts on the parcels under consideration. The site as surveyed is 6.481 acres at the requested C-3 zoning district, with no subdivision approval, would have an assessment estimate of \$244,804 with an annual tax liability of \$1,126. It is anticipated that the property taxes, after development, will increase on this property and the City would benefit from the revenues received from building permits and real estate transfer taxes. Construction costs as well as user service fees cannot be determined at this time, as the applicant has not proposed a project to assess.

**ADVANTAGES TO THE CITY**

1. The property would be within the planning area of the City of Milford.
2. The City would receive revenues (property tax, real estate transfer tax, building permits, etc.) for activity on the property.
3. Potential for additional water, sewer, and electric customers.
4. Identified within the Urban Growth Boundary Area of the 2008 Comprehensive Plan.
5. Consistent with the Future Land Figure of the 2008 Comprehensive Plan
6. Increases the amount of development opportunities within the City limits, which have the potential to spur other economic benefits to the City.

**DISADVANTAGES TO THE CITY**

1. N/A

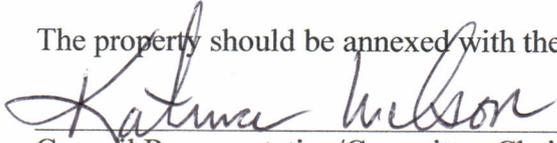
**RECOMMENDATION**

Based on the issues and comments discussed in this report, the Annexation Committee of the City of Milford recommends \_\_\_\_\_ of the application, following a \_\_\_\_\_ vote, with the following comments:

1. Annexation is consistent with the “Comprehensive Land Use Plan”.
2. Property is contiguous to existing City Limits.

3. Any changes to the property are subject to review by the City of Milford Planning Commission and/or City Council.
4. Property will be served by City Electric, Sewer, and Water at the expense of the developer. At present, these utilities are not available to the site.
5. An executed Annexation Agreement is required prior to final City Council approval.
6. The Municipal Annexation Plan of Services to be submitted to the Office of State Planning as soon as possible.

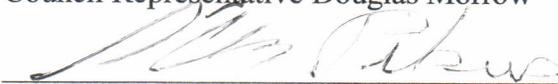
The property should be annexed with the following zoning classification: C-3

  
\_\_\_\_\_  
Council Representative/Committee Chairman Katrina Wilson

2/6/14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Council Representative Douglas Morrow

2-6-14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Council Representative S. Allen Pikus

2/6/14  
\_\_\_\_\_  
Date

  
\_\_\_\_\_  
Planning Commission Chairman Jamie Burk

2-6-14  
\_\_\_\_\_  
Date



KENT COUNTY DEPARTMENT OF PLANNING SERVICES  
 GIS DIVISION  
 555 BAY ROAD, DOVER, DE 19901  
 THIS MAP IS NOT SURVEY ACCURATE OR FOR ENGINEERING USE AND IS SUBJECT TO PERIODIC CHANGES

Kent County, DE GIS Map

0 220 440 880 Feet

Printed 2/5/2014

**This form packet created by**



**These forms created for Buyer(s):**

City of Milford  
a political subdivision of the  
State of Delaware

**Contract forms for the property:**

*Property:* 216 SE 2ND ST

Milford, DE 19963

**Courtesy of:**

*Agent Name:* Rick Moore

*Office:* Rehoboth Sales

*Address:* 37156 Rehoboth Ave Extended

Rehoboth Beach, DE 19971

*Office Phone:* (302) 227-2541

*Office FAX:* (302) 227-8165

*Mobile Phone:* (302) 228-1774

*Printed On:* 01/17/14





# AGREEMENT OF SALE for DELAWARE UNIMPROVED LAND

This is a legally binding agreement; if not understood, seek competent legal advice prior to signing.

THIS FORM IS DESIGNED AND INTENDED FOR THE SALE AND PURCHASE OF UNIMPROVED RESIDENTIAL AND/OR AGRICULTURAL REAL ESTATE LOCATED IN THE STATE OF DELAWARE

### 1. PARTIES.

SELLER: Trust of Littleton Mitchell

Address: \_\_\_\_\_

BUYER: City of Milford a political subdivision of the State of Delaware

Address: 201 S. Walnut St. Milford, DE 19963

2. PROPERTY. Buyer hereby agrees to purchase from Seller and Seller agrees to convey to Buyer that Property identified as  
 TAX PARCEL # 330-07.17-277.00 being situated in \_\_\_\_\_

SUSSEX County, Delaware and further identified as:  
216 SE 2ND ST Milford, DE 19963

**Corner lot of SE 2nd St and Franklin St at entrance to City of Milford Parks & Recreation**

### 3. PAYMENT TERMS.

A. PURCHASE PRICE \$ 24,000.00  
 To be paid as follows:  
 B. DEPOSIT UPON SIGNING THIS AGREEMENT \$ \$500.00 ;  
 In the form of  Check  Cash  Other \_\_\_\_\_  
 C. DEPOSIT DUE WITHIN within 10 business DAYS OF ACCEPTANCE \$ 0.00 ;  
 D. \_\_\_\_\_ \$ 23,500.00

Remaining balance will be paid at settlement.

All sums deposited by Buyer prior to the time of final settlement shall be placed in a *non-interest bearing* escrow account with Listing Broker ("Escrow Broker") unless otherwise specified in this Agreement. Any funds delivered to the Escrow Broker within 15 calendar days of settlement shall be certified funds. *Funds paid by Buyer at settlement shall be in cash, certified check, cashiers check, treasurer's check, wire transfer or a Delaware attorney's escrow check.* Seller's net proceeds shall be paid by check from the settling attorney's escrow account unless other arrangements are made with the attorney.

4. RENTAL/LEASE. This Property  is  is not subject to any tenant rental/leasing agreements. Seller will not alter any existing agreement nor enter into any new rental/lease agreement without Buyer's written consent, and will assign all existing leases and transfer security deposits to Buyer at final settlement. If this Property is subject to an agricultural lease, the Buyer is hereby notified that agricultural leases are subject to renewal provisions in accordance with 25 Del. C Chapter 67 Agriculture Leases. The terms of any Agricultural Leases are attached hereto in accordance with 25 Del. C Chapter 3 § 315.

### 5. Yes No FINANCING CONTINGENCY.

(a) Buyer's obligation to purchase the Property shall be contingent on Buyer's ability to obtain mortgage financing pursuant to the terms set forth below. Each of the terms below as applicable shall be deemed essential to this financing contingency and Buyer shall not make application for any mortgage financing the terms of which would differ or deviate from the requirements set forth below that would be adverse to Seller's interest without Seller's express prior written consent. The Interest rate shall be at the prevailing rate. Should, after Buyer makes application consistent with the terms set forth below, and has diligently and in good faith pursued that application, any commitment for mortgage financing that may be issued deviate from one or more of such terms, and Buyer elects not to accept the financing thus offered, or the application is denied, Buyer may, at Buyer's sole election, void this Agreement, in which event all deposits will be returned to buyer. The terms of mortgage financing are the following:

Type of financing: \_\_\_\_\_ Loan Amount: \_\_\_\_\_  
 Term in years: \_\_\_\_\_ Maximum loan to value ratio: \_\_\_\_\_  
 Final date for receipt of mortgage commitment (the "Commitment Date"): \_\_\_\_\_

(b) Buyer will make written application in a manner consistent with that provided for above within \_\_\_\_\_ calendar days of the effective date of this Agreement, and shall use their best efforts and diligently pursue such financing and promptly file any supplemental information, papers and/or other material that may be requested or required from time to time by the lender. If Buyer fails to make application as specified above, then Seller may declare Buyer in default of this Agreement by tendering written notice of that election to the Buyer at any time prior to Buyer making application consistent with the terms set forth above.

Seller's Initials \_\_\_\_\_ Buyer's Initials \_\_\_\_\_

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Should Seller elect to declare Buyer in default before such application is completed, Seller shall have available all the remedies set forth in this Agreement.

(c) Buyer shall provide Seller, or Seller's Designated Agent, with a copy of any loan commitment or denial within 3 calendar days of receipt. If a commitment consistent with the terms set forth above, or one that differs from those terms which is nonetheless acceptable to Buyer, is obtained and said commitment (1) imposes financial obligations upon the Seller which the Seller has not previously agreed to pay, and does not then agree to pay, and/or (2) is contingent upon the sale of any real or personal property owned by Buyer, then Seller may, within 5 calendar days after receipt of a copy of the commitment, cancel this Agreement in writing, and all deposit money shall then be returned to Buyer in accordance with provisions of this Agreement. If such notice is not given, Seller shall be deemed to have accepted said condition(s).

(d) If a written mortgage commitment is not obtained by the Commitment Date, Seller shall from that time forward have the right to void this Agreement by tendering written notice of that election to Buyer or Buyer's Designated Agent provided, however, that if written mortgage commitment is received after the Commitment Date and prior to any such written notice of termination, then this Agreement shall remain in full force and effect, and Seller's right to void this Agreement for failure to meet the Commitment Date shall be deemed waived. If Seller elects to terminate as set forth in this paragraph, and Buyer is not then otherwise in default of the terms of this Agreement, all deposit money shall be returned to Buyer in accordance with the terms of this Agreement. If Buyer at that time claims that the mortgage application resulted in a denial of that application, and has not provided a copy of that denial in a timely fashion as set forth in paragraph (c) above, the failure to provide a copy of that denial as required herein shall be deemed a default by the Buyer.

6. **SETTLEMENT.** Unless otherwise mutually agreed, final settlement shall be held in Sussex County, Delaware on 03/15/14, or before if mutually agreed upon, at which time possession shall be given. It is expressly agreed if a longer time is necessary to secure a survey, or to prepare the necessary legal and financial settlement documents, the date of settlement shall be extended for a reasonable time to effect these conditions.

7. **TIME IS OF THE ESSENCE.** Other than those limited conditions related to settlement as noted in Paragraph 6 above, time is of the essence in this Agreement. Time is of the essence means that the dates and time frames agreed by the parties must be met. Failure to meet stated dates or time frames may result in waiver of contractual rights or default under the terms of this Agreement.

8. **CONVEYANCE.** The Seller acknowledges that the Property is to be conveyed (check one)  **IN FEE SIMPLE**  **CO-OP OWNERSHIP**; or  **LEASEHOLD SUBJECT TO AN ANNUAL GROUND RENT**, presently in the amount of \$ \_\_\_\_\_

9. **DISBURSEMENT OF DEPOSITS.** The parties to this Agreement agree that deposit monies held on account as specified herein shall only be disbursed under one of the following conditions:

- A. Upon final settlement hereunder; **OR**
- B. Upon a release being signed by all parties to the transaction authorizing disposition of these funds; **OR**
- C. Upon the filing of an interpleader action in the proper court, thereby causing these funds to be deposited with the court; **OR**
- D. At such time as one of the parties to the transaction files suit and the court orders the disbursement of these funds.

Buyer and Seller agree that upon payment of deposit monies into court, neither Buyer nor Seller shall have any further right, claim, demand or action against Escrow Broker regarding the return or disposition of the deposit monies and Buyer and Seller, jointly and severally, shall indemnify and hold Broker harmless from any and all such rights, claims, demands or actions. In the event of a dispute, and after no less than fifteen (15) days advance notice delivered by certified mail to the Buyer and Seller at their addresses identified in this Agreement of Sale, should Broker elect to file an action of interpleader as herein provided, Buyer and Seller further agree and hereby expressly and irrevocably authorize Broker to deduct from the Deposit all costs incurred by Broker in the filing and maintenance of such action of interpleader including but not limited to filing fees, court costs, service of process fees and attorneys' fees, provided that the amount deducted shall not exceed the lesser of Five Hundred Dollars (\$500) or the amount of the Deposit held by Broker. All such fees and costs authorized herein to be deducted may be deducted by Broker from the Deposit prior to paying the balance of the Deposit to the court. Buyer and Seller further agree and expressly declare that all such fees and costs so deducted shall be the exclusive property of Broker. If the amount deducted by Broker is less than the total of all of the costs incurred by Broker in filing and maintaining the interpleader action, then Buyer and Seller jointly, and severally, agree to reimburse Broker for all such excess costs upon the conclusion of the interpleader action.

10. **TRANSFER TAXES; PRO-RATIONS; AGRICULTURAL ROLLBACK TAXES.** Applicable transfer taxes and transfer fees shall be paid one-half by Buyer and one-half by Seller, except that any exemptions shall benefit only the exempt party. Seller agrees to pay or escrow at time of settlement any and all agricultural rollback taxes applicable to this parcel. Taxes, special assessments, ground rent, water, sewer, electric and other lienable charges imposed by the State of Delaware, any political subdivision thereof, any school district, neighborhood association and/or condominium common expenses shall be apportioned pro-rata at the time of final settlement, as shall the rents and pre-paid operating expenses if Property is sold subject to a lease, and all security deposits shall be delivered to Buyer at time of settlement.

Seller's Initials \_\_\_\_\_ Buyer's Initials \_\_\_\_\_

Seller  Buyer shall pay for deed preparation. Buyer shall pay all other customary settlement charges and lending costs including survey.

**11. TITLE.** Title is to be good and marketable either fee simple absolute conveyed by Deed of Special Warranty or Leasehold Estate conveyed by assignment of the existing lease, as applicable, insurable for both owners and lenders coverage at regular rates by a title insurer duly licensed to issue title insurance in the State of Delaware, clear of any liens and encumbrances, except restrictions of record and existing easements generally applicable to properties in the immediate neighborhood or the subdivision in which the Property is located. Title shall also be delivered without encroachments or violations of restrictions, zoning or subdivision regulations unless disclosed by Seller in writing prior to ratification of Agreement. If title objections are raised, Seller shall have 30 days from the date Seller is notified to cure the same, and the settlement date shall be extended accordingly. If objections are not satisfied by the extended settlement date, this Agreement shall terminate and all deposit monies shall be refunded to Buyer and all reasonable legal, loan, survey, and inspection fees incurred by Buyer will be paid by Seller, unless Buyer elects to waive the unsatisfied objections and complete the purchase. Seller may use the purchase price payable to Seller at settlement to discharge liens and encumbrances of record in fixed and ascertainable amounts.

**12. NOTICE/DELIVERY OF DOCUMENTS.** In this paragraph, the word 'Agreement' includes offers, counteroffers, addenda or any other notice or agreement between the parties. All agreements shall be in writing. Verbal, electronic or written communication between the parties' or the parties' Designated Agent(s) that this Agreement has been signed and ratified shall be binding on all parties and such notice shall constitute delivery. Written communication shall be effective when sent. A facsimile, electronic record with electronic signature, or photocopy of a signed Agreement shall constitute an original. Buyer or Seller, if there be more than one, expressly agree that notice to one shall be notice to all.

**13. NO RECORDING.** This Agreement shall not be recorded or filed in any place of public record. If Buyer does record this agreement, or permit this Agreement to be recorded, Seller may elect to treat such act as a default and have all the remedies provided herein.

**14. FAIR HOUSING.** All Parties agree to comply with all Fair Housing and Civil Rights laws in the purchase and sale of the Property and further agree specifically not to discriminate against any person because of RACE, COLOR, NATIONAL ORIGIN, RELIGION, CREED, SEX, MARITAL STATUS, FAMILIAL STATUS, AGE, SEXUAL ORIENTATION, GENDER IDENTITY and/or HANDICAP/DISABILITY.

**15. FIRPTA.** Section 1445 of the United States Internal Revenue Code of 1986 provides that a Buyer of residential real property located in the United States must withhold federal income taxes from the payment of the purchase price if; (a) the purchase price exceeds three hundred thousand dollars (\$300,000.00); and (b) the Seller is a foreign person. Unless otherwise stated in an addendum attached hereto, if the purchase price is in excess of three hundred thousand dollars (\$300,000.00), Seller represents that Seller is not a nonresident alien, foreign corporation, foreign partnership, foreign trust or foreign estate (as those are defined by the Internal Revenue Code and applicable regulations) and agrees to execute an affidavit to this effect at time of settlement.

**16. RISK OF LOSS.** The risk of loss or damage to the Property by fire, wind storm or other casualty until settlement shall be borne by Seller. If any part of the Property is damaged or destroyed by fire or other casualty loss, Seller shall restore the same to its previous condition as soon as reasonably possible, but in any event by settlement date. If Seller is unable to do so, Buyer may terminate this Agreement and the deposit monies shall be refunded to Buyer in accordance with the terms of this Agreement.

**17. CONDITION OF PROPERTY; INSPECTIONS.** Seller shall deliver the Property in substantially the same physical condition as of the date of this Agreement. Seller agrees to permit access to Property by any authorized appraiser, inspector or contractor as required by the lender or by other terms of this Agreement. Buyer shall have the responsibility of scheduling a pre-settlement inspection of Property within 48 hours prior to settlement to verify that Property is in the condition required by this Agreement including conditions disclosed and accepted by Buyer elsewhere in this Agreement or by addendum. Property shall be vacant and clear of trash and debris at time of final settlement or possession (whichever occurs first). In the event of any failures of Property between the time of final acceptance and settlement, Seller shall make necessary repairs at Seller's expense prior to settlement.

Except as expressly contained herein, no other warranties or representations have been made by Seller or relied upon by Buyer and upon settlement all Seller's obligations for conditions of the Property under this Agreement shall expire. It is understood and agreed by the parties hereto the Broker(s)/Salesperson(s) assumes no responsibility for defects concerning the physical condition of the Property described herein and any improvements thereon. Buyer represents that they have made a satisfactory inspection of the Property and agrees to accept the Property in its present condition except as otherwise provided in this Agreement.

**18. ENVIRONMENTAL CONDITIONS.** Buyer is hereby advised that environmental conditions may exist about which Seller has no knowledge including but not limited to: buried fuel tanks, contamination affecting soil and drinking water, and similar conditions. Buyer may negotiate with Seller for permission to conduct environmental testing as a term or condition of this Agreement. Any agreement relating to environmental testing must be in writing and signed by both Buyer and Seller. Further information can be obtained from the following agencies: United States Environmental Protection Agency, Washington DC; State of Delaware Department of Health and Social Services, Dover, DE; United States Consumer Products, Safety Commission, Washington DC.

Seller's Initials \_\_\_\_\_ Buyer's Initials \_\_\_\_\_

**19. WETLANDS/FLOOD ZONE DISCLOSURE.** If all or any portion of the Property has been designated tidal or non-tidal wetlands, this Property may be subject to federal, state and/or local government wetlands or non-tidal wetlands jurisdiction, and consequently flood delineations/determinations and flood insurance. If so, all construction and fill activities are subject to regulatory approval. Flood zone delineations/determinations, soil fill, construction, insurance, and other required approval activities are the sole responsibility of Buyer, and no other representations are made, either expressed or implied, regarding the extent to which changes can be made to the Property and if residential or other structures may be placed on the subject property. Buyer may elect, at Buyer's expense, to engage the services of a qualified specialist to inspect the Property for the presence of wetlands prior to submitting a written offer to purchase the Property; or Buyer may include in Buyer's written offer a clause making Buyer's purchase of the Property contingent upon a satisfactory wetlands inspection. Additional information regarding wetlands is available from the U.S. Army Corps of Engineers and/or the Delaware Department of Natural Resources and Environmental Control.

**20. NOTICE TO THE PARTIES.** There may be a number of property characteristics which could affect the suitability of the Property for Buyer's intended use. Brokers and Sales Associates are not generally aware of these characteristics and/or do not have the technical knowledge to advise Buyer of the significance of these characteristics. Therefore, Buyer may wish to have additional inspections of the Property made. Broker(s), Agent(s), Subagents and employees of Broker(s) make no representations with respect to the following: \_\_\_\_\_

- (a) Water quantity, quality, color, odor, or taste or operating conditions of public and/or private water systems.
- (b) Location, size or operating condition of on-site sewage disposal systems.
- (c) The extensions of public utilities by local municipal authorities, existence or availability of public utilities, and any assessments, fees or costs for public utilities which might be imposed by local municipal authorities, should public utilities be extended or available to the subject Property. (Buyer should consult the appropriate authorities to determine the availability of proposed future extensions of utilities.)
- (d) The physical characteristics of the Property such as size, shape, road frontage, road access, and exact location. If the subject Property is part of a recorded subdivision, Buyer may review the plat upon request at the Recorder of Deeds Office. If the subject Property is not part of a recorded subdivision, Buyer may verify exact size and location through a survey by a licensed engineer or land surveyor, at Buyer's expense. Unless an addendum pertaining to the acreage or square feet and/or the configuration of the property is specifically included as a part of this Agreement, Buyer shall purchase the Property and Seller shall sell the Property without any adjustment in the purchase price regardless as to the actual size or configuration of the Property.
- (e) Existing zoning or permitted uses of the Property: Buyer should contact the appropriate Zoning Office and/or a licensed professional to verify zoning and permitted uses. Property may also be subject to Tax Ditch right-of-way restrictions.
- (f) Brokers/agents are not advising the parties as to certain other issues, including without limitation: soil conditions; flood hazard areas; possible restrictions of the use of property due to restrictive covenants, subdivision plat, environmental laws, easements or other documents; airport or aircraft noise; planned land use, roads or highways; and surface or subsurface hazardous materials, underground storage tanks, landfill or trash disposal sites. Information relating to these issues may be available from appropriate governmental authorities. This disclosure is not intended to provide an inspection contingency.
- (g) Buyer and Seller each assume full responsibility for selecting and compensating their respective vendors.

**21. RESTRICTIVE COVENANTS/HOMEOWNERS ASSOCIATION.** This Property may be subject to restrictive covenants and/or a homeowners association which may limit Buyer's use and/or improvements upon the Property. Unless made a contingency of this Agreement, Buyer acknowledges that they have received and reviewed the recorded restrictions or waived their right to do so before they signed this Agreement and that they agree to be bound by the restrictions. Should this property be subject to a Homeowners Association Buyer acknowledges that certain mandatory fees may be imposed and agrees to be bound by the rules & regulations of such Homeowners Association.

**22. BUYER'S DEFAULT.** If Buyer fails to deliver any payment or additional deposit, fails to make mortgage application as specified herein, knowingly furnishes false or incomplete information to Seller, Broker or the lending institution concerning Buyer's legal or financial status, fails to cooperate in the processing of the mortgage loan application resulting in failure to obtain a mortgage financing commitment, or violates or fails to perform any of the terms or conditions of this Agreement, then Seller shall have the right and option to cancel this Agreement and to retain any deposit money as liquidated damages for such default by Buyer, or exercise any legal or equitable right or remedy to which Seller may be entitled and in connection therewith to apply any deposit money either on account of the Purchase Price or on account of damages, as Seller may elect.

**23. SELLER'S DEFAULT.** If Seller shall, for some reason not excused herein, fail or refuse to perform Seller's obligation to Buyer, and Buyer shall not also be in default, Buyer shall either have all monies paid herein on account of the Purchase Price, (together with such reasonable costs incurred in preparation for settlement), refunded forthwith, whereupon all rights and obligations herein shall cease and terminate, or Buyer shall have the right to seek any remedy and maintain any action against Seller to which Buyer may be entitled whether at law or in equity.

Seller's Initials \_\_\_\_\_ Buyer's Initials \_\_\_\_\_

**24. NO REPRESENTATION.** Buyer and Seller understand and acknowledge that Broker(s) are not at any time authorized to make any representations about this Agreement or the Property other than those written in this Agreement. Broker(s), Agent(s), Subagents and employees of Broker(s) do not assume any responsibility for the condition of the Property or for the performance of this Agreement by any or all parties hereto. By signing this Agreement, Buyer and Seller acknowledges they have not relied on any representations made by Broker(s) or any Agents, Subagents or employees of Broker(s), except those representations written in this Agreement.

**25. INDEMNIFICATION/ATTORNEY FEES.** In the event any dispute arises under this Agreement between Seller and Buyer resulting in Broker(s) or any Agents, or Subagents or employees of Broker(s) being a party to any litigation, Seller or Buyer, whichever is unsuccessful, shall indemnify and hold Broker(s), Agents, Subagents or employees of Broker(s) harmless from any liability, loss, damage, cost, expense, and attorney fees, provided such litigation does not result in a judgment against Broker(s), Agent(s), Subagents or employees of Broker(s) for acting improperly under this Agreement.

Should Buyer waive any inspections or provisions in this Agreement of Sale, either as the result of marking the item NO, failing to mark the item YES, or not following through with an inspection, Buyer shall hold Broker(s), Agent(s), Subagent(s) or employees of Broker(s) harmless from any liability, loss, damage, cost, expense, and attorney fees resulting from Buyer's waiver of such provision. In the event a dispute arises under this Agreement between Seller and Buyer resulting in any litigation, and/or arbitration, Buyer or Seller, whichever is unsuccessful, shall also be liable for the other parties' court costs and attorney's fees.

**26. SITE EVALUATION/NOTICE TO BUYER.** (This notice is required by 25 Del C Chapter 3 §313 for the sale of unimproved real estate.) If the Property being purchased hereunder is an unimproved parcel of land, Buyer should consult with the appropriate public authorities to ascertain whether central sewerage and water facilities are available, or if not, whether the Property will be approved by appropriate authorities for the installation of a well and private sewerage disposal system. If central sewerage and water facilities are not available, then this Contract is contingent upon 1) a satisfactory site evaluation that will allow the installation of an approved on-site disposal system, in accordance with the regulations promulgated by the Department of Natural Resources & Environment Control, that is acceptable to the Buyer; 2) the availability of a water supply; and 3) the lot conforming with the local zoning ordinance; or this Contract shall become null and void, and all deposits shall be returned to the Buyer.

The  Buyer  Seller shall request the site evaluation within \_\_\_\_\_ days of Contract ratification. The  Buyer  Seller shall pay all costs of complying with these provisions. Buyer and Seller may modify these provisions or Buyer may waive these provisions of the Contract by signing the waiver addendum below:

**WAIVER ADDENDUM**

By their signature(s) below, the parties agree that Buyer waives the provisions of the foregoing Site Evaluation/Notice to Buyer. Buyer acknowledges that Buyer has read and understands the Notice to Buyer. Buyer voluntarily waives and gives up such Notice to Buyer provision in its entirety. Buyer understands that by waiving such provisions, the Agreement and the obligation of Buyer to purchase this Property is not contingent or dependent upon a satisfactory site evaluation, or the availability of central or on-site sewerage and water facilities or the conformity of the property with local zoning ordinance. Buyer & Seller agree that this Agreement is not made null & void if an unsatisfactory site evaluation of the property is made or if central water supply or on-site wastewater/sewerage and water facilities are not available to the Property or if property does not conform with the local zoning ordinances. Buyer acknowledges that this waiver addendum is not made in reliance on any information, data, material statement or representation made by the Seller. NO WAIVER OCCURS UNLESS SIGNED BELOW BY ALL PARTIES.

\_\_\_\_\_  
Buyer signature                      Buyer signature                      Seller signature                      Seller signature

**It is understood by Buyer that a site evaluation does not guarantee the issuance of a septic permit.**

**27. UTILITY CONNECTION FEES/BUILDING TAX.** Notice to Buyer: If Buyer builds on or improves the Property being purchased herein, Buyer may be responsible for other fees to city, county, or state authorities, as well as private utility companies, for connecting the Property to utilities (sewer, water, electric, etc.). Buyer may also be responsible for realty transfer taxes on the value at cost of construction of improvements on property when the contract for construction is entered into within one year of the transfer of the underlying land. (30 Del C Chapter 54, §5401 and §5402) These taxes would be required to be paid as a precondition of obtaining a building permit, and any adjusted amount required prior to being issued a certificate of occupancy pursuant to any state and/or local government codes.

**28. AGRICULTURAL USE.** This Property may be located in the vicinity of land used primarily for agricultural purposes on which normal agricultural uses and activities have been afforded the highest priority use status. If this is the case it can be anticipated that such agricultural uses and activities may now, or in the future, involve noise, dust, manure, and other odors, the use of agriculture chemicals, and nighttime farm operations. The use and enjoyment of this Property is expressly conditioned on acceptance of any annoyance or inconvenience which may result from such normal agricultural uses and activities. In certain instances governmental authorities require a deed restriction to this effect when properties are located in the vicinity of land used for agricultural purposes.

Seller's Initials \_\_\_\_\_ Buyer's Initials \_\_\_\_\_

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**29. AGENCY DISCLOSURE.**

As disclosed in the Consumer Information Statement of the Delaware Real Estate Commission, the parties confirm that the following agency relationships exist:

- I. LONG AND FOSTER-REHOBOTH, Listing Broker  
 Seller's Agent                       Dual Agent
- II. RICK MOORE, Designated Listing Agent  
 Seller's Designated Agent     Designated Dual Agent
- III. Long & Foster Real Estate, Inc., Selling Broker  
 Buyer's Agent or                       Dual Agent                       Seller's Subagent
- IV. Rick Moore, Designated Selling Agent  
 Buyer's Designated Agent     Designated Dual Agent     Seller's Subagent

**30. SUCCESSION.** This Agreement shall benefit and bind the parties hereto, their respective heirs, personal representatives, successors and assigns. Buyer may not assign Buyer's interest in this Agreement without Seller's prior written consent, which consent will not be withheld unless such assignment may adversely affect Seller.

**31. BROKERAGE FEE.** Buyer and Seller agree that the Broker(s)/Agent(s) was responsible for procuring this Agreement, and agree that a brokerage fee for services rendered as specified in a separate agreement for compensation will be paid. If not previously paid, the settlement attorney is hereby irrevocably authorized and directed to collect the brokerage fee as specified in the separate agreement and pay the same to the Broker at final settlement as a convenience to the parties, and not as a limitation upon Buyer's or Seller's liability to pay the brokerage fee.

**32. ADDENDUMS.**

These Addendums are only applicable if marked **YES** or checked. **NO** or a blank means you are waiving the opportunity to include the contingency or clause. If language in this Agreement and Addendum(s) are in conflict, unless otherwise provided herein, then the addendum(s) will supersede this Agreement.

- Tax Deferred (1031) Exchange
- Buyer's Financial Information
- Mortgage Letter with Credit Check
- Additional Addenda not included above \_\_\_\_\_

**33. ADDITIONAL TERMS AND CONDITIONS.**

**34. MISCELLANEOUS.** Delaware law governs this Agreement. The paragraph captions are for convenient reference only and are not intended to limit or enlarge the substance of this Agreement. The term Broker(s) when used in this Agreement shall include Broker of Record, Brokerage Organization, Broker Owner, Salesperson(s) and employees involved in this Agreement. The word "Contract" is synonymous with "Agreement" when used herein.

The singular forms "Buyer" and "Seller" are used in this Agreement solely as a convenience and are intended to include all parties who are Buyers or Sellers. Buyer and Seller agree that they have read and fully understand this Agreement, including the Seller's Disclosure of Real Property Condition Report (if applicable), that it contains the entire agreement between them and that they do not rely on any other written or oral representation or statement not expressly written in this Agreement, including any statement of fact or opinion contained in any advertisement, listing agreement, multiple listing description or multiple listing information sheet or made by Seller, any broker, salesperson, or any agent or employee of any of them. If settlement does not take place Buyer and Seller shall each be responsible to pay for services ordered on their behalf, unless otherwise provided for herein. The parties hereto agree to execute and deliver any other instrument(s) or document(s) that may be necessary or convenient to carry into effect the provisions of this Agreement, and the parties agree to otherwise cooperate in good faith as may be necessary to complete the settlement contemplated herein.

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## Consumer Information Statement (CIS) for Consumers Seeking to **Purchase or Sell Residential Property** Designed For Use by 1-4 Families

**This information is from the Delaware Real Estate Commission and is not a contract.**

Delaware law, title 24 ch.29 requires real estate salespersons, associate brokers, and brokers to provide this CIS to you at the earlier of your first scheduled appointment, the first showing of a property, or making an offer. You are encouraged to read this CIS before you list your home for sale or go to view homes to buy. This is first given to you to explain Agency law in Delaware. It must be signed prior to signing an Agreement of Sale, a Listing Agreement, or any other brokerage agreement such as an Exclusive Buyer Agency Agreement.

**Presumed Agency:** You are a customer when you first contact a broker or salesperson who immediately owes you a duty of confidentiality as explained below. You automatically become a client and the other Statutory Duties begin upon the earlier of (i) the first scheduled appointment, (ii) the first showing of a property, (iii) making an offering, or (iv) the agent working for you, unless a CIS is signed indicating there is no agency relationship which means there are no duties owed to you other than confidentiality. **Under Delaware Law, it is presumed that you consent to dual agency unless you fill out this form saying you do not want dual agency.** Dual agency is explained below.

**Brokers and Salespersons as Statutory Agents:** Under Delaware law, a real estate broker, associate broker, or salesperson is a statutory agent of yours and may be a dual agent representing both parties unless you elect, in a written agreement, to enter into a common law agency relationship or to decline dual agency. A statutory agent is an independent contractor. He or she is NOT your fiduciary, but is an agent with duties specified by Delaware statutory law. Unless you say otherwise, the broker, associate broker, or salesperson also may represent both the buyer and seller with duties owed to both which is called dual agency as explained below.

### **Important Terms:**

**Client:** The member of the public who is the principal in the statutory agency relationship.

**Customer:** A member of the public who is working with a licensee before the presumed agency relationship begins or who declines agency representation which means there are no duties other than confidentiality.

**Delaware Real Estate Commission:** The regulatory body which issues licenses to brokers and salespersons under Delaware law, and which hears complaints filed by the public with respect to Licensees. License law and rules and regulations are available on the Real Estate Commission's website at [www.dpr.delaware.gov](http://www.dpr.delaware.gov).

**Designated Agent:** An independent contractor working with you under statutory agency. He or she may be licensed as a broker, associate broker, or a salesperson.

**Dual Agency:** Whenever a dual agency relationship exists, the designated salesperson or associate broker, that agent's broker, and the brokerage organization may be dual agents. Examples are listed below:

1. If the same salesperson or associate broker represents both the buyer and seller in a transaction, then that salesperson or associate broker, his or her broker, and brokerage organization are all dual agents.
2. If the buyer and seller are represented by two different salespeople or associate brokers working for the same broker, then the broker and the brokerage organization are both dual agents, but the salespersons or associate broker are not.
3. If the buyer and seller are represented by two different salespeople or associate brokers working for different brokers under the same brokerage organization, then only the brokerage organization is a dual agent.

**Statutory Agent:** An agent with duties under Delaware statutory law, not common law fiduciary duties. The agent is a statutory agent for you and may be a dual agent as explained above.

**Confidentiality:** Brokers and salespersons have a duty of confidentiality to all parties from the moment of their first contact. **A broker or salesperson MAY NOT disclose the following information UNLESS the affected party has provided his or her informed consent:**

1. The buyer is willing to pay more for the property than what has been offered.
2. The seller is willing to accept less than the asking price.

3. The seller or buyer will agree to terms other than those offered.
4. Any personal motivations for any party to a transaction, **IF** that party has requested that the information be kept confidential.
5. Other confidential information, **UNLESS** disclosure is required by law, or **UNLESS** failure to disclose would be fraud or intentional misrepresentation.
6. Facts or suspicions regarding circumstances which may psychologically impact or stigmatize property under Section 2927 of Title 24 of Delaware law unless by law it must be disclosed.
7. Facts or suspicions that someone is a registered sex offender under Delaware law. Information regarding registered sex offenders is available from the Delaware State Police at [www.state.de.us/dsp/sexoff/index.htm](http://www.state.de.us/dsp/sexoff/index.htm).

**Important Information:**

1. The client and his or her broker and designated agent are not responsible for the wrongful actions of the other unless they had actual knowledge of the wrongful act, error, omission or misrepresentation; however, the person who was wrong is still responsible.
2. Notice given to a designated agent is considered notice to that designated agent's client. **Notice given to anyone else in the licensee's office is not considered notice to that client.**
3. Put it in writing! Statements and negotiations by a party are not binding until they are in writing and signed by the party.

**Brokers, Associate Brokers, and Salespersons MUST:**

1. Comply with all applicable laws, including performing the duties required of him or her by the statute and rules and regulations of the Delaware Real Estate Commission.
2. Follow all other applicable laws, including laws governing fair housing and civil rights.
3. Perform as required by the terms of any written brokerage agreement, if one exists.
4. Exercise reasonable skill and care as a broker or salesperson.
5. Advise you to obtain expert advice on material matters outside his or her expertise.
6. Account to you in a timely manner for all money and property received.
7. Help to inform the parties regarding the progress of the transaction.
8. Disclose adverse material facts or defects actually known by the broker or salesperson.
9. Put any compensation agreement in writing.

**Brokers, Associate Brokers, and Salespersons MAY:**

1. List similar properties for sale.
2. Show clients properties not owned by their other clients.
3. Show the same property one client is interested in to one or more other clients.
4. Provide information generally available to licensees, such as recent sales activity.
5. Give advice and opinions throughout the real estate transaction.
6. Help you prepare offers and counteroffers and present them in a timely manner so long as the forms used advise the parties that they may seek legal advice prior to signing.
7. Develop negotiating strategies or options for how to proceed with a transaction.
8. Perform ministerial tasks.
9. Cooperate with other brokers or salespersons.
10. Provide clients with relevant information and advice when requested.
11. Transmit financial information provided to them. Although they do not independently verify the accuracy or completeness of this information, they **MAYNOT** transmit financial information they know is false.

**Common Law Agency:** Under Delaware law, salespersons, associate brokers, and brokers are statutory agents as explained in this form and are not common law agents. If you are considering hiring a common law agent, you should obtain disclosure of the potential legal liability and financial risks of common law agency and read and understand those risks before you enter into a common law agency relationship.

1. Client(s) or Customer(s): City of Milford, a political subdivision of the  
State of Delaware

2. Licensee: Rick Moore

3. Brokerage Office Name and Registered Phone Number:  
Long & Foster Real Estate, Inc. Rehoboth Sales (302) 227-2541

4. Relationship: Nothing needs to be completed in this paragraph because the law presumes you want Agency Representation and Dual Agency unless you want to opt out by choosing a different status.

I am the SELLER. The licensee identified above is:

**My designated seller's agent and dual agent, if I am selling my property to a buyer whom the agent also represents.** This relationship is presumed by law unless you choose a different relationship by initialing one of these lines. **You do not need to initial any of these lines if you are staying with the presumed status of agency and dual agency.**

\_\_\_\_\_ My designated seller's agent **only**. Or \_\_\_\_\_ The buyer's agent and **NOT** my agent.  
\_\_\_\_\_

I am the BUYER. The licensee identified above is:

**My designated buyer's agent and dual agent, if I am buying a property from a seller whom the agent also represents.** This relationship is presumed by law unless you choose a different relationship by initialing one of these lines. **You do not need to initial any of these lines if you are staying with the presumed status of agency and dual agency.**

\_\_\_\_\_ My designated buyer's agent **only**. Or \_\_\_\_\_ The seller's agent and **NOT** my agent.  
\_\_\_\_\_

It is presumed that a real estate agent at the sales office of a builder of new homes represents the builder (seller) and not the buyer unless a different relationship is indicated above. (section 2933(c)(2))

5. Signing this form does not obligate me to pay anything. I am only obligated to pay a fee if I enter into a separate written brokerage agreement (for example, a listing or buyer agency agreement) signed by me. This CIS must be signed prior to signing an Agreement of Sale, a Listing Agreement, or any other brokerage agreement such as an Exclusive Buyer Agency Agreement.

By signing this form, I acknowledge that I have been given an opportunity to read this CIS and recognize the agency relationship indicated above in section 4.

**Date:** \_\_\_\_\_ **Date:** \_\_\_\_\_  
**Signature of Seller or Buyer** \_\_\_\_\_ **Signature of Seller or Buyer** \_\_\_\_\_

\_\_\_\_\_ **Date:** \_\_\_\_\_ \_\_\_\_\_ **Date:** \_\_\_\_\_  
**Signature of Seller or Buyer** \_\_\_\_\_ **Signature of Seller or Buyer** \_\_\_\_\_

Richard Moore \_\_\_\_\_ **Date given to Seller or Buyer:** 01/17/2014  
**Signature of Broker or Licensee**



**AFFILIATED BUSINESS ARRANGEMENT**  
**DISCLOSURE STATEMENT**  
**(Non-VIRGINIA)**

|   |                             |
|---|-----------------------------|
| <b>For Agent Use:</b>                             |                             |
| Agent Name:                                       |                             |
| <u>    <b>Rick</b>    </u>                        | <u>    <b>Moore</b>    </u> |
| First   | Last                        |
| Office Name: <u>    <b>Rehoboth Sales</b>    </u> |                             |

Please Check One:  Buyer     Seller

To (Client's Name):     **City of Milford**     a     **political**     subdivision of the     **State of Delaware**    

Client Phone Number(s): Home: \_\_\_\_\_ Work: \_\_\_\_\_ Cell: \_\_\_\_\_

Property Address: (Street)     **216 SE 2ND ST**     (City)     **Milford**     (State)     **DE**     (Zip)     **19963**    

From:     **Long & Foster Real Estate, Inc.**     MLS #:     **607888**     Email: \_\_\_\_\_

Property Type (check one):  Single-family     Townhouse     Condo     Co-op     Multi-family     Lot / Land

In connection with the sale and purchase of this property, you may need to obtain certain settlement services. This is to give you notice that Long & Foster Real Estate, Inc. ("Long & Foster") has business relationships (e.g., direct or indirect ownership interests, joint ventures and/or contractual relationships including marketing agreements and/or office leases) with the following mortgage, title, closing, insurance, home warranty, and other service providers:

Lenders for mortgage financing:

**Prosperity Mortgage Company**  
**Prosperity Home Mortgage, LLC**

To close your purchase or sale and/or for title insurance:

|   |                      |
|---|----------------------|
| <b>RGS Title, LLC</b>   | (VA, MD, DC)         |
| <b>Sage Title Group, LLC</b>  | (VA, MD, DC, DE, WV) |
| <b>Settlement Professionals, LLC doing business as Settlement Pros</b>  | (VA, MD, DC)         |
| <b>Sage Title Group, LLC doing business as Sage Settlement Group</b>    | (PA)                 |
| <b>Sage Title Group, LLC doing business as Sage Premier Settlements</b> | (PA, NJ)             |
| <b>Infinity Title Agency, Inc.</b>                                      | (PA, NJ)             |
| <b>Elzufon Auston Reardon Tarlov &amp; Mondell, P.A.</b>                | (DE)                 |
| <b>Crawford and Keller, PLLC</b>  | (WV)                 |

For insurance, including property, hazard, and flood:

**Long & Foster Insurance Agency, Inc.**

As a result of these relationships, referrals to any of the above-listed entities may provide Long & Foster (and/or any of its subsidiaries, affiliates, or employees) with a financial or other benefit.

Set forth below are estimated charges or a range of charges for the settlement services listed. You are **NOT** required to use the listed providers as a condition for purchase of the subject property. **THERE ARE FREQUENTLY OTHER SETTLEMENT SERVICE PROVIDERS AVAILABLE WITH SIMILAR SERVICES. YOU ARE FREE TO SHOP AROUND TO DETERMINE THAT YOU ARE RECEIVING THE BEST SERVICES AND THE BEST RATE FOR THESE SERVICES.**

**LENDER CHARGES**

PROSPERITY MORTGAGE COMPANY AND PROSPERITY HOME MORTGAGE, LLC charge fees which may include discount points and/or lender origination charges. The charges and fees will depend on the loan product and interest rate you choose and may be expressed as a flat fee or a percentage of the loan amount. Estimated ranges for these charges are provided below. Please consult with your lender for a list of applicable charges.

Lender Origination Charge:    0% - 4%

**CLOSING FEES, TITLE INSURANCE & OTHER CHARGES**

Closing fees and other charges may be collected by your settlement company. These fees are not always determined consistently-- even within the same company or office. Please consult with your settlement company for a list of charges.

Estimated owners' title insurance premiums (per \$1,000 of sales price) are provided below for "enhanced" coverage. Other options may be available, including less comprehensive "standard" coverage and a "reissue rate," which could reduce your charges.

|   |        |  |          |   |        |
|---|--------|--|----------|---|--------|
| <u>District of Columbia</u>   |        | <u>Maryland</u>  |          | <u>West Virginia</u>  |        |
| First \$250,000   | \$6.84 | First \$250,000  | \$5.23   | First \$100,000   | \$4.68 |
| \$250,001-\$500,000   | \$6.12 | \$250,001-\$500,000  | \$4.46   | \$100,001-\$500,000   | \$4.08 |
| \$500,001-\$1,000,000   | \$5.40 | \$500,001-\$1,000,000  | \$3.80   | \$500,001-\$2,500,000   | \$3.60 |
| \$1,000,001-\$5,000,000   | \$4.68 | \$1,000,001-\$5,000,000  | \$3.00   | Simultaneous issue of Lenders' Policy (WV) is \$130.00.   |        |
| Simultaneous issue of Lenders' Policy (DC) is \$150.00.   |        | Simultaneous issue of Lenders' Policy (MD) is \$150.00.                          |          | Title insurance commitment fee per owner/lender policy will not exceed \$100.00. Insured Closing Protection Letter per lender policy is \$50.00.                                |        |
| Title insurance commitment fee per owner/lender policy will not exceed \$125.00. Insured Closing Protection Letter per lender policy is \$50.00.  |        | Title insurance commitment fee per owner/lender policy will not exceed \$100.00. |          |   |        |
| <u>Delaware</u>   |        | <u>Pennsylvania</u>  |          | <u>North Carolina</u>   |        |
| First \$100,000   | \$4.62 | First \$30,000   | \$550.00 | First \$250,000   | \$2.46 |
| \$100,001-\$1,000,000   | \$3.96 | \$30,001-\$45,000  | \$7.15   | \$250,001-\$500,000   | \$1.92 |
| \$1,000,001-\$5,000,000   | \$3.30 | \$45,001-\$100,000   | \$6.05   | \$500,001-\$2,000,000   | \$1.26 |
| Simultaneous issue of Lenders' Policy (DE) is \$25.00.  |        | \$100,001-\$500,000  | \$5.50   | \$2,000,001-\$7,000,000   | \$0.96 |
| Title insurance commitment fee per owner/lender policy will not exceed \$100.00. Lender required endorsements are approx. \$150.00. Insured Closing Protection Letter per lender policy is \$75.00. |        | \$500,001-\$1,000,000  | \$4.40   | Simultaneous issue of Lender's Policy (NC) is \$25.00.  |        |
|   |        | \$1,000,001-\$2,000,000  | \$3.30   | Insured Closing Letter is an additional 10% if lenders' policy is issued. Premium for issuance of commitment is \$15.00. Lender required endorsements are approx. \$20.00 each. |        |
| <u>New Jersey</u>   |        | Lender required endorsements (PA) approx. \$200.00.                              |          |   |        |
| First \$100,000   | \$6.00 | Insured Closing Protection Letter per lender policy is \$75.00.                  |          |   |        |
| \$100,001-\$500,000   | \$4.74 |  |          |   |        |
| \$500,001-\$2,000,000   | \$3.18 |  |          |   |        |
| Simultaneous issue of Lender's Policy (NJ) is \$25.00.  |        |  |          |   |        |
| Lender required endorsements are approx. \$25.00 each.  |        |  |          |   |        |
| Miscellaneous charges are approx. \$125.00. Out of pocket costs are approx. \$170.00. Title Search / Exam Fee is \$100.00.  |        |  |          |   |        |
| Closing Service Letter per lender policy is \$75.00.  |        |  |          |   |        |

**INSURANCE CHARGES**

LONG & FOSTER INSURANCE AGENCY, INC. is an insurance agency representing many different insurers. The only cost is the insurance policy coverage chosen by you.

Homeowners Insurance premium: \$300-\$1,600+ per year

Flood insurance is not included in the estimate above, but may be available for an additional premium.

**HOME WARRANTY DISCLOSURE**

Long & Foster has a business relationship with HMS National, Inc. and 2-10 Home Buyers Warranty. Through these relationships, Long & Foster Insurance Agency, Inc. may derive a financial and/or other benefit.

Home Warranty cost: \$300-\$450

**ACKNOWLEDGMENT**

I/we have read this disclosure form, and understand that Long & Foster Real Estate, Inc. is referring me/us to purchase the above-described settlement service(s) and may receive a financial or other benefit as the result of this referral.

\_\_\_\_\_/ \_\_\_\_\_ / \_\_\_\_\_ / \_\_\_\_\_  
 Signature Date Signature Date



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**ADVERTISING  
INVOICE and STATEMENT**

|                         |                   |                        |              |
|-------------------------|-------------------|------------------------|--------------|
| BILLING PERIOD          |                   | ADVERTISER/CLIENT NAME |              |
| 01/01/2014 - 01/31/2014 |                   | CITY OF MILFORD        |              |
| TOTAL AMOUNT DUE        | *UNAPPLIED AMOUNT | TERMS OF PAYMENT       |              |
| \$2,987.06              | \$0.00            | DUE UPON RECEIPT       |              |
| CURRENT NET AMOUNT DUE  | 30 DAYS           | 60 DAYS                | OVER 90 DAYS |
| \$2,987.06              | \$0.00            | \$0.00                 | \$0.00       |

| STATEMENT NUMBER | PAGE # | BILLING DATE | BILLED ACCOUNT NUMBER | ADVERTISER/CLIENT NUMBER |
|------------------|--------|--------------|-----------------------|--------------------------|
| 247139           | 1      | 01/31/2014   | 470145                | 470145                   |

BILLED ACCOUNT NAME AND ADDRESS

CITY OF MILFORD  
201 S. Walnut St.  
Terri Hudson  
MILFORD, DE 19963

REMITTANCE ADDRESS

**Independent Newsmedia Inc. USA**  
110 Galaxy Dr.  
Dover, DE 19901

PLEASE DETACH AND RETURN UPPER PORTION WITH YOUR REMITTANCE

| DATE  | NEWSPAPER REFERENCE         | DESCRIPTION - OTHER COMMENTS / CHARGES  | SAU SIZE<br>BILLED UNITS | TIMES RUN<br>RATE | GROSS AMOUNT | NET AMOUNT                  |
|-------|-----------------------------|---|--------------------------|-------------------|--------------|-----------------------------|
| 12/31 |                             | <b>Previous Balance</b>   |                          |                   |              | <b>181.58</b>               |
| 01/17 |                             | Payment - CHECK - DSN (53985)   |                          |                   |              | -181.58                     |
| 01/10 | Ad #464997<br>Order #180453 | KENT & SUSSEX - 2014 \$755 CCGM<br>Kent County Profile<br>Full Process<br>10 Percent Discount   | 4 x 9.75 I<br>39 I       | 1                 |              | 1,250.00<br>0.00<br>-125.00 |
| 01/13 | Ad #464998<br>Order #180453 | KENT & SUSSEX - 2014 \$755 CCGM<br>Sussex County Profile<br>Full Process<br>10 Percent Discount   | 4 x 9.75 I<br>39 I       | 1                 |              | 1,405.00<br>0.00<br>-140.50 |
| 01/01 | Order #458897               | NOTICE OF SOLICITATION OF CANDIDATE:<br>NOTICE OF SOLICITATION OF CANDIDATES<br>Classified<br>Milford Chronicle/The Journal, newszap.com        | 3 x 25 I<br>75 I         | 6<br>4.7552       |              | 356.64                      |
| 01/29 | Order #460819               | NOTICE OF PUBLIC HEARING CITY OF<br>NOTICE OF PUBLIC HEARING CITY OF<br>Classified<br>PO: WIPB-PH<br>Milford Chronicle/The Journal, newszap.com | 4 x 38 I<br>152 I        | 2<br>1.585        |              | 240.92                      |
| 01/31 |                             | <b>Balance Due</b>  |                          |                   |              | <b>2,987.06</b>             |

*Total* **\$2,389.50**

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1.75% LATE CHARGE WILL BE ADDED TO ALL NON-CURRENT BALANCES.

**STATEMENT OF ACCOUNT** AGING OF PAST DUE AMOUNTS

| CURRENT NET AMOUNT DUE | 30 DAYS | 60 DAYS | OVER 90 DAYS | *UNAPPLIED AMOUNT | TOTAL AMOUNT DUE |
|------------------------|---------|---------|--------------|-------------------|------------------|
| \$2,987.06             | \$0.00  | \$0.00  | \$0.00       | \$0.00            | \$2,987.06       |

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\* UNAPPLIED AMOUNTS ARE INCLUDED IN TOTAL AMOUNT DUE

| STATEMENT NUMBER | ADVERTISER INFORMATION  |                       |                          |                        |
|------------------|-------------------------|-----------------------|--------------------------|------------------------|
|                  | BILLING PERIOD          | BILLED ACCOUNT NUMBER | ADVERTISER/CLIENT NUMBER | ADVERTISER/CLIENT NAME |
| 247139           | 01/01/2014 - 01/31/2014 | 470145                | 470145                   | CITY OF MILFORD        |

CITY OF MILFORD  
NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN the Planning Commission of the City of Milford will hold a Public Hearing on an amendment to the City of Milford Zoning Map on Tuesday, February 18, 2014 at 7:00 p.m. or as soon thereafter as possible.

A FINAL PUBLIC HEARING is scheduled on Monday, February 24, 2014 at 7:00 p.m. before Milford City Council. Following the hearing, Ordinance 2014-01 may be adopted, with or without amendments.

ORDINANCE 2014-01

Annexation/Lands belonging to Anna M. Legates & JoAnn L. Currey  
Tax Parcel MD-00-174.00-02-27.00-00001  
6.481 +/- Acres  
Current Zone AR-1/Proposed Zone C-3

An Ordinance to Amend the Zoning Designation of the parcel of land, under the ownership of Anna M. Legates & JoAnn L. Currey, Tax Parcel MD-174.00-02-27.00-00001, situated east of Delaware Route 1, between County Road 408A (east) and Carpenter Pit Road (north), upon its annexation into the City of Milford through the adoption of a resolution by the majority members of Milford City Council.

WHEREAS, the land hereinafter described is contiguous and adjacent to the City of Milford and the owner, thereof, has petitioned City Council to annex the same into the City of Milford, and

WHEREAS, it appears to the Mayor and City Council of the City of Milford, Delaware, that the hereinafter described property will be annexed and become part of the City of Milford and that a zoning classification is required, and

WHEREAS, the land owned by the City of Milford is presently zoned by Sussex County as "AR-1" (Agricultural Residential District), and

WHEREAS, City Council referred the zoning of the affected territory to the Planning and Zoning Commission for a report and recommendation and after a due hearing on February 18, 2014 as provided by law, the Planning and Zoning Commission made its recommendation to City Council, and

WHEREAS, following a Public Hearing held on February 24, 2014 and consideration of the recommendation of the City Annexation Committee, City Council has determined the proper classification under the zoning ordinance of the City of Milford for the property to be annexed.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

That the following described land situated in Sussex County, Delaware, to wit:

Tax Parcel No. MD-00-174.00-02-27.00-00001

All that certain tract, piece and parcel of land, lying and being situate in Milford Hundred, Kent County, and the State of Delaware, as depicted on a survey prepared by Bob Nash Associates, Inc., dated 30 July 2013, fronting on the northeasterly right-of-way line of State Highway Route 408A, at sixty (60) feet wide, and a twelve (12) foot wide access, adjoining lands now or formerly of David A. & Jean W. Morgan, lands now or formerly of Carl J. & Cindy L. Popelas, lands now or formerly of Robert E. & Edgar W. Cannon, and lands now or formerly of J. & R. Scarborough, Inc., being more particularly described as follows, to wit:

Beginning at a found iron pipe at a corner for lands now or formerly of David A. & Jean W. Morgan, and at a point on the northeasterly right-of-way line of State Highway Route 408A, at sixty (60) feet wide, said point being distant 2,600 feet, more or less, from the right-of-way intersection of N.E. Tenth Street; thence running with said right-of-way line of 408A and deflecting right along a 2,173.85 foot radius curve, the chord of which bears North 31 degrees 55 minutes 29 seconds West 230.82 feet, an arc distance of 230.93 feet to a found concrete monument at a corner for lands now or formerly of Carl J. & Cindy L. Popelas; thence proceeding with said Popelas lands the following two (2) courses and distances:

- 1) South 76 degrees 35 minutes 48 seconds East 340.28 feet to a set capped rebar, and
- 2) North 13 degrees 21 minutes 42 seconds East 208.72 feet to a set capped rebar on line of a twelve (12) foot wide access,

thence running with said access road South 76 degrees 39 minutes 47 seconds East 600.00 feet to a set capped rebar on line of lands now or formerly of Robert E. & Edgar W. Cannon; thence proceeding with said Cannon lands South 03 degrees 41 minutes 11 seconds West 337.35 feet to a found iron pipe on line of lands now or formerly of J. & R. Scarborough, Inc.; thence continuing with said Scarborough lands North 86 degrees 05 minutes 27 seconds West 487.62 feet to a found iron pipe at a corner for aforementioned Morgan lands, thence running with said Morgan lands, the following two (2) courses and distances:

- 1) North 02 degrees 23 minutes 45 seconds East 130.08 feet, and finally,
- 2) North 89 degrees 11 minutes 34 seconds West 396.68 feet to the place of beginning,

CONTAINING 6.481 acres of land, more or less.

Upon final approval of its annexation into the City of Milford, as classified under the Zoning Ordinance of the City of Milford, shall be zoned henceforth as C-3 (Highway Commercial District).

Dates:

Introduction: February 10, 2014

Planning Commission Review & Recommendation: February 18, 2014

Adoption (Projected) Date: February 24, 2014

PUBLIC NOTICE  
Notice of City of Milford Ordinance Adoptions

NOTICE IS HEREBY GIVEN that on November 25, 2013 during the regular meeting of the Milford City Council, Ordinance 2013-10, Ordinance 2013-11 and Ordinance 2013-12 were adopted as follows:

*Ordinance 2013-10/Sewer Code*

WHEREAS, the City of Milford is encouraging the redevelopment of underused buildings and sites by increasing rehabilitations, upgrades and reuses of existing buildings; and

WHEREAS, the waiver of impact fees authorized by Ordinance 2010-8, Ordinance 2010-17, 2011-16 and 2012-19 led to more projects being launched; and

WHEREAS, City Council has learned that building permit values increased in 2010, 2011, 2012 and 2013 when compared to the same period in 2009; and

WHEREAS, it is the City of Milford's desire to extend the waiver of sewer impact fees for an indefinite period of time.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

Section 1. Chapter 185 of the Code of the City of Milford, entitled Sewers, Article III §24 Impact Fee Established, §185-24-D shall be amended by indefinitely extending the deadline with the following conditions:

D. The sewer impact fee described in Subsection C shall be waived for permits issued for repairs or rehabilitation of existing structures beginning DECEMBER 5, 2013. The waiver shall be for a maximum of 5 EDUs per project. The city will continue to collect the impact fee charged by Kent County. Waiver does not apply to new construction.

Section 2. Chapter 185 of the Code of the City of Milford, §185-24-D(1) and §185-24-D(2) shall remain in effect.

§185-24 D (1) To qualify for the impact fee waiver, construction must be completed and a certificate of occupancy received in accordance with the following schedule:

|                           |           |
|---------------------------|-----------|
| Single Family Residential | 6 Months  |
| Multi Family Residential  | 12 Months |
| Commercial                | 12 Months |

(a) Waiver of Sewer Impact Fees for Commercial Entities:

To encourage new business and the expansion of existing businesses, the business must create a minimum of five (5) jobs to employ five (5) full-time employees in the City of Milford in accordance with the following criteria:

Creation of 5-9 new jobs to last at least 3 years: Exemption of Impact Fee Waiver (1 EDU)  
Creation of 10-14 new jobs to last at least 3 years: Exemption of Impact Fee Waiver (2 EDU's)  
Creation of 15-19 new jobs to last at least 3 years: Exemption of Impact Fee Waiver (3 EDU's)  
Creation of 20-24 new jobs to last at least 3 years: Exemption of Impact Fee Waiver (4 EDU's)  
Creation of 25+ new jobs to last at least 3 years: Exemption of Impact Fee Waiver (5 EDU's)

b) Agreement shall be executed by the commercial customer relative to the creation and retention of jobs.

§185-24 D (2) Any structure that does not receive a certificate of occupancy in accordance with this schedule shall be ineligible for the impact fee waiver and shall pay the required impact fee in full prior to the issuance of a certificate of occupancy.

### Section 3. Dates

Adoption November 25, 2013

Effective December 5, 2013

### *Ordinance 2013-11/Water Code*

WHEREAS, the City of Milford is encouraging the redevelopment of underused buildings and sites by increasing rehabilitations, upgrades and reuses of existing buildings; and

WHEREAS, the waiver of impact fees authorized by Ordinance 2010-9, Ordinance 2010-18, Ordinance 2011-17 and Ordinance 2012-20 led to more projects being launched; and

WHEREAS, City Council has learned that building permit values increased in 2010, 2011, 2012 and 2013 when compared to the same period in 2009; and

WHEREAS, to further stimulate the local economy, it is the City of Milford's desire to extend the waiver of water impact fees for an indefinite period of time.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

Section 1. Chapter 222 §31 of the Code of the City of Milford, entitled Water, shall be amended by indefinitely extending the deadline with the following conditions:

§222-31 I. The water impact fee described in §222-31H shall be waived for permits issued for repairs or rehabilitation of existing structures beginning DECEMBER 5, 2013. The waiver shall be for a maximum of 5 EDUs per project. Waiver does not apply to new construction.

Section 2. Chapter 222 of the Code of the City of Milford, §222-31-I (1) and §222-31-I (2) shall remain in effect.

§222-31 I. (1) To qualify for the impact fee waiver, construction must be completed and a certificate of occupancy received in accordance with the following schedule:

|                           |           |
|---------------------------|-----------|
| Single Family Residential | 6 Months  |
| Multi Family Residential  | 12 Months |

Commercial

12 Months

(a) Waiver of Water Impact Fees for Commercial Entities:

To encourage new business and the expansion of existing businesses, the business must create a minimum of five (5) jobs to employ five (5) full-time employees in the City of Milford in accordance with the following criteria:

|  |  |
|--|--|
| Creation of 5-9 new jobs to last at least 3 years:   | Exemption of Impact Fee Waiver (1 EDU)   |
| Creation of 10-14 new jobs to last at least 3 years: | Exemption of Impact Fee Waiver (2 EDU's) |
| Creation of 15-19 new jobs to last at least 3 years: | Exemption of Impact Fee Waiver (3 EDU's) |
| Creation of 20-24 new jobs to last at least 3 years: | Exemption of Impact Fee Waiver (4 EDU's) |
| Creation of 25+ new jobs to last at least 3 years:   | Exemption of Impact Fee Waiver (5 EDU's) |

b) Agreement shall be executed by the commercial customer relative to the creation and retention of jobs.

§222-31 I. (2) Any structure that does not receive a certificate of occupancy in accordance with this schedule shall be ineligible for the impact fee waiver and shall pay the required impact fee in full prior to the issuance of a certificate of occupancy.

Section 3. Dates

Adoption November 25, 2013

Effective December 5, 2013

*Ordinance 2013-12/Electric Tariff/Appendix B*

WHEREAS, the City of Milford is encouraging the redevelopment of underused buildings and sites by increasing rehabilitations, upgrades and reuses of existing buildings; and

WHEREAS, the waiver of impact fees authorized by Ordinance 2010-10, Ordinance 2010-19, Ordinance 2011-18 and Ordinance 2012-21 led to more projects being launched; and

WHEREAS, City Council has learned that building permit values increased in 2010, 2011, 2012 and 2013 when compared to the same period in 2009; and

WHEREAS, to further stimulate the local economy, it is the City of Milford's desire to extend the waiver of electric impact fees for an indefinite period.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

Section 1. Appendix B-Electric Tariff-Rules and Regulations shall be amended by indefinitely extending the deadline for the waiver of Electric Impact Fees.

Section 2. Rules and Regulations, Section 3-Customer Advance Usage/Impact Fees and Deposits, Subsection E(1) is hereby amended as follows:

E. The electric impact fee established under this Appendix shall be waived for permits issued

for repairs or rehabilitation of existing structures beginning DECEMBER 5, 2013. Waiver does not apply to new construction.

(1) To qualify for the impact fee waiver, construction must be completed and a certificate of occupancy received in accordance with the following schedule:

|                           |           |
|---------------------------|-----------|
| Single Family Residential | 6 Months  |
| Multi Family Residential  | 12 Months |
| Commercial                | 12 Months |

(a) Waiver of Electric Impact Fees for Commercial Entities:

To encourage new business and the expansion of existing businesses, the business must create a minimum of five (5) jobs to employ five (5) full-time employees in the City of Milford in accordance with the following criteria:

|  |  |
|--|--|
| Creation of 5-9 new jobs to last at least 3 years:   | Exemption of Impact Fee Waiver (1 ESU)   |
| Creation of 10-14 new jobs to last at least 3 years: | Exemption of Impact Fee Waiver (2 ESU's) |
| Creation of 15-19 new jobs to last at least 3 years: | Exemption of Impact Fee Waiver (3 ESU's) |
| Creation of 20-24 new jobs to last at least 3 years: | Exemption of Impact Fee Waiver (4 ESU's) |
| Creation of 25+ new jobs to last at least 3 years:   | Exemption of Impact Fee Waiver (5 ESU's) |

b) Agreement shall be executed by the commercial customer relative to the creation and retention of jobs.

(2) Any structure that does not receive a certificate of occupancy in accordance with this schedule shall be ineligible for the impact fee waiver and shall pay the required impact fee in full prior to the issuance of a certificate of occupancy.

### Section 3. Dates

Adoption November 25, 2013

Effective December 5, 2013

A complete copy of the Code of the City of Milford is available by request through the City Clerk's Office at Milford City Hall, 201 S. Walnut Street, Milford, DE 19963 or by accessing its website at [cityofmilford.com](http://cityofmilford.com).

By: Terri K. Hudson, MMC  
City Clerk

*November 2013 Minutes*

*Introduction/Ordinance 2013-10/Sewer Code/Chapter185/Waiver of Impact Fees*

Mr. Carmean noted that the impact fee waiver had expired on June 30, 2013. However, he continued to grant waivers on his own and in particular to the Halpern Office Building and the Milford Gallery Shopping Center. He recommends we continue the waivers for an indefinite period.

Mr. Pikus asked if the increase in building is due to the impact fee incentive. Mr. Carmean said there are people that decided to build now. Milford Gallery is owned by the Laragione family who also owns Mama Maria. He thinks that is the reason they began construction at this time.

Mr. Grier asked how it is determined the number of jobs being created and emphasized that is required before the waiver can be considered. The city manager said he just takes the word of the developer/builder. He said it is difficult to determine in the case of the shopping center. In that situation, he just took the total square footage and considered the type of stores or offices it will house. Presently, Sleepy's and Sno Yo Yogurt will be locating there. In Doctor Halpern and Doctor Bunting (business park lot)'s situation, they were already aware how many employees would be hired because the majority were transfers from one building to the new building.

Mr. Grier said it is very important that this is used as an incentive to bring new jobs. The previous ordinance allowed the city to give away the ranch. This ties directly into economic development which was the intent and reason for the waiver.

Another component is the requirement to rehab and upgrade existing structures which he encourages. He believes those requirements need to stay in place and must be followed before any waiver is considered.

# City of Milford



## City of Milford Election Board:

|                    |                        |          |
|--------------------|------------------------|----------|
| Boone, Karen       | 402 N.E. Fourth Street | 222-8725 |
| Leuthauser, Joanne | 509 Ashley Way         | 422-3111 |
| Fox, Phyllis       | 200 E. Clarke Avenue   | 422-5236 |

**CITY OF MILFORD  
FUND BALANCES REPORT**

Date: December 2013

|   |             |
|---|-------------|
| Cash Balance - General Fund Bank Balance  | \$3,645,502 |
| Cash Balance - Electric Fund Bank Balance | \$4,499,698 |
| Cash Balance - Water Fund Bank Balance    | \$1,997,716 |
| Cash Balance - Sewer Fund Bank Balance    | \$468,791   |
| Cash Balance - Trash Fund Bank Balance    | \$384,267   |

|                            | General<br><u>Improvement</u> | Municipal<br><u>Street Aid</u> | Real Estate<br><u>Transfer Tax</u> | Solid Waste<br><u>Reserves</u> |
|----------------------------|-------------------------------|--------------------------------|------------------------------------|--------------------------------|
| Beginning Cash Balance     | 464,721                       | 1,035,000                      | 1,677,320                          | 0                              |
| Deposits                   |                               |                                |                                    |                                |
| Interest Earned this Month | 49                            | 129                            | 113                                |                                |
| Disbursements this Month   | (73,009)                      |                                | (41,666)                           |                                |
| Investments                |                               |                                |                                    | 250,000                        |
| Ending Cash Balance        | \$391,761                     | \$1,035,129                    | \$1,635,767                        | \$250,000                      |

|                            | GF Capital<br><u>Reserves</u> | Water Capital<br><u>Reserves</u> | Sewer Capital<br><u>Reserves</u> | Electric<br><u>Reserves</u> |
|----------------------------|-------------------------------|----------------------------------|----------------------------------|-----------------------------|
| Beginning Cash Balance     | 2,284,648                     | 5,088,281                        | 3,461,066                        | 10,558,217                  |
| Deposits                   |                               |                                  |                                  |                             |
| Interest Earned this Month | 142                           | 315                              | 214                              | 828                         |
| Disbursements this Month   | (643)                         | (3,430)                          | (6,233)                          | (7,112)                     |
| Investments                | 250,000                       |                                  |                                  |                             |
| Ending Cash Balance        | \$2,534,147                   | \$5,085,166                      | \$3,455,047                      | \$10,551,933                |

|                            | Water<br><u>Impact Fee</u> | Sewer<br><u>Impact Fee</u> | Electric<br><u>Impact Fee</u> |
|----------------------------|----------------------------|----------------------------|-------------------------------|
| Beginning Cash Balance     | 1,125,823                  | \$773,244                  | \$302,548                     |
| Deposits                   |                            |                            |                               |
| Interest Earned this Month | 57                         | \$42                       | \$16                          |
| Disbursements this Month   |                            |                            |                               |
| Investments                |                            |                            |                               |
| Ending Cash Balance        | \$1,125,880                | \$773,286                  | \$302,564                     |

INTEREST THROUGH THE SIXTH MONTH OF THE FISCAL YEAR:

|                          |       |                        |       |
|--------------------------|-------|------------------------|-------|
| General Fund             | 4,897 | Water Fund             | 1,208 |
| GF Capital Reserves      | 996   | Water Capital Reserves | 2,118 |
| General Improvement Fund | 232   | Water Impact Fees      | 398   |
| Municipal Street Aid     | 544   | Sewer Fund             | 361   |
| Real Estate Transfer Tax | 752   | Sewer Capital Reserves | 1,494 |
| Electric Fund            | 2,365 | Sewer Impact Fees      | 288   |
| Electric Reserves        | 4,866 | Trash Fund             | 3,430 |
| Electric Impact Fees     | 112   |                        |       |

TOTAL INTEREST EARNED TO DATE \$24,061

**REVENUE REPORT**

**Page Two**

| Date: December 2013                            | AMOUNT BUDGETED     | MTD                | YTD                 | 50% of Year Expended<br>YTD% |
|--|---------------------|--------------------|---------------------|------------------------------|
| ACCOUNT  |                     |                    |                     |                              |
| Budgeted Fund Balance                          | 161,840             | 0                  | 61,840              | 38.21%                       |
| General Fund Capital Reserves                  | 40,000              | 0                  | 40,000              | 100.00%                      |
| Property Transfer Tax-Police                   | 500,000             | 41,667             | 250,000             | 50.00%                       |
| Real Estate Tax                                | 3,596,740           | 1,920              | 3,631,448           | 100.96%                      |
| Business License                               | 35,000              | 9,825              | 13,625              | 38.93%                       |
| Rental License                                 | 85,000              | 35,150             | 36,800              | 43.29%                       |
| Building Permits                               | 80,000              | 355                | 27,493              | 34.37%                       |
| Planning & Zoning                              | 10,000              | 5,741              | 10,691              | 106.91%                      |
| Grasscutting Revenue                           | 28,458              | 12,152             | 14,232              | 50.01%                       |
| Police Revenues                                | 315,000             | 9,728              | 70,748              | 22.46%                       |
| Misc. Revenues                                 | 282,260             | 2,880              | 62,670              | 22.20%                       |
| Transfers From                                 | 3,215,480           | 267,956            | 1,607,740           | 50.00%                       |
| <b>Total General Fund Revenues</b>             | <b>\$8,349,778</b>  | <b>\$387,374</b>   | <b>\$5,827,287</b>  | <b>69.79%</b>                |
| Water Revenues                                 | 2,715,000           | 205,081            | 1,377,505           | 50.74%                       |
| Sewer Revenues                                 | 2,385,670           | 186,673            | 1,215,592           | 50.95%                       |
| Kent County Sewer                              | 1,464,600           | 130,390            | 863,512             | 58.96%                       |
| Solid Waste Revenues                           | 1,303,000           | 126,000            | 658,673             | 50.55%                       |
| Electric Revenues                              | 25,520,985          | 1,933,481          | 12,803,708          | 50.17%                       |
| <b>TOTAL REVENUES</b>                          | <b>\$41,739,033</b> | <b>\$2,968,999</b> | <b>\$22,746,277</b> | <b>54.50%</b>                |
| YTD Enterprise Expense                         |                     | <b>38,660</b>      |                     |                              |
| YTD Enterprise Revenue                         |                     | <b>41,788</b>      |                     |                              |
| LTD Carlisle Fire Company Building Permit Fund |                     | <b>92,411</b>      |                     |                              |

**EXPENDITURE REPORT**

Page Three

Date: December 2013

50% of Year Expended

| ACCOUNT                                   | AMOUNT<br>BUDGETED | MTD             | YTD              | YTD%          | UNEXPENDED<br>BALANCE |
|---|--------------------|-----------------|------------------|---------------|-----------------------|
| <b>City Manager</b>                       |                    |                 |                  |               |                       |
| Personnel                                 | 355,220            | \$32,363        | 201,920          | 56.84%        | 153,300               |
| O&M                                       | 168,840            | \$14,384        | 73,800           | 43.71%        | 95,040                |
| Capital                                   | 0                  | \$0             | 0                |               | 0                     |
| <b>Total City Manager</b>                 | <b>\$524,060</b>   | <b>\$46,747</b> | <b>\$275,720</b> | <b>52.61%</b> | <b>248,340</b>        |
| <b>Planning &amp; Zoning</b>              |                    |                 |                  |               |                       |
| Personnel                                 | 125,100            | \$4,450         | 57,509           | 45.97%        | 67,591                |
| O&M                                       | 31,840             | \$11,485        | 26,875           | 84.41%        | 4,965                 |
| Capital                                   | 0                  | \$0             | 0                |               | 0                     |
| <b>Total P, C &amp; I</b>                 | <b>\$156,940</b>   | <b>\$15,935</b> | <b>\$84,384</b>  | <b>53.77%</b> | <b>72,556</b>         |
| <b>Code Enforcement &amp; Inspections</b> |                    |                 |                  |               |                       |
| Personnel                                 | 143,785            | \$10,629        | 63,322           | 44.04%        | 80,463                |
| O&M                                       | 68,388             | \$1,590         | 16,826           | 24.60%        | 51,562                |
| Capital                                   | 0                  | \$0             | 0                |               | 0                     |
| <b>Total P, C &amp; I</b>                 | <b>\$212,173</b>   | <b>\$12,219</b> | <b>\$80,148</b>  | <b>37.77%</b> | <b>132,025</b>        |
| <b>Council</b>                            |                    |                 |                  |               |                       |
| Personnel                                 | 31,225             | \$2,207         | 12,057           | 38.61%        | 19,168                |
| O&M                                       | 46,150             | \$3,346         | 19,880           | 43.08%        | 26,270                |
| Council Expense                           | 17,000             | \$89            | 12,172           | 71.60%        | 4,828                 |
| Contributions                             | 322,000            | \$0             | 82,000           | 25.47%        | 240,000               |
| Codification                              | 4,000              | \$704           | 1,354            | 33.85%        | 2,646                 |
| Employee Recognition                      | 9,000              | \$5,215         | 8,976            | 0.00%         | 24                    |
| Insurance                                 | 27,220             | \$6,805         | 20,415           | 75.00%        | 6,805                 |
| Capital-Transfer to Reserves              | 61,840             | \$0             | 61,840           | 100.00%       | 0                     |
| <b>Total Council</b>                      | <b>\$518,435</b>   | <b>\$18,366</b> | <b>\$218,694</b> | <b>42.18%</b> | <b>299,741</b>        |
| <b>Finance</b>                            |                    |                 |                  |               |                       |
| Personnel                                 | 341,725            | \$30,144        | 159,490          | 46.67%        | 182,235               |
| O&M                                       | 52,465             | \$5,412         | 22,868           | 43.59%        | 29,597                |
| Capital                                   | 0                  | \$0             | 0                |               | 0                     |
| <b>Total Finance</b>                      | <b>\$394,190</b>   | <b>\$35,556</b> | <b>\$182,358</b> | <b>46.26%</b> | <b>211,832</b>        |
| <b>Information Technology</b>             |                    |                 |                  |               |                       |
| Personnel                                 | 176,860            | \$10,044        | 52,263           | 29.55%        | 124,597               |
| O&M                                       | 177,490            | \$2,812         | 64,291           | 36.22%        | 113,199               |
| Capital                                   | 50,000             | \$0             | 29,257           | 58.51%        | 20,743                |
| <b>Total Information Technology</b>       | <b>\$404,350</b>   | <b>\$12,856</b> | <b>\$145,811</b> | <b>36.06%</b> | <b>258,539</b>        |

**EXPENDITURE REPORT**

Page Four

Date: December 2013

50% of Year Expended

| ACCOUNT  | AMOUNT<br>BUDGETED | MTD              | YTD                | YTD%          | UNEXPENDED<br>BALANCE |
|--|--------------------|------------------|--------------------|---------------|-----------------------|
| <b>Police Department</b>                       |                    |                  |                    |               |                       |
| Personnel                                      | 3,791,065          | \$281,671        | 1,651,106          | 43.55%        | 2,139,959             |
| O&M  | 499,040            | \$44,540         | 244,049            | 48.90%        | 254,991               |
| Capital  | 107,810            | \$0              | 107,498            | 99.71%        | 312                   |
| <b>Total Police</b>                            | <b>\$4,397,915</b> | <b>\$326,211</b> | <b>\$2,002,653</b> | <b>45.54%</b> | <b>2,395,262</b>      |
| <br>   |                    |                  |                    |               |                       |
| <b>Streets &amp; Grounds Division</b>          |                    |                  |                    |               |                       |
| Personnel                                      | 438,755            | \$31,479         | 176,545            | 40.24%        | 262,210               |
| O&M  | 379,635            | \$201,965        | 345,633            | 91.04%        | 34,002                |
| Capital  | 55,000             | \$0              | 0                  | 0.00%         | 55,000                |
| Debt Service                                   | 45,560             | \$44,068         | 44,068             | 96.73%        | 1,492                 |
| <b>Total Streets &amp; Grounds</b>             | <b>\$918,950</b>   | <b>\$277,512</b> | <b>\$566,246</b>   | <b>61.62%</b> | <b>352,704</b>        |
| <br>   |                    |                  |                    |               |                       |
| <b>Parks &amp; Recreation</b>                  |                    |                  |                    |               |                       |
| Personnel                                      | 519,805            | \$33,629         | 237,567            | 45.70%        | 282,238               |
| O&M  | 245,151            | \$9,406          | 165,082            | 67.34%        | 80,069                |
| Capital  | 57,809             | \$0              | 55,432             | 95.89%        | 2,377                 |
| <b>Total Parks &amp; Recreation</b>            | <b>\$822,765</b>   | <b>\$43,035</b>  | <b>\$458,081</b>   | <b>55.68%</b> | <b>364,684</b>        |
| <br>   |                    |                  |                    |               |                       |
| <b>Total General Fund<br/>Operating Budget</b> | <b>\$8,349,778</b> | <b>\$788,437</b> | <b>\$4,014,095</b> | <b>48.07%</b> | <b>4,335,683</b>      |

EXPENDITURE REPORT

Page Five

Date: December 2013

50% of Year Expended

| ACCOUNT                                   | AMOUNT<br>BUDGETED  | MTD                | YTD                 | YTD%          | UNEXPENDED<br>BALANCE |
|---|---------------------|--------------------|---------------------|---------------|-----------------------|
| <b>Water Division</b>                     |                     |                    |                     |               |                       |
| Personnel                                 | 300,425             | \$22,581           | 137,724             | 45.84%        | 162,701               |
| O&M                                       | 1,070,445           | \$73,250           | 480,324             | 44.87%        | 590,121               |
| Capital                                   | 525,000             | \$1,941            | 3,761               | 0.00%         | 521,239               |
| Debt Service                              | 819,130             | \$536,888          | 604,676             | 73.82%        | 214,454               |
| <b>Total Water</b>                        | <b>\$2,715,000</b>  | <b>\$634,660</b>   | <b>\$1,226,485</b>  | <b>45.17%</b> | <b>1,488,515</b>      |
| <b>Sewer Division</b>                     |                     |                    |                     |               |                       |
| Personnel                                 | 300,425             | \$22,579           | 137,716             | 45.84%        | 162,709               |
| O&M                                       | 1,063,445           | \$113,397          | 609,095             | 57.28%        | 454,350               |
| Capital                                   | 347,000             | \$0                | 38,927              | 0.00%         | 308,073               |
| Debt Service                              | 689,400             | \$485,946          | 511,417             | 74.18%        | 177,983               |
| <b>Sewer Sub Total</b>                    | <b>\$2,400,270</b>  | <b>\$621,922</b>   | <b>\$1,297,155</b>  | <b>54.04%</b> | <b>1,103,115</b>      |
| Kent County Sewer                         | 1,450,000           | \$130,391          | 863,512             | 59.55%        | 586,488               |
| <b>Total Sewer</b>                        | <b>\$3,850,270</b>  | <b>\$752,313</b>   | <b>\$2,160,667</b>  | <b>56.12%</b> | <b>1,689,603</b>      |
| <b>Solid Waste Division</b>               |                     |                    |                     |               |                       |
| Personnel                                 | 362,410             | \$29,120           | 170,718             | 47.11%        | 191,692               |
| O&M                                       | 775,590             | \$65,805           | 400,032             | 51.58%        | 375,558               |
| Capital                                   | 165,000             | \$0                | 0                   | 0.00%         | 165,000               |
| <b>Total Solid Waste</b>                  | <b>\$1,303,000</b>  | <b>\$94,925</b>    | <b>\$570,750</b>    | <b>43.80%</b> | <b>732,250</b>        |
| <b>Total Water, Sewer<br/>Solid Waste</b> | <b>\$7,868,270</b>  | <b>\$1,481,898</b> | <b>\$3,957,902</b>  | <b>50.30%</b> | <b>3,910,368</b>      |
| <b>Electric Division</b>                  |                     |                    |                     |               |                       |
| Personnel                                 | 1,248,005           | \$94,861           | 532,717             | 42.69%        | 715,288               |
| O&M                                       | 1,625,800           | \$118,790          | 763,038             | 46.93%        | 862,762               |
| Transfer to General Fund                  | 2,500,000           | \$208,333          | 1,250,000           | 50.00%        | 1,250,000             |
| Capital                                   | 1,005,950           | \$5,933            | 10,094              | 1.00%         | 995,856               |
| Debt Service                              | 641,230             | \$248,623          | 303,864             | 47.39%        | 337,366               |
| <b>Electric Sub Total</b>                 | <b>\$7,020,985</b>  | <b>\$676,540</b>   | <b>\$2,859,713</b>  | <b>40.73%</b> | <b>4,161,272</b>      |
| Power Purchased                           | 18,500,000          | \$1,581,490        | 9,303,748           | 50.29%        | 9,196,252             |
| <b>Total Electric</b>                     | <b>\$25,520,985</b> | <b>\$2,258,030</b> | <b>\$12,163,461</b> | <b>47.66%</b> | <b>13,357,524</b>     |
| <b>TOTAL OPERATING<br/>BUDGET</b>         | <b>\$41,739,033</b> | <b>\$4,528,365</b> | <b>\$20,135,458</b> | <b>48.24%</b> | <b>21,603,575</b>     |

**INTERSERVICE DEPARTMENTS REPORT**

Page Six

Date: December 2013

| ACCOUNT                                | AMOUNT<br>BUDGETED | MTD           | YTD              | 50% of Year Expended<br>YTD% | UNEXPENDED<br>BALANCE |
|--|--------------------|---------------|------------------|------------------------------|-----------------------|
| <b>Garage</b>                          |                    |               |                  |                              |                       |
| Personnel                              | 79,700             | 7,073         | 37,152           | 46.61%                       | 42,548                |
| O&M                                    | 66,355             | 5,550         | 34,110           | 51.41%                       | 32,245                |
| Capital                                | 0                  | 0             | 0                |                              | 0                     |
| <b>Total Garage Expense</b>            | <b>\$146,055</b>   | <b>12,623</b> | <b>\$71,262</b>  | <b>48.79%</b>                | <b>74,793</b>         |
| <b>Public Works</b>                    |                    |               |                  |                              |                       |
| Personnel                              | 185,195            | 14,369        | 86,376           | 46.64%                       | 98,819                |
| O&M                                    | 200,915            | 11,921        | 58,887           | 29.31%                       | 142,028               |
| Capital                                | 27,100             | 0             | 8,504            | 31.38%                       | 18,596                |
| <b>Total Public Works Expense</b>      | <b>\$413,210</b>   | <b>26,290</b> | <b>\$153,767</b> | <b>37.21%</b>                | <b>259,443</b>        |
| <b>Billing &amp; Collections</b>       |                    |               |                  |                              |                       |
| Personnel                              | 488,145            | 34,640        | 208,841          | 42.78%                       | 279,304               |
| O&M                                    | 241,020            | 36,651        | 159,043          | 65.99%                       | 81,977                |
| Capital                                | 0                  | 0             | 0                |                              | 0                     |
| <b>Total Billing &amp; Collections</b> | <b>\$729,165</b>   | <b>71,291</b> | <b>\$367,884</b> | <b>50.45%</b>                | <b>361,281</b>        |
| <b>City Hall Cost Allocation</b>       |                    |               |                  |                              |                       |
| Personnel                              | 0                  | 0             | 0                |                              | 0                     |
| O&M                                    | 74,475             | 18,606        | 37,726           | 50.66%                       | 36,749                |
| Capital                                | 0                  | 0             | 0                |                              | 0                     |
| <b>Total City Hall Cost Allocation</b> | <b>\$74,475</b>    | <b>18,606</b> | <b>\$37,726</b>  | <b>50.66%</b>                | <b>36,749</b>         |

ALL COSTS SHOWN ON PAGE 6 ARE ALSO INCLUDED IN THE VARIOUS DEPARTMENTS LISTED ON PAGES 3-5 OF THE EXPENDITURE REPORT WHO UTILIZE THE SERVICES OF THE DEPARTMENTS LISTED ABOVE. INTERSERVICE FUNDS ARE ENTIRELY FUNDED BY OTHER CITY DEPARTMENTS.

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
January 13, 2014

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 13, 2014.

PRESIDING: Mayor Joseph Ronnie Rogers

IN ATTENDANCE: Councilpersons Bryan Shupe, Garrett Grier, 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

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. Pikus, seconded by Mr. Morrow to approve the minutes of the November 25, December 9 and December 23, 2013 Council Meetings as presented. Motion carried.

#### RECOGNITION

City Manager Carmean introduced Katrina White, City Hall's new Office Assistant who in December, replaced our former Receptionist Carlene Wilson.

Mr. Carmean advised that Ms. White lives in Milford and comes with a lot of experience in municipal government. She has worked for the Town of Dewey Beach the past several years. When he was Chief of Police, he hired Ms. White as a police dispatcher and she later transferred into the records department. After moving to Atlanta, Georgia she returned home to Delaware and was hired by Dewey Beach as a dispatcher. Dewey's town manager then asked her to take the town clerk position which was her last position before being hired by Milford.

Mayor Rogers and council welcomed Ms. White and wished her the best in her new career here at the city.

#### MONTHLY POLICE REPORT

Chairman Morrow presented the police report on behalf of Chief Hudson. Mr. Pikus moved to accept the police report, seconded by Mr. Pikus. Motion carried.

#### CITY MANAGER REPORT

City Manager Carmean advised there is no written report this month.

When asked if there were any incidents during the recent snowstorm, Mr. Carmean advised that our employees are well experienced and have been through many storms. We had no problems as a result.

Mr. Brooks asked the status of PNC Bank; Mr. Carmean said that he and Billing Supervisor Debbie Johnson met with the architect on Friday. The plans were finalized and bids are currently being prepared.

The contractors will be given a window for the time to be completed in order to speed the process up. He plans for the billing staff to be working out of the building in May.

Mr. Pikus moved to accept the city manager report, seconded by Mr. Grier. Motion carried.

#### COMMITTEE & WARD REPORTS

##### Police Committee Report/Chairman Doug Morrow/Restricted Parking Area/SE Front Street

Chairman Morrow reported that a Police Committee Meeting was scheduled but canceled as a result of inclement weather. A parking situation was under review and whether an area should be made no parking. Chief Hudson measured and reviewed the area and agreed the street was too narrow for parking. Mr. Morrow pointed out the street is so narrow that several cars are parking two to three feet into the curb. As a result, he and Chief Hudson recommend that the area be designated no parking. However, it would not be effective after the Southeast Front Street Roadway project is completed and new curb installed.

Chief Hudson confirmed this from Columbia to Charles Street on Southeast Front Street.

City Manager Carmean confirmed that the Southeast Front Street project will be completed no later than early fall. In the meantime, the city manager will inform DelDOT of our decision because this is a state-maintained roadway. The proper signs will also need to be ordered.

Public Works Chairman Owen Brooks noted that both Irv Ambrose and Sudler Lofland, who live in this area, had asked for this to be done for several years.

Mr. Brooks noted that Sudler Lofland inventoried the homes along this stretch and found that only two homes were without off-street parking even though several vehicles park in the front.

##### Finance Committee Report/Chairman Pikus/Abbotts Grill & Mills Brothers Market Alarm Fines

Chairman Pikus reported that Mills Brothers Market and Abbotts Grill contacted several council members to ask if they would review the false alarm fines outlined in Chapter 75. They have asked the city to look at the ordinance and determine if a fine reduction is needed. As a result, Mr. Pikus is asking Mayor Rogers place the matter into the hands of the police and finance committees jointly.

Mr. Brooks asked the city manager if we still have certain businesses with continuous alarm problems. He recalled two or three businesses years ago whose alarm would go off every time it rained or the wind blew.

Mr. Carmean stated yes adding that Chief Hudson addressed that at an earlier meeting this morning. He said that of the two businesses that have contacted councilmen, the one restaurant has had a terrible time with false alarms. Considering we have a lot more businesses today compared to when it was a problem in the mid 1980's, the percentage may be lower. However, our streets are more crowded when the police officers have to respond to the alarms. They respond on an emergency basis which means they are going over the speed limit because they are unaware of what they are responding to at the time.

The city manager reaffirmed we definitely still have a problem. The question these businesses have asked is whether our fines are too punitive. He does not believe we need to do away with the ordinance. When the ordinance was originally enacted, there were businesses that simply did not care. If they set the alarm off, there were no consequences and this was put in place to get the attention of these businesses with the hope they would get some control of their alarm systems.

He feels the technology is better today than in 1985 which results in better alarm systems. He feels it can be handled and

perhaps some of these businesses should make their alarm companies tow the line as far as false alarms due to equipment violations.

Mr. Carmean said that Mr. Pikus asked to review the fines noting that after sixteen false alarms within a year, it does increase to \$250. At the beginning of the year, it starts all over again and the business gets three free false alarms. The problem is the business feels \$250 is a substantial fine.

Once the committee makes a decision, they would make a recommendation to city council.

Mr. Pikus stated that he hopes every council member attend the committee meeting because he wants input from everyone. Mr. Brooks suggested that because Mr. Pikus prefers that all of council attend, perhaps it could be discussed in a workshop session. Mr. Pikus agreed to have it placed on a workshop agenda.

## COMMUNICATIONS & CORRESPONDENCE

### Holiday Meals

Mr. Starling reported that St. Paul's United Methodist Church gave away more than 225 meals during the recent holidays. He thanked those that contributed to the cause.

### Wheelchair Safety Equipment

Mr. Starling then asked who should be contacted to receive the safety equipment for wheelchairs that was recently mandated an ordinance adopted by city council. Ms. Hudson reported that all equipment is in and she has only been in touch with one person who has received his equipment. She asked that anyone inquiring about the equipment be directed to city hall. Our staff will then sign out and distribute the items.

## UNFINISHED BUSINESS

### Adoption of Resolution 2014-1/Legates & Currey Annexation/Committee Investigation

Mr. Pikus reported that Anna Legates and JoAnn Currey met with him to discuss the annexation of their property and the change of zone to highway commercial.

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

Annexation/Lands belonging to Anna M. Legates & JoAnn L. Currey  
Tax Parcel No. MD-174.00-02-27.00-00001  
6.481 +/- Acres  
Current Zone AR-1/Proposed Zone C-3

## COMMITTEE DIRECTED TO INVESTIGATE ANNEXATION

Whereas, a Petition, signed by the legal property owner and duly witnessed, requesting annexation into the City of Milford, situated east of Delaware Route 1, between County Road 408A (east) and Carpenter Pit Road (north), legally described as follows:

Reference: Tax Map MD-00-174.00-02-27.00-00001

All that certain tract, piece and parcel of land, lying and being situate in Milford Hundred, Kent County, and the State of Delaware, as depicted on a survey prepared by Bob Nash Associates, Inc., dated 30 July 2013, fronting on the northeasterly right-of-way line of State Highway Route 408A, at sixty (60) feet wide, and a twelve (12) foot wide access, adjoining lands now or formerly of David A. & Jean W. Morgan, lands now or formerly of Carl J. & Cindy L. Popelas,

lands now or formerly of Robert E. & Edgar W. Cannon, and lands now or formerly of J. & R. Scarborough, Inc., being more particularly described as follows, to wit:

Beginning at a found iron pipe at a corner for lands now or formerly of David A. & Jean W. Morgan, and at a point on the northeasterly right-of-way line of State Highway Route 408A, at sixty (60) feet wide, said point being distant 2,600 feet, more or less, from the right-of-way intersection of N.E. Tenth Street; thence running with said right-of-way line of 408A and deflecting right along a 2,173.85 foot radius curve, the chord of which bears North 31 degrees 55 minutes 29 seconds West 230.82 feet, an arc distance of 230.93 feet to a found concrete monument at a corner for lands now or formerly of Carl J. & Cindy L. Popelas; thence proceeding with said Popelas lands the following two (2) courses and distances:

- 1) South 76 degrees 35 minutes 48 seconds East 340.28 feet to a set capped rebar, and
- 2) North 13 degrees 21 minutes 42 seconds East 208.72 feet to a set capped rebar on line of a twelve (12) foot wide access,

thence running with said access road South 76 degrees 39 minutes 47 seconds East 600.00 feet to a set capped rebar on line of lands now or formerly of Robert E. & Edgar W. Cannon; thence proceeding with said Cannon lands South 03 degrees 41 minutes 11 seconds West 337.35 feet to a found iron pipe on line of lands now or formerly of J. & R. Scarborough, Inc.; thence continuing with said Scarborough lands North 86 degrees 05 minutes 27 seconds West 487.62 feet to a found iron pipe at a corner for aforementioned Morgan lands, thence running with said Morgan lands, the following two (2) courses and distances:

- 1) North 02 degrees 23 minutes 45 seconds East 130.08 feet, and finally,
- 2) North 89 degrees 11 minutes 34 seconds West 396.68 feet to the place of beginning, CONTAINING 6.481 acres of land, more or less.

has been submitted to the City Council of the City of Milford.

Now, Therefore, a Committee, composed of three (3) elected members of City Council and one (1) member of the Planning Commission has been appointed by the Mayor to investigate the possibility of annexing said property, said Committee to be comprised of Chair Katrina Wilson, Douglas Morrow, S. Allen Pikus and Planning Commission Chairman James Burk.

Be It Further Resolved, that said Committee shall submit a written report containing its findings and conclusions, including the advantages and disadvantages of the proposed annexation both to the City and to the property proposed to be annexed and said report shall further contain the committees' recommendations whether or not to proceed with the proposed annexation and the reasons therefor.

NOW, THEREFORE, I, Teresa K. Hudson, City Clerk of the City of Milford, do hereby certify that the foregoing resolution was duly and regularly adopted by the City Council of the City of Milford at a Council Meeting held the 13th day of January 2014 by a majority vote.

s/Teresa K. Hudson, City Clerk

Motion carried.

#### FY 2013-2014 Budget Adjustment/Planning & Zoning/Engineering & Planning Fees

City Manager Carmean reported there have been some cost overruns in engineering and planning fees, many of which were related to a number of changes requested by property owners in our comprehensive plan. As a result, the following request was submitted on behalf of the planning department:

We respectfully request a budget adjustment from the Property Tax Revenue account (101-000-311-10-10) be transferred to the Planning and Zoning Engineering line item (101-1035-419.30-50) in the amount of \$10,000.00 due to unexpected fees associated with the review of land use applications and the Comprehensive Plan mapping project.

Mr. Carmean pointed out that this brings the funds up to \$12,500 but due to several outstanding bills, will only leave about \$3,000 for the remainder of the fiscal year.

Mr. Pikus confirmed the \$10,000 should cover the balance of the year; Mr. Carmean stated yes.

Mr. Pikus moved to approve the Fiscal Year 2013-2014 budget adjustment for an additional \$10,000 to be placed in the engineering line item and transferred from the overage in the Property Tax Revenue Account, seconded by Mr. Grier. Motion carried.

#### MONTHLY FINANCE REPORT

Chairman Pikus reported that through the fifth month of Fiscal Year 2013-2014 with 42% of the fiscal year having passed, 47.43% of revenues have been received and 37.43% of the total operating budget expended.

Mr. Pikus asked council to note the solid waste fund continues to decrease.

Motion made to accept the November 2013 Finance Report by Mr. Pikus, seconded by Mr. Brooks. Motion carried.

Mr. Carmean announced that the PPCA (purchase power cost adjustment) that is passed onto our customers has been running approximately .5 cents per kilowatt. Due to increasing revenues, no PPCA will be charged which will be a substantial savings to our industrial customers. He advised that US Cold Storage called him and thanked him for the Christmas present from the city.

Mr. Pikus asked that be duly noted to the public.

#### 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

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

Mayor Rogers recessed the Council Meeting at 7:34 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 8:03 p.m.

#### ADJOURN

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

The Council Meeting adjourned at 8:04 p.m.

Respectfully submitted,

Terri K. Hudson, MMC

City Clerk

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
January 13, 2014

A Meeting was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday morning, January 13, 2014.

PRESIDING: Councilman S. Allen Pikus

IN ATTENDANCE: Councilpersons Bryan Shupe, Garrett Grier III and Dirk Gleysteen

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

Prior to the start of the meeting, Mr. Pikus confirmed the meeting was not a finance committee meeting.

Meeting was called to order at 8:00 a.m. by Councilman Pikus.

Mr. Pikus announced the purpose of the meeting is to discuss a matter brought to the attention of the city manager that was then forwarded to specific council members. He reported that two members of council had previously met with the owner of Abbotts Grill to discuss some alarm fines he had accumulated over the previous twelve months. The council members initially planned to meet at Abbotts Grill to discuss the issue with Paul Mills of Mills Brothers Market and Kevin Reading of Abbotts Grill. The city manager and city clerk both informed Mr. Pikus that because of the nature of the discussion and the number of council members becoming involved, the Freedom of Information Act applied and it should be moved to city hall to assure compliance with the law. Mr. Pikus further explained that whenever city business is discussed, it is important that FOIA is followed which governs council meetings.

Mr. Pikus asked to make a comment before they began. He stated that our police department and their administrative assistant are governed by a False Alarm Ordinance that was adopted by city council in 2003 (dates clarified later in meeting). He noted that the council members in attendance were not serving on council when this ordinance was being considered. He stated that the police department has abided by the ordinance and is unable to make exceptions until council amends it. Therefore, the police department is correct by abiding by the rules and regulations outlined in the code and set forth by Milford City Council.

He wants to emphasize that Milford Police Department is following the ordinance as they are required to do.

Mr. Pikus said that two businesses, Mills Brothers Market and Abbotts Grill, have contacted the city manager about the false alarm ordinance and its associated fines.

Mr. Pikus asked the city manager or police chief to give some background on the ordinance.

Chief Hudson explained that he has gone back and reviewed the council minutes from when the false alarm ordinance was first discussed as was directed by council. He noted that the Carlisle Fire Company was also involved in the creation of the ordinance and was present during many of the discussions. Various excerpts were then read into the minutes:

“In 1985, a letter was read from Fire Chief James Bailey citing a number of false alarms the fire company has responded to due to malfunctioning alarm systems. He cited the expenses created by the responses in addition to the nuisance to the community as a whole. Chief Carmean added that false alarms are a burden to his department and there is a danger to the responders as well as other drivers on the street. He recommended adoption of an ordinance allowing each place owning an alarm system to have two malfunctioning alarms a year (it was increased in 2003 to three) and a fine for additional alarms when the police or fire company respond.

In 1987, a resident of South Walnut Street discussed problems with faulty alarms that he explained are malfunctioning with increasing frequency and sounding for lengthy periods. They cause police vehicles to respond with their sirens at all hours of the day and night. City Manager (John) Frederick explained that he has discussed this matter with Chief Carmean who

is also concerned with this problem. He also added that they are in the process of contacting the fire alarm companies to find out why these alarms are going off so frequently.

In 1989 Chief Carmean reported 75 false alarms in October. He recommends this problem be addressed through some type of fine or penalty and advised that most of the false alarms are through an employee's negligence.

In 1998, Carlisle Fire Company President Marvin Sharp discussed a serious problem with false alarms. He said he is looking forward to working with City Manager Carmean and thanked the city for their continued support of the fire company. Fire Chief Kevin Twilley then summarized their end of year report for 1997. He reported a total of 339 alarms in 1997 of which 149 were actual building fires. He also expressed his concern over the number of false alarms. He advised that the city manager is working with them to come up with an ordinance which will allow these people or businesses to be fined. Discussion followed regarding a false alarm ordinance council believed was already in place; the city manager will confirm."

Chief Hudson then reported that the police department has adhered to the ordinance and has been enforcing it as it was written.

The chief then introduced Administrative Assistant Vicky Knorr whom the chief said oversees the false alarm and fine notification. He asked Ms. Knorr to explain the process on how this is handled.

City Manager Carmean recalled that the ordinance was adjusted at one point in 2003. The ordinance was made more lenient by increasing the number of no-fine alarms from two to three. In addition, the fines were decreased. Chief Hudson then confirmed that in 1989 the false alarm ordinance stated as follows:

*A) Any person violating any provision of this chapter, and upon conviction thereof, shall be subject to a fine of One Hundred Fifty Dollars (\$150.00) for the fourth, fifth and sixth false alarm responded to by the Milford Police Department and/or the Carlisle Volunteer Fire Company within a calendar year and a fine of Two Hundred Fifty Dollars (\$250.00) for the seventh and each subsequent false alarm responded to by the Milford Police Department and/or Carlisle Volunteer Fire Company within a calendar year; and*

In 2002, fines for false alarm responses in a calendar year were reduced as follows:

*§75-4 Fines and Penalties.*

| <i>A.)</i> | <i>Number of False Alarms</i> | <i>Amount of Fines Per False Alarm</i> |
|------------|-------------------------------|--|
|            | <i>4 - 5</i>                  | <i>\$50.00</i>                         |
|            | <i>6 - 9</i>                  | <i>\$100.00</i>                        |
|            | <i>10 - 15</i>                | <i>\$200.00</i>                        |
|            | <i>16 &amp; Over</i>          | <i>\$250.00</i>                        |

Chief Hudson confirmed there are no fines for the first three false alarms in a calendar year.

Ms. Knorr then explained that when the dispatchers dispatch the fourth alarm for a business, the information is placed in their CAD (computer-aided dispatcher/software) as a false alarm. She said there are cases when an alarm is not considered a false alarm which is then coded differently as a result. Their CAD system keeps a tally of the alarms. At the end of each month, Ms. Knorr receives a report which is automatically saved to the CAD system. This allows Ms. Knorr to generate an invoice based on the number of false alarm responses. She prints the invoice and mails it out. The invoice has a thirty-day due date. However, she typically allows a longer period. She understands that some businesses are corporations and the payment comes from the corporate office which typically takes more time. If Ms. Knorr does not receive payment within a reasonable time, she sends a second notice. If she still does not hear anything, she gives a courtesy call informing them the invoice is past due and asks for a possible payment date. If not paid, the summons is returned to the issuing officer who turns it into a warrant.

Ms. Knorr includes on the invoice any previous alarms whose fines have been received and those that are outstanding.

She said she keeps a close track of any outstanding fines and those that have been paid.

Mr. Pikus then explained this is not a regular council meeting but a meeting requested by these two businesses. He then asked the representatives of Mills Brothers Market and Abbotts Grill to speak.

Paul Mills stated he is representing Mills Brothers Market. He asked when the false alarm ordinance began; Chief Hudson said that discussions about a false alarm ordinance began in 1985. Mr. Mills stated that it is hard for him to believe he has not had any false alarms between 1983 and last year.

Mr. Mills said he is paying for city services and asked if the police department is part of city services; council members agreed that is correct. He said the city is trying to get new businesses in Milford and he does not want to call his alarm provider and tell them to quit calling the police department because he is going to be fined every time they are called. He said Milford has a lot of power surges that causes the alarms to go off.

Chief Hudson referenced the list of false alarms and details of each alarm. He said there is an explanation for each and none are for power surges. If that was the case, they would not consider it a false alarm.

Mr. Mills said he called the alarm system last week after he received the latest notice. He said they did not say they were caused by power surges but they agreed that could set off the burglar alarm.

The chief explained that the dispatchers specifically state the reason for each alarm in the CAD system.

Mr. Mills responded by stating that this has nothing to do with the alarms, but last year, his Spring Hill store, which is the bigger store, paid a little less than \$30,000 for electric bills. He paid \$44,919 for electric at his Milford store. He feels he has more than taken care of some of the services he has gotten here in the City of Milford. He said that he works with the City of Milford whether it is the school, the city or whoever. He thinks these fines are ridiculous.

He said that when Milford Police Department calls him because they had someone use another person's credit card in their store, they looked at their surveillance to help the police out. He said they might spend as much as an hour to three hours looking at the surveillance for the police department. He said he does not charge the city to review their video and instead believes we need to work together on this deal. He believes in 'he will pat your back and you pat his'.

Mr. Pikus asked what Mr. Mills' alarm company said caused the false alarms; Mr. Mills said they checked it again last Monday and there was nothing wrong with it. Mr. Pikus asked if there is a door left open or if someone did not turn the switch off and Mr. Mills said no.

Mr. Grier asked if there is one specific zone that tends to set the alarm off; Mr. Mills stated no. He said they came down last Monday and checked it again this Monday. He said if there is something wrong with the equipment, he wants it fixed. He will not let it go because it would cause a problem for him on a Saturday or Sunday night.

Mr. Mills pointed out that Mr. Grier has the same problem. Mr. Grier explained that he has one specific door which is why when the alarm company calls, he asks if there is motion inside and their answer is no. He then makes sure the police are not dispatched. He is aware the problem is one door and that he needs to get it fixed.

Mr. Mills said everyone should be in business for a year because it is not easy to be in business. He thinks everyone should do it one time. He said everyone is trying to promote the city and encourage new businesses to come here. He said we don't want to run them out of here with real high electric bills and fines for this and fines for that.

He agrees the police department is strapped just like everyone else. He said at three o'clock in the morning they can just take a ride, take a look to make sure everything is secure and then go back to the station.

Mr. Gleysteen responded by stating the primary reason behind the ordinance is to minimize the amount of nuisance alarms and to spur a business owner to get an alarm problem fixed. He asked Mr. Mills' opinion as far as the appropriate number of alarms and what is a realistic fee for fines. Mr. Mills said he really could not tell Mr. Gleysteen because if he did not

have any alarms from 1983 to last year, he could not really tell him the solution because he has the same system which is better than the system he had before.

Mr. Mills further explained that the bottom line is we have to work together here. If he had someone call him to do something for the city, he is going to try and do it. He said that between his son and himself, they have spent countless hours running down people for the police. He is all for that because he wants to catch that guy that uses someone else's credit card. He said that someone had a credit card stolen out at Walmart and they used it in his store and caught the guy that did it. But he is not asking the police to pay him \$50 or \$75 an hour to sit behind the surveillance and catch these people. But he wants to help the police. He said that is what we are supposed to do—help each other. He said council has to make the decision and he thought this was a new ordinance because he has never been fined for his previous alarms. He cannot believe he has not had a false alarm since 1983.

Chief Hudson explained that as long as it is kept to three or less alarms, there are no fines. After reviewing Mr. Mill's alarm records, the chief found that almost all indicated they were caused by employee errors. He said that one incident stated that an employee and the alarm company were testing an alarm and the employee forgot to switch the alarm to test mode which caused the police to respond.

Mr. Mills said that two of the fines on the first invoice he received were the result of test mode errors.

The chief offered to briefly read the narrative of Mr. Mills' false alarms. Mr. Mills said that was not necessary and he only wants to state his point.

City Manager Carmean recalled that in 1985 when the fire company came to him and together they developed the false alarm ordinance, that particular month, there were 75 false alarms. On an average, that results in 900 alarms a year. He said if you think back to 1985 there were many less businesses in Milford and many less alarms in the businesses that did exist.

Mr. Carmean also pointed that 1985 was a different time. Today, the chief's hands are tied. In 1985, if there were one or two false alarms over the allowed amount, he possibly could have overlooked it. Everybody knew everybody and it was not the litigious society that exists today. He pointed out that today, the police department has a matrix to follow.

The city manager continued by stating this is the way it has to be addressed. He also noted that in 2002-2003 it was changed and made less restrictive.

Mr. Mills feels it is very sad because this makes you not want to call the police department because he is afraid he will get fined. He asked what good is his alarm system if he gets fined whenever the police are called.

Chief Hudson explained that when the department receives a call from the alarm company, the police immediately respond. The majority of times, their response time only takes a couple minutes. The police officers have already checked the building before they receive a response from the alarm company stating they have spoken with contact (who is typically the businesses' responder) who is not going to respond if the building is secure. He emphasized that the information received by the police department is from the alarm company and not from the individual associated with the business. He further explained that after his officers have arrived and checked the building, the alarm company then may indicate the officers do not need to respond.

The chief said one alarm occurred at 0300 hours in the morning. At 0334, a second alarm sounded and the alarm company reported to the department that all motion detectors inside the building are going off. This gives the officers some concern because there is something occurring inside. When they checked the building again, it was still secure. When the responder was called, he indicated that if the doors were locked, that means there is no problem and he is not going to respond. Chief Hudson said that something caused two alarms to go off within a thirty-minute time span.

The chief explained that a lot of business owners feel that if the door is locked there is no problem. As an example, Chief Hudson was checking Roses Department Store one night many years ago and found an employee who had fallen asleep inside the building and was locked inside.

Mr. Mills explained that he went back to check his surveillance for that half hour interval to see what was occurring. He said he saw nothing out of the ordinary anywhere. Mr. Mills then stated that he is able to view his cameras at his house as well. He is going to instruct his alarm company to contact him because all he has to do is go into his den at his house and pull it up and look at it. However, he does not feel he should have to do that.

Chief Hudson agrees that Mr. Mills should not have to do that. He wants Mr. Mills to know the police will always respond and check the building just as they are supposed to. In addition, they check businesses throughout the night on regular basis to ensure they are secure and there are no problems.

He added that before this ordinance was adopted back in the 1980's, there were businesses setting alarms off and timing the police response. On several occasions, they would pull up to a business for an alarm and the owner would be looking at their clock.

Mr. Mills said there is one thing he will not allow. He will not let anyone walk into his store and talk about Milford Police Department. He said he would be the first one to jump in their case. This includes the city and the high school. However, he thinks we all need to work together in these matters. He said the police can call him and he is going to help them. He reiterated that we all need to work together. He said it would be easy for him to say to the police that because they fined him \$150, he will in turn, tell them he is going to charge the police \$75 an hour to try to find things for the police on his surveillance. But he will not do that and just wants everyone to work together.

Kevin Reading of Abbotts Grill then addressed council. He said he appreciates council scheduling this meeting within a couple of days and explained this started through a conversation at Abbotts. He said that Mr. Mills brought up some of the points he was thinking about. However, Abbotts is a fairly large business compared to a lot of the smaller downtown businesses. At the end of the year, they still fight to turn profits and employee people. He agrees that this municipality and their electric rates are very expensive. For abbots, they pay in the \$60,000 range just for electric. They went to a new location in Laurel and though the building is slightly smaller, they will be paying about half for electric. He accepts and understands there are advantages and disadvantages to everything.

Mr. Reading said Mr. Pikus asked what the solution is to the alarm problem. He feels that if the fee was \$50 an incident, he would not be standing there. But it has escalated and he has already paid the \$50 and \$100 fines which are no problem to them. However, he has a problem with the fines increasing to \$200. He has someone working in Mr. Reading's works in his office and Mr. Reading has never seen that sheet. When she informed him there was a \$1,200 bill with \$500 in outstanding fines for a total of \$1,700, he was shocked. He agrees that Abbotts has had a large number of fines and he is as frustrated as the police department may be. However, a lot of the fines (four or five) were in the morning when the pastry chef opens. He is in the building and it is obvious to Mr. Reading that he did something wrong or tripped something. He said the majority of the fines are caused by the street sweeper at 4:00 or 5:00 a.m. who is picking up or moving debris which shoots out and hits the back garage entry door. It seems like the same time every day. Mr. Reading gets a call around 3:30 or 4:00 a.m. and he does not want the calls either. He has been on the phone numerous times with the alarm company to rectify this. He did have them out at one point and found that one of the connectors along the bottom of the doors was loose. He indicated that he fixed that to prevent further problems. Overall, the alarm company has been out four or five times since they opened.

Mr. Reading agrees he is very frustrated and does not want these calls in the middle of the night. Nor does he want the police department to come out unnecessarily. He knows the police do their routine property checks and he said he truly appreciates that.

Mr. Reading said if the fines were all \$50, he would not be standing here. He would have simply written a check a long time ago and been done with it. But when they get to \$200 and \$250, that is egregious. For the amount of money they pay into the system, he feels the city can cut the businesses some slack.

He said that council wanted him to come and give his opinion which he is doing. He feels they should be given five free false alarms (no fines) and then be charged \$50 for each alarm after that.

He is coming to council as he stated he would. However, he feels that life will go on and he will continue to do business

in Milford regardless.

Chief Hudson reported to Mr. Reading that most of Abbotts alarms are coming from the rear storage door so perhaps he can continue to focus on that area. Mr. Reading agreed that is the door affected by the street sweeper early in the morning. The chief confirmed that one of Abbotts' employees had reported the debris from the street sweeper is causing a lot of these problems.

Mr. Reading feels that unfortunately, he has no control over it, but at the end of the day, he does not have \$250 to be throwing around. He is trying to keep his business moving and is trying to better the city and to have a respectable business. He agrees it is an issue that needs to be addressed.

Mr. Shupe asked that the record reflect that Chief Hudson and his staff are doing exactly what they should be doing. This is something city council put in place for a reason and he wants to thank Chief Hudson for his diligence. As a business owner himself, he can see that the ordinance can place a burden on some businesses financially. He agrees that council may want to review the ordinance and make some changes. He feels it is worthy though he does not want to see businesses asking their alarm companies not to call the police because of the fine. Chief Hudson agreed.

He feels that council needs to consider why the alarm ordinance is in place and if it is needed because of the number of alarms coming in and to perhaps look at a solution from the business side.

Mr. Grier feels that maybe we can fine-tune it a little. He has talked to Mr. Mills in terms of how he handles his situation. When he is in bed and the alarm goes off and it is a specific door, Mr. Grier knows why it is going off and he will go out and handle it. But if there is motion in the building, he wants the police dispatched immediately which they do. In a matter of thirty seconds of the alarm going off, the police are dispatched. He understands Abbotts' concern over a \$250 fine, though he feels there is also some responsibility as a business owner. If the pastry chef is setting the alarm off, then someone needs to sit down with the pastry chef and work out how to fix that problem. On the other hand, he understands that it is difficult for Abbotts to pay \$1,700 in fines. He agrees that council can fine tune the ordinance, but also feels that as a business owner himself, the business needs to take some responsibility especially when there is a problem that can be fixed. It could also be a matter of calling the alarm company and telling them to call the owner first. On his call list, there are three people to be called and he is one of them. After that contact, they call Milford Police Department.

Mr. Grier understands the concern over the big fines but also understands the reason for the ordinance and the concerns of the police department.

Mr. Grier said Milford Police Department does a great job adding that he is unable to say how many times he comes in and finds a property check in his door where they checked it at night. He said it goes a long way to know the police are out checking the building at night while he is home sleeping.

Mr. Reading agrees adding that Abbotts very much appreciates the services they provide as well.

Mr. Gleysteen added that he agrees with Mr. Shupe and Mr. Grier's comments. However, he feels there is a definite need for the ordinance. He also agrees with Mr. Reading that five free alarms and \$50 after that is reasonable. After a few more, he believes the fine should be increased to a \$100 fine. Anything above that is punitive. Thinking in terms of gross profit, when you are making 25% profit, a \$250 fine is \$1,000 worth of goods or services that must be sold.

Mr. Pikus said the only thing etched in stone are the Ten Commandments. There are several things the city can do, but first of all, he cannot emphasize enough the great job Milford Police Department does. In this case, they are doing what they were directed to do. Mr. Pikus emphasized that is first and foremost and they are doing their job. He agrees we need to revisit this ordinance adding that there are eight members of council that must review it.

Mr. Pikus will ask the mayor to put this ordinance review into the finance and police committee jointly.

Mr. Pikus referenced some outstanding bills from Abbotts Grill and Mills Brothers Market and he said he does not know whether it is proper to ask Chief Hudson and Administrative Assistant to keep these on hold until council meets to discuss

it. He noted it is a concern because the Abbotts bill is a substantial amount. Mr. Reading said he has not indicated he is not willing to pay it, noting he has already paid some sufficient fines.

Mr. Pikus noted that the recordkeeping has been done correctly and there are no errors.

Chief Hudson stated that he does not have the authority to make that decision but works under the direction of city council. He will do what council directs him to do. Mr. Pikus asked them to put the matter on hold until it is resolved. In that manner, council can come up with some amenable solution to pay what is owed on these fines.

Ms. Knorr asked if she is supposed to put everything on hold because she sent out invoices to other businesses. She also pointed out that this starts over again in January and no one is fined until the fourth occurrence. She asked if she is not supposed to follow the ordinance this year. There are still some outstanding invoices from December that were billed out in 2013. Some are not outstanding and are due by February.

She reported that Abbotts Grill and Mills Brothers are two of the five. In addition, there are a couple that have not been paid from the previous billing. She is asking that if she holds Abbotts Grill and Mills Brothers Market invoices, is council asking her to stop doing anything for the current year until this is resolved; Mr. Pikus said he is asking they be put on hold for now.

Mr. Carmean added that Ms. Knorr has given consideration and tolerance in the due dates on these invoices. Therefore, he does not believe it would be a big stretch that if you do it for one, you do it for everyone. He does not feel it is necessary for her to notify anyone.

Ms. Knorr again explained that it only shows up on her side after three alarms. She will have to review it and noted there are so many businesses, there is no way to check who has what. Ms. Knorr has billed out numerous invoices this year and the majority have paid their fines.

Ms. Knorr said another issue is this ordinance is embedded in the CAD system. If the ordinance is changed, the police department will need to hire someone to come down to change the software. This is not part of their normal contract and there will be an associated charge. It can be done though it may take some time to get the letter changed before these businesses receive another invoice.

Mr. Pikus said he will ask the mayor to put it into committee as soon as possible. He added that it will be discussed this evening.

Mr. Grier asked if Mr. Pikus' intent is to stop all false alarms from being documented beginning today until council changes the ordinance or that nothing be put into the CAD system. Mr. Pikus clarified that all the alarms must be documented.

Ms. Knorr explained that she can hold off generating an invoice but it would have to be for everyone and not just Abbotts and Mills Brothers because the CAD system generates a record each time.

Ms. Knorr reiterated that numerous alarms were billed last year and most were paid. She is unsure how to stop any fines that have been billed from being paid. She emphasized that 95% have paid and only 5% or so have not.

Chief Hudson explained that the records will continue to accumulate in the CAD system; however, Ms. Knorr will not generate any new invoices at this time. Mr. Pikus agreed.

Mr. Pikus said it can be put in committee for a review; Mr. Grier asked if it has to be put in committee and if it can be discussed and a decision made with the eight members of council. Mr. Pikus said it can be discussed this evening and then stated that it can be put on hold until this evening.

Mr. Carmean said we may have a legal issue should council decides to drop these fines though they are supposed to be punitive though the \$200 and \$250 fines Abbotts is paying may be extreme. He believes Mr. Rutt can decide whether it is legal to adjust Abbotts and Mills Brothers fines behind the change in the ordinance. The city manager feels that Mr.

Mills and Mr. Reading will be extremely pleased if their fines were decreased. However, Mr. Reading has already indicated they will pay the \$1,700 owed for this past year though Mr. Rutt should answer that.

Mr. Reading said he is total agreement that because his business has committed an act, they need to be charged. He does not have a problem with the overall concept. He is trying to fix whatever the issues are at hand. However, the amount is what he has an issue with. He was paying the \$50 and \$100 fine, but when it got to the \$200 fine is when he and the city manager discussed it. However, he is more than willing to accept the responsibility of his business actions.

Ms. Knorr confirmed that last year, Abbotts paid \$500 in alarm fines. The previous year, they paid \$700. Mr. Reading said that is substantial and as one of the leaders in the community, he is not proud of that accomplishment.

Mr. Grier wishes this had been done two years ago when Abbotts first opened. He is pleased we are having this discussion and hopes that something can be done tonight which will be in Mr. Reading's best interest. Mr. Reading reiterated that he is more than willing to accept responsibility.

Ms. Hudson then reported that because this is an ordinance amendment, it would most likely be March before any changes are in effect at the fastest.

It was agreed that council will review the matter this evening.

With no further business, the meeting was adjourned at 8:49 a.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
January 27, 2013

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, January 27, 2013.

PRESIDING: Mayor Joseph Ronnie Rogers

IN ATTENDANCE: Councilpersons Bryan Shupe, 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

COUNSEL: City Solicitor David Rutt, Esquire

CALL TO ORDER

Mayor Rogers called the Council Meeting to order at 7:00 p.m.

PUBLIC HEARING

Mayor Rogers reported the Public Hearing for the Hickory Glen Preliminary Major Subdivision was postponed until the following month.

The application was submitted by Eric Dunn of Dunn Development LLC on behalf of Walter N. Thomas II.

INVOCATION AND PLEDGE

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

RECOGNITION

No special guests in attendance.

COMMUNICATIONS

Included in packet.

UNFINISHED BUSINESS

No items to be discussed.

NEW BUSINESS

*Adoption/Resolution Proposing \$3.5 Million Borrowing and Scheduling Public Hearing/Water Projects*

City Manager Carmean advised this is a resolution to allow the city to borrow \$3.5 million and to schedule a public hearing for water projects.

Mr. Gleysteen moved to adopt Resolution 2014-03, seconded by Mr. Pikus:

City of Milford  
RESOLUTION 2014-03

RESOLUTION AUTHORIZING THE ISSUANCE OF UP TO \$3,500,000

MAXIMUM PRINCIPAL AMOUNT OF A GENERAL OBLIGATION BOND  
IN ORDER TO FINANCE COSTS ASSOCIATED WITH IMPROVEMENTS TO  
THE WATER DISTRIBUTION SYSTEM OF THE CITY OF MILFORD AND  
ESTABLISHING THE TIME AND PLACE FOR A PUBLIC HEARING THEREON

WHEREAS, the City of Milford (the "City") pursuant to Article 8 of 72 Del. Laws Ch. 148, as amended (the "Charter") proposes to issue up to \$3,500,000 maximum principal amount of the City's general obligation bond (the "Bond") in order to (i) finance the construction costs associated with the City's approved water distribution system improvement projects to remove and replace faulty valves throughout the existing water distribution system, create operational and efficiency improvements through the integration of a SCADA system and install supplemental water supply facilities and associated treatment upgrades to replace older, failing equipment; and (ii) pay the costs of issuance of the Bond (collectively, the "Project");

WHEREAS, the City has applied for a loan through the Delaware Department of Health and Social Services (the "Department") in order to provide funds to pay for the Project;

WHEREAS, the Department, in conjunction with the Delaware Department of Natural Resources and Environmental Control, has issued a commitment letter, dated September 17, 2013, to lend the City, from the Delaware Drinking Water State Revolving Fund, up to \$3,500,000 in the aggregate principal amount for the Project at an annual interest rate of 1.5% for a period of twenty (20) years; and

WHEREAS, to authorize the borrowing of up to \$3,500,000 through the issuance of the Bond for the Project and in order to comply with the requirements of Article 8 of the Charter, the City Council, through its adoption of this Resolution, hereby gives notice to the electors of the City that the City Council proposes to borrow an amount of money, not to exceed \$3,500,000 principal amount, to fund the Project, which is a permitted purpose under Article 8 of the Charter, and hereby establishes that a public hearing on the matter be fixed on February 10, 2014, at 7:00 p.m., prevailing time, in the Council Chambers at the Milford City Hall located at 201 South Walnut Street, Milford, Delaware 19963.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Milford as follows:

1. The City Council of the City of Milford hereby gives notice to the electors of the City that the City proposes to borrow an amount of money, not to exceed \$3,500,000 principal amount, to fund the Project.
2. Pursuant to Article 8.03 of the Charter:

Amount of Borrowing: Total principal amount not to exceed \$3,500,000.

Rate of Interest: The interest rate for the loan shall be 1.5%.

Manner of Securing the Same: the City will borrow the funds through the issuance of a general obligation bond of the City to finance the Project and the full faith and credit of the City will be pledged to pay the principal and interest on the Bond.

Manner of Paying or Funding: the Bond shall be paid or funded from water and tax revenues of the City.

Purpose for Borrowing: The City Council hereby finds that the Project constitutes the following, which is a permitted purpose for which money may be borrowed under Article 8 of the Charter:

Finance the construction costs associated with the City's approved water distribution system improvement projects to remove and replace faulty valves throughout the existing water distribution system, create operational and efficiency improvements through the integration of a SCADA system and install supplemental water supply facilities and associated treatment upgrades to replace older, failing equipment. Such costs, including the costs of issuance of the Bond, are estimated not to exceed \$3,500,000.

The City Council hereby establishes that a public hearing upon the Resolution and the proposed borrowing described herein shall be held on February 10, 2014 at 7:00 p.m., prevailing time, in the Council Chambers at the Milford City Hall located at 201 South Walnut Street, Milford, Delaware 19963, and hereby directs that notice of such hearing be published and posted as required by Article 8.04 of the Charter, by:

(i) Publication in one (1) issue of a newspaper published in the City at least one week before the time set for the public hearing; and

(ii) Posting copies thereof in five (5) public places throughout the City at least one week before the time set for the public hearing.

3. The City Council hereby directs that this matter be placed on the agenda for the regular meeting of the City Council on February 10, 2014 at Milford City Hall to determine whether to proceed with the proposed borrowing described herein.

ADOPTED AND RESOLVED this 27th day of January 2014.

By: s/Joseph R. Rogers

Title: Mayor

Attest: s/Teresa K. Hudson

Title: City Clerk

Motion carried.

It was noted the public hearing will be held February 10<sup>th</sup> at 7:00 p.m.

*DBF Engineering Proposal/Sewer Improvements/Route 1 East & Shawnee Acres*

The city manager advised that Davis, Bowen and Friedel have submitted a proposal for the surveying, engineering and permitting services for the sewer work being done East of Route 1 and Shawnee Acres. The project includes:

Design of Route 1 East Sewage Pump Station and associated force main on lands owned by Key Properties Group, LLC: The associated 8-inch sewage force main will extend from the station approximately 8,700 feet northwest along Beaver Dam Road, across Route 1 and then southwest along Kirby Road and temporarily connect to the gravity sewer system within the Meadows at Shawnee development.

The Design of Shawnee Acres Pump Station replacement and associated improvements: To accommodate the increase in flow due to new developments, the existing Shawnee Acres Pump station will be replaced with a new pump station.

The estimated cost of the work is \$166,400.

Mr. Carmean explained this will complete the engineering and sewer design east of Route 1 and back down to Shawnee Acres and Fisher Avenue pump station.

Because of the age of the Shawnee Acres pump station and anticipated growth east of Route 1, there is the potential for capacity problems in Shawnee Acres. Therefore, it is recommended the Shawnee Acres pump station be designed first.

Erik Retzlaff of Davis, Bowen and Friedel explained that during the Southeast Master Planning project, they estimated different amounts based on the number of potential units that could be added. A plan to serve all the properties was then developed. There were two distinct phases of the improvements that needed to be done. The sizing and design of the area east of Route 1 required a place to go so the Shawnee Acres pump station required upgrading. He further explained that regardless of what occurs east of Route 1. Step one needs to be accomplished first. Upgrading the existing facilities will then allow them to accept any new development in that area.

He said the Shawnee Acres pump station could be at a point where it needs some upgrades. Negotiations will include the cost of the sewer design east of Route 1 because we will need that property dedicated before any permits can be obtained.

Mr. Pikus asked if easements are needed; Mr. Retzlaff said we will need them before permits are obtained. However, the designs can be accomplished in advance. No approvals will be granted to the city to construct on another property owner's land.

It was confirmed that no easements in place at this time.

It was noted that the design will determine the location of the easements. Solicitor Rutt said the city needs to ensure the location of the easements and what is out there and where the utilities will go.

Mr. Pikus confirmed that to do this, we must be first upgrade the Shawnee Acres pump station. Anything that occurs on the east side of Route 1 will need easements. Mr. Retzlaff added that until designed, we will not even know how largely the easements need to be. There may be issues with a storm drain that could end up against a street and may need to be placed further back into the property. We will not know exactly what is needed until the design is completed.

Mr. Pikus said at this point, we are approving the upgrade to the pump station at Shawnee Acres and East of Route 1; Mr. Carmean clarified us will not do the work but might as well approve the money.

The city manager also noted that he is meeting with Milford Housing Development who is considering starting construction at their land that fronts Wilkins Road and Cedar Creek Road. With the Wickersham and Milford Housing Developments, it will be important to make sure the Shawnee Acres pump station can accommodate all the new development.

Mr. Pikus confirmed that we are approving the engineering on the Shawnee Acres pump station and we will then proceed with the design. Mr. Carmean stated yes, if we are able to get the easements, we will begin the engineering work east of Route 1. Mr. Retzlaff emphasized the need to get easements in place.

Mr. Pikus moved to approve the engineering design of the pump east at Shawnee Acres be done immediately and to keep the funding in place so the work needed on Route 1 can be done as soon as we are ready to proceed, seconded by Mr. Gleysteen. Motion carried.

Mr. Morrow moved that the cost of the project, estimated to be \$166,400, is to be paid from sewer reserves, seconded by Mr. Starling. Motion carried.

Mr. Carmean said that though he never presented it, he had two engineering firms looking at the east of Route 1 work and the proposed engineering cost just for east of Route 1 engineering was \$128,000. He believes the price DBF is giving us to do both projects is more than fair.

## EXECUTIVE SESSION

*Land Acquisition-Pursuant to 29 Del. C. §10004(b)(2) Preliminary discussions on site acquisitions for any publicly funded capital improvements.*

Mr. Morrow moved to go into Executive Session reference discussions on site acquisitions, seconded by Mr. Grier. Motion carried.

Mayor Rogers recessed the Council Meeting at 7:21 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 7:27 p.m.

*Approval/Land Purchase/Parks and Recreation*

Ms. Wilson moved that council proceed with the agreement to purchase the land in the name of the Trust of Littleton Mitchell at 216 Southeast Second Street as requested by Parks and Recreation Director Gary Emory, seconded by Mr. Grier. Motion carried.

ADJOURN

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

The Council Meeting adjourned at 7:28 p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
January 27, 2014

The City Council of the City of Milford met in Workshop Session on Monday, January 27, 2014 in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Mayor Joseph Ronnie Rogers

IN ATTENDANCE: Councilpersons Bryan Shupe, 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

COUNSEL: City Solicitor David Rutt, Esquire

The Workshop Session convened at 7:28 p.m.

*False Alarm Ordinance Discussion (Mills Brothers Market and Abbotts Grill Complaints)*

Police Committee Chairman Doug Morrow recalled that at the last council meeting, it was decided the police and finance committee would have a joint meeting to discuss Paul Mills and Abbotts Grills' concerns regarding alarm fines. Mr. Morrow referenced the documents in the packet related to the history of the ordinance that was originally created in 1985. It appears to have been amended in 2001 after which time the penalties and fines were amended. That brings us to the current ordinance which is included in the packet.

It was agreed by council to review the fees other towns are charging and to discuss any recommendations.

Mr. Morrow recommends that because the ordinance is from 1985 and the early 2000's, it be forwarded to the city solicitor to ensure it is current with any other laws that have changed overtime.

Mr. Pikus then explained to those council members who did not attend, a meeting was held at the request of two businesses—Abbotts Grill and Mills Brothers Market. They initially wanted to meet with several council members at Abbotts Grill. Because more council members became involved, he asked the city manager and city clerk's opinion and both felt that because city business was being discussed, we should always err on the side of caution and recommended it be moved to city hall.

Mr. Pikus said that both Mr. Mills and Kevin Reading (Abbotts Grill) discussed the amounts of their alarms. He said that occurred as a result of excessive alarms that our police department responded to properly, in a timely manner and handled exactly as they were supposed to do. Mr. Reading stated he would pay his fines, but both Mr. Mills and Mr. Reading suggested they look at the fine structure to determine if it was excessive.

He agreed with Mr. Morrow that it should be placed in the hands of the police and finance committee, but was later decided a workshop discussion would be more appropriate.

City Solicitor Rutt said that he has reviewed the ordinance and the way it has been handled historically is not in accordance with the ordinance. Mr. Rutt emphasized that no one is at fault here and no blame is being placed. He said the ordinance discusses the activation of an alarm system through negligence. Then it gives the owner the right to essentially rebut negligence.

He said there is a problem in Section 75-4 which reads that any person violating any provision of this article and upon conviction shall be subject to a fine. He believes that could be unconstitutional because conviction is not defined in the

Milford Code. The Delaware Criminal Code states it is a punishment that maybe inflicted after a judgment of conviction by a court having jurisdiction. At the time the ordinance was written back in the 1980's, Mr. Rutt said there should have been a hearing. He said this section also references an Alderman even though there are none in Milford. In his opinion, it should go to the Justice of the Peace.

Mr. Rutt has since reviewed ordinances in other jurisdictions identified in the fine comparison. Most of those ordinances were changed to civil offenses which eliminates the possibility of a trial. Some jurisdictions have the right to appeal to an administrative board. If someone is aggrieved by that, they then go to the Justice of the Peace.

He advised the State of Delaware has a section on false alarms. They also designate it as a civil penalty with a right to an administrative hearing and a right to appeal to a Justice of the Peace Court. Dover has a provision that if someone feels aggrieved, they must provide proof their alarm malfunctioned not from their own negligence. That is then reviewed by the City of Dover Fire Marshal. If the fire marshal decides it was a functioning system but this occurred through their own negligence, they are assessed a civil penalty which is similar to a tax, as opposed to a fine.

Mr. Rutt recommends the ordinance be rewritten and updated.

Mr. Morrow noted that the problem Abbots and Mills Brothers had with the ordinance was the amount of the fines. In lieu of discussing this further and considering the entire ordinance is going to be amended, he recommends Mr. Rutt create a new ordinance to cover all the items in question.

Mr. Morrow reiterated that no one has done anything wrong and it was being enforced as it was written. It appears that one word seems to have caused a problem. He asked that Mr. Rutt look at it, update it and get us back on track.

Mr. Brooks said this was originally started when the fire company asked it be put in place. There were a couple businesses with excessive false alarms causing the fire trucks to be dispatched continuously. Firemen were leaving their jobs and getting out of bed all hours of the night to respond to a false alarm.

Mr. Morrow agreed adding that the city manager, who was police chief at the time, had indicated that the police were responding to just as many, if not more, which was causing a public safety and nuisance issue.

Mr. Grier noted that the concept of the ordinance makes perfectly good sense. Mr. Rutt then emphasized that the ordinance as written is valid, but there are a number of steps that makes the process burdensome. He said a \$50 fine does not cover the cost of a police officer being sent to a court for a hearing. In those cases, the city will lose money every time.

Mr. Morrow asked if Mr. Rutt will consider moving it to the civil side; Mr. Rutt stated yes. Mr. Grier agreed that it should be fine tuned and brought back to council.

It was noted that the only sections changed during the last amendment were the fines which were reduced and the number of no-fine or free false alarms increased.

Mr. Rutt said he will put together some alternatives because there are a couple different ways to go. In that manner, council can decide which procedure will work best.

Mr. Rutt he concluded by stating he will have something together in a week that council can circulate among themselves.

*Adjourn*

With no further business, the Workshop Session concluded at 7:58 p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder

Attachment: False Alarm Ordinance

Milford, Delaware, Code of Ordinances >> PART II - GENERAL LEGISLATION >> **Chapter 75 - ALARMS**  
>> **ARTICLE I False Alarms** >>

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ARTICLE I False Alarms

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*[Adopted 6-11-2001 by Ord. No. 5-2001<sup>1</sup> ]*

§ 75-1. Definitions.

§ 75-2. Excessive false alarms prohibited.

§ 75-3. Alarm maintenance.

§ 75-4. Fines and penalties.

**§ 75-1. Definitions.**

For the purpose of this article, the following definitions shall be applicable unless the context clearly indicates to the contrary:

**ALARM SYSTEM** — Includes any mechanical or electrical device used for the detection of burglar, robbery, fire or other hazard within a building, structure or facility or for alerting others to the commission of an unlawful act or hazard, or either or both, within a building, structure or facility, including all necessary equipment designed and installed for the detection of burglar, robbery, fire or other hazard in a single building, structure or facility or for alerting others of the commission of an unlawful act within a building, structure of facility.

**ALARM USER** — Includes any person, firm, partnership, corporation or other entity or any agent, officer or employee thereof on whose premises an alarm system is maintained within the City.

**CALENDAR YEAR** — January 1, 2003, through December 31, 2003, for the first year and shall be January 1 through December 31 for each subsequent year.

*[Added 1-13-2003 by Ord. No. 2002-11]*

**FALSE ALARM** — The activation of an alarm system through negligence of the alarm user causing the police, fire company or other emergency personnel to respond. Negligence does not include, for example, alarms caused by hurricanes, tornadoes, earthquakes, mechanical failures, malfunctions, or improper installations. However, during the course of the calendar year, an alarm user that has had mechanical failures, malfunctions, or improper installations causing three false alarms, beginning with the fourth alarm, such mechanical failure, malfunction or improper installation within the calendar year, that occurrence, and each occurrence to follow, shall constitute negligence.

*[Amended 1-13-2003 by Ord. No. 2002-11]*

**§ 75-2. Excessive false alarms prohibited.**

Alarm users shall not cause more than three alarm signals within a calendar year that elicit notification to the Milford Police Department and/or the Carlisle Volunteer Fire Company where it is discovered that a situation requiring a response by the notified department does not exist, and that is further defined as a false alarm.

**§ 75-3. Alarm maintenance.**

Every alarm user shall maintain its alarm system in such a manner as to minimize the number of incidents of false alarms to the Milford Police Department and/or the Carlisle Volunteer Fire Company.

**§ 75-4. Fines and penalties.**

*[Amended 1-13-2003 by Ord. No. 2002-11]*

- A. Any person violating any provision of this article, and upon conviction thereof, shall be subject to a fine as set forth below for false alarms responded to by the Milford Police Department and/or the Carlisle Volunteer Fire Company within a calendar year.

| Number of False Alarms | Fine Per False Alarm |
|------------------------|----------------------|
| <u>4</u> to 5          | \$50.00              |
| <u>6</u> to <u>9</u>   | \$100.00             |
| <u>10</u> to 15        | \$200.00             |
| <u>16</u> and over     | \$250.00             |

- B. Payment of fines shall be to the City of Milford and forwarded to the Milford Police Department within 30 days of the violation.

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**FOOTNOTE(S):**


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*Editor's Note: This ordinance also repealed former Art. I, False Fire Alarms, adopted 2-10-1986. [\(Back\)](#)*