

MILFORD CITY COUNCIL

MINUTES OF MEETING

July 27, 2015

A Meeting of the Annexation Committee of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware on Monday, July 27, 2015.

PRESIDING: Chairperson Katrina Wilson

IN ATTENDANCE: Committee Members: Councilman Douglas Morrow, Councilman James Burk and Planning Commission Chairman Archie Campbell

City Clerk/Recorder Terri Hudson

Chairwoman Wilson called the Annexation Committee Meeting to order at 6:32 p.m. to review the petition submitted by Key Properties Group, LLC:

June 12, 2015

City of Milford
201 S Walnut Street
Milford Delaware 19963
RE: Petition for Annexation of Property
Tax Map No.: 330-15.00-58.01 & 58.04
Site Address: 7254 Cedar Creek Road (58.01)
7272 Cedar Creek Road (58 .04)

To Whom it May Concern:

We are requesting the above-referenced tax parcels be annexed into the City of Milford from Sussex County; 2.6+/- acres, currently zoned AR.

General Location Description:

The property is located on the west side of Cedar Creek Road, situated between the De1DOT SR 1 access ramp (south) and Wilkins Road (north). The parcel is contiguous to lands within the City of Milford (west and south).

The reason for our request is the parcels are included in Bayhealth Medical Center's new Health Campus. We are applying for Institutional Service District Zoning, which is consistent with Milford's Comprehensive Plan.

The annexation applications and supporting documents will be submitted by Bayhealth Medical Center.

She deferred to City Planner Rob Pierce to review his preliminary findings.

Property Owner:	Key Properties Group, LLC
Location:	7254 & 7272 Cedar Creek Road
Size:	2.6 +/- acres
Existing Zoning:	AR (Sussex County)
Proposed Zoning:	IS (Institutional Service District)
Tax Map and Parcel Number:	330-15.00-58.01 & 58.04

Mr. Pierce advised the committee that a petition from the property owners was submitted on June 17, 2015 to annex a total of 2.6 +/- acres into the corporate limits of the City of Milford. Each property is improved with a dwelling unit. However, it is anticipated that the applicant will demolish the structures and incorporate these properties into the overall health campus project.

The property is identified as Sussex County tax parcels 330-15.00-58.01 & 330-15.00-58.04 and will become part of the 1st Ward of the City of Milford.

The properties have frontage along Cedar Creek Road (State Route 30) but it is anticipated that access will be gained through the internal roadways associated with the health campus project.

Currently, there are roadside state-maintained swales along Cedar Creek Road (State Route 30). Mr. Pierce anticipates the health campus project will be required to adhere to the DNREC stormwater regulations and will have to obtain required permits from the Sussex Conservation District and State of Delaware.

The area proposed to be annexed is currently zoned AR (Agricultural Residential) in Sussex County under the Sussex County Zoning Ordinance. The applicant requests the property be changed to IS (Institutional Service District) under the City of Milford's Zoning Ordinance which aligns with the change of zone Bayhealth will propose with the campus.

The area will be served by a gravity sewer system associated with the southeast area utility agreement which involves the health campus onsite collection system.

The property will connect to a main coming from the new water tower to the east and to the existing water main on Wilkins Road.

Electric will be extended from the substation on Elks Lodge Road and additional loops will be provided from the north on Wilkins Road.

Mr. Pierce noted that the utilities are based on these parcels becoming part of the bigger Bayhealth project.

There is no anticipated impact for traffic and no anticipated environmental issues. The U.S. Army Corps of Engineers will ensure any wetlands on the site conform to Section 404 of the Clean Water Act.

As previously mentioned, the properties will be incorporated into the overall health campus project. This area is surrounded by vacant commercial, some existing low density residential and some vacant and moderate density residential areas.

The Carlisle Fire Department will provide fire and EMS coverage to this area. Milford Police Department will provide law enforcement services.

The annexation will be consistent with the Southeast Master Plan Future Land Use Plan and designated as employment center. The future land use plan will be reviewed by council during a public hearing later this evening. Mr. Pierce does not anticipate any issues with the application and approval.

No significant property tax or economic gain is expected from the two individual lots as a result of being incorporated into the overall health campus project as was previously pointed out.

Mr. Pierce then presented the advantages of the annexation. The property would be within the planning area of the City of Milford and identified within the Urban Growth Boundary Area of the 2008 Comprehensive Plan. The two properties will become part of the Bayhealth project.

He could find no disadvantage to the city.

Based on this review, he recommends the Annexation Committee recommend approval of the application with the following comments:

- *Annexation is consistent with the "Comprehensive Land Use Plan".
- *Property is contiguous to existing City Limits.
- *Any changes to the property are subject to review by the City of Milford Planning Commission and/or City Council.
- *Property will be served by City Electric, Sewer, and Water. Presently, these utilities are not available to the site.
- *An executed Annexation Agreement is required prior to final City Council approval.
- *Upon Council approval, a Municipal Annexation Plan of Services will be submitted to the Office of State Planning for their approval.

Chairwoman Wilson confirmed that all committee members have a clear understanding of what is being proposed; Mr. Morrow and Mr. Burk both stated yes.

Planning Chairman Campbell asked if this property will be eligible for a tax abatement. Ms. Wilson believes that until Bayhealth purchases the property, the owners will pay city taxes. The city planner reiterated that once Bayhealth purchases the property, it will be consolidated into one large lot and these lots will not longer be separated.

Mr. Morrow said it should be taxed under Key Group until it is considered a nonprofit when transferred to Bayhealth.

Mr. Morrow moved for a recommendation that city council proceed with the annexation of two parcels totaling 2.6 +/- acres currently owned by Key Group LLC at 7272 Cedar Creek Road and 7254 Cedar Creek Road, seconded by Mr. Burk. Motion carried with no one opposed.

Mr. Pierce noted that the annexation committee report will be presented by Ms. Wilson at the August 10th council meeting. He will then submit the plan of services to State Planning.

He followed by stating that public hearings will be scheduled for both the planning commission and city council to review the annexation and consider the change of zone. Final approval of the annexation by council will occur after the Office of State Planning Coordination accepts the plan of services.

Ms. Wilson thanked the committee for taking time to attend the meeting.

With no further business, Ms. Wilson adjourned the meeting at 6:48 p.m.

Respectfully submitted,



Terri K. Hudson, MMC
City Clerk/Recorder

MILFORD CITY COUNCIL
MINUTES OF MEETING
July 27, 2015

Milford City Council held Public Hearings on Monday, July 27, 2015 in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilpersons Garrett Grier III, James Burk, Douglas Morrow, Sr.
James Starling, Sr. and Katrina Wilson

Police Chief Keith Hudson and City Clerk/Recorder Terri Hudson

COUNSEL: City Solicitor David Rutt, Esquire

Mayor Shupe called the Public Hearing to order at 7:01 p.m. and deferred to City Planner Rob Pierce.

*Edwin M. Mow/Change of Zone/R1 to OB1
505 Lakeview Avenue/Tax Map and Parcel 1-30-3.07-120.00
Adoption/Ordinance 2015-08*

Mr. Pierce reported this property is located at 505 Lakeview Avenue and is improved with a doctor's office. The applicant is seeking a change of zone in order to eliminate their legal non-conforming use status.

This request required a map amendment to the 2008 Comprehensive Plan, which was filed and reviewed by the Office of State Planning Coordination (OSPC) at their May 2015 PLUS meeting. The city received approval from OSPC on June 19, 2015 and the comp plan map amendment approved by city council on June 22, 2015.

The OB-1 zoning designation allows professional offices of a low profile, low traffic category in areas of a residential nature where existing nonresidential buildings or structures are present. A physician/dentist office is a permitted use under the OB-1 designation.

He advised the existing area and height characteristics, including setbacks and lot coverage, are accepted under the provisions of the OB-1 zoning category, with the understanding that any change to a non-conforming characteristic would require additional approval by the city.

The planning commission recommended approval at their meeting on Tuesday, July 21, 2015.

Mayor Shupe asked for council comments. Mr. Morrow feels it clears up zoning inconsistencies that have been overlooked for many years.

Solicitor Rutt then directed Mayor Shupe to call the applicant to the podium.

Solicitor Rutt explained he is required to ask Dr. Mow questions in order to have a record. He referenced Mr. Pierce's presentation and asked Dr. Mow if he understands that he is rezoning his property from R-1 to OB-1; Mr. Mow stated yes he does understand.

Solicitor Rutt asked Dr. Mow when he first acquired the property; Dr. Mow said he believes the early part of 1990.

Solicitor Rutt asked if Dr. Mow has had an office there since the time the building was acquired; Dr. Mow said yes and that it had been medical offices prior to his occupancy as well.

Solicitor Rutt asked if Dr. Mow was aware that the land use plan has been amended to designate this parcel as OB-1; Dr. Mow stated yes.

Solicitor Rutt asked if Dr. Mow's application will make the parcel conform to the land use plan; Dr. Mow answered yes.

Solicitor Rutt asked if this is essentially a 'fill in' because there are other commercial or OB-1 types of uses in that area; Dr. Mow said he believes so, yes.

Solicitor Rutt then asked Dr. Mow if he had anything to add; Dr. Mow said no and that he approves of the recommendation as this moves forward.

Solicitor Rutt stated that he has no further questions at this time.

Mayor Shupe then opened the floor to open public comment. No one responded and the mayor closed the public comment portion of the meeting.

Mr. Grier moved to adopt the following ordinance, seconded by Ms. Wilson:

Ordinance 2015-08
Edwin W. Mow for a Change of Zone

AN ORDINANCE OF THE CITY OF MILFORD, DELAWARE to amend the zoning map of the City of Milford by rezoning 0.59 +/- acres of real property from R1 (Single Family Residential) to OB1 (Office Building) at 505 Lakeview Avenue, Milford, Delaware. Present Use: Doctor's Office. Proposed Use: Same. Tax Map and Parcel: 1-30-3.07-120.00

WHEREAS, the City of Milford Planning Commission will consider the change of zone application at a Public Hearing on June 16, 2015; and

WHEREAS, Milford City Council will hold a Public Hearing on June 22, 2015 to allow for public comment and further review of the ordinance; and

WHEREAS, it is deemed in the best interest of the City of Milford to allow a change of zone as herein described.

NOW, THEREFORE, the City of Milford hereby ordains as follows:

Section 1. Upon the adoption of this ordinance, tax map and parcel 1-30-3.07-120.00, owned by Edwin M. Mow located at 505 Lakeview Avenue, is hereby zoned OB1.

Section 2. An amendment to the Future Land Use Map of the Comprehensive Plan indicating the property as employment zoned future land use will be adopted prior to the property record card being amended to indicate the OB1 zoning.

Section 3. Dates.

Introduction: June 8, 2015

Adoption: June 22, 2015

Effective: July 2, 2015

Motion carried.

*Masten Medical LLC/Change of Zone/R1 to OB1
509 Lakeview Avenue/Tax Map and Parcel 1-30-3.07-122.00
Adoption/Ordinance 2015-09*

City Planner Pierce reported that this mirrors the previous applicant. This property is located next door at 509 Lakeview Avenue and is improved with a doctor's office. The applicant is seeking a change of zone in order to eliminate their legal non-conforming status.

This request required a map amendment to the 2008 Comprehensive Plan which was filed and reviewed with the Office of State Planning Coordination at the May 2015 PLUS meeting. The city received approval from Office of State Planning on June 19, 2015. The comp plan map amendment was approved by city council on June 22, 2015.

The OB-1 zoning designation allows professional offices of a low profile, low traffic category in areas of a residential nature where existing nonresidential buildings or structures are present. A physician/dentist office is a permitted use under the OB-1 designation.

Existing area and height characteristics, including setbacks and lot coverage, are accepted under the provisions of the OB-1 category, with the understanding that any change to a non-conforming characteristic would require additional approval by the city.

The planning commission recommended approval at their meeting on Tuesday, July 21, 2015.

Mayor Shupe asked if a representative of Masten Medical LLC was present; James Masten was present.

Solicitor Rutt informed Mr. Masten he would be asked some questions so a record can be built.

Solicitor Rutt asked Mr. Masten when Masten Medical LLC acquired the property; Mr. Masten believes his grandfather bought it in the mid-seventies when his parents returned to Milford. Masten Medical LLC was formed approximately two to three years ago.

Solicitor Rutt asked Mr. Masten when his parents opened an office there; Mr. Masten said he believes in 1977.

Solicitor Rutt asked if it has been used as an office since that time; Mr. Masten stated yes.

Solicitor Rutt asked if Mr. Masten understands that it has been used as an office since that time; Mr. Masten answer yes.

Solicitor Rutt asked if Mr. Masten understands this office is in an R-1 zone at this point; Mr. Masten stated that is correct.

Solicitor Rutt asked if Mr. Masten's request is to change to the OB-1 so it conforms to the land use amendment; Mr. Masten stated yes.

Solicitor Rutt said that Mr. Masten served on the planning commission at one point and asked him if he is familiar with fill-in zoning; Mr. Masten stated yes.

Solicitor Rutt asked Mr. Masten if this is a fill-in zone to conform to other properties in the area; Mr. Masten answered yes it is.

Solicitor Rutt stated he has no other questions.

With no questions from council, Mayor Shupe opened the floor for public comments. With no response, the mayor closed the public comment session for this application.

Mr. Morrow moved to adopt the following motion, seconded by Mr. Starling.

Ordinance 2015-09
Masten Medical LLC for a Change of Zone

AN ORDINANCE OF THE CITY OF MILFORD, DELAWARE to amend the zoning map of the City of Milford by rezoning 1.09 +/- acres of real property from R1 (Single Family Residential) to OB1 (Office Building) at 509 Lakeview Avenue, Milford, Delaware. Present Use: Doctor's Office. Proposed Use: Same. Tax Map and Parcel: 1-30-3.07-122.00

WHEREAS, the City of Milford Planning Commission will consider the change of zone application at a Public Hearing on June 16, 2015; and

WHEREAS, Milford City Council will hold a Public Hearing on June 22, 2015 to allow for public comment and further review of the ordinance; and

WHEREAS, it is deemed in the best interest of the City of Milford to allow a change of zone as herein described.

NOW, THEREFORE, the City of Milford hereby ordains as follows:

Section I. Upon the adoption of this ordinance, tax map and parcel 1-30-3.07-122.00, owned by Masten Medical LLC located at 509 Lakeview Avenue, is hereby zoned OB1.

Section 2. An amendment to the Future Land Use Map of the Comprehensive Plan indicating the property as employment zoned future land use will be adopted prior to the property record card being amended to indicate the OB1 zoning.

Section 3. Dates.

Introduction: June 8, 2015

Adoption: June 22, 2015

Effective: July 2, 2015

Motion carried.

*Perdue Real Estate Holdings Inc./Change of Zone/C3 to I2
N. Rehoboth Boulevard/MD-16-187.01-01.00
Adoption/Ordinance 2015-07*

Mr. Pierce advised that Perdue has a conglomerate of six parcels at their site. He said that Ordinance 2015-07 is a change of zone of one parcel from C3 to I2.

He said the city received site plan approval from the planning commission on July 15, 2014, at which time they were notified to combine four of their six parcels containing the chicken processing plant, due to the plant footprint crossing the parcel boundaries. Of the four parcels to be combined, one was zoned C3 and the other three were zoned I2.

In order to combine the parcels, a change of zone was required for the (one) 2.6 acre parcel to prevent split zoning.

When reviewing the change of zone application, it was determined the proposed zoning was inconsistent with the Future Land Use Map of the 2008 Comprehensive Plan. As a result, a comprehensive plan map amendment request was required and filed with the Office of State Planning Coordination in May 2015. This request was reviewed at the June 15, 2015 Office of State Planning PLUS meeting. The city received written response from that office on July 24, 2015 with no major comments or concerns.

The planning commission recommended approval of the change of zone on Tuesday, June 16, 2015.

Mayor Shupe asked that a representative from Perdue come to the podium; Attorney Veronica Faust of Morris James LLP stated she is the counsel for Perdue. She noted that Dean Walston, Director of Operations at the Milford Perdue plant, was also present.

Mr. Rutt directed Attorney Faust to handle this record.

Ms. Faust informed council that Perdue is asking city council to approve the change of zone from C3 to I2. She said they are asking to bring this parcel into conformity with the remainder of the Perdue plant parcels.

With no questions or comments from city council, Mayor Shupe opened the floor for public comment. Seeing none, the mayor closed the floor to public comments.

Ms. Wilson moved to adopt the following ordinance, seconded by Mr. Grier:

Ordinance 2015-07
Perdue Real Estate Holdings Inc. for a Change of Zone

AN ORDINANCE OF THE CITY OF MILFORD, DELAWARE to amend the zoning map of the City of Milford by rezoning 2.60 +/- acres of real property from C3 (Highway Commercial) to I2 (General Industrial) at N Rehoboth Boulevard, Milford, Delaware. Present Use: Chicken processing Plan. Proposed Use: Same. Tax Map and Parcel: MD-16-183.07-01-01.00

WHEREAS, the City of Milford Planning Commission will consider the change of zone application at a Public Hearing on June 16, 2015; and

WHEREAS, Milford City Council will hold a Public Hearing on July 27, 2015 to allow for public comment and further review of the ordinance; and

WHEREAS, it is deemed in the best interest of the City of Milford to allow a change of zone as herein described.

NOW, THEREFORE, the City of Milford hereby ordains as follows:

Section 1. Upon the adoption of this ordinance, tax map and parcel MD-16-183.07-01-01.00, owned by Perdue Real Estate Holdings Inc., located at N Rehoboth Boulevard, is hereby zoned I2.

Section 2. An amendment to the Future Land Use Map of the Comprehensive Plan indicating the property as industrial zoned future land use will be adopted prior to the property record card being amended to indicate the I2 zoning.

Section 3. Dates.

Introduction: July 13, 2015

Adoption: July 27, 2015

Effective: August 6, 2015

Motion carried.

*Amending 2008 City of Milford Comprehensive Plan/SE Master Plan
Adoption/Ordinance 2015-06*

Planner Pierce reported this is a proposed map and text amendment to the Southeast Neighborhood Master Plan. The amendment changes certain parcels west of Route 1 from commercial and residential future land use to employment future land use. The reason for this change is to allow for the construction of the new medical campus on these lands. At one point, this area was designated commercial and it has been changed in the comp plan to employment center to accommodate the health campus.

He said that in addition, the approved and recorded townhouse Wickersham subdivision, will be changed from residential-low density to residential-high density and will be built at approximately five dwelling units per acre.

In addition, a portion of the parcel north of Wickersham, part of the Hall property on both sides of the Wilkins Road overpass, is landlocked and will be changed from commercial to residential-high density. This area will most likely need to gain access through the Wickersham development and the residential land use is more compatible. The text of the plan is also changed to adjust the definition of residential-high density future land use. The previous definition limited this land use category to two subdivisions--Hearthstone Manor and Hearthstone II. Wickersham is the third subdivision so the limitation restriction relating to the number of subdivisions will be removed.

This request was reviewed at the Office of State Planning Coordination February PLUS meeting. The city received approval from that office on April 23, 2015.

The planning commission recommended approval at their meeting on Tuesday, June 16, 2015.

When asked the difference in low and high density, Mr. Pierce explained that high density is five to twelve units per acre and low density is any number below.

Solicitor Rutt then announced that he needed to make a statement. He said he has also represented the Hall family for many years. He said when Mr. Medlarz was preparing this, he and Mr. Rutt discussed his representation of the Halls. The one section of the Hall property, as Mr. Pierce indicated, is to the south of the on-ramp at Route 1. He said they talked about having that one section on the south side changed to high density. They talked about that with the specific condition that it would still need to be considered part of the larger parcel.

Mr. Rutt continued by stating that if the property is ever developed on the north side, that small piece may be needed for stormwater management. With that in mind, Mr. Rutt is asking council, on behalf of the Hall family, to approve this with the condition there is split zoning on that parcel so that the southeast piece could be used for stormwater management. The solicitor explained it is something that has been there forever.

The solicitor said that Mr. Medlarz had suggested this in case there was a future developer who wanted to make the Hall property high residential density. They could then access it through Wickersham. He said that is the only reason the Halls agreed to that.

Mr. Grier asked if council needs to make note that it could be used for future stormwater management; Mr. Rutt answered yes, if the Hall family or a developer needed it. He referenced the larger parcel which is zoned commercial.

Ms. Wilson asked if our planner was aware of this; Mr. Rutt said that he made this same statement at the planning commission when they approved it. The commission made it a condition of the approval at that time.

With no further council comments, Mayor Shupe opened the floor to public comment. No one responded and the mayor closed the floor to public comment.

Mr. Grier moved to adopt the following ordinance with the condition that the Hall piece to the south of the Route 1 on-ramp, for the purpose of future development, remain part of the larger parcel and it could be used as needed, seconded by Ms. Wilson:

Ordinance 2015-06
AMENDING AND ADOPTING BY ORDINANCE THE SOUTHEAST MASTER PLAN
INCLUDED IN THE 2008 CITY OF MILFORD COMPREHENSIVE PLAN

WHEREAS, pursuant to Title 22-Municipalities, Chapter 7-Planning Commission, Section 7-Establishment; Membership, of the Delaware Code, the City of Milford established a Planning Commission, and

WHEREAS, pursuant to Title 22-Municipalities, Chapter 7-Planning Commission, Section 702-Comprehensive Development Plan, of the Delaware Code, the City of Milford adopted via Ordinance 2011-15 a Comprehensive Plan update on July 11, 2011 to include the addition and implementation of the Southeast Master Plan, and

WHEREAS, the Southeast Master Plan requires revisions to account for physical changes and potential development in the Southeast Planning Area which have occurred in both the built and natural environments of the community; and

WHEREAS, the City of Milford City Manager has prepared and consulted with the Office of State Planning an amendment of the Southeast Master Plan to articulate an amended the overall vision for the Southeast Planning neighborhood's future; and

WHEREAS, the City of Milford Planning Commission held a duly advertised public hearing for public review and comment on the Southeast Master Plan amendment on June 16, 2015 and did recommend approval and adoption of the amendment of the Southeast Master Plan included in the 2008 Comprehensive Plan, and

WHEREAS, the Mayor and City Council held a duly advertised public hearing on the amendment of the Southeast Milford Master Plan included in the 2008 Comprehensive Plan on July 27, 2015 at which time the amendment of the Southeast Master Plan included in the 2008 Comprehensive Plan was reviewed with the public.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS that the amended Southeast Master Plan included in the 2008 Comprehensive Plan is hereby adopted on July 27, 2015 and made effective as the Southeast Master Plan included in the Comprehensive Plan for Milford, on this 6th day of August 2015.

City Council Introduction: June 22, 2015

Adoption: July 27, 2015

Effective: August 6, 2015

Motion carried.

With no further business, Mayor Shupe adjourned the Public Hearing at 7:33 p.m.

Respectfully submitted,



Terri K. Hudson, MMC
City Clerk/Recorder

MILFORD CITY COUNCIL
MINUTES OF MEETING
July 27, 2015

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, July 27, 2015.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilpersons Garrett Grier III, James Burk, Douglas Morrow, Sr.
James Starling, Sr. and Katrina Wilson

Police Chief Keith Hudson and City Clerk/Recorder Terri Hudson

COUNSEL: City Solicitor David Rutt, Esquire

CALL TO ORDER

Mayor Shupe called the Council Meeting to order at 7:21 p.m.

INVOCATION AND PLEDGE

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

RECOGNITION

Proclamation 2015-18/Social Security 80th Anniversary Signing

Mayor Shupe reported that Public Affairs Specialist Matthew Baxter from the Social Security Administration in New Castle asked that he join other public officials from across the nation by issuing a proclamation in recognition of the Social Security Administration's 80th Anniversary on August 14th. See below:

WHEREAS, On August 14, 1935, President Franklin D. Roosevelt signed the Social Security Act into law; and

WHEREAS, Social Security is a social insurance program under which workers earn coverage for retirement survivors and disability benefits by paying Social Security taxes on their earnings; and

WHEREAS, Social Security serves as vital financial protection for working men and women, children those with disabilities and the elderly; and

WHEREAS, Social Security also administers the Supplemental Security Income program, which is funded by general revenues and provides cash assistance to aged, blind and disabled persons who have very limited means; and

WHEREAS, The Social Security program is the cornerstone of economic protection on which workers can build a comfortable retirement through pensions, insurance, savings and other income; and

WHEREAS, Social Security is committed to providing the American public choices for conducting business with the agency. The Social Security website offers online services, applications, and program information for beneficiaries, employers and the public; and

WHEREAS, my Social Security allows people quick, convenient, and secure access to their personal Social Security record. A personal my Social Security account is a valuable source of information beginning in employees' working years and continuing throughout the time they receive Social Security benefits; and

WHEREAS, The City of Milford recognizes the importance of Social Security benefits to the welfare of its citizens and

joins the Social Security Administration in celebrating its past and in building its future;

NOW, THEREFORE, I, Bryan W. Shupe, Mayor of the City of Milford, do hereby proclaim on Friday, August 14, 2015 the City of Milford joins the Nation in celebrating the 80th anniversary of the signing of the Social Security Act.

s/Mayor Bryan Shupe

COMMUNICATIONS

Mayor Shupe read the following card from the Pikus family into record:

Dear Mayor Shupe and Milford City Council:

Our family was so touched by your support and the beautiful flowers at the service. Dad enjoyed city council and was fortunate to serve with all of you.

The mayor said that Councilman Pikus' family was overwhelmed with the support from not only city council and city employees, but from the community as well.

UNFINISHED BUSINESS

Introduction/Ordinance 2015-13/Chapter 193-Solid Waste Code/Fee Increase

Mayor Shupe introduced Ordinance 2015-13 and explained that this is a housekeeping ordinance to comply with the fifty-cent monthly trash increase approved by city council with the adoption of the city's Fiscal Year 15-16 budget:

Ordinance 2015-13
CHAPTER 193-SOLID WASTE MANAGEMENT
§193-11 - Collection and Rate Schedule

WHEREAS, the Solid Waste Department requires increased revenue to offset additional expenses related to operational and maintenance costs beginning with the Fiscal Year 2015-2016 budget; and

WHEREAS, in order to ensure the continued financial viability of the City of Milford's Solid Waste funds, City Council approved the recommended rate adjustments at the time Resolution 2015-08 was adopted; and

WHEREAS, starting in Fiscal Year 2015-201, a fifty-cent monthly increase will be added each year to the monthly Solid Waste fee for the next three years.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

Section 1. §193-11 - Collection and Rate Schedule of the Solid Waste Management Code is hereby amended to read as follows:

§193-11- Collection and 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 provided to all customers and any changes thereto.
- C. Residential properties:
~~\$23.50 monthly - one container~~

Effective:

July 1, 2015 - \$24.00 monthly - one container

July 1, 2016 - \$24.50 monthly - one container

July 1, 2017 - \$25.00 monthly - one container

D. Non-residential properties:
~~\$23.50 monthly - one container~~

Effective:

July 1, 2015 - \$24.00 monthly - one container

July 1, 2016 - \$24.50 monthly - one container

July 1, 2017 - \$25.00 monthly - one container

E. Multi-unit rental complex.
~~\$23.50 monthly - one container per unit or three-cubic-yard dumpster(s).~~

Effective:

July 1, 2015 - \$24.00 monthly - one container per unit or three-cubic-yard dumpster(s)

July 1, 2016 - \$24.50 monthly - one container per unit or three-cubic-yard dumpster(s)

July 1, 2017 - \$25.00 monthly - one container per unit or three-cubic-yard dumpster(s)

Section 2. Dates

Adopted: August 10, 2015

Effective Date: As stated

He recalled previous discussions about the financial situation of this department over the past couple years. This was the result of increased landfill, tipping and other miscellaneous costs. We are presently transferring funds out of a surplus fund account to cover a \$60,000 annual deficit.

The ordinance includes a fifty-cent solid waste increase per month per year over the next three years that will total \$1.50 by year 2017 (\$25.00). The increase this year will bring in an additional \$20,000 for a total of \$60,000 by 2017. This should make up for that deficit.

Formal action will be taken at the next council meeting.

Introduction/Ordinance 2015-14/Appendix B/Electric Rules and Regulations

Mayor Shupe then introduced Ordinance 2015-14. He explained this ordinance rescinds two new fees that were included in the complete overhaul of the Electric Rules and Regulations adopted on June 22nd. Fees being removed are the deposit return request processing fee and budget billing fee. The city prefers to encourage budget billing and believes this would have the opposite effect.

AN ORDINANCE OF THE CITY OF MILFORD AMENDING THE CITY OF MILFORD CODE, SECTION 22, APPENDIX 1, ELECTRIC RATES AND REGULATIONS, BY REPEALING THE DEPOSIT RETURN REQUEST PROCESSING FEE AND BUDGET BILLING FEES.

WHEREAS, City Council previously adopted Ordinance 2015-10 on June 22, 2015 which imposed a new Deposit Return Request Processing Fee and a new Budget Billing Fee; and

WHEREAS, City Council finds this is not in the best interest of the City of Milford Electric Customers nor is it cost effective when comparing associated costs required to implement.

NOW, THEREFORE, BE IT RESOLVED, Appendix B-City of Milford Electric Rates, Appendix 1 and Regulations is hereby amended by rescinding and removing the following language:

Section 1. APPENDIX 1 – FEE SCHEDULE (Section 22)

~~Deposit Return Request Processing Fee.....20% of Deposit (not to exceed \$15.00)~~

~~Budget Billing Fee (Sec 5.8)~~

For Residential Customers	\$1.00/Month
For SGS and MGS Customers	\$5.00/Month
For all Others	\$10.00/Month

Section 2. DATES.

Introduction: July 27, 2015

Adoption (Projected): August 10, 2015

The mayor stated that the request processing fee of \$15 would have required the customer to contact customer service in order to receive their electric deposit back. Council was uncomfortable requiring customers to pay a fee in order to be eligible to receive their money back. It also created additional recordkeeping and follow-up for our customer service employees thus making it impractical in comparison to the high cost of changing our billing software program.

The other concern was the proposed \$1 a month budget billing fee. That fee would be charged to customers in our budget program. The city encourages customers to be on budget billing and council felt this would deter them.

As a result, it was recommended that both items be removed from the ordinance.

Action will be taken on this ordinance at the next council meeting.

Rescind USDA Resolution 2015-13 (adopted 07/13/2015)

Mayor Shupe advised that our bond attorney found some errors in USDA Resolution 2015-13 adopted at the previous council meeting. After further review, the USDA decided to create two separate resolutions due to the differences in the borrowing amounts and rates.

Mr. Morrow moved to rescind Resolution 2015-13 adopted on July13, 2015, seconded by Mr. Grier:

RUS BULLETIN 1780-27

APPROVED

OMB. No. 0572-0121

LOAN RESOLUTION

A Resolution of the City Council of the Milford, City of, authorizing and providing for the incurrence of Indebtedness for the Purpose of Providing a Portion of the Cost of Acquiring, Constructing, Enlarging, Improving, and/or Extending Its Water Facility to Serve an Area Lawfully Within Its Jurisdiction to Serve.

WHEREAS, it is necessary for the Milford, City of, (herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of Six Hundred Thousand (\$600,000) pursuant to the provisions of the Charter.

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

- 1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.*
- 2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from*

responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).

3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.

4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal ly permissible source.

5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may

(a) declare the entire principal amount then outstanding and accrued interest immediately due and payable,

(b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or

(c) take possession of the facility, repair, maintain, and operate or rent it.

Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.

6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.

7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.

8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.

9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.

10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.

12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.

13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.

14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.

15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such people shall have a direct right of action against the Association or public body.

16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.

17. To accept a grant in an amount not to exceed \$1,000,000 under the terms offered by the Government; that Jeff Portmann of the association is hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

s/Mayor Bryan Shupe

Motion carried.

Adoption/Amended Resolution 2015-13/Authorize Indebtedness for Improvements to Sewer System

Mayor Shupe explained the following resolution replaces the previously rescinded 2015-13. This resolution specifically addresses the \$600,000 USDA borrowing offer (and \$1 million grant) which will be presented to voters on September 1st.

Ms. Wilson moved to adopt Resolution 2015-13, seconded by Mr. Starling:

RUS BULLETIN 1780-27

APPROVED
OMB. No. 0572-0121

LOAN RESOLUTION

A Resolution of the City Council of the Milford, City of, authorizing and providing for the incurrence of Indebtedness for the Purpose of Providing a Portion of the Cost of Acquiring, Constructing, Enlarging, Improving, and/or Extending Its Sewer Facility to Serve an Area Lawfully Within Its Jurisdiction to Serve.

WHEREAS, it is necessary for the Milford, City of, (herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of Six Hundred Thousand Dollars (\$600,000) pursuant to the provisions of the Charter.

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

- 1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.*
- 2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).*
- 3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.*
- 4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal ly permissible source.*
- 5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may*
 - (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable,*
 - (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or*

(c) take possession of the facility, repair, maintain, and operate or rent it.

Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.

6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.

7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.

8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.

9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.

10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.

12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.

13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.

14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.

15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.

16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.

17. To accept a grant in an amount not to exceed \$1,000,000 under the terms offered by the Government; that Jeff Portmann of the association is hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

s/Mayor Bryan Shupe

Motion carried.

Adoption/Resolution 2015-15/Authorize Indebtedness for Improvements to Sewer System

Mayor Shupe reported that Resolution 2015-15 addresses the \$1 million borrowing offer (and \$1 million grant) which is included in the borrowing proposal being presented to voters at the September 1st Special Election.

Mr. Grier moved to adopt Resolution 2015-15, seconded by Mr. Morrow:

LOAN RESOLUTION

A Resolution of the City Council of the Milford, City of, authorizing and providing for the incurrence of Indebtedness for the Purpose of Providing a Portion of the Cost of Acquiring, Constructing, Enlarging, Improving, and/or Extending Its Sewer Facility to Serve an Area Lawfully Within Its Jurisdiction to Serve.

WHEREAS, it is necessary for the Milford, City of, (herein after called Association) to raise a portion of the cost of such undertaking by issuance of its bonds in the principal amount of One Million Dollars (\$1,000,000) pursuant to the provisions of the Charter.

WHEREAS, the Association intends to obtain assistance from the United States Department of Agriculture, (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking and the purchasing of bonds lawfully issued, in the event that no other acceptable purchaser for such bonds is found by the Association:

NOW THEREFORE, in consideration of the premises the Association hereby resolves:

- 1. To have prepared on its behalf and to adopt an ordinance or resolution for the issuance of its bonds containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.*
- 2. To refinance the unpaid balance, in whole or in part, of its bonds upon the request of the Government if at any time it shall appear to the Government that the Association is able to refinance its bonds by obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act (7 U.S.C. 1983(c)).*
- 3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.*
- 4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Association. Such indemnification shall be payable from the same source of funds pledged to pay the bonds or any other legal ly permissible source.*
- 5. That upon default in the payments of any principal and accrued interest on the bonds or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may*
 - (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable,*
 - (b) for the account of the Association (payable from the source of funds pledged to pay the bonds or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or*
 - (c) take possession of the facility, repair, maintain, and operate or rent it.**Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Association, and default under any such instrument may be construed by the Government to constitute default hereunder.*
- 6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.*
- 7. Not to defease the bonds, or to borrow money, enter into any contractor agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the bonds.*
- 8. To place the proceeds of the bonds on deposit in an account and in a manner approved by the Government. Funds may be deposited in institutions insured by the State or Federal Government or invested in readily marketable securities backed by the full faith and credit of the United States. Any income from these accounts will be considered as revenues of the system.*
- 9. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.*
- 10. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that is needed to pay operating and*

maintenance debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by USDA. No free service or use of the facility will be permitted.

11. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.

12. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.

13. To provide the Government at all reasonable times access to all books and records relating to the facility and access to the property of the system so that the Government may ascertain that the Association is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.

14. That if the Government requires that a reserve account be established, disbursements from that account(s) may be used when necessary for payments due on the bond if sufficient funds are not otherwise available and prior approval of the Government is obtained. Also, with the prior written approval of the Government, funds may be withdrawn and used for such things as emergency maintenance, extensions to facilities and replacement of short lived assets.

15. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain USDA's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Association or public body.

16. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.

17. To accept a grant in an amount not to exceed \$1,000,000 under the terms offered by the Government; that Jeff Portmann of the association is hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant; and to operate the facility under the terms offered in said grant agreement(s).

s/Mayor Bryan Shupe

Motion carried.

Adoption/Resolution 2015-16/Changing Special Election Date

Mayor Shupe reported that the Special Election for the vacant 2nd Ward Council seat has been rescheduled for Tuesday, September 1, 2015 from 7:00 a.m. to 7:00 p.m. at Milford City Hall, 201 South Walnut Street, Milford, Delaware.

Candidates are reminded to file their petitions no later than 4:30 p.m. on Monday, August 3, 2015. Anyone not registered to vote in the city is asked to do so by August 3rd as well.

This resolution changes the date of the 2nd ward election from August 12th to September 1st to coincide with State of Delaware municipal election laws.

Mr. Burk moved to adopt Resolution 2015-16, seconded by Mr. Grier:

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF MILFORD, DELAWARE ("City Council") DECLARING A VACANCY IN THE OFFICE OF CITY COUNCIL MEMBER AND CALLING A SPECIAL ELECTION TO FILL SUCH VACANCY FOR THE UNEXPIRED TERM; ESTABLISHING THE DATE AND TIME FOR CANDIDATE FILING DEADLINE AND VOTER REGISTRATION DEADLINE.

WHEREAS, Article IV Council Government-Composition, Qualifications, Vacancies and Procedure, of the Charter ("Charter") of the City of Milford states that the Office of a Councilperson shall become vacant upon death, resignation or removal from office in any manner authorized by law, or ceases to be a lawfully registered voter of the City and a resident of the Ward in which he/she resided at the time of the election; and

WHEREAS, the Charter further states that at the time of the vacancy, if the remainder of the unexpired term is six months or greater than six months, the election authorities shall call a special election to fill the vacancy for the remainder of the

unexpired term and the special election shall be held not sooner than twenty (20) days nor later than thirty (30) days following the vacancy; and

WHEREAS, this Resolution hereby rescinds Resolution 2015-14, previously adopted by City Council on July 13, 2015.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILFORD:

SECTION 1-VACANCY

On July 13, 2015, City Council declared a vacancy in the Office of City Council, Second Ward.

SECTION 2-SPECIAL ELECTION

City Council orders a Special Election for the City of Milford on Tuesday, September 1, 2015 from 7:00 a.m. until 7:00 p.m. at Milford City Hall, 201 South Walnut Street, Milford, Delaware, for the purpose of electing a Second Ward Council Member to serve the remaining of the unexpired term of that office. The candidate receiving a majority of the votes cast shall be declared elected to such office.

SECTION 3-SECOND WARD CANDIDATE DEADLINE

Interested qualified candidates from the Second Ward shall file a petition for the vacant seat no later than 4:30 p.m. on Monday, August 3, 2015.

SECTION 4-VOTER REGISTRATION REQUIRED DEADLINE

To be eligible to vote in this Second Ward Special Election, qualified residents and property owners, determined by Article II Nominations and Elections of the Charter, who have not registered to vote in City of Milford elections must register at Milford City Hall, 201 South Walnut Street, Milford, Delaware, no later than 4:30 p.m. on Monday, August 3, 2015.

SECTION 5-ABSENTEE BALLOTS

Registered voters who wish to obtain an absentee ballot should contact Milford City Hall at 302-424-3712.

Motion carried.

City of Milford Charter Review/Appointment of Committee

The mayor recalled talking about a review of the city charter. Instead of putting this in a workshop with nine people, he felt it would be more appropriate to appoint a committee to begin this process. He recommends that one council representative from each ward be appointed to provide a broad spectrum of ideas and thoughts. Once that review is complete, it can be brought to council for their input.

Mr. Burk moved to appoint a committee to review the city charter, seconded by Mr. Morrow.

Mr. Grier asked who will determine the members; Mayor Shupe said he would prefer to hear from interested council members from each ward. He is willing to make some recommendations but if that person is unable to commit the time or cannot serve on the committee, the other ward representative will be appointed.

Motion carried.

NEW BUSINESS

McCrone Contract Change Order/Hearthstone Design

City Planner Rob Pierce recalled this matter being referenced in the April supplemental city manager's report. According to that report, Mr. Pierce said the former city manager and solicitor were addressing the unresolved recordation of Hearthstone Manor's Phases 5 and 7-13. The report stated that progress continued to be made with Phases 7 & 9, which should be ready for recordation in the near future. This will allow Key Properties Group to proceed with construction and

resolve any underlying issues related to right-of-way dedication time lines, easements and previously approved construction documents involving water, sewer, roadways and grading.

That report stated that the city's contractual engineer and the city manager had reviewed the construction documents associated with those phases approved by the previous in-house engineer. They had determined that value engineering was necessary to avoid unnecessary expenses in construction, as well as long-term maintenance responsibilities associated with roads and utilities.

At that time, the city manager recommended to council and council approved a temporary time and material contract with McCrone, with a not-to-exceed limit of \$17,500, to be funded out of the enterprise fund reserves.

Since that time and before his resignation, McCrone approached the previous city manager requesting an additional \$9,600 to complete the full design of water and sewer related sheets through permitting.

Mr. Pierce noted that the Hearthstone owner/developer is still required to pay for all revised permit fees adding that is not a responsibility of the city as the former city manager had stated.

Mr. Pierce also stated that the recommendation is to approve the amended contract, with a revised not-to-exceed limit of \$27,100, to be paid out of enterprise fund reserves to complete the work originally intended.

Mayor Shupe asked Mr. Rutt to comment; Mr. Rutt explained it is quite a contract amendment. He said he also looked at the designs and the design flaws were so blatant that a lot of time would be spent trying to figure out how to fix them. He explained that is why the engineering was needed at the time.

When asked if this is the city's responsibility, Mr. Rutt said that what was submitted for approval, should have been picked up previously. The designs should not have been approved several years ago and amendments should have been required at the time. Since they were approved by the city, it would not be equitable to go back and require Hearthstone to redo the designs. That is how this became a joint effort. The city is handling the value engineering and once the flaws are identified, it will be Hearthstone's responsibility to incorporate them into their new plans and bring them back for permitting purposes.

Ms. Wilson recalled a number of flaws in the original Hearthstone plan that were identified five, six or seven years ago.

Mr. Pierce explained this is the planned area east of Hearthstone and not the area that has already been constructed. He said this involves water and sewer utilities and the excess amount of lines where things could have been truncated off. In the long run, this will save the city money should any repairs be needed in the future.

When asked if this involves the swale system, Mr. Pierce explained that Hearthstone has been asked to address those issues in future phases, in terms of the required slopes adjacent to driveways and roadside swales. That will be addressed at the time of the review prior to the recordation process.

Mr. Rutt stated that as an example, in the adjacent parcel, one of the lines designed was more than twenty feet in the ground. There was no reason for that and in order for the other developer to connect would have required them to go twenty feet deep.

Ms. Wilson said she understands but emphasized that she does not want the city to have to go back and fix things in the original phases that council agreed a long time ago would not happen. She agrees that any designs in future phases need attention before construction begins.

Mr. Pierce emphasized this only involves the design of the unbuilt phases that include Phases 5 and 7-13. It will include some coordination to ensure they adhere to the grading requirements around the roadway swales.

Mr. Grier moved to approve the McCrone contract amendment to complete the utility value engineering for Hearthstone Manor Phases 5 and 7-13, with a not-to-exceed total of \$27,100, seconded by Mr. Burk.

MSD/MPD MOU Agreement Amendment

Mayor Shupe reported that Chief Hudson met with School Superintendent Phyllis Kohel to review the proposed amendment. The district has agreed to the city's proposal as was previously discussed by city council.

Chief Hudson recalled that the agreement was discussed by city council during an executive session. Council agreed to pay a portion of each officers' cost by reducing the school's cost by \$50,000 total per year. As a result of the partnership, all three officers will return to Milford School District.

Mayor Shupe thanked Chief Hudson and the police committee for arriving at an amenable resolution. He looks forward to working with the school and the community in hopes of bringing everyone together and feels this is a step toward that goal.

Mr. Morrow moved to approve the amended Milford School District SRO MOU by reducing Milford School Districts' costs by \$50,000 per year, seconded by Ms. Wilson. Motion carried.

FY2015-2016 Budget Adjustment/Police Department/SRO Funding

The mayor explained that in order to accomplish this, the police department budget must be increased by \$50,000. It is recommended that amount be transferred from the realty transfer tax fund to cover that increase.

Mr. Morrow moved to approve a \$50,000 FY 2015-16 police department budget increase to be paid from the realty transfer tax fund, seconded by Mr. Starling. Motion carried.

St. John the Apostle Church/Oktoberfest 2015/Chapter 77/Alcohol Waiver

Mayor Shupe reported that St. Johns Catholic Church will be celebrating their 25th Annual Oktoberfest on Friday, October 2nd from 6:00 p.m. to 10:00 p.m. and Saturday, October 3rd from 10:00 a.m. to 10:00 p.m.

They are asking permission to block off a portion of School Place to eliminate congestion in front of the church. In keeping with the Oktoberfest tradition, they have also requested a waiver to Chapter 77 which will allow alcohol to be served at the event.

Mr. Morrow moved to allow a portion of School Place be blocked off as requested and that alcohol be permitted to be served at the Oktoberfest on October 2 and October 3, 2015, seconded by Mr. Grier. Motion carried.

Greater Kent Committee/Semi-Annual Dues

Mayor Shupe reminded council that the Greater Kent Committee is a nonprofit membership organization created in the late 1980's by top business executives in Central Delaware. This organization is dues-supported and individuals must be invited to become a member.

He said the city works hand-in-hand with the committee and he is asking for a motion to approve the annual dues in the amount of \$1,500 which is billed on a semi-annual basis (\$750), to be paid from the Council Expense line item.

Mr. Grier moved to approve the annual Greater Kent Committee dues in the amount of \$1,500, seconded by Mr. Starling. Motion carried.

DEMEC Resolution/Director & Alternate Director

As a result of the former city manager's resignation, Mayor Shupe informed council they are required to appoint a new director and alternate director.

The recommendation discussed at the June 22nd meeting was to appoint Electric Superintendent Rick Carmean as DEMEC's primary board member and the city manager as the alternate appointee. Depending on the experience of the new city manager, this can be changed at a later date.

Ms. Wilson moved that Electric Superintendent Rick Carmean be appointed as DEMEC's primary board member and the city manager serve as the alternate appointee, seconded by Mr. Morrow. Motion carried.

USDA Tourism Feasibility Study/University of Delaware's HRIM/City Match/Funding Source

The mayor reported that Christine Crouch and he have been working with USDA, Delaware Tourism and the University of Delaware on this program. The USDA has offered the city a \$13,000 grant for a feasibility study of tourism citywide. This will help determine potential visitors, what type of produce or service they are looking for and how to promote and attract those people to our city. The quote from the University of Delaware's Hospitality and Restaurant Management Department to conduct the study is \$15,000. With the \$13,000 USDA grant, the city will be asked to fund the remaining \$2,000.

The USDA has also indicated the City of Milford can reapply next year for grants for the following phases of the project which would include the development and implementation of the marketing plan.

Ms. Wilson moved to approve \$2,000 to pay the city portion of the feasibility study, to be paid from the economic development funds, seconded by Mr. Burk. Motion carried.

EXECUTIVE SESSION

Mr. Morrow moved to go into Executive Session reference below reasons, seconded by Ms. Wilson:

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

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

Motion carried.

Mayor Shupe recessed the Council Meeting at 7:49 p.m. for the purpose of an Executive Session as permitted by Delaware's Freedom of Information Act.

RETURN TO OPEN SESSION

Council returned to open session at 8:05 p.m.

Hammond Easement Payment Ratified/Funding Source Established

Mr. Grier moved to ratify payment in the amount of \$35,000 for a permanent easement for the city's electric poles on the north and west side of the CVS pharmacy site, owned by Hammond Partners LLC, to be paid from electric reserves, seconded by Ms. Wilson. Motion carried.

Employee Evaluation

Mr. Grier moved for authorization of the compensation adjustment as discussed in executive session, seconded by Mr. Morrow. Motion carried.

Recognition

Mayor Shupe recognized two of the candidates running for the vacant 2nd Ward council seat. He introduced Lisa Ingram Peel and Stephen Walter, who were both in attendance.

Adjourn

Ms. Wilson moved to adjourn the Council Meeting, seconded by Mr. Burk. Motion carried.

Meeting adjourned at 8:10 p.m.

Respectfully submitted,

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

Terri K. Hudson, MMC
City Clerk/Recorder

MILFORD CITY COUNCIL
MINUTES OF MEETING
July 27, 2015

The City Council of the City of Milford met in Workshop Session on Monday, July 27, 2015 in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilpersons Garrett Grier III, James Burk, Douglas Morrow, Sr., James Starling, Sr. and Katrina Wilson

Police Chief Keith Hudson and City Clerk/Recorder Terri Hudson

COUNSEL: City Solicitor David Rutt, Esquire

CALL TO ORDER

Mayor Shupe convened the Workshop Session of Council at 8:05 p.m.

Solid Waste Ordinance Review-Yard Waste

The mayor requested this matter be postponed until such time that Councilman Mergner is present and can participate in the discussion due to his concerns.

Review/Training & Travel Policy

Mayor Shupe recalled discussing this matter at the last workshop. He referenced several training/travel policies obtained by the city clerk from various municipalities and counties. He asked that council take sometime to review these policies and return with some comments at the next workshop.

Ms. Wilson feels that some of these have similar expense reports to what she uses when she travels. The forms seem to be somewhat basic.

Mr. Grier confirmed that the city only has the policy referenced as #875. Mr. Rutt answered that is all the city has.

Mr. Burk feels it may be a good idea to issue a city credit card to an employee who is traveling on city business. In that manner, the money is not coming out of the employee's personal accounts. He frequently traveled on business and would receive a business credit card for expenses. However, he was required to sign a waiver stating that any unauthorized charges would be his responsibility. In that way, an employee's personal funds are not in limbo as previously occurred here.

Mr. Burk also agrees a simple form with the supervisor's approval also seems appropriate.

Ms. Wilson agrees that a supervisor should always approve the travel. Mr. Burk agrees adding that even an e-mail would suffice. That protects the employee and the city as well.

Mr. Rutt said there are several examples and he recommends council read through them and choose one versus reinventing the wheel.

Mr. Grier agrees that the most organized policy should be selected and any amount removed. In that manner, our employee can fill the amount in based on where they are going.

Ms. Wilson agrees and has found that a checklist is more appropriate than having the employee write everything out. In that manner, all potential expenses are included. The employee can simply check each item off and fill in the amount on

a spreadsheet.

Mr. Morrow offered to e-mail the city clerk what SeaWatch uses which is an excel program.

Mayor Shupe asked if this is something council prefers the interim city manager and mayor to review and bring their recommendation back to council. Council agreed and directed the mayor to proceed.

Mr. Burk asked what is the current status of employee training considering we are in an interim situation. He asked if our employees are continuing to train as was planned in their training budgets. He said he hope the police department is continuing to train on a regular basis.

Chief Hudson stated that yes, they are required to train throughout the year. In addition to a required number of training hours for each officer annually, his officers are certified in various fields which requires ongoing training.

Mr. Burk asked the mayor to follow-up with Mr. Portmann considering we have funding in place to ensure our employees are continuing as planned versus waiting until a new city manager is hired. He would not want us to lose any training opportunities in between time.

With no further business, Mayor Shupe adjourned the Council Workshop at 8:12 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Terri K. Hudson".

Terri K. Hudson, MMC
City Clerk/Recorder