

# City of Milford



## AGENDA

Monthly Council Meeting

August 11, 2014

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

WORKSHOP - 5:30 P.M.

Call to Order-Mayor Bryan Shupe

FOIA Training/DAG Edward Black/Attorney General's Office

Adjourn

COUNCIL MEETING - 7:00 P.M.\*

Call to Order - Mayor Bryan Shupe

Invocation

Pledge of Allegiance

Approval of Previous Minutes

Recognition

Monthly Police Report

City Manager Report

Committee & Ward Reports

Communications & Correspondence

Unfinished Business

Ratification/Comcast Cable Television Franchise Agreement  
Relocation/Washington Street Water Treatment Facility  
USDA \$2 Million Loan/Water Projects

New Business

Delaware League Local Government/Annual Dues  
St. John's Oktoberfest/Alcohol Waiver  
Grotto Pizza/Community Night/Alcohol Waiver  
FY 2014-2015 Budget Adjustment/North Washington Street Paving Project/Transfer of Funds  
Resolution 2014-12/Redemption of City of Milford General Obligation Bonds, Series of 2005  
Council Rules, Policies and Procedures\*

Monthly Finance Report

Personnel- Pursuant to 29 Del. C. §10004(b)(9) Personnel Matters/City Employee Duties\*\*

City Employee Issue\*\*

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.**

# Delaware's Freedom Of Information Act

Overview of Public Records and Open  
Meetings Rights and Obligations

Presented by Edward K. Black  
Deputy Attorney General

Milford, Delaware

August 11, 2014

# OVERVIEW

- Delaware's Freedom Of Information Act
  - Open Records Provisions
    - ✓ What documents must be made available for public inspection?
  - Open Meeting Provisions
    - ✓ What meetings and discussions must be open to the public?
  - Education [effective July 1, 2015]
    - ✓ AG to publish biennially a FOIA coordinator manual, hold annual training seminar and publish on a website all FOIA opinions and summaries thereof.

# FOIA Policy Declaration

- Provides public with important rights to
  - observe the performance of public officials
  - monitor the decisions made in formulating and executing public policy
- FOIA is to be interpreted to further the accountability of government to the citizens of this State

# What Is A “Public Body”?

- Typically not an issue
- Issues arises when two or more people gather to discuss public business
- Issue is important because all public bodies have obligations under FOIA

# “Public Body” (continued)

- Any other legislative or executive branch agency, board, committee, subcommittee, or group
  - Established by an act of the General Assembly or a body established by the General Assembly
  - Appointed by a state body or public official, or
  - Otherwise empowered by a state entity
- That is
  - supported in whole or in part by public funds
  - expends or disburses grants/gifts
  - impliedly or specifically charged to advise or make reports or recommendations

# “Public Body” (continued)

## ➤ Exempt Bodies

- Any caucus of the House or Senate
- UD/DSU, except for Boards of Trustees

## ➤ Bodies Exempt from Open Meetings

- Public bodies having only **one member**
  - ✓ Governor, Mayor, Town Manager, etc.
- “Body of One” can appoint committees
  - ✓ Staff meetings?
  - ✓ Citizens, private sector?

# Public Records Duties

- Implement Policy for Addressing FOIA Requests
- Develop a Web Portal for Receiving FOIA Requests
- **NEW for 2014 [HB 322]**: Provide a mailing address for receiving FOIA requests through the U.S. mail
- Designate a FOIA Coordinator and identify on website
  - **NEW for 2015 [HB 321]** Public bodies must provide the name and contact information for its FOIA coordinator to the AG. Within 20 working days of any change of FOIA coordinator or the FOIA coordinator's contact information, public bodies must update website and notify AG.
- Provide Reasonable Assistance to the Public in Identifying and Locating Records
- Promptly Request Noncustodial Emails and Other Records

## Public Record Duties (continued)

- Conduct Diligent Search for Records
- Consultation with or Referral to Originating Body
- Respond Within 15 Business Days
- Make Records Available for Inspection and Copying
  - **NEW for 2015 [HB 323]:** Executive branch bodies required to publish an annual or biennial reports must post them on State website

# What Documents Are “Public Records” Under FOIA?

## ➤ Public Record Defined

- information of any kind, owned, made, used, retained, received, produced, composed, drafted or otherwise compiled or collected, by any public body, relating in any way to public business, or in any way of public interest, or in any way related to public purposes, regardless of the physical form or characteristic by which such information is stored, recorded or reproduced.

## ➤ AGO Carve-Outs

- Working drafts
- Personal Notes

# Statutory Exemptions

- 1. Personnel, Medical and Pupil Files the disclosure of which would constitute an invasion of personal privacy
  - Should redact home address, telephone & SSN
  - Generally can't redact names, job, time sheets, attendance records, salaries or benefits for public employees except for
    - Retirees
    - Employees of DOT contractors
    - Tax, social security and elective deductions
    - Swat Member
    - Merit employees?

## Statutory Exemptions (continued)

- 2. Trade Secrets/Commercial or Financial Information Obtained from a Person which is of a Privileged or Confidential Nature
  - “Trade Secrets”
    - ✓ Secret formula, process, etc.
  - Commercial or financial information
    - ✓ List of assets & liabilities, P&L statement, tax returns
  - Obtained “from a person”

# Statutory Exemptions (continued)

- 3. Investigatory Files Compiled for Civil or Criminal Law Enforcement
  - “Blanket” exemption that covers a broad array of files and records
    - Housing code violation investigatory files
    - Uniform Collision Traffic Reports
    - Complaints about town ordinance violations
    - **But not** DOL prevailing wage law violations
  - Exemption continues after file/investigation closed
  - Exemption waived if documents or information put in public domain
    - Documents disclosed in response to discovery/subpoena

# Statutory Exemptions (continued)

- 4. Criminal Files and Criminal Records
  - Criminal files
    - Statute suggests all criminal files are closed to public scrutiny
    - Blanket exemption exists even after disposition of criminal case
    - Waiver
  - Criminal records
    - Any person can request and obtain a copy of their own criminal record, subject to redaction of witness names, intelligence personnel and aids, or any other privileged or confidential information
    - All other criminal records are closed to public scrutiny

# Statutory Exemptions (continued)

- 6. Records Exempted by Statute or Common Law
  - Federal Statutes
    - HIPAA?
  - State Statutes
    - Tax information
    - Personal healthcare information
    - Education records
    - Documents filed under seal
  - Common law
    - Executive privilege
    - Attorney-client communications/attorney work product
    - Personal privacy

# Statutory Exemptions (continued)

- 9. Records Pertaining to Pending or Potential Litigation Which are not Records of any Court
  - Pending Litigation
    - Quasi-judicial administrative proceedings
      - Planning Board appeals
      - Arbitration proceeding
      - **NOT** PERB matters
  - Potential Litigation
    - Litigation reasonably foreseeable
      - Threat of litigation, demand letter

# Public Meetings

## ➤ What Meetings Are Subject To FOIA?

- The formal or informal gathering of a quorum of the members of any public body for the purpose of discussing or taking action on public business either in person or by video-conferencing

## ➤ Quorum

- Series of sub-quorum telephone calls, or emails
  - ✓ Vote taken or consensus reached?

## ➤ Discussion/Action

- Public business discussed?

# Public Meeting Requirements

- Publication
- Meeting Notices
- Agendas
- Minutes

# Publication:

## When to Publish Notice & Agenda

- Regular Meetings and Intent to Hold Executive Session
  - Notice posted 7 days in advance of meeting
  - Agenda must be posted with notice or added at least 6 hours in advance
- Special or Rescheduled Meetings
  - At least 24 hours' notice required
  - Requires a showing of an exigent circumstance or compelling need to meet on shortened notice
- Emergency Meetings Exempt from Notice Requirements
  - Necessary for the immediate preservation of public peace, health or safety, or to the General Assembly

# Publication:

## Where to Publish Notice & Agenda

- Publication must include conspicuous posting of notice
  - At the principal office or, if none, where meetings are regularly held and
  - For all “noncounty and nonmunicipal public bodies” – electronically on State website approved by the Registrar of Regulations?
  - For all State agencies within executive branch -- electronically on the State’s Public Meeting Calendar
  
- Must make a reasonable number of notices available

# Publication:

## What to Include in the Notice

- Date , Time and Place of Meeting
- Video conferencing
- Agenda, if determined at the time
  - ✓ If not determined when notice posted, agenda must be added at least 6 hours in advance of meeting with explanation for the delay
  - ✓ Agendas may be amended if
    1. Explanation of delay provided in amended agenda
    2. New matter came up unexpectedly after the initial posting
    3. New matter requires immediate attention

# Publication:

## What to Include in the Agenda

- General statement of the major issues expected to be discussed at a public meeting
  - ❖ Must draw the public's attention to the fact that specific important subject will be treated
    - “Primary Election” -- vote to open fewer polling stations
    - “Class Sizes and Enrollment” -- new teacher funding
    - “Application – PATS INC.” -- \$4.5 million IRB issuance
    - “Town Charter Changes” -- restriction of voter eligibility

# Publication:

## What to Include in the Agenda

➤ Statement of intent to hold an executive session and the specific grounds therefor

### ❖ Two views

1. Notice requirements less strict
  - Sufficient to reference statute and/or general short-hand reference
  - Not required to specify what legal, personnel, or other subjects are discussed in executive sessions
2. Must provide public with the precise reason or reasons for convening in private
  - Reference to statutory exemptions may not be enough

# Executive Session

- A public body may discuss certain matters in private
  - An individual's qualifications to hold a job
    - ❑ Does not apply to current employees or personal disagreements among members of public body
    - ❑ Does not permit discussion of the selection process
  - Strategy sessions, including those involving legal advice or opinion from an attorney, about collective bargaining or pending or potential litigation, but only when an open meeting would have an adverse effect on bargaining or litigation position
    - ❑ May discuss litigation objectives, deployment of resources, legal issues, parameters for settlement
  - Personnel matters in which the names, competency and abilities of the individual employees or students are discussed
    - ❑ Does not apply to independent contractors
    - ❑ Does not permit discussion of the process for hiring new employees

# Meeting Minutes

- Must prepare minutes even when meeting taped
- Should approve and post at next meeting
  - **NEW for 2014 [HB 320]:** Executive branch bodies that meet four or less times per year must electronically post draft minutes within 20 working days after the meeting. Prior to being posted, draft minutes may be distributed to members of the public body who were present at the open public meeting. Draft minutes may continue to be revised and corrected up until final minutes are approved by the public body at an open meeting.
- Minimal requirements
  - Attendance record
  - Accounting of each vote taken or action agreed upon
- Executive session minutes may be withheld for as long as the matters discussed remain confidential/privileged

# FOIA Education

- AG to publish biennially a manual for FOIA coordinators laying out
  - Duties and responsibilities of FOIA coordinators
  - FOIA time frames, how to calculate them, and the circumstances in which they are tolled
  - Power of the public body to charge fees for requests for public records
  - An explanation of the reasons for calling an executive session, including an explanation of the strategy session exception
  - A summary of Delaware judicial opinions, Attorney General opinions, and other legal opinions issued in the preceding 2 years related to this chapter.

# FOIA Education (continued)

- AG to hold annual FOIA coordinators training
  - Open to the public and noticed in accordance with FOIA
  - Training to include
    - ✓ topics included in the manual
    - ✓ a discussion of best practices for responding to requests for public records
    - ✓ question and answer session.
- AG to maintain a website containing Attorney General opinions a summary of the holding of each opinion

# Contact Information And Additional Resources

- **FOIA Deputy**

Edward Black

Deputy Attorney General

Del. Department of Justice

820 N. French Street

Wilmington, DE 19801

Phone: (302) 577-4209

[edward.black@state.de.us](mailto:edward.black@state.de.us)

- **FOIA Coordinator**

Janice Guevarez, M.S.

Administrative Specialist II

Del. Department of Justice

820 N. French Street

Wilmington, DE 19801

Phone: (302) 577-8910

E-mail: [Janice.Guevarez@state.de.us](mailto:Janice.Guevarez@state.de.us)

**For access to Attorney General Opinions issued from 1995 to present, see <http://opinions.attorneygeneral.delaware.gov>.**

**Opinions have been posted in electronic format and may be searched by key words or by using available drop-down menus.**

# 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: August 11, 2014

RE: Activity Report/July 2014

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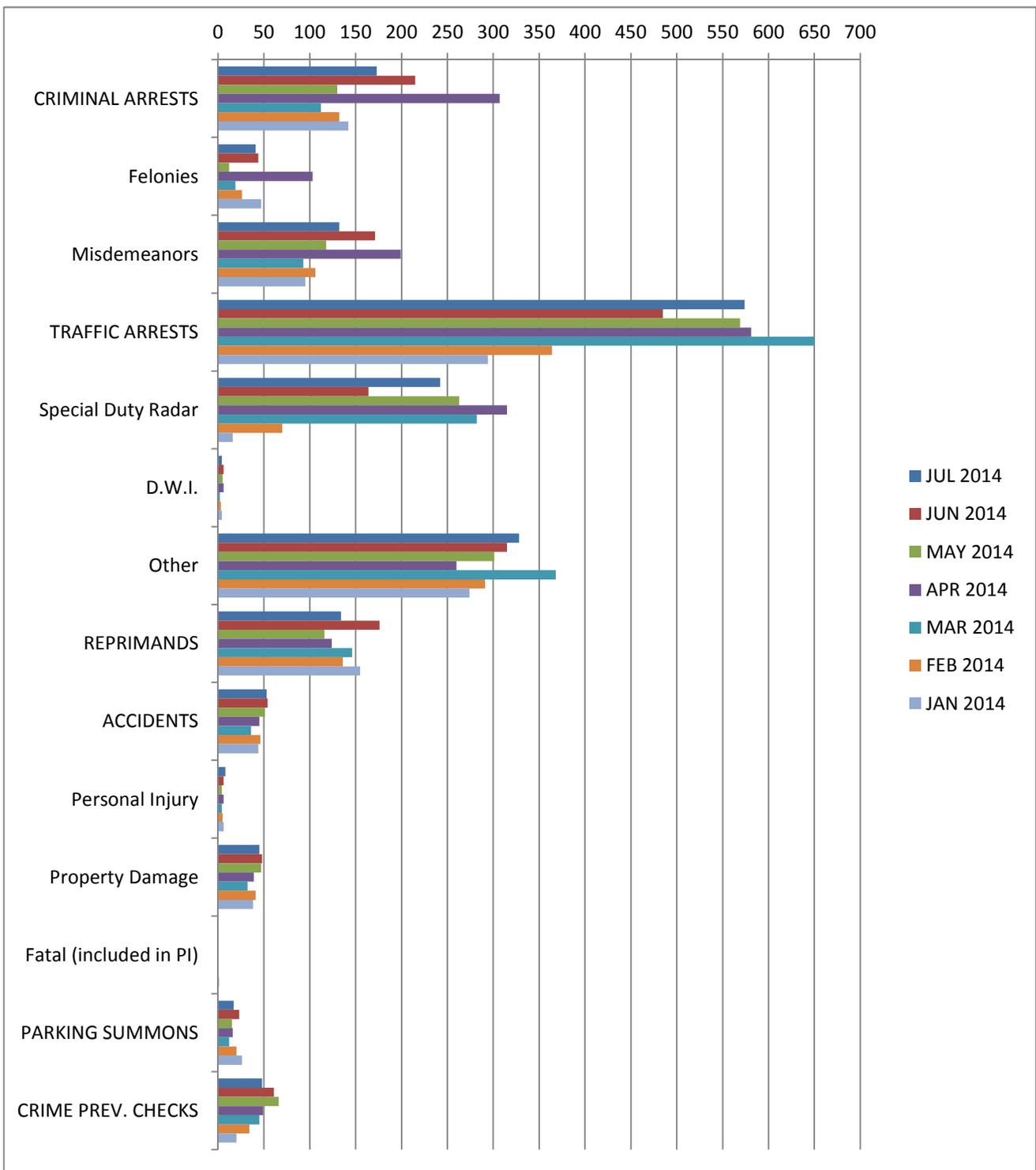
## **Monthly Stats:**

A total of 747 arrests were made by the Milford Police Department during July 2014. Of these arrests, 173 were for criminal offenses and 574 for traffic violations. Criminal offenses consisted of 41 felonies and 132 misdemeanors. Traffic violations consisted of 242 special duty radar, 4 drunk-driving charges and 328 miscellaneous offenses.

Police officers investigated 53 accidents during the month (8 personal injury, and 45 property damage) and issued 134 written reprimands. In addition, they responded to 1260 various complaints including city requests and other agency assistance.

JUL 2014 ACTIVITY REPORT

	JUL 2014	TOTAL 2014	JUL 2013	TOTAL 2013
COMPLAINTS	1260	8377	1065	7457
CRIMINAL ARRESTS	173	1211	163	800
Felonies	41	292	29	170
Misdemeanors	132	914	134	630
TRAFFIC ARRESTS	574	3517	260	2482
Special Duty Radar	242	1352	30	559
D.W.I.	4	30	3	21
Other	328	2137	227	1908
REPRIMANDS	134	987	88	866
ACCIDENTS	53	329	68	358
Personal Injury	8	39	12	42
Property Damage	45	290	56	316
Fatal (included in PI)	0	1	0	0
PARKING SUMMONS	17	129	8	109
CRIME PREV. CHECKS	48	323	15	227
FINES RECEIVED	\$ 12,247.70	\$ 72,792.92	\$ 10,161.16	\$ 75,371.31





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](http://www.cityofmilford.com)

#### **ADMISTRATION**

I have had the second progress meeting with the contractor doing the remodel at our future billing office. There are a few surprises as far as some of the construction plans in the initial plans. We are upgrading the public restrooms floors from vinyl to ceramic tile which is more suitable for the wear and cleaning needs of a public area. The completion is still planned for late October.

We have received the deed to the Armory property from the State of Delaware. I will forward all legal paperwork to Mr. Rutt. Representative Harvey Kenton has been in touch with my office and he is going to contact the Governor's office to attempt to set up a small ceremony wherein the Governor will pass the keys on to mayor and city officials. We will have a discussion as to possible uses for this property in the future.

#### **STREETS AND SOLID WASTE**

Numerous street projects are planned for completion before the weather gets back again. Jerry's Paving has assured me that Lemuel Street and Lovers Lane will be finished before school opens. These two streets are high traffic areas during the school year.

North Washington Street and those intersecting streets will begin following Shea's Concrete completion of the required sidewalk work. The paving of the intersecting streets will begin in all probability prior to the concrete work on Washington Street.

S.E. Front Street is seeing mostly sidewalk and curb construction at this time. The overlay of the street itself will be completed by October.

#### **SEWER AND WATER**

I had a pre-construction meeting with DBF and CB & I, the contractors of the new S.E. Water Tower. I signed the Notice to Proceed document on August 4, 2014. The anticipated completion date for the project is November 27, 2015.

The water main extension construction to the tower site and our eastern city limits was awarded to Teal Construction will begin in the next few weeks and be completed in the fall.

The new well at the tower site has begun and will be complete by late fall. The well will not be placed into use until the new treatment facility is built at that location. The facility is in the final design phase and will be bid out in the early fall.

#### **ELECTRIC**

We have had several short outages of one of our main circuits in the past few months. While I cannot give the exact reason for those interruptions, there are a few possibilities. The most likely reason is the fact that we have our contracted crews working during those times, and when they are working we place the circuit in a "one shot" position. This simply means that if there is a problem the circuit breakers will blow and not reset automatically. Under normal operations the blown circuit can reset itself thereby causing a small blip but not an outage. Our crews will continue to monitor the circuit.

## **Terri Hudson**

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**From:** Gwen <tell2gwen@aol.com>  
**Sent:** Friday, August 1, 2014 10:55 AM  
**To:** milfordchief@hotmail.com; shupe9@gmail.com; garyemory@hotmail.com; Terri Hudson  
**Subject:** Serious concern

*Good morning,*

I'm not sure who needs to address this: this morning while running on the Riverwalk around 8-8:15 a.m. there were men sleeping on benches at two locations. One was behind God's Way and the other was right in front of the library amphitheater. They would not be visible to people driving through town in a car.

This is not the first time, I've seen this, so I think it's something that needs to stop.

I probably don't need to enumerate the reasons why because they are more than obvious. Is this what we want downtown? If we are encouraging people to use the Riverwalk (and not for loitering and drinking and sleeping), we need to encourage derelicts to move on.

I did not feel comfortable saying something to these men. We have a robust police force. Can't we have an officer on a bicycle patrol the area? There are probably other ways to address this problem, but it is a problem. This morning I did not run up to Memorial Park, but usually there's an issue in the area as well.

What is the city going to do about this?

*Gwen Guerke*

P.S. Please include this letter in the council packet.

CABLE FRANCHISE AGREEMENT  
BETWEEN  
CITY OF MILFORD, DELAWARE  
AND  
COMCAST OF DELMARVA, LLC

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## **FRANCHISE AGREEMENT**

This Franchise Agreement (hereinafter, the "Agreement" or "Franchise Agreement") is made between the City of Milford, Delaware (hereinafter, "City" or "Franchising Authority") and Comcast of Delmarva, LLC (hereinafter, "Franchisee").

The City having determined that the financial, legal, and technical ability of the Franchisee is reasonably sufficient to provide the services, facilities, and equipment necessary to meet the future cable-related needs of the community, desires to enter into this Franchise Agreement with the Franchisee for the construction, operation, and maintenance of a Cable System on the terms and conditions set forth herein.

### **SECTION 1 - Definition of Terms**

For the purpose of this Franchise Agreement, capitalized terms, phrases, words, and abbreviations shall have the meanings ascribed to them in the Cable Communications Policy Act of 1984, as amended from time to time, 47 U.S.C. §§ 521 - 631 (the "Cable Act"), unless otherwise defined herein. When not inconsistent with the context, words used in the present tense include the future, words used to refer to the masculine include the feminine, and words in the plural number include the singular number. The word "shall" is mandatory and "may" is permissive. Words not defined in the Cable Act or herein shall be given their common and ordinary meaning.

1.1. "Cable Service" or "Service" shall mean the one-way transmission to Subscribers of Video Programming or other Programming service and Subscriber interaction, if any, which is required for the selection or use of such Video Programming or other Programming service.

1.2. "Cable System" shall mean a facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide Cable Service which includes Video Programming and which is provided to multiple Subscribers within the Franchise Area, and as further defined under Section 602 (7) of the Cable Act.

1.3. "City" shall mean Comcast of Delmarva, LLC.

1.4. "Customer" or "Subscriber" shall mean a Person or user of the Cable System who lawfully receives Cable Service therefrom with the Franchisee's express permission.

1.5. "Effective Date" shall mean \_\_\_\_\_ 2014.

1.6. "FCC" shall mean the Federal Communications Commission, or successor governmental entity thereto.

1.7. "Franchise" shall mean the initial authorization, or renewal thereof, issued by the Franchising Authority, whether such authorization is designated as a franchise, agreement, permit, license, resolution, contract, certificate, ordinance or otherwise, which authorizes the construction and operation of the Cable System.

1.8. "Franchise Agreement" or "Agreement" shall mean this Agreement and any amendments or modifications hereto.

1.9. "Franchise Area" shall mean the present legal boundaries of the City of Milford, as of the Effective Date, and shall also include any additions thereto, by annexation or other legal means during the term of the Franchise, as per the requirements set forth in Section 13.12 of this Agreement.

1.10. "Franchising Authority" shall mean the City of Milford or the lawful successor, transferee, designee, or assignee thereof.

1.11. "Franchisee" shall mean Comcast of Delmarva, LLC.

1.12. "Gross Revenue" shall mean revenue derived by the Franchisee from the operation of the Cable System in the Franchise Area to provide Cable Service, calculated in accordance with generally accepted accounting principles ("GAAP"). Gross Revenue includes monthly basic cable, premium and pay-per-view video fees, installation fees and subscriber equipment rental fees. Gross Revenue shall not include program launch support payments, revenue from advertising and home shopping, refundable deposits, late fees, investment income, nor any taxes, franchise fees, or other fees or assessments imposed or assessed by any governmental authority. Gross Annual Revenues shall not include actual bad debt that is written off, consistent with generally accepted accounting principles, provided however, that all or any part of any such actual bad debt that is written off, but subsequently collected, shall be included in the Gross Annual Revenues in the period so collected.

1.13. "Person" shall mean any natural person or any association, firm, partnership, joint venture, corporation, or other legally recognized entity, whether for-profit or not-for profit, but shall not mean the Franchising Authority.

1.14. "Public Buildings" shall mean those buildings owned or leased by the Franchising Authority for municipal government administrative purposes, and shall not include buildings owned by Franchising Authority but leased to third parties or buildings such as storage facilities at which government employees are not regularly stationed.

1.15. "Public Way" shall mean the surface of, and the space above and below, any public street, highway, freeway, bridge, land path, alley, court, boulevard, sidewalk, way, lane, public way, drive, circle, park or other public right-of-way, including, but not limited to, public utility easements, dedicated utility strips, or easements dedicated for compatible uses and any temporary or permanent fixtures or improvements located thereon now or hereafter held by the Franchising Authority in the Franchise Area, which shall entitle the Franchisee to the use thereof for the purpose of installing, operating, repairing, and maintaining the Cable System. Public Way shall also mean any easement now or hereafter held by the Franchising Authority within the Franchise Area for the purpose of public travel, or for utility or public service use dedicated for compatible uses, and shall include other easements or rights-of-way as shall within their proper use and meaning entitle the Franchisee to the use thereof for the purposes of installing, operating, and maintaining the Franchisee's Cable System over poles, wires, cables, conductors, ducts, conduits, vaults, manholes, amplifiers, appliances, attachments, and other property as may be ordinarily necessary and pertinent to the Cable System.

1.16. "Standard Installation" shall mean the standard one hundred twenty-five foot (125') aerial Drop connection to the existing distribution system.

1.17. "Video Programming" or "Programming" shall mean the programming provided by, or generally considered comparable to programming provided by, a television broadcast station.

1.18. "Video Service Provider" or "VSP" shall mean any entity using the public rights-of-way to provide multiple Video Programming services to subscribers, for purchase or at no cost, regardless of the transmission method, facilities, or technology used. A VSP shall include but is not limited to any entity that provides cable services, multi-channel multipoint distribution services, broadcast satellite services, satellite-delivered services, wireless services, and Internet-Protocol based services.

## **SECTION 2 - Grant of Authority**

2.1. Franchise Grant. The Franchising Authority hereby grants to the Franchisee a non-exclusive Franchise authorizing the Franchisee to construct and operate a Cable System in the Public Ways within the Franchise Area, and for that purpose to erect, install, construct, repair, replace, reconstruct, maintain, or retain in any Public Way such poles, wires, cables, conductors, ducts, conduits, vaults, manholes, pedestals, amplifiers, appliances, attachments, and other related property or equipment as may be necessary or appurtenant to the Cable System, and to provide such services over the Cable System as may be lawfully allowed.

2.2. Term of Franchise. The term of the Franchise granted hereunder shall be fifteen (15) years, commencing upon the Effective Date of the Franchise, unless the Franchise is renewed or is lawfully terminated in accordance with the terms of this Franchise Agreement and the Cable Act. This Franchise shall be automatically extended for three (3) additional terms of five (5) years each unless either party notifies the other in writing of its desire to enter renewal negotiations under the Cable Act at least one (1) year before the expiration date of the then-current Franchise Agreement, whether it be the initial term or a subsequent extended term.

2.3. Renewal. Any renewal of this Franchise shall be governed by and comply with the provisions of Section 626 of the Cable Act [47 U.S.C. §546], as amended.

### **SECTION 3 – Construction and Maintenance of the Cable System**

3.1. Permits and General Obligations. The Franchisee shall be responsible for obtaining all generally applicable permits, licenses, or other forms of approval or authorization prior to the commencement of any activity that disturbs the surface of any street, curb, sidewalk or other public improvement in the Public Way, or impedes vehicular traffic. The issuance of such permits shall not be unreasonably withheld or delayed. Construction, installation, and maintenance of the Cable System shall be performed in a safe, thorough and reliable manner using materials of good and durable quality. Notwithstanding the requirements herein, Franchisee shall not be required to obtain a permit for individual drop connections to Subscribers, servicing or installing pedestals or other similar facilities, or other instances of routine maintenance or repair to its Cable System. All transmission and distribution structures, poles, other lines, and equipment installed by the Franchisee for use in the Cable System in accordance with the terms and conditions of this Franchise Agreement shall be located so as to minimize the interference with the proper use of the Public Ways and the rights and reasonable convenience of property owners who own property that adjoins any such Public Way.

#### **3.2. Conditions of Street Occupancy.**

3.2.1. New Grades or Lines. If the grades or lines of any Public Way within the Franchise Area are lawfully changed at any time during the term of this Franchise Agreement, then the Franchisee shall, upon reasonable advance written notice from the Franchising Authority (which shall not be less than thirty (30) business days) and at its own cost and expense, protect or promptly alter or relocate the Cable System, or any part thereof, so as to conform with any such new grades or lines. If public funds are available to any other user of the Public Way for the purpose of defraying the cost of any of the foregoing,

the Franchising Authority shall notify Franchisee of such funding and make available such funds to the Franchisee.

3.2.2. Relocation at Request of Third Party. The Franchisee shall, upon reasonable prior written request of any Person holding a permit issued by the Franchising Authority to move any structure, temporarily move its wires to permit the moving of such structure; provided (i) the Franchisee may impose a reasonable charge on any Person for the movement of its wires, and such charge may be required to be paid in advance of the movement of its wires; and (ii) the Franchisee is given not less than thirty (30) business days advance written notice to arrange for such temporary relocation.

3.2.3. Restoration of Public Ways. If in connection with the construction, operation, maintenance, or repair of the Cable System, the Franchisee disturbs, alters, or damages any Public Way, the Franchisee agrees that it shall at its own cost and expense replace and restore any such Public Way to a condition reasonably comparable to the condition of the Public Way existing immediately prior to the disturbance.

3.2.4. Safety Requirements. The Franchisee shall undertake all necessary and appropriate efforts to maintain its work sites in a safe manner in order to prevent failures and accidents that may cause damage, injuries or nuisances. All work undertaken on the Cable System shall be performed in substantial accordance with applicable FCC or other federal and state regulations. The Cable System shall not unreasonably endanger or interfere with the safety of Persons or property in the Franchise Area.

3.2.5. Trimming of Trees and Shrubbery. The Franchisee shall have the authority to trim trees or other natural vegetative growth encroaching or overhanging any of its Cable System in the Franchise Area so as to prevent contact with the Franchisee's wires, cables, or other equipment. All such trimming shall be done at the Franchisee's sole cost and expense. The Franchisee shall be responsible for any collateral, real property damage caused by such trimming.

3.2.6. Aerial and Underground Construction. At the time of Cable System construction, if all of the transmission and distribution facilities of all of the respective public or municipal utilities in any area of the Franchise Area are underground, the Franchisee shall place its Cable System transmission and distribution facilities underground, provided that such underground locations are actually capable of accommodating the Franchisee's cable and other equipment without technical degradation of the Cable System's signal quality. In any region(s) of the Franchise Area where the transmission or distribution facilities of the respective public or municipal utilities are both aerial and underground, the Franchisee shall have the discretion to construct, operate, and maintain all of its transmission and distribution facilities, or any part thereof, aerially or

underground. Nothing in this Agreement shall be construed to require the Franchisee to construct, operate, or maintain underground any ground-mounted appurtenances such as customer taps, line extenders, system passive devices, amplifiers, power supplies, pedestals, or other related equipment.

3.2.7. Undergrounding and Beautification Projects. In the event all users of the Public Way relocate aerial facilities underground as part of an undergrounding or neighborhood beautification project, Franchisee shall participate in the planning for relocation of its aerial facilities contemporaneously with other utilities. Franchisee's relocation costs shall be included in any computation of necessary project funding by the municipality or private parties. Franchisee shall be entitled to reimbursement of its relocation costs from public or private funds raised for the project and made available to other users of the Public Way. In the event that public and/or private funds are not available, Franchisee reserves the right to pass its costs through to its Subscribers in accordance with applicable law.

#### **SECTION 4 - Service Obligations**

4.1. General Service Obligation. The Franchisee shall make Cable Service available to every residential dwelling unit within the Franchise Area where the minimum density is at least thirty (30) occupied dwelling units per mile with aerial cable or sixty (60) residential occupied dwelling units per mile in areas with underground cable and is within one (1) mile as measured in strand footage from the nearest point on the Cable System trunk or feeder line from which a usable cable signal can be obtained. For purposes of this section, a home shall be counted as a "dwelling unit" if, and only if, such home is within two hundred seventy-five (275) feet of the public right of way. Subject to the density requirement, Franchisee shall offer Cable Service to all new homes or previously unserved homes located within one hundred and twenty-five (125) feet of the Franchisee's distribution cable at the standard installation rate. Should, through new construction, an area within the Franchise Area meet the density requirements, Franchisee shall provide Cable Service to such area within one year after it confirms that the density requirements have been met following notice from the Franchising Authority that one or more residents has requested service.

The Franchisee may elect to extend service to areas that do not otherwise qualify to receive service under this section if any resident or group of residents agree in writing to pay to Franchisee the cost of construction, including materials, labor, and the total cost of any easement(s) necessary to accomplish the proposed line extension. One half of the cost of construction shall be paid to the Franchisee prior to engineering and the balance shall be paid prior to installation.

4.2. Programming. The Franchisee shall offer to all Customers a diversity of Video Programming services in accordance with federal law.

4.3. No Unfair Discrimination. Neither the Franchisee nor any of its employees, agents, representatives, contractors, subcontractors, or consultants, nor any other Person, shall discriminate or permit discrimination between or among any Persons in the availability of Cable Services provided in connection with the Cable System in the Franchise Area; provided, however, Franchisee reserves the right to deny service for good cause, including but not limited to non-payment or theft of service, vandalism of equipment, or documented or founded harassment or abuse of Franchisee's employees or agents. It shall be the right of all Persons to receive all available services provided on the Cable System so long as such Person's financial or other obligations to the Franchisee are satisfied. Nothing contained herein shall prohibit the Franchisee from offering bulk discounts, promotional discounts, package discounts, or other such pricing strategies as part of its business practice.

4.4. New Developments. The Franchising Authority shall provide the Franchisee with written notice of the issuance of building or development permits for planned developments within the Franchise Area requiring undergrounding of cable facilities. The Franchising Authority agrees to require the developer, as a condition of issuing the permit, to give the Franchisee access to open trenches for deployment of cable facilities and at least ten (10) business days written notice of the date of availability of open trenches.

4.5. Prohibition Against Reselling Service. No Person shall resell, without the express prior written consent of the Franchisee, any Cable Service, program or signal transmitted over the Cable System by the Franchisee.

## **SECTION 5 - Fees and Charges to Customers**

5.1. All rates, fees, charges, deposits and associated terms and conditions to be imposed by the Franchisee or any affiliated Person for any Cable Service as of the Effective Date shall be in accordance with applicable FCC rate regulations. Before any new or modified rate, fee, or charge is imposed, the Franchisee shall follow the applicable FCC notice requirements and rules and notify affected Customers, which notice may be by any means permitted under applicable law.

## **SECTION 6 - Customer Service Standards; Customer Bills; and Privacy Protection**

6.1. Customer Service Standards. The Franchising Authority hereby adopts the customer service standards set forth in Part 76, §76.309 of the FCC's

rules and regulations, as amended. The Franchisee shall comply in all respects with the customer service requirements established by the FCC.

6.2. Customer Bills. Customer bills shall be designed in such a way as to present the information contained therein clearly and comprehensibly to Customers, and in a way that (i) is not misleading and (ii) does not omit material information. Notwithstanding anything to the contrary in Section 6.1, above, the Franchisee may, in its sole discretion, consolidate costs on Customer bills as may otherwise be permitted by Section 622 (c) of the Cable Act [47 U.S.C. §542 (c)].

6.3. Privacy Protection. The Franchisee shall comply with all applicable federal and state privacy laws, including Section 631 of the Cable Act and regulations adopted pursuant thereto.

## **SECTION 7 - Oversight and Regulation by Franchising Authority**

7.1. Franchise Fees. The Franchisee shall pay to the Franchising Authority a franchise fee in an amount equal to five percent (5%) of annual Gross Revenues received from the operation of the Cable System to provide Cable Service in the Franchise Area; provided, however, that Franchisee shall not be compelled to pay any higher percentage of franchise fees than any other cable operator providing service in the Franchise Area. The payment of franchise fees shall be made on a quarterly basis and shall be due forty-five (45) days after the close of each first, second and third calendar quarter (i.e., May 15, August 15, November 15) and sixty (60) days after the close of the calendar year (last day of February). Each franchise fee payment shall be accompanied by a report prepared by a representative of the Franchisee showing the basis for the computation of the Franchise Fees paid during that period.

### **7.2. Franchise Fees Subject to Audit.**

7.2.1 Upon notice pursuant to Section 13.2 herein, during Normal Business Hours at Franchisee's principal business office, the Franchising Authority shall have the right to inspect the Franchisee's financial records used to calculate the Franchising Authority's franchise fees; provided, however, that any such inspection shall take place within two (2) years from the date the Franchising Authority receives such payment, after which period any such payment shall be considered final.

7.2.2. Upon the completion of any such audit by the Franchising Authority, the Franchising Authority shall provide to the Franchisee a final report setting forth the Franchising Authority's findings in detail, including any and all substantiating documentation. In the event of an alleged underpayment, the Franchisee shall have thirty (30) days from the receipt of the report to provide the

Franchising Authority with a written response agreeing to or refuting the results of the audit, including any substantiating documentation. Based on these reports and responses, the parties shall agree upon a "Finally Settled Amount." For purposes of this Section, the term "Finally Settled Amount(s)" shall mean the agreed upon underpayment, if any, to the Franchising Authority by the Franchisee as a result of any such audit. If the parties cannot agree on a "Final Settlement Amount," the parties shall submit the dispute to a mutually agreed upon mediator within sixty (60) days of reaching an impasse. In the event an agreement is not reached at mediation, either party may bring an action to have the disputed amount determined by a court of law.

7.2.3. Any "Finally Settled Amount(s)" due to the Franchising Authority as a result of such audit shall be paid to the Franchising Authority by the Franchisee within thirty (30) days from the date the parties agree upon the "Finally Settled Amount." Once the parties agree upon a Finally Settled Amount and such amount is paid by the Franchisee, the Franchising Authority shall have no further rights to audit or challenge the payment for that period. The Franchising Authority shall bear the expense of its audit of the Franchisee's books and records.

7.3. Oversight of Franchise. In accordance with applicable law, the Franchising Authority shall have the right to, at its sole cost and expense and upon reasonable prior written notice and in the presence of Franchisee's employee, periodically inspect the construction and maintenance of the Cable System in the Franchise Area as necessary to monitor Franchisee's compliance with the provisions of this Franchise Agreement.

7.4. Technical Standards. The Franchisee shall comply with all applicable technical standards of the FCC as published in subpart K of 47 C.F.R. § 76.601 et seq. To the extent those standards are altered, modified, or amended during the term of this Franchise, the Franchisee shall comply with such altered, modified or amended standards within a reasonable period after such standards become effective. The Franchising Authority shall have, upon written request, the right to obtain a copy of tests and records required to be performed pursuant to the FCC rules.

7.5. Maintenance of Books, Records, and Files.

7.5.1. Books and Records. Throughout the term of this Franchise Agreement, the Franchisee agrees that the Franchising Authority may review the Franchisee's books and records regarding customer service performance levels in the Franchise Area to monitor Franchisee's compliance with the provisions of this Franchise Agreement, upon reasonable prior written notice to the Franchisee pursuant to the provisions of Section 13.2 herein, at the Franchisee's business office, during Normal Business Hours, and without unreasonably interfering with Franchisee's business operations. All such documents that may be the subject

of an inspection by the Franchising Authority shall be retained by the Franchisee for a minimum period of twenty-four (24) months.

7.5.2. File for Public Inspection. Throughout the term of this Franchise Agreement, the Franchisee shall maintain at its business office, in a file available for public inspection during normal business hours, those documents required pursuant to the FCC's rules and regulations.

7.5.3. Proprietary Information. Notwithstanding anything to the contrary set forth in this Section, the Franchisee shall not be required to disclose information which it reasonably deems to be proprietary or confidential in nature. The Franchising Authority agrees to treat any information disclosed by the Franchisee as confidential and only to disclose it to those employees, representatives, and agents of the Franchising Authority that have a need to know in order to enforce this Franchise Agreement and who agree, through the execution of a non-disclosure agreement, to maintain the confidentiality of all such information. The Franchisee shall not be required to provide Customer information in violation of Section 631 of the Cable Act or any other applicable federal or state privacy law. For purposes of this Section, the terms "proprietary or confidential" include, but are not limited to, information relating to the Cable System design, customer lists, marketing plans, financial information unrelated to the calculation of franchise fees or rates pursuant to FCC rules, or other information that is reasonably determined by the Franchisee to be competitively sensitive. Franchisee may make proprietary or confidential information available for inspection, but not copying or removal of information by the Franchising Authority's representative. In the event that the Franchising Authority has in its possession and receives a request under a state "sunshine," public records, or similar law for the disclosure of information the Franchisee has designated as confidential, trade secret or proprietary, the Franchising Authority shall notify Franchisee of such request and cooperate with Franchisee in opposing such request.

## **SECTION 8 – Transfer of Cable System or Franchise of Franchisee**

8.1. Neither the Franchisee nor any other Person may transfer the Cable System or the Franchise without prior written notice to the Franchising Authority. No prior notice shall be required, however, for: (i) a transfer in trust, by mortgage, hypothecation, or by assignment of any rights, title, or interest of the Franchisee in the Franchise or in the Cable System in order to secure indebtedness, (ii) a transfer to an entity directly or indirectly owned or controlled by Comcast Corporation, or (iii) the sale, conveyance, transfer, exchange or release of fifty percent (50%) or less of its equitable ownership. Within thirty (30) days of receiving a notice of transfer, the Franchising Authority may, in accordance with FCC rules and regulations, notify the Franchisee in writing of the

additional information, if any, it requires regarding the legal, financial, and technical qualifications of the transferee or new controlling party.

## **SECTION 9 - Insurance and Indemnity**

9.1. **Insurance.** Throughout the term of this Franchise Agreement, the Franchisee shall, at its own cost and expense, maintain Comprehensive General Liability Insurance and provide the Franchising Authority certificates of insurance designating the Franchising Authority and its officers, boards, commissions, councils, elected officials, agents and employees as additional insureds and demonstrating that the Franchisee has obtained the insurance required in this Section. Such policy or policies shall be in the minimum amount of One Million Dollars (\$1,000,000.00) for bodily injury or death to any one person, and One Million Dollars (\$1,000,000.00) for bodily injury or death of any two or more persons resulting from one occurrence, and One Million Dollars (\$1,000,000.00) for property damage resulting from any one accident. Such policy or policies shall be non-cancelable except upon thirty (30) days prior written notice to the Franchising Authority. The Franchisee shall provide workers' compensation coverage in accordance with applicable law. The Franchisee shall indemnify and hold harmless the Franchising Authority from any workers compensation claims to which the Franchisee may become subject during the term of this Franchise Agreement.

9.2. **Indemnification.** The Franchisee shall indemnify, defend and hold harmless the Franchising Authority, its officers, employees, and agents acting in their official capacities from and against any liability or claims resulting from property damage or bodily injury (including accidental death) that arise out of the Franchisee's construction, operation, maintenance, or removal of the Cable System, including, but not limited to, reasonable attorneys' fees and costs, provided that the Franchising Authority shall give the Franchisee written notice of its obligation to indemnify and defend the Franchising Authority within ten (10) business days of receipt of a claim or action pursuant to this Section. The Franchising Authority agrees that it will take all necessary action to avoid a default judgment and not prejudice the Franchisee's ability to defend the claim or action. If the Franchising Authority determines that it is necessary for it to employ separate counsel, the costs for such separate counsel shall be the responsibility of the Franchising Authority.

9.2.1 Franchisee shall not be required to indemnify the Franchising Authority for negligence or misconduct on the part of the Franchising Authority or its officials, boards, commissions, agents, or employees, including any loss or claims related to PEG access Channels in which the Franchising Authority or its designee participates, subject to Applicable Law.

## **SECTION 10 - System Description and Service**

10.1. System Capacity. During the term of this Agreement, the Franchisee's Cable System shall be capable of providing Video Programming with reception available to its customers in the Franchise Area in accordance with the Cable Act.

10.2. Cable Service to School Buildings. Upon request, the Franchisee shall provide, at no cost to the Franchising Authority, Basic Cable Service and Standard Installation at one (1) outlet to each public and private grade school (K-12) building, not including "home schools," located in the Franchise Area within one hundred twenty-five (125) feet of the Franchisee's distribution cable. No charge shall be made for installation or service, except that Franchisee may charge for installation beyond one hundred twenty-five (125) feet aerial distance of the cable plant and service for more than one (1) drop in each building. For the purposes of this Section, the term "school" means an educational institution that receives funding pursuant to Title I of the Elementary and Secondary Education Act of 1965, 20 U.S.C. § 6301 et seq., as amended, and does not include "home schools."

10.3. Cable Service to Governmental and Institutional Facilities. Upon request, the Franchisee shall provide, at no cost to the Franchising Authority, Basic Cable Service and Standard Installation at one outlet to each Public Building located in the Franchise Area within one hundred twenty-five (125) feet of the Franchisee's distribution cable. No charge shall be made for installation or service, except that Franchisee may charge for installation beyond one hundred twenty-five (125) feet aerial distance of the cable plant and service for more than one (1) drop in each building. Public Buildings are those buildings owned or leased by the Franchising Authority for municipal government administrative purposes, and shall not include buildings owned by Franchising Authority but leased to third parties or buildings such as storage facilities at which government employees are not regularly stationed.

## **SECTION 11 - Enforcement and Revocation Proceedings**

11.1. Notice of Violation or Default and Opportunity to Cure. In the event the Franchising Authority believes that the Franchisee has not complied with the material terms of the Franchise, it shall notify the Franchisee in writing with specific details regarding the exact nature of the alleged non-compliance or default.

11.1.1. Franchisee's Right to Cure or Respond. The Franchisee shall have forty-five (45) days from the receipt of the Franchising Authority's written notice: (i) to respond to the Franchising Authority, contesting the assertion of non-compliance or default; or (ii) to cure such default; or (iii) in the

event that, by nature of the default, such default cannot be cured within the forty-five (45) day period, initiate reasonable steps to remedy such default and notify the Franchising Authority of the steps being taken and the projected date that the cure will be completed.

11.1.2. Public Hearings. In the event the Franchisee fails to respond to the Franchising Authority's notice or in the event that the alleged default is not remedied within forty-five (45) days or the date projected by the Franchisee, the Franchising Authority shall schedule a public hearing to investigate the default. Such public hearing shall be held at the next regularly scheduled meeting of the Franchising Authority that is scheduled at a time that is no less than ten (10) business days therefrom. The Franchising Authority shall notify the Franchisee in writing of the time and place of such meeting and provide the Franchisee with a reasonable opportunity to be heard.

11.1.3. Enforcement. Subject to applicable federal and state law, in the event the Franchising Authority, after such public hearing, determines that the Franchisee is in default of any material provision of the Franchise, the Franchising Authority may: (i) seek specific performance of any provision that reasonably lends itself to such remedy as an alternative to damages, or seek other equitable relief; or (ii) in the case of a substantial default of a material provision of the Franchise, initiate revocation proceedings in accordance with the following:

(a) The Franchising Authority shall give written notice to the Franchisee of its intent to revoke the Franchise on the basis of a pattern of non-compliance by the Franchisee, including two or more instances of substantial non-compliance with a material provision of the Franchise. The notice shall set forth with specificity the exact nature of the non-compliance. The Franchisee shall have ninety (90) days from the receipt of such notice to object in writing and to state its reasons for such objection. In the event the Franchising Authority has not received a response from the Franchisee or upon receipt of the response does not agree that the allegations of non-compliance have been or will be resolved, it may then seek revocation of the Franchise at a public hearing. The Franchising Authority shall cause to be served upon the Franchisee, at least thirty (30) days prior to such public hearing, a written notice specifying the time and place of such hearing and stating its intent to request revocation of the Franchise.

(b) At the designated public hearing, the Franchising Authority shall give the Franchisee an opportunity to state its position on the matter, present evidence and question witnesses, in accordance with the standards of a fair hearing applicable to administrative hearings in the Commonwealth of Pennsylvania, after which it shall determine whether or not the Franchise shall be terminated. The public hearing shall be on the

record and a written transcript shall be made available to the Franchisee within ten (10) business days. The decision of the Franchising Authority shall be in writing and shall be delivered to the Franchisee by certified mail. The Franchisee may appeal such determination to an appropriate court, which shall have the power to review the decision of the Franchising Authority “de novo” and to modify or reverse such decision as justice may require.

11.2. Technical Violation. The Franchising Authority agrees that it is not its intention to subject the Franchisee to penalties, fines, forfeitures or revocation of the Franchise for so-called “technical” breach(es) or violation(s) of the Franchise, which shall include, but not be limited, to the following:

11.2.1. in instances or for matters where a violation or a breach of the Franchise by the Franchisee was good faith error that resulted in no or minimal negative impact on the Customers within the Franchise Area; or

11.2.2. where there existed circumstances reasonably beyond the control of the Franchisee and which precipitated a violation by the Franchisee of the Franchise, or which were deemed to have prevented the Franchisee from complying with a term or condition of the Franchise.

11.3. No Removal of System. Franchisee shall not be required to remove its Cable System or to sell the Cable System, or any portion thereof as a result of revocation, denial of renewal, or any other lawful action to forbid or disallow Franchisee from providing Cable Service, if the Cable System is actively being used to facilitate any other services not governed by the Cable Act, or any portion thereof [47 U.S.C. §621 (b)].

## **SECTION 12 – Competitive Equity**

12.1. Purposes. The Franchisee and the Franchising Authority acknowledge that there is increasing competition in the video marketplace among cable operators, direct broadcast satellite providers, telephone companies, broadband content providers and others; new technologies are emerging that enable the provision of new and advanced services to residents of the Franchise Area; and changes in the scope and application of the traditional regulatory framework governing the provision of video services are being considered in a variety of federal, state and local venues. To foster an environment where video service providers using the public rights-of-way can compete on a competitively neutral and nondiscriminatory basis; encourage the provision of new and advanced services to residents of the Franchise Area; promote local communications infrastructure investments and economic opportunities in the Franchise Area; and provide flexibility in the event of subsequent changes in the law, the Franchisee and the Franchising Authority

have agreed to the provisions in this Section, and they should be interpreted and applied with such purposes in mind.

## 12.2. New Video Service Provider.

12.2.1. Notwithstanding any other provision of this Agreement or any other provision of law, if any Video Service Provider ("VSP") (i) enters into any agreement with the Franchising Authority to provide video services to subscribers in the Franchise Area, or (ii) otherwise begins to provide video services to subscribers in the Franchise Area (with or without entering into an agreement with the Franchising Authority), the Franchising Authority, upon written request of the Franchisee, shall permit the Franchisee to construct and operate its Cable System and to provide video services to subscribers in the Franchise Area under the same agreement and/or under the same terms and conditions as apply to the new VSP. The Franchisee and the Franchising Authority shall enter into an agreement or other appropriate authorization (if necessary) containing the same terms and conditions as are applicable to the VSP within sixty (60) days after the Franchisee submits a written request to the Franchising Authority.

12.2.2. If there is no written agreement or other authorization between the new VSP and the Franchising Authority, the Franchisee and the Franchising Authority shall use the sixty (60) day period to develop and enter into an agreement or other appropriate authorization (if necessary) that to the maximum extent possible contains provisions that will ensure competitive equity between the Franchisee and other VSPs, taking into account the terms and conditions under which other VSPs are allowed to provide video services to subscribers in the Franchise Area.

12.3. Subsequent Change in Law. If there is a change in federal, state or local law that provides for a new or alternative form of authorization for a VSP to provide video services to Subscribers in the Franchise Area, or that otherwise changes the nature or extent of the obligations that the Franchising Authority may request from or impose on a VSP providing video services to subscribers in the Franchise Area, the Franchising Authority agrees that, notwithstanding any other provision of law, upon Franchisee's written request the Franchising Authority shall: (i) permit the Franchisee to provide video services to subscribers in the Franchise Area on the same terms and conditions as are applicable to a VSP under the changed law; (ii) modify this Agreement to comply with the changed law; or (iii) modify this Agreement to ensure competitive equity between the Franchisee and other VSPs, taking into account the conditions under which other VSPs are permitted to provide video services to Subscribers in the Franchise Area. The Franchising Authority and the Franchisee shall implement the provisions of this Section within sixty (60) days after the Franchisee submits a written request to the Franchising Authority. Notwithstanding any provision of law that imposes a time or other limitation on the Franchisee's ability to take

advantage of the changed law's provisions, the Franchisee may exercise its rights under this Section at any time, but not sooner than thirty (30) days after the changed law goes into effect.

12.4. Effect on This Agreement. Any agreement, authorization, right or determination to provide video services to subscribers in the Franchise Area under Sections 12.2 or 12.3 shall supersede this Agreement, and the Franchisee, at its option, may terminate this Agreement or portions thereof, upon written notice to the Franchising Authority, without penalty or damages.

### **SECTION 13 - Miscellaneous Provisions**

13.1. Force Majeure. The Franchisee shall not be held in default under, or in non-compliance with, the provisions of the Franchise, nor suffer any enforcement or penalty relating to noncompliance or default (including termination, cancellation or revocation of the Franchise), where such non-compliance or alleged defaults occurred or were caused by lightning strike, earthquake, flood, tidal wave, unusually severe rain, ice or snow storm, hurricane, tornado, or other catastrophic act of nature; riot, war, labor disputes, environmental restrictions, failure of utility service necessary to operate the Cable System, governmental, administrative or judicial order or regulation or other event that is reasonably beyond the Franchisee's ability to anticipate or control. This provision also covers work delays caused by waiting for utility providers to service or monitor their own utility poles on which the Franchisee's cable or equipment is attached, as well as unavailability of materials or qualified labor to perform the work necessary.

13.2. Notice. All notices shall be in writing and shall be sufficiently given and served upon the other party by hand delivery, first class mail, registered or certified, return receipt requested, postage prepaid, or by reputable overnight courier service and addressed as follows:

To the Franchising Authority:

City of Milford  
201 South Walnut Street  
Milford, Delaware 19963  
Attention: City Manager

To the Franchisee:

Comcast of Delmarva, LLC  
1301 McCormick Drive, 4<sup>th</sup> Floor  
Largo, MD 20774  
Attention: Government Affairs Department

With copies to:

Comcast Cable  
8098 Sandpiper Circle  
Baltimore, MD 21236  
Attention: Government Affairs Department

And to:

Comcast Cable Northeast Division  
676 Island Pond Rd.  
Manchester, NH 03109  
Attention: Government Affairs Department

13.3. Entire Agreement. This Franchise Agreement and any exhibits or addendums hereto constitute the entire agreement between the Franchising Authority and the Franchisee and supersedes all prior or contemporaneous agreements, ordinances, representations, or understandings -- whether written or oral -- of the parties regarding the subject matter hereof. Any agreements, ordinances, representations, or understandings or parts of such measures that are in conflict with or otherwise impose obligations different from the provisions of this Franchise Agreement are superseded by this Franchise Agreement.

13.4. Severability. If any section, subsection, sentence, clause, phrase, or other portion of this Franchise Agreement is, for any reason, declared invalid, in whole or in part, by any court, agency, commission, legislative body, or other authority of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent portion. Such declaration shall not affect the validity of the remaining portions hereof, which other portions shall continue in full force and effect.

13.5. Governing Law. This Franchise Agreement shall be deemed to be executed in the State where the Franchise Area is located, and shall be governed in all respects, including validity, interpretation and effect, and construed in accordance with, the laws of such State, as applicable to contracts entered into and performed entirely within the State.

13.6. Modification. No provision of this Franchise Agreement shall be amended or otherwise modified, in whole or in part, except by an instrument, in writing, duly executed by the Franchising Authority and the Franchisee, which amendment shall be authorized on behalf of the Franchising Authority through the adoption of an appropriate resolution or order by the Franchising Authority, as required by applicable law.

13.7. No Third-Party Beneficiaries. Nothing in this Franchise Agreement is or was intended to confer third-party beneficiary status on any member of the public to enforce the terms of this Franchise Agreement.

13.8. Captions. Captions to sections throughout this Franchise Agreement are solely to facilitate the reading and reference to the sections and provisions of this Franchise Agreement. Such captions shall not affect the meaning or interpretation of this Franchise Agreement.

13.9. No Waiver of Rights. Nothing in this Franchise Agreement shall be construed as a waiver of any rights, substantive or procedural, which Franchisee may have under federal or state law unless such waiver is expressly stated herein.

#### 13.10. Incorporation by Reference

(a) All presently and hereafter applicable conditions and requirements of federal, State and local laws, including but not limited to the rules and regulations of the FCC and the State where the Franchise Area is located, as they may be amended from time to time, are incorporated herein by reference to the extent not enumerated herein. All such general laws, rules and regulations, as amended, shall control the interpretation and performance of this Renewal Franchise to the extent that any provision of this Renewal Franchise conflicts with or is inconsistent with such laws, rules or regulations.

(b) Should the State, the federal government or the FCC require Franchisee to perform or refrain from performing any act the performance or non-performance of which is inconsistent with any provisions herein, the Franchising Authority and Franchisee will thereupon, if they determine that a material provision herein is affected, modify any of the provisions herein to reflect such government action.

13.11. Calculation of Time. Where the performance or doing of any act, duty, matter, payment, or operation is required hereunder and the period of time or duration for the performance or during thereof is prescribed and fixed herein, the time shall be computed so as to exclude the first day and include the last day of the prescribed or fixed period or duration of time. When the last day of the period falls on Saturday, Sunday, or a legal holiday, that day shall be omitted from the computation.

13.12. Annexation. Upon 90 days written notice from the Franchising Authority, any additions of territory to the City, by annexation or other legal means, contiguous to the Franchise Area as defined in Section 1.9. above, the portion of any Cable System of the Company that may be located or operated within said territory shall thereafter be subject to all the terms of this Agreement as though it were an extension made hereunder.

IN WITNESS WHEREOF, this Franchise Agreement has been executed by the duly authorized representatives of the parties as set forth below, as of the last date set forth below:

Attest:

Franchising Authority:

\_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Attest:

Franchisee:

\_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

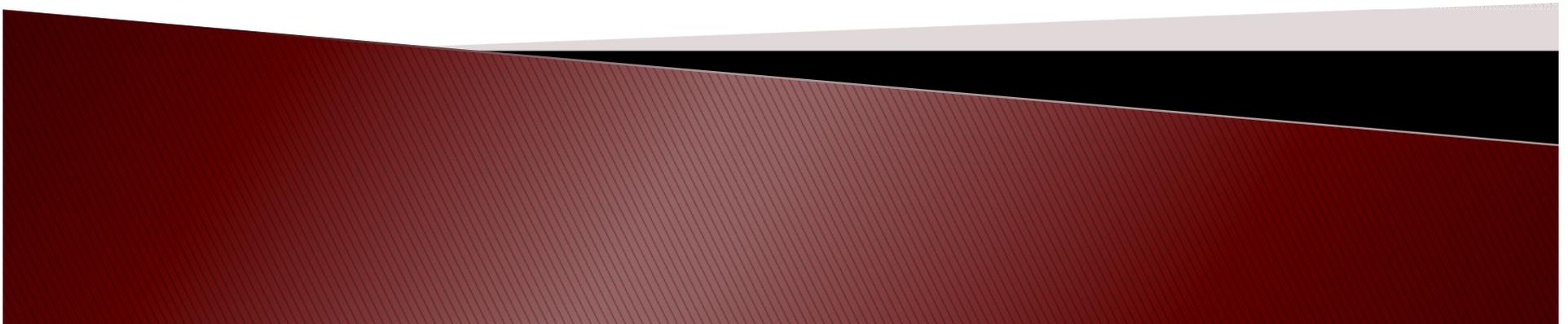
Date: \_\_\_\_\_

**City Council**

**Meeting**

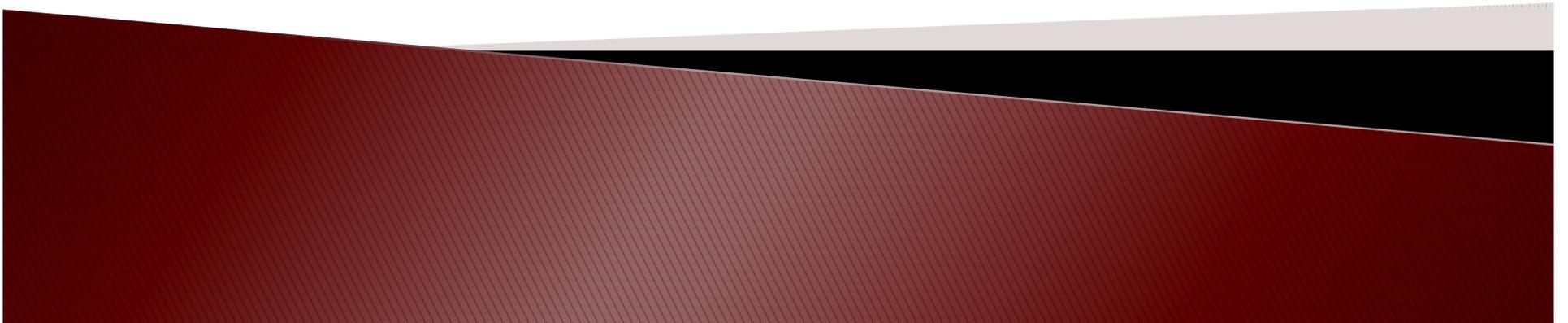
**City of Milford**

August 11, 2014



# Washington Street Water Treatment Plant Replacement Project

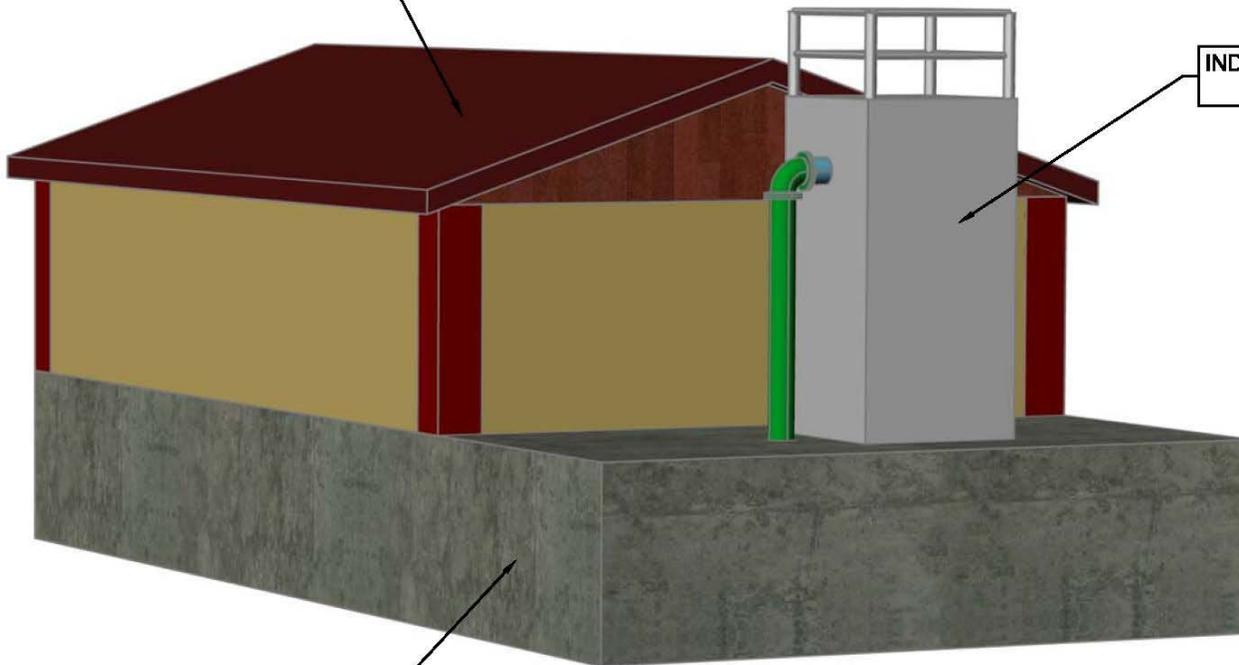
## Potential Relocation Discussion



# Plant Schematic

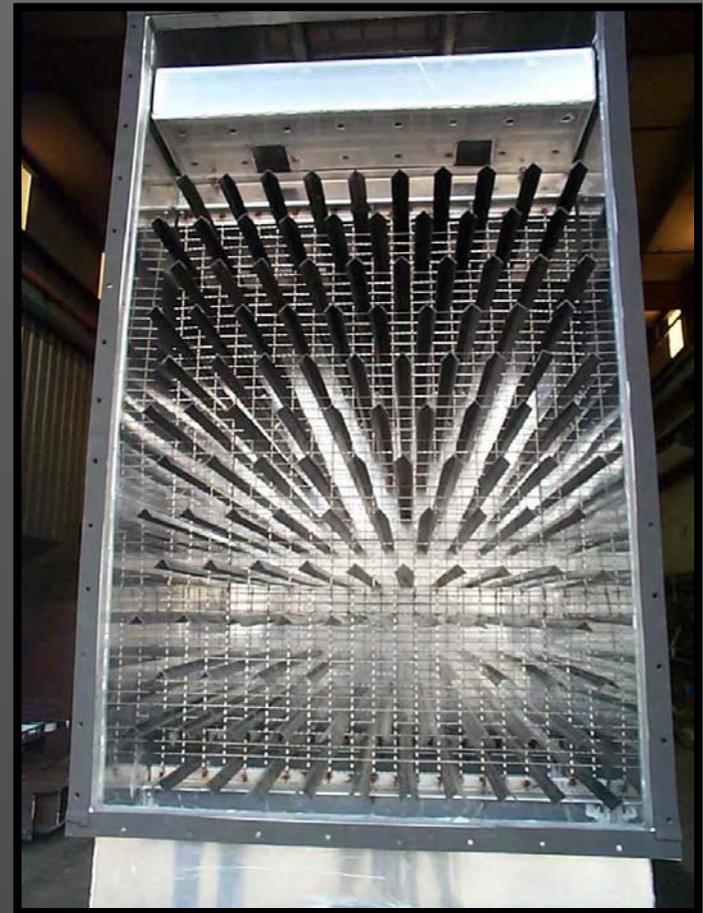
TREATMENT BUILDING  
FOR PUMPS, PIPING, ELECTRICAL,  
CHEMICAL TREATMENT STORAGE  
& INJECTION EQUIPMENT  
25' WIDE x 30' LONG  
x 9.5' WALL HEIGHT  
APP. 13.5' TALL AT ROOF PEAK

INDUCED DRAFT AERATOR  
7' x 7' x 15' TALL



CONCRETE RESERVOIR  
APPROXIMATELY 25' WIDE  
x 45' LONG x 8' TALL

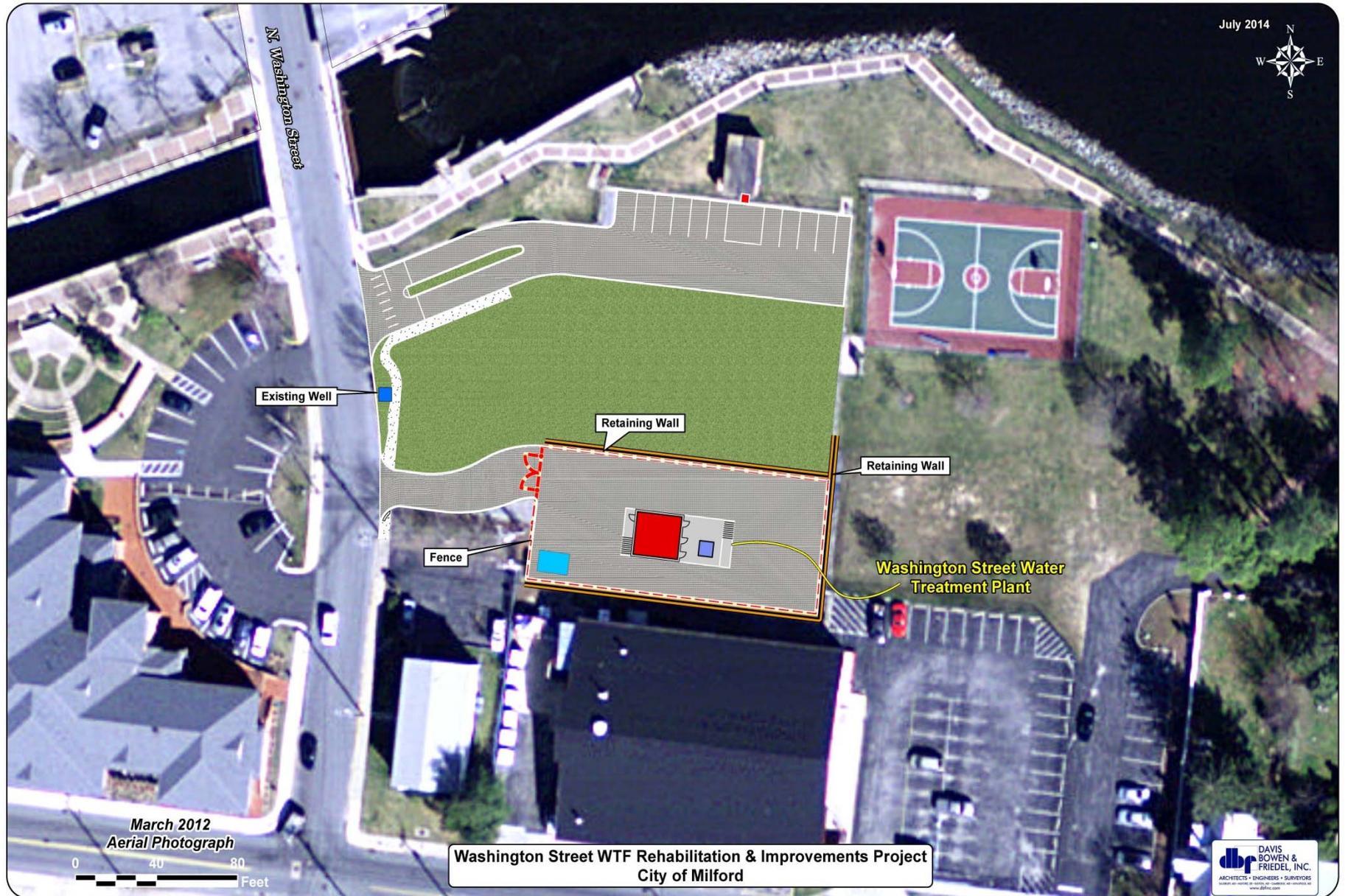
# Aerator Equipment



# Location as Originally Proposed

- ▶ Plant at same location as the existing
- ▶ Electrical Service & Emergency Generator at Site to Serve New Water Plant & Sewage Pumping Station

# PLAN VIEW RENDERING – PLANT AT PREVIOUS SITE



## BUILDING RENDERING – PLANT AT PREVIOUS SITE



# PLAN VIEW RENDERING - PLANT AT PREVIOUS SITE - TANK SITE IMPROVEMENTS



# Proposed Relocation

- ▶ Plant at Elevated Storage Tank Site
- ▶ Existing Site already used for Water Facility
- ▶ Larger Park
- ▶ Reservoir can be buried, unlike at other site
- ▶ Additional Generator Needed at Old Plant Site for Power to Well 1 & Sewage Pumping Station

# PLAN VIEW RENDERING – PLANT AT TANK SITE



BUILDING RENDERING - PLANT AT TANK SITE - VIEW FROM WASHINGTON STREET



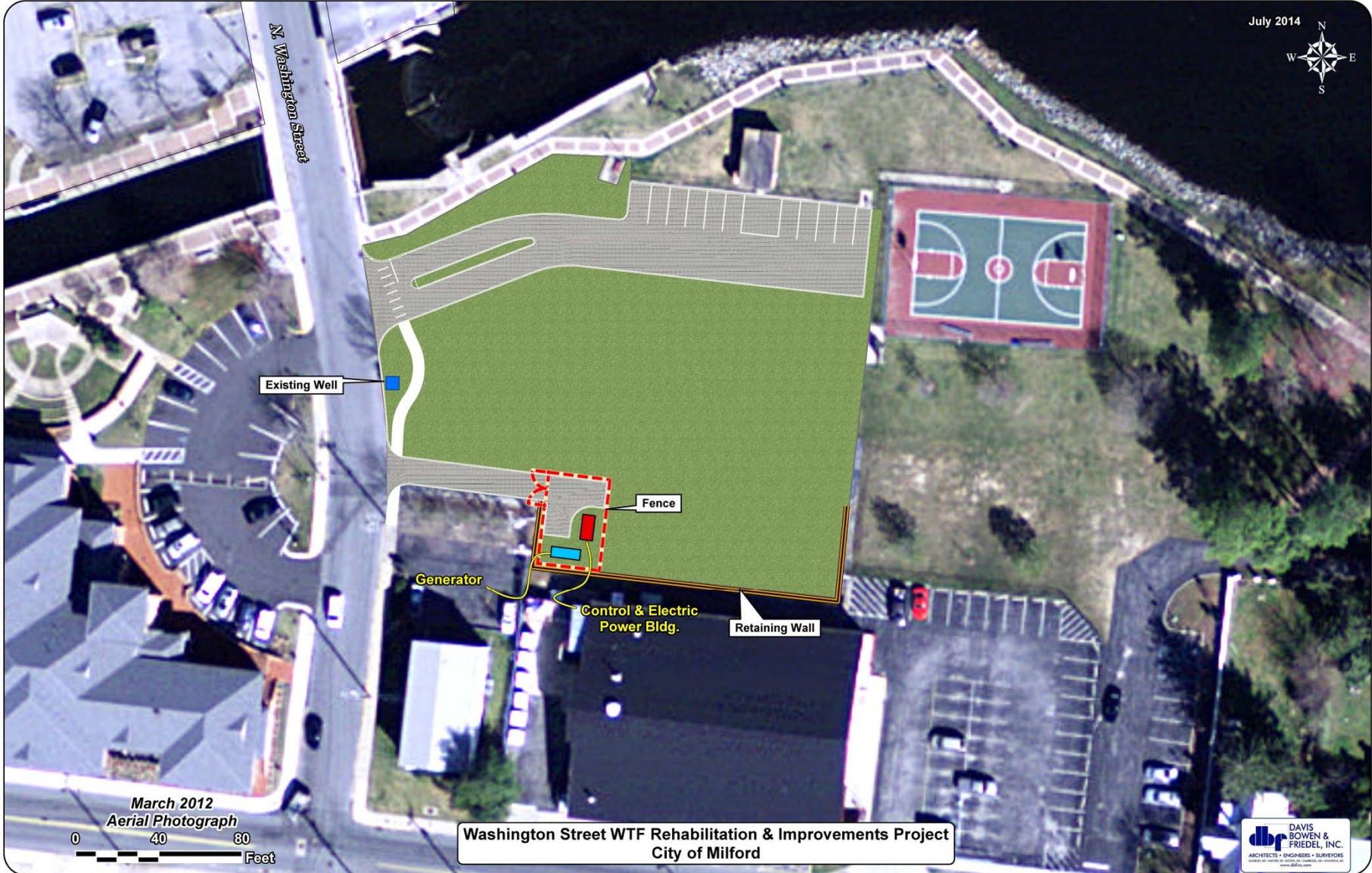
BUILDING RENDERING – PLANT AT TANK SITE – VIEW 1 FROM WALNUT STREET



BUILDING RENDERING – PLANT AT TANK SITE – VIEW 2 FROM WALNUT STREET



# PLAN VIEW RENDERING - PLANT AT TANK SITE - PREVIOUS SITE IMPROVEMENTS



# Original Project Scope

- ▶ Replacement Well at Existing Plant Site
- ▶ Administration Building

# OVERALL PROJECT SCHEMATIC - ORIGINAL APPLICATION



# Modified Project Scope including Relocation of Plant

- ▶ Aesthetic Improvements to Appearance of Well 1
- ▶ Production Well at Remote Site due to Contamination
- ▶ Additional Raw Water Main to New Well Location
- ▶ No Administration Building
- ▶ Replacement of Existing Well House at Tank Site
- ▶ Relocation of Water Main feeding Elevated Storage Tank

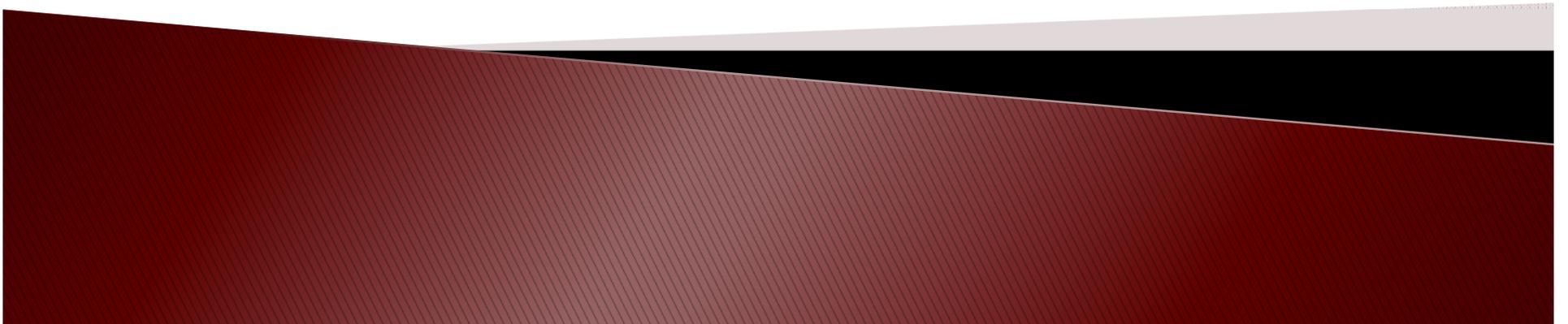
## PRODUCTION WELL 1 – AESTHETIC IMPROVEMENTS



# OVERALL PROJECT SCHEMATIC – AS CURRENTLY PROPOSED



# USDA Funding Possibilities



# USDA Funding Possibilities

- ▶ USDA Rural Development approached DBF as they have funding but not enough projects
- ▶ USDA willing to provide grant funds to entice Milford to pursue improvements projects
- ▶ Projects to be funded over 2 years to maximize Grant
- ▶ Based on the Affordability of City Utility Rates, only the Sewer Utility is eligible for Grant Funds. Water Utility is not.
- ▶ \$2,000,000 Grant
- ▶ \$2,000,000 Loan – 40 Year Term, 2.375% Interest Rate (Currently)

# Proposed Year 1 Projects

<b>\$2,000,000</b>	<b>Total Project Costs</b>
\$ 400,000	System-Wide SCADA Instrumentation & Programming Upgrades
\$ 525,000	North Street Pump Station Rehabilitation
\$ 325,000	Fisher Avenue Pump Station Rehabilitation – Phase 1
\$ 450,000	South Milford Pump Station Upgrades – Phase 1
\$ 300,000	Lighthouse Estates Pump Station Improvements

# Proposed Year 2 Projects

<b>\$2,000,000</b>	<b>Total Project Costs</b>
\$ 850,000	Fisher Avenue Pump Station Rehabilitation – Phase 2
\$ 400,000	N. Shores Pump Station Rehabilitation
\$ 750,000	I & I Sewer System Repairs

# System-Wide SCADA Instrumentation & Programming Upgrades

- ▶ SCADA (Supervisory Control And Data Acquisition)
- ▶ City has a SCADA System in Place – Not Integrated for Best Use with Sewer System
- ▶ Annunciate Alarms For Pump Malfunctions to Avoid Overflows or Burning Up Pumps
- ▶ Monitor Amount of Water Pumped, Time Pumps Run Each Day
- ▶ Utilize Data to Identify Average (Dry) Day Amounts for Flow & Run Time
- ▶ Any Deviation from Average Day Signifies Issue at Station, i.e. Check Valve Not Closing, Debris Clogging Pump
- ▶ Compare Against Wet Day Amounts to Identify Areas Greatest Impacted by Inflow & Infiltration

# North Street Pump Station Rehabilitation



- ▶ Located at Intersection of Rte. 113 & North St. (Opposite old Dickinson Medical Center)
- ▶ 37 Years Old
- ▶ Constructed Circa 1977
- ▶ Valves Inside Wet Well with Raw Sewage
- ▶ No Means of Bypassing Flow in Case of Pump Failure
- ▶ Project Initiated in 2007
- ▶ Project Placed on Hold Due to Lack of Funding

# Fisher Avenue Pump Station Rehabilitation – Phase 1

- ▶ 25 Years Old
- ▶ Constructed circa 1989–90
- ▶ City's Largest Pumping Station
- ▶ Phase 1 Includes Replacement of Existing Generator & Odor Control System (which is obsolete & no longer serviceable)



# South Milford Pump Station Upgrades – Phase 1



- ▶ First Step in Expansion of Sewer System to Accommodate Growth in SE Area
- ▶ Additional Capacity to be Added Via Larger Pump Impellers & Associated Upgrades

# Lighthouse Estates Pump Station Improvements

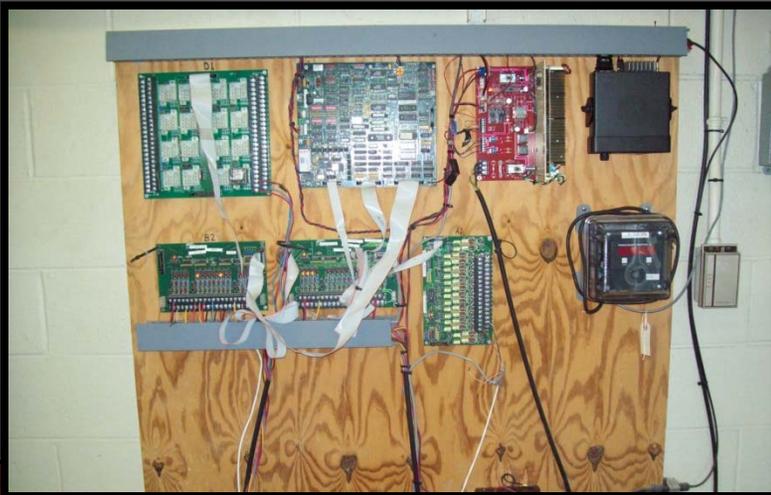
- ▶ Constructed circa 2007
- ▶ Station Discharges Directly into Main from Milford to Kent County WWTP
- ▶ During Periods of Heavy Rain, Pumps are NOT Large Enough to Overcome Pressure in County Forcemain & Station Overflows



# Fisher Avenue Pump Station Rehabilitation – Phase 2

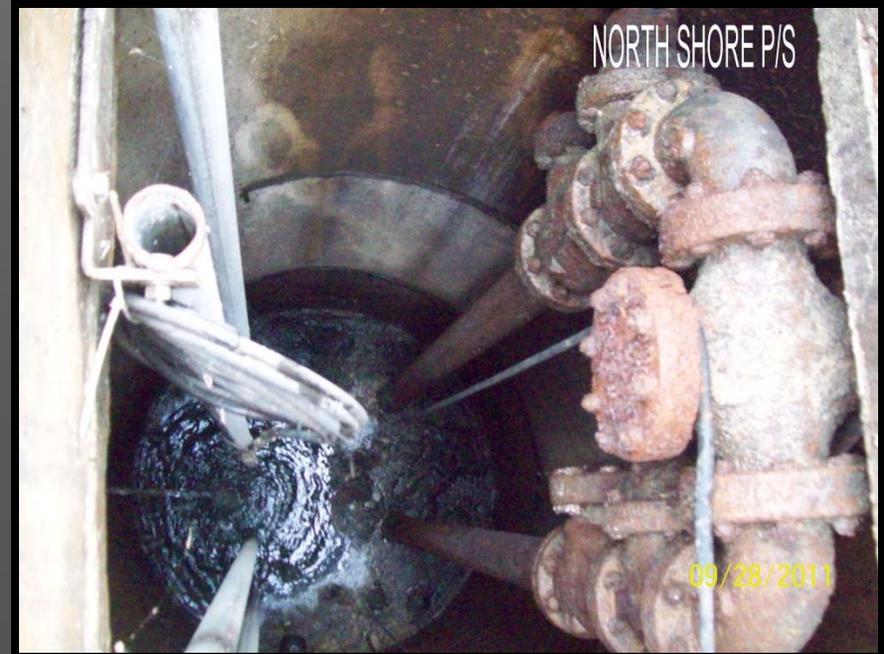


- ▶ 25 Years Old
- ▶ Constructed circa 1989–90
- ▶ City's Largest Pumping Station
- ▶ Phase 2 Includes Remainder of Rehabilitation Work Including Replacement of Pumps, Valves, Electrical, Etc.

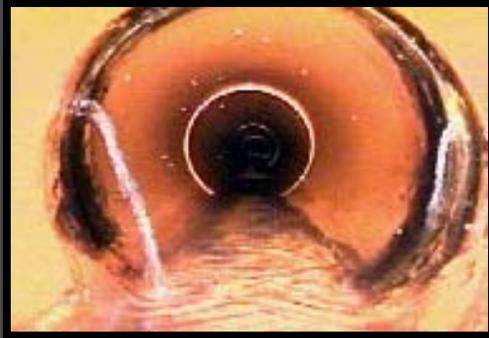


# N. Shores Pump Station Rehabilitation

- ▶ 38 Years Old
- ▶ Constructed circa 1976
- ▶ Located at Entrance Off of Rte. 113 to North Shores Development
- ▶ Only Serves Annexed Property in Development
- ▶ Shut-Off & Check Valves Located Inside Wet Well with Raw Sewage
- ▶ No Means of Bypassing Flow in Case of Emergency



# I & I Sewer System Repairs



- ▶ First Phase of Recommended Repairs Complete With Significant Amount of I & I Still Entering System
- ▶ Estimated Annual Cost of Infiltration & Inflow to System = \$150,000

# Invoice for Fiscal Year 2015

## Delaware League of Local Government

### Membership Dues

**Dear DLLG Members:**

I would like to personally extend my appreciation for your past participation in the Delaware League of Local Governments. As you know, your continued membership is vital to the sustenance of Delaware's localities. Your locality is listed below next to the amount due for membership for F.Y. 2015. The due date for the payment of membership renewal fees is July 1, 2014. After 45 years as a member of the Delaware League of Local Governments, I am retiring on the 30<sup>th</sup> of June, 2014. Your continued membership and support of the League is very important to its success. If there are any questions you have concerning the renewal of your membership please feel free to contact me:

DLLG  
P.O. Box 484  
Dover, DE 19903-0484  
Telephone: (302) 678-0991

Sincerely,

George C. Wright, Jr.  
Executive Director

Locality	Amount Due	Locality	Amount Due	Locality	Amount Due
Wilmington	\$10,000.00	Clayton	\$800.00	Leipsic	\$500.00
Dover	\$6,000.00	Newport	\$800.00	Ardencroft	\$500.00
Newark	\$6,000.00	Bellefonte	\$800.00	Ardentown	\$500.00
Middletown	\$5,000.00	Fenwick Island	\$800.00	Bowers Beach	\$500.00
Elsmere	\$4,000.00	Wyoming	\$800.00	Bethel	\$500.00
Smyrna	\$4,000.00	Delmar	\$800.00	Henlopen Acres	\$500.00
Milford	\$4,000.00	Ocean View	\$800.00	Viola	\$500.00
Seaford	\$4,000.00	Blades	\$700.00	Farmington	\$500.00
New Castle	\$4,000.00	Frederica	\$700.00	Hartly	\$500.00
Rehoboth	\$4,000.00	Felton	\$700.00	Townsend	\$500.00
Georgetown	\$1,500.00	Greenwood	\$700.00	Millville	\$500.00
Laurel	\$1,500.00	Frankford	\$700.00	<b>DLLG 2015 Membership Dues</b> Locality Name: _____  Amount Paid: _____  Date: _____  Check Number: _____  Contact Person: _____  Send to: Delaware League of Local Governments P.O. Box 484 Dover, DE 19903-0484	
Bethany Beach	\$1,500.00	Village of Arden	\$700.00		
Harrington	\$1,500.00	Slaughter Beach	\$700.00		
Lewes	\$1,500.00	Cheswold	\$700.00		
Camden	\$1,500.00	Odessa	\$500.00		
Millsboro	\$1,500.00	Ellendale	\$500.00		
Dewey Beach	\$700.00	Dagsboro	\$500.00		
Delaware City	\$700.00	Houston	\$500.00		
South Bethany	\$700.00	Magnolia	\$500.00		
Milton	\$700.00	Woodside	\$500.00		
Selbyville	\$700.00	Kenton	\$500.00		
Bridgeville	\$700.00	Little Creek	\$500.00		

# SAINT JOHN THE APOSTLE ~ SAINT BERNADETTE PARISH

506 Seabury Avenue • Milford, Delaware 19963-2217

(302) 422-5123 • Fax (302) 422-5720



JULY 29, 2014

Mayor Bryan Shupe  
City of Milford  
PO Box 159  
Milford, DE 19963

Dear Mayor Shupe:

It is time for St. John's Oktoberfest. This year marks our 24<sup>th</sup> Annual Oktoberfest. The dates are Friday, October 3<sup>rd</sup> from 6 PM to 10 PM and Saturday, October 4<sup>th</sup> from 10 AM to 10 PM.

The city has always graciously allowed us to block off a portion of School Place in front of the church and down toward the Middle school. May we have your permission to do that again this year? By doing this we are able to eliminate congestion in front of the church.

In keeping with the tradition of a German Oktoberfest we will have a beer booth. I have applied for the appropriate license from the state to do that.

We thank you for the support of the city for all the years. If there is any more we need to do or if you need further information please call me at the church at 422-5123, ext. 13. .

Sincerely,

Bonnie De Mar  
Coordinator

24<sup>th</sup> Annual Oktoberfest - 2014

July 23, 2014

Mayor and City Council  
201 South Walnut Street  
Milford, DE 19963

Dear Honorable Mayor and Members of City Council:

RE: Alcohol Ordinance Waiver

Grotto Pizza at 102 Silicato Way is planning a Customer Appreciation Night on Thursday, August 21, 2014 from 4 p.m. to 11 p.m.

Because Chapter 77 of the Milford City Code prohibits the possession of open containers and consumption of alcohol in outdoor and public areas, we respectfully request Council permission to allow alcohol in the parking area of our property for this special event. Those consuming alcohol would be restricted to a confined area as is required by Delaware State Law. In addition, we will strictly adhere to all local and state rules and regulations.

Please feel free to contact me at 302-725-5111 for additional information if needed.

Sincerely,

Anthony Bonanno  
Manager

-----Original Message-----

From: Jeffrey Portmann

Sent: Wednesday, July 23, 2014 2:10 PM

To: Richard D. Carmean

Subject: RE: North Washington Street Award Recommendation Letter

We have \$116,000 of CTF funds for N Washington street. You will need to request \$9250.50 from Municipal Street Aid when council approves the bids. This does not include any engineering funds so if they will be involved we also need a quote to have approved from municipal street aid to pay DBF.

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-----Original Message-----

From: Randy Duplechain [<mailto:rbd@dbfinc.com>]

Sent: Wednesday, July 23, 2014 10:09 AM

To: Richard D. Carmean

Cc: Brad A. Dennehy; Tim Webb; Erik Retzlaff; Brandon Kohler; Terri Hudson

Subject: North Washington Street Award Recommendation Letter

Dick

Attached is our award recommendation letter for the North Washington Street Improvements project. Please confirm with Jeff that you have the necessary funds available to cover the recommended award amount of \$125,250.50.

Randy B. Duplechain P.E.  
Davis, Bowen & Friedel, Inc.  
23 North Walnut Street  
Milford, DE 19965  
Ph: 302-424-1441  
Fax: 302-424-0430

# City of Milford



## Resolution 2014-12

### RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILFORD, DELAWARE AUTHORIZING CERTAIN ACTIONS IN CONNECTION WITH REDEMPTION OF THE CITY'S GENERAL OBLIGATION BONDS, SERIES OF 2005

WHEREAS, the City of Milford, Kent and Sussex Counties, Delaware (the "City") has previously issued its General Obligations Bonds, Series of 2005 (the "2005 Bonds") pursuant to a resolution approved of City Council on May 9, 2005 and a Bond Ordinance enacted by City Council on May 9, 2005 authorizing the issuance of the 2005 Bonds; and

WHEREAS, the 2005 Bonds are currently outstanding in the aggregate principal amount of \$2,600,000; and

WHEREAS, the 2005 Bonds are subject to redemption prior to maturity, at the option of the City, in whole or in part, at a redemption price of 100% of the principal amount of the 2005 Bonds to be redeemed, plus accrued interest to the date set for redemption; and

WHEREAS, the City has determined to redeem the 2005 Bonds using monies available to the City; and

WHEREAS, the City has determined to undertake all action necessary to redeem all of the City's outstanding 2005 Bonds.

NOW, THEREFORE, the City of Milford, Delaware, hereby resolves as follows:

- A. The appropriate officers and employees of the City are hereby authorized and directed to determine the redemption date for the 2005 Bonds, such redemption date to be on the earliest date allowable according to the terms of the 2005 Bonds.
- B. The appropriate officers and employees of the City are hereby authorized and directed to inform The Bank of New York Mellon Trust Company, N.A., as paying agent (the "Paying Agent") for the 2005 Bonds, of the redemption date and to direct the Paying Agent in writing to undertake all necessary actions to effect the redemption of the 2005 Bonds and to direct the Paying Agent to publish a notice of redemption not less than thirty days prior to the date selected for the redemption of the 2005 Bonds.
- C. The appropriate officers and employees of the City are hereby authorized and directed to do all acts and things necessary in the planning, preparation and accomplishment of the redemption of the 2005 Bonds, including making proper arrangements for payment of principal of and interest on the 2005 Bonds due to be paid on the date selected for the redemption of the 2005 Bonds from monies available to the City.
- D. All resolutions or parts of resolutions inconsistent herewith are hereby rescinded, cancelled and annulled.

I, the Undersigned Officer of the City of Milford, Kent and Sussex Counties, Delaware (the "City"), DO HEREBY CERTIFY that the foregoing is a true and correct copy of a Resolution duly adopted by the affirmative vote of a majority of the members of the City Council of the City at a Public Meeting held on August 11, 2014; that proper notice of such meeting was duly given as required by law; and that said Resolution has been duly entered upon the Minutes of said City Council, showing how each member voted thereon.

IN WITNESS WHEREOF, I have hereunto set my signature as such official and affixed the seal of the City this 11<sup>th</sup> day of August, 2014.

\_\_\_\_\_  
City Clerk

[SEAL]

**CITY OF MILFORD  
FUND BALANCES REPORT**

Date: June 2014

Cash Balance - General Fund Bank Balance	\$2,287,918
Cash Balance - Electric Fund Bank Balance	\$6,429,768
Cash Balance - Water Fund Bank Balance	\$2,513,855
Cash Balance - Sewer Fund Bank Balance	\$736,415
Cash Balance - Trash Fund Bank Balance	\$418,501

	General <u>Improvement</u>	Municipal <u>Street Aid</u>	Real Estate <u>Transfer Tax</u>	Solid Waste <u>Reserves</u>
Beginning Cash Balance	170,887	1,178,527	1,764,039	0
Deposits			17,189	
Interest Earned this Month	5	133	32	
Disbursements this Month	(124,119)	(4,371)	(41,667)	
Investments				250,000
Ending Cash Balance	\$46,773	\$1,174,289	\$1,739,593	\$250,000

	GF Capital <u>Reserves</u>	Water Capital <u>Reserves</u>	Sewer Capital <u>Reserves</u>	Electric <u>Reserves</u>
Beginning Cash Balance	1,988,987	4,959,376	3,361,421	6,393,172
Deposits	13,334	412,926		
Interest Earned this Month	134	354	224	428
Disbursements this Month	(1,781)	(71,505)	(7,856)	
Investments	250,000			
Ending Cash Balance	\$2,250,674	\$5,301,151	\$3,353,789	\$6,393,600

	Water <u>Impact Fee</u>	Sewer <u>Impact Fee</u>	Electric <u>Impact Fee</u>
Beginning Cash Balance	1,145,204	\$783,551	\$323,740
Deposits	10,110	\$5,343	\$1,200
Interest Earned this Month			
Disbursements this Month			
Investments			
Ending Cash Balance	\$1,155,314	\$788,894	\$324,940

INTEREST THROUGH THE TWELTH MONTH OF THE FISCAL YEAR:

General Fund	10,211	Water Fund	2,898
GF Capital Reserves	1,781	Water Capital Reserves	3,949
General Improvement Fund	419	Water Impact Fees	669
Municipal Street Aid	1,319	Sewer Fund	856
Real Estate Transfer Tax	1,514	Sewer Capital Reserves	2,722
Electric Fund	5,949	Sewer Impact Fees	484
Electric Reserves	8,900	Trash Fund	6,931
Electric Impact Fees	188		

TOTAL INTEREST EARNED TO DATE \$48,790

**REVENUE REPORT**

Page Two

Date: JUNE 2014	AMOUNT BUDGETED	MTD	YTD	100% of Year Expended YTD%
ACCOUNT				
Budgeted Fund Balance	161,840	0	161,840	100.00%
General Fund Capital Reserves	103,443	0	103,443	100.00%
Property Transfer Tax-Police	500,000	41,667	500,000	100.00%
Real Estate Tax	3,621,090	778	3,658,802	101.04%
Business License	35,000	2,025	37,625	107.50%
Rental License	85,000	350	85,125	100.15%
Building Permits	80,000	3,573	46,176	57.72%
Planning & Zoning	14,821	510	19,943	134.56%
Grasscutting Revenue	28,458	2,371	28,458	100.00%
Police Revenues	315,000	75,362	272,641	86.55%
Misc. Revenues	290,594	140,929	301,473	103.74%
Transfers From	3,215,480	267,956	3,215,480	100.00%
<b>Total General Fund Revenues</b>	<b>\$8,450,726</b>	<b>\$535,521</b>	<b>\$8,431,006</b>	<b>99.77%</b>
Water Revenues	2,715,000	211,300	2,687,939	99.00%
Sewer Revenues	2,385,670	199,189	2,413,407	101.16%
Kent County Sewer	1,464,600	140,839	1,707,692	116.60%
Solid Waste Revenues	1,303,000	103,133	1,290,495	99.04%
Electric Revenues	25,588,450	1,870,792	24,832,463	97.05%
<b>TOTAL REVENUES</b>	<b>\$41,907,446</b>	<b>\$3,060,774</b>	<b>\$41,363,002</b>	<b>98.70%</b>
YTD Enterprise Expense		125,121		
YTD Enterprise Revenue		119,303		
LTD Carlisle Fire Company Building Permit Fund		95,741		

EXPENDITURE REPORT

Page Three

Date: June 2014

100% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
<b>City Manager</b>					
Personnel	418,663	\$39,453	416,451	99.47%	2,212
O&M	168,840	\$10,746	146,287	86.64%	22,553
Capital	0	\$0	0		0
<b>Total City Manager</b>	<b>\$587,503</b>	<b>\$50,199</b>	<b>\$562,738</b>	<b>95.78%</b>	<b>24,765</b>
<b>Planning &amp; Zoning</b>					
Personnel	125,100	\$6,351	88,791	70.98%	36,309
O&M	46,661	\$4,037	42,419	90.91%	4,242
Capital	0	\$0	0		0
<b>Total P, C &amp; I</b>	<b>\$171,761</b>	<b>\$10,388</b>	<b>\$131,210</b>	<b>76.39%</b>	<b>40,551</b>
<b>Code Enforcement &amp; Inspections</b>					
Personnel	143,785	\$16,044	138,517	96.34%	5,268
O&M	68,388	\$6,499	58,892	86.11%	9,496
Capital	0	\$0	0		0
<b>Total P, C &amp; I</b>	<b>\$212,173</b>	<b>\$22,543</b>	<b>\$197,409</b>	<b>93.04%</b>	<b>14,764</b>
<b>Council</b>					
Personnel	31,225	\$3,457	29,013	92.92%	2,212
O&M	46,650	\$4,103	43,818	93.93%	2,832
Council Expense	18,100	\$1,319	18,087	99.93%	13
Contributions	336,350	\$0	336,350	100.00%	0
Codification	2,400	\$0	2,249	93.71%	151
Employee Recognition	9,000	\$0	8,976	99.73%	24
Insurance	27,220	\$595	27,815	102.19%	(595)
Capital-Transfer to Reserves	61,840	\$0	61,840	100.00%	0
<b>Total Council</b>	<b>\$532,785</b>	<b>\$9,474</b>	<b>\$528,148</b>	<b>99.13%</b>	<b>4,637</b>
<b>Finance</b>					
Personnel	341,725	\$38,658	340,633	99.68%	1,092
O&M	52,465	\$4,179	50,549	96.35%	1,916
Capital	8,334	\$8,334	8,334	100.00%	0
<b>Total Finance</b>	<b>\$402,524</b>	<b>\$51,171</b>	<b>\$399,516</b>	<b>99.25%</b>	<b>3,008</b>
<b>Information Technology</b>					
Personnel	176,860	\$12,413	110,973	62.75%	65,887
O&M	177,490	\$7,827	173,838	97.94%	3,652
Capital	50,000	\$0	49,907	99.81%	93
<b>Total Information Technology</b>	<b>\$404,350</b>	<b>\$20,240</b>	<b>\$334,718</b>	<b>82.78%</b>	<b>69,632</b>

EXPENDITURE REPORT

Page Four

Date: June 2014

100% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
<b>Police Department</b>					
Personnel	3,791,065	\$418,147	3,544,066	93.48%	246,999
O&M	499,040	\$58,979	456,819	91.54%	42,221
Capital	107,810	\$0	107,498	99.71%	312
<b>Total Police</b>	<b>\$4,397,915</b>	<b>\$477,126</b>	<b>\$4,108,383</b>	<b>93.42%</b>	<b>289,532</b>
<b>Streets &amp; Grounds Division</b>					
Personnel	438,755	\$47,152	416,310	94.88%	22,445
O&M	379,635	\$29,855	332,800	87.66%	46,835
Capital	55,000	\$55,000	55,000	100.00%	0
Debt Service	45,560	\$1,488	45,556	99.99%	4
<b>Total Streets &amp; Grounds</b>	<b>\$918,950</b>	<b>\$133,495</b>	<b>\$849,666</b>	<b>92.46%</b>	<b>69,284</b>
<b>Parks &amp; Recreation</b>					
Personnel	519,805	\$61,435	494,228	95.08%	25,577
O&M	245,151	\$9,788	240,633	98.16%	4,518
Capital	57,809	\$0	57,122	98.81%	687
<b>Total Parks &amp; Recreation</b>	<b>\$822,765</b>	<b>\$71,223</b>	<b>\$791,983</b>	<b>96.26%</b>	<b>30,782</b>
<b>Total General Fund</b>					
<b>Operating Budget</b>	<b>\$8,450,726</b>	<b>\$845,859</b>	<b>\$7,903,771</b>	<b>93.53%</b>	<b>546,955</b>

EXPENDITURE REPORT

Page Five

Date: June 2014

100% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
<b>Water Division</b>					
Personnel	300,425	\$33,447	304,056	101.21%	(3,631)
O&M	1,070,445	\$88,997	909,630	84.98%	160,815
Capital	525,000	\$175,529	190,097	36.21%	334,903
Debt Service	819,130	\$201,908	817,077	99.75%	2,053
<b>Total Water</b>	<b>\$2,715,000</b>	<b>\$499,881</b>	<b>\$2,220,860</b>	<b>81.80%</b>	<b>494,140</b>
<b>Sewer Division</b>					
Personnel	300,425	\$33,445	304,039	101.20%	(3,614)
O&M	1,063,445	\$103,995	1,180,799	111.04%	(117,354)
Capital	347,000	\$1,885	54,165	15.61%	292,835
Debt Service	689,400	\$152,793	689,680	100.04%	(280)
<b>Sewer Sub Total</b>	<b>\$2,400,270</b>	<b>\$292,118</b>	<b>\$2,228,683</b>	<b>92.85%</b>	<b>171,587</b>
Kent County Sewer	1,450,000	\$150,848	1,707,701	117.77%	(257,701)
<b>Total Sewer</b>	<b>\$3,850,270</b>	<b>\$442,966</b>	<b>\$3,936,384</b>	<b>102.24%</b>	<b>(86,114)</b>
<b>Solid Waste Division</b>					
Personnel	362,410	\$41,308	364,208	100.50%	(1,798)
O&M	775,590	\$59,262	732,493	94.44%	43,097
Capital	165,000	\$165,000	165,000	100.00%	0
<b>Total Solid Waste</b>	<b>\$1,303,000</b>	<b>\$265,570</b>	<b>\$1,261,701</b>	<b>96.83%</b>	<b>41,299</b>
<b>Total Water, Sewer Solid Waste</b>	<b>\$7,868,270</b>	<b>\$1,208,417</b>	<b>\$7,418,945</b>	<b>94.29%</b>	<b>449,325</b>
<b>Electric Division</b>					
Personnel	1,248,005	\$125,968	1,148,604	92.04%	99,401
O&M	1,693,265	\$63,622	1,475,513	87.14%	217,752
Transfer to General Fund	2,500,000	\$208,333	2,500,000	100.00%	0
Capital	1,005,950	\$899,150	908,311	90.29%	97,639
Debt Service	641,230	\$97,122	641,228	100.00%	2
<b>Electric Sub Total</b>	<b>\$7,088,450</b>	<b>\$1,394,195</b>	<b>\$6,673,656</b>	<b>94.15%</b>	<b>414,794</b>
Power Purchased	18,500,000	\$1,497,215	18,570,202	100.38%	(70,202)
<b>Total Electric</b>	<b>\$25,588,450</b>	<b>\$2,891,410</b>	<b>\$25,243,858</b>	<b>98.65%</b>	<b>344,592</b>
<b>TOTAL OPERATING BUDGET</b>	<b>\$41,907,446</b>	<b>\$4,945,686</b>	<b>\$40,566,574</b>	<b>96.80%</b>	<b>1,340,872</b>

**INTERSERVICE DEPARTMENTS REPORT**

**Page Six**

Date: June 2014

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	100% of Year Expended YTD%	UNEXPENDED BALANCE
<b>Garage</b>					
Personnel	79,700	8,682	79,163	99.33%	537
O&M	66,355	2,035	56,848	85.67%	9,507
Capital	0	0	0		0
<b>Total Garage Expense</b>	<b>\$146,055</b>	<b>10,717</b>	<b>\$136,011</b>	<b>93.12%</b>	<b>10,044</b>
<b>Public Works</b>					
Personnel	185,195	20,720	186,165	100.52%	(970)
O&M	200,915	14,747	147,992	73.66%	52,923
Capital	27,100	0	25,499	94.09%	1,601
<b>Total Public Works Expense</b>	<b>\$413,210</b>	<b>35,467</b>	<b>\$359,656</b>	<b>87.04%</b>	<b>53,554</b>
<b>Billing &amp; Collections</b>					
Personnel	483,045	50,144	450,281	93.22%	32,764
O&M	246,120	13,205	225,166	91.49%	20,954
Capital	0	0	0		0
<b>Total Billing &amp; Collections</b>	<b>\$729,165</b>	<b>63,349</b>	<b>\$675,447</b>	<b>92.63%</b>	<b>53,718</b>
<b>City Hall Cost Allocation</b>					
Personnel	0	0	0		0
O&M	74,475	3,244	65,954	88.56%	8,521
Capital	0	0	0		0
<b>Total City Hall Cost Allocation</b>	<b>\$74,475</b>	<b>3,244</b>	<b>\$65,954</b>	<b>88.56%</b>	<b>8,521</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  
July 14, 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, July 14, 2014.

PRESIDING: Mayor Bryan W. Shupe

IN ATTENDANCE: Councilpersons Christopher Mergner, Garrett Grier III, S. Allen Pikus, Dirk Gleysteen, Owen Brooks, Jr., Douglas Morrow, Sr. and James Starling, Sr. & 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 Shupe called the Monthly Meeting to order at 7:00 p.m.

#### INVOCATION & PLEDGE

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

#### APPROVAL OF MINUTES

Motion made by Mr. Pikus, seconded by Mr. Grier to approve the minutes of the June 9, 2014 and June 23, 2014 Council Meetings as submitted. Motion carried.

#### RECOGNITION

No special guests in attendance.

#### MONTHLY POLICE REPORT

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

#### CITY MANAGER REPORT

Mr. Carmean read into record the following report:

##### *Administration*

*The billing office renovation is progressing according to schedule. We had our first progress meeting and were advised by the contractor that completion will be by the end of October. Ordering the furniture in advance will allow us to be fully operating out of the building by mid November and no later than Thanksgiving.*

*In removing the ceramic tile from the lobby area it was discovered there was a terrazzo floor beneath the tile. This type flooring can be quite durable and attractive for high traffic areas. I informed him that if no significant damage is found after the tile is removed, we will consider just the terrazzo remain.*

*I will advertise for applicants in August for the proposed planning/economic development position approved during the budget process. My intention is to stress the person's planning credentials, but to look for an individual who can market the city as a place to build or expand businesses that create jobs.*

##### *Streets & Solid Waste*

*We have notified the successful bidder and they are scheduled to start work on the various street paving projects. The North Washington Street sidewalks require new handicapped ramps be installed at all the intersections along the areas of the street overlay. No bids were received during the initial process for the sidewalk concrete work. It has been rebid and we should have a recommendation at the August council meeting.*

#### *Sewer & Water*

*Bids will be received in the next few weeks for the water main that will run from our new well across from the rear parking lot of city hall to the proposed water treatment plant at 5 South Washington Street. This will cause some disruption of traffic on South Washington Street between those two sites.*

*We are replacing the generator at the Tent Street Well and bids are due next week. Our old one has been down for almost a year though we have had no prolonged outages during that time.*

*There was a question during the budget hearings about the number of generators at our public works facility. I have learned we do have six or seven portable generators that were acquired during a severe storm situation a few years ago. They can be used to run major street lights at intersections or for a customer with a medical condition that requires constant electric.*

*There is also a larger generator which is a trailer-mounted unit that can be used in various areas. Should the electricity go out, water and sewer will continue to operate as long as the pumps are running. We do have generators at our towers to ensure water service in those situations.*

*We are in the final planning stages for the new water treatment facility. I have asked DBF to provide estimated costs for public restrooms to be included in that project. I met with Erik Retzlaff of DBF and Public Works Director Brad Dennehy to discuss the water treatment plant and any last minute changes. During the meeting, I came up with an idea to move the water plant because the building is much larger than originally planned. Because of the impurities found during the testing of the site, we cannot bury the reservoir so it will need to be built above grade. That will add eight or more feet to the treatment plant and the aeration of the tower. As a result, the building will be taller than the Salvation Army building.*

*I will be meeting with the Public Works Committee to provide additional information before proceeding with the new plan.*

#### *Electric*

*The transformer moved from the Elks Lodge Road Substation to the Route 14 Substation was placed under load on Monday, July 7. It functioned properly with no loss in electricity to our customers.*

*There were also no disruptions in service as a result of the high winds from Hurricane Arthur.*

*There was an outage Sunday morning which involved a circuit though it is difficult to determine the cause.*

When Mr. Mergner asked how the city selects a fuel provider for the generators, Mr. Carmean explained it was handled through bids. Mr. Mergner confirmed that the bidding is public and Mr. Carmean said yes, adding it is sometimes a local provider noting we have four or five in the area though some are small businesses. He also informed Mr. Mergner that our gas/fuel is bid every year.

Mr. Mergner then asked if they are on alert and required to fill the generators when a major storm is anticipated. Mr. Carmean stated yes and compared it to a retainer or on-call situation.

Mr. Brooks referenced a recent article where US Senator Tom Carper announced federal funding for improvements on Kent County wastewater systems. The project, funded by the USDA Rural Development Program, will save a great deal of money because it has been determined by a recent University of Delaware study that many of the tests previously performed are no longer needed. Funds are also being provided to residents with failing systems in Kent County.

Mr. Carmean is unfamiliar with that program though he expects we will receive a portion. He said he has not yet spoken with anyone from that office.

The city manager recalled that Senator Carper was in Milford to attend the USDA event regarding LED lights.

He also reported that he is currently talking with USDA about an infrastructure loan at a very low rate that includes a grant. However, it is necessary to apply for the loan in order to be eligible for the grant.

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

#### COMMITTEE & WARD REPORTS

No reports.

#### COMMUNICATIONS & CORRESPONDENCE

Included in packet.

#### UNFINISHED BUSINESS

##### *Adoption/Ordinance 2014-08/Solid Waste Code Amendment/Chapter 193*

Mayor Shupe reminded council the ordinance will revamp the solid waste code and adds the restrictions and guidelines that are already in effect. A number of the changes relate to recycling, yard waste and bulk pick up. This also officially eliminates any commercial services though businesses still have the option of being provided two canisters in lieu of a dumpster they may have used in the past.

City Manager Carmean said it is very difficult to have everything covered in the ordinance. For example, Mr. Brooks pointed out we are charging a \$10 fee for an additional one to five bags. He questioned if a person is charged when a small bag is put out for collection instead of using their rollout. Situations like this and other similar scenarios still need to be discussed though they can be handled through a written policy.

He assured council this is not the final version and is confident it will need to be revisited.

Mr. Mergner asked if the city has ever considered outsourcing this service and asked if cost comparisons are done. He explained that in his business, dealing with solid waste can be a burden and that in many situations, it is often easier to eliminate the issue.

Mr. Carmean said it would be easier on him as city manager but he has seen the privatization of trash services in a number of municipalities who later regret it. He explained that once you sell the trash trucks and lay off your employees, it is difficult to get back into the business. However, he agrees that comparisons are needed periodically.

The city manager stated that our citizens are extremely pleased with the city's solid waste services and very few complaints are received.

Mr. Gleysteen moved to adopt ordinance 2014-08, seconded by Mr. Grier:

Ordinance 2014-08

#### CHAPTER 193-SOLID WASTE

*NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:*

*Section I.*

*Part II, General Legislation, Chapter 193 of the Code of the City of Milford entitled "Solid Waste"*

*Section II.*

*Amendments.*

Chapter 193 entitled "Solid Waste" is hereby rescinded and replaced with a new Chapter 193 entitled "Solid Waste Management" to read as follows:

CODE OF THE CITY OF MILFORD  
PART II - GENERAL LEGISLATION

CHAPTER 193 - SOLID WASTE MANAGEMENT

ARTICLE I. Miscellaneous Provisions

- 193-1. *Mandatory Residential Collection.* The maintenance of the public health, safety, sanitation and aesthetics requires that all residential properties in the City of Milford accept, arrange and pay for solid waste collection and disposal services in accordance with this chapter. Said mandatory service includes the collection of residential solid waste.
- 193-2. *Non-Residential Services.* Solid waste services through the City of Milford are optional for non-residential entities. Upon request containers may be provided, in accordance with the fee established in Section 193-11. Those opting not to utilize solid waste collection through the city shall be required to make arrangements for the disposal and/or collection of the same by a private collector/hauler at no cost to the city. The city reserves the right to restrict the services of a private hauler in order to promote the public health, safety and the general well-being of the community.
- 193-3. *Containers Required.* The city shall specify the type of container to be used for each specific collection. Use of any other type container than specified by the city is prohibited. Items piled alongside the container will not be picked up, nor will containers not provided by the city. If any container is lost or destroyed, another container shall be provided at cost to the customer.
- 193-4. *Special Collections.* Special collections will be held one week in the spring and one week during the fall of each year. Customers shall be able to put out additional items, including bulk items, during these weeks without an additional charge. Adequate notice of the special collection dates and details shall be provided to customers.
- 193-5. *Bills and Payments*
- A. *The rates as established shall be an assessment and shall be billed to the resident of the property on a monthly basis. All bills for service are due and payable each month for normal and additional services performed. Monthly charges, if not paid by the due date, shall accrue interest at the rate of 1 1/2% per month until paid.*
  - B. *Bills are rendered for any indicated period of service, either special or monthly, and will show the proper charge as determined by the applicable rate schedule. Bills shall be considered as duly rendered when delivered at or mailed to the recorded address of the customer, as provided by him for that purpose. Non-receipt of a bill shall not constitute a waiver thereof. The city, on request, will issue a duplicate bill to the customer.*
  - C. *The annual charge imposed under this ordinance shall be a lien against the property served and shall be and remain a lien for ten years from the date of assessment of such charge. Such lien shall have priority over any other lien, encumbrance or conveyance even though such other lien or liens may be of a date prior to the time of attaching of this lien. The City Manager shall have the same authorities, remedies and powers with respect to the collection of this charge as are provided for the collection of taxes.*
  - D. *Any customer, upon receipt of a bill, having reason to doubt its accuracy shall bring or mail the bill within five days to the city for investigation.*
- 193-6. *Violations and Penalties*
- A. *Unless otherwise prescribed herein, Any person or any officer of any firm or corporation violating any of the provisions of this article Chapter 193 shall, upon conviction thereof before a Justice of the Peace, be sentenced to pay a fine of not less than \$25 nor more than \$300, together with costs of prosecution.*
  - B. *Every violation of this chapter shall be deemed a separate offense for each and every day a violation shall continue and shall be subject to the penalty imposed by this section for each and every such separate offense.*

*193-7. Supplemental Regulations*

*The City Manager is hereby authorized to make additional rules and regulations for the administration of the solid waste collection system, provided that such rule or regulation is not in conflict with the specific provisions of this chapter and is in no way inconsistent with the established policies of the City Council.*

*ARTICLE II. SOLID WASTE**193-8. Definitions*

*As used in this chapter, the following terms shall have the meanings indicated:*

*SOLID WASTE-Commonly referred to as trash or garbage, consisting of everyday items that are discarded which may include food wastes, containers and product packaging and other miscellaneous wastes from residential or commercial sources. Solid Waste does not include yard waste, inert waste such as construction debris, hazardous waste, toxic waste or medical waste.*

*193-9. Unlawful Acts; Containment Required; Containers*

*It shall be unlawful to deposit or place any trash or garbage into any yard waste container or recycling container or on a city street or drainage gutter. Containers will be provided upon request. Multi-family dwellings may utilize a city approved dumpster.*

*193-10. Collection Procedures**A. General.*

- (1) All collection of solid waste materials from residences and other approved establishments shall be by city public works crews or contractors hired or contracted by the City Manager.*
- (2) It shall be unlawful for any person to place any solid waste container within any public utility easement or public way except on designated collection days at the curblin. All containers shall be placed just behind the curblin of the street abutting such property but shall not be placed where the containers will interfere with vehicular or pedestrian traffic.*
- (3) Where solid waste is collected from the front or side street, containers shall be placed there no earlier than 3:00 p.m. of the day preceding the day of collection and not later than 7:00 a.m. on the scheduled day of collection and shall be removed to a point at the side or rear of the structure not later than 7:00 p.m. of the day of collection.*
- (4) No solid waste or any other similar materials shall be placed in the street or on the sidewalk. No solid waste of any description shall be disposed of within the limits of the city in any manner other than that prescribed herein. Deposit of solid waste upon any land, alley, street, public place, vacant lot, watercourse, ditch or any other method of disposal not in accordance with this chapter shall be a violation as prescribed herein.*

*B. Bulk collection. Owners of multi-family units desiring to utilize containers for bulk storage may do so, provided that the container and the placement of the container is approved by the City Manager or his designated representative. In no case shall the container be in excess of three cubic yards' capacity.*

*C. Items Prohibited*

- (1) The scope of the service rendered by the city in the collection and removal of solid waste materials is intended to serve the needs of its customers' related activities. It is considered to be beyond the scope of such service to collect or remove solid waste materials generated by clearing, construction, demolition and any other such activity producing quantities of solid waste.*
- (2) Rock, scrap building materials, appliances containing freon or other trash resulting from construction, remodeling or destruction by fire, the elements, acts of God or other causes resulting from a general cleanup of vacant or improved property or trees, brush and/or debris cleared from a property in preparation for construction or landscaping shall not be collected and removed by the city. Such materials will be removed at the expense of the owner.*
- (3) Tires will not be collected. Items too bulky or heavy to be removed during the regular city collection may, at the discretion of the City Manager, be removed after special arrangements have been made by the owner.*

*D. Frequency and routes of collection. The City Manager shall divide the city into districts and shall schedule the collection of solid waste in these districts on the most efficient and convenient days and times. Adequate notice of the collection schedules shall be given to customers and any changes thereto.*

193-11. Collection & Rate Schedule

- A. The city will collect solid waste as described in this Article II once every week.
- B. The City Manager shall divide the city into districts and shall schedule the collection of solid waste in these districts on the day or days and at the times that shall be most efficient and convenient to the city. Adequate notice of the collection schedules shall be given to the residents of the times and schedules and any changes thereto.
- C. Residential properties  
 \$23.50 monthly - one container  
 \$47.00 monthly - two containers
- D. Non-Residential properties:  
 \$23.50 monthly - one container  
 \$47.00 monthly - two containers
- E. Multi-family units (including apartment complexes).  
 \$23.50 monthly - one container (per unit)  
 \$47.00 monthly - two containers (per unit)
- F. Individual containers may be replaced with a 3-cubic yard dumpster at City Manager's discretion.

ARTICLE III. YARD WASTE

193-12. Definitions

As used in this chapter, the following terms shall have the meanings indicated:

YARD WASTE-Biodegradable waste consisting of leaves, grass clippings, twigs, small branches (less than four ft. in length), shrubbery, prunings and other garden material.

193-13. Unlawful Acts; Containment Required; Containers

- A. It shall be unlawful to deposit or place any yard waste or matter into any garbage container, recycling container or on any city street or in a drainage gutter.
- B. An additional yard waste container is available upon request. A one-time fee will be charged to the utility account. The fee is determined upon the size of container requested. The additional container is property of the City of Milford.

95 Gallon	\$65
65 Gallon	\$60
35 Gallon	\$55

193-14. Collection Procedures

- A. The city will provide for the collection of yard waste from April 1 through October 31 of each year, provided that such yard waste refuse is deposited into the yard waste containers issued by the city. Disposal of yard waste that will not fit into the container shall be the responsibility of the property owner.
- B. The city will provide for loose leaf curbside collection from November 1 through January 31 in accordance with the following conditions:
  - (1) Loose leaves shall be raked and placed behind the curb for removal by the city's leaf vacuum.
  - (2) Leaves must be free of stones, branches, brush and grass clippings or they will not be collected.
  - (3) It is illegal to place, sweep or blow leaves and other yard waste into the street, storm drains or catch basins.

193-15. Collection & Rate Schedule

- A. The City will collect yard waste as described in Section 193-14A once every two weeks.
- B. The loose leaf curbside collection as described in Section 193-14B will be collected once each week.
- C. The City Manager shall divide the city into districts and shall schedule the collection of solid waste in these districts on the day or days and at the times that shall be most efficient and convenient to the City. Adequate notice of the collection schedules shall be given to the residents of the times and schedules and any changes thereto.

*ARTICLE IV. RECYCLING**193-16. Definitions*

*As used in this chapter, the following terms shall have the meanings indicated:*

*RECYCLING*-Trash including cardboard, glass bottles and jars (any color), junk mail and envelopes (all types), magazines and catalogs, metal cans (tin/steel/aluminum), milk jugs, bleach/detergent bottles and shampoo bottles, narrow-neck plastic bottles, newspapers and brown paper bags, paperboard (cereal/tissue boxes), plastic grocery bags, telephone and soft cover books, pizza boxes (free of food residue). Recycling materials does not include styrofoam (all types), hardback books (pages are acceptable, remove hard cover), light bulbs (all types), household batteries, electronics, broken glass/mirrors/window glass, empty aerosol spray cans, paint cans.

*193-17. Unlawful Acts; Containment Required; Containers*

*It shall be unlawful to deposit or place any recycling material into any solid waste container or yard waste container or on any city street or in a drainage gutter.*

*193-18. Collection Procedures*

*The City will provide for the collection of recycling material, provided that such material is deposited into a recycling container provided by the city. Disposal of excessive material that will not fit into the container shall be the responsibility of the property owner.*

*193-19. Collection & Rate Schedule*

- A. The City will collect recycling material once every two weeks.*
- B. The City Manager shall divide the city into districts and shall schedule the collection of solid waste in these districts on the day or days and at the times that shall be most efficient and convenient to the City. Adequate notice of the collection schedules shall be given to the residents of the times and schedules and any changes thereto.*

*ARTICLE V. BULK ITEMS**193-20. Definitions*

*As used in this chapter, the following terms shall have the meanings indicated:*

*BULK ITEMS*-Trash other than regular household trash, such as furniture, appliances, large items lawn mowers, barbeque grills, hot water heaters, air conditions, televisions, doors, cabinets, kid's toys or excessive amounts of household trash placed in bags or boxes.

*Note: Bulk items does not include materials generated by clearing, construction, demolition and any other such activity producing quantities of solid waste, rock, scrap building materials, appliances containing Freon or trash resulting from construction, remodeling or destruction of fire, the elements, acts of God or other causes resulting from a general cleanup of vacant or improved property or trees, brush and/or debris cleared from a property in the preparation for construction or landscaping, leaves, grass clippings, twigs, small branches, shrubbery, prunings and other garden material shall not be collected and removed by the city. Such materials will be removed by the owner.*

*193-21. Unlawful Acts*

*It shall be unlawful to place any bulk material or any hazardous chemical on a city street or near a drainage gutter.*

*193-22. Collection Procedures*

- A. Customers are required to contact our Customer Service Department to schedule a pickup.*
- B. Excessive household trash shall be bagged or placed in boxes.*

*193-23. Collection & Rate Schedule*

- A. The bulk fee shall be determined on a sliding scale based on the amount of bulk trash or large items picked up from the residence as follows:  
Trash (bagged or boxed):  
1 - 5 small pieces        \$10*

6 - 10 pieces	\$20
11 - 15 pieces	\$30
16 - 20 pieces	\$40
21-50 pieces	\$50

Over 50 pieces TBD by supervisor

Large Items (appliance, furniture, miscellaneous items) \$10 per item

- A. Minimum of at least \$10 will be billed for each pickup
- B. The city will collect bulk material every Wednesday.
- C. The city will not collect bulk material on weeks when a holiday occurs.

#### ARTICLE VI. TEMPORARY SUSPENSION OF SERVICES

##### 193-24 Authority

- A. The Public Works Director may suspend trash and recycling (and yard waste when applicable) collection services on an owner-occupied residence only if the home is unoccupied for a minimum of three months.
- B. A "Temporarily Suspend Garbage Service Application" must be completed in order to place the service on hold.
- C. A "Temporarily Suspend Garbage Service Application" must be received by the Public Works Department at least five business days prior to the start of the suspension period.
- D. The Solid Waste Department will collect the trash, recycling and yard waste (if applicable) containers at the start of the suspension and redeliver them on the expected date of return.
- E. The residence for which the suspension has been approved shall remain vacant during the suspension period.
- F. Service will automatically be reactivated at the end of the approved suspension period, unless a request for an additional period of temporary suspension has been requested and approved by the Public Works Director prior to the automatic reactivation. Failure to request an extension prior to the reactivation date will result in the resumption of the monthly solid waste fee. To continue a suspension of service after reactivation, a new "Temporarily Suspend Garbage Service Application" must be filed with the appropriate fee.
- G. When a suspension is active, the customer may not use any other city trash/recycling/yard waste services, including someone else's container or bulk service.
- H. No credit will be issued should customer fail to submit and complete the "Temporarily Suspend Garbage Service Application."
- I. Partial or retroactive payments of monthly fees are prohibited.

##### 193-25. Suspension Fee

- A. At the time of the suspension request, a service fee of \$35 will be charged for the removal, storage and redelivery of the containers.
- B. Service fee shall be paid at the time the "Temporarily Suspend Garbage Service Application" is submitted to the Public Works Department.

##### 193-26. Noncompliance, Violations and Penalties

- A. Noncompliance of this article will result in the immediate reactivation of the solid waste services.
- B. The account will be billed the full service fees for the entire suspension period and a \$100 account reconciliation fee assessed for noncompliance.
- C. Violations and Penalties set forth in Section 193-5 shall also apply to Article VI.

#### Section III.

##### Dates.

Adoption 07/14/14

Effective 07/24/14

Motion carried.

City Manager FY 2014-2015 Budget Message

Mr. Carmean referenced the city charter requirement that the city manager provide a budget message at the time the budget is printed.

Mr. Grier moved to approve the following Fiscal Year 2014-2015 Budget Message, seconded by Mr. Pikus:

*To the Honorable Mayor and Members of the City Council:*

*I am pleased to present to you my proposed Fiscal 2014-2015 Budget for the City of Milford. This budget is for the period July 1, 2014 through June 30, 2015 and totals \$41,356,975.00.*

*This document will allow the citizens of Milford to better understand the costs of operations for all areas of the City. It also demonstrates how the revenues required for those operations are gathered and expended throughout the fiscal year.*

*Another very important function of this budget is that it provides a road map for the managerial needs of the City Manager and departments in the City. Within the budget certain spending parameters and revenue expectations are stated. This allows for perusal by management, Mayor and Council, and the citizens of Milford as to the efficiency of the activities of the City. While it is always necessary to make some changes to our budget throughout the year, it is a guideline as to what are the anticipated financial predictions for the year.*

#### **BUDGET OVERVIEW**

*This budget does not include any increases in property taxes, sewer, water or trash fees.*

#### **SUMMARY**

*As I have discussed with Council and the public before tonight, this will in all probability be my last budget message. Since that is the case, I think it is appropriate to not only comment on this year's financial environment, but also discuss what I see as possible challenges for the City of Milford in the following years.*

*For several years, management, Mayor and Council have been doing a laudable job of accomplishing more with less. Over the years we have expanded our public and utility services to include hundreds of new families in the city of Milford with only minimum changes in expenditures and revenues. This year's budget, which was presented absent any fat or hidden costs, is a prime example of our fiscal thinking.*

*There are many in the town of Milford that see a future where the city continues to grow as a prosperous town that is attractive to both business and families. To have the ability to promote economic development and tourism while also focusing on our quality of life, I urge future management and council to use a reasonable and pragmatic approach to looking at the cost of City services. It is our responsibility to run the City efficiently, but there has to be a balance between cost and positive change. I'm certain our leaders can accomplish this challenge.*

*I want to thank Mayor and Council, Councilperson Pikus and his Finance Committee, our Finance Director, and other employees who worked with me to construct this financial document that will serve as a financial guide for the next 12 months. It has been my pleasure to have been a part of the hard work that has kept our City financially viable for over 40 years. We have maintained an excellent credit rating with solid reserves, while giving citizens a level of service which is hard to match in municipal government.*

Motion carried.

#### **NEW BUSINESS**

##### *2013 City of Milford Comprehensive Plan/PLUS Review and Comments*

Mayor Shupe reported that all Delaware municipalities are required to keep their comprehensive plans up to date under Delaware State Law. At least every five years, a municipality must review its comprehensive plan to determine if its provisions are still relevant. The current comp plan, adopted in 2008, amended by the Southeast Milford Master Plan was one of a few changes made since that time.

The Office of State Planning Coordination oversees the process and assists the towns through the process. The Plus Review Comments, dated June 25, 2014, are a response to the 2013 Amendment submitted by Former City Planner Gary Norris, who has been contracted by the city to complete that process.

Mr. Carmean explained that the city must respond to the comments which are a result of the initial review by the Office of State Planning. It is the city’s responsibility to either convince them to leave what was submitted or make the changes they requested. Once finalized, the comp plan will be presented to council for its final adoption.

Mr. Pikus confirmed the comments come from Planning Director Connie Holland’s office; the city manager said it could be state planning or DelDOT, DNREC and other agencies.

When asked if Davis, Bowen and Friedel handled the review of the comp plan, Mr. Carmean explained they did not handle it this time. The changes were not extensive and former City Planner Gary Norris was handling it. It was confirmed that no action is required at this time.

*Adoption/FY 2014-2015 Tax Warrant*

Mayor Shupe explained that a tax warrant is required by the Taxation Article of the City Charter and directs the city manager to bill and collect city property taxes for Fiscal Year 2014-2015.

Mr. Pikus moved to adopt the Fiscal Year 2014-2015 Tax Warrant, seconded by Mr. Starling:

*GREETINGS:*

*The Charter of the City of Milford provides the following:*

*"Article VII, Section 7.12: Attached to said tax list shall be a warrant, under the Seal of the City of Milford, Signed by the Mayor and Attested to by the City Clerk, commanding the City Manager to make collection of Taxes as stated in the Tax Lists."*

*THEREFORE, YOU, THE CITY MANAGER, DULY APPOINTED BY THE COUNCIL OF THE CITY OF MILFORD, ARE HEREBY COMMANDED TO COLLECT THE TAXES AS LEVIED IN THE FOUR WARDS AS FOLLOWS:*

<i>Assessed Per Billing Register</i>	<i>\$1,012,111,082</i>
<i>Exemptions</i>	<i>[205,392,900.00]</i>
 <i>TOTAL ASSESSED VALUE</i>	 <i>\$806,718,182.00</i>
	<i>x .0046</i>
 <i>ESTIMATED TAX PER PROPERTY VALUES</i>	 <i>\$3,710,903.64</i>
 <i>Senior Citizen Discount</i>	 <i>[29,624.00]</i>
 <i>TOTAL TAXABLE (Fiscal Year 2014-2015)</i>	 <i>\$3,681,279.64</i>

*s/Mayor Bryan Shupe*

Motion carried.

*Bid Award/Wire Puller (Electric Department)*

This bid was properly advertised with a bid opening of June 12, 2014. At that time no bids were received. The bid announcement was then readvertised. At the second bid opening on June 16, 2014, only one bid was received from Sauber Manufacturing in the amount of \$61,115.

Mr. Pikus moved to award the Wire Puller bid to Sauber Manufacturing in the amount of \$61,115, seconded by Mr. Starling. Motion carried.

*Bid Award/Aerial w/Cab & Chassis (Electric Department)*

Mr. Pikus announced that the above purchase was not approved as part of the Fiscal Year 2014-2105 budget. Therefore, it was removed from the agenda.

*FY 2014-2015 Budget Adjustment/DBF Contract/PNC Bank/City Business Office Construction Administration*

Davis, Bowen & Friedel, Incorporated was asked to submit a proposal to provide construction phase services for the new billing officer at the former PNC Bank Building/City Billing Office at 119 South Walnut Street.

The proposal covers a five-month period for the following services (not limited to):

- Attendance at the preconstruction meeting between the Contractor, Subcontractors and the City.
- Conducting progress meetings and issuing meeting minutes.
- Review of submittals, partial payment estimates and contractor change orders.
- Prepare punch list inspection report.
- Provide air monitoring for asbestos removal.
- Site visits and shop drawing review from the mechanical/electrical engineer.
- Arrange and perform final project inspection (all disciplines).
- Assist the City with the preparation and processing of contract closeout documents

The estimated total is \$32,000.

Mr. Carmean said he could handle this but wants to make sure we are getting everything we should from the contractor. He believes the contract period will be 4½ months or less.

Mr. Grier confirmed the bid is \$32,000 and no more; Mr. Carmean explained that is an estimated cost but if the contract exceeds that amount, DBF would be required to provide the reasons. Mr. Grier feels we exceed the estimated cost of every contract and believes we should only pay \$32,000 and nothing higher. Mr. Mergner agrees noting that the estimated cost should be based on the projected time and work they feel is required.

Mr. Carmean concurred adding he has no problem with that.

Mr. Pikus moved to approve the Construction Administration Services Proposal as submitted by Davis, Bowen and Friedel, not to exceed \$32,000, to be paid from electric reserves, seconded by Mr. Grier. Motion carried.

*Delaware Hospice/Alcohol Permit*

Mayor Shupe advised that in late June, Delaware Hospice was reviewing their 5K plans scheduled for July 9th with city hall staff realized their plans included beer tastings at the event. They were informed of the city's open container law and that council approval was required.

Because the event was occurring prior to the next council meeting, it was suggested Hospice still request permission. In that manner, the city would have their official request on file should any questions or concerns be expressed.

The following letter was submitted at that time:

*Delaware Hospice is having a 5K on July 9, 2014. We are having a beer tasting by Mispillion River Brewery from 5:30 till 8:00.*

*Because Chapter 77 of the Milford City Code prohibits the possession of open containers of alcoholic beverages and consumption of alcohol in any public area, we respectfully request Councils permission that tasting be permitted in this area for this special event.*

*A copy of our Gathering License is attached from the Alcoholic Beverage Control Commissioner.*

*The City of Milford's approval is requested. We also understand that the City approval is required in advance of the State of Delaware approval. We will strictly adhere to all rules and regulations going forward.*

*s/Peggy Dolby  
Assistant Director of Development  
Delaware Hospice, Incorporated*

According to Solicitor Rutt, council action was not needed due to the event having already occurred.

*DMI Eat in the Street Event/Alcohol Permit*

Mayor Shupe referenced the following request received from Downtown Milford Incorporated:

*RE: Serving alcoholic beverages at the 'Eat in The Street' Event*

*Downtown Milford, Incorporated is planning its 2014 Second Annual 'Eat in The Street' Event on Sunday, September 21, 2014. The event will take place on South and North Walnut Street and in the Riverwalk Park. As part of the 100 guests, formal sit-down dinner, various alcoholic beverages will be paired with locally sourced and prepared dishes.*

*Because Chapter 77 of the Milford City Code prohibits the possession of open containers of alcoholic beverages and consumption of alcohol in any public areas, we respectfully request City Council's permission to serve alcoholic beverages in these areas for this special event. Those consuming alcohol would be restricted to a confined area as required by Delaware State Law.*

*An application for a gathering license will be submitted to the State of Delaware Division of Alcohol and Tobacco Enforcement. We understand the State of Delaware requires city approval in advance of their approval. We will strictly adhere to all rules and regulations.*

*The City of Milford's approval is requested.*

*Lee Nelson  
Executive Director*

Mayor Shupe reported the same event was held in 2013 with no problems reported which Chief Hudson confirmed.

Mr. Pikus moved to approve the alcohol waiver for DMI at their Eat in the Street event on September 21, 2014 from 5:00 p.m. to 8:00 p.m., seconded by Mr. Gleysteen. Motion carried with Mr. Starling casting the only dissenting vote.

*Agreement/CGI Communications, Inc.*

The mayor announced the City of Milford is partnering with CGI Communications, Incorporated to produce a series of online videos highlighting the things Milford has to offer to residents, visitors, and businesses.

Mayor Shupe commented that at city hall, we have taken measures to overhaul the website in order to promote economic development and tourism. A video was done several years ago and we are preparing an updated series of videos.

It was confirmed there is no cost to the city and the video is paid by the sponsors who participate in the program. When asked the cost of the sponsorship, Mr. Carmean explained it is based on the length of time the business commits to the video.

Mr. Grier moved for approval of the CGI Communications, Incorporated, seconded by Mr. Brooks. Motion carried.

*First State Manufacturing/Independence Commons Business Park Parcel/Property Exchange*

City Manager Carmean referenced the following request received from Dave Hitchens of First State Manufacturing:

*As we discussed over the weekend, FSM's banking partners and insurance brokers are no longer willing to accept the risks and direct liabilities set forth by the agreement with the City which allows use of our lands for public parking associated with sports activities. That being said, we [FSM] desire to support the city's efforts in providing parking for recreational events. The option that we prefer to discuss involves an exchange of lands as a non-cash transition. I like your idea of meeting with you, Mayor Rogers and our council representatives to begin discussions concerning this matter. I am available anytime next week to meet at our building so that they can see the property in question and review the property survey as to what a potential subdivision would look like.*

Mr. Hitchens introduced himself as the President and Chief Operating Officer for First State Manufacturing. He said he is pleased to offer the lot exchange opportunity to the city.

Mr. Carmean noted that some council members have already discussed the First State Manufacturing (FSM) request. He referenced the map in the packet showing the parking lot that is under consideration.

Mr. Hitchens referenced a license agreement executed in 2010 between First State Manufacturing and Milford Little League on behalf of the city. He noted the 1.85 acres of land beyond FSM's parking area, that contains a batting cage, a portion of a grandstand and a portion of the concession-parking area currently being used by Milford Little League.

He further explained that in January 2014, FSM did a strategic planning session and two things were vetted. First is the liability FSM has by allowing their private property be used for public parking. His understanding the property has been used by little league since Sussex Company owned the property many years ago.

The other issue is FSM's strategic plan to move forward into 2017. He prefers to target the growth of FSM more than the liability issue.

Mr. Hitchens stated that since January 2013, FSM has grown 53% and now has 72 employees. By 2015, projected growth will be over 100 employees. In that year, FSM will become the fifth largest employer in the incorporated limits of Milford. Two months ago, FSM was awarded a five-year C-5 contract for Dover Air Base to handle all C-5's across the United States. They have a ten-person team, who presently and will continue to work at Stewart Air Force Base.

Mr. Hitchens explained they work three weeks on and one week off.

In addition, Mr. Hitchens reported that FSM was just awarded an ILC contract. ILC is bringing their overseas operation back to the United States and just opened a facility in Seaford. According to Mr. Hitchens, they are the other part of that scenario. He is pleased to announce they will kick that off next week.

FSM was also awarded a five-year contract with Amtrak Seating and they will become the distribution center for more than fifty Amtrak USA locations. That contract will require 35,000 square feet and their current building will be maxing out by 2015.

He further explained that not only will FSM cover the seats for Amtrak, they will also have a distribution center that will truck those seats to every Amtrak location in the United States.

They currently have 35,000 square feet available and Amtrak says they will need all of that space. That is the reason they believe they will employ more than one hundred employees in 2015.

He feels adding the additional employees is a great opportunity for the city adding that those people will be utilizing the great facilities available in Milford.

Mr. Hitchens emphasized the big issue he is bringing to council is that FSM is out of space. Sometime in the next three years, he will need to build a new corporate center. He explained that 1,000 square feet of his training area has already been taken for use by ILC, which begins next week. Over the next two years, he will need every inch of space at their current facility on Fourth Street for manufacturing.

Mr. Hitchens reiterated they have a liability and FSM now needs to build a new corporate center. He pointed out that FSM currently owns the property that divides the little league property. They are willing to exchange the 1.85 acres for a lot in Independence Commons where they can build their corporate center. If not, he will have to use the little league land to build their corporate center because he will have to use all his space for manufacturing.

He has met with Parks and Recreation Director Gary Emory who fully supports this idea. Mr. Emory agrees it will bring closure to the little league concept who pointed out Councilman Brooks is very involved in. Mr. Hitchens added that after this is done, the City of Milford will own the entire area little league currently utilizes.

Mr. Hitchens noted there is some benefit to FSM because they will then be able to use all their property for the manufacturing facility. He will be able to relocate his corporate offices and make the entire facility manufacturing and build a new corporate center in Independence Commons.

Mr. Grier asked how much square footage will be gained by removing the corporate area from the present facility; Mr. Hitchens said approximately 15,000 square feet and reiterated he has already used 1,000 square feet.

He added it will take approximately eighteen months to build out for Amtrak so he has a little time, but stressed that he does not have a lot of time.

Mr. Grier asked if Mr. Hitchens has selected a lot at Independence Commons. Mr. Carmean stated the lot is at the end of the cul-de-sac on West Liberty Way where he had the solar panels installed. He has had Davis, Bowen and Friedel subdivide the previous 3.6 acre lot. FSM will be taking approximately 2.2 acres which abuts Canterbury Road and Airport Road.

Mr. Grier asked the price of the lot; Mr. Carmean pointed out the lot prices are being sold for \$125,000 per acre. The city manager noted that since the solar panels were added, the lot is no longer conducive to building. Mr. Carmean said he had another interested buyer consider it though he was not interested because of the solar field. Therefore, he is willing to work out a price which council can consider.

He suggested an appraisal be done on the land at the ballpark prior to providing a price and any offer to trade.

When asked for a comparison of the two lot sizes, Mr. Carmean said they are very close in size. He said the city subdivided a little over two acres at Independence Commons which can be used by FSM and the city will be receiving almost two acres at the little league park. To the city manager, it is apples to apples; Mr. Hitchens agreed the acreage is very close.

Mr. Morrow pointed out this was one of two adjacent lots at Independence Commons reserved for the new police facility adding that he does not recall council rescinding that vote. He asked if council needs to undue that and some formal action is needed before the parcel can be considered.

It was noted that once the solar field was placed on the lot, it was no longer appropriate for the police facility.

Mr. Carmean pointed out there is no longer enough room for the new police department because it will not fit on two acres. Mr. Morrow referenced the two adjacent lots reserved which provided sufficient acreage and access, as well as some room for growth.

According to Solicitor Rutt, council superseded the vote to reserve those lots when they approve the purchase of the Growmark property for the new police department. Mr. Carmean agreed noting that is signed and sealed now. Mr. Rutt confirmed that Growmark has signed the contract.

Mr. Carmean said the one thing that may be hard to judge whether the value of the FSM to the little league. Therefore, it will be worth more than the actual dollars determined by the appraisal.

Mr. Hitchens then referenced the row of cut off poles at the end of their parking lot. He feels that would be an appropriate dividing line and the city land would then start on the west side of the poles.

He confirmed that a small portion of the little league concession stand sits on FSM's land. According to Mr. Hitchens, they also own land that the little league grandstand sits on.

Mr. Grier asked if there is a license agreement for use; Mr. Hitchens stated yes. He further explained that their attorneys are saying this is a liability and asked if it was possible to do something different. He said that have allowed that use for a number of years, not only with Sussex Company but for FSM as well.

Mr. Hitchens feels that as important or what may be more important, is the growth of FSM. He knows he is has to build a 15,000 square foot facility. He said they dissect the little league park now. He emphasized that FSM owns the parking where forty to fifty cars park now. As a corporate citizen, FSM would rather exchange that land where they could build a corporate center and just be done with it. That in lieu of building on the land that stretches through the center of the little league park.

Mr. Hitchens reiterated their plan would be to move the corporate offices out of the Fourth Street facility and build a new structure in Independence Commons; the manufacturing would remain at its current facility.

He again noted that he has used 1,000 square feet of his corporate office on Fourth Street for ILC. Their president met with FSM a couple months ago with their plans to expand there. They have a facility in Seaford and FSM is the next stop. As a result, they signed a partnership agreement with ILC.

Mr. Hitchens says he now has Amtrak coming to Milford who also needs space in their building. He added that forty employees later, he is good with that. However, it does present a problem with the property that FSM owns that is currently being used by the city for baseball.

He concluded by stating that he may not have a choice but to build there because he needs his manufacturing space.

Mr. Grier asked if FSM would need to increase the size of the building 35,000 square feet to 50,000 square feet; Mr. Hitchens stated yes something similar to that.

Mr. Gleysteen asked if FSM is operating around the clock or if they plan to do that in the future; Mr. Hitchens said they are running two shifts and he will not add a third shift. He said he will expand his operation within the building before he goes to three shifts.

Mr. Hitchens feels that would involve additional responsibility for management that he is not interested in. They are having some issues with public parking because they have had tractor trailer deliveries and pickups sometimes as late as 8 o'clock at night. But nothing to disturb that.

He added that as a corporate citizen, anyone that comes to the ballpark knows that vehicles on parked everywhere on their property which is ok with them. He said if they want to use the parking lot along the building, they can. But as he grows the company, he needs to make a decision because he needs to build a corporate center in three to five years. As a result, their land will either be used for the corporate center or they are willing to exchange properties with the cities which will benefit both of them.

He reiterated that Gary Emory is very supportive of the plan to exchange the properties.

Mr. Hitchens stated that they are looking for First State Manufacturing and the city to make this work and to come up with a solution.

Mr. Mergner asked if they would build out on the existing property, how far would they need to build and whether it would require the entire parcel which includes the concession stand. Mr. Hitchens said in all probability, they would redo their parking lot and use at least half of the property or more.

Mr. Mergner said that would put them in the middle of the little league parking area adding that he is also very active in little league and will speak on their behalf.

Mr. Hitchens said they would need at least an acre and a half and would need to purchase at least that somewhere else. They would also have to add parking, replace the training center and is not sure what other space is needed due to their growth of 150% in two and a half years.

Mr. Grier asked if their property has been appraised; Mr. Hitchens stated no. He explained they have a verbal agreement and because this is their plan, they are willing to absorb the cost including the survey, appraisal and other legal costs including those associated with Mr. Rutt doing the work, if he was the one that handled it.

Mr. Grier said that anytime the city is involved in a land transaction, an appraisal is needed before council makes a decision. He noted that particularly, when it involves a land swap. Mr. Hitchens agreed.

Mr. Hitchens feels the issue is not necessarily the appraised value of the property, but instead the value to the city should be considered. Mr. Grier said he understands the value of keeping the land for little league use, but also feels it is necessary to have the property appraised.

Mr. Mergner pointed out the growth of little league this year and how local businesses have prospered from little league with the tournaments and other events. He said that area is crucial to the league in bringing visitors to Milford. He agrees it is a definite benefit to little league.

The city manager said that we can discuss this matter after the appraisal is done. He also pointed out the appraisal on the little league property will not compare to the business park land as undeveloped land.

Mr. Grier stated this is not apples to apples.

Mr. Hitchens said he asked to come before council, get the conversation started to have an agreement to proceed. The final agreement will then be up to council once the appraisal and survey is completed.

He reiterated that First State Manufacturing will continue to be good corporate citizens and they are not going to change the parking for little league though they will need an acre and a half plus to build a new corporate center in five years or so. He thinks this is the time to make that move.

Mr. Gleysteen said it appears the FSM parking lot is somewhat small to be able to get tractor trailers in and out and still afford parking for its employees. He asked if it is adequate; Mr. Hitchens stated that today it is. He explained they only use about one-third of the parking to allow for tractor trailers. He suspects they may need to move over another fifty feet for additional tractor trailer use. There are three bays for tractor trailers and only use the closest one.

Mr. Carmean noted that they will be able to double their parking on Lot 13B at Independence Common. Mr. Hitchens said until they know that is feasible, they will continue to increase the number of employees among the current two shifts but reiterated he will not add a third shift.

Mr. Grier moved that Mr. Hitchens, on behalf of First State Manufacturing, proceed with the necessary appraisals, surveys and other documents needed, seconded by Mr. Starling. Motion carried with Mr. Brooks abstaining due to his involvement as a coach with Milford Little League.

*Dr. Scott Hammer/Purchase Price/City of Milford Business Park Parcel*

The city manager reported that he has been working with Dr. Hammer and his partner to purchase business park land. Their plan is to build a medical office and originally looked at the lot on Independence Commons that First State Manufacturing now wants. However, they were uninterested because of the solar panels. When Parcel D4 in the Greater Milford Business Park became available due its repurchase by the city, the city manager contacted Dr. Hammer who is interested in that parcel.

Mr. Carmean noted this is a prime lot in a cal-de-sac at the end of Kona Circle on the Airport Road side of the business park. Dr. Stump's office is to the immediate south of this lot.

The city manager informed Dr. Hammer he would bring it before council to get a price on the 1.258 acre lot.

It was confirmed that the price is \$125,000 per acre; Mr. Pikus said the price should be calculated using that amount. Mr. Gleysteen noted that lot 18 is 1.69 acres and is listed for \$158,000.

Mr. Carmean said if council wishes he can sell it at the price per acre calculation. Mr. Grier feels \$125,000 an acre is a fair price. Mr. Pikus agreed that we need to sell it at the current rate adding it is an industrial park and the infrastructure is already in place. Mr. Gleysteen pointed out that is the price of having a business out there; The city manager agreed.

According to the solicitor, the last resolution adopted by city council gives the city manager the authority to negotiate prices:

*A Resolution Authorizing the City Manager of the City of Milford to Sell Land  
in the Greater Milford Business Park and Independence Commons*

*WHEREAS, in 1998, the City of Milford purchased and subdivided 211 +/- acres of property on the north and south sides of County Road 409 (Airport Road and east side of State Route 15 (Canterbury Road) for economic development benefits; and*

*WHEREAS, the City of Milford initially sold the land for \$24,000 an acre; and*

*WHEREAS, an appraisal of the property was completed in 2006 and updated in 2008; and*

*WHEREAS, it has been deemed in the best interest of the City of Milford and its taxpayers to increase the price of land in accordance with this most recent assessment; and*

*WHEREAS, there shall be a Declaration of Covenants, Conditions, Restrictions and Easements, attached as Exhibit B, recorded for the subdivision in addition to being recorded with each deed; and*

*WHEREAS, no lot shall be resubdivided or resold without the specific consent of the majority of the Milford City Council, but shall remain as shown on the recorded plat; and*

*WHEREAS, City Council authorizes the Mayor to enter into a contract of sale, attached as Exhibit C, for the sale of the lots in the Greater Milford Business Park and Independence Commons; and*

*WHEREAS, prior to Site Plan Review by the City of Milford Planning Commission, the building(s) design and four-sided architectural elevation drawings must be approved by the Independence Commons Architectural Review Committee consisting of the City Manager, Assistant City Manager, City Planner and City Engineer; and*

*WHEREAS, any persons who have expressed a previous interest but are not in possession of a fully executed contract with the City of Milford may execute a contract based on the current sale price listed in Exhibit A; and*

*WHEREAS, this resolution supersedes any previous resolutions*

*NOW, THEREFORE, IT IS HEREBY RESOLVED by the Mayor and Council of the City of Milford:*

- 1) An Appraisal has been completed establishing a reasonable market value for the properties.*
- 2) Lots shall be offered for sale as stated herein Exhibit A.*
- 3) City Council approves the Declaration of Covenants, Conditions, Restrictions and Easements attached as Exhibit B.*
- 4) City Council authorizes the Mayor to enter into a contract of purchase and sale attached as Exhibit C for lots in Greater Milford Business Park and Independence Commons.*
- 5) This Resolution shall supersede Resolutions passed by the majority of City Council on February 13, 2006 and March 12, 2007.*

*1 Acre Lot - \$125,000*

Mr. Grier moved that the city manager negotiate the price for the sale of this property at not less than \$125,000 per acre, seconded by Mr. Starling. No vote taken.

Mr. Morrow then asked if this has to be done each time a lot is sold; Mr. Carmean asked for clarification about whether or not he has the right to negotiate price or if they are set. Mr. Morrow was under the impression the prices were already established. The city manager said it can be reviewed each fiscal year.

Mr. Starling referenced the prices reiterating they are set and feels that is what needs to be used. Mr. Carmean agreed.

Mr. Rutt referred to the above resolution which states that city council authorizes the mayor to enter into a contract of purchase and sale of business park land using the prices as shown in Schedule A.

He said the resolution is odd because it authorizes the city manager to sell land in the Greater Milford Business Park and Independence Commons. The resolution also authorizes the mayor to enter into a contract. Mr. Carmean pointed out that it makes sense because the mayor is required to sign all contracts for the city. Mr. Rutt agreed but emphasized that the resolution gives the city manager the ability to negotiate prices.

Mr. Pikus said that if that is the case, no motion is needed.

Mr. Rutt further explained that the resolution further discusses the appraisal that was done to establish reasonable prices for the property and that the lots are offered for sale in accordance with the prices set forth in the attached exhibit (to resolution).

Mr. Rutt believes the correct way to handle this is to prorate the acreage based on the \$125,000 per acre. He referenced the exhibit that shows the prices of one acre, three acres and similar sized lots.

It was noted the last appraisal was done six years ago and Mr. Gleysteen feels we need to update those prices to benefit the city.

Mr. Pikus asked the city manager to have the land reappraised. Mr. Carmean said he can do though he is unsure what they would be able to use as comparables. He recalled purchasing the one lot back at a cost of \$125,000 an acre. Mr. Gleysteen agrees but pointed out we bought it back at its original price and that does not establish the price.

Mr. Pikus again asked if a motion is needed.

Mr. Carmean said he will tell Dr. Hammer and C&C Drywall that they will have to wait until the work is done and a new price can be established.

Mr. Rutt then stressed that the resolution states the lot will be offered for sale as stated herein on exhibit A. However, council is now telling the city manager to get an updated appraisal. Mr. Pikus pointed out those prices were set; if they want to purchase the property now, the prices are in place. Mr. Rutt confirmed that is correct.

Mr. Pikus suggested we proceed with the prices in place, then get an updated appraisal. If council agrees with the \$125,000 per acre price, he feels we should proceed. If the buyer wants a reappraisal, they will have to wait.

Mr. Morrow does not believe it will be difficult to appraise undeveloped land.

Mr. Pikus concluded by stating the city manager should proceed with selling the land at the price of \$125,000 an acre and to calculate the cost accordingly.

Mr. Grier moved to proceed with the sale of the land to Dr. Hammer as stated by Mr. Pikus, seconded by Mr. Pikus. Motion carried.

#### *C&C Drywall/Purchase Price/City of Milford Business Park Parcel*

The city manager advised that this parcel was also subdivided by Davis, Bowen and Friedel as requested. A new parcel 18A was created as a result.

Mr. Carmean recalled when C&C Drywall contacted him about purchasing some the land owned by the city that was part of the public works utility yard. He explained that C&C has outgrown their loading and parking area and needs a bigger lot. Trucks unload or load on the roadway as a result.

Mr. Carmean said he was unwilling to sell them the hundred feet around their building (rear and west side) that they requested. DBF's engineers reviewed it, then provided an appropriate radius which would allow semi tractor trailers to maneuver in and out the west side of the building. They were also given an additional thirty feet in the rear which will provide sufficient room for offloading. They would then exit the east side onto Vickers Drive.

He explained that C&C will be required to pay for the land and associated costs which will include moving the light stanchion, city fencing, etc. They will also be responsible for new curb cuts and entrances into the west side of their facility.

When asked how much land they have requested, Mr. Carmean stated .322 acres though they wanted more. There is an additional lot owned by the city behind the C&C building. If we provide them with the hundred feet, it would be difficult to access that lot.

Mr. Pikus asked if this will landlock the public works facility adding he does not want to put us in that situation. The city manager said he will use the same formula to sell it.

Mr. Rutt pointed out that before the property is sold, the planning commission will need to approve the subdivision. He noted that we are subdividing two lots and in particular, parcel 5C as well as the larger lot in the rear of C&C. The buyer needs to apply, go through the hearing process and have those two subdivisions approved before it is conveyed to C&C.

Mr. Pikus asked if this needs to be referred to the planning commission. Mr. Carmean said they will have to make application though he is willing to tell them council has agreed to sell it. Mr. Rutt agreed stating they should be told the city is willing to move forward subject to subdivision approval. He emphasized it is their responsibility to get the subdivision approved along with a site plan which will encompass those two lots.

Mr. Carmean said it sounds like the previous item where he has the right to create an agreement to sell the property at its present price. Mr. Rutt added it would be contingent on them obtaining subdivision approval of the two lots. Mr. Carmean added it will also be contingent upon them agreeing to take care of all the infrastructure work, fence work and any other work needed.

Mr. Pikus moved that the city manager negotiate with C&C Drywall to sell a lot contingent on all the applications being approved and all fees paid, seconded by Mr. Grier. Motion carried.

*FY 2014-2015 Budget Adjustment/City Billing Office (Former PNC Bank)/Kent County Impact Fees/Electric Reserves*

City Manager Carmean confirmed the City of Milford is not exempt from paying county impact fees; Mr. Pikus was surprised adding we are a nonprofit.

The city manager recalled awarding the bid on the remodel of the former PNC Building/City Billing Office. Council also approved the administrative oversight proposal. He will bring the furniture bids, security bids and prices of the computer equipment to council. He noted that each will be bid separately. He emphasized the need for a security system which is also needed at city hall.

The city manager is more comfortable keeping council informed of the finances associated with the building.

Mr. Pikus then asked why we have to pay impact fees because he was under the impression we were not adding anything. He recalled numerous bathrooms in the building, some of which were not being used. Mr. Carmean said he has some new bathrooms added and one is in the rear for use by our employees. Two handicapped bathrooms have also been added to the front of the building where only there was only one previously.

Mr. Pikus moved to authorize the transfer of \$1,971 from electric reserves to pay the Kent County Impact Fee.

Mr. Carmean asked council to reconsider the cost of renovating this building in comparison to the new building which was estimated to cost \$1.6 to \$1.8 million according to DBF. That did not include the cost of furniture, computers, etc. He feels we are still way ahead in savings.

Mr. Starling seconded motion. Motion carried with Mr. Gleysteen casting the dissenting vote.

#### *Delaware Freedom of Information Training Date*

Mayor Shupe reported that Solicitor David Rutt has discussed the problems and inconsistencies encountered with FOIA and the need for training. He has spoken with the state attorney general's office and has tentatively scheduled a training workshop on August 11<sup>th</sup> which is the night of the monthly meeting that is scheduled to start 7:00 p.m.

Mr. Rutt explained the FOIA presentation will be done by one of the Deputy Attorney Generals who will be traveling from Wilmington. Conservatively, the actual presentation will take an hour to an hour and a half. Questions would then follow. He asked council what time they would like to start this workshop. He also recommends the Board of Adjustment and Planning Commissioners attend. The AG also asked if some of the smaller communities in the area attend.

Mr. Carmean said he attended FOIA training at DEMEC recently and anticipates there will be a lot of questions following the presentation. He expects it will easily run into two hours.

A discussion then followed about the time to start the meeting. Mr. Rutt emphasized the importance of attending and encouraged all council members to attend.

Mr. Morrow asked if it can be scheduled for a separate night where the entire focus would be on FOIA. Mr. Carmean believes we need to schedule it as a workshop with no other agenda items.

Mr. Rutt then announced that the DAG is available August 8<sup>th</sup> (Friday), August 11<sup>th</sup>, August 13<sup>th</sup> (Wednesday), August 15<sup>th</sup> (Friday), August 19<sup>th</sup> (Tuesday) or August 22<sup>nd</sup>. There were conflicts with several of the dates.

Mr. Grier moved to keep the training on August 11<sup>th</sup> and start at 5:30 p.m. and asked that everyone do their best to make it.

Mr. Rutt reiterated that this is very important training. He explained that everyone that sits on a public body has a target on them.

Mr. Gleysteen seconded motion. Motion carried.

It was agreed that no other communities be invited due to time restraints.

Mr. Starling advised that he will be out of town and unable to make the meeting.

#### MONTHLY FINANCE REPORT

Finance Committee Chairman Pikus reported that through the eleventh month of Fiscal Year 2013-2014 with 92% of the fiscal year having passed, 91.42% of revenues have been received and 85.02% of the total operating budget.

He noted our revenues are on target and our expenses are down. In addition, the electric reserve account has been reduced due to some significant expenditures including the pay off of the \$2.6 million bond issue to cover the cost of the recent revision to our pension plan. That fund has been reduced to a little more than \$6 million.

Mr. Grier moved to accept the May 2014 finance report, seconded by Mr. Morrow. Motion carried.

#### ADJOURN

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

The meeting adjourned at 8:22 p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
July 24, 2014

A Meeting of the Public Works Committee of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware on Thursday, July 24, 2014.

PRESIDING: Chairman Owen Brooks, Jr.

IN ATTENDANCE: Mayor Bryan Shupe

City Manager Richard Carmean and City Clerk/Recorder Terri Hudson

Chairman Brooks called the meeting to order at 3:07 p.m. and turned the meeting over to the city manager.

*Delinquent/Disconnect Property Owner Utility Notifications/Rentals/Linda Elzey*

*Landlord Authorization/Tenant Utility Issues/Linda Elzey*

Mr. Carmean began by explaining that Linda Elzey spoke with the city clerk about addressing the city council regarding some concerns regarding landlord/tenant policies within the city. The city manager's response was this is not the proper procedure council follows and is something he has never allowed. When she was advised this was not permitted, Mrs. Elzey recalled two people who appeared before council regarding alarm fines they had received. The city manager explained that they had presented their concerns to the finance committee though the city manager disagreed with allowing that as well. In that case, they had contacted the Finance Committee Chairman who had set up the meeting even though it is not normally allowed.

Mr. Carmean then decided that because the public works committee was meeting this week, he would allow her to come before this committee because the issues relate to billing and electric matters.

Mr. Carmean said he spoke with the city attorney regarding such requests though he will discuss that at a later date.

Mayor Shupe then asked what steps Mrs. Elzey has taken and whether she had discussed the matter with the city manager. Mrs. Elzey said that though she has not talked with the city manager, she has discussed it with the public works and billing employees.

The mayor advised that he sent a letter to the city solicitor but he has not heard anything back as of this time. He questions whether this is the best way to proceed or if her concerns should be directed to the city manager. He feels it should have been taken care of at that level instead of coming before a committee.

Mayor Shupe reiterated concern about whether this is the proper procedure to follow. He said that normally a citizen would reach out to the city manager and then to their city councilman if they are still not satisfied. The councilman would then forward the information to the city manager.

Ms. Elzey explained that she spoke with Councilman Grier and asked how it should be handled. He recommended she contact the city clerk and have it put on the agenda to discuss.

Mr. Carmean said that is why the topic will be discussed during the FOIA training. He said he hopes Mrs. Elzey understands what kind of doors this can open and made reference to the police committee where residents could come in and tell the police chief how he should staff his department. He said the city solicitor explained the proper procedure for a person, who does not want to deal with city staff or the city manager, is to go to their elected councilperson in the ward in which this situation takes place. In this situation, Mrs. Elzey's rental property is in the second ward. They then speak to the council person or both, express their concerns and the councilperson will see that they receive an answer. If the person does not like the answer, they could then present it at a council meeting.

Mayor Shupe suggests that because Mrs. Elzey contacted city council and that is what they told her to do, then we need to go ahead and hear it. But before we do this type thing again, we make sure we have some structure from the city solicitor on how it should be handled in the future and abide by it.

Mr. Carmean said it would have been hard to tell Mrs. Elzey she was unable because she knew two people were able to do the same thing at a finance committee meeting a few months ago. He agrees that at this point, she should express her concerns. However, he feels we need to put in place some rules on how to handle. The mayor agreed adding that needs to be done for all committees.

Mr. Brooks pointed out that he was unaware of the meeting Mr. Carmean is referring to though a number of other council members were invited. He heard about it when Paul Mills showed up at the next council meeting.

Mr. Carmean said that at the time the agenda was being prepared for the meeting, no one knew those two people were going to show up and discuss those issues. He feels it is difficult to tell someone that another person is unable to make their point after it was done one time before. In his forty years with the city, that is the only time that has ever been allowed. He stressed again the need to get a clear definition of how it works.

Mayor Shupe feels there is some housekeeping needed on the city's end which has nothing to do with anything Mrs. Elzey is here to talk about. However, he agrees we need to put some policies in place on how to address these issues in the future.

Mrs. Elzey was then given an opportunity to speak.

Mrs. Elzey reported that she has two concerns. The first is the procedure for notification to a landlord for delinquent water and sewer/electric bills because the utility bills are separated once it becomes a rental property. Her concern is that no notification is given to the landlord that the utilities are being disconnected. Her main problem is electric being turned off in the middle of the winter when it is ten degrees outside and the pipes end up freezing. It then becomes a major problem for the property owner.

Mrs. Elzey further explained that the Delaware Landlord and Tenant Code can come back on the property owner when the water and sewer is disconnected. The code requires the owner to provide the tenant with water and sewer. She explained that she has experienced some major problems with a current tenant; the only reason she found out they were scheduled for disconnect is because she was concerned that may be a possibility.

Mrs. Elzey is currently in the process of going to court on the matter and when she contacted an attorney, she was advised that as the property owner, she should pay the water and sewer bill. Had Mrs. Elzey not contacted the city, she would have not known the utilities were going to be disconnected at this home.

She asked if the landlord is able to receive a duplicate of the disconnect notice that is mailed which states the bill is unpaid. In that way, the landlord would have the ability to follow up. Mrs. Elzey feels this would help the city as well because the bill would be paid.

Mr. Brooks asked how the electric bill disconnects are handled; Mr. Carmean explained that if the tenant leaves and utilities are turned off, the property owner can request the city leave it on which puts the account back into the property owners' name immediately. In that manner, there is no lapse in service.

The city manager further explained that all tenants are required to provide a copy of their lease at the time they put the electric in their name. The city has a number of out of state landlords whose water bills are in their name but mailed in care of the tenant. In those cases, the landlord receives a copy and the tenant receives a copy because the lease states the tenant is responsible for water and sewer.

Mr. Carmean pointed out the water and sewer cannot be turned off to get rid of a bad tenant because it is a health issue. If the lease states the tenant is responsible, the city can disconnect the electric which is in the tenant's name.

Mrs. Elzey stated that does not comply with the Delaware Landlord/Tenant Code and the advice she received from her attorney. She said the property owner has no rights even if the tenant is responsible for making payment. As long as they are living in the home, because of the length of time needed to legally remove a tenant, they have to supply them water, sewer and electric according to the code.

Mr. Carmean said he is unaware of any law that requires the landlord to pay for electric unless they agreed to do so. Mrs. Elzey reiterated that as a landlord, she is required to provide the utilities. He will follow up with our attorney.

Mr. Brooks said it appears we are getting a lot of questions we do not know the answer to and perhaps Mr. Rutt should be present to explain the laws. He feels it is important to have his input before any decisions can be made.

Ms. Elzey said it appears the simple fix is to provide the landlord and tenant a copy of the delinquent or disconnect notification.

Mr. Carmean explained there is a real problem with privacy. If the landlord wants to take the responsibility of the electric that is not paid by the tenant, he agrees we would be on safe ground notifying the landlord. He is under the impression that the electric bill has a privacy issue attached because it belongs to the tenant and not the landlord. If that tenant skips without paying their bill, the city ends up stuck with the bill because the landlord is not responsible.

He agrees with Mrs. Elzey on the water and sewer bill which is why that bill remains in the property owners' name. However, he disagrees that the property owner would have to pay the electric bill.

Mrs. Elzey feels if that is not possible, the landlord could end up paying much more when the electric is disconnected and the pipes burst in the middle of the winter. If they were notified that would not occur. Mr. Carmean explained that a property owner can go to billing with proof of ownership and inform them that they want a phone call if the electric is scheduled to be disconnected. That information is then added to the account and the property owner will be contacted before the electric is disconnected.

Mr. Carmean said he will also check to see if they can let the landlord know if the electric is being disconnected without providing the amount they owe. He believes they can be told it will be disconnected on a certain date.

Mrs. Elzey expressed her concern about how a landlord would even know to ask the billing officer to notify them if they did not realize utilities could be shut off without notification. Particularly when there have been no problems with the tenant. She feels that the majority of landlords would not even think about going to the electric provider and ask for notification in the case of a disconnect.

Mr. Carmean said if we send notices out to all landlords, most do not want to receive them because they may have hundreds of tenants. In addition, there is a huge cost attached especially when in most cases, it would be thrown away by the landlord. He pointed out that this system has worked well for a hundred years with very little incidents where someone would leave, the electric is disconnected and the pipes freeze.

The city manager then stated that he, too, has had rental properties and he understands her concerns. The only thing is a landlord can be informed of is a pending disconnect. A duplicate notice, with some information removed, could be printed and sent to the landlords. He said we can also come up with something that states if you are a landlord and have concerns, you may contact billing with their phone number and inform them you want to be contacted in a disconnect situation.

In the meantime, Mr. Carmean will check with Solicitor David Rutt, along with our software company and the business that handles our mailing, and check on a duplicate disconnect notice being mailed without the amount owed on it. He clarified that the disconnect notice sent to the customer provides the dollar amount they owe in addition to the disconnect date. He reiterated that if we determine it is legal, that information can be sent to the landlord.

The city manager does not think there is anything wrong with that; Mayor Shupe agrees that would work. He only recommends we get an opinion from our city solicitor first to make sure no privacy issues have been violated. He definitely sees Mrs. Elzey concerns and understands the landlord/tenant code can be tricky at times. Mrs. Elzey agreed there are a lot of gray areas.

The mayor said we need to follow up with Mr. Rutt about what we need to consider and what our concerns should be. If there are no legal problems, we will move forward with getting this done. Mr. Brooks agrees.

Mr. Carmean said it is not that big a problem to ask Mr. Rutt about the privacy issue and to check our software and mailing process. He said we have some customers who are on the disconnect list every month and some are in the areas of multi-dwelling housing where there could be more than one hundred bills are mailed. In those cases, the company that handles the rental management could potentially end up with sixty disconnect notices a month. If the situation is reversed and the property managers do not want to receive the notices, they can also let the city know and be removed from the mailing list.

He also pointed out that it is a different situation compared to a single family residence. When the electric is turned off in an apartment complex, there are units on either side so the likelihood of freezing pipes is much less. However, he will look into this and determine if we are able to notify landlords.

Mr. Carmean then asked Mrs. Elzey if she was ok receiving the notice without the amount; she stated yes adding that any notification would be beneficial. Mayor Shupe suggested that Mrs. Elzey contact public works and ask to be notified of any potential disconnects in the meantime.

The city manager noted that this tenant still resides in Mrs. Elzey's home. Mr. Carmean confirmed the electric is currently connected; Mrs. Elzey stated yes the tenant paid the bill the morning of the disconnect. Mr. Carmean said he has seen it take sometimes six months to get rid of a bad tenant, but in the meantime will check in this for Mrs. Elzey.

Mr. Carmean referenced Mrs. Elzey's other problem where a security light was removed without her permission and said he has spoken with the staff and asked if she has heard from them. Mrs. Elzey advised that she has not received an actual response back.

Her concern is that a security light was installed on a utility pole prior to her purchasing the home. They liked the feature and her mother and father lived at the house and when they came home at night, the yard was lit up. When checking the property recently, only because of the problems she has encountered, she discovered the security light was no longer there. Apparently, the tenants did not want the extra charge of paying for the security light so they contacted the city electric department and requested it be removed. Electric crews were sent to the property to remove it without any notification to Mrs. Elzey or her sister whom both own the property.

She reiterated that they were unaware this had occurred until she happened to notice the light was gone.

In Mrs. Elzey's opinion, the light belongs at the property and it should not be an option for the tenant to remove it or any other fixture or utility. At a minimum, she believes her sister and her should have been given some notice this was going to occur. Had that happened, she would have told the electric department she was more than willing to pay the \$15 a month.

Mr. Carmean explained this was not just a light that Mrs. Elzey owned. In this case, it was a city-installed light which is charged to the electric bill at that residence. When the electric was changed to the tenant, the security light fee was added to their bill. Ms. Elzey pointed out the light was removed five months after they moved in which was two years ago. Mr. Carmean said it was before the tenant had problems. They felt they did not need the light and were unwilling to pay the fee. He said this could be addressed in the lease as well. The lease could state that the property owner is responsible for paying the security light fee in the lease. The other option is for the property owner to be sent an individual bill each month for the security light. Mrs. Elzey stated they were not given any options and instead took the direction of the tenant who had the light removed without their knowledge.

Mr. Carmean believes the billing department thought they had put the light in or it could have been a mistake. He pointed out that the city has thousands of customers so it is easy to make a mistake. He said it is normal for someone to get a security light installed and then call in six months to have it removed. The billing people may not have looked at the history or did not have the history to determine who put the light up.

He again recommended this be addressed in the lease and if the tenant does not want the light, they don't have to rent the house. The other option is for the security fee to be sent to the property owner and when the tenant calls, they are unable to have the light removed.

Mrs. Elzey believes that because it was a light attached to the property, the owner should have been contacted. Particularly if something was going to be removed or installed. Mr. Carmean said he cannot see that in a security light situation because that is usually the choice of the electric customer.

Mrs. Elzey asked what would happen if a business had a lighted sign in the front and it was leased to a tenant and the tenant decides not to pay the extra fee for the sign. So they ask the city to remove the sign; Mr. Carmean explained that the city does not install signs. Security lights are the only thing we install and charge a fee on.

He said the other option is to go to Lowes or Home Depot and buy a security light and put it on the pole. The tenant would not have any rights and the city could not remove it because it was not the city's light and instead belonged to the property owner.

He said a lot of people do that because they don't want the extra fee each month. The additional electric is then made included in their utility bill.

Mr. Carmean asked if Mrs. Elzey wants the light back up; she said yes adding that she already asked for it and they were supposed to get back with her because she wants it billed and mailed to her. She does not want it on her tenant's bill and the billing supervisor was checking to see if that could be done. However, she has not gotten back with her at this point. Mrs. Elzey called her today but she was not at work so she left a voice mail message.

At this point, Mrs. Elzey doubts if the city truck will be able to access the yard to get to the light because of the number of large items in the yard. The city manager told Mrs. Elzey if she wants to purchase a security light, he will have the electric crews mount the light. The cost of the electricity will then be added to the electric bill of that property and the tenant will be unable to remove it.

Mrs. Elzey explained that between when the light goes back up and the tenant is removed, the house will be put on the market and she will not have another rental.

It was again confirmed she wants the security light put back up and that the new owners can decide whether to buy another light or keep the city light. At this point, she does not want to purchase a light but only wants the light re-installed. Mr. Carmean said he will take care of that and will have the monthly bill sent to Mrs. Elzey until her tenants leave the home. Once they are out, it could be added to the tenant's bill or the new owners.

The city manager recalled that our code official served the tenant with the appropriate documents that required them to clean up the yard. Mrs. Elzey reiterated that deadline was today but she is unsure if that was done because she no longer goes to the house.

Mr. Carmean assured Mrs. Elzey that as soon as those items are removed, the city crews will reinstall the light.

Mr. Brooks said he had no idea there were problems with water and sewer or items in the yard. He said the city manager only advised him that Mrs. Elzey only had a problem with the security light being removed. Mr. Carmean said yes adding the other issue was the duplication of the disconnect notice, though she wanted a duplicate electric. Mr. Carmean said the problem is with computerization because everything is printed through the computer. There is a privacy issue

associated with the electric bills and he is unsure if we can provide the disconnect notice. He thinks we might be able to work something out.

Mr. Brooks feels we need a procedure when it comes to who receives notifications. He said Mrs. Elzey stated that the light was removed in 2012 and did not find out until two years later. Mrs. Elzey explained that she only became aware that the light had been removed in the past month or so. She would not have known had all these other problems occur which is why she was at the house and noticed the light was removed.

Mr. Brooks understands and feels we need to ensure that when a tenant rents a house, whether they want the light or not, it is clear who is responsible for the light. He feels we need to try to solve these issues before they become a problem.

Mr. Carmean said there has never been a situation where a renter had a security light removed because they were paying for it and did not want it. As he said, a landlord could put in the lease that the security light has to be paid for while the home is rented.

He further explained that we have a list of policies and how things are handled from when someone first signs up for electric, water and sewer to when it is disconnected. We could make a new policy that anytime a tenant asks to have a security light removed, we would contact the property owner. They would be asked if they want it removed or kept in their name before anything is done. He said this situation has never occurred before.

Mrs. Elzey confirmed the light was there when they purchased the home in 2007. Mr. Brooks understands that she wants the light for security reasons.

Mayor Shupe summarized the conversation stating that the light will be reinstalled once city trucks are able to get to the light. In the meantime, we will check with the solicitor to determine if we can send the landlord a copy of the Notice of Disconnect. Mr. Carmean said he wants to check on this because for years, anyone coming in with a lease that states they are responsible for sewer and water gives the city the right to disconnect for payment. If the lease does not state that and the landlord pays for it and requests water and sewer be disconnected at some point, we cannot do that because it is a public health issue. However, we do have the right to disconnect water and sewer on owner-occupied properties when their utility bills are not paid. He definitely needs to check with Mr. Rutt on those issues.

Mr. Carmean pointed out that currently, most of the landlords prefer their tenants be responsible for paying for sewer and water.

Mr. Brooks said if the law states that utilities must be provided to the home to live in the house, then what happens when the water is disconnected. Mr. Carmean said code enforcement gets involved and begins an eviction process because it becomes a health issue. He said that has happened on several occasions which essentially helps the landlord because it becomes a condemnation. The condemnation can then be lifted when the tenant exits the home and the utilities are turned back on, if that is the only reason for the condemnation. He reiterated that has occurred many times.

Niecy Roberts then addressed the committee stating that she and her husband Craig own several rental properties. They recently purchased their first in the City of Milford. She is here to support Mrs. Elzey's request for the notification of the disconnect adding that is something which is very important to them.

Mrs. Roberts also wanted to add that if cost is an issue with the mailing, they would be very happy with a phone call or an e-mail. She suggested a generic e-mail that states "Landlord—please be advised that your tenant is scheduled for disconnect with the City of Milford. Please contact us." In her opinion, that would at least provide a way to respond.

She reported that they have had an issue with a property outside the City of Milford where the electric was disconnected in one of their rentals and they were never informed. After the disconnect, the ice in the ice maker melted onto the floor that her husband had just installed and ruined it.

Mrs. Roberts stated they have an agreement with Delmarva Power and if they had known, they would have been able to prevent that problem. Anytime the electric is disconnected, the electric immediately goes back into their name and they are immediately notified.

Mr. Carmean said we have property owners who have the accounts set up so that once the electric is turned off, it automatically goes back into the property owners' name. However, in a disconnect situation, they do not have the city turn it back on because the tenant will continue to live there. It could take them three months to get them out of the house while the property owners continue to pay the bill. It would make more sense to send the notice in that situation.

Mrs. Roberts said they definitely want the notice on the disconnect but they also want the option of leaving it on versus having it disconnected. Mr. Carmean said not if the tenant continues to live there without paying rent or electric. Mrs. Roberts said it would have been cheaper for them to pay the electric bill than pay for all new plumbing in the house if this occurred in the winter. She said they are simply asking to be in the loop of what is occurring on the property.

Mr. Carmean said he does not see a problem with sending the landlord a copy of the disconnect notices.

Mr. Brooks likes the idea and asked that after the city manager follow up with the city solicitor and gets the answer, to contact Mrs. Elzey. Mr. Carmean said he would add that he will also report back to council his findings.

Mr. Carmean reiterated that the security light will be reinstalled as soon as they are able to get to it.

Mayor Shupe thanked Mrs. Elzey for the information.

#### *DBF Project/Washington Street Water Treatment Facility Relocation*

Randy Duplechain and Erik Retzlaff of Davis, Bowen and Friedel were also present.

Mr. Carmean advised that he met with DBF to review the plans and some last minute changes to the water treatment plant on South Washington Street. When the project started, the plan was to place the city billing office at the same site. Since then the bank was purchased and the billing office will be relocated there.

He has since had some recommendations and his intent is to have a nice park there because it would be in the middle of the Riverwalk.

They then asked if the plant could be moved to the parking lot next to the water tower. The city manager said the lot is not presently utilized now and will not be needed in the future. Mr. Carmean asked Mr. Retzlaff if it would be possible to move the treatment plant to that parking lot. DBF then went back to the drawing board to figure out how this could be accomplished. This would leave a much larger area across from Milford Library for park use and would remove the water treatment plant from the river.

In addition, the facade would not have to be brick so there would be a savings there.

Mr. Retzlaff explained that they were beginning to finalize the project and were deciding what to do with the remaining property after the improvements were completed. A lot of concentration was on the dilapidated retaining walls on the back side of the Salvation Army and the paving on the side that was formally used as a thruway.

The original plan was to replace the plant at its current location. When the Washington Street pumping station was done, a temporary pole line was run from the street around the property to serve the pumping station until the water plant was built. Only one generator was planned on the site which would run both facilities.

He explained there was never power run to the pump station itself; it was run from the plant to the pump station and the plans were to keep it that way.

It was confirmed that the area closest to the retaining wall is above the floodplain and almost four feet higher than the other side by the river.

He then referenced the rendering of the original plan which still allowed a large amount of park space extending from the plant site to the parking area for the basketball courts. Approximate size is 80 feet times 150 feet across or slightly more than one-third acre.

Mr. Retzlaff advised the original plan also included the replacement of the retaining walls. An easement had been obtained from Salvation Army to install a retaining wall and replace the one in the rear that divides the city and Salvation Army property. It is needed because the down spouts from the Salvation Army dump onto the adjacent city property.

The building would be built on top of the reservoir. The reservoir will allow water to go through the aerator and collect into a reservoir. The aerator is 15 feet tall; the concrete reservoir is 25 feet wide by 45 feet long and 8 feet tall. All but two feet will be above grade. The top of the aerator will be approximately 25 feet tall.

A six-foot fence will be added for security as well as aesthetic purposes. All that will be visible of the aerator is the railing that sits above the roof line. Below the fence will be a thin, two-block retaining wall which will create a grade separation.

Some work, related to the well relocation, is still needed at the tank site if this is left at the original location. A new building was needed and the existing well house at well 2 would be removed. The bowls that fed the tank and the drain from the tank were inoperable and most likely could not do anything to service the tank. As a result, they rerouted the blue pipe and the line will be rerun and hydrants installed so the tank could be drained. Currently the overflow goes into a manhole.

Mr. Retzlaff noted that the change in plans to relocate the tank site to the parking lot area will result in additional parkland. In addition, six feet of the reservoir could be buried below grade. Power would still be required at the original site and the generator will still need to be installed.

He advised that with the relocation of the production from its original location, there would only be one well on backup power. We will end up with two wells on backup power if it were relocated though that involves some additional costs.

The cost of adding stainless steel equipment enclosures for the breakers, the drive for well 1 and the feed over to the pumping station is approximately \$100,000 at a minimum just for the enclosure. Another \$80,000 will be needed for the additional generator.

Other than the generator, the building would cost at least \$100,000 at the tank site if the plant remains as originally planned. Though the generator at the original site will not be as large, it will require two generators.

The city manager noted that we have our own electric company and asked if they could install the size generator needed at the tank site, underground it to the sewer pump station and only use a single generator. Mr. Retzlaff explained that a generator is connected to a transfer switch that provides power to the panel and the equipment operated off the panel. If the panel dies, it automatically goes to the generator. That means the drives for the motor at the other site would also have to be there. If not, the power at the tank site could go out while the power at existing plant site would remain on; the generator would also come on. Therefore, they all need to be fed through it which requires an extremely long feeder between where the panel is and to get to where the drive is to the motor. Typically, there would be an excessive voltage drop on that line.

Mr. Brooks confirmed that if there were an outage, the other switches come on automatically. Mr. Retzlaff agreed adding that all the juice that comes from the grid to that location automatically does that. All the drives would have to be installed for all components at that site. That would not work well with an extremely long meter line to the motor because it would have too much voltage drop and could impact the performance of the motor.

Mr. Carmean asked to revisit the estimated costs. He noted that the \$180,000 includes the generator that is needed anyway. Mr. Retzlaff advised that roughly, the relocation will cost around \$100,000 of additional money.

Mr. Brooks confirmed this is part of what the citizens approved in the 2011 referendum. Mr. Retzlaff stated yes and confirmed that \$4 million was allocated for the South Washington Street project. That was based on what was proposed though the money saved by eliminating the billing office can be used for these additional projects.

He then presented a rendering of what the improvements to the proposed tank site would look like. The chain link fence would be removed and the entire site fenced.

Mr. Retzlaff advised the buildings on Washington Street will not have a brick facade which is a savings of \$45,000 to \$50,000. At the end of the day, he said there will be some additional costs though it will not be an astronomical amount.

Mr. Brooks again asked if there is still money left from the \$4 million allocated for this project; Mr. Retzlaff stated yes because the billing office was removed from the project.

As a resident, Public Works Director Brad Dennehy stated that he thinks this is a good idea.

Mr. Dennehy then asked if money could be saved by having the treatment facility and tower closer; Mr. Retzlaff stated no and explained that if relocated, it would be still be pumped from the new well site across from city hall to the tank site. Instead of going from the tank site to the existing site on the river, it would simply reverse direction and go from the existing site on the river up to the tank site, so no additional piping is needed. As a result, there is no cost difference related to the piping.

Mr. Retzlaff explained a slotted PVC privacy fence is shown in the rendering though something more ornamental could be chosen similar to a wrought iron fence. The intent was to keep most of the equipment hidden.

Mr. Retzlaff also pointed out that the aerator will be visible from Walnut Street. However, the sound of the fan on top will be minimal and similar to a roof exhaust fan. Anyone close to the aerator will hear a waterfall sound.

When asked how large the control house will be at the South Washington Street site, Mr. Retzlaff explained that either a building or a controlled enclosure could be put there. The enclosure would be approximately six feet tall by four feet deep and six feet across.

Mr. Carmean said his decision was based on having additional park space though he prefers the water plant and reservoir moved to the new location.

Mr. Dennehy pointed out the parking lot site seems better because the South Washington Street location could be flooded; Mr. Duplechain advised that at either location, the plant is well out of the floodplain. The South Washington Street site is a much higher area versus the parking lot location.

Mayor Shupe referenced the existing green area south of the basketball court and asked if that is the same level. Mr. Retzlaff advised that area would need to be filled because there is a three-foot grade break. The gray area represents the banking of the road.

Mr. Retzlaff then pointed out the condition of the retaining wall and the staining caused by the moisture. He pointed out the banking is an old berm that was paved to stabilize the area.

Mr. Duplechain referenced the green area adjacent to the basketball court was the original location of the well until they found contaminated soil.

Mayor Shupe confirmed this would result in one large green area for the park and basically it almost doubles. Mr. Duplechain explained that a retaining wall would not necessarily be required toward the basketball if the city preferred to fill that area.

Mr. Retzlaff noted the area is flat to the basketball court but the surrounding area has an existing, defined slope.

Mayor Shupe would like to present this to council and likes the idea of putting it in this new location and away from the riverwalk, adding that he does not think anyone considered its proximity to the river. Mr. Retzlaff explained that at the time the plan was presented at the referendum, it included the billing office and other city facilities.

Mr. Retzlaff then compared the two location and the project originally approved by voters at the 2011 referendum. The original scope of the project included a replacement well with an administrative (billing office) office. Well 2 and well 3 are located at the tank site; the screen of well 3 got clogged which decreased the water being pumped to 12 gallons of water per minute. The original project was to reconnect well 2 and extend the raw water main because it was an old cast iron with lead soldered joints, bring it into the plant for treatment, replace well 3 and build the administrative facility with a parking area. When the test well was drilled approximately ten feet, they hit a strong smell of gasoline. The well was then moved to the lot behind the city hall parking lot. PNC Bank was then purchased and the administrative building was removed from the plan.

He explained the project is considerably different because of the additional raw water main needed to connect the new well location to the tank and the removal of the administrative building. Previously the controls were to run well 2. Now it is needed to house all the communications for the additional new well. The water main was also relocated below the storage tank.

The scope of the project includes production well 3, which comes up to the tank site, if the plant were located to the parking area site and the water main run to well 1.

Mr. Retzlaff asked that a decision be made in order to finalize the project.

Mr. Carmean asked Mr. Brooks and Mayor Shupe to make a committee recommendation to council.

Mayor Shupe agrees with the city manager that moving the plant off the river and bringing in more green area would be his preference. Mr. Brooks agrees though he feels this needs to be presented to city council.

When reviewing the proposed rendering of the building and reservoir, Mr. Carmean asked if it could be moved closer toward the PNC building. Currently, it is shown in the center of the property. Mr. Retzlaff explained that it requires a 24-foot wide gate to allow proper access by large equipment when some of the larger components are removed. The drive aisle on the southerly side of the proposed plant aligns with the current access. He tried to move the plant further to the south but that is prohibited by the location of well 2.

Mayor Shupe asked if it would be visible from the florist shop on Southeast Front Street; Mr. Carmean said he doubts it because there is a huge water tower on the same site. Mr. Duplechain explained it is about the height of a house with a crawl space though the aeration tower would be visible.

#### *USDA Funding Possibilities/Borrowing & Referendum*

City Manager Carmean said he has already discussed the next presentation with Mr. Brooks and Mayor Shupe. It will need to be presented to council for action.

Mr. Retzlaff advised that USDA approached DBF because they have funding available but not enough projects. The USDA offered grant funds to entice clients to pursue improvements to be funded over two years in order to maximize a grant.

Mr. Duplechain advised this is a forty-year loan and the current rate is 2.375%. Mr. Carmean added that the difference in this loan compared to the \$3.5 million project at the 1% rate is that of the \$4 million, \$2 million is a grant.

Mr. Retzlaff confirmed this will still need to go to referendum and voters will be asked to approve a \$2 million 40-year loan at 2.375%. He noted that the \$3.5 million that was considered for a previous referendum involved a 20-year term at 1%. This is a forty-year term with no wage rates so 20 to 30% of construction costs would be saved.

In order to be eligible for the grant money, it is necessary to exceed a certain affordability criteria related to the cost of utilities versus the median household income. Milford's water rates are not high enough to qualify for the grant though our sewer rates qualify. Therefore, only sewer projects would be eligible. In order to maximize the amount of the grant, it will be broken out over two different funding cycles. Therefore, a few projects would be funded the first year and the remainder of the projects funded the next year.

When Mayor Shupe asked if the last referendum included a rate increase, Mr. Carmean confirmed there would have been a water rate increase. Mr. Duplechain said sewer rates would need to increase to some extent to pay the debt of this loan.

Mr. Retzlaff said he can work the numbers out and estimate the rate increase to pay the \$2 million.

The city manager said that at the time of borrowing, we could say we do not need to raise our rates. However, at some point they will need to be increased. In order to borrow the money, we would not have to raise our rates over the next couple of years.

Mr. Brooks recalled the last rate increase was a result of improvements needed by Kent County and Milford's portion of the loan repayment which he believed was approximately twelve cents.

Mr. Retzlaff advised the plan is to do a systemwide SCADA instrumentation and programming upgrades (\$400,000), North Street Pump Station Rehabilitation (\$525,000), Fisher Avenue Pump Station Rehabilitation-Phase I (\$325,000), South Milford/Shawnee Acres Pump Station Upgrade (\$450,000) and Lighthouse Estates Pump Station Improvements (\$300,000) in year one.

Year two includes Phase Two of the Fisher Avenue Pump Station Rehabilitation (\$850,000), North Shore Pump Station Rehabilitation (\$400,000) and I&I System Repairs (\$750,000).

He noted that the SCADA project involves the alarm system and interface of the operators so they can get useful data to diagnose issues. Right now, if something occurs and it overflows at the station, it only calls staff out. It does not provide any historical data. Adding this would allow monitoring the run times on the pumps.

The North Street project is already designed and Fisher Avenue Phase 1 and Shawnee Acres Phase 1 only involve initial upgrades. Shawnee Acres Phase 1 and Lighthouse Estates need improvements because there are issues when it rains.

Mr. Brooks expressed concern about taxpayers paying for upgrades to the Shawnee Acres facility because it is not in the city. Mr. Retzlaff pointed out it is a city-owned property that provides sewer to that area. It was agreed to rename the pump station to the Southern Milford Pump Station. Mr. Duplechain pointed out it serves that entire area including those in Shawnee Acres on our system.

Mr. Retzlaff then pointed out the next phase of the project includes the North Shores Pump Station which is also out of city limits. It will also include Phase 2 of the Fisher Avenue Pump Station Rehabilitation as well as I&I work that was never pursued.

Mayor Shupe asked what the estimated utility increase would be; Mr. Retzlaff said he can break down the debt service over the forty-year term and how that would impact Milford's customers based on the current numbers.

Mr. Retzlaff explained that over a forty-year term, the debt service annually is not a significant amount and the city could defer the rate increase for five years. The city would not actually close the loan until the project is approximately 70% complete, so \$700,000 worth of projects need to be done before the city begins to prepay the loan. However, interim financing would have to be paid unless that could be paid from reserves and then reimbursed at the time of the loan closing costs.

Mr. Retzlaff noted that the North Street Pump Station design has been complete for five years and is ready to go. When the gas main was run on Route 113 beside Dickinson Medical Center, it went back away from the highway and was placed on top of where the project was going to be which is why it was never done.

Mayor Shupe asked if this should first be discussed with the finance committee. Mr. Duplechain explained that part of the urgency is the requirement to use the first allotment of money which requires the submission of the application. He explained that the representative from USDA wanted it by the end of this month.

The mayor confirmed that this would only be an introduction on Monday and not a final vote.

The city manager explained that the committee only needs to agree for DBF to submit the application. He emphasized that the city can back out at anytime.

Mr. Brooks does not feel it is fair to expect a vote from the other council members Monday night. He suggests it be presented at a workshop first so they completely understand the project and funding. Mayor Shupe agreed.

Mr. Retzlaff explained that all they need today is an opinion on whether they feel this is something worth pursuing and the authorization to proceed and prepare the report in order to submit the application to USDA. Mr. Carmean agreed this does not lock them into a referendum at this point.

Mayor Shupe feels that because of FOIA, they are unable to call everyone to get an opinion and pointed out the matter must be presented at a city council meeting. Mr. Retzlaff agreed adding that at this point, they only ask the committee tell them to proceed and start preparing the report.

Mr. Carmean said he will have DBF break the projects out on Monday night and explain exactly what is needed. Mr. Retzlaff said he is willing to do that but he needs the reports done by the end of next week and if he does not hear anything until Monday night, that only gives him 3½ days to complete them. Having an answer today, gives him two more days.

Mr. Brooks reiterated that he prefers it be presented to council in a workshop so they fully understand. Mr. Retzlaff explained they are not looking for a commitment to take it to referendum, but only need to start working on the report. That must be done in order to secure the offer from USDA before it can even be considered.

Mr. Carmean said he does not like to surprise council and he has the authority to direct DBF to complete and submit the application. However, he felt there was sufficient time to preliminarily run it by the Public Works Committee and then he will explain to council that it does not lock the city in. He agrees the application needs to be submitted.

Mr. Brooks expressed concern regarding the few council members who are unfamiliar with the projects and may not even know the locations of the projects. Mr. Carmean then agreed that additional information is needed before the city locks in.

Mr. Brooks said he is in favor of this, but wants council educated on the matter.

The city manager said he told Mr. Duplechain that if the city does not receive the \$2 million grant, he does not want to borrow the \$2 million. Mr. Duplechain agreed they told USDA that if the city does not get the grant, the city does not want the loan. He also pointed out that USDA is a great funding source because they have longer loan terms, low interest rates, no wage rates and no penalty for paying off the loan sooner. In this case, there is grant money available.

Mr. Duplechain also noted the city is at the threshold right now and after the next census, Milford will not be eligible to apply for similar loans because one of the qualifications is population. Milford's population numbers at the last census fell just below the 10,000 which is the maximum number.

When asked, Mayor Shupe said he is willing to recommend to council Monday night that we proceed with the application but does not want to lock into anything. However, he agrees it needs to be considered because it appears to be a good deal.

Mr. Duplechain explained the application process involves a number of significant reports and will take time. He emphasized that each day a decision has not been made puts them behind. However, they are willing to burn the midnight oil if necessary, assuming the committee does not have the authority to act on the application.

Mr. Carmean said that as city manager, he has spent money on a lot of projects before he brings them to council. He believes he has the authority to allow DBF to start working on the application. He will then inform council Monday night that he has directed them to proceed. If council does not agree, it will stop at that point.

Mr. Retzlaff concluded by stating they will start the application process and inform council what has been offered and the projects they wish to pursue. If not interested, they will cease work.

The city manager announced that Hans Medlarz, who will be involved in these discussions over the next several years, has chosen some of the projects.

With no further business, the Public Works Meeting adjourned at 4:48 p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder

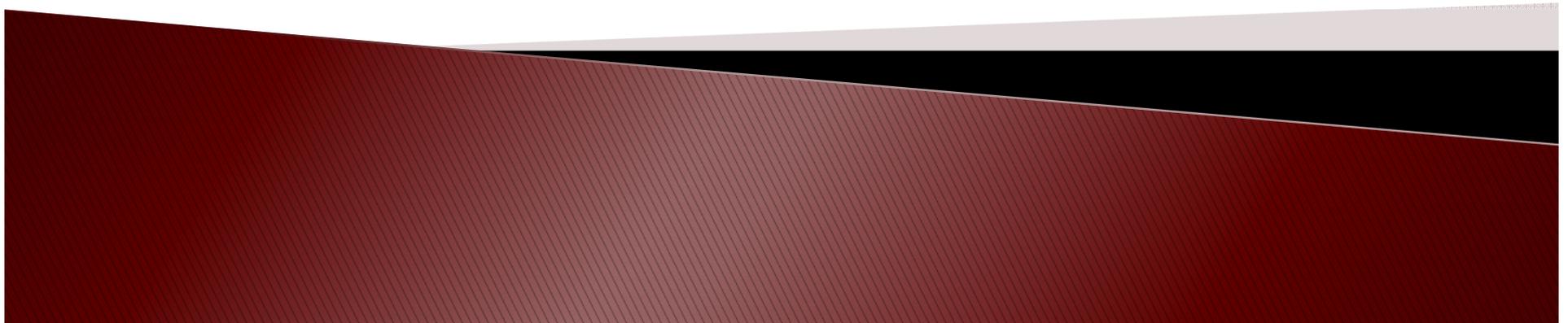
Attachments:

DBF Presentation (dated 07-24-14)

# Public Works Committee Meeting

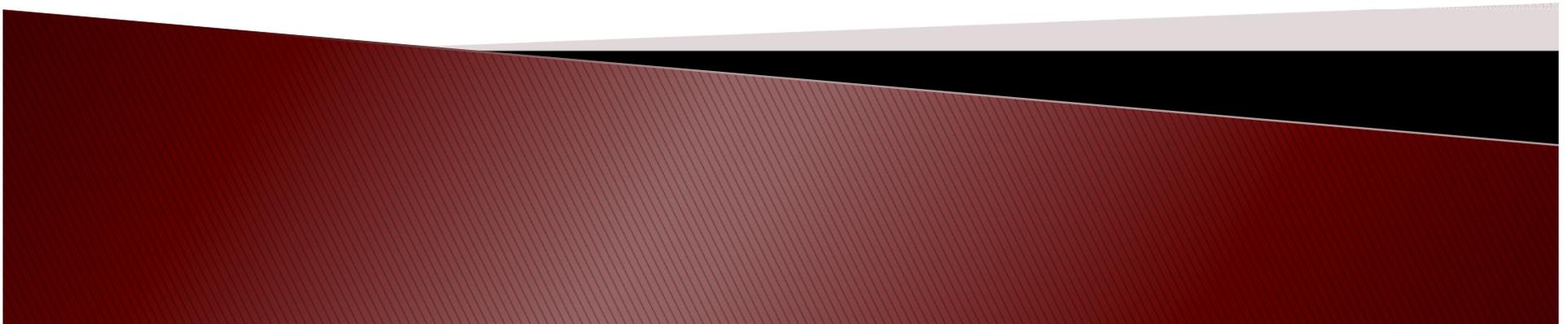
**City of Milford**

July 24, 2014



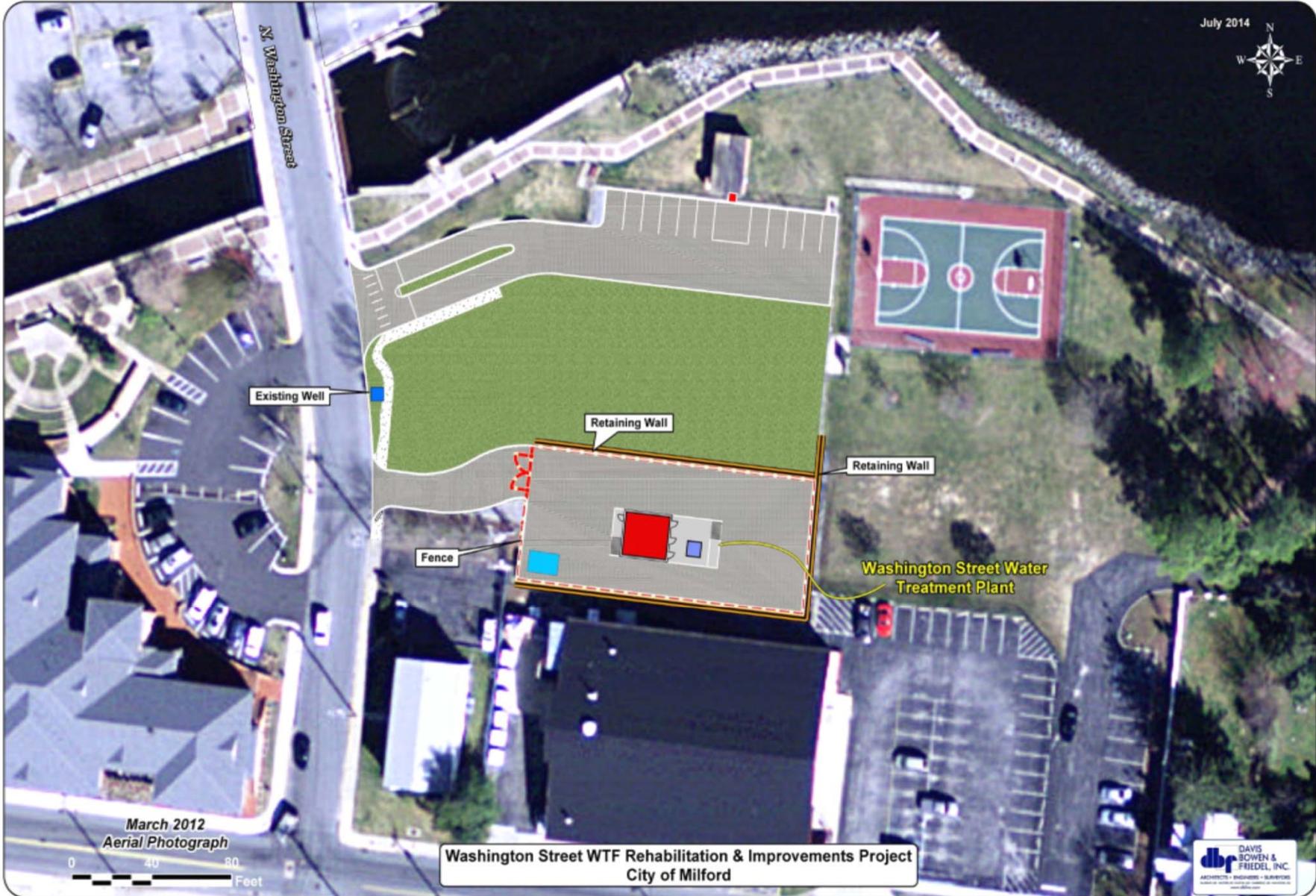
# Washington Street Water Treatment Plant Replacement Project

Potential Relocation Discussion



# Location as Originally Proposed

- ▶ Plant at same location as the existing
- ▶ Electrical Service & Emergency Generator at Site to Serve New Water Plant & Sewage Pumping Station



March 2012  
Aerial Photograph



**Washington Street WTF Rehabilitation & Improvements Project**  
City of Milford



July 2014



Washington Street Tower

Walnut Street

2nd Street

March 2012  
Aerial Photograph



Washington Street WTF Rehabilitation & Improvements Project  
City of Milford



# Proposed Relocation

- ▶ Plant at Elevated Storage Tank Site
- ▶ Existing Site already used for Water Facility
- ▶ Larger Park
- ▶ Reservoir can be buried, unlike at other site
- ▶ Additional Generator Needed at Old Plant Site for Power to Well 1 & Sewage Pumping Station

July 2014 N  
W E



March 2012  
Aerial Photograph

0 40 80  
Feet

Washington Street WTF Rehabilitation & Improvements Project  
City of Milford

**dbf** DAVIS  
BOWEN &  
FRIEDEL, INC.  
ARCHITECTS - ENGINEERS - SURVEYORS  
A Division of Davis Construction Group, Inc.  
10000 N. 10th Street, Suite 100  
Milwaukee, WI 53222  
414.353.1100  
www.davisbwf.com





N Washington Street

Existing Well

Fence

Control & Electric Power Bldg.

Generator

Retaining Wall

March 2012 Aerial Photograph



Washington Street WTF Rehabilitation & Improvements Project  
City of Milford



# Original Project Scope

- ▶ Replacement Well at Existing Plant Site
- ▶ Administration Building



# Modified Project Scope including Relocation of Plant

- ▶ Production Well at Remote Site due to Contamination
- ▶ Additional Raw Water Main to New Well Location
- ▶ No Administration Building
- ▶ Replacement of Existing Well House at Tank Site
- ▶ Relocation of Water Main feeding Elevated Storage Tank



July 2014

Existing Well

Washington Street

Limits

S.E. Front Street

Raw Water Main

Washington Street Tower

Existing Wells

Water Treatment Facility

Raw Water Main

Proposed Well

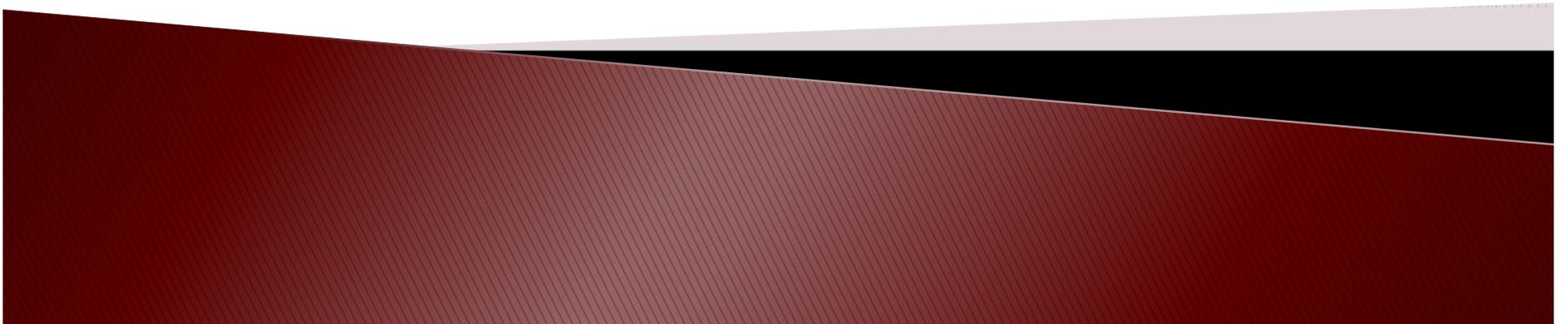
March 2012  
Aerial Photograph



Washington Street WTF Rehabilitation & Improvements Project  
City of Milford



# USDA Funding Possibilities



# USDA Funding Possibilities

- ▶ USDA Rural Development approached DBF as they have funding but not enough projects
- ▶ USDA willing to provide grant funds to entice Milford to pursue improvements projects
- ▶ Based on the Affordability of City Utility Rates, only the Sewer Utility is eligible for Grant Funds. Water Utility is not.
- ▶ Projects to be funded over 2 years to maximize Grant

# Proposed Year 1 Projects

\$2,000,000	Total Project Costs
\$ 400,000	System-Wide SCADA Instrumentation & Programming Upgrades
\$ 525,000	North Street Pump Station Improvements
\$ 325,000	Fisher Avenue Pump Station Improvements – Phase 1
\$ 450,000	Shawnee Acres Pump Station Improvements – Phase 1
\$ 300,000	Lighthouse Estates Pump Station Improvements

# Proposed Year 2 Projects

\$2,000,000	Total Project Costs
\$ 850,000	Fisher Avenue Pump Station Improvements - Phase 2
\$ 400,000	N. Shores Pump Station Rehabilitation
\$ 750,000	I & I Sewer System Repairs

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
July 28, 2014

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, July 28, 2014.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilpersons Christopher Mergner, Garrett Grier, 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

Solicitor David Rutt, Esquire

#### PUBLIC HEARING

Matthew and Jennifer Feindt  
Minor Subdivision & Conditional Use  
303 Pierce Street, Milford, Delaware  
Tax Map MD-16-183.10-04-012.00

Mayor Shupe reported that the public hearing, originally scheduled for June 23, 2014, was postponed and rescheduled. During a follow-up review of this application, it was determined that some additional items need to be addressed before it is sent through the approval process.

City Solicitor Rutt explained there was a question regarding the way the setbacks were shown on the plot. The plot needed revising and then represented to the planning commission. After the planning commission makes their recommendation, the public hearing can be scheduled for council.

#### CALL TO ORDER

Mayor Shupe called the Monthly Meeting to order at 7:03 p.m.

#### INVOCATION AND PLEDGE

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

#### RECOGNITION

No special guests present.

#### COMMUNICATIONS

*Reminder/FOIA Workshop-August 11, 2014*

Mayor Shupe reminded council that DAG Edward Black of the Attorney General's Office will be here at 5:30 p.m. on August 11, 2014 for FOIA training. Milford's Planning Commission and Board of Adjustment have also been invited.

Mr. Rutt encouraged council to submit questions or areas of concern so the DAG can be prepared for the meeting.

#### *Fourth Ward Community Meeting*

Councilwoman Wilson announced a community meeting is scheduled at 7:00 p.m. on Tuesday, August 12<sup>th</sup> at Carlisle Fire Company. She asked that council and community leaders attend the meeting. She explained that it began as a fourth ward

meeting but after being contacted by other residents, it has, more or less, turned into a community meeting based on the fact we are all one community in Milford. She feels the items being addressed impact the entire community and welcomes all interested parties.

She encouraged council to attend and would like to discuss some topics that have been raised. Ms. Wilson then asked Mayor Shupe to convene the meeting that evening.

It was confirmed the meeting has been publicly noticed well in advance of FOIA requirements.

She explained that if Mayor Shupe is unable to attend, she will ask someone else to oversee the meeting as the intent is to keep things on track. Ms. Wilson would like to be able to answer questions as a councilperson and prefers not to run the meeting.

Ms. Wilson asked city staff to copy flyers which she has distributed.

When asked by Mayor Shupe what items are on the agenda, Ms. Wilson explained that she asked the police department to attend to answer any questions regarding the new ordinance which prohibits playing ball in city streets. In addition, there were some code issues and citation concerns so she has also asked the city code officials to attend.

Mr. Brooks asked if Solicitor David Rutt should attend noting he could be needed for a legal interpretation if questions were asked about specific laws and citations.

Mayor Shupe asked why this had not been brought to the mayor's office or to council before it was scheduled. Ms. Wilson explained that it started out as a fourth ward meeting and in the past, she has never had to bring that to the mayor or the city manager.

On July 7<sup>th</sup>, Ms. Wilson sent an e-mail to the city manager and city clerk to inform them of the meeting. She felt if there were any problems, it would have been mentioned at that time. With none, she proceeded with her plans as she has done in the past.

The city clerk confirmed that Ms. Wilson did request the information be provided to the mayor and city council. With two council meeting before the August 12<sup>th</sup> meeting, the city clerk felt that announcing it at those meetings would ensure the entire mayor and council were informed.

#### *West Clarke Avenue Parking*

Mr. Pikus asked that the Public Works Committee, with the assistance of Chief Hudson, review the parking on the south side of West Clarke Avenue. He reported that some segments of the area are designated no parking as you travel east on the street. Recently, there has been an excessive amount of parking on the street even though there is more than sufficient parking areas designated for LD Caulk and Milford Hospital.

Mr. Pikus advised the parking is creating a problem for residents trying to exit their driveways. Specifically, the area starts at the location of the sign that states 'no parking' and continues eastward toward Walnut Street. He asked that 'two-hour parking only' signs be considered versus the unlimited parking that is now allowed.

Mr. Brooks recalled this being done several years ago; Mr. Pikus agreed it was done during the time a construction project was occurring at LD Caulk Company. Since that time, the employees have sufficient off-street parking and in his opinion, there is no need to park on West Clarke Avenue. Bayhealth also purchased several parcels in the area that were turned into parking lots and provides more than adequate areas for their employees to park.

#### UNFINISHED BUSINESS

##### *Adoption of Ordinance 2014-07/Matt Feindt & Jennifer Feindt/Conditional Use*

Mayor Shupe announced that no action is needed on this item because the public hearing was canceled this evening.

*Appointment of Planning Commissioner*

The mayor recalled this matter being discussed by council at a previous meeting. While he considered some possible applicants, he felt Mike Yosifon was the most suitable. The mayor, along with Planning Commission Chairman Jamie Burk, met with Mr. Yosifon and both agree he is well qualified.

As a result, Mayor Shupe is recommending Mike Yosifon be appointed. Mayor Shupe confirmed Mr. Yosifon lives in Knotts Landing in the fourth ward.

Ms. Wilson stated she has not met Mr. Yosifon and she and Mr. Starling are unfamiliar with him. However, she has no objections if this is the mayor's recommendation.

Mr. Grier moved to appoint Mr. Yosifon to the City of Milford Planning Commission to fill the remaining term of the vacant position which expires August 31, 2016, seconded by Mr. Pikus.

Ms. Wilson said she has no problem as long as he is a qualified individual, citizen of Milford and follows the rules and regulations of the planning commission.

The motion carried.

## NEW BUSINESS

*Alcohol Permit Requests/Special Events/Downtown Milford, Incorporated (Change of Dates)*

Mayor Shupe informed council that the alcohol waiver request to allow beer tastings has been changed from the previously approved dates of July 19, 2014 and August 23, 2014 to:

Changed to August 2, 2014 -- 11 a.m. to 1 p.m.

and

Changed to October 18, 2014 -- 11 a.m. to 1 p.m.

The same setup, as described in the initial request, will continue to apply where beer tastings will be provided on Saturday mornings at the Farmers Market in a confined area as required by Delaware Law.

Mr. Pikus moved to approve the amended two dates presented, seconded by Mr. Grier. Motion carried with Councilman Starling casting the dissenting vote.

*Greater Kent Committee/Semi-Annual Dues*

Mr. Brooks asked what the Greater Kent Committee does. The city manager advised that we have been a member since he was appointed city manager in the late 1990's. He explained that they deal with economic development issues.

Mr. Carmean reported that Judy Diogo, who is the former Executive Director of the Milford Chamber of Commerce, is very involved in the organization. The City of Dover is a member and the Town of Smyrna recently became a member.

It was confirmed that the Central Delaware Chamber of Commerce is a member of this organization but a separate entity.

Annual dues are \$1,500 a year.

Mr. Pikus asked what benefits Milford receives from this committee. Mr. Carmean explained it is mostly informational and everyone gets together and discusses matters. For example, the Kent County planner is there and each town is given an opportunity to announce what is occurring in their municipality. Questions are also asked about towns accommodating a certain type of business who may be interested in available open space, empty buildings, etc. All matters addressed relate to economic development.

Mr. Carmean confirmed the city has not utilized the committee as well as we did before our planner retired. He was the one

involved with the group though the city manager has attended a couple meetings since.

Mr. Carmean advised that he was the board member for the city.

He recalled that the Greater Kent Committee assisted getting a couple new businesses to Delaware and Mr. Carmean was able to speak with them about their interests.

Mr. Pikus confirmed that we already paid the first half; Mr. Carmean stated yes, this would cover the second portion due this year.

Mr. Pikus agrees that as long as they are encouraging business here in Milford, we should remain members. However, they should be providing that information to the mayor and city managers' offices. However, if we are not receiving any benefits, it should not be reconsidered.

Mr. Carmean verified that Mayor Shupe receives correspondence from the committee. Mayor Shupe then added that this group keeps Milford informed of all the economic development and infrastructure projects occurring in Kent County. He said there is a group from Milford, Smyrna and Middletown that work together on larger projects. One of their major projects is the Kent County Sports Complex planned in Frederica. Other projects include a new runway for Dover Air Force Base and a business route that goes through Smyrna where a lot of infrastructure was needed.

He emphasized that the committee works on projects that help with economic development throughout Kent County.

Mr. Pikus then moved to pay the second half of the dues but to evaluate any benefits Milford receives before next year's dues are paid. He stated that if we are not getting a benefit, we should not be using taxpayers' money.

Mayor Shupe suggested having them talk to council before the next budget is prepared.

Motion seconded by Mr. Gleysteen and carried.

*Adoption of Resolution 2014-11/Authorizing Signatures for Banking Services*

Mayor Shupe advised council this resolution is required so our finance director has the ability to wire funds, within a day, from the WSFS Money Market Account to the Citizens bank checking account to cover checks when needed. Related paperwork was submitted though the bank has asked that a formal resolution be adopted by council.

After the city manager confirmed this resolution is required every year, Mr. Pikus moved to adopt the following resolution, seconded by Ms. Wilson:

*Authorizing Signatures for Banking Services on Behalf of the City of Milford*

*WHEREAS, the City of Milford Investment Policy includes the investment of funds with banking institutions and investments in the State of Delaware Investment Pool, and the purchase and sale of U.S. Treasury and Agency Securities; and*

*WHEREAS, the banking institutions, brokerage firms, trust companies and other various financial institutions require an Authorizing Resolution for the opening of accounts and for purchasing, selling, transferring, assigning and handling securities.*

*NOW, THEREFORE IT RESOLVED, by the Mayor and Council of the City of Milford, that the Finance Director is hereby authorized to open accounts with banking institutions and purchase, sell, transfer, assign and handle securities and that he is authorized to sign all related forms.*

*BE IT FURTHER RESOLVED that the transactions in these accounts be carried out with one signature; and that the following office holder is authorized for such purposes, until further notice:*

*Jeffrey Portmann, Finance Director*

*Approved and adopted this 28rd day of July 2014 by a majority vote of Milford City Council.*

*s/Mayor Bryan W. Shupe*

Motion carried.

*Comcast Cable Television Franchise Agreement*

As reported by Mayor Shupe, Comcast has requested city council consider the renewal of their franchise agreement which expires in November of 2014.

Mr. Pikus noted that the franchise funds increased from \$90,000 to \$95,000 in this year's budget. He then pointed out the pole rental fee has not increased since the mid to late 2000's and has remained at \$6,835. He questioned how that is possible considering we have seen substantial growth in the city and an increase in customers.

The city manager is unsure if we expanded a great deal during this time. Instead, we replaced many old poles with the new 138kV which Comcast does not lease. He does not believe we have had an expansion on our overheads since that time.

He pointed out that when we develop east of Route 1, the pole rental fee will increase substantially.

Mr. Pikus asked if it is possible to increase the Comcast fees; Mr. Carmean said the pole fee can be increased. Mr. Pikus noted that the city is supposed to receive \$3.50 per pole and if we increase by 200 poles, that will bring some additional revenues into the city.

It was then pointed out that if the city increases Comcast fees, they will, in turn, increase the customer bills. Mr. Pikus noted that they have continuously increased their bills though he does not believe it is a good theory to stand back and do nothing because of that reason. He feels it then becomes a game where the customers still end up paying more even without an increase by the city.

Mr. Pikus emphasized concern that the pole fee has not increased for a number of years. Mr. Carmean agrees that if the city increases the pole fee by a dollar, they will increase his bill \$1.

Solicitor Rutt reported that the agreement was not in the packet when he reviewed it; Ms. Hudson agreed it was on the agenda though the actual contract was omitted in error.

Mr. Gleysteen moved to postpone any action until Mr. Rutt has time to review the contract, seconded by Mr. Pikus. Motion carried.

*Independence Commons & Business Park Land Sale Proceeds/General Fund Reserves/Economic Development Funds-Restricted Uses*

Mayor Shupe advised that for a number of years the City of Milford has had an account, known by many as the Wawa account that was started when the city sold the property. It was set up for use by the city council and the city manager for economic development needs. This account has decreased over time as more money was spent. There has been little done to find an ongoing source of revenue for economic development to replenish that money.

Mayor Shupe wants to find a way to keep economic development money coming in versus always drawing down on it. He wants to set up an appropriate source of revenue for this fund, so we can continue to look at ways to strengthen the city's economic development efforts.

Currently, the land sale proceeds from Independence Commons and Greater Milford Business Park, proposed to serve the economic development needs in Milford, are rolled into the general fund. He noted that those properties are currently being sold at \$125,000 per acre.

The mayor recommends that we use our Independence Commons and business park land sale funds to generate a source of revenue for the economic development account.

Mr. Pikus pointed out the business park parcel currently being sold is a property that was purchased back from its original owner. The money was paid from the general fund reserves with the intention to replenish the account at the time of settlement. From this point on, he has no problem putting any additional proceeds into an economic development account.

Mr. Carmean reported that he is presently working with two buyers. He also feels the money from the property repurchased should be placed back into the general fund reserves, particularly because that fund is close to being depleted. After that, he is willing to put it into an economic development account.

Mr. Grier said he and Mayor Shupe discussed this today on the telephone and Mr. Grier supports the idea. However, he feels there is a need to establish some guidelines for this money. He does not want \$300,000 (for example) in proceeds being deposited into an account that can be used for miscellaneous items when needed. He wants some rules established that would prohibit random spending and will outline specific items it can be used for.

Mr. Grier wants this addressed by his Economic Development Committee.

Mayor Shupe agrees the purpose of appropriating those funds is for economic development and we have a responsibility to safeguard and protect the money.

Mr. Grier then asked the time line for hiring a planner/economic development person; Mr. Carmean said it will be done in September. Mr. Grier would like for that person to be part of the conversation regarding these funds. He hopes they have the appropriate background for this type work and can make logical recommendations in this matters.

Ms. Wilson agrees adding that putting this money back into the fund will secure that position. It only makes sense to her and believes by doing this, it will save the city money in the long run and allow the position to pay for itself.

Mr. Brooks asked how much money is in the Wawa account; Mr. Carmean stated \$800,000. Mr. Brooks recalled that being designated for economic development since it was established.

The city manager will see that perimeters are created to prevent it from being an open account. He also concurs with Councilman Grier that the planner/economic development position be funded from this account which was always the plan. He did warn council that down the road, they should consider a more sustainable source.

Mr. Brooks foresees the need for a planner and an economic development person when our growth picks up again.

Mr. Pikus verified that the proceeds from the sale of the business park parcel would reimburse the general fund reserves.

Mr. Grier moved that the remaining sales, after the reimbursement from the one lot, from our business park and Independence Commons lots be placed into an economic development fund, seconded by Mr. Pikus. Motion carried.

#### *Bid Award/Valve Exerciser Unit/Water Department*

Sealed bids for a Trailer Mounted Valve Exercising Machine, approved in last year's budget, were properly advertised, then publicly opened on June 17, 2014. Three bids were received ranging from \$46,170 to \$49,750, not including the alternates.

The city manager advised that Davis, Bowen and Friedel (DBF) Engineer Randy Duplechain reviewed the bids and recommends the award to low bidder, T H C Enterprises of Easton, Maryland, in the amount of \$57,390.

Erik Retzlaff of DBF explained his firm oversaw the bids. The alternate bids were options that would be considered based on the pricing. Some were more costly than their worth and not recommended as a result. However, three of the five are recommended and include an aluminum job box, auxiliary light bar and GPS valve locator.

Mr. Pikus asked if this will be paid from water reserves; Mr. Carmean said the item is included in the budget and confirmed that \$65,000 was budgeted. Mr. Retzlaff recalled \$50,000 being budgeted last year and an additional \$25,000 approved this year.

Mr. Brooks moved to award the bid to T H C Enterprises of Easton, Maryland in the amount of \$57,390, seconded by Ms. Wilson. Motion carried.

*Bid Award/North Washington Street Improvements Project*

Mayor Shupe recalled this project was initially bid in April as part of the Miscellaneous 2014 Street Improvements Project. At that time, only asphalt prices were received. On April 28th, council awarded five of the seven street projects to Jerry's Incorporated. Two streets were not bid at the time; one was the North Washington Street job.

The request for proposal was then readvertised and sealed bids accepted. Two bids were received on July 17<sup>th</sup> from Shea Concrete and Sam's Construction. Sam's Construction came in at \$72,062.50 and Shea Concrete was the low bidder at \$49,855.

DBF has reviewed and recommends award of the bid to the low bidder Shea Concrete.

Mr. Brooks moved to award the North Washington Street Improvements Project to Shea Concrete in the amount of \$49,855, seconded by Ms. Wilson. Motion carried.

Mr. Brooks asked when the project will begin; Mr. Carmean said he spoke with Jerry's, Incorporated last week. Mr. Kovach assured him that as soon as the sidewalk bid was accepted, they would begin.

ADJOURN

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

The Council Meeting adjourned at 7:50 p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
July 28, 2014

The City Council of the City of Milford met in Workshop Session on Monday, July 28, 2014 in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilpersons Christopher Mergner, 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 7:50 p.m.

*DBF/Washington Street Water Treatment Facility Relocation*

Erik Retzlaff of Davis, Bowen and Friedel was also present.

City Manager Carmean reported that all plans to rebuild the Washington Street Treatment Plant involved its current location. When work began, some contaminated soil was discovered and the well was unable to be installed there. It was then relocated further down the street on the South Washington Street lot behind city hall that was purchased a few years ago. In the meantime, the PNC Bank property was purchased for use as a billing/customer service office.

During a meeting to finalize the plans for the Washington Street Treatment Plant, the parking area by the South Washington Street Water Tank was considered. It was agreed that would be a more appropriate location for the water plant and reservoir. This would result in additional park land and would move the water plant off the river.

Last week, the Public Works Committee met at which time Chairman Brooks and Mayor Shupe attended. At that meeting, they discussed an alternative location and specifically, the parking area beside the water tank between Walnut and Washington Streets.

Mr. Brooks explained that he was uncomfortable making the decision to relocate the plant and felt it was more appropriate for the other seven council members to voice their opinion.

Mr. Brooks also asked Mayor Shupe to appoint another person to his committee to fill the vacancy left when he was elected as mayor.

Mr. Pikus referenced the two sites noting the original location is down by the basketball court and at the site of the old police department. He referenced the grassy area and asked if additional parking could be added due to the need in the downtown area. Mr. Carmean agreed to add parking though the park area will also be expanded. He said at this point, the focus is whether to relocate the plant or not.

Mr. Pikus confirmed that if it is relocated, additional parking can be added and recalled that being discussed several years ago. Mr. Carmean stated yes, parking can be included. Mr. Pikus stressed the need in the area for additional parking, particularly by people who utilize the riverwalk. If the plant is relocated, he recommends additional parking be added on the site of the old police department.

Mr. Retzlaff then explained that before they met with Mr. Carmean, DBF had finalized the majority of the design of the plant. They were working out a few last minute details relating to the retaining wall and what needed to be done with the dilapidated berm that was paved and formerly used as a street. They were unaware of the plans to relocate the plant and were informed at the meeting.

He explained the site includes a 7 x 7 x 15 feet tall aerator which was part of the original plant. In order for that to work, the water that falls through the aerator has to be collected in a reservoir or concrete area underneath. The treatment plant building can then be built on top.

Mr. Retzlaff advised that one of the big differences between the two sites is the contaminated soil at the existing site which prevents burying a portion of the reservoir. Almost all of that would have to be above grade. At the proposed site next to the tank, most of the reservoir could be recessed.

He recalled that the wooden slats in the aerator at the Tenth Street Water Plant recently failed due to deterioration with age. The newer designs use PVC instead of wood and are held in place with a fine mesh grid which makes them much easier to replace.

At the original site, Mr. Retzlaff said the power from the water plant actually powers the pumping station. That is the reason for the temporary pole line that will be removed. A large generator will also be purchased to operate both facilities.

He referenced a rendering of what the site would look like as currently planned. The retaining wall will need to be replaced because all of the drainage from the Salvation Army roof that dumps across the property. A wall of two-blocks would be installed as a grade separation from the park space.

Mr. Pikus asked how tall the plant building would be; Mr. Retzlaff said not quite as tall as the Salvation Army building. The higher portion of the property has an elevation of eleven; the elevation by the pumping station is approximately eight. There would be a minimum of six feet of reservoir exposed and another fifteen by the time the railing was added for a total of twenty-five feet above the ground.

There is no privacy fence tall enough to hide it.

Mr. Gleysteen asked the cost difference between the construction above ground versus below ground. He also asked if the city is under some obligation to remediate contaminated soil at the site.

Mr. Retzlaff referenced the contaminated area where they attempted to drill the production well between the Salvation Army parking lot and the basketball court. They hit a gasoline smell after they reached ten feet and abandoned it.

Unaware of where the smell came from, Mr. Retzlaff said it is not the city's responsibility to remediate. He further advised that when they did the excavation for the demolition, they discovered some coal and other materials though they have not done any testing to determine the condition of the soils. Without an identifiable, responsible party, it is hard to determine whose responsibility it is to clean it up.

When asked who put the retaining wall around the Salvation Army, Mr. Carmean stated he believes the city or the Acme market many years ago.

The city manager said that along the bottom retaining wall against the Salvation Army, there were troughs built to store materials such as gravel, dirt and other fill material which he assumes the city did.

Mr. Retzlaff said the intention was always to replace the retaining wall. The city has an easement from the Salvation Army to replace it and fill the back of their area to collect water from the down spouts and channel it to one spot to keep it from undermining the retaining wall.

Mr. Carmean explained that the green area that states 'retaining wall' is where the old reservoir was removed and the old plant removed. They found a nasty mess beneath it that contained a lot of old materials from a power plant which even included coal residue and quite a bit of trash. He believes it is best to leave it alone.

Mr. Pikus asked if we can add some parking there; Mr. Carmean stated yes though we will be able to get a better idea of how parking can be added once the rendering is shown without the plant.

Mr. Retzlaff advised the purpose of the workshop is to determine whether to move the plant. Any lands remaining can later be reviewed for parking.

Mr. Retzlaff recalled the plan for the South Washington site that included a large administrative building. Soil borings were done and approximately eight feet of ground had to be removed that included rubbish and other materials. He then presented a photo rendering of what the plant would look like at the newly proposed site from the corner of the South Washington Bridge looking toward the Salvation Army.

It was confirmed that the majority of the reservoir would be hidden with a knee wall, approximately two-foot and the addition of a six-foot stockade privacy fence.

When asked how much noise would be produced, Mr. Retzlaff said the only sound would be a low sound similar to a roof exhauster. If someone was within ten feet of the aerator, there would be a waterfall noise. He confirmed it would run as long as the water from the wells is pumping and he estimates between fourteen and sixteen hours.

Mr. Mergner said he has considered the proposed location which now puts this in a residential area. Mr. Retzlaff explained that the noise will not be heard from more than thirty feet away. Mr. Carmean added that is the reason DBF will place the aerator on the Walnut Street side.

Mr. Retzlaff advised that the design building would match the pump station that already exists. Both would match the surrounding architecture in the area and in particular, Milford Library.

He noted that even with the plant at the existing location, some work would still be required at the tank site. One project was to rerun a water line to reconnect the tank to the system. Right now it runs diagonal and is in the middle of the parking lot and they do not know if the valves will hold.

He also pointed out the location of well 2 and the control house. However, it is wall to wall with electrical controls right now and the controls still need to be added for the new well installed behind city hall. Therefore, that building is no longer large enough so he would need to demolish the existing building and replace it which is what is shown as a small red block on the rendering.

The new replacement well has already been drilled behind city hall and only needs a pump, electric controls and power fed to it to make it operational. Mr. Retzlaff noted the raw water main project already includes the installation of main from the tank site to the new well site. As a result, the relocation of the plant does not impact the raw water main project because, prior to that, we were pumping from the new well site across from city hall to the tank site where it combines with well 2, then goes to the original plant site.

With the relocation, more land could be available for a water or larger park. The reservoir can be buried though a generator will need to be added to the existing site to power the pumping station and well 1. Previously, with the tank where it is, the tank and well 1 would be on a backup generator. Now, well 1 and well 2 will be at the plant.

Mr. Pikus asked the cost of the generator; Mr. Retzlaff advised approximately \$80,000.

Mr. Retzlaff then presented a rendering of the modifications at the plant location. He referenced the location of well 2 and the new plant in the parking area next to the water tower with the aerator facing Walnut Street.

Mr. Pikus confirmed we would lose that parking lot. Mr. Retzlaff stated yes adding that there very few vehicles that park there though one has parked there for the past couple months. In and out traffic does not function well there.

Mr. Carmean explained that there is a chance they could place the plant closer to the water tower. Mr. Retzlaff pointed out the opening needs to be large enough to accommodate large trucks and equipment so a 24-foot gate is needed with no obstruction. That will align with the current access. He tried to move the plant closer to the other side but that is prohibited by well 2.

It was confirmed the top of the building will not be taller than the florist shop.

Mr. Retzlaff then presented a rendering of what the plant would look like from the Washington Street side. He said because there are no brick buildings in this area, the cost would be reduced by \$45,000 to \$50,000.

Mr. Carmean believes this will be an overall improvement to the area. Mr. Retzlaff noted that the whole compound can then be enclosed, including the water tower and well.

The city manager pointed out that removing the parking will only impact some of the residents because visitors do not park at that location. He also noted that the residents have on-street and off-street parking.

Mr. Pikus asked the time frame of the project; Mr. Retzlaff advised that he was almost done with the initial plan and was preparing to finalize the documents which they had expected to be under construction by this fall.

Mr. Pikus asked if test borings have been done for water quality. Mr. Retzlaff stated that one test boring was done to try and relocate one of the wells but it proved to be similar to the one that failed. That is the reason it was moved to the lot behind city hall.

Mr. Retzlaff emphasized there will still be some impact to the original site if the plant is relocated behind the florist shop. The pole line coming into the one corner and power would still have to be run to a small control building; the wires would need to be run back to well 1 and all feeds to the pumping station and over to the generator. The balance of the area would become green space for parks and/or parking with the exception of the basketball courts and existing middle parking lot.

When asked if there was a motion to put the plant at the original location, City Solicitor Rutt confirmed that this was part of the 2011 referendum approved by the public. Therefore, it needs to be added to the next agenda for a formal vote.

Mr. Retzlaff summarized by stating the plan has significantly changed from that original presentation. The original project in late 2011 consisted of a well between the basketball court and the parking lot of Salvation Army. The treatment facility was to be built on the site with the billing office/building which completed the scope.

The contamination found on the site and the purchase of the PNC property completed changed the project. He referenced the locations of well 1 and well 3.

Mr. Carmean said he asked DBF to come up with some type of covering of the well at the original site on Washington Street to make it more aesthetically pleasing. He confirmed there is money available to cover the additional costs.

Mr. Retzlaff then pointed out that with the removal of the billing office/building, that money was needed to relocate the well and the additional raw water main. However, there is still money within the original budget (approved by referendum) to cover the cost of the treatment plant.

He said there were other things added along the way though the driver of the project was the treatment plant.

Mr. Pikus pointed out the city saved a lot of money by not building the billing officer/building at this location and instead purchasing the PNC building. Mr. Carmean agreed we are way ahead on that project. Mr. Pikus asked if we have saved more than a half million dollars savings; the city manager stated yes, more than that.

Mr. Retzlaff said there may be some additional costs by moving it but that is because another well on back-up power and an additional generator is needed. Aside from that, the additional costs are minimal.

Mr. Carmean confirmed that DBF has contacted the lender involved in the referendum and they concur that it can be legally moved to another location.

The item will be added to the August 11<sup>th</sup> council meeting for a formal vote.

*DBF/USDA Borrowing Possibilities/Sewer Projects/Referendum*

The city manager announced the city has an opportunity to borrow \$2 million for 40 years at 2.375% for sewer projects. This comes with an additional \$2 million grant. However, this will require a referendum.

He presented the opportunity to the Public Works Committee who felt it should be addressed by city council.

Mr. Carmean said he already has DBF working on this. He feels if it does not work out and the city does not receive the grant, we will simply turn down the loan and stop the work.

Mr. Brooks asked if Mr. Retzlaff was able to determine the increase in sewer rates to our customers. Mr. Retzlaff advised the annual debt service would be about \$77,500. Mr. Carmean feels that sewer rates will need to be increased in order to pay this debt service. He emphasized that at some point, council will have to increase both sewer and water rates but not at the time of the referendum.

Mr. Brooks then requested confirmation that the increase would not be because of this project; Mr. Carmean said definitely not because of this project. He added that the I&I work included will result in a savings that would offset the debt service.

Ms. Wilson asked why a referendum is needed if we are receiving a grant and do not have to increase sewer rates; Mr. Carmean explained that USDA requires that.

Mr. Retzlaff advised the charter also requires a referendum. The city is able to borrow the \$2 million without going to referendum though it would have to be paid back in five years.

The city manager noted that this is a forty-year term and the reason for the referendum for; to pay it back in five years would be a revenue impact and forty years will not.

Mr. Retzlaff advised that under the USDA program, the city will borrow \$2 million and the other \$2 million is given as a grant. What would be offered in the referendum is a \$2 million loan.

In addition, he said there are no prevailing wage rates which reduce construction costs by 20 to 30%.

Mr. Retzlaff noted that this will be broken out over two separate years; one year to maximize the amount of the grant the city would receive in the first year. If broken out into a second year, the city would receive an additional \$1 million. He recommends the \$2 million loan be presented to the voters at the referendum only one time.

He reported there are several older pump stations that are more than 35 years old and need some improvements. The proposed plan in year one will include a systemwide SCADA instrumentation and programming upgrades (\$400,000), North Street Pump Station Rehabilitation (\$525,000), Fisher Avenue Pump Station Rehabilitation-Phase One (\$325,000), South Milford/Shawnee Acres Pump Station Upgrade (\$450,000) and Lighthouse Estates Pump Station Improvements (\$300,000).

Year two includes Phase Two of the Fisher Avenue Pump Station Rehabilitation (\$850,000), North Shore Pump Station Rehabilitation (\$400,000) and I&I System Repairs (\$750,000).

Mr. Carmean feels it is important to proceed with the application. In the meantime, council can review the proposed projects. The engineers can also later provide reasons why the projects need to be done.

Ms. Wilson agrees with the plan noting that improvements are scheduled citywide or in every ward.

Mr. Carmean pointed out that numerous water improvement projects have been completed over the past few years. This provides an opportunity to address some major sewer improvements.

With no further business, the Council Workshop concluded at 8:23 p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder

Attachment:

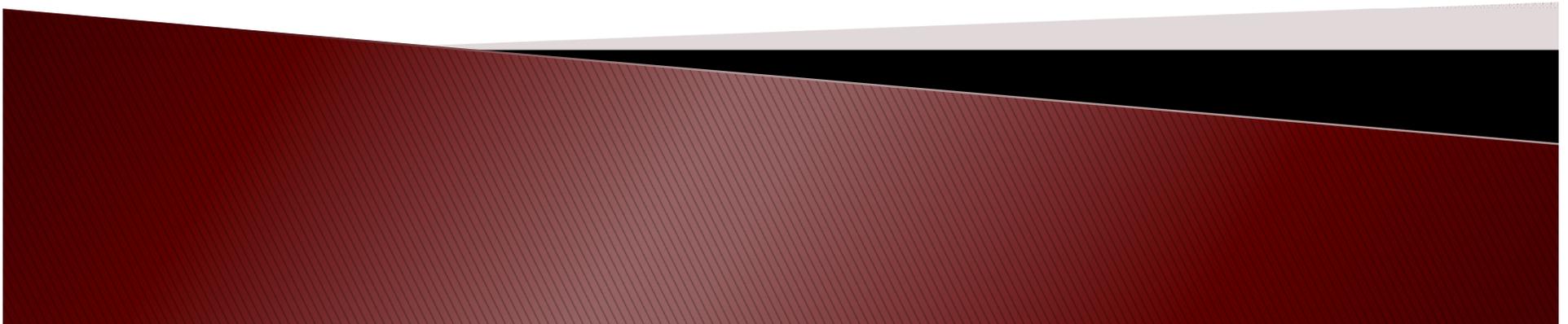
DBF Presentation (dated 07-28-14)

**City Council**

**Meeting**

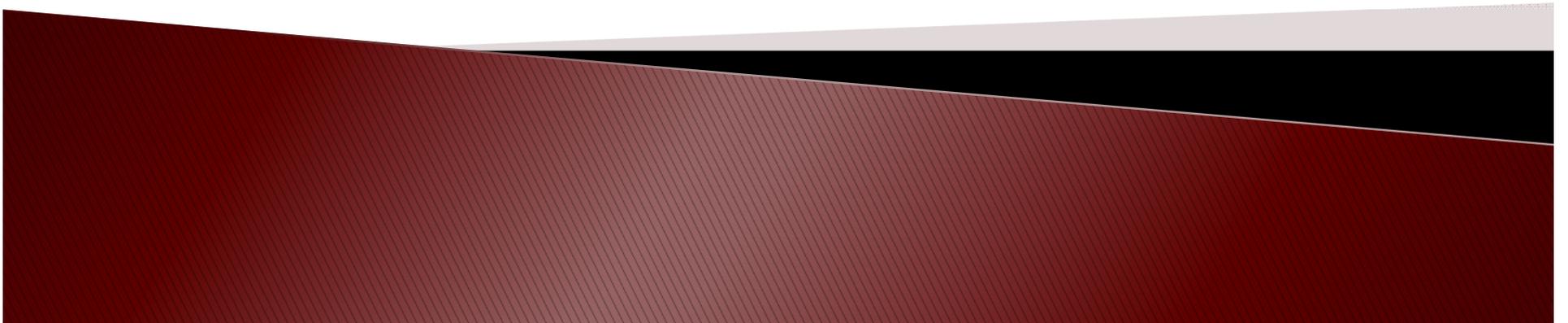
**City of Milford**

July 28, 2014



# Washington Street Water Treatment Plant Replacement Project

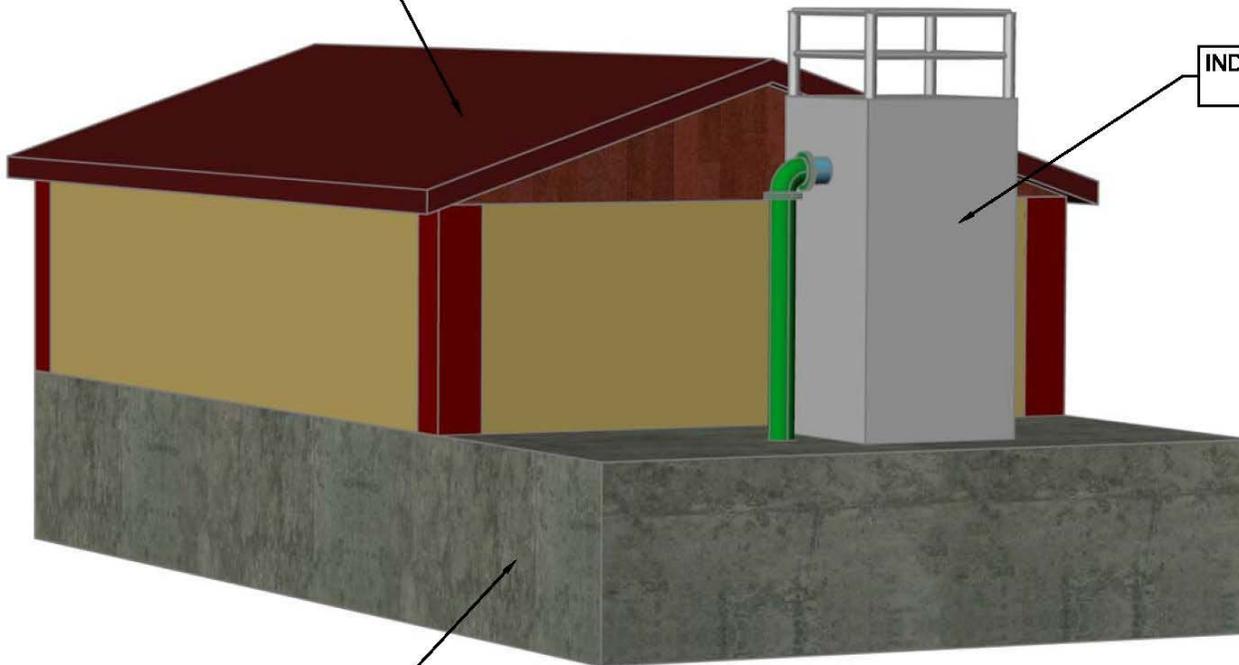
## Potential Relocation Discussion



# Plant Schematic

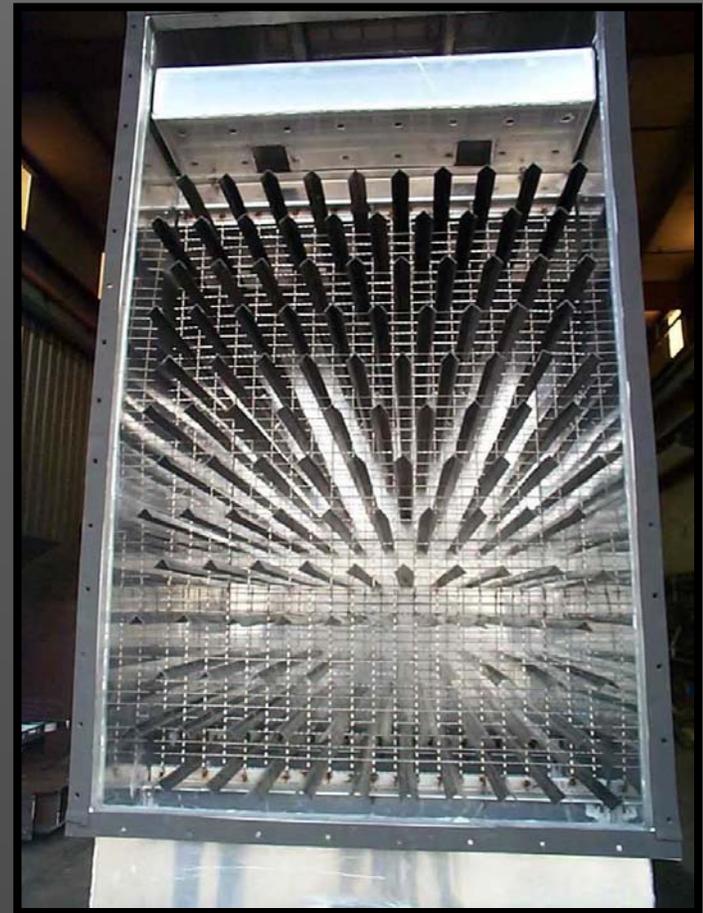
TREATMENT BUILDING  
FOR PUMPS, PIPING, ELECTRICAL,  
CHEMICAL TREATMENT STORAGE  
& INJECTION EQUIPMENT  
25' WIDE x 30' LONG  
x 9.5' WALL HEIGHT  
APP. 13.5' TALL AT ROOF PEAK

INDUCED DRAFT AERATOR  
7' x 7' x 15' TALL



CONCRETE RESERVOIR  
APPROXIMATELY 25' WIDE  
x 45' LONG x 8' TALL

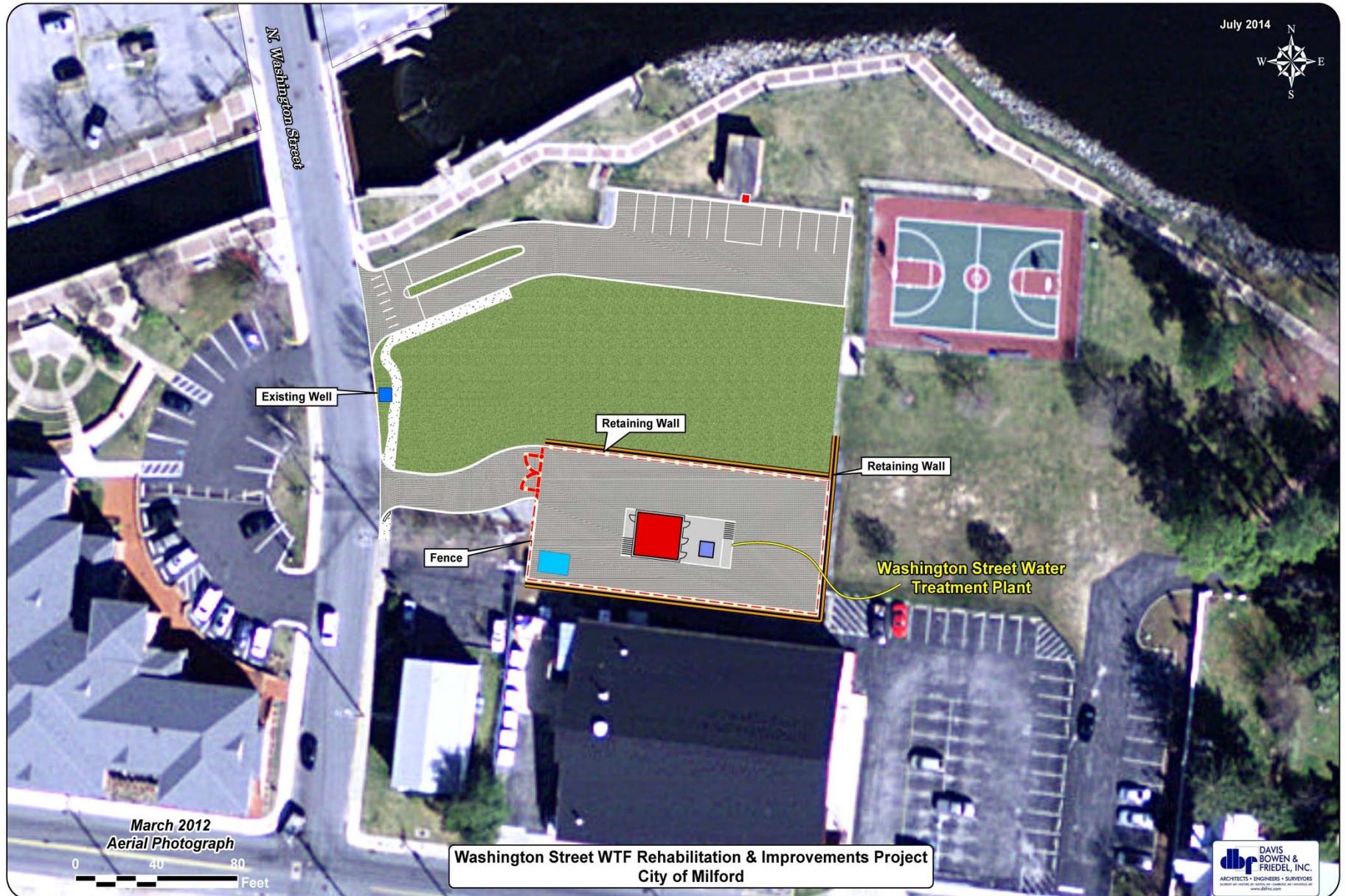
# Aerator Equipment



# Location as Originally Proposed

- ▶ Plant at same location as the existing
- ▶ Electrical Service & Emergency Generator at Site to Serve New Water Plant & Sewage Pumping Station

# PLAN VIEW RENDERING – PLANT AT PREVIOUS SITE



## BUILDING RENDERING – PLANT AT PREVIOUS SITE



# PLAN VIEW RENDERING - PLANT AT PREVIOUS SITE - TANK SITE IMPROVEMENTS



March 2012  
Aerial Photograph



Washington Street WWT Rehabilitation & Improvements Project  
City of Milford

**dbi** DAVIS  
BOWEN &  
FRIEDEL, INC.  
ARCHITECTS • ENGINEERS • SURVEYORS  
SERVING OUR CLIENTS IN CONNECTICUT AND MASSACHUSETTS  
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# Proposed Relocation

- ▶ Plant at Elevated Storage Tank Site
- ▶ Existing Site already used for Water Facility
- ▶ Larger Park
- ▶ Reservoir can be buried, unlike at other site
- ▶ Additional Generator Needed at Old Plant Site for Power to Well 1 & Sewage Pumping Station

# PLAN VIEW RENDERING – PLANT AT TANK SITE



BUILDING RENDERING - PLANT AT TANK SITE - VIEW FROM WASHINGTON STREET



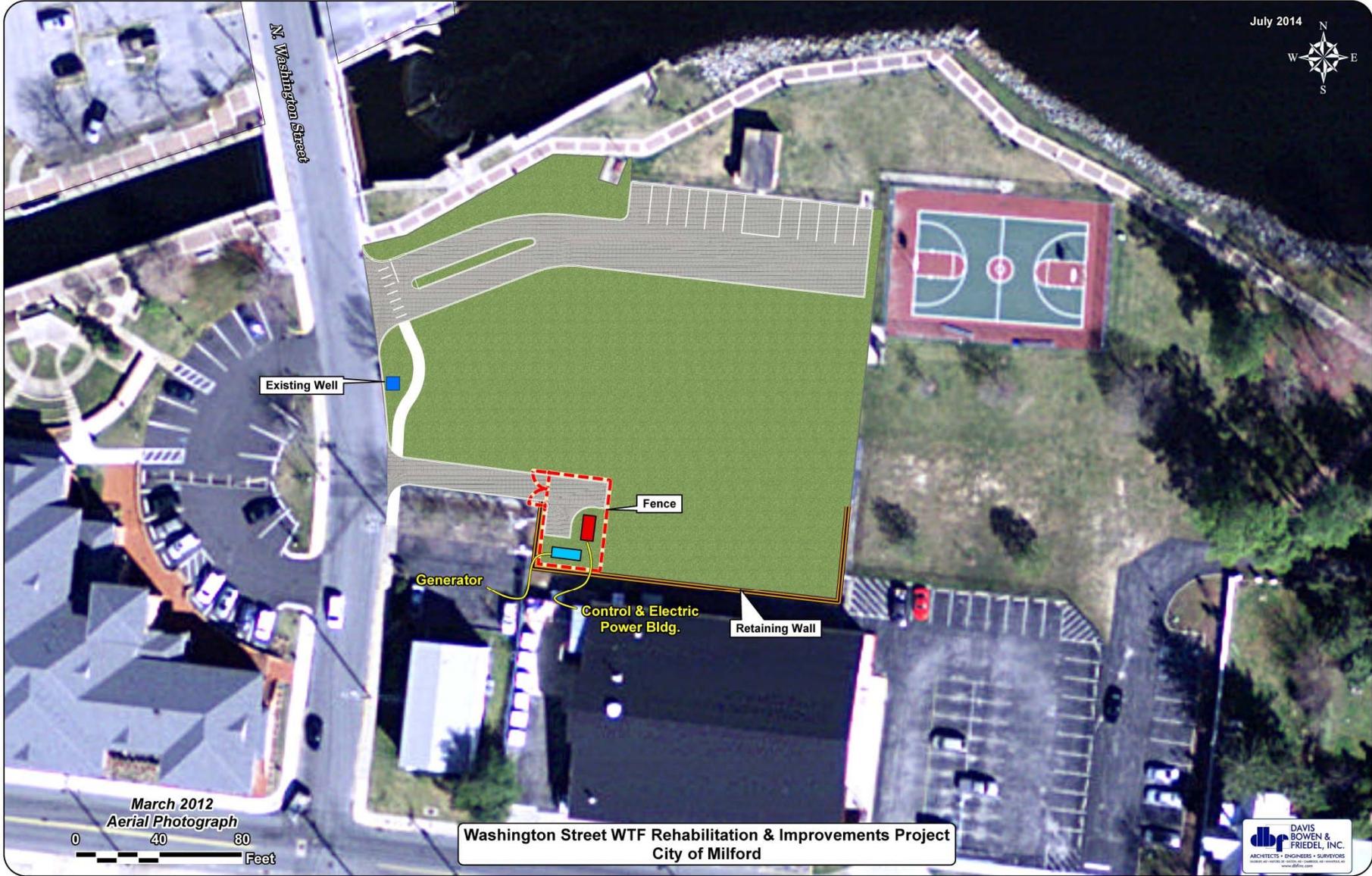
BUILDING RENDERING – PLANT AT TANK SITE – VIEW 1 FROM WALNUT STREET



BUILDING RENDERING – PLANT AT TANK SITE – VIEW 2 FROM WALNUT STREET



# PLAN VIEW RENDERING - PLANT AT TANK SITE - PREVIOUS SITE IMPROVEMENTS



# Original Project Scope

- ▶ Replacement Well at Existing Plant Site
- ▶ Administration Building

# OVERALL PROJECT SCHEMATIC – ORIGINAL APPLICATION



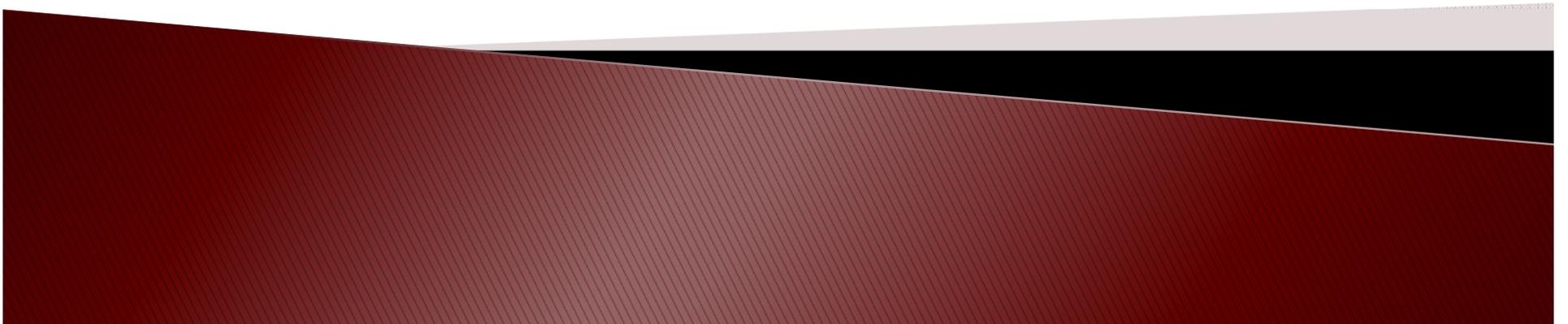
# Modified Project Scope including Relocation of Plant

- ▶ Production Well at Remote Site due to Contamination
- ▶ Additional Raw Water Main to New Well Location
- ▶ No Administration Building
- ▶ Replacement of Existing Well House at Tank Site
- ▶ Relocation of Water Main feeding Elevated Storage Tank

# OVERALL PROJECT SCHEMATIC – AS CURRENTLY PROPOSED



# USDA Funding Possibilities



# USDA Funding Possibilities

- ▶ USDA Rural Development approached DBF as they have funding but not enough projects
- ▶ USDA willing to provide grant funds to entice Milford to pursue improvements projects
- ▶ Projects to be funded over 2 years to maximize Grant
- ▶ Based on the Affordability of City Utility Rates, only the Sewer Utility is eligible for Grant Funds. Water Utility is not.
- ▶ \$2,000,000 Grant
- ▶ \$2,000,000 Loan – 40 Year Term, 2.375% Interest Rate (Currently)

# Proposed Year 1 Projects

<b>\$2,000,000</b>	<b>Total Project Costs</b>
\$ 400,000	System-Wide SCADA Instrumentation & Programming Upgrades
\$ 525,000	North Street Pump Station Rehabilitation
\$ 325,000	Fisher Avenue Pump Station Rehabilitation – Phase 1
\$ 450,000	South Milford Pump Station Upgrades – Phase 1
\$ 300,000	Lighthouse Estates Pump Station Improvements

# Proposed Year 2 Projects

<b>\$2,000,000</b>	<b>Total Project Costs</b>
\$ 850,000	Fisher Avenue Pump Station Rehabilitation – Phase 2
\$ 400,000	N. Shores Pump Station Rehabilitation
\$ 750,000	I & I Sewer System Repairs

# System-Wide SCADA Instrumentation & Programming Upgrades

- ▶ SCADA (Supervisory Control And Data Acquisition)
- ▶ City has a SCADA System in Place – Not Integrated for Best Use with Sewer System
- ▶ Annunciate Alarms For Pump Malfunctions to Avoid Overflows or Burning Up Pumps
- ▶ Monitor Amount of Water Pumped, Time Pumps Run Each Day
- ▶ Utilize Data to Identify Average (Dry) Day Amounts for Flow & Run Time
- ▶ Any Deviation from Average Day Signifies Issue at Station, i.e. Check Valve Not Closing, Debris Clogging Pump
- ▶ Compare Against Wet Day Amounts to Identify Areas Greatest Impacted by Inflow & Infiltration

# North Street Pump Station Rehabilitation



- ▶ Located at Intersection of Rte. 113 & North St. (Opposite old Dickinson Medical Center)
- ▶ 37 Years Old
- ▶ Constructed Circa 1977
- ▶ Valves Inside Wet Well with Raw Sewage
- ▶ No Means of Bypassing Flow in Case of Pump Failure
- ▶ Project Initiated in 2007
- ▶ Project Placed on Hold Due to Lack of Funding

# Fisher Avenue Pump Station Rehabilitation – Phase 1

- ▶ 25 Years Old
- ▶ Constructed circa 1989–90
- ▶ City's Largest Pumping Station
- ▶ Phase 1 Includes Replacement of Existing Generator & Odor Control System (which is obsolete & no longer serviceable)



# South Milford Pump Station Upgrades – Phase 1



- ▶ First Step in Expansion of Sewer System to Accommodate Growth in SE Area
- ▶ Additional Capacity to be Added Via Larger Pump Impellers & Associated Upgrades

# Lighthouse Estates Pump Station Improvements

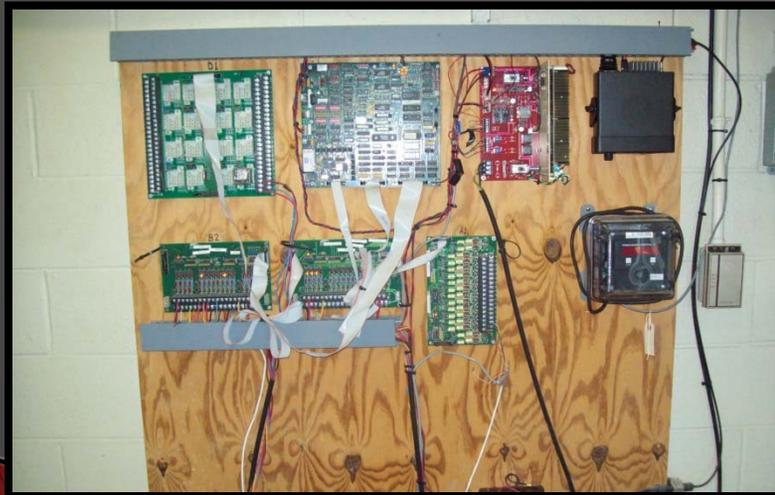
- ▶ Constructed circa 2007
- ▶ Station Discharges Directly into Main from Milford to Kent County WWTP
- ▶ During Periods of Heavy Rain, Pumps are NOT Large Enough to Overcome Pressure in County Forcemain & Station Overflows



# Fisher Avenue Pump Station Rehabilitation – Phase 2

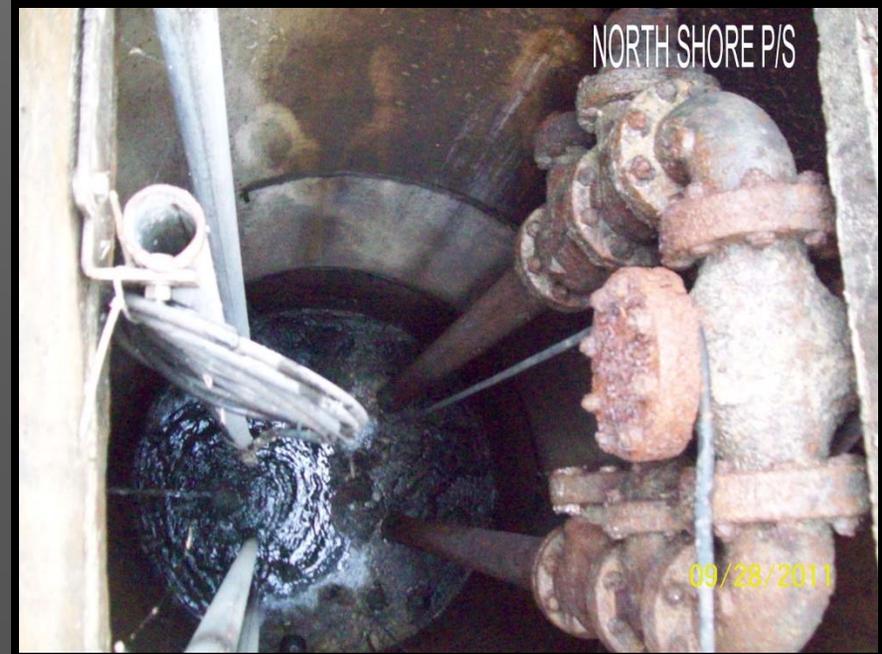


- ▶ 25 Years Old
- ▶ Constructed circa 1989–90
- ▶ City's Largest Pumping Station
- ▶ Phase 2 Includes Remainder of Rehabilitation Work Including Replacement of Pumps, Valves, Electrical, Etc.



# N. Shores Pump Station Rehabilitation

- ▶ 38 Years Old
- ▶ Constructed circa 1976
- ▶ Located at Entrance Off of Rte. 113 to North Shores Development
- ▶ Only Serves Annexed Property in Development
- ▶ Shut-Off & Check Valves Located Inside Wet Well with Raw Sewage
- ▶ No Means of Bypassing Flow in Case of Emergency



# I & I Sewer System Repairs



- ▶ First Phase of Recommended Repairs Complete With Significant Amount of I & I Still Entering System
- ▶ Estimated Annual Cost of Infiltration & Inflow to System = \$150,000