

MILFORD CITY COUNCIL
MINUTES OF MEETING
February 27, 2017

Milford City Council held a Public Hearing on Monday, February 27, 2017 in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilpersons Arthur Campbell, Lisa Peel, James Burk, Owen Brooks Jr,
Douglas Morrow, James Starling Sr. and Katrina Wilson

City Manager Eric Norenberg, Police Chief Kenneth Brown 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.

City Planning Coordinator Rob Pierce was also present.

ADOPTION/ORDINANCE 2017-02

Michael Rivera for a Conditional Use

*.22+/- acres in a C2 (Central Business District) Zoning District
SE Corner of N Walnut Street and NE Second Street Intersection*

119 North Walnut Street, Milford, Delaware

*Present Use: Single Family Detached Dwelling; Proposed Use: Hotel/Bed & Breakfast w/Efficiency Apartment
Tax Map MD-16-183.10-03-58.00*

Planning Coordinator reviewed the application stating the applicant is proposing to convert an existing 5,780 square foot single-family detached dwelling into a Bed-and-Breakfast (B&B) operation with an efficiency apartment. Per Chapter 230-13(C)(4)&(10), motels and hotels, along with dwelling units other than single-family residences, are allowed uses subject to conditions set forth by the Planning Commission and City Council.

The B&B operation would consist of four rooms and one suite for the innkeeper.

The property contains an existing three-car garage and off-street parking area that could accommodate up to eight vehicles. The three-car garage would be utilized by the innkeeper; the B&B rooms and efficiency apartment would each be allotted one parking space.

Mr. Pierce reminded Council there are no off-street parking requirements in the C-2 category. Any additional parking could be provided on-street parking or in the new municipal parking lot behind the Touch of Italy Restaurant.

The B&B would be operated 24 hours a day seasonally (summer and holidays) and the apartment utilized year round. It would employ two housekeepers, one cook, one groundskeeper and two B&B managers/owners.

The staff analysis provided was based on the conditions for a conditional use application found in Chapter 230-48.

The applicant will be required to apply for any necessary permits and the building construction must adhere to Chapter 88 of the City Code.

The applicant will also be required to obtain approval or a letter of no objection from the Delaware State Fire Marshal's Office.

The applicant will also be responsible for any and all improvements required to provide adequate water, sanitary and electric

service to the structure. Service requests should be coordinated through the Public Works Department.

Included in the packet was a sketch overview of the property. The first floor would consist of the common areas (library, parlor, living room and kitchen). The second floor would consist of two B&B suites with bathrooms, the innkeeper suite and bathroom and one efficiency apartment. The third floor would consist of two more B&B suites/bathrooms, a library and a storage room.

The application was reviewed by the Planning Commission on January 17, 2017 at which time approval was recommended by a unanimous vote.

Owner/Applicant Mike Rivera of 200 North Walnut Street stated that Mr. Pierce has presented the complete application. He and his wife are trying to take a very large old building that he inherited eight years ago and do something with it. He complimented the development in the downtown area and is pleased to be part of it though there is a great deal of work to do.

Councilman Morrow feels it is a welcome addition to the downtown area.

Mayor Shupe confirmed that Mr. Rivera is aware and involved with the opportunities afforded by the Downtown Development District. Mr. Rivera stated he has been in touch with those representatives and did receive a grant in which they may use to purchase some window treatments.

Mayor Shupe then opened the floor to public comment; no one responded. The public comment portion of the hearing was then closed.

Councilman Brooks moved to approve Ordinance 2017-02, seconded By Councilman Morrow:

*ORDINANCE 2017-02
Michael Rivera for a Conditional Use
Allow a Motel/Hotel and Dwellings Other than Single Family
Maximum 12-Unit Density per Acre in Conjunction with Nonresidential Use
.22+/- acres in a C2 (Central Business District) Zoning District
Property located at SE Corner of N Walnut Street and NE Second Street Intersection, Milford, Delaware
Present Use: Single Family Detached Dwelling
Proposed Use: Hotel/Bed & Breakfast with One Efficiency Apartment
Tax Map MD-16-183.10-03-58.00*

WHEREAS, the City of Milford Planning Commission will consider the conditional use application at a Public Hearing on January 17, 2017; and

WHEREAS, Milford City Council will hold a Public Hearing on February 27, 2017 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 motel/hotel and allow dwellings other than single family with a maximum density of 12 units per acre and in conjunction with nonresidential use as herein described.

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

Section 1. Upon the adoption of this ordinance, Michael Rivera is hereby granted a Conditional Use Permit to allow a motel/hotel and allow dwellings other than single family with a maximum density of 12 units per acre and in conjunction with nonresidential use, in accordance with the application, approved plans and any conditions set forth at the Public Hearings.

Section 2. Construction or operation shall commence within one year of the date of issuance of the permit otherwise the conditional use becomes void.

*Section 3. Dates.**Planning Commission Review & Public Hearing: January 17, 2017**City Council Introduction: February 13, 2017**City Council Hearing & Adoption: February 27, 2017**Effective: March 9, 2017*

Motion carried by the following unanimous roll call vote:

Councilman Campbell votes yes adding that he likes that Mr. Rivera has done his homework and it will be a good addition to the downtown.

Councilwoman Peel votes yes adding she is a lover of historic homes and appreciates the work that is being done.

Councilman Burk votes yes stating he is advocate of historic preservation and feels this is a great addition to downtown.

Councilman Brooks votes yes stating it is a big addition and a big improvement in that neighborhood.

Councilman Morrow votes yes referring to his earlier comments and recommendation of approval by the Planning Commission.

Councilman Starling votes yes stating that he agrees with all the comments made by Council.

Councilwoman Wilson votes yes adding that she feels this is a true bonus to the downtown. She is also aware there are many people that love a bed and breakfast which is a good fit for our downtown. Mr. Rivera will also be providing some new jobs to Milford which is a bonus.

*ADOPTION/ORDINANCE 2017-03**Code of the City of Milford**Part II-General Legislation**Chapter 230-Zoning**Article III-Use and Area Regulations**§230-16 – I-1 Limited Industrial District*

Mr. Pierce advised that during a review of the Zoning Code, it was discovered that the I-1 Limited Industrial zoning category only allows the uses permitted in the OC-1. When comparing the I-1 to the BP Business Park category, the first six uses mirror one another. They allow light to moderate industrial manufacturing, warehousing, wholesale and limited research establishments. The B-P district also allows ten additional uses even though it should be more restrictive than the I-1.

The City Planning Coordinator feels that same tiered approach should be applied and those uses in the B-P category be allowed in the I-1 category.

The Planning Commission reviewed the proposal on January 17, 2017 who recommended approval.

Mayor Shupe opened the floor to public comment; no one responded. The public comment portion of the hearing was then closed.

Councilman Burk moved to adopt Ordinance 2017-03, seconded by Councilwoman Wilson:

*ORDINANCE 2017-03
CODE OF THE CITY OF MILFORD
PART II-GENERAL LEGISLATION
CHAPTER 230-ZONING
ARTICLE III-USE AND AREA REGULATIONS*

§230-16 – I-1 LIMITED INDUSTRIAL DISTRICT

WHEREAS, the City of Milford enacted a Zoning Code, Chapter 230, to protect the health, safety, morals and general welfare of its citizens and to protect and preserve places and areas of historical, cultural or architectural importance and significance; and

WHEREAS, from time to time, City Council has determined there exists a need for amendments and additions to the Zoning Ordinance of the City of Milford; and

WHEREAS, City Council has determined light to moderate industrial manufacturing uses are compatible with general and professional offices and office parks as well as professional offices of a low-profile, low-traffic category and thus the permitted uses in the OC-1 Office Complex Zoning District and the BP Business Park Zoning District should be permitted uses in the I-1 Limited Industrial Zoning District.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

Section 1. An Ordinance to Amend the Code of the City of Milford by Amending Chapter 230 entitled Zoning by modifying Article III-Use and Area Regulations, Subsection B, Permitted Uses, by amending item 1, as follows:

B. Permitted uses. Permitted uses of the I-1 District shall be as follows:

(1) All permitted uses of the OC-1 District and BP District.

Section 2. Dates.

Planning Commission Review & Public Hearing: January 17, 2017

City Council Introduction: February 13, 2017

City Council Hearing & Adoption: February 27, 2017

Effective: March 9, 2017

Motion carried by the following unanimous roll call vote:

Councilman Campbell votes yes based on the research that was done and the need expressed. He feels it is an appropriate change.

Councilwoman Peel votes yes based on the recommendation of the Planning Commission.

Councilman Burk votes yes stating that it is a smart move to make the B-P district more restrictive and considering the items included in the less restrictive district make sense.

Councilman Brooks votes yes for the same reason that Councilman Burk gave why it was needed.

Councilman Morrow votes yes for the reasons stated by Councilwoman Peel.

Councilman Starling votes yes and agrees with all the reasons that have been made by the other Councilmembers.

Councilwoman Wilson votes yes based on the recommendation of the Planning Commission and review.

ADOPTION/ORDINANCE 2017-05

Mildred Pederson on behalf of Transatlantic Shipping Agency for a Conditional Use

.195+/- acres in a C2 (Central Business District) Zoning District

NE Corner of the SE Front Street and S Walnut Street Intersection

27 South Walnut Street, Milford, Delaware

Present Use: Commercial Retail; Proposed Use: Commercial Retail with Apartments

Tax Map 3-30-6.20-002.00

Planner Pierce reported that the property involves the Josephine Keir Ltd. Building that is located within the Downtown Development District. The owner/applicant is proposing to add a residential component to the second floor of the commercial site. The second floor has been occupied as commercial rental space in the past. Per Chapter 230-13(C)(10), an apartment unit in conjunction with a nonresidential use (mixed-use) is a conditional use subject to City Council approval.

Mr. Pierce noted that the conditional use evaluation was based on Chapter 230-48 which sets forth the criteria for the application.

All building construction will adhere to Chapter 88 Building Code and a letter of no objection from the State Fire Marshal Office will be required. Any building construction will also have to comply with Chapter 130 Floodplain Code though there should be minimal impact because this involves the second floor.

He noted that the applicant is responsible for any and all improvements required to provide adequate water, sanitary and electric service to the structure. Service requests should be coordinated through the Public Works Department.

Mr. Pierce believes utilities are only set up for one occupant so there may be some additional costs associated with the renovations.

The Planning Commission also recommended approval of the application on January 17, 2017.

The City Planning Coordinator reported that though the applicant was unable to attend, her son was in attendance.

Gordon Pederson then addressed Council stating that the City Planner had presented all the information. He added that his mother is planning to sell her home and will occupy the second floor as her primary residence.

Mayor Shupe then opened the floor to public comment.

Mike Rivera of 200 North Walnut Street said he attended the Planning Commission hearing. He then confirmed this is the old Derrickson Building adding that he feels this will be a great addition to the downtown. He noted that the building had been in disarray for a long time. He met Ms. Pederson for the first time during the Planning Commission hearing and was impressed with the many things she has accomplished. He likes the idea of her living there.

He would like to see more stores come to the downtown area and eventually hopes for something similar to St. Michael's and Easton, Maryland. He feels that if more people lived there, it would be more attractive to other potential store owners.

When no one else responded, Mayor Shupe closed the public comment portion of the public hearing.

Councilman Burk moved to adopt Ordinance 2017-05, seconded by Councilwoman Peel:

*ORDINANCE 2017-05
Mildred Pederson on behalf of Transatlantic Shipping Agency
Conditional Use to Allow Dwellings other than Single Family
Maximum 12-Unit Density per Acre in Conjunction with Nonresidential Use
.195+/- acres in a C-2 (Central Business District) Zoning District
Property located at NW Corner of SE Front Street and S Walnut Street Intersection
27 South Walnut Street, Milford, Delaware
Present Use: Commercial Retail; Proposed Use: Commercial Retail with Apartments
Tax Map 3-30-6.20-002.00*

WHEREAS, the City of Milford Planning Commission will consider the conditional use application at a Public Hearing on January 17, 2017; and

WHEREAS, Milford City Council will hold a Public Hearing on February 27, 2017 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 Conditional Use to allow dwellings other than single family with a maximum density of 12 units per acre and in conjunction with nonresidential use as herein described.

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

Section 1. Upon the adoption of this ordinance, Mildred Pederson on behalf of Transatlantic Shipping Agency is hereby granted a Conditional Use Permit to allow dwellings other than single family with a maximum density of 12 units per acre and in conjunction with nonresidential use, in accordance with the application, approved plans and any conditions set forth at the Public Hearings.

Section 2. Construction or operation shall commence within one year of the date of issuance of the permit otherwise the conditional use becomes void.

Section 3. Dates.

Planning Commission Review & Public Hearing: January 17, 2017

City Council Introduction: February 13, 2017

City Council Hearing & Adoption: February 27, 2017

Effective: March 9, 2017

Motion carried by the following unanimous roll call vote:

Councilman Campbell stated he approves the ordinance adding that everything has been addressed in a proper manner and believes it will help the downtown area.

Councilwoman Peel votes yes stating that this is exactly what we are looking for in the plan of mixed use facilities downtown.

Councilman Burk approves stating it is a smart use of the space and we are again maintaining a historical building by planning new uses and getting more people to live downtown.

Councilman Brooks votes yes stating that it reminds him of the old days when people used to live on top of the stores.

Councilman Morrow votes yes based on the Planning Commission's thorough review and recommendation.

Councilman Starling votes yes and agrees with all the comments made by the other Councilmembers.

Councilwoman Wilson votes yes based on the review and recommendation by the Planning Commission and improvements to the downtown.

ADOPTION/ORDINANCE 2017-06

Larson Engineering on behalf of Milford Plaza Enterprises for a Conditional Use

21.40+/- acres in a C3 (Highway Commercial) Zoning District

NE Corner of the N DuPont Boulevard and NW Front Street Intersection

600 N DuPont Boulevard, Milford, Delaware

Present Use: Commercial Retail; Proposed Use: Commercial Retail w/Auto Repair and/or Service Station

Tax Map MD-16-183.09-01-04.00

Mr. Pierce discussed the application stating that the conditional use application was part of a revised preliminary site plan through the Planning Commission. The proposal is for the expansion of the Milford Plaza Shopping Center which includes the demolition of the existing Citizens Bank and the site of the previous Donut Connection. A new 2,475 square foot Valvoline Instant Oil Change will be constructed along with an 8,000 square foot, four-suite retail pad. Valvoline is considered a service station/car repair operation and is subject to a conditional use review per the City code.

The proposed hours of operation are 7:00 a.m. to 7:00 p.m., Monday through Saturday and 9:00 a.m. to 4:00 p.m. on Sunday. Eight to ten full and part-time employees will be hired with a maximum of six employees on site at anyone time. There will be motor oils and lubricant contained within the building and all waste oil, used oil filters and oily water will be collected and recycled by a licensed hazardous waste hauler. A spill prevention, control and counter measures plan will be developed. Each center is equipped with a spill kit, which can be used to contain and stop the flow of material in the unlikely event of a spill.

Mr. Pierce referenced the entrance into the Shopping Center off Northwest Front Street in comparison to the proposed Valvoline site. Traffic patterns will be reconfigured to alleviate the current traffic flow issues and provide a more orderly traffic pattern which was a key comment provided by the Planning Commission.

He emphasized that the 8,000 square foot retail pad will be in the corner and is not part of the conditional use application before Council.

Mr. Pierce further commented on the Site Plan application in which the owner has agreed to make some modification to the entrance off Route 113 to alleviate additional traffic concerns. Better signage for stop and go situations will be addressed that will ultimately straighten the travel lines to allow for a safer pattern.

Councilman Brooks said it needed to be painted so you know which direction you are going.

Mr. Pierce also reported that Hardees Restaurant has agreed to flip the drive-thru and parking around to help extend the island thus making it more orderly.

He then referenced the conditional use evaluation based on the criteria outlined in Chapter 230-48. Additional criteria was also referenced in the C-3 zoning category for a service station. The staffs' response, along with the applicant's response, was included in the packet.

Mr. Pierce pointed out there are no parking requirements in the City Code for the Instant Oil Change so it was compared to the Kent and Sussex County Codes. As a result, the proposed parking rationale was provided by the applicant and now exceeds both requirements. The Planning Commission ultimately agreed to move forward with the sixteen proposed parking spaces.

Mr. Pierce again referred to the comments related to the site plan and a parking variance that was granted by the Board of Adjustment in March 2016.

Mr. Campbell then asked if the middle island would be removed from the parking lot. Mr. Pierce believes that is in the general area which is being demolished and new curbing installed and new parking alignments created in the retail area.

Mr. Doug Liberman with Larson Engineering was present on behalf of the applicant who then reviewed the site plan.

Mr. Liberman then addressed the island which he said was one of the main concerns because it separates everything in that area. He said there will be perpendicular patterns for traffic and the curbed island, stop signs and stop bars will be added to control traffic and create a more normal flow.

He referred to the parking area and travel routes in the area of Hardees, Applebees and Chick Filet as well as the revised preliminary plan and realignment.

Solicitor Rutt then explained that the site plan falls under the Planning Commission's jurisdiction and already received their approval. What is before Council is the subject of the conditional use and is what needs to be addressed.

He then asked Mr. Liberman to review the conditional use aspect.

Mr. Liberman stated that the following six special conditions must be met for the service station use within Section 230-14(c)

of the City's Zoning Code:

- (a) All facilities shall be located and all services shall be conducted on the lot.
- (b) All repair work shall be conducted within an entirely enclosed building.
- (c) No equipment for the service of gasoline or oil shall be placed closer to any street or property line than 20 feet.
- (d) No portion of such structure or its equipment shall be located within 500 feet of the premises of any school, hospital, church or public recreation building.
- (e) No service station shall be located within 800 feet of another service station on the same side of the street within the same block.
- (f) Any such use shall be permitted only where it is determined that it will not materially interfere with the main pedestrian movement in conjunction with a compact retail area.

He noted that they meet all the conditions. In particular, Valvoline is a four-bay shop and the vehicles will be parked in the rear, then driven into one of the bay enclosures where the work will be performed.

In addition, they have a thirty-foot setback.

Mr. Liberman also referred to the sidewalks throughout the site, as well as pedestrian connections. He pointed out that the new development will actually enhance pedestrian traffic throughout the site adding that this particular structure is somewhat isolated off to the side.

Mayor Shupe then opened the floor for public comment.

Michael Moyer of 507 Caulk Road stated he is a realtor and just as homes have amenities, cities have amenities. This is an amenity we don't have. Currently anyone that wants this specific type of service needs to go to Dover or Lewes. He is frequently asked questions about various services that are available in Milford and he feels this will be a positive addition.

There being no further comments, Mayor Shupe closed the floor.

Councilwoman Wilson moved to adopt Ordinance 2017-06, seconded by Mr. Starling:

*ORDINANCE 2017-06
Larson Engineering on behalf of Milford Plaza Enterprises for a Conditional Use
Allow Car Repair Shop and/or Service Station
21.40+/- acres in a C3 (Highway Commercial) Zoning District
Property is located at the NE Corner of N DuPont Boulevard and NW Front Street Intersection
600 N DuPont Boulevard, Milford, Delaware
Present Use: Commercial Retail
Proposed Use: Commercial Retail with a Car Repair Shop and/or a Service Station
Tax Map MD-16-183.09-01-04.00*

WHEREAS, the City of Milford Planning Commission will consider the conditional use application at a Public Hearing on February 21, 2017; and

WHEREAS, Milford City Council will hold a Public Hearing on February 27, 2017 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 Conditional Use to allow a car repair shop and/or a service station as herein described.

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

Section 1. Upon the adoption of this ordinance, Larson Engineering on behalf of Milford Plaza Enterprises is hereby granted a Conditional Use Permit to allow a car repair shop and/or a service station, in accordance with the application, approved plans and any conditions set forth at the Public Hearings.

Section 2. Construction or operation shall commence within one year of the date of issuance of the permit otherwise the conditional use becomes void.

Section 3. Dates.

Planning Commission Review & Public Hearing: February 21, 2017

City Council Introduction: February 13, 2017

City Council Hearing & Adoption: February 27, 2017

Effective: March 9, 2017

Motion carried unanimously with the following comments:

Councilman Campbell votes yes agreeing that this quick type of service is needed in Milford and will be a plus and benefit to our residents especially as the City grows.

Councilwoman Peel votes yes based on the recommendations of the Planning Commission.

Councilman Burk votes yes based on the recommendations of the Planning Commission.

Councilman Brooks votes yes because it is needed and because he stated that all six requirements were met.

Councilman Morrow votes yes based on the recommendations of the Planning Commission.

Councilman Starling votes yes and agrees with the comments that have been made by his fellow Councilmembers.

Councilwoman Wilson votes yes based on the recommendation of approval from the Planning Commission. She added that she has considered what is available in Milford and believes that both Walmart and Firestone provide similar opportunities for this fast-type of service.

There being no further items, Councilman Campbell moved to adjourn the Public Hearings, seconded by Councilman Morrow. Motion carried.

The Public Hearings adjourned at 7:43 p.m.

Respectfully submitted,



Terri K. Hudson, MMC
City Clerk/Recorder

MILFORD CITY COUNCIL
MINUTES OF MEETING
February 27, 2017

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, February 27, 2017.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilpersons Arthur Campbell, Lisa Peel, James Burk, Owen Brooks Jr,
Douglas Morrow, James Starling Sr. and Katrina Wilson

City Manager Eric Norenberg, Police Chief Kenneth Brown and
City Clerk/Recorder Terri Hudson

COUNSEL: City Solicitor David Rutt, Esquire

CALL TO ORDER

Mayor Shupe called the Council Meeting to order at 7:43 p.m.

INVOCATION AND PLEDGE

The Pledge of Allegiance followed the invocation given by Councilmember Starling. A moment of silence was also observed in honor of Former Councilman Irvin Ambrose who passed away on February 23rd.

RECOGNITION

Milford Rotary Club/Flags for Heroes/Bicentennial Park

City Solicitor/Rotarian Rutt promoted the Flags for Heroes Project which is a national program to honor local heroes. This is the third year the flags will be displayed at the Bicentennial Park from May 22nd thru June 3rd. Both corporate and individual sponsorships are available.

The sponsor honors their hero by sponsoring a flag whereby a plaque is placed at its base to identify the donor as well as the hero for a \$50 donation. Heroes include, but are not limited to the military, first-responders, teachers or other personal heroes (past or present).

The money raised will be used for student scholarships. Last year, three scholarships totaling more than \$10,000 were awarded. This year, an exchange student will also be sponsored.

Mr. Rutt announced that in addition to himself, both the City Manager and Public Works Director Mark Whitfield are fellow Rotarians.

COMMUNICATIONS & CORRESPONDENCE

Governor John Carney Budget Reset

City Manager referenced the document in the packet that was issued at the Delaware League of Local Government meeting last week. Governor Carney discussed the State's budget situation at that time and critical issues of areas like healthcare and education that are outpacing the growth of key revenue sources. Over the coming weeks and months, Governor Carney will work with Democrats and Republicans in the General Assembly on a sustainable, long-term solution to our budget challenges. He, along with local legislators will be hosting community meetings where they want to hear ideas from members of the public.

A Community Conversation will be held on March 8th beginning at 6:00 p.m. at the Carlisle Fire Hall. The event will be hosted by Senator Gary Simpson and Representatives Harvey Kenton, William Outten, Charles Postles and Dave Wilson.

Councilman Burk also attended the Delaware League Meeting and affirmed we are facing a very serious financial situation and believes there will be some major cuts in the local school districts. In turn, those districts will need to raise property taxes in order to fill that void.

Councilman Campbell also attended and added that the \$350 million deficit will cause some substantial cuts and that everyone will be impacted in some manner.

Councilwoman Wilson feels it is ironic that the public was never made fully aware of the shortfall until the new Governor took office. Councilwoman Peel pointed out that anyone employed by a State Agency was aware of the previous issues.

Citywide Property Maintenance Campaign

City Manager Norenberg discussed the press release issued last week to encourage residents to provide feedback by identifying and reporting code violations concerns.

The press release provides a link (cityofmilford.com/report) to the City Website where a form can be located on line and violations reported and submitted.

Updated City Branding

Mr. Norenberg reminded Council of the City's branding campaign over the past couple years that created a style guide which includes the "River Town * Art Town * Home Town" community logo. The City has been working with Ben Muldrow who helped with the updated design for business cards, letterheads and envelopes. Because of the new phone system that was rolled out in January, a number of our employees have new phone numbers.

He referred to the new image and color scheme adding that we are continuing to work on streamlining and simplifying the business cards due to a number of designs that were used in the past.

The new design for the vehicles will include reflective materials which will be easier to spot at night. In addition to the side doors, the new image will be added to the rear of the vehicles for the first time.

Some of the older vehicles will not be changed though the updated images will be added to all newly purchased vehicles.

UNFINISHED BUSINESS

None to report.

NEW BUSINESS

Mispillion River Project - Surface Water Matching Planning Grant

Authorization/Contract - Davis, Bowen & Friedel - Engineering Services - Design

Authorization/Contract - Davis, Bowen & Friedel - Engineering Services - Permitting

Planning Coordinator Pierce referenced two proposals prepared by Davis, Bowen and Friedel (DBF) related to the Mispillion River Project. He recalled that in August of 2015, Council authorized the submission of a Planning Grant for a site characterization and preliminary design related to the removal of the causeway and implementation of a Living Shore Line Project. Included in the Parks and Recreation budget was a \$30,000 allocation. Council also approved another \$20,000 from the General Fund Reserves for a \$50,000 match needed for the \$100,000 project.

In March 2016, City Council authorized contracts with the Partnership for the Delaware Estuary (PDE) and DBF in the

amounts of \$20,000 and \$13,200 for the site characterization and preliminary report. To date, PDE and DBF have completed that report and the contracts included in the Council packet involve the associated construction design and permitting.

Based on the current expenditures and contracts, the project design should total around \$65,000.

Councilmember Morrow made a motion to authorize the Davis, Bowen & Friedel Contract for Professional Engineering Services related to the design of the Mispillion River Project, seconded by Councilmember Campbell. Motion carried.

Councilmember Morrow made a motion to authorize the Davis, Bowen & Friedel Contract for Professional Engineering Services related to permitting for the Mispillion River Project, seconded by Councilmember Wilson. Motion carried.

Authorization/Appropriation/IBEW Negotiations & Legal Expenses

City Manager Norenberg recalled consulting with Council on the expenses associated with the organizing of the IBEW Local 126 within the Electric Department and the negotiating efforts. He indicated that the numbers have been adding up and he is requesting Council authorize the transfer of \$100,000 from Electric Reserves to the Electric Division's Legal Service Operation Budget Line Item (Account 205-5050-432-30-20) to cover these costs.

He noted that the budgeted amount of \$20,000 has been expended. The transfer is needed to cover both current and projected ongoing expenses through the end of the current fiscal year.

Councilmember Morrow moved to authorize \$100,000 from Electric Reserves to the Electric Division's Legal Expense Line Item, seconded by Councilmember Starling. Motion carried.

Authorization/Funding/Early Bond Buy-Back/Series 2011B

Mr. Norenberg reported the Finance Director continues to review areas where the City can save money including interest payments where possible. Currently, we have an opportunity for an early bond buy-back that will save some of the interest on the Bond Series 2011B. The buy-back will save over \$70,000 in interest within the General Fund, Water and Sewer Reserves and eliminate those payments over the next four budgets.

The total buy-back of \$1,042,762.50 includes the outstanding principal of \$1,035,000 and associated interest thru April 1, 2017 of \$7,762.50.

Councilmember Morrow moved that the City Manager and Finance Director be authorized to execute an early bond buy out for Bond Series 2011B, that the funds be appropriated from the respective Reserve Funds as indicated below that will save more than \$70,000 in interest and remove over \$1 million in future budgets thus providing additional funds to be used and help reduce the need for any rate increases:

General Fund Reserves	\$63,712.79
Water Reserves	\$684,573.58
Sewer Reserves	\$294,476.13
TOTAL	\$1,042,762.50

Motion seconded by Councilmember Burk and carried unanimously.

Southeast Water Tower and Treatment Facility/Water Issues

City Manager Norenberg recalled the recent issues with water discoloration for some of the residents in the southeast area of Milford last week. He then referenced the below memo prepared by Public Works Director Mark Whitfield which will keep Council informed and assure transparency should anyone have concerns:

On February 16, the Department began receiving various complaints regarding water quality from citizens being served by

the southeast water tower and treatment facility. The area was concentrated primarily on Hearthstone, Shawnee Acres and Meadows at Shawnee. The complaints ranged from chlorine odor to discolored water (brown and yellow). Based on these complaints, the Department shut down the facility on Friday, February 17, and supplied water from other city sources.

Since that time, the Department, in concert with Delaware's Office of Drinking Water, has been testing water to determine what happened. It appears that a combination of abnormally high air temperatures, high levels of iron and manganese, and slightly high introduction of chlorine caused the problems. Regulating the chlorine at the southeast facility has been difficult, due to the very low usage water from the tower. As an example, water at Washington Street tower and NE 10th Street tower has a turnover rate of at least twice per day. Southeast tower turnover is about twice per month. In short, the Department continues to monitor and change chlorination and fluoridation levels based on the time water is stored. Chlorine dissipates as water sits within the tower, so higher usage makes regulating the chlorine levels much easier. Low usage make the regulation very difficult.

Additionally, the yellow discoloration comes from hydrogen sulfide mixing with chlorine in the water. Brown water is caused by high iron and manganese in the water mixing with the chlorine. High iron levels, mixed with chlorine and high temperatures, will cause the iron to separate, making the water brown.

The Department worked closely with the Office of Drinking Water, and they concluded that in no time was the water delivered to customers "unsafe". Chlorine levels were at 2.2 ppm, and EPA requires that the levels be below 4.0. While the iron, manganese and hydrogen sulfide is undesirable, the water was safe to drink. That said, the delivery of the discolored water is not acceptable from both the customer's point of view, and the Department's.

After leaving the water sit idle at the facility for a week, which allowed the iron particles to settle out, crews flushed the waterlines and tower on Friday, February 24th until clear water was running.

Of the two wells at southeast, we suspect high iron and manganese in Well #16. In order to dilute the chlorine level, the Department ran Well #15 over the weekend of February 25 & 26, without adding chlorine. As of today, the chlorine level was 1.22 ppm and water in the tank and lines were clear. The Department plans to turn the facility back on for public use on Tuesday or Wednesday this week.

Presently, the Department is awaiting test results on both wells with regards to iron, manganese and hydrogen sulfide. We have been in contact with both the design professional as well as the manufacturer of the chlorinator, to ensure the Department is operating the facility correctly. Once we have determined the cause of both the discoloration and elevated chlorine levels, we will make corrections to the plant operations. Additionally, the Department continues to investigate ways to create a greater turnover of water at the southeast site by redirecting water in the system. That said, the redirecting of water may cause rust and silt within the lines to loosen and disperse into the water, thereby once again creating discolored water.

Most of the low usage of the southeast tower will be eliminated once the new Bayhealth Hospital comes on line. Until then, the Department will continue to make alterations and corrections at the southeast facility to avoid the problems experienced over the past two weeks.

Councilman Brooks asked if it is normal to let the water sit still for a week; City Manager Norenberg explained the purpose is to allow the iron particles time to settle out.

It was confirmed that this mainly impacted the residential customers.

Mr. Norenberg announced that Water Operator Steve Ellingsworth did a great job responding to the incident while keeping in contact with the Police Dispatchers and returning phone calls to customers who had concerns throughout the weekend.

A couple days prior, he reported another unrelated minor incident that was created by an automobile striking a fire hydrant. However, that was addressed fairly quickly.

EXECUTIVE SESSION

Councilmember Burk moved to go into Executive Session reference below statute, seconded by Councilmember Peel:

{Pursuant to 29 Del. C. §10004(b)(9)} Personnel Matter-City Manager Follow-Up

Motion carried.

Mayor Shupe recessed the Council Meeting at 8:08 p.m. for the purpose as permitted by the Delaware Freedom of Information Act.

Return to Open Session

City Council returned to Open Session at 8:23 p.m.

Mayor Shupe announced that no action is needed as a result of the discussion in Executive Session.

ADJOURN

There being no further business, Councilmember Burk moved to adjourn the Council Meeting, seconded by Councilmember Starling. Motion carried.

The Council Meeting adjourned at 8:24 p.m.

Respectfully submitted,

A handwritten signature in black ink that reads "Terri K. Hudson". The signature is written in a cursive, flowing style.

Terri K. Hudson, MMC
City Clerk/Recorder