

City of Milford



CITY COUNCIL AGENDA

Monday, December 11, 2017

7:00 P.M.

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

PUBLIC HEARING

Community Development Block Grant Program
Sussex & Kent County - Fiscal Year 2018
Adoption of Resolutions 2017-10, 2017-11, 2017-12, 2017-13, 2017-14

COUNCIL MEETING

Call to Order - Mayor Bryan Shupe

Invocation

Pledge of Allegiance

Approval of Previous Minutes

Recognition

Monthly Police Report

Monthly City Manager Report

Automated Meter Infrastructure Update

Monthly Finance Report

Committee & Ward Reports

Communication & Correspondence

Unfinished Business

Council Rules Discussion

New Business

Impact Fee Waiver Request/Carlisle Fire Company

Automated Side Loading Solid Waste Truck Purchase Approval

Realtor Commission/Business Park & Independence Commons Lot Sales

†Residential Rental Inspection Program/Inspection Agency Approval and Funding
Appropriation Approval

Introduction/Ordinance 2017-23
Glenn and Donna Watson for a Conditional Use
111 N Washington Street
Tax Map MD-16-183.10-03-71.00 & -72.00

Motion to Enter Executive Session

- A. Executive Session pursuant to 29 Del. C. §10004 (b)(4) for the purpose of the discussion of strategy sessions, including those involving legal advice or opinion from an attorney-at-law, with respect to collective bargaining or pending or potential litigation.
- B. Executive Session pursuant to 29 Del. C. §10004 (b)(9) for the purpose of the discussion of personnel matters in which the names, competency and abilities of individual employees or students are discussed, unless the employee or student requests that such a meeting be open.

Return to Public Session

- A. Potential vote related to strategy sessions, including those involving legal advice or opinion from an attorney-at-law, with respect to collective bargaining or pending or potential litigation.
- B. Potential vote related to personnel matters in which the names, competency and abilities of individual employees or students are discussed, unless the employee or student requests that such a meeting be open.

Adjourn

All items on the agenda are subject to a potential vote.

*In accordance with the Public Hearing Procedures adopted on August 28, 2017 and effective September 1, 2017, the Mayor will invite testimony from all who favor the application (up to three minutes per person), then invite testimony from all opposed to the application (up to three minutes per person) and will then invite testimony from those not opposed or in support of the application (up to three minutes per person). For a complete copy of the Public Hearing Procedures, please contact the City Clerk's Office.

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

101717 103017 111417 111517 112717 120417 †120517 Late Addition by City Manager

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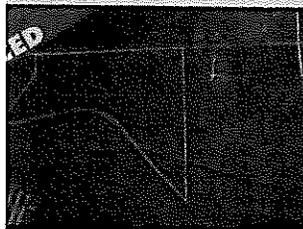
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Public Notices

Name Change

THE COURT OF COMMON PLEAS FOR THE STATE OF DELAWARE IN AND FOR SUSSEX COUNTY

IN RE: CHANGE OF NAME OF

Register of Wills

OFFICE OF REGISTER OF WILLS OF SUSSEX COUNTY STATE OF DELAWARE

Estate of Fannie Mae Bowman-Morrison, Deceased
Notice is hereby given that Letters of Administration upon the estate of Fannie Mae Bowman-Morrison who departed this life on the 18th day of March, A.D. 2017 late of Lincoln DE were duly granted upon Pamela A. Morrison on the 6th day of November, A.D. 2017, and all persons indebted to the said deceased are required to make payments to the said Administratrix without delay, and all persons having demands against the deceased are required to exhibit and present the same duly probated to the said Administratrix on or before the 18th day of November, A.D. 2017 or abide by the law in this behalf.

Administratrix
Pamela A. Morrison
9458 Benson Road
Lincoln, DE 19960

Register of Wills

OFFICE OF REGISTER OF WILLS OF SUSSEX COUNTY STATE OF DELAWARE

Estate of James M. Melvin, III, Deceased
Notice is hereby given that Letters of Testamentary upon the estate of James M. Melvin, III who departed this life on the 15th day of October, A.D. 2017 late of Milford DE were duly granted upon Nicole M. Melvin on the 20th day of November, A.D. 2017, and all persons indebted to the said deceased are required to make payments to the said Executrix without delay, and all persons having demands against the deceased are required to exhibit and present the same duly probated to the said Executrix on or before the 15th day of June, A.D. 2018 or abide by the law in this behalf.

Executrix
Nicole M. Melvin
17178 Brittany Place
Milford, DE 19963

State Public - Legal Notices

State Public - Legal Notices

PUBLIC HEARING

The City of Milford, Delaware, in cooperation with the Sussex County Council, the Levy Court of Kent County, Delaware, and the Delaware State Housing Authority (DSHA), will hold a public hearing on **Monday, December 11, 2017, at 7:00 p.m. at the City Hall, 201 South Walnut St., Milford, Delaware** for the purpose of providing any interested citizens the opportunity to comment on the municipality's application for funds under the Delaware Community Development Block Grant (CDBG) Program. In accordance with the Section 106 Review Process established by the National Historic Preservation Act of 1966, as amended, comments are especially encouraged from interested agencies and individuals with respect to undertakings that may affect historic properties of significance to such agencies and individuals.

This Federally funded program will provide grants amounting to \$2,000,000. (funding level subject to change), to support Community Development Activities in eligible local governments in Kent and Sussex Counties. The public hearing will also include a status report for Milford's FY-17 projects.

For further information on this hearing, please contact Sussex County Department of Community Development at 855-7777 or the Kent County Department of Planning at 736-2014.

Sussex County promotes equal housing opportunity.
227964 MC 11/29/2017





DEVELOPMENT SECTION

18 THE GREEN

DOVER, DELAWARE 19901

TOLL FREE: (888) 363-8808

(302) 739-4263

(302) 739-1118 FAX

(302) 739-7428 TDD

November 8, 2017

MEMORANDUM

TO: Eligible Communities within Kent and Sussex Counties
Kent County Levy Court
Sussex County Council

FROM: Anas Ben Addi, Director 

SUBJECT: **Delaware FY2018 Community Development Block Grant
Program Guidelines and Application Package**

Enclosed please find the final FY2018 State of Delaware Community Development Block Grant (CDBG) Program Guidelines and Application Package. A public meeting on the Guidelines was held on October 11, 2017, the last day of the comment period. The Program Guidelines and Application Package have been changed from last year's program as follows:

- Under Section I.E.2.e., all target area information must be received in the DSHA office at 18 The Green, Dover, Delaware 19901, no later than 4:00 p.m. on January 19, 2018;
- Section III.A.1.a.4.) has been amended, to reduce the required housing rehabilitation lien periods for higher amounts of CDBG/HOME rehab assistance from those lien periods required in the FY2017 Program Guidelines. With an exception for CDBG-only funded hookups, meter installations, and emergency repairs under \$5,000, the lien terms will be as follows:

For homeowners under 62 years of age:

Under \$10,000	5 Years
\$10,000 to under \$20,000	10 Years
\$20,000+	15 Years

For homeowners age 62 or older:

Under \$20,000	5 Years
\$20,000+	10 Years

Eligible Communities and Kent and Sussex Counties

November 8, 2017

Page Two

This change will be effective as soon as DSHA's Director approves the FY 2018 CDBG/HOME Program Guidelines, and will apply to FY 2017 housing rehab projects as well as FY2018 housing rehab projects; and

- Under Section IV. A., applications for the State's FY18 CDBG Program must be received in the DSHA office at 18 The Green, Dover, Delaware 19901, no later than 4:00 p.m. on March 1, 2018.

Please do not submit more or less than the required one original and one copy of each application.

Incomplete or otherwise deficient applications will be returned to the applicant and will not be permitted to be amended.

If you have any questions regarding the Program Guidelines or Application Package, please feel free to call Andrew Lorenz of the Community Development Section at (302)739-0261 or you may reach him via e-mail at andy@destatehousing.com.

ajl:mjh

Enclosures

cc: Cynthia L. Deakyne
Susan Eliason
Andrew J. Lorenz

STATE OF DELAWARE
DELAWARE STATE HOUSING AUTHORITY
DELAWARE COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM
PROGRAM GUIDELINES FOR FY2018

I. GENERAL

A. Scope and Applicability

These Program Guidelines describe the Delaware Community Development Block Grant (CDBG) Program for Kent and Sussex Counties in Delaware. Funds for this program, when appropriated by the U.S. Congress, are provided in a block grant to the state by the U.S. Department of Housing and Urban Development (HUD) pursuant to Section 106 of the Housing and Community Development Act of 1974, as amended by the Housing and Community Development Act of 1992, and in accordance with HUD rules, regulations and program memoranda.

B. Administration

The Delaware State Housing Authority (DSHA) administers the Delaware CDBG Program. The purpose of DSHA is to provide affordable, decent, safe, and sanitary housing to low- and moderate-income persons.

C. Program Design and National Objectives

The Delaware FY2018 CDBG Program has been designed so as:

1. to give maximum feasible priority to activities which will benefit low- and moderate-income families;
2. to aid in the prevention of slums and/or blight; and
3. to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community and where other financial resources are not available to meet such needs.

Each CDBG activity must be an eligible activity, and it must comply with one of the above three national objectives. Subgrantees shall ensure that the following records are maintained and kept up to date: 1) records demonstrating that each activity undertaken meets one of the national objectives; and 2) a full description of each activity carried out (or being carried out) in whole or in part with CDBG funds, including the nature and purpose of the activity, its location (if the activity has a geographical location) and the amount of CDBG funds budgeted, obligated and expended for the activity.

EXCEPT THAT the aggregate use of Title I funds received by the state during the period of Federal Fiscal Years 2016, 2017, and 2018 shall principally benefit persons of low and moderate income in a manner that ensures that not less than 70 percent of such funds are used for activities that benefit low- and moderate-income persons. In

order to comply with the 70 percent principal benefit requirement, it is further agreed that not less than 70 percent of the total FY18 CDBG Grant shall be utilized for activities that benefit low- and moderate-income persons as defined in Section I.D. of these Program Guidelines.

D. Low- and Moderate-Income Definition

1. Low- and moderate-income persons are those persons whose incomes do not exceed the income limits for lower-income families pursuant to Section 8 of the United States Housing Act of 1937 as amended, and provided to the State of Delaware by HUD in a table of income limits as set forth by dollar amount and family size. (These income limits are periodically revised by HUD and are made available by DSHA to all units of general local government and counties in Delaware eligible for this program. See Attachment "A" to these Program Guidelines for the most recent figures dated 4/14/17.)
2. Low- and moderate-income households are all persons occupying the same housing unit, regardless of their relationship to each other, whose combined incomes do not exceed the income limits described in paragraph I.D.1., above.

E. Documentation of National Objectives and Low- and Moderate-Income Benefit

1. Documentation of National Objective.

a. Infrastructure (public works) Activities:

For each activity determined to benefit low- and moderate-income persons based on the area served by the activity, Subgrantees must maintain records containing: 1) the boundaries of the service area; and 2) a summary of the income characteristics of the persons in the service area showing that at least 51 percent of area residents are low/moderate income.

b. Housing Rehabilitation Activities:

For each direct benefit activity determined to directly benefit low- and moderate-income persons based on the household income of those directly benefiting and where the activity involves the submission of an application or the completion of a personal record, Subgrantees must maintain sufficient evidence to ensure such benefits would accrue to low- and moderate-income persons, the income limits applied, and the point in time when the benefit was determined.

Individual household incomes must be thoroughly documented to verify that they are 100 percent low to moderate income before each housing unit is provided housing rehabilitation assistance. No rehabilitation assistance shall be provided to households that are not low to moderate income, except as provided under Section III.C.2.c. of these Program Guidelines (urgent need).

Subgrantees must maintain records including the number of units to be rehabilitated, and the amount to be spent on each unit to be rehabilitated.

c. Housing Code Enforcement/Demolition:

Documentation to be maintained by Subgrantees for each activity determined to aid in the prevention or elimination of slums or blight based on addressing one or more of the conditions which qualified an area as a slum or blighted area must include: 1) the boundaries of the area; and, 2) a description of the conditions which qualified the area at the time of its designation in sufficient detail to demonstrate how the area met the requirements in 24 CFR 570.208(b)(1).

Documentation to be maintained by Subgrantees for each activity determined to aid in the prevention or elimination of slums or blight based on the elimination of specific conditions of blight or physical decay not located in a slum or blighted area must include a description of how the threats to public health and safety are to be corrected.

d. Transitional Housing Construction/Rehabilitation:

For each activity determined to benefit low- and moderate-income persons because the activity involves a facility or service designed for use predominantly by low- and moderate-income persons, Subgrantees shall maintain sufficient evidence to ensure that the predominant users would be low- and moderate-income persons.

e. Urgent Needs:

For each activity determined to meet a community development need having a particular urgency, Subgrantees shall maintain documentation including: 1.) the nature and degree of seriousness of the conditions requiring assistance; 2.) evidence that the recipient certified that the CDBG activity was designed to address the urgent need; 3.) information on the timing of the development of the serious condition; and, 4.) evidence confirming that other financial resources to alleviate the need were not available.

2. Target Areas

- a. Community-wide low- and moderate-income percentages are noted in Attachment B to the Program Guidelines. The list is from HUD's Low/Moderate Income Summary Data estimates for FY2014. These community-wide low- and moderate-income percentages will normally be used only for infrastructure activities such as a town well.

- b. Infrastructure (public works) activities must utilize either the community-wide low- and moderate-income figures noted in Attachment B, a survey following the methodology contained in the 9/23/14 HUD Notice CPD-14-013, "Guidelines for Conducting Income Surveys to Determine the Percentage of Low- and Moderate-Income (LMI) Persons in the Service Area of a Community Development Block Grant (CDBG)-Funded Activity," or the available Census data at the tract or block group level, to show that target area residents are 51 percent low/moderate income. Census maps can be found at: <http://factfinder2.census.gov>. Past surveys not utilizing the HUD methodology will not be accepted.

- c. Housing rehabilitation activities do not have to document that the target area residents are 51 percent low/moderate income. Instead, the target area will be defined on the basis of the number of substandard dwelling units contained within its boundaries. The total number of dwelling units shall also be enumerated. Documentation of these figures shall normally be accomplished through a windshield survey. A substandard dwelling unit is defined as failing to meet the standards of the Delaware State Housing Code or the housing code adopted by the jurisdiction where the unit is located.

Where no discernible target areas exist within a community's corporate limits, the entire community may be identified as a rehab target area. The total number of dwelling units, and the number of substandard dwelling units, shall be documented as for any other target area.

- d. Housing Code Enforcement/Demolition:

Unless housing code enforcement/demolition activities meet the national criteria for slum and blight, these activities require target area determinations utilizing the HUD Survey Methodology or Census data documenting a 51 percent benefit to low/moderate-income persons.

e. DSHA Pre-Approval:

All target area survey instruments, descriptions of how surveys were conducted, survey results, maps clearly indicating service area boundaries, a rationale/justification for the service area determination, and a rationale for the method used to determine low- and moderate-income benefit (if Census information is not used) must be approved by DSHA prior to the submission of an application. Census data must be used to the maximum extent feasible for determining the income of persons residing in service areas. Target areas must have at least four eligible units per target area. All target area information must be received in the DSHA office at 18 The Green, Dover, Delaware 19901, no later than 4:00 p.m. on **January 25, 2018**.

f. Service Area Determination guidance can be found at the Section titled “Determining the service area” on pages 3-9 to 3-11 of the “Guide to National Objectives & Eligible Activities for State CDBG Programs,” available from DSHA, or at:
http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/communitydevelopment/library/stateguide.

g. Areas of Minority Concentration

To affirmatively further Fair Housing, DSHA will provide up to 5 points in the Application Review scoring at Section V.B.1.d. to applications that target areas having disproportionate housing needs by race and ethnicity. Areas of racial and ethnic minority concentration are defined as geographic areas where the percentage of a specific minority or ethnic group is 10 percentage points higher than in the jurisdiction overall, as of the 2010 Census. In Kent County there are 8 Census tracts identified as having concentrations of Black residents, including 402.03, 405.01, 410, 412, 414, 415, 425, and 433. Kent County also has one Census tract having a concentration of Hispanic residents: 425. In Sussex County, there are five Census tracts having concentrations of Black residents: 501.05, 502, 504.06, 504.07, and 518.02. Sussex County also has four Census tracts having concentrations of Hispanic residents: 501.04, 505.03, 505.04, and 514.

F. Program Outcome Performance Measurement

On pages 11470 to 11481 of the March 7, 2006 Federal Register, HUD published a “Notice of Outcome Performance Measurement System for Community Planning and Development Formula Grant Programs”. This Notice on Performance Measurement is to be followed in establishing and reporting outcome performance measures for each activity for FY2018. Subgrantees are required to provide proposed outcome/objective statements

for each activity in their CDBG applications, and actual outcome/objective statements with indicators in their quarterly and closeout reports.

G. Affirmatively Furthering Fair Housing

In addition to typical reporting requirements, in an effort to affirmatively further Fair Housing, DSHA will increase monitoring and require increased reporting relative to Fair Housing issues. Eligible jurisdictions will be required to submit reports (1) detailing addresses of beneficiaries and their membership in protected classes and (2) a narrative report updating DSHA about progress on meeting objectives outlined in the Statewide Fair Housing Plan and other efforts to affirmatively further Fair Housing, such as training, outreach and new programs.

II. General Information for Applicants

A. Eligible Applicants

Eligible applicants are units of general local government in Kent and Sussex Counties, the Kent County Levy Court and the Sussex County Council.

B. Number and Type of Applications

Each unit of local government and each county government may make only one application for funds in each program year, with the exception of applications for emergency activities and infrastructure for new housing development. An application from the Kent and Sussex County Governments may include unincorporated portions of the county, as well as those incorporated areas whose governing bodies have specifically requested to be included in the county's application. Written evidence of that request must be included with the county's application. If a local government has requested to be included in a county application it may not make a separate application, except applications for emergency activities and infrastructure for new housing development submitted after the normal application deadline.

C. Activities Outside an Applicant's Boundaries

An applicant may apply for CDBG funds for eligible program activities, which are partially outside its boundaries if it can be demonstrated that these activities are appropriate to meet the applicant's needs and objectives. Such activities must be consistent with State and local law, and the county or municipality within which these activities will take place must agree to such activities.

D. Activities Within an Application

Within a single application or fiscal year, an applicant may seek funding for activities, which address more than one community development need, as long as the

total does not exceed the maximum allocation of \$1,100,000. The CDBG funds requested, either by themselves or in combination with other funds, must be sufficient to complete the proposed activities. An allocation exceeding \$500,000 would have to be extremely competitive.

E. Eligible Activities

The 2018 program will provide funds to units of general local government and to counties not entitled to receive CDBG funds directly from HUD to undertake eligible approved activities, as listed in these Program Guidelines. The program is competitive in nature and it is anticipated that the demand for funds will far exceed the total amount available to the State. Therefore, eligible applicants selected for funding will be those communities and counties whose applications best address locally-determined needs of low- and moderate-income families as contained in the Delaware Consolidated Plan dated May, 2015, and which are also consistent with the 51 percent principal benefit requirement or otherwise meet one of the three National Objectives, and which meet one or more State priorities.

Applicants should be aware that proposed activities, which do not meet a State priority will be deemed unresponsive and not considered by the review panel, unless sufficient fundable activities meeting a State priority are not received by DSHA.

III. State Priorities and Set-Asides

The following are the State's priorities and set-asides for FY18 CDBG funding:

A. Maintenance of Existing Housing

1. Rehabilitation of substandard residential properties occupied by 100 percent low- and moderate-income households.

- a. General

- 1) Applicants must submit a list of all residential properties to be rehabilitated, with each property identified as owner- or renter-occupied. However, local governments with current waiting lists containing at least twice the number of applicants than are proposed for assistance may simply submit a certification to that effect, without submitting the normal list of properties to be rehabilitated. Applicants' waiting lists must be updated each year, prior to submission to DSHA. Applicants must submit pictures of, directions to, and addresses for, the first four houses on each waiting list.

For the FY18 program year, if rehab applicants are exhausted in targeted areas before funds are exhausted in those areas, excess funds from those areas can be transferred to other target areas. If all eligible rehab applicants are exhausted in all target areas before funds are exhausted in those areas, then the excess funds from those areas can be transferred to scattered site rehabilitation.

- 2) All residential properties receiving CDBG assistance must be rehabilitated up to the standards of the Delaware State Housing Code or the local equivalent code, except that those properties only receiving assistance under a funded Emergency Home Repair activity under Section III.A.1.g. do not need to be brought completely up to code at the time the emergency repair is completed. All CDBG applicants must include a clause in their rehabilitation contracts, which enables them to rescind the contract in the event it is determined during the course of construction that the proposed rehabilitation is not feasible due to unforeseen conditions not known at the time the contract was executed.
- 3) All applicants requesting CDBG rehabilitation assistance must have adopted and be enforcing a housing code equivalent to or more restrictive than the Delaware State Housing Code. (Municipalities may be under contract for the enforcement of the code by county government.) The CDBG Subgrantee must certify that the property is up to housing code standards when rehabilitation is completed.
- 4) The CDBG/HOME housing rehabilitation program is a deferred loan program. The loan interest rate is 0%. The deferred loans can be reduced on a pro-rata basis over the time period for the lien. At the end of the loan term, the total amount of the loan would then be forgiven and satisfied.
 - a. A lien in the amount of the rehabilitation costs must be placed against all properties receiving CDBG/HOME rehabilitation assistance, except that: no lien will be required to be placed on properties receiving less than \$5,000 in CDBG only rehabilitation assistance (not HOME rehabilitation assistance) for water/sewer hookups, meter installations, and emergency repairs. Properties receiving rehabilitation assistance funded in whole or in part with HOME funds will have a lien placed regardless of amount.

b. Except as noted above, loan terms for CDBG/HOME Rehabilitation Assistance:

For homeowners under 62 years of age:

Under \$10,000	5 Years
\$10,000 to under \$20,000	10 Years
\$20,000+	15 Years

For homeowners age 62 or older:

Under \$20,000	5 Years
\$20,000+	10 Years

c. Deferred loans may be recorded in second position behind the homeowners' first mortgage, if required. Pro-rata payback of a CDBG-deferred loan to the Subgrantee is required when the property is sold or transferred, except the lien may continue on the property without repayment when the property is sold or transferred to a low/moderate-income household.

Pro-rata payback of a HOME-deferred loan to DSHA is required when the property is sold, refinanced, or transferred.

d. Applicants may take up to 10% of the program income from the return of CDBG only deferred loan funds for use as administration funds. Applicants must report the taking of CDBG program income and CDBG program income administration funds on their next drawdown. All HOME program income funds must be returned to DSHA.

5) The applicant must have adopted a rehabilitation manual containing all forms and procedures to be used, including: procedures for coordinating with similar rehabilitation programs and an executed Programmatic Agreement (PA) with the National Advisory Council and State Historic Preservation Office.

6) Applicants may use up to 50 percent of their CDBG funds for community-wide rehabilitation. Counties proposing to use their community-wide funds in incorporated communities must obtain a resolution from that community authorizing such rehabilitation to be done.

- 7) Applicants must use 51 percent of their CDBG funds in designated DSHA-approved target areas. Subject to DSHA approval, where no identifiable smaller target areas exist, the target area requirement may be waived for a particular community.
 - 8) Except in cases of emergency rehabilitation, applicants must certify that units to be rehabilitated will be insured for at least the amount and period of the rehab loan.
 - 9) Local officials shall determine the suitability of providing rehabilitation assistance to any given residential property.
 - 10) Applicants are encouraged to support the Statewide initiative to hire minority-, veteran- or women-owned businesses. The company must be (a) 51 percent owned by minority, Veteran and/or woman or (b) 51 percent managed by minority group, service disabled veteran/veteran and/or woman and (c) certified as a MVWBE (or home state equivalent) in home state of business as for-profit business. For further information please refer to <http://gss.omb.delaware.gov/osd/index.shtml>.
- b. Lead-Based Paint: This Section applies to activities renovating or rehabilitating housing units occupied by 100 percent low- and moderate-income households constructed prior to January 1, 1978 receiving Federally-funded project-based assistance.
- 1) Grantees shall follow the lead-based paint regulations found at 24 CFR part 35 Lead-Based Paint Poisoning Prevention in Certain Residential Structures.
 - 2) In cases where evaluation or hazard reduction or both are undertaken, the Subgrantee shall provide a notice to occupants in accordance with Section 35.125.
 - 3) Subgrantees must provide a lead hazard information pamphlet to all families receiving assistance living in pre-1978 housing, and obtain a signed acknowledgment from occupants that they have received the pamphlet.
 - 4) Lead-based paint inspection, risk assessments, testing, hazard reduction and abatement and treatment are eligible expenses.
 - 5) Inspection/risk assessment/testing reports must be kept by the Subgrantee for a period of three years.

- 6) The Subgrantee must conduct paint testing or presume the presence of lead-based paint, in accordance with Section 35.930.
 - 7) CDBG administration funds may be used for rehabilitation Subgrantee lead-based paint certification training. No matching funds are required for administrative funds used for CDBG Subgrantee lead-based paint certification training.
- c. Rental Rehabilitation of housing units occupied by 100 percent low- and moderate-income households.
- 1) A maximum of \$15,000 per unit may be provided for CDBG rental rehabilitation.
 - 2) CDBG rental rehabilitation loans will be financed at 3 percent amortized over a period of 10 years and will not be deferred.
 - 3) Only 75 percent of the rehabilitation cost may be financed by CDBG funds. The remaining 25 percent must be financed through private funds.
 - 4) The servicing of 3 percent CDBG rental rehabilitation loans shall be handled by DSHA through an agreement with a private servicing agent. The costs to DSHA of providing servicing will be reimbursed from principal and interest payments made by the owner to the Subgrantee. All principal and interest for rental rehabilitation loans shall be repaid on a regular monthly schedule after completion of the work.
 - 5) All rental units financed with CDBG funds must be occupied by low- and moderate-income persons at affordable rents throughout the duration of the loan agreement. Affordable rents are defined as Fair Market Rents (FMR) published periodically by the Federal HUD Section 8 Existing requirements. See Attachment D to these Program Guidelines for the most recent figures dated 10/01/16.
 - 6) All CDBG rental rehabilitation must utilize the forms and procedures contained in Delaware CDBG Rental Rehabilitation Procedures dated November, 1990.

- d. The rehabilitation of manufactured housing occupied by 100 percent low- and moderate-income households shall utilize the same rehabilitation procedures as other housing, except that the following additional requirements apply:
- 1) There shall be a limit of \$15,000 per manufactured home rehabilitated on rental lots. There shall be a limit of \$25,000 per manufactured home rehabilitated where the owner owns both the manufactured home and the lot it is situated on;
 - 2) The CDBG Subgrantee must certify that the property will have at least 10 years of habitable life after rehabilitation is completed;
 - 3) The CDBG Subgrantee must obtain documentation that the manufactured home is in place and installed in accordance with local environmental, zoning and housing/building code requirements, prior to starting work on the property;
 - 4) For manufactured housing where the owner owns both the manufactured home and the lot it is situated on, the unit must have a permanent foundation in order to be eligible for rehabilitation funds. If no permanent foundation exists, then the total rehabilitation contract specifications for a unit must include the installation of the foundation. For manufactured housing situated on rental lots, the permanent foundation requirement does not apply; and
 - 5) For manufactured housing where the owner owns both the manufactured home and the lot it is situated on, and where the manufactured housing unit is beyond economical repair, the CDBG Subgrantee receiving HOME rehabilitation funds may only use HOME rehabilitation funds to replace the unit with a manufactured housing unit not more than 20 years old. All manufactured housing to be replaced must have been condemned by the applicant's code enforcement official, and the replacement unit must meet the standards of the Delaware State Housing Code or the local housing code. A ten-year lien must be placed against all properties where manufactured housing is replaced with HOME funds. For manufactured housing situated on rental lots, the replacement option does not apply.
- e. Water and/or sewer hookup of 100 percent low- and moderate-income households shall utilize the same rehabilitation procedures as other housing rehabilitations, including the documentation of low- and

moderate-income household according to the definition provided in Section I.D.2, above.

- f. Energy Efficiency: This Section applies to activities renovating or rehabilitating housing units occupied by 100 percent low- and moderate-income households. To the maximum extent feasible and cost-effective, Subgrantees' work write-ups and specifications for rehab work necessary to bring the dwelling unit up to housing code standards shall require ENERGY STAR qualified products and procedures. Subgrantees shall utilize the Energy Star website directly at: <http://www.energystar.gov/homeadvisor> to determine the recommended energy-efficient specifications for rehabilitation and remodeling. The recommendations on these websites shall be followed for all required work and materials, including, but not limited to: windows, heating and air conditioning systems, ventilation, insulation, air sealing, water heaters, light fixtures, lighting, and doors. The CDBG Subgrantee shall also coordinate its housing rehabilitation waiting lists, to the extent feasible, with the Delaware Weatherization Assistance Program waiting list, and the waiting lists of all other agencies that offer emergency home repair programs.

- g. Emergency Home Repair of residential properties owned and occupied by 100 percent low- and moderate-income households. CDBG applicants may apply for a separate Emergency Home Repair category of housing rehabilitation funds to address an emergency condition threatening the health or safety of an owner-occupied household's occupants. Emergency Home Repair is separate from emergency rehabilitation under Section III.C.2. of these program guidelines. Repairs that generally qualify as emergency home repair include: heating, plumbing, electrical, roofing, and structural problems.
 - 1) An emergency is defined as an unexpected occurrence or combination of events calling for immediate action. Unsafe electrical wiring, a non-working heater in winter, or structural conditions that are a major defect or are life-threatening and considered unsafe are examples of true emergencies.
 - 2) A minimum of \$500 and maximum of \$7,500 may be provided per home in CDBG emergency home repair assistance.
 - 3) Homeowners must meet all eligibility requirements to participate in the program.

- 4) A five-year lien must be placed against all properties receiving \$5,000 or more in CDBG emergency home repair funds.
2. Housing code enforcement in areas of slum and blight (as defined in state regulations) or which benefit an area of at least 51 percent low- and moderate-income persons. (Also note Section I.E.2.d.)
 - a. Applicants proposing housing code enforcement activities must certify that they will maintain during the period of the CDBG contract, in addition to their expenditures for carrying out any program assisted with CDBG funds, a level of expenditures for code enforcement activities at not less than their normal expenditures for such activities in the year prior to the execution of the CDBG Contract.
 - b. Applicants requesting CDBG assistance for code enforcement must have adopted and be enforcing a housing code equivalent to the Delaware State Housing Code.
3. Demolition of substandard structures in areas of slum and blight (as defined in state regulations) or which benefit 51 percent low- and moderate-income persons on an area or spot basis. Applicants for demolition funds may use up to 50 percent of such funds for community-wide demolition.
 - a. All structures to be demolished must have been condemned by the applicant's code enforcement official. Applicants requesting CDBG assistance for demolition must have adopted and be enforcing a housing code equivalent to the Delaware State Housing Code.
 - b. Demolitions to be accomplished with the voluntary consent of the owner and at the discretion of the community, must be in the form of a permanent 0 percent deferred loan, that is not forgivable, unless new housing constructed on the property becomes exclusively: 1) owned and occupied as the principal residence(s) of low/moderate-income household(s); or, 2) rented by low/moderate-income household(s) for a period of at least ten years.
 - c. For non-voluntary demolitions, the governing body of the applicant must provide evidence that it has exhausted other available legal procedures to secure remedial action by the

owner of the structure(s) involved, that demolition action is required, and that it has the legal authority to demolish the structure(s).

- d. The applicant requesting CDBG assistance for non-voluntary demolitions must agree to place a tax lien on the property so that monies expended for razing, demolition, and removal of eligible structures or part(s) thereof, may be collected in the same manner as other real estate taxes. All such monies recovered shall be deemed to be program income.
 - e. Demolition liens, whether in the form of a 0 percent deferred loan, or a real estate tax lien, may be subordinated to a new mortgage on the property if the property is sold or transferred for the purpose of low/moderate-income housing. The lien will then continue in the original form until such time as the property is converted to a use other than for the purpose of low/moderate-income housing, at which time the lien will be required to be repaid; or, until such time as the property is actually used to house low/mod-income household(s) as described in Section III.A.3.b., above, at which time the lien will be forgiven.
4. Construction or rehabilitation of emergency/transitional/permanent supportive housing serving of at least 51 percent low- and moderate-income limited clientele.
- a. Applicant must provide evidence that the construction or rehabilitation will benefit at least 51 percent low- and moderate-income persons. This evidence must demonstrate that at least 51 percent of daily normal users of the facility are principally low- and moderate-income persons.
 - b. Applicant must certify that it will not charge any fees for accessing such assisted facilities so as to have the effect of precluding low- and moderate-income persons from obtaining said access.
 - c. All CDBG applicants must certify that they will comply with the labor standards as set forth in 24 CFR 570.603; HUD regulations at 24 CFR 607 and 609; and the Delaware CDBG Labor Standards Handbook.

- d. No such activities will be funded unless additional funding has been secured for the provision of services which are complementary to the programmatic purpose of the activity.
 - e. The applicant must certify that it will obtain all necessary permits and will comply with all federal, state and local standards and regulations that pertain to the type of activity requested such as building codes, insurance, and the State architectural accessibility standards prescribed by the State of Delaware Architectural Accessibility Board.
 - f. If the facilities to be assisted are publicly owned, the facilities must be nonresidential buildings which are not used for the general conduct of government such as "city halls, county administration buildings, state capitol or office buildings, or other facilities in which the legislative or general administrative affairs of government are conducted." (Section 102 (a)(21) of the Act); and which meet the requirements of 24 CFR 570.200 (5)(b).
 - g. If the facilities to be assisted are privately owned by a nonprofit organization, the organization must meet the requirements of 24 CFR 570.204 (c)(1), and be operated so as to be open for use by the general public during all normal hours of operation and otherwise meet the requirements of 24 CFR 570.200 (5)(b).
 - h. The applicant must comply with all restrictions and limitations regarding the use of CDBG funds by nonprofit organizations which are church-related found at 24 CFR 570.200(j).
5. Relocation assistance as required under the Uniform Relocation Act, Delaware Code, and 24 CFR 570.
 6. Substantial reconstruction of housing occupied by 100 percent low- and moderate-income households.

A unit of general local government may use CDBG funds to reconstruct residential structures (i.e. rebuild the structure on the same site) having a low- and moderate-income owner/occupant and consisting of one dwelling unit if either:

- a. The need for the reconstruction was not determinable until after rehabilitation on the structure had already commenced; or

1. Definition of infrastructure: The installation or improvement of water systems, sewer systems, streets, storm drainage systems, sidewalks. This includes all related activities such as engineering, land surveys, site acquisition (for housing development), planning studies, relocation assistance, etc.;
2. Architectural/engineering studies for infrastructure directly related to housing development, including feasibility studies, site tests and soil borings;
3. Preparation of grant applications to other grantor agencies;
4. Acquisition of land for new housing development, in accordance with the requirements of the Uniform Relocation Act of Delaware Code;
5. Clearance and site preparation for new housing development for low- and moderate-income persons;
6. Installation or improvement of infrastructure benefiting service areas of at least 51 percent low- and moderate-income persons, including: water, sewer, streets, sidewalks;
7. Planning studies, including comprehensive plans and zoning ordinances, which clearly by their intent and design, encourage the provision of affordable housing for low- and moderate-income persons; and
8. For items 1-7 as applicable above:
 - a. The applicant must provide evidence that it will provide a minimum cash or in-kind match for each activity, as described below. Cash matches may be provided through other sources of funding for the same activity;

Infrastructure Match Requirements

<u>Total Activity Cost</u>	<u>Cash Match</u>	<u>or</u>	<u>In-Kind Match</u>
Up to \$100,000	10% of Activity		15% of Activity
\$100,000+ to \$199,999	15% of Activity		20% of Activity
\$200,000+	20% of Activity		25% of Activity

- b. Applicant must provide evidence that at least 51 percent of the persons benefited by the activity are in fact low- and moderate-income persons;

- c. Applicant must certify that there will be no special assessment against properties owned by low- and moderate-income persons to recover that portion of a capital expenditure funded with CDBG funds. The term special assessment is defined to mean a fee or charge levied or filed as a lien against a parcel of real estate as a direct result of benefit derived from the installation of a public facility improvement, such as streets, curbs, and gutters. The amount of the fee represents the pro rata share of the capital costs of the public improvement levied against the benefiting properties;
 - d. All CDBG applicants must certify that they will comply with the labor standards as set forth in 24 CFR 570.603; HUD regulations at 24 CFR 607 and 609; and the Delaware CDBG Labor Standards Handbook; and
 - e. The applicant must certify that it will obtain all necessary permits and will comply with all federal, state and local standards and regulations that pertain to the type of activity requested.
9. Set-aside: 10-40 percent of CDBG funds available for allocation to activities, excluding administrative costs. The final percentage of CDBG funds allocated for the Infrastructure for Housing Development and Maintenance set-aside will be dependent upon the quality and type of applications received in FY18.
- C. Emergency activities (water, sewer, housing rehabilitation and demolition), which have a particular urgency because existing conditions pose a serious and immediate threat to the health and welfare of the community and other financial resources are not available to meet such needs.
- 1. For emergency water and sewer activities:
 - a. Applicant must certify that there will be no special assessment against properties owned by low- and moderate-income persons to recover that portion of a capital expenditure funded with CDBG funds;
 - b. The nature, degree of serious and immediate threat must be documented by letters from appropriate agencies such as the State Division of Public Health, DNREC, State/local fire officials, etc.;
 - c. The serious and immediate threat must be of recent origin or recently became urgent, that is, the condition developed or

became critical within 18 months of a certification that must be made by the applicant in its application;

- d. Applicant must certify and document that it is unable to finance the construction of these facilities without CDBG funds. Such documentation shall include: (a) if appropriate, letters from other grantor agencies such as the Department of Natural Resources and Environmental Control, Department of Transportation, Division of Public Health, etc., confirming that funds were not available; (b) appropriate financial statements showing the lack of local funds; and (c) a financial analysis of why the activity is not feasible through use of other methods of local funding such as the proceeds of general obligation bonds, special assessments, etc.;
 - e. All CDBG applicants must certify that they will comply with the labor standards as set forth in 24 CFR 570.603; HUD regulations at 24 CFR 607 and 609; and the Delaware CDBG Labor Standards Handbook; and
 - f. The applicant must certify that it will obtain all necessary permits and will comply with all federal, State and local standards and regulations that pertain to the type of activity requested.
2. For emergency rehabilitation and demolition:
- a. Required as a direct result of a natural disaster, such as a tornado, flood, hurricane, or similar catastrophe;
 - b. State has made a formal request to the Federal Emergency Management Agency for preliminary damage assessment and/or for which federal disaster assistance has been officially sought by the State;
 - c. At the discretion of the DSHA Director, rehabilitation assistance may be provided to persons not of low/moderate income when the need for such assistance is clearly documented;
 - d. Emergency rehabilitation and demolition activities will only be provided to cover losses not covered by insurance; and
 - e. Both emergency rehabilitation and demolition assistance will utilize the same liens and contracts as used for regular rehabilitation and demolition programs.

3. Set-aside: 0-7 percent of CDBG funds available for allocation to activities, excluding administrative costs. The final percentage of CDBG funds allocated for the emergency activities set aside will be dependent upon the quality and type of applications received in FY18.

D. Administration

1. At least 50 percent of the administrative cost of the activity(ies) must be provided by the local funds of the applicant.

2. Matching Requirements

These local funds may be drawn from local operating appropriations, nonprofit organization funds, proceeds of general obligation revenue bonds or other funds expended for the same purpose as the CDBG funds are expended. Any costs incurred by the applicant for activities that directly benefit the CDBG activity and meet the requirements of OMB Circular A-87 may be used to meet this match requirement. However, these funds must be spent in the same consecutive twelve-month period as the CDBG funds. For the purpose of this match requirement an applicant is considered to be: (a) a county's application for its unincorporated areas; (b) incorporated areas applying on their own; or (c) incorporated areas under a county's application.

3. Administrative Costs Limits

Administrative costs allowable to participating units of general local government under the CDBG Program shall be governed by the matching requirement in Paragraph 2. above, the contract budget and by the federal requirement that the State and its CDBG Subgrantees are limited to an aggregate amount of administrative costs that represent twenty percent of the State's total grant from HUD in any given federal fiscal year. It should be noted that the total amount of CDBG funds available for administration in FY18 may be less than the amount currently allocated, depending upon the number and quality of applications received, and the amount of funding allocated by HUD. The maximum allocation for all administrative and program delivery costs for any single applicant shall not exceed **\$172,000** in any program year. Applications shall provide the salaries of all program administration personnel to be funded through CDBG funds. DSHA may separate rehabilitation specialists' salaries from general administration costs and allocate funding for those salaries as rehabilitation program delivery costs.

IV. Application Submission

A. Submission Date

Applications for the State's FY18 CDBG Program must be received in the DSHA office at 18 The Green, Dover, Delaware 19901, no later than 4:00 p.m. on **March 1, 2018**. Applications for emergency activities and infrastructure for housing development will be considered at any time during the program year, subject to the following conditions: sufficient unallocated CDBG funds must be available to fund the activity(ies); assuming the availability of CDBG funds, a review panel will be convened to evaluate such proposals as well as those activities which were not originally recommended for full funding; and the need for CDBG funds must have arisen after the application deadline and be required for immediate use. **ONE SIGNED ORIGINAL AND ONE SIGNED COPY of the application must be submitted.**

B. Application Content and Format

Applications for CDBG funds must be made on such forms and in accordance with such instructions as are prescribed by DSHA, and include all forms and questionnaires as may be applicable to the specific proposed activity.

C. Documentation and Certifications

Application for CDBG funds must include all such documentation and certifications as may be prescribed in these Program Guidelines and in the application instructions prescribed by DSHA.

D. Program Performance Period

All applications for 2018 funds shall be to finance CDBG-eligible activities that shall be initiated after July 1, 2018, and completed no later than June 30, 2019.

V. Application Review

A. DSHA Staff

1. The DSHA staff will review all applications for completeness and to determine whether the applications meet the minimum threshold requirements for all applications.
2. If the assessment by the DSHA staff indicates that an application fails to meet any of the applicable threshold requirements, and the applicant has not provided the requested information to make the application complete, DSHA staff will prepare a report on each such application and submit it to the Director of DSHA. If the Director of DSHA agrees with the assessment by DSHA staff, the application will be considered unresponsive. Such

applications will not be forwarded to the review panel(s) referred to below, but will be returned to the applicant with a reason for the rejection. Any application that has been assessed as unresponsive shall be precluded from any further consideration in the FY18 CDBG Program, unless it is modified after July 1, 2018 to meet the threshold requirements for activities having a particular urgency or infrastructure for new housing development, and provided it falls within the requirements for a request for "recaptured/remaining funds" after July 1, 2018 as specified in Section VI.D. of these Program Guidelines.

3. It is essential that the amount of CDBG funds requested in each application be reflected in a budget which is both reasonable and realistic, and which conforms with all the requirements for such budgets contained in these Program Guidelines and the instructions for CDBG applications. Because of this, DSHA staff may, after determining that an application has met all the applicable threshold requirements, enter into direct negotiations with an applicant to reach agreement on any budgetary modifications that should be made before the application is presented to the review panel(s) that will evaluate the proposal(s).
 4. The DSHA staff shall provide the review panel(s) with a separate staff report on each application that will at a minimum include the following:
 - a. Certification that the application/applicant has met all applicable threshold requirements, including evaluation of low- and moderate-income benefit;
 - b. Certification that the proposed budget represents a realistic/reasonable budget which conforms to all applicable instructions and policies;
 - c. The conformance of the proposed activities to the goals and objectives of the Delaware Consolidated Plan; and
 - d. An evaluation of the applicant's capacity, and past performance under the CDBG Program.
- B. Review Panel(s)
1. The review panel(s), composed of persons with the appropriate background and experience, shall evaluate each proposed activity, based upon the following criteria. A maximum total of 100 points may be received by an application.

a. Low- and Moderate-Income Benefit (Provided by DSHA staff): Applications showing a greater benefit to low- and moderate-income persons for similar activities will be rated higher than those showing a lesser benefit to low- and moderate-income persons. Up to 25 points as follows:

- (1) 90-100% L/M = 25
- (2) 80-89% L/M = 20
- (3) 70-79% L/M = 15
- (4) 60-69% L/M = 10
- (5) 51-59% L/M = 5
- (6) 0 -50% L/M = 0

b. Management Capacity (provided by DSHA staff): Each applicant's management capacity for each of the activities proposed will be evaluated on the basis of the most recent monitoring report(s), current or proposed staff qualifications, progress achieved in completing its current CDBG Program (if applicable), and most recent audit report(s) (if applicable). Up to 5 points as follows:

- (1) outstanding = 5
- (2) above standard = 3
- (3) standard = 1
- (4) below standard = 0 (no allocation)

c. Cost/benefit of Activity: Each proposed activity will be evaluated on the basis of the following factors. Up to 70 points as follows:

- (1) severity of need, including the number, percent and geographic concentration of low/moderate-income families; number, percent and geographic concentration of substandard housing; number, percent and geographic concentration of housing needing public facilities; health and/or safety conditions; emergency status:

<u>Points</u>	<u>Need</u>
1	not documented
8	moderate
15	severe

- (2) holistic impact of activity, meaning, the degree (percentage, from Section IV. B. and C. of application) to which the identified need(s) for the activity(ies) is/are proposed to be addressed:

<u>Points</u>	<u>Impact</u>
1	low
8	moderate
15	high

- (3) cost reasonableness, meaning, the reasonableness of the proposed program activity costs taking into account construction estimates and the availability of other resources:

<u>Points</u>	<u>Cost/Reasonableness</u>
1	low
8	moderate
15	high

- (4) leveraging of other resources, meaning extent to which other firm, committed funding sources are identified:

<u>Points</u>	<u>Other Resources</u>
1	minimal or no match
8	moderate match
15	significant match

- (5) suitability/feasibility of work plan, meaning the extent to which the applicants proposed scope of work will realistically be accomplished within the next fiscal year:

<u>Points</u>	<u>Plan Feasibility</u>
1	poor
3	fair
5	good

- d. Targeting Areas of Minority Concentration: Applications showing a greater benefit to areas of minority concentration (see Section I.E.2.g.) for similar activities will be rated higher than those showing a lesser benefit to areas of minority concentration. Up to 5 points as follows:

<u>Points</u>	<u>Minority Targeting</u>
1	poor
3	fair
5	good

- e. An oral presentation by the applicant to the review panel will supplement the application scores and serve as a factor in the panel's final decision.

2. Review Panel Recommendations

DSHA staff will prepare a summary evaluation of all applications received, which will include the scores for each proposed activity as described in V.B. above, and a descriptive summary of the review panel's comments and recommended priorities for funding.

C. Director of DSHA

The Director of DSHA will make the final decisions on allocating CDBG funds, based upon the review panel(s) recommendations and any additional relevant information obtained subsequent to those recommendations. Such additional information will only be considered if it reflects a substantive change in the application review criteria noted in Section V.B.1. above.

D. Allocations

Allocations to specific activities will be based on approved contract budgets. The maximum allocation for any single applicant shall not exceed \$1,100,000 in any program year. Applicants should be aware that a total of approximately \$2,000,000 is expected to be available for program activities. An allocation exceeding \$500,000 would need to be extremely competitive.

VI. Additional Funding

A. Program Income Returned to Unit of Local Government

1. Program income means amounts earned by a unit of general local government or its subrecipient that were generated from the use of CDBG funds allocated by the State in a contract with a unit of general local government.
2. The use of program income is subject to all the applicable requirements of federal law, HUD regulations and program memoranda, and the general requirement of these Program Guidelines, which are consistent with said law, regulations and program memoranda. Additionally, the specific requirements for Program Income as are contained in the State's Financial Handbook shall also apply.
3. Program income retained by the unit of local government will:
 - a. be added to funds committed to the activity and used to further the same program activity as the income was derived;
 - b. not be used to pay administrative costs; and
 - c. be expended before additional funds are drawn down from DSHA for the same activity.
4. Program income not authorized for retention and expenditure by the unit of local government will be returned to the State.

B. Program Income Returned to the State of Delaware

Section 104(i) of the Housing and Community Development Act of 1974, as amended by the Housing and Community Development Act of 1992, authorizes States to distribute program income when such income has been returned to the State.

Program income returned to the State shall be disbursed to communities under open CDBG Contracts prior to making additional draws from the U.S. Treasury. The funds thus freed up shall be allocated in accordance with Section VI.D. below.

NOTE: Program income generated by CDBG rental rehabilitation loan repayments is considered program income of the unit of local government, even though such repayments are made directly back to DSHA through its loan servicing agreement. All such program income will be distributed to the appropriate unit of local government in accordance with the provisions of Section VI.A. above.

C. Reallocated/Supplementary Funds

Reallocated funds are those HUD has recaptured from a Small Cities Subgrantee and "reallocated" to Delaware. If Delaware should receive any "reallocated funds" from HUD for distribution as part of the FY18 CDBG Program, these funds shall be allocated in the same manner and under the same conditions as described in Section VI.D. below. Supplementary funds are those funds that HUD may award to the State after July 1, 2018, and shall also be allocated in the same manner and under the same conditions as described in Section VI.D. below.

D. Recaptured/Remaining Funds

1. Recaptured funds are those CDBG funds which remain unobligated after a CDBG contract has either been closed out or terminated; or after it has been determined that the total amount of CDBG funds originally allocated in a given contract are not required to complete the proposed activity for which they are allocated.

Remaining funds are funds for which a method of distribution was contained in a prior year's Program Guidelines, but which have not been, and are no longer intended to be so distributed. Remaining funds may also be an amount left over after the state has awarded all of its contracts, but the left over amount is too small to fund an application.

2. Recaptured/remaining funds that shall be received from its recipients by June 15, 2018, shall be included as part of the FY2018 allocations in accordance with all applicable requirements of these Program Guidelines.
3. Recaptured/remaining funds that shall be received from its recipients after June 15, 2018 shall be set aside for the following purposes:
 - a. To provide additional funding for any activity already under contract so long as the total amount of funds allocated does not exceed the \$1,100,000 maximum allocation for any single applicant; in those cases where an unforeseen situation may have arisen after the original contract budget had been approved (the burden of proof will rest with the applicant); or when the activity has not been funded in the total amount originally requested;

- b. To fund emergency activities and infrastructure for housing development that were not previously submitted as part of the FY2018 CDBG Program and the need for which may have arisen after the deadline for FY2018 applications has passed. The \$1,100,000 maximum allocation of CDBG funds for any single applicant in any program year shall apply;
- c. At the discretion of the Director of DSHA, eligible applications not originally recommended for funding because of limited resources may be reconsidered for funding after approved activities noted in (a) and (b) above have been funded; and
- d. The priorities for distributing funds under this part shall be in accordance with the state's method of distribution found in Section V.

E. Combining Other Funding to Comprehensively Address Rehabilitation Needs

- A. Again in FY18, greater emphasis will be given to applications, which take a holistic approach to community development through comprehensively combining all funding sources, one community at a time. DSHA expects applications responsive to this change in emphasis to combine smaller CDBG funding requests with Housing Preservation Grant (HPG) funding in target areas. Where these other sources of funding are used to comprehensively address rehabilitation needs and to lessen the demand on CDBG rehabilitation funding, greater consideration will be given to CDBG infrastructure requests. As a result, rehabilitation needs will be comprehensively addressed, more CDBG funds will be available for infrastructure activities, and community development needs in general will be holistically addressed. In the scoring of applications, strong emphasis is given to leveraging, and, leveraging funds must be shown and identified in activity budgets. Letters of commitment signed by a majority of the board/council committing the match, and including the source of the match, must accompany any applications claiming to have matching funds.

VII. Waivers of Policy

The Director of DSHA may waive any requirement of these Policies not required by federal/state law or federal regulation, whenever it is determined that undue hardship will result from applying the requirement or where application of the requirement would adversely affect the purposes of the Delaware CDBG Program. Waivers shall be made in writing, citing the policy provision to be waived, the authority for the waiver, and be supported by documentation of the pertinent facts. Where only a portion of the policy provision is to be waived, the waiver must expressly limit itself to that portion.

Attachment A to the Delaware CDBG Program Guidelines

REVISED INCOME LIMITS
(EFFECTIVE 4/14/17)

	<u>Kent County</u>			<u>Sussex County</u>		
	30% of Median	Low	Moderate	30% of Median	Low	Moderate
1 Person	\$13,650	\$22,750	\$36,400	\$13,850	\$23,100	\$36,900
2 Person	\$16,240	\$26,000	\$41,600	\$16,240	\$26,400	\$42,200
3 Person	\$20,420	\$29,250	\$46,800	\$20,420	\$29,700	\$47,450
4 Person	\$24,600	\$32,500	\$52,000	\$24,600	\$32,950	\$52,700
5 Person	\$28,780	\$35,100	\$56,200	\$28,780	\$35,600	\$56,950
6 Person	\$32,960	\$37,700	\$60,350	\$32,960	\$38,250	\$61,150
7 Person	\$37,140	\$40,300	\$64,500	\$37,140	\$40,900	\$65,350
8 Person	\$41,320	\$42,900	\$68,650	\$41,320	\$43,500	\$69,600

Higher income limits apply to families with more than eight persons, although they are not included in the printed State lists because of space limitations. The lower income limits for families larger than eight persons are determined by adding 6.25 percent of the four-person income limit base to the eight-person limit for each person in excess of eight. For very low-income limits, 8 percent of the four-person base is added to the eight-person limit for each person in excess of eight (e.g., the nine-person very low limit equals 1.4 (1.32 + .08) times the four-person limit.) The limits developed by the use of these factors are to be rounded to the nearest \$50.

Attachment B to the Delaware CDBG Program Guidelines

LIST OF LOW/MODERATE-INCOME BENEFIT FIGURES
IN KENT AND SUSSEX MUNICIPALITIES (FY2013 HUD LMISD)

<u>Place Number</u>	<u>City / Town</u>	<u>% Persons Low/Mod</u>	<u>Place Number</u>	<u>City / Town</u>	<u>% Persons Low/Mod</u>
07250	Bowers	42.1%	60290	Rehoboth B.	16.5%
10760	Camden	26.0%	64320	Seaford	53.8%
14660	Cheswold	67.7%	64840	Selbyville	41.2%
15440	Clayton	33.5%	67050	Slaughter B.	40.9%
21387	DAFB Housing	54.7%	67700	S. Bethany	18.4%
25840	Farmington	92.3%			
26620	Felton	41.6%			
28440	Frederica	43.0%			
33120	Harrington	37.1%			
33250	Hartly	6.9%			
36760	Houston	26.2%			
39100	Kenton	43.7%			
41700	Leipsic	52.0%			
42870	Little Creek	38.1%			
44430	Magnolia	64.7%			
47420	Milford	40.8%			
67310	Smyrna	41.9%			
74330	Viola	51.4%			
80830	Woodside	12.5%			
81350	Wyoming	38.9%			
05690	Bethany Beach	17.7%			
05820	Bethel	18.9%			
06730	Blades	46.1%			
08680	Bridgeville	51.9%			
18950	Dagsboro	25.6%			
20380	Delmar	46.6%			
20900	Dewey Beach	27.5%			
24020	Ellendale	37.9%			
26880	Fenwick Island	16.6%			
28310	Frankford	51.8%			
29090	Georgetown	55.8%			
31560	Greenwood	41.8%			
33900	Henlopen Acres	8.3%			
41310	Laurel	50.0%			
41830	Lewes	28.2%			
47420	Milford	40.8%			
47940	Millsboro	42.8%			
48200	Millville	28.0%			
48330	Milton	48.2%			
53920	Ocean View	21.1%			

Attachment C to the Delaware
CDBG Program Guidelines

CERTIFICATIONS BY APPLICANTS
FOR
THE DELAWARE CDBG PROGRAM

The applicant hereby assures and certifies that it will comply with the regulations, policies, guidelines and requirements with respect to the acceptance and use of federal funds for this federally-assisted program. Also, the applicant gives assurance and certifies with respect to the program that:

- (a) It possesses legal authority to make an application and to execute a community development program.
- (b) Its governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the person identified as the official representative of the applicant to submit this application, all understanding and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the submission of the application and to provide such additional information as may be required.
- (c) That prior to submission of its application to DSHA, the applicant has met the following citizen participation requirements:
 - 1) Each applicant shall have provided all citizens, especially those living within the area(s) affected by the proposed application, with adequate opportunity for meaningful involvement on a continuing basis and for participation in the planning, implementation and assessment of its community housing and development plans and all CDBG applications related thereto. At the time of preparation of any application for funds under this program, the applicant shall provide adequate information to citizens including reasonable access to records on the past use of CDBG funds; and hold at least one public meeting (pursuant to advertisement in a publication of general local circulation) so that citizens will have the opportunity to comment on the community's past performance under the CDBG Program. A copy of the legal advertisement announcing the date, place and time of the meeting, and a transcript or summary of the comments received at the meeting must be included with the application. (Nothing in these requirements, however, shall be construed to restrict the responsibility and authority of the applicant for the development of the application and the execution of its community development program.);

- 2) Each applicant certifies that it has obtained the review and comment of its Community Development Advisory Committee as required by the Delaware CDBG Citizen Participation Plan dated July 17, 2017 and Section 508 of the Housing and Community Development Act of 1987; and
 - 3) Each applicant certifies that it has included in its notice of public meeting the following language:

"...In accordance with the Section 106 Review Process established by the National Historic Preservation Act of 1966, as amended, comments are especially encouraged from interested agencies and individuals with respect to undertakings that may affect historic properties of significance to such agencies and individuals..."
- (d) It has developed its application so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums and blight; and activities which the applicant certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available to meet such needs.
 - (e) Its chief executive officer or other officer of the applicant approved by DSHA:
 - (1) Consents to assume the status of a responsible Federal official under the National Environmental Policy Act of 1969 and other authorities as specified in 24 CFR 58.1 (a)(3) and carry out this responsibility in accordance with the "Overview of Environmental Review Procedures" issued for the Delaware CDBG Program and dated July 1989; and meet the requirements of 24 CFR Part 58 and 24 CFR 570.604; and
 - (2) Is authorized and consents on behalf of the applicant and himself/herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his/her responsibilities as such an official.
 - (f) The program will be conducted and administered in compliance with:
 - (1) Title VI of the Civil Rights Act of 1964 (Pub. L 88-352) and implementing regulations issued in 24 CFR Part 1;
 - (2) Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284), as amended, and implementing regulations;
 - (3) Section 109 of the Housing and Community Development Act of 1974, as amended; and the regulations issued pursuant thereto (24 CFR Section 570.601);

- (4) Section 3 of the Housing and Urban Development Act of 1968, as amended and implementing regulations of 24 CFR Part 135;
- (5) Executive Order 11246, as amended by Executive Orders 11375 and 12086 and implementing regulations issued at 41 CFR Chapter 60; and the State review requirements of the Architectural Accessibility Act (Chapter 73, Title 29, Delaware Code) and the applicable rules and regulations promulgated by the State Architectural Accessibility Board;
- (6) Executive Order 11063 as amended by Executive Order 12259 and implementing regulations at 24 CFR Part 107;
- (7) Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), as amended and implementing regulations at 24 CFR Part 8;
- (8) The Age Discrimination Act of 1975 (Pub. L. 94-135) and implementing regulations when published;
- (9) The relocation requirements of Title II and the acquisition requirements of Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and the implementing regulations at 24 CFR Part 42 and all applicable regulations of the Delaware Uniform Relocation Act (Chapter 93, Title 29, Delaware Code);
- (10) The labor standards requirements as set forth in 24 CFR, Parts 3 and 5, and HUD regulations issued to implement such requirements;
- (11) Executive Order 11988 relating to the evaluation of flood hazards and Executive Order 11288 relating to the prevention, control, and abatement of water pollution;
- (12) The flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234);
- (13) The regulations, policies, guidelines and requirements of OMB Circular Nos. A-102, A-87, A-110, A-122, and A-133 as they relate to the acceptance and use of federal funds under this federally-assisted program and the Delaware CDBG Financial Management Handbook;
- (14) Section 106 of the National Historic Preservation Act of 1966, as amended via the Advisory Council on Historic Preservation's Regulations, Protection of Historic and Cultural Properties (36 CFR 80);
- (15) The provisions of the Hatch Act, which limits the political activity of employees; and

- (16) The lead-based paint requirements of 24 CFR Part 35, Subpart B issued pursuant to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et. seq.).
- (g) It will comply with the CDBG Regulation CFR 570.611, which prohibits conflicts of interest and with the HUD Standards of Conduct issued on November 1, 1985.
- (h) No member, officer, or employee of the applicant, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the program during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof for work to be performed in connection with the program assisted under the CDBG Program, and that it shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes of this certification.
- (i) It will give HUD, DSHA, the State Auditor and the Federal and State Comptroller Generals or any authorized representatives access to all records, books, papers, or documents related to the CDBG Program.
- (j) It certifies to affirmatively further fair housing in accordance with Section 104(b)(2) of the Act as amended, and agrees to participate in fair housing planning by cooperating in any analysis to identify impediments to fair housing choice within the jurisdiction, taking appropriate actions to overcome the effects of any impediments identified through that analysis, and to maintain records reflecting the analysis and actions in this regard.
- (k) Because HUD has not issued final regulations implementing the 1983 and 1984 amendments to the Housing and Community Development Act of 1974, as amended, the following "special condition" is incorporated into these Program Guidelines as a certification by the applicant and will also be utilized in all CDBG contracts.

Notwithstanding any other provisions of these Program Guidelines, requirements of the Amendments to Title I of the Housing and Community Development Act of 1974, and HUD's final regulations related thereto, which supersede or are not provided in the FY18 Program Guidelines shall govern the use of the assistance provided by the State to local government units in FY18-FY19.

- (l) It will not attempt to recover any capital costs of public improvements assisted in whole or part with the Title I funds by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:
- 1) assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than Title I funds; or
 - 2) for purposes of assessing any amount against properties owned and occupied by persons of low and moderate income, who are not persons of very low income.
- (m) It certifies to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations in accordance with Section 519 of Public Law 101-44, (the 1990 HUD Appropriations Act).

Signature of Authorized Official

Date

Title of Official

Attachment D to the Delaware
CDBG Program Guidelines

DSHA-35

**SECTION 8 EXISTING FAIR MARKET RENTS
AND CONTRACT RENT ANNUAL ADJUSTMENT FACTORS**

I. FAIR MARKET RENTS - (Revised 10/1/17)

KENT COUNTY					
0-BR	1-BR	2-BR	3-BR	4-BR	Manufactured (Mobile) Home Space
771	809	933	1,359	1,644	373

SUSSEX COUNTY					
0-BR	1-BR	2-BR	3-BR	4-BR	Manufactured (Mobile) Home Space
596	691	900	1,309	1,471	360

II. CONTRACT RENT ANNUAL ADJUSTMENT FACTORS FOR UNITS WITH NO
TURNOVER - (Effective 1/1/17 - Revised 12/20/16)

HIGHEST COST UTILITY		
	Included	Excluded
Southern Region	1.013	1.018

NOTE: The Annual Rent Adjustment Factors shown above may be used by investors/owners after the first year of the rehabilitation loan. However, the rents charged by investors/owners may not exceed the current Fair Market Rents for the duration of the loan.

**DELAWARE STATE HOUSING AUTHORITY (DSHA)
FY18 DELAWARE CDBG APPLICATION FORM**

I. General Application Information

A. Name, address, phone number, DUNS number, and EIN number of Applicant:

B. Name, position and signature of Person Submitting Application:

Signature and Date:

C. Application on behalf of:

--

Name and position of authorizing official:

Signature and Date:	

D. For “On Behalf of” applications, written documentation authorizing each “on behalf of” application request must be attached as Exhibit 1. If information contained in a county’s application for its unincorporated areas is to be repeated in the body of the “on behalf of” applications, e.g. administrative budget, management capacity, etc., then these sections contained in the “on behalf of” applications may simply reference the appropriate section in the county’s application.

E. Name, address and phone number of Contact Person (if different from B above):

--

F. Summary of Request:

(Attach cost breakdown for each activity requested on page two. Activities must be in order of priority).

Total Units/Low-Moderate Income Units Served: _____/_____
Total CDBG Program Funds Requested: \$ _____
Total Cash Matching Funds: \$ _____
Total In-Kind Match Value: \$ _____
Total Program Cost (if different from amount requested) \$ _____

Activity: _____ Amount Requested: \$ _____
Total/L-M Units Served: _____/_____
Cash Matching Funds: \$ _____
CDBG Cost/Unit: \$ _____ In-Kind Value: \$ _____
Total Activity Cost (if different from amount requested): \$ _____
Census Tract Number(s) (L-M Area Benefit activities): _____
Outcome Statement: _____

Activity: _____ Amount Requested: \$ _____
Total/L-M Units Served: _____/_____
Cash Matching Funds: \$ _____
CDBG Cost/Unit: \$ _____ In-Kind Value: \$ _____
Total Activity Cost (if different from amount requested): \$ _____
Census Tract Number(s) (L-M Area Benefit activities): _____
Outcome Statement: _____

Activity: _____ Amount Requested: \$ _____
Total/L-M Units Served: _____/_____
Cash Matching Funds: \$ _____
CDBG Cost/Unit: \$ _____ In-Kind Value: \$ _____
Total Activity Cost (if different from amount requested): \$ _____
Census Tract Number(s) (L-M Area Benefit activities): _____
Outcome Statement: _____

Activity: _____ Amount Requested: \$ _____
Total/L-M Units Served: _____/_____
Cash Matching Funds: \$ _____
CDBG Cost/Unit: \$ _____ In-Kind Value: \$ _____
Total Activity Cost (if different from amount requested): \$ _____
Census Tract Number(s) (L-M Area Benefit activities): _____
Outcome Statement: _____

Activity: _____ Amount Requested: \$ _____
Total/L-M Units Served: _____/_____
Cash Matching Funds: \$ _____
CDBG Cost/Unit: \$ _____ In-Kind Value: \$ _____
Total Activity Cost (if different from amount requested): \$ _____
Census Tract Number(s) (L-M Area Benefit activities): _____
Outcome Statement: _____

(Attach additional pages as necessary.)

II. Low/Moderate-Income Benefit:

LOW/MODERATE-INCOME BENEFIT TABLE – INSTRUCTIONS

The amount of benefit to low- and moderate-income persons must be calculated for each activity, as described below:

1. In column 1, list the activity.
2. In column 2, show the total number of persons that the activity will serve.
3. In column 3, show the number of low- and moderate-income persons that the activity will serve.
4. In column 4, divide column 3 by column 2 to show the percent of low- and moderate-income persons that the activity will serve.
5. In column 5, show the amount of funds requested for the activity.
6. In column 6, multiply column 4 by column 5 to show the amount of those funds that will be used to benefit low- and moderate-income persons.
7. List the source of data used to calculate benefit in the space provided at the bottom of this page. If a local survey was conducted, briefly summarize the survey method used and attach a copy of the survey instrument. (DSHA should be contacted before the survey is conducted to assure that the acceptable survey methodology is being used, or that prior surveys are still valid.)

LOW/MODERATE-INCOME BENEFIT TABLE

1. Activity	2. Total Persons Activity Will Serve	3. L/M Persons Activity Will Serve	4. % L/M Persons Activity Will Serve	5. Amount Requested For Activity	6. Amount L/M Benefit

Source of Data:

III. Management Capacity

- A. List the person(s) to be responsible for administering the CDBG Program, and title(s):

<u>CDBG Personnel</u>	<u>Title(s)</u>

- B. Attach resumes or other supporting documentation for the personnel of new applications and new CDBG Program managers, which establishes the capacity of the personnel above to effectively manage a CDBG Program. **Attach the salaries of all program administration personnel to be funded through CDBG funds.**
- C. If the applicant proposes to contract out any portion of its administration, a copy of the proposed subcontract **must be** attached.
- D. Past performances under the Delaware CDBG Program will be evaluated by DSHA based upon past monitoring reports, audit findings, and timely completion of contracts. No additional documentation is required of the applicant under this section.

IV. Application Work Plan

Each proposed program activity must address each of the following areas. Failure to specifically address any of these elements will make the application incomplete, forcing DSHA to consider the application unresponsive.

- A. Each program activity must be addressed separately. Program activities must be listed in order of priority with the program activity of highest priority first. This order of priority for program activities must be followed on all forms contained in this application.
- B. Each program activity must be fully described. For rehabilitation programs, this description must include THE NEED FOR THE PROPOSED ACTIVITY, the numbers of units to be rehabilitated, any special population groups the rehabilitation program will address, the target area, the NUMBER OF UNITS NEEDING REHABILITATION ASSISTANCE, THE PERCENTAGE OF UNITS NEEDING ASSISTANCE THAT ARE TO RECEIVE ASSISTANCE, AND THE PROPOSED OUTCOME.
- C. For public infrastructure projects, a detailed description of the work to be accomplished, the need for the proposed activity, the target area, the linear footage of what type and size of infrastructure to be provided, the NUMBER OF UNITS NEEDING INFRASTRUCTURE ASSISTANCE, THE PERCENTAGE OF THE UNITS NEEDING ASSISTANCE THAT ARE TO RECEIVE ASSISTANCE, THE PROPOSED OUTCOME, the location of what type and size of land acquisition, the matching funds to be provided, and the population groups to be addressed must be provided.
- D. Provide a timetable showing monthly milestones for completion of each activity. All FY18 Contracts will commence on July 1, 2018 and terminate on June 30, 2019.
- E. Attach maps indicating target areas.
- F. Attach drawings, plans, or other documentation necessary to describe program activities.
- G. Describe each activity's conformance with the goals and objectives of the Delaware Consolidated Plan.
- H. Describe the extent to which the proposed project(s) will result in a measurable concrete reduction of one or more significant problems identified in the Delaware Consolidated Plan.
- I. Describe the extent to which the project builds upon previous work or supplements other work that will be funded from other sources.

- J. Analyze the reasonableness of total cost in view of the cost benefit(s) to be achieved.
- K. Describe source and amount of any funds used to leverage the CDBG portion of the project. Indicate when these funds will be available. Attach documentation of any match.
- L. Describe any in-kind resources to be applied to the project. Attach documentation of any match.
- M. Attach documentation of any match. Matching resolutions must be signed by a majority of Board/Council members and must include the source of funds.
- N. For infrastructure projects, a description of why the jurisdiction is unable to pay for the activity without CDBG assistance.

V. Each application should also describe the following:

- A. Describe any plans for the provision of housing for existing residents and anticipated growth for the area;
- B. Describe any plans for the provision of adequate sites with supporting infrastructure for future housing, including housing for low/moderate-income residents of the area; and
- C. Describe any efforts to coordinate with businesses regarding the development of the community as it affects low/moderate-income residents of the area.

VI. Application Submission

1. Submission Date for the FY18 CDBG Program

Applications for the state's FY18 CDBG Program must be received in DSHA's office at 18 The Green, Dover, Delaware 19901 no later than **4:00 p.m. on March 1, 2018 - ONE SIGNED ORIGINAL AND ONE COPY of the application must be submitted.**

2. Application Content and Format

Applications for CDBG funds must be made on such forms and in accordance with such instructions as are prescribed by DSHA, and include all forms as may be applicable to the specific proposed activity.

VII. Additional Requirements

- A. Re-Use Plan.
- B. Rehabilitation Manual.
- C. Target Area Approval.
- D. Boards and Commissions Reporting Form.
- E. Form HUD-2880 (Disclosure/Update Report).

STATE OF DELAWARE
 DELAWARE STATE HOUSING AUTHORITY
 DELAWARE CDBG PROGRAM – PROJECT COST SUMMARY

CONTACT PERIOD – FROM: _____ TO: _____

Summary of Program Activities
 Amount of Source

I. PROGRAM ACTIVITIES	CDBG/HOME PROGRAM FUNDS	LOCAL FUNDS	OTHER FUNDS	TOTAL
A.				
B.				
C.				
D.				
E.				
F.				
G.				
H.				
I.				
J.				
TOTAL PROG. ACTIVITY COST				
II. ADMINISTRATION				
A. SALARIES				
B. OTHER EMPLOYMENT COSTS				
C. TRAVEL				
D. CONTRACTUAL SERVICES				
E. SUPPLIES & MATERIALS				
TOTAL ADMINISTRATION COSTS				
III. TOTAL PROGRAM COSTS				

NOTES:

1. * Denotes Cash Match
2. ** Denotes In-kind Match
3. List Sources of Each Match Amount on Additional Page

This form also available in EXCEL fillable spreadsheet.

CERTIFICATION BY APPLICATIONS
FOR
THE DELAWARE CDBG PROGRAM

The application hereby assures and certifies that it will comply with the regulations, policies, guidelines and requirements with respect to the acceptance and use of Federal funds for this federally-assisted program. Also, the applicant gives assurance and certifies with respect to the program that:

- (a) It possesses legal authority to make an application and to execute a community development program.
- (b) Its governing body has duly adopted or passed as an official act a resolution, motion or similar action authorizing the person identified as the official representative of the applicant to submit this application, all understanding and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the submission of the application and to provide such additional information as may be required.
- (c) That prior to submission of its application to DSHA, the applicant has met the following citizen participation requirements:
 - 1) Each applicant shall have provided all citizens, especially those living within the area(s) affected by the proposed application, with adequate opportunity for meaningful involvement on a continuing basis and for participation in the planning, implementation and assessment of its community housing and development plans and all CDBG applications related thereto. At the time of preparation of any application for funds under this program, the applicant shall provide adequate information to citizens including reasonable access to records on the past use of CDBG funds; and hold at least one public meeting (pursuant to advertisement in a publication of general local circulation) so that citizens will have the opportunity to comment on the community's past performance under the CDBG Program. A copy of the legal advertisement announcing the date, place and time of the meeting, and a transcript or summary of the comments received at the meeting must be included with the application. (Nothing in these requirements, however, shall be construed to restrict the responsibility and authority of the applicant for the development of the application and the execution of its community development program.);
 - 2) Each applicant certifies that it has obtained the review and comment of its Community Development Advisory Committee as required by the Delaware CDBG Citizen Participation Plan dated May 15, 2013 and Section 508 of the Housing and Community Development Act of 1987; and
 - 3) Each applicant certifies that it has included in its notice of public meeting the following language:

“...In accordance with the Section 106 Review Process established by the National Historic Preservation Act of 1966, as amended, comments are especially encouraged from interested agencies and individuals with respect to undertakings that may affect historic properties of significance to such agencies and individuals...”
- (d) It has developed its application so as to give maximum feasible priority to activities which benefit low-and moderate-income families or aid in the prevention or elimination of slums and blight; and activities which the application certifies are designed to meet other community development needs having a particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available to meet such needs.
- (e) Its chief executive officer or other officer of the applicant approved by DSHA:
 - (1) Consents to assume the state of a responsible Federal official under the National Environmental Policy Act of 1969 and other authorities as specified in 24 CFR 58.1(a)(3) and carry out this responsibility in accordance with the “Overview of Environmental Review Procedures” issued for the Delaware CDBG Program and dated July 1989; and meet the requirement of 24 CFR Part 58 and 24 CFR 570.604; and

- (2) Is authorized and consents on behalf of the applicant and himself/herself to accept the jurisdiction of the Federal courts for the purpose of enforcement of his/her responsibilities as such an official.
- (f) The program will be conducted and administered in compliance with:
- (1) Title VI of the Civil Rights Act of 1964 (Pub. L. 88-352) and implementing regulations issued in 24CFR Part 1;
 - (2) Title VIII of the Civil Rights Act of 1968 (Pub. L. 90-284), as amended, and implementing regulations;
 - (3) Section 109 of the Housing and Community Development Act of 1974, as amended; and the regulations issued pursuant thereto (24 CFR Section 570.601);
 - (4) Section 3 of the Housing and Urban Development Act of 1968, as amended and implementing regulations of 24 CFR Part 135;
 - (5) Executive Order 11246, as amended by Executive Orders 11375 and 12086 and implementing regulations issued at 41 CFR Chapter 60; and the state review requirements of the Architectural Accessibility Act (Chapter 73, Title 29, Delaware Code) and the applicable rules and regulations promulgated by the State Architectural Accessibility Board;
 - (6) Executive Order 11063 as amended by Executive Order 12259 and implementing regulations at 24 CFR Part 107;
 - (7) Section 504 of the Rehabilitation Act of 1973 (Pub. L. 93-112), as amended and implementing regulations at 24 CFR Part 8;
 - (8) The Age Discrimination Act of 1975 (Pub. L. 94-135) and implementing regulations when published;
 - (9) The relocation requirements of Title II and the acquisition requirements of Title III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and the implementing regulations at 24 CFR Part 42 and all applicable regulations of the Delaware Uniform Relocation Act (Chapter 93, Title 29, Delaware Code);
 - (10) The labor standard requirements as set forth in 24 CFR, Parts 3 and 5, and HUD regulations issued to implement such requirements;
 - (11) Executive Order 11988 relating to the evaluation of flood hazards and Executive Order 11288 relating to the prevention, control, and abatement of water pollution;
 - (12) The flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (Pub. L. 93-234);
 - (13) The regulations, policies, guidelines and requirements of OMB Circular Nos. A-102, A-87, A-110, A-122, and A-133 as they relate to the acceptance and use of Federal funds under this federally-assisted program and the Delaware CDBG Financial Management Handbook;
 - (14) Section 106 of the National Historic Preservation Act 1966, As amended via the Advisory Council on Historic Preservation's regulations, Protection of Historic and Cultural Properties (36 CFR 80);
 - (15) The provisions of the Hatch Act, which limits the political activity of employees;
 - (16) The lead-based paint requirements of 24CFR Part 35, Subpart B issued pursuant to the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. 4801 et. seq.).

- (g) It will comply with the CDBG Regulation CFR 570.611, which prohibits conflicts of interest and with HUD Standards of Conduct issued on November 1, 1985.
- (h) No member, officer, or employee of the applicant, or its designees or agents, no member of the governing body of the locality in which the program is situated, and no other public official of such locality or localities who exercise any functions or responsibilities with respect to the program during his/her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract, or the proceeds thereof for work to be performed in connection with the program assisted under the CDBG Program, and that it shall incorporate, or cause to be incorporated, in all such contracts or subcontracts a provision prohibiting such interest pursuant to the purposes of this certification;
- (i) It will give HUD, DSHA and the State Auditor and the Federal and State Comptroller Generals or any authorized representatives access to all records, books, papers, or documents related to the CDBG Program.
- (j) It certifies to affirmatively further fair housing in accordance with Section 104(b)(2) of the Act as amended, and agrees to participate in fair housing planning by cooperating in any analysis to identify impediments to fair housing choice within the jurisdiction, taking appropriate actions to overcome the effects of any impediments identified through that analysis, and to maintain records reflecting the analysis and actions in this regard.
- (k) Because HUD has not issued final regulations implementing the 1983 and 1984 amendments to the Housing and Community Development Act of 1974, as amended, the following “special condition” is incorporated into these Program Guidelines as a certification by the applicant and will also be utilized in all CDBG contracts:

Notwithstanding any other provisions of these Program Guidelines, requirements of the Amendments to Title I of the Housing and Community Development Act of 1974, and HUD’s final regulations related thereto, which supersede or are not provided in the FY18 Program Guidelines shall govern the use of the assistance provided by the state to local government units in FY18-FY19.

- (l) It will not attempt to recover any capital costs of public improvements assisted in whole or part with the Title I funds by assessing any amount against properties owned and occupied by persons of low-and moderate-income, including any fee charged or assessment made as a condition of obtaining access to such public improvements, unless:
 - 1) assessment that relates to the capital costs of such public improvements that are financed from revenue sources other than Title I funds; or
 - 2) for purposes of assessing any amount against properties owned and occupied by persons of low- and moderate-income who are not persons of very low income.
- (m) It certifies to adopt and enforce a policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in nonviolent civil rights demonstrations in accordance with Section 519 of Public Law 101-44, (the 1990 HUD Appropriations Act).

Date

Signature of Authorized Official

Title of Official

VIII. Exhibits

A. The following exhibits should be attached to the application, as applicable, in order noted below:

1. Authorization for “on behalf of” applications.
2. A copy of the notice of public hearing and summary of comments received.
3. Activities Under the Existing Housing Set Aside:
 - a. Rehabilitation:
 - 1) Copy of rehabilitation manual;
 - 2) Re-use plan for program income generated by rental rehab;
 - 3) DSHA target area approval attached;
 - 4) Identification of amount of funds and number of units to be accomplished in approved target areas and community-wide; and
 - 5) Identification of mobile home units to be rehabilitated including number owner-and/or renter-occupied.
 - b. Demolition:
 - 1) Amount of funds and units to be accomplished in approved target areas and community-wide identified; and
 - 2) Re-use Plan for program income from demolition liens attached.
4. Activities Under Infrastructure Project Set Aside:
 - a. Water and Sewer:
 - 1) Letters from appropriate agencies documenting serious and immediate threat attached;
 - 2) Documentation attached demonstrating community’s inability to finance project without CDBG funds, including
 - a) letters from other grantor agencies
 - b) financial statements
 - c) financial analysis
 - 3) Letters from community or appropriate agencies documenting commitment and source of matching funds.
5. Activities Under Emergency Project Set-Aside:
 - a. Water and Sewer:
 - 1) Letters from appropriate agencies documenting serious and immediate threat attached;
 - 2) Documentation attached demonstrating that condition developed or became critical within 18 months of application; and
 - 3) Documentation attached demonstrating community’s inability to finance project without CDBG funds, including
 - a) letters from other grantor agencies
 - b) financial statements
 - c) financial analysis

City of Milford



RESOLUTION 2017-10 Sussex County

Councilmember _____ submitted to the Council the following Proposed Resolution:

ENDORISING PROJECT TO BE SUBMITTED TO THE DELAWARE STATE HOUSING AUTHORITY FOR FUNDING FROM THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AUTHORIZING TODD F. LAWSON, SUSSEX COUNTY ADMINISTRATOR TO SUBMIT APPLICATION.

WHEREAS, the City of Milford resolves to apply for Community Development funds from the Delaware State Housing Authority in accordance with appropriate regulations governing Community Development Block Grants State of Delaware Program for Block Grants as contained in Sections 570.488-499 24 CFR U.S. Department of Housing and Urban Development; and

WHEREAS, the City of Milford has met the application requirements of (Attachment E Delaware Community Block Grant Program Policies and Procedures) Citizen Participation requirements; and

WHEREAS, Sussex County plans on accomplishing the requested projects with CDBG funds; and

WHEREAS, the City of Milford hereby agrees to allow Sussex County to accomplish the projects in the targeted areas of Milford; and

WHEREAS, the City of Milford and Sussex County are in agreement with this activity.

NOW, THEREFORE, BE IT RESOLVED by the City of Milford and Sussex County that they endorse and grant permission for the following activity:

APPLICATION: Rehabilitation/Infrastructure/Demolition

Total Infrastructure project cost is \$ _____, total CDBG grant request is \$ _____. Matching funds in the amount of \$ _____ will be provided by the City of Milford general funds.

NOTE: To be used for Infrastructure projects only.

I DO HEREBY CERTIFY THAT THE FOREGOING IS A TRUE AND CORRECT COPY OF A RESOLUTION PASSED BY THE CITY OF MILFORD, SUSSEX COUNTY, ON THE 11th DAY OF DECEMBER 2017.

WE GIVE MAYOR AUTHORIZATION TO SIGN RESOLUTION:

Councilmembers

Christopher Mergner Owen Brooks, Jr.
Arthur Campbell Douglas Morrow
Lisa Ingram Peel James Starling, Sr.
James Burk Katrina Wilson

Bryan W. Shupe
Mayor

I DO HEREBY CERTIFY THAT THE FOREGOING TITLE OF RESOLUTION ADOPTED BY THE CITY OF MILFORD IS THE SAME TITLE OF RESOLUTION NO. _____ ADOPTED BY THE COUNTY COUNCIL OF SUSSEX COUNTY ON THE ____ DAY OF _____.

Robin A. Griffith
Clerk of the County Council

City of Milford



Resolution 2017-11 CITIZEN PARTICIPATION CERTIFICATE OF ASSURANCE Sussex County

It is hereby assured and certified to the Delaware State Housing Authority that Sussex County, Delaware, has met application requirements of (Attachment E Delaware Community Development Block Grant Program Policies and procedures) citizen participation requirements, and that Sussex County has:

- 1) made available information concerning the amount of funds that may be applied for;
- 2) made known the range of activities that may be undertaken with these funds;
- 3) made known the fact that more applications will be submitted to the State of Delaware than can be funded;
- 4) outlined the processes to be followed in soliciting and responding to the views and proposals of citizens, communities, nonprofit agencies and others in a timely manner; and
- 5) provided a summary of other important program requirements.

The City of Milford has held a Public Hearing on December 11, 2017 with required notice for all citizens, including low and moderate income persons, to have an opportunity to present their views and proposals.

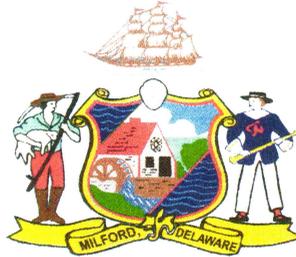
The City of Milford has by resolution and following a Public Hearing, endorsed this application.

Mayor Bryan W. Shupe

Attest _____

Adopted: December 11, 2017

City of Milford



RESOLUTION 2017-12 Requirement for Fair Housing Sussex County

WHEREAS, the City of Milford recognizes the importance of fair housing for the citizens of Milford; and

WHEREAS, the City of Milford supports the goals of the Federal Fair Housing Law.

NOW, THEREFORE, BE IT RESOLVED, that the City of Milford heartily encourages all parties involved in the renting, selling or financing of housing in the City of Milford to insure that no person shall, on the grounds of race, color, national origin or sex, be discriminated against or denied a fair and equal opportunity for housing; and

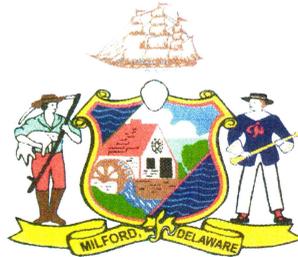
BE IT FURTHER RESOLVED, that the City of Milford, when acting as administrator of a Community Block Grant, is hereby authorized to take such actions as deemed necessary to affirmatively further fair housing in connection with the said Community Development Block Grant.

This RESOLUTION was passed by a majority of the Council of the City of Milford on December 11, 2017.

Mayor Bryan W. Shupe

Attest _____

City of Milford



RESOLUTION 2017-13 Authorizes Levy Court of Kent County to Submit Application

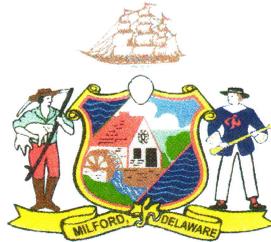
The City Council of Milford, Delaware, hereby authorizes its Mayor, Bryan W. Shupe, to submit the Fiscal Year 2018 Community Development Block Grant (CDBG) application and all understandings and assurances therein contained, and furthermore authorizes the Levy Court of Kent County to Act as the official representative of the City of Milford in connection with the submission of the Fiscal Year 2017 CDBG applicant and to provide such additional information as may be required. In the event the City of Milford's application is funded, the Levy Court of Kent County is hereby authorized to administer the funded application on behalf of the City of Milford.

This resolution was passed by a majority of the Council of the City of Milford on December 11, 2017.

Mayor Bryan W. Shupe

Attest _____

City of Milford



RESOLUTION 2017-14 Requirement for Fair Housing Kent County

WHEREAS, the City of Milford recognizes the importance of fair housing for the citizens of Milford; and

WHEREAS, the City of Milford supports the goals of the Federal Fair Housing Law.

NOW, THEREFORE, BE IT RESOLVED, that the City of Milford heartily encourages all parties involved in the renting, selling or financing of housing in the City of Milford to insure that no person shall, on the grounds of race, color, national origin or sex, be discriminated against or denied a fair and equal opportunity for housing; and

BE IT FURTHER RESOLVED, that the Kent County Levy Court, when acting as administrators of a Community Block Grant for the City of Milford, is hereby authorized to take such actions as deemed necessary to affirmatively further fair housing in connection with the said Community Development Block Grant.

This RESOLUTION was passed by a majority of the Council of the City of Milford on December 11, 2017.

Mayor Bryan W. Shupe

Attest _____

MILFORD CITY COUNCIL
MINUTES OF MEETING
October 30, 2017

A Joint Meeting of the City of Milford Economic Development and Parks and Recreation Committees was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware on Monday, October 30, 2017.

PRESIDING: Police Committee Chairman James Burk

IN ATTENDANCE: Mayor Bryan Shupe

Committee Members:

Chair Chris Mergner and Councilmember Lisa Peel (Economic Development)

Chair Archie Campbell and Councilmembers Owen Brooks and Katrina Wilson (Parks & Recreation)

City Manager Eric Norenberg & Deputy City Clerk Christine Crouch

Mayor Shupe called the Joint Committee Meeting to order at 6:06 p.m.

Downtown Recreation Concepts

Milford Parks and Recreation Director Brad Dennehy was also present.

City Manager Norenberg recalled Council being informed of an RFP that was developed earlier this year. One proposal was received to develop a potential mixed use commercial site on the Mispillion River. Also being considered was a city land swap. He referenced an area on a drawing (not included in packet but attached to minutes) that will remain as a green area as well as other areas that will be converted. The city lands were originally purchased with Delaware Trust (State) Funds (DTF) and Delaware Land Water Conversation (Federal) Funds (DLWCF).

As a result, the City will need to go through an approval process for other potential uses and will need to identify the substitute land.

Mr. Norenberg advised that Planning Coordinator Rob Pierce has been working with the State and they will require an archeological survey to satisfy the conservation requirements. The cost is between \$25,000 and \$30,000 to survey parcels 1, 2 and 3 as shown on the map.

In addition, there is a City water well at this location that will need to be considered when the land is developed.

Since learning of that requirement, Parks and Recreation Director Brad Dennehy, Mayor Shupe and the City Manager have discussed some other recreational uses in the area.

Mayor Shupe believes the original intent of the Rivertown Rebirth Plan (RRP) was for a mixed use which would be a good use in our downtown area. Also being considered were some adjacent parcels, such as the Salvation Army land, which would permit the building to be pushed back more thus allowing more of the river and parks and recreation areas to be used. He emphasized there are a number of challenges being encountered as we move forward with this plan.

The Mayor then referred to the splash pad project included in the RRP. He said they considered reorganizing some of the items within the plan and moving them to the location of the proposed mixed use building. When they began talking with the developer, who was designing a four-story building, there were several recreational uses being discussed that were more family-oriented and would better suit the community as a whole.

Consultant Ben Muldrow was present and stated the concept he was presenting was far more about the concept of leveraging the asset of the river to be able to drive private sector investment and increase the municipal tax base. They looked at the property in question as city-owned property that could be used to develop the riverside.

He agrees the various parcel breakdowns and restrictions will most likely have to change the original plan.

The Consultant pointed out the big question is how the public sector investment catalyzes the private sector and what can be done; he further continued by stating that he will need additional details in terms of restrictions in the wellhead area that may allow some sort of micro-retail that is more a temporary type structure versus a permanent fixed foundation. In that manner, some retail activity could still be created in that space and advantage taken of the additional parking amenities and similar items.

He continued by explaining the designer that worked on the plan will actually be in Milford next week for a Downtown Milford, Incorporated project. The consultant is anxious to have another opportunity to draw some additional sketches that can be shared at next week's meeting.

Economic Development Chairman Mergner expressed some concern about only one developer's interest in the land. He feels there could be more developers who feel that area is not suitable or profitable.

Mayor Shupe pointed out there may be some problems with the size of the area. That is the reason the developer wanted to build up. There was not enough land to make the project bigger any other way.

Chairman Mergner said he constantly hears the downtown area does not have the appropriate parking to accommodate new businesses. Councilwoman Peel feels there is sufficient parking but most people want to park in front of a business versus having to walk.

Mayor Shupe asked if family-type activity such as a splash pad or a playground attracts people and creates economic opportunities throughout the downtown in other municipalities.

Mr. Muldrow stated that any recreational amenity will provide additional opportunities for the community to spur growth. However, one of the few things they have seen is this massive investment by the City to create the riverwalk without any private investment. He is aware there is a large project on the horizon in the area of McColley, Marshall and Mispillion Streets. If that happens, it will put residents on the riverwalk which will help. From a potential mixed use project there is still a tremendous amount of property north of the river that is controlled by Growmark.

He said Milford is even seeing a new restaurant that is getting ready to open soon.

Mr. Muldrow stated that for a City to try and capitalize on growth and activity, they may end up throwing a lot of single serving experiences in a place instead of creating the amenities that seem to make sense. He does not think Milford's downtown lacks parking but he does feel it lacks consumer motivation. Therefore, an effort to provide more parking is actually a really smart solution in his opinion.

He recommends that as the City thinks about this site, it is thought of strategically without considering the future of the residential development on Mispillion Street as well as any potential investment on the Growmark properties. The three of those, according to Mr. Muldrow, are all tied into one market. The City's goal should be that any City investment made in the riverfront property off Washington Street should serve investments in other areas of the riverwalk.

Councilwoman Peel recalled past discussions about an amphitheater on the river. Chairman Mergner agrees that perhaps this property may be more suitable for a music type venue versus an area further down the river as was previously considered.

Mr. Muldrow pointed out that amphitheaters are often added to plans because they look nice. However, there is already an amphitheater next to the library. He feels another appears redundant to him. Councilwoman Wilson agrees adding we need to consider how much it is used as well.

Councilman Mergner referenced Mr. Muldrow's original presentation that included a flea market with permanent booths already set up. If that was created, a bathroom facility, ATM and other similar fixtures should be considered.

Mr. Muldrow would love to explore any type of similar use. That is why he questioned the building restriction that would be impacted by the well in this area. His goal would be that any development re-engage Washington Street and the riverfront.

He agrees that some type of micro-retail combined that is open on a regular basis would be very appealing to people.

Councilwoman Wilson recalled those previous discussions and though the idea of pop-up stores was a very exciting idea; Mayor Shupe agreed that would be a good incubator for people who are interested in starting a new business.

Mr. Muldrow pointed out that one of the biggest problems at this point is the number of great businesses in Milford who are spread throughout the City. He would like to see several relocate to the downtown area.

In the meantime, he will get a better understanding of any limitations that the wellhead in this area creates. Afterwards they will sketch out some opportunities to address that.

Councilman Campbell arrived at this time.

Mayor Shupe asked Mr. Muldrow for his opinion about the interest in a splash pad and if that is something that could create interest from residents in other communities; Mr. Muldrow pointed out a splash pad can be used in two different ways. The intention determines the most appropriate location. If the purpose is to create a community recreation versus a community pool, for example, then it needs to be in a park facility with ample parking and appropriate resources.

However, to be a catalyst to drive people to Milford, a splash pad in front of the Riverfront Theater should be considered. That would create a use where people could contribute to the vibrancy of the environment.

Mr. Muldrow feels that whatever additional development is created should be designed to engage people. He compared it to when food courts were added to shopping malls which extended the times shoppers spent there. However, a business or retail is needed to capture that. If not, the City is taking on the expenses and maintenance for a hangout.

Councilwoman Peel pointed out we have a new kayak dock and the Life Cycle facility, and asked about using some of the space for a bike or kayak rental; Councilman Mergner suggested an outdoor workout area.

Mr. Muldrow explained the biggest issue in the eastern most part of the space is that the large green parcel is not level. The combination of the topography and tree cover creates a sanctuary for people to simply hang out.

The Consultant recalled that residents reported at the community meetings that some of the park space in Milford was lost to them. The basketball court is used on a regular basis and he recommends taking advantage of people using this space to reclaim the activity that will be loss when it is removed.

Councilman Mergner recommends adding various stations as part of a fitness course that would include both sides of the bridge. Mr. Muldrow also referred to the activity that has been created around Life Cycle and is anxious to see what type of interest is expressed in the parcel directly east of where the previous gas station was located.

Mr. Muldrow suggested that as they meet next week with DMI and City officials, updates should be provided though Mayor Shupe has already reached out and set the tone that this would be another great preservation project that needs to be included.

He stressed the need for the City to not jump the gun on an expenditure that limits the future. He said a lot of communities discussed splash pads though they can be expensive in the long run. He feels we can learn from Bicentennial Park where just because there is ample sidewalk space and it looks good from an overhead doesn't necessarily mean it will be utilized on a regular basis.

The suggestion to have a multiple-station type fitness use that brings people along point to point makes sense and reinforces the messages the City is putting out.

Another possibility is looking at a more standardized solution to bike racks and bike parking because of the increase in bike traffic.

Mr. Norenberg stated that some of Downtown Milford's board members participated in some placemaking training. As part

of that there will be some discussions about acquiring bike racks and parking in the downtown area that would be unique to Milford and encourage more people to ride their bikes.

Mayor Shupe said he continues to hear complaints that we do not have a playground in the downtown area and asked Mr. Muldrow's opinion; Councilwoman Wilson referenced the playground at the Parks and Recreation playground. In addition, a great number of children use the Can Do Playground by the Boys and Girls Club on a regular basis.

Mr. Muldrow feels that playgrounds are more of a neighborhood-based activity versus a downtown urban amenity. Milford should not invest in an amenity in the business district and which parents will complain they are unable to find parking to be able to walk their kids to that playground in an area where retail is being created in support of its customers.

He feels family-friendly elements are more integrated into the whole design scape of the community itself. For example, in Greenville, there are a series of sculptures scattered throughout the main street. Kids participate in a scavenger hunt where they are driven through the regional district which creates foot traffic and economic development to area businesses. If someone comes to Milford for a playground, that is a focused and planned activity.

Councilwoman Peel asked if that should be discussed in the focus groups; Mr. Norenberg noted we have done some Community Conversations already and a number are scheduled. At those meetings, there will be opportunities for people to present ideas. He received some good feedback at the first one so it may be beneficial if people talk about more recreational needs.

Mr. Muldrow provided a warning about the way that type of information is gathered. When asked 'what they want', he suggests caution because of the difference in what is said and what people will actually use. People will often say they will use something though they really won't. Amenities that will be used over and over again and create a habit are more beneficial.

The Committee then discussed the survey of land along the river and who would be responsible financially; Mr. Norenberg said there were a lot of unanswered questions related to the proposal. They will try and negotiate some of those matters though he feels the City may have been premature with that project at this point. He agrees with Mr. Muldrow that other uses be considered for that site or perhaps we need to wait for more retail and other activities to come into this area.

Mr. Muldrow stated that similar projects in the region have come to a screeching halt. Some have started as a result of the developer taking advantage of the DDD funding, though many have stopped. One tower was constructed in Seaford and is totally occupied but the construction on the second tower has not yet begun.

The idea of having a mixed use of retail and residential on the river sends a message that the river is important and creates a density of desirable people there. The height they are asking for to make their profitability he feels is inappropriate for Milford. The City has now explored the property and understands the restrictions that may impact that project and now needs to consider an appropriate use for the river property that will contribute to the community.

It was agreed that further consideration of the best use of the property is needed. In the meantime, Mr. Mergner recommends that Mr. Muldrow's team suggests micro-retail as well as station to station type amenities that would carry people through the riverwalk and the park.

Mr. Dennehy then referenced the site stating that the City has invested a great deal of money on the pump facility project and sewer upgrades. That cannot change and is something that will benefit for the entire town and not just for the downtown area. In addition, the well facility had a lot of money recently invested.

He noted the amount of money received from the land trust and is assuming they will provide another \$75,000 for the rehab of the existing riverwalk. He recommends we not upset anyone from that entity should we decide to do something different.

Mr. Dennehy asked Mr. Muldrow if we proceed with the four-story mixed retail-residential use facility and more recreational activities like Life Cycle, exercise, splash pad or a kid's playground are added, would this draw people; the last thing he wants to do is build a recreational facility that gets only minimal use.

Mr. Muldrow emphasized that it really comes down to the will of City Council. There will always be an argument that an investment in a recreational amenity is good for the community. Also, there is the hope of increased economic impact by adding people and creating foot traffic. However, he would be very mindful of the way it is designed because the last thing the City needs to do is invest a lot of money that will increase the operational and maintenance budgets and not see any associated economic growth.

The Consultant stated that he prefers a village type setup with a splash pad component in the sense of combining retail and recreation. Mayor Shupe agrees that a mixed use with micro retailing and recreation may work.

Chapter 165-Parks and Recreation/ Proposed Amendments

City Manager Norenberg stated that he and Mr. Dennehy Brad have been meeting frequently to discuss some amendments to Chapter 165. He said that Mr. Dennehy is asking Council to consider reactivating the Citizens Parks and Recreation Commission to engage our residents in some of the recommendations and decision-making related to the Parks and Recreation Department.

He referenced the following memo:

Purpose and Background

The purpose of this memo is to review three categories of changes proposed as updates for Chapter 165-Parks and Recreation of the Code of the City of Milford. As a result of recent changes in procedures related to special event applications and an interest in enhancing civic leadership and involvement, staff felt it appropriate to review several possible changes.

Discussion

There are three areas of possible revision to consider for Chapter 165:

1. Reconstituting a Citizen Parks and Recreation Committee:

**Five members to be appointed by the Mayor and City Council to represent all areas of the community and the diverse interests in parks and recreation programming and facilities. (Possible option: One of the five members could be a non-City resident, but resident of the Milford School District.)*

**Responsibilities would be strictly advisory to the City Council and the Director. The Committee would have no authority over spending, budget, etc. Scope could include:*

**Advising City Council on future plans for parks and recreation facilities and programs;*

**Advising City Council on fees and charges, scholarship programs, etc. and other matters that may be referred to the Committee by the City Council; and*

**Assisting the Director with educating the public about the benefits of recreational activities, parks and open space, trees and their proper care.*

2. Clarification about the difference between the Park Use Permit and the Special Event Permit. Possible related subjects include:

**Authorizing the Police Chief and/or Parks & Recreation Director to make determinations regarding the requirements for security at events;*

**Allowing dogs and pets at special events if approved as part of the Special Event Permit.*

3. Other minor clarifications and clean up.

Recommendation

It is recommended that the Parks and Recreation Committee discuss the possible amendments with staff and provide input on the process of developing an ordinance for introduction at a future City Council meeting.

The clean up items relate to the Park Use and Special Event Permit and clarification of security at events. For example, when

events are occurring at the parks, either the Police Chief or the Parks and Recreation Director will consult together to determine the degree of security that is needed.

In addition, there is a prohibition of dogs at special events. He thinks some additional information is needed in that area as well.

Councilman Brooks recalled being on the Parks and Recreation Commission for five years before he was a Councilperson. There were other current and previous Councilmembers that served on that Commission as well.

Mr. Norenberg reported that because we serve children in the Milford School District, Mr. Dennehy recommends that one of the five-member committee be a non-resident as long as they live within the school district.

Councilwoman Wilson has no problem with residents of Milford School District because they use City services. Finding people that want to serve is the most important part.

Councilwoman Peel said there is a lot of momentum surrounding what is happening through Life Cycle. Capturing that energy and getting those interested people involved will establish a pipeline for people to engage in other areas.

Councilwoman Wilson shared that a lot of feedback she receives is the need for affordable activities for children. This could be a way to throw out ideas that have not been thought of. She noted the concerns are related to both the Parks and Recreation programs, as well as the Boys and Girls Club programs.

She also recommends some focus be placed on activities for children ages 12 and up. There is a big need to develop something for those ages. Councilman Mergner agreed that something is needed for 12 to 16 year olds particularly on weekends or after hours. He referenced the Sports Factory in Lewes which is becoming very popular. They are at the point that they are unable to take on any more children, though they have nightly pickup games and other activities.

Councilman Campbell announced that Milford Library has a Teen Center where teens can gather and socialize. He is aware of a number of children that participate in that program.

Mr. Dennehy said his thoughts on the commission are to get more of a buy-in for our citizens. He does not always have the answers and is sure there are things Parks and Recreation should be doing. Having the Commission meet four times a year will help those members understand the challenges he is facing. They could also recommend some new ideas.

The P&R Director said one of the biggest issues at Parks and Recreation is a lack of gym space or any indoor recreation space. Years ago the City was considering building a community center which the former Director was in favor of until they started breaking down the numbers. The City instead ended up giving the Boys and Girls Club a big chunk of money versus building our own facility. The schools are busy with their own programs though there is a good relationship with the district. He said that in addition, the district is hurting for space for their own activities and is already down one school.

Mr. Dennehy welcomes anyone on this commission who is capable of helping with these challenges.

He loves the developments outside of the City limits on Williamsville Road or at Eastman Heights noting there are a lot of children that live there. There are many farmers' kids in these programs who do not pay taxes though they are still part of the community.

Mr. Dennehy also pointed out that he is not an expert of security but he feels that input is needed from the Chief of Police to get that right.

He also pointed out that he is dog-friendly and Mayor Shupe definitely is. He feels we need to be welcoming those situations, and encourage families, children and dogs at these events. There are other options that need to be considered as well.

In the past, his children loved going to the skating center. They were picked up on the bus and taken to the skate center which worked out well for working parents. Now that it has closed, we need to come up with some fresh ideas that will benefit the

children in the community.

Councilman Brooks understands the concern about the increase in fees of these programs. He recalled years ago there was a mens basketball league who used the schools at no charge. Little league used the schools without paying rent either.

Mr. Dennehy announced the City is currently paying \$35,000 a year to Boys and Girls Club for only a few events. He feels that is a lot of money in addition to the fact we are actually competing with a number of planned activities at that facility. For example, the Boys and Girls Club offers basketball four times a year. He feels they are almost flooding that market as a result. He noted that the Parks and Recreation program is \$50 a year and the player is provided with a shirt, shorts and socks. He would like to offer these programs to other age groups but they have a real challenge because of the school teams/sports. There is also a semi-pro team that plays on Sundays according to the P&R Director.

Councilman Mergner suggested Mr. Dennehy collaborate with the School District Superintendent for some use of their gymnasiums.

Councilwoman Wilson noted that she was a member of the original Boys and Girls Club. She is aware of children, including her grandchildren, that cannot afford to attend their activities because of the high fee.

The consensus of members of both committees was to move forward with the plans.

There being no other business, Mayor Shupe adjourned the meeting at 7:12 p.m..

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Transcriber

cc: Revised LWCF & DTF Map Conversion Plan



EXHIBIT 9 - REVISED LWCF & DTF MAP
City of Milford - 6(f) Conversion Proposal

Source: City of Milford Planning Dept.



City of Milford
 Planning Department

201 S. Walnut Street
 Milford, DE 19963
 (302) 424-8396



MILFORD CITY COUNCIL
MINUTES OF MEETING
November 13, 2017

The City Council of the City of Milford met in Workshop Session on Monday, November 13, 2017 in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilpersons Christopher Mergner, Arthur Campbell, Lisa Peel, James Burk, Owen Brooks Jr, Douglas Morrow and Katrina Wilson

City Manager Eric Norenberg, Police Chief Kenneth Brown and Deputy City Clerk Christine Crouch

COUNSEL: City Solicitor David Rutt, Esquire

Mayor Shupe called the Council Workshop to order at 6:03 p.m.

Code of Conduct Training/Public Integrity Commission/Legal Counsel Deborah Moreau

City Manager Norenberg referenced those in attendance from the Town of Milton and the City of Harrington. In addition, he reported that Milford employees received this training as well as Milton and Harrington employees.

Ms. Moreau then introduced herself as Counsel to the Public Integrity Commission. This organization is responsible for the oversight of the State of Delaware Code of Conduct, commonly referred to as the Ethics Code.

She explained that the Commission has jurisdiction over all State Executive Branch employees, as well as municipalities and counties in Delaware who have not adopted their own Code of Conduct. Each county or municipality is eligible to adopt their own code though it would have to be drafted and submitted to the Commission for approval. It would then need to be added to the City or County Charter. Until that is done, the municipalities and counties fall under the jurisdiction of the Commission.

Ms. Moreau then reported the following:

Approximately 53,000 people in the State of Delaware fall under the Commissions' jurisdiction due to most municipalities electing not to adopt their own Code of Conduct. However, the City of Dover, City of Wilmington, Town of Smyrna, Delaware City, New Castle County, along with a couple of entities in Sussex County, have adopted their own versions. The reason most entities do not adopt their own code is because a board has to be formed and maintained.

All government officials are watched by the public to make sure that whatever is being done as part of their official duties is done properly. That applies to any person, whether elected or appointed to a commission or board, or city employee.

A number of articles in the news were referenced in which elected officials were forced into resigning over ethic violations. In one case, a governor had to resign when it was alleged his fiancé' was leveraging his public position to benefit her private business.

In New York State, the State Assembly Speaker was convicted of accepting \$4 million worth of bribes in December of 2015 though he is appealing the conviction. The appeal is based on the situation involving the former Governor of Virginia whereby he and his wife were accused and convicted of receiving gifts from a wealthy resident who sold herbal supplements. The resident purchased the Governor's wife a designer wardrobe and gifted them the price of their daughter's wedding, vehicles and other items. Both the former Governor and his wife were convicted and each received prison time. However, he appealed to the US Supreme Court and was successful in getting the conviction overturned.

The court grew a distinction at that point between buying influence and buying official action. The court felt the Governor had only introduced the resident to the right people and they could not find proof that he had accepted a bribe in that case because there was no official action involving legislation so the conviction was overturned.

Ms. Moreau believes that opinion was based only on the fact the prosecutors were pursuing a criminal conviction where the standard of proof is higher and why the court overturned it. If the code of conduct statute had been used, she believes they would have been successful.

As indicated, the New York Assembly Speaker's case is on appeal based on the overturned conviction of the Virginia Governor even though the Justice described the former governor's actions as tawdry or inappropriate in accepting the gifts.

She then recalled the Delaware Medical Examiner's case in 2014 in which he pled no contest to misuse of public office. He was using his state lab, state personnel and state email to run a private business on the side. Any government worker can have their own business, but the question is how to draw the line between your government position and your private position. In one month, it was determined he had sent 800 emails in one month related to his private business. They found fault in the amount of work he was contributing to his personal business while working for the State of Delaware and not the fact that he had a private business on the side. His plea means there is enough evidence to convict him but he would not admit his guilt. When he entered the no contest plea, he was fined \$100,000 in restitution.

Another case in June 2016 involved seven State of Delaware case workers who were accused and indicted of stealing money from one of the welfare programs totaling approximately \$1 million. They created fake food stamp benefit accounts for personal use or to sell and one of their friends would come in and collect the money every week. The people who were supposed to be monitoring their files were not doing their job either so this continued for quite sometime.

Anything that happens in the State or Local Governments will always be highlighted in the newspapers.

The ethics law was drafted in 1974 as a result of Watergate. The State of Delaware adopted their version in 1991. That commission was made up of State Employees and did not work well because they were monitoring other State Employees. As a result, in 1994, they reformed the committee with commissioners not affiliated with the State. They do not work for the State, contract with the State and are completely independent in their decision making. It includes seven commissioners with a variety of backgrounds including community service people, attorneys, retirees, etc. With a good mix, they are able to get a viewpoint from every background.

The commission also handles financial disclosure collection from state officials and lobbyist registrations. Presently there are 350 lobbyists in the State who lobby for approximately 1,000 organizations from Phillip Morris and Walmart, to a small privately owned businesses.

Their website provides a great deal of information. Should anyone have questions, Ms. Moreau recommends the website be reviewed first.

The opinion synopsis page provides information on every opinion the commission has issued since 1991 though the identifying information has been removed. It provides some answers about whether a situation applies and whether or not an opinion is needed.

The statutory purpose of ethic rules is to ensure the public has respect for their government. However, there is always a balancing test going on to prevent having so many rules that no one wants to work for the government.

When someone is serving in their official capacity, that person cannot have a personal or private interest that impairs their judgment when performing their official duty. For example, if an agenda item requires a vote and a relative is involved in the matter in some way, you need to recuse yourself. Recusal is more extensive than simply not voting.

The Delaware Department of Corrections put out a bid for someone to provide medical care for its prisoners. Two bids were received and three people reviewed them. The one reviewer reported that his wife worked for the one company so he was not going to vote. However, he stayed on that committee and discussed the two bids though he volunteered not to vote.

When the court looked at it, his appearance or mere presence during the discussion had tainted the process. He should not have been involved in any manner because a person is able to communicate a wealth of information just through body language or facial expressions without saying a word. That is the reason recusal means 'leave the room'. A person cannot just sit in the room during the discussion and not vote. Instead, that person has to physically leave the room to prevent one's colleagues from

facing a decision of whether they should look at you and try and attempt to prevent being influenced by that person's body language. Leaving the room eliminates any issues.

Another local case involved a State Board that requires anyone who wishes to offer a specific medical service, to apply and obtain approval from the board. A person cannot simply put up a sign that states some type of medical service is being offered. Two hospitals, Beebe and Nanticoke, wanted to start offering cardiac services at the same time. Both applied to the board for the new service.

Nanticoke was helped by someone who had been a previous member of the board. He was no longer on the board and had been gone for approximately eighteen months. However, he helped them with the paperwork and the process in addition to attending the public hearing. He only sat and listened during the hearing but did not say anything.

The board ended up voting to grant the application to Nanticoke but not to Beebe. Beebe's application was not as well thought out and planned. As a result, they had to wait a year and resubmit. Two weeks later, the person who had helped Nanticoke made an announcement they were going to partner with someone to provide cardiac services at Milford Memorial Hospital. This person was the CEO of Milford Memorial Hospital board at the time. So in addition to the connection that he had previously served on the medical needs board, he now has a financial connection because his hospital will benefit from this as well.

As a result, Beebe filed suit based on the process of having too much intermingling and decided to let the court decide. The court took notice and asked whether this person has attended the public hearing. He responded by saying yes, but he did not say anything. The judge pointed out that his presence in the room still tainted the process.

Officials must consider the requirement to remove themselves from the room when there is a topic of conflict. Being present continues to be a conflict even if the person does not participate in the vote.

The process will be determined invalid if someone with a conflict does not leave the room during the discussion. It resulted in the process starting over again which was expensive and time consuming.

Another situation involved a Department of Corrections Hiring Committee and a new job was posted for the motor pool which is a very coveted spot. This employee worked in the yard or handled transportation and most of the guards preferred that type of position because they did not have to work with the inmates. Of the three people that applied for the job, one worked for and had a very close relationship with one of the board members making the decision, one was a nephew to one of the board members and the third person (Brice) had no relationship to any applicants. During a personal conversation between the wife of the third applicant and the aunt whose nephew applied, the aunt revealed that her nephew had gotten the job.

The wife reported the results to her husband (Brice) before the aptitude test was even taken by the applicants. The test resulted in the applicant who had a relationship with the board member receiving the highest score, followed by the husband of the wife who was given the advanced information, then the nephew who received the lowest score. As a result, the applicant receiving the highest score was hired.

Mr. Brice filed a grievance with the union board. Following a hearing, the job had to be reposted and Brice won and was hired for the position. He then filed a claim in the Supreme Court who awarded him the cost of his legal fees.

Another situation involved a State employee who was in charge of the summer school program whereby students who receive free food during the school year are eligible to get lunches throughout the summer. She received \$130,000 to cover the cost of the project. It was put out to bid and she assigned her fiancé to be the administrator of the fund and paid him \$60,000. The auditor's office was investigating how many houses received two checks from the State of Delaware and the reason for the two checks. They determined that in addition to her paycheck, her fiancé was receiving pay as a contractor. The contractor was signed by both of them. The Attorney General's Office charged her with Misuse of Public Office and her fiancé with tax fraud because he was not claiming the income. Both were convicted.

Ms. Moreau also pointed out that if an official has a friend or relative who wants to contract with the City, that official is unable to come before Council and help them. They can help them at home, help them put their documents together but the official

is unable to speak for them or handout documents on their behalf.

She also reported there is a two-year restriction on leaving a position as a councilmember, for example, and coming back as a contractor and doing the same job. She stressed that an employee of a town cannot leave to work for a contractor and do the same job. This prevents companies from being encouraged to cherry pick their employees.

As an example, a Bridge Engineer at DeIDOT who worked on the Roth Bridge, is able to leave his DeIDOT job to take another job working on the Delaware Memorial Bridge only because it is a different project.

The attorney referenced a new standard called the Appearance of Impropriety (Prohibited Conduct) 29 Del. C. 5806 (a) and (b). It involves a reasonable person who knowing these facts, would need to think an employee can continue to do their job fairly and impartially. Some items do not fall into a specific category though it may make you question yourself. If someone has to ask that question, more than likely the official should not be doing that.

An official cannot buy an interest in one of the City's contractors as well. City Employees become familiar with the contractors but because an official becomes confident in that contractor's work, does not allow them to buy stock in that business. If that were allowed, every decision made about them would be tainted by that officials' financial interest in that company.

She further stated that no other employment, gift, payment of expenses, compensation, or anything of monetary value can be accepted if there is the slightest chance it will result in impaired independence of judgment, preferential treatment to any person, official decisions or have any adverse effect on public confidence in the government.

Ms. Moreau said this comes up as in relation to dinners, lunches or Christmas presents. They always tell everyone not to accept those type things. They want to prevent any perception that someone wants to buy an official a present because they want to buy that official's good will. The code of ethics say officials cannot accept gifts from contractors plain and simple. For example, a company wanted to give a sales pitch during lunch and provide lunches to the State Employees. They came before the commission who informed them they could do it on their lunch hour, but cannot provide them with lunch. The company's representative felt that if they didn't feed them, the employees would not attend. Unfortunately, that is similar to a bribe and is an illegal act.

If citizens want to come in and provide tokens of appreciation, the City needs to be careful in case that person has a later zoning request or something similar. Officials need to be aware of those situations so it is better to have a 'no gift' policy. People have asked if a dollar limit can be placed on gifts and the answer is no. Ms. Moreau stated that if someone goes to a conference and gets a lanyard, a pen or key chain or something similar, that is fine. But nothing of monetary value like gift cards or anything with a dollar value. She noted that some officials may be bought for \$10 and another official can be bought for \$500 which is the reason a dollar value is inappropriate.

If an organization that is not the City of Milford is going to pay for an official's travel, that official has to consider whether that is a gift or not. The definition of a gift is something given with nothing in return. She referenced a government official who flies a private jet to Hawaii for a five-day stay though the conference is only half of one day. They play golf, drink cocktails, eat at five star restaurants and stay at five star hotels. That is a gift because they did not get anything in return other than sitting in a room for half a day.

But if an employee flies coach the day before the conference and flies back the afternoon of the conference, stayed in a conference hotel and eats regular meals and are required to make a presentation at the conference, then they have given something back. There is an exchange that makes it no longer a gift.

She stressed that officials should be very aware of a situation when a person offers to send that official somewhere and expects nothing in return. That ends up being a gift in the eyes of this law.

One State Employee worked for a Social Services Agency and would go into people's homes and take care of them. One gentleman became an acquaintance and thought it would be a good idea to repay her kindness by putting her in his will. She informed her supervisor of the situation. That could be perceived as coercing him in taking his money when she was at his home. The supervisor went back with her and told the gentleman she could not be added to his will. He responded that it is

his money and he will do what he wants with it. The agency's attorney then had to discuss it with his attorney and finally, they got him to relent and take her out of the will even though he wanted to do something nice for her. That would have been overshadowed by the fact that he took money from one of her clients.

She then discussed several prohibited activities:

If an official knows the City is getting ready to annex land, do not go out and buy it so you can get more money.

Do not use your public office for unwarranted privileges, private advancement or gain.

If you have access to confidential information, do not use that to your advancement.

Ms. Moreau then shared that a Florida resident, who worked for a social service agency had collected a list of all the HIV positive people in the State and disseminated it to his friends so they knew who not to date.

The same applies to computer access. Employees should not be using their computer to surf the web during working hours but also access programs within the State. Employees are unable to access criminal records through DELJIS for anything other than official business.

Ms. Moreau worked for the Department of Justice for nine years. She recalled an employee who was transferred to that department after working elsewhere in the State for twelve years. She was in the middle of a divorce and her soon to be ex had a new girlfriend. She could not resist from looking her up and found out that she had a criminal record and posted it on Facebook. She was terminated the following day.

Another situation involved a very reputable judicial secretary that had been with the State thirty years. She used DELJIS to look up addresses so she could send Christmas cards. When they found that out, she was terminated.

Ms. Moreau pointed out that it makes no difference what the motive is. The rules apply across the board. Government information cannot be used for your own benefit.

Do not engage in activities that might reasonably be expected to require or induce you to disclose confidential information. If an official/employee goes into a restaurant or pub and discusses something you are aware of only because of your official position, do not allow other people to hear you.

She personally observed two witnesses talking about the Exelon merger in a coffee shop in Dover. They proceeded to talk about who they knew in State government and how much influence they had. Ms. Moreau knew everyone they were talking about. She emphasized that officials need to be aware of the small communities in Delaware and if the official is out in the public, people can hear you and chances are it will get back to someone.

Councilman Mergner arrived at this time.

Ms. Moreau reported that the State Commission will also provide advisory opinions. If there is a question about a vote that is coming up and an official is wondering if they have a conflict of interest because they know the people involved. That official can send Ms. Moreau an email and ask for an advisory opinion from the Commission. That information is confidential and they will provide an opinion on the matter.

She further stated that if the town itself wanted to ask about an employee's involvement in a matter, the town can request the advisory opinion. However, that has to be in writing and an email is sufficient.

Ms. Moreau will not tell anyone unless that person is committing a crime. She is then obligated to turn that official/employee in.

There are circumstances in which there are rules that need to be followed though a waiver can be requested by the Commission for an emergency or some other specific situation. However, in these cases, the whole entire opinion will be published so

everyone knows that yes, that official is doing something that may look suspicious, but were given permission to do it.

For example, the Delaware State Police (DSP) has an aviation unit. Their pilots have to be FAA-certified and to obtain that, seven hours training is required on an aircraft with retractable landing gear. DSP has their own plane though it has fixed landing gear. They did not want to buy a whole new plane just so their pilots can train seven hours a year because of the expense. As a result, the head of the Aviation Unit went around to the local airports including Salisbury, Dover Air Force Base and other airports to receive quotes on borrowing an airplane. It turned out the person who had the lowest bid was a State employee. That State employee got the contract with a State Agency which always raises eyebrows. However, DSP did not want to publicly notice and bid the contract because they were on a tight deadline.

There is a requirement in a State contract when it involves a person who is contracting with the government entity and also works for that entity. In that situation, a public notice and bidding requirement is needed though that was not done because it was an urgent matter. As a result, they asked for a waiver of the public notice and bidding requirement. They brought in their paperwork that showed the research that was done and proof that this gentleman had the least expensive option. The waiver was approved to make it easier for them to accomplish this but only because they had already done their homework. In addition, there are waivers that come after the fact. For example, an emergency occurs as a result of a water/sewer issue and the contractor's equipment breaks. That then results in a large portion of the town being without water and sewer and the contractor is unable to get his equipment repaired for two days. This is an emergency because it involves a public health issue and the utility needs to be put back on line as soon as possible.

She recalled one of the Sussex County Commissioners, who had a farm several years ago, also had a piece of equipment that was able to handle the digging and repairing. He used his equipment to fix the repair and charged less than the contractor. However, it was necessary to come to the Commission, after the fact because this was considered an emergency, though they asked for their blessings as to how it was handled. The Commission also granted the waiver in that situation.

Ms. Moreau then commented on their complaint procedure though an official/employee can request an advisory opinion for themselves and the City can request one as well. The public is unable to request an advisory opinion though they can file a complaint. Complaints are sworn affidavits saying that an official has violated the code of conduct. It has to be notarized and in that case, the person's name will be revealed because a hearing will be scheduled and that official has the right to confront their accuser.

Because the accused identity is revealed, the Commission does not receive many official complaints. She noted that many people are very averse to revealing who they are though the Commission receives a lot of anonymous letters. But there are very few complaints where people are willing to identify themselves.

If a complaint is received, the Commission is not going to let you know in the beginning. They receive a lot of complaints that have no substance. For example, someone from the prison wrote that a judge had a personal interest in his sentencing and he was sentenced too harshly as a result. The Commission does not have jurisdictions over the judges so she is not going to call that judge and inform them of the complaint for no reason and get everyone upset. They typically have the Commission review it and dismiss it for lack of jurisdiction.

A person would be notified if there was some substance if it was properly alleged and notarized. In that situation, the person would be contacted, a copy of the complaint provided and a hearing scheduled. All evidence will be provided to the person as well. If a hearing is scheduled and subpoenas are needed for witnesses, Ms. Moreau will issue them. If a person is found in fault of a violation, in an elected official's case, the Commission has no power to remove them from officer because it is a constitutional issue. However, they will publish the opinion and let the voters decide what they want to do at the next election.

If an anonymous complaint is received, she will call that person if there is something to it. Ms. Moreau will inform the person that a letter was received and provide the allegations. They will then be offered an advisory opinion which is confidential. However, that person has the benefit of knowing what was alleged and the violation of the rules. If it is a violation, that person gets advice on how to fix it and the letter serves as legal protection should someone later file a formal complaint.

However, there is no requirement to come in.

Ms. Moreau explained there are a lot of employees who submit anonymous complaints because they are afraid of retaliation. One employee in a State agency contacted her to tell her their boss is supervising his two sons though she is uncomfortable coming forward because of retaliation. She contacted the head of that agency and asked them if they would like to come in and get an advisory opinion. The head of that agency said certainly and by the time they came in, the two sons had been reassigned to other supervisors. They felt that had fixed the problem though really there is still a problem because there are still three supervisors, one of which is the father, who works with the other two supervisors on a daily basis. As a result, the Commission would question whether those supervisors would be independent during a performance review or when assigning projects because their father is always present.

In addition, it is not always a benefit. For example, the son could be made miserable every day of his life if they didn't like his father. The best way to handle it was to move the son to a different county to prevent any crossover, which is what they ended up doing. Each of the three family members worked in three separate counties.

She emphasized that the finding is not always punishment. Often there is a solution worked out to make things more appropriate and in line with the code of conduct.

It was noted there are criminal sanctions for some portions of the code and mainly the conflict of interest and the post employment areas.

The Commission can recommend to the Governor, who appoints board members, a person be removed though they do not have the ability to remove them either.

Other employees can be terminated and merit rules in those situations do not protect them. An employee can be fired, demoted or given a letter of reprimand, in addition to a number of administrative sanctions.

She concluded Ms. Moreau's presentation. She then opened the floor to questions.

There was a question from the audience about a nepotism policy. Ms. Moreau responded by stating actually there is not a policy though what used to be the Office of Management and Budget has since been split and is now the Office of Personnel and Human Resources. This is a new cabinet position and they are currently working on a nepotism policy. While an employer may be able to arrange things where it does not violate the code of conduct, it still affects the morale of the agency.

A question from the audience was then asked by a Milton official about elected officials receiving donations (inaudible). For example, someone makes a donation in the elected official's name whereby a third party benefits.

Ms. Moreau explained that if someone makes the donation and then that person has a matter come before the board, the elected official will need to consider whether the donation was made in hopes of some return favor.

Further inaudible conversation continued from the audience.

Ms. Moreau responded by stating she is sure that someone saw him with this person and would be very willing to tell everyone. She added that even if this Milton official bought his own dinner and had the receipt to prove it, the problem is how it was perceived.

Mayor Shupe then referenced the annual budget reviews noting there are many different aspects of the budget. As an example, one of the organizations the City gives money to is the Milford Museum. If a Council or Mayor is on the board of that museum, it sounds as though that councilperson would need to recuse themselves and leave the room. If that is part of a larger budget being discussed over a two-day period, he asked at what point you recuse yourself outside of the room for that one issue and then vote on the budget as a whole.

Ms. Moreau recommends speaking with the City Solicitor and believes that the budget can be presented and voted on in separate pieces. She recalled a complaint about a councilperson who had a problem voting on a specific portion of the budget. The commission asked him not to vote on the budget because of the conflict. The councilperson stated no, that is the reason the residents elected him and that is only a small piece of what he does. The commission recommended he check with the town solicitor to see if he can vote on the budget by taking that one category out. That councilperson would then be required to leave while any discussion occurred and not vote on the one matter of conflict. The solicitor agreed that would work.

There being no further questions, Councilmember Peel moved to adjourn the Workshop Session, seconded by Councilmember Burk. Motion carried.

Mayor Shupe adjourned the Workshop at 6:59 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Transcriber

Attachments:

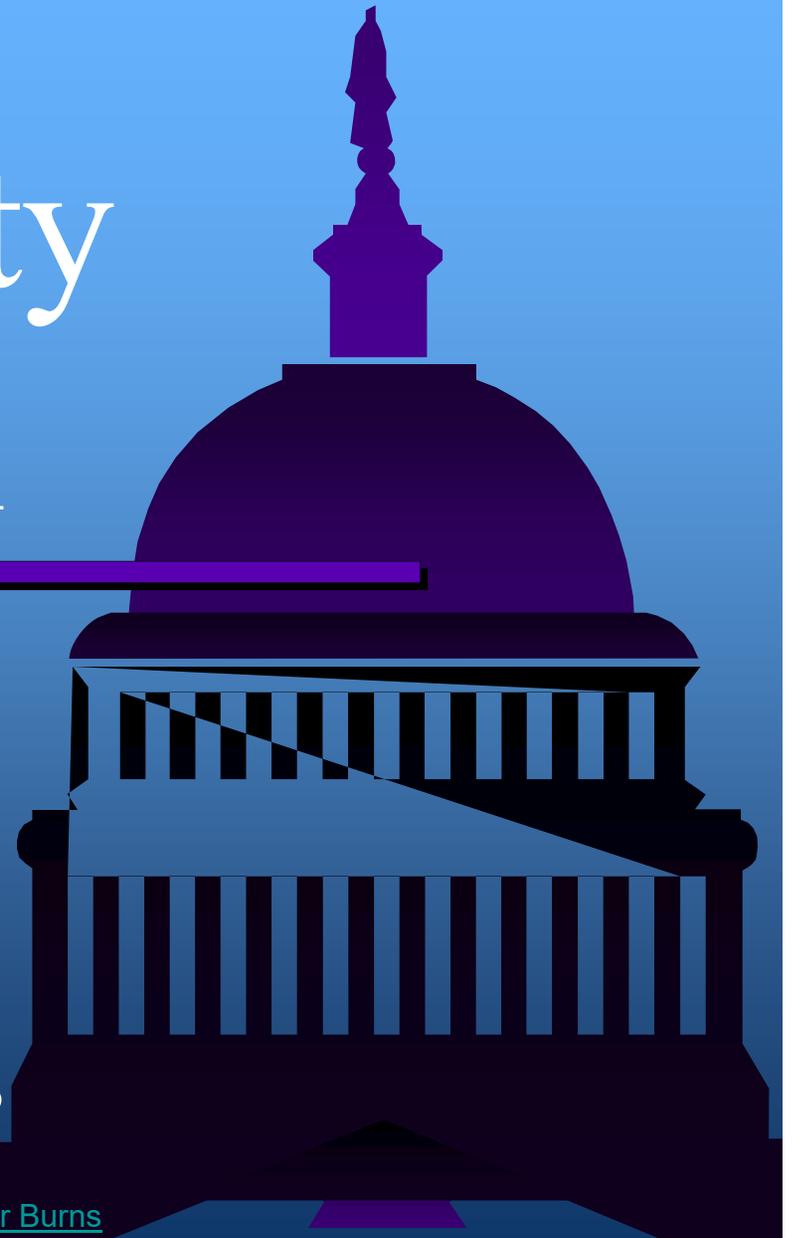
Ethics Presentation
Ethics Brochure

Public Integrity Commission

Ethics in Government

“Divorced from ethics, leadership is reduced to management and politics to mere technique”.

[James MacGregor Burns](#)



Lt. Gov. Darr resigns amid ethics violations, possible impeachment

By ArkansasOnline
This article was published January 10, 2014 at 6:30 p.m.



PHOTO BY BENJAMIN KRJAIN
Lt. Gov. Dan Claitor, resigned Tuesday that he has no intention of resigning.



AP Photo

Oregon governor facing ca state probe

By JONATHAN TOPAZ | 2/9/15 3:10 PM EST

John Kitzhaber won a fourth term as Oregon's g but he is now facing perhaps the starkest challe

Ex-speaker, once a big powerbroker, convicted in N.Y.

Associated Press

NEW YORK — Former state Assembly Speaker Sheldon Silver was convicted Monday in a \$5 million corruption case that took down one of New York's most powerful politicians and stunned a capital that had become accustomed to scandal.

The jury verdict came after a three-week trial in which federal prosecutors claimed that the 71-year-old Democrat traded favors to enrich himself and then lied about it. The defense countered that the government was trying to criminalize the longtime routines of Albany politicians.

Even in a state capital where more than 30 lawmakers have left office facing criminal charges or allegations of ethical misconduct since 2000, the case against Silver was an extraordinary turn. An assemblyman since 1976, Silver was one of Albany's most storied political figures, a consummate backroom operator with the power to decide the fate of legislation single-handedly.

Silver, who remains free on bail until a sentencing date not yet set, plans to appeal.

"I'm disappointed right now.

Ultimately, I believe that after the legal challenges, we'll get results," he said as he left court after being convicted of all charges against him: honest-services fraud, extortion and money laundering. They carry the potential for decades in prison.



Sheldon Silver

His prosecution was a marquee case in Manhattan U.S. Attorney Preet Bharara's quest to clean up a state government he has called a "cauldron of corruption," an effort that has led to the ongoing corruption trial of Republican state Senate leader Dean Skelos.

With Monday's verdict, "Sheldon Silver got justice, and at long last, so did the people of New York," Bharara, who had watched from the courtroom audience, said in a statement.

With the conviction, Silver automatically loses his Assembly seat. He had kept it while fighting the charges, although after his arrest he was stripped of the speakership he had held since 1994.

The leader of the Assembly's Republican minority, Brian Kolb, called the conviction "a clear signal — again — to Albany: Enough is enough."

Current Speaker Carl Heastie, a Democrat and Silver's successor, said he would "continue to work to root out corruption and demand more of elected officials when it comes to ethical conduct."

After Silver's arrest, the Legislature passed modest changes, including a requirement that lawmakers disclose more about their private income.

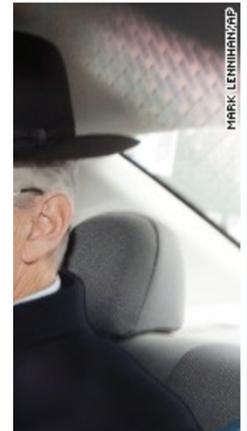
But so far, lawmakers have balked at significant reforms, such as term limits, restrictions on legislators' outside income, tighter campaign finance limits and tougher enforcement of ethics rules.

Prosecutors had argued that they proved Silver traded his office for riches: \$4 million in kickbacks from a cancer researcher and real estate developers. Prosecutors say Silver earned a million dollars more through investments.

"This was corruption," not politics as usual, Assistant U.S. Attorney Andrew Goldstein told jurors.

Dec. 1, 2015

speaker



MARK LENNIR/AP

Supreme Court overturns corruption conviction of former Va. governor McDonnell

Supreme Court overturns corruption conviction of former Va. governor McDonnell

The Supreme Court unanimously voted to overturn the public-corruption conviction of former Virginia governor Robert F. McDonnell. Here's what you need to know about the decision. (Monica Akhtar/The Washington Post)

By [Robert Barnes](#)

[Politics](#)

June 27 at 7:09 PM

"There is no doubt that this case is distasteful; it may be worse than that. But our concern is not with tawdry tales of Ferraris, Rolexes, and ball gowns," Roberts wrote. "It is instead with the broader legal implications of the Government's boundless interpretation of the federal bribery statute." CJ Roberts

Governor sentenced



McDonnell (2nd R) leaves U.S. District Court in Washington, D.C. (R), after he found guilty in his corruption case. (AP Photo/Robyn Beck)

June 2016

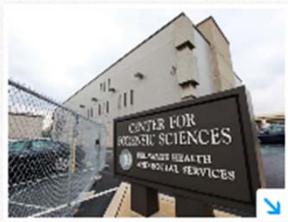


July 2017

Delaware medical examiner suspended in drug probe

Jonathan Starkey and Sean O'Sullivan, The (Wilmington, Del.) News Journal 8:36 p.m. EST February 28, 2014

Richard T. Callery oversees the state drug lab, which is being investigated for missing and tampered-with evidence.



(Photo: Suchat Pederson, The (Wilmington, Del.) News Journal)

f 26 CONNECT t 30 TWEET in 2 LINKEDIN 1 COMMENT EMAIL MORE

WILMINGTON, Del. -- Delaware Chief Medical Examiner Richard T. Callery, who oversees the state drug lab that is now the subject of a State Police criminal investigation over missing evidence, [has been suspended with pay](#), officials said Friday.

Callery has led the Medical Examiner's Office since 1997 and earned a \$198,500 salary last year, making him the seventh highest-salaried state employee. He was suspended on Tuesday pending the results of an internal human resources investigation.

In an interview Friday afternoon, Gov. Jack Markell said "we certainly have a number of concerns about the management of the office."

"There are a number of things the investigation is reviewing and I can't talk about them today," Markell said.

STORY HIGHLIGHTS

- State waited 3 days to announce Callery's suspension
- Investigators have identified 21 cases affected by tainted evidence
- Lab handled drug evidence for all Delaware law enforcement agencies

Drug lab scandal still haunts Delaware

Jessica Masulli Reyes and Cris Barrish, The News Journal 9:28 p.m. EDT June 10, 2015

Callery's plea

Callery will plead **no contest** – which is treated the same at sentencing as a conviction – to two counts of official misconduct. The crime is a Class A misdemeanor punishable by up to one year in prison and a \$2,300 fine. A plea of no contest, technically called "nolo contendere," is not an admission of guilt.

Both Joseph Grubb, chief New Castle County prosecutor, and Callery's lawyer Dan Lyons confirmed that the plea hearing will be held Thursday in Superior Court before Judge Fred S. Silverman.

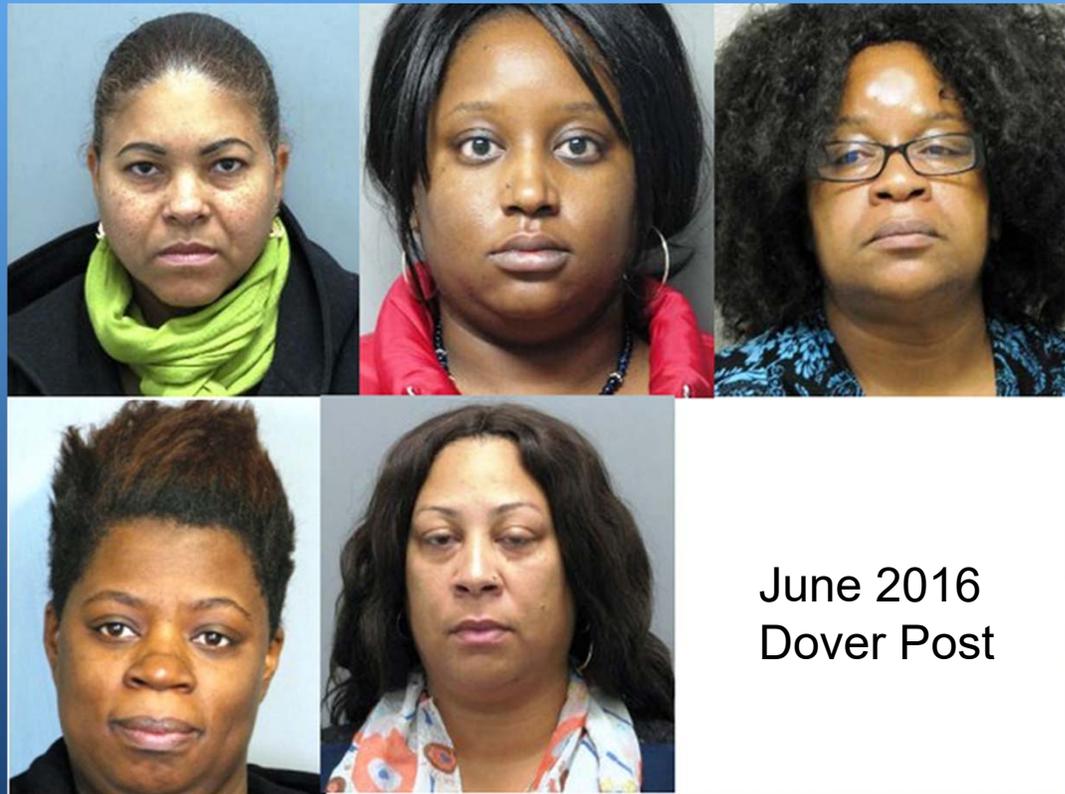
Grubb would not comment further, but Lyons stressed that Callery's plea will be for using state employees and supplies such as his government car to conduct a private consulting business as an expert in other states.

Lyons said Callery, 63, also will pay \$100,000 restitution, an amount the lawyer said far exceeds the value of supplies and employee time he used, and will surrender his medical license for two years.



Seven steal from SNAP, says state

Seven state employees indicted in \$950,000 theft



Background

- Ethics Law Passed -1974
- Ethics Commission Created - 1991
- Public Integrity Commission - 1994
- Full-time Staff Hired - 1995
- Commission Members' Background

Laws Regulating Conduct

Title 29, Chapter 58

- Code of Conduct: *Sets Standards of Conduct*
- Financial Disclosure: *Annual Disclosure by Public Officers*
- Compensation Policy: *Prevents “Double-Dipping”*
- Lobbyists’ Registration: *Disclosure of Expenditures on General Assembly Members and/or State Employees*



Public Integrity Commission

ADMINISTERING AND IMPLEMENTING DELAWARE'S CODE OF CONDUCT FOR THE EXECUTIVE BRANCH.

Welcome

Pursuant to 29 Del. C., Chapter 58, the State Public Integrity Commission administers and implements Delaware's ethics law (Code of Conduct) for the Executive Branch; its financial disclosure law for all three branches; and its lobbyists' registration and expense reporting laws.

[Read More →](#)

> Code of Conduct

Ethical standards for all State Executive Branch employees (rank and file) officers (Senior level & Elected officials) and honorary State officials (appointees to

Easy Reference

Code of Conduct Opinion Synopsis



- [1991-2016 Contracting With The State](#)
- [1991-2016 Jurisdiction & Procedure](#)
- [1991-2016 Local Codes of Conduct](#)
- [1991-2016 Outside Employment](#)
- [1991-2016 Things of Monetary Value](#)
- [1991-2016 Personal or Private Interest](#)
- [1991-2016 Post Employment](#)

Note: If looking for specific term in a category, hit CTRL F once you have opened the link

Statutory Purpose

- Insure public respect and confidence by setting standards of conduct for honorary state officials without unduly circumscribing their activities

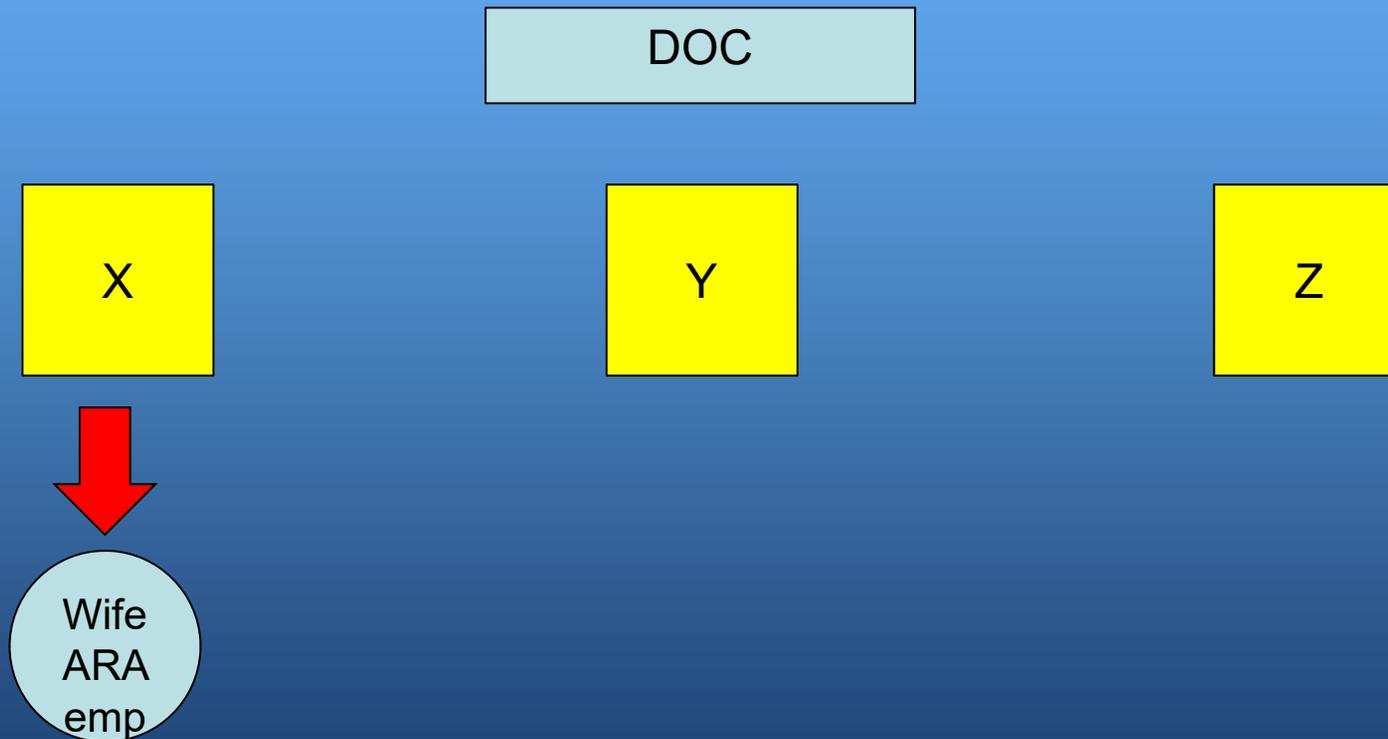
Conflict of Interest

Exercising Authority - 29 Del. C. § 5805 (a) and (b)

- No Personal or Private Interest That Tends to Impair Judgment in Performing Board Duties
- *Interests Which Will Impair Judgment*
 - **Financial benefit to self or a close relative**
 - **Benefit to a private enterprise if you or a close relative have a financial interest**

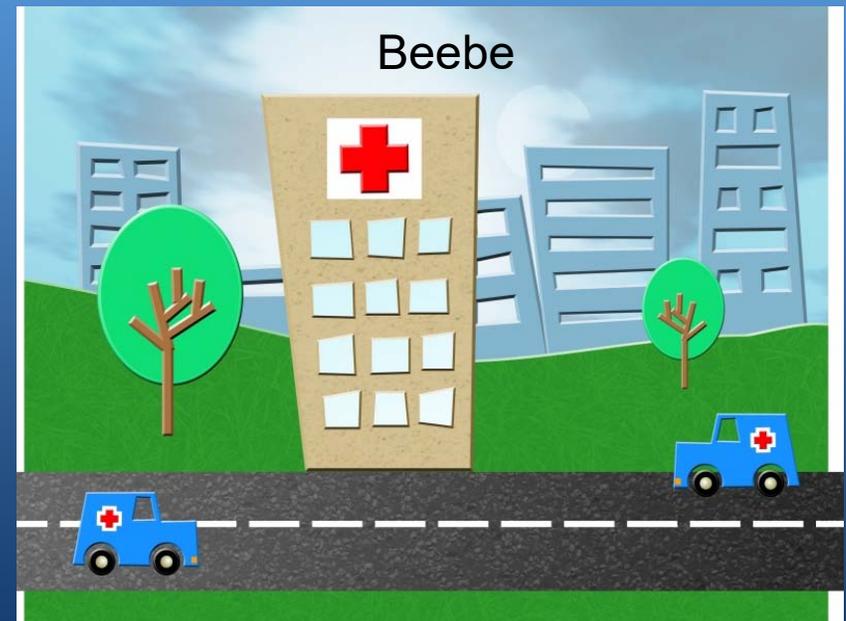
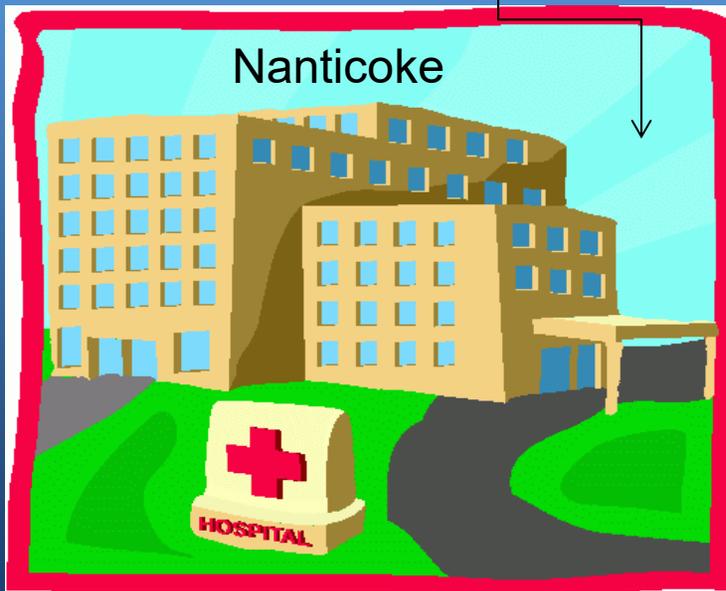
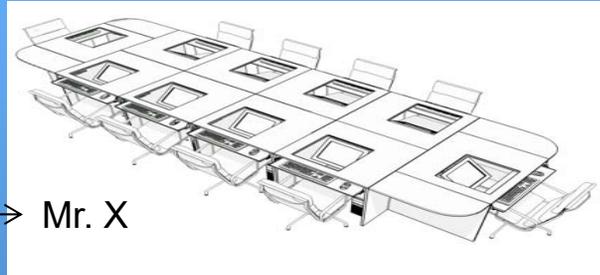
Personal Interest

Prison Health Systems v. ARA



Personal Interest cont.

Beebe v. Cert of Medical Needs Board



Personal Interest cont.

Brice v. DOC

Christiano

Ma son

David
Outten's Sec

Sestito
Nephew
3

Coleman
Highest
score
7



Brice
5

Conflict of Interest

Representation - 29 Del. C. § 5805(b)

- Do not represent or assist a private enterprise before your own Board
- Officers may not represent or assist a private enterprise before the State
 - *Exception: You may assist a private enterprise within the scope of official duties.*

Conflict of Interest

Post-Employment - 29 Del. C. § 5805(d)

- Two-year Restriction

- Cannot represent/assist private enterprise on matters involving your Board if you:

 - Gave an opinion

 - Conducted an investigation

 - Were otherwise directly and materially responsible

- Prohibition on use of confidential information

Code of Conduct

Prohibited Conduct - 29 Del. C. § 5806 (a) and (b)

- No Appearance of Impropriety
 - Reasonable person, knowing all the facts, would think the employee could perform their duties fairly and with impartiality.
- No interest in a private enterprise or any obligation in substantial conflict with performing your board duties

Code of Conduct

Prohibited Conduct - 29 Del. C. § 5806(b)

- No other employment, gift, payment of expenses, compensation, or anything of monetary value if it may result in:
 - *Impaired independence of judgment; or*
 - *Preferential treatment to any person; or*
 - *Official decisions outside official channels; or*
 - *Any adverse effect on public confidence in government*

Code of Conduct

Prohibited Conduct - 29 Del. C. § 5806 (c)

Do not acquire a financial interest in a private enterprise if you have reason to believe it may be directly involved in decisions to be made by you in your official capacity.

Code of Conduct

Prohibited Conduct - 29 Del. C. § 5806(e)

Public office shall not be used to secure unwarranted privileges, private advancement or gain.

Code of Conduct

Prohibited Conduct - 29 Del. C. § 5806 (f) and (g)

- You may not:
 - Engage in activities that might reasonably be expected to require or induce you to disclose confidential information;
 - Disclose confidential information beyond the scope of employment;
 - Use confidential information for personal gain or benefit.

Waivers and Advisory Opinions

Procedure - 29 Del. C. § 5807

- Written Request
- Confidential *unless*:
 - Applicant Requests in Writing
 - Required for Prosecution
 - Used to Report Substantial Evidence of a Criminal Violation
 - Waiver Granted

Complaints

Procedure - 29 Del. C. § 5810

- Sworn Complaint or Commission Acts
- Person Charged Has the Right to:
 - **Notice & Hearing**
 - **Legal Counsel**
 - **Call Witnesses, Offer Evidence, Cross- Examine**
 - **Examine Tangible Material Evidence**
 - **Exculpatory Evidence**
 - **Apply for Subpoenas**
 - **Confidential *unless*: Person Charged asks for Open Proceedings or a Violation is Found**
 - **Judicial Review by Superior Court**

Sanctions

- *Criminal Sanctions* - 29 Del. C. § 5805(f) Up to 1 Year or \$10,000 Fine
- *Administrative Sanctions* - 29 Del. C. § 5810(d)
 - **Written Reprimand**
 - **Other than Elected Officials: Remove, suspend, demote or other appropriate action**
 - **Honorary Officials: Recommend Removal**

The Rules of Conduct

(1) Do not review or dispose of City matters if you have a “personal or private interest” that tends to impair judgment in performing official duties. 29 Del. C. § 5805(a).

Ex. Board appointee’s “neutral” & “unbiased” remarks on an application were improper when the applicant before his Board had a business agreement with the official’s private employer.

--Beebe Medical Center v. Certificate of Need Appeals Board, Del. Super., C.A. No. 94-A-01-004, Terry, J. (June 30, 1995), *aff’d.*, Del. Supr., No. 304 (January 29, 1996).

Ex. Government employee’s “unsubstantial” & “indirect” participation in a contract that his wife’s employer was seeking, was “undoubtedly improper” although he was not on the contract committee & she was a “low-level employee” in the company.

--Prison Health Services, Inc. v. State, Del. Ch., C.A. No. 13,010, Hartnett III, V.C. (July 2, 1993).

Ex. Uncle wrote test for government job & sat on hiring panel. His nephew was selected. The Court said it was “the most blatant discrimination based on nepotism & favoritism.”

--Brice v. State, 704 A.2d 1176 (Del., 1998).

(2) Do not represent or assist a private enterprise before the City. 29 Del. C. § 5805(b).

Ex. State appointee wanted private contract with his agency. Court upheld agency’s decision to deny him the contract, as the award of State contracts “has been suspect,

often because of alleged favoritism, undue influence, conflict and the like.”

--W. Paynter Sharp & Son v. Heller, 280 A.2d 748 (Del. Ch., 1971).

(3) Do not contract with the City for more than \$2,000 unless there is public notice & bidding. If less than \$2,000, there must be “arms’ length negotiations.” 29 Del. C. § 5805(c).

(4) For 2 years after leaving City employment, you may not represent or assist a private enterprise on City matters where you: (a) gave an opinion; (b) conducted an investigation; or (c) were otherwise directly and materially responsible. 29 Del. C. § 5805(d).

Ex. Former State appointee represented client before his former Board. He was not “directly & materially responsible” for the matter before the Board, as it was not considered by him before he left the State.

--Beebe Medical Center, *supra*.

(5) Do not incur any obligation or interest that substantially conflicts with public duties. 29 Del. C. § 5806(b).

Ex. Where a State officer placed his personal interest first, “it necessarily follows that...he violated the duty that he owed to the public.”

--In re Ridgely, 106 A.2d 527 (Del. 1954).

(6) Do not accept other employment, compensation, gifts, or anything of monetary value if it may result in: (a) impaired judgment; (b) preferential treatment; (c) official decisions

outside official channels; or (d) any adverse effect on the public’s confidence in the City. 29 Del. C. § 5805(b).

Ex. This prohibition includes luncheons, gift certificates, flowers, holiday gift boxes, etc.

(7) To commence & continue City employment, or Board appointment, you must file a full disclosure with PIC if you have a financial interest in a private enterprise that does business with, or is regulated by the City. 29 Del. C. § 5806(d).

“Financial Interest” includes:

- ownership or investment interest;
- receiving \$5,000 or more as an employee, officer, director, trustee or independent contractor;
- creditor of private enterprise. 29 Del. C. § 5804(5).

“Private Enterprise” is any activity by any person, for profit or not for profit. 29 Del. C. § 5804(9).

(8) Do not acquire financial interests in a private enterprise that may be directly involved in your City decisions. 29 Del. C. § 5806(c).

(9) Do not use public office for unwarranted privileges, private advantage or gain. 29 Del. C. § 5806(e).

Ex. State official had a duty not to personally profit from the State’s services & property by using School materials & employees during State work hours at his home. His action was more than an ethics violation. It violated the

criminal law on “Misconduct in Office.”

--Howell v. State, 421 A.2d 892 (Del., 1980).

(10) Do not improperly disclose or use confidential information. 29 Del. C. § 5805(d); 5806(f) & (g).

Ex. “Indeed, common decency and the most modest norms of privacy command that the State not permit its files to be used in the manner here alleged”—that confidential information on State clients was made public.

--Pajewski v. Perry, 363 A.2d 429 (Del., 1976).

(11) Do not use sex as a condition for an individual’s favorable treatment by you or by the City. 29 Del. C. § 5806(h).

Ex. Requiring a bidder on a City contract to grant sexual favors in exchange for awarding the contract. This is not sexual harassment in the workplace. Please refer to your City personnel manual for the appropriate policy.

(12) Your conduct must not “raise suspicion” of violating the public trust. 29 Del. C. § 5806(a).

Ex. Close relatives had no financial interest in government decision, but it would “be prudent” for officials to recuse themselves.

--Harvey v. Zoning Board of Adjustment of Odessa, Del. Super., C.A. No. 00A-04-007 CG, Goldstein, J. (November 27, 2000), *aff’d.*, 781 A.2d 697 (Del., 2000).

--Actual misconduct is not required; only the appearance thereof. --Commission Op. No.92-11.

To Whom Does the Law Apply?

The Code of Conduct applies to all Executive Branch employees (rank & file), officers (Division Directors & above), and honorary officials (appointees to State and Boards and Commissions); & local government officers, employees, board and commission members, unless they adopt a Code at least as stringent as the State's. The Judicial & Legislative Branches have their own Code of Conduct or Conflict of Interests laws.

Why Ethics?

In our democratic form of government, the conduct of State officers & employees must hold the respect & confidence of the people. Thus, State officers & employees must avoid conduct that violates the public trust or creates a justifiable impression by the public that such trust is being violated.

How Can I Promote Ethics?

By following the Code of Conduct rules.

How Can I Comply with the Rules?

Know the Rules
Follow the Rules
Get Advice When Unsure

Where are the Rules?

Delaware Code, Title 29, Chapter 58. The law and opinions are on the Public Integrity Commission's (PIC's) web site at www.depik.delaware.gov under the heading, "Code of Conduct." Opinions are grouped by topic to narrow your search.

How Can I Understand the Rules?

Read the Statute ---- Read Commission Opinions --- Go to "Ethics in Government" classes offered by PIC through the City ---- Call the Public Integrity Commission with questions --- Seek an Advisory Opinion from the Commission

What is an Advisory Opinion?

An interpretation of the rules by the Public Integrity Commission based on the proposed conduct of a City employee, officer or board member. It gives guidance on whether the conduct will or will not violate the public trust.

Why Would I Seek an Opinion?

It will clarify if you should or should not engage in such conduct. It also can protect you against complaints. If you fully disclose your situation to the Commission and follow its advice, the law provides protection against disciplinary action.

How Can I Seek an Opinion?

Your request must be in writing; there is no formal format. Before you start to write, contact the Commission's office, at 302-739-2399, to obtain help in writing your request.

Should I E-Mail My Request?

By law, you are entitled to confidentiality concerning your requests. If you are confident in your system's security, the Commission accepts email submissions.

When Will I Know if the Conduct is Permitted?

If the situation has been clearly addressed by the Commission, the Commission's staff will provide you with that information. If there is no clear ruling, your written request will be sent to the Commissioners one week prior to the monthly meeting. On the meeting day, the Commission likes to have the requestor present so that if there are questions not answered by the written request, it can obtain the answers at the meeting and issue an oral opinion that same day with a written opinion to follow.

What If a Complaint is Filed Against Me?

You will be formally notified of the allegations against you, and of the rights you have, such as a right to legal counsel, right to a hearing, right to cross-examine, right to examine evidence, etc. If a violation is found, you have the right to appeal to the Superior Court.

What are the Penalties?

Criminal Violations: Up to a year in prison and/or a \$10,000 fine.

Administrative Discipline includes: Letter of Reprimand --- Suspension, demotion, removal or other appropriate disciplinary action.

How Can I Reach the Commission?

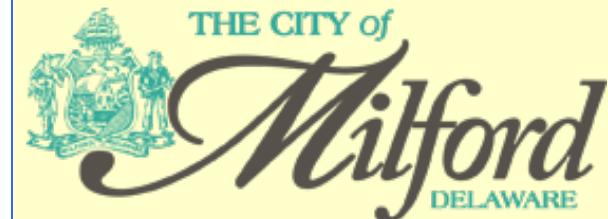
Public Integrity Commission
410 Federal St., Suite 3
Dover, DE 19901
Phone: 302- 739-2399
www.depik.delaware.gov

ETHICS BROCHURE BY:

State Public Integrity Commission



IN COOPERATION WITH



MILFORD CITY COUNCIL
MINUTES OF MEETING
November 13, 2017

Milford City Council held Public Hearings on Monday, November 13, 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 Christopher Mergner, Arthur Campbell, Lisa Peel, James Burk, Owen Brooks Jr, Douglas Morrow and Katrina Wilson

City Manager Eric Norenberg, Police Chief Kenneth Brown and Deputy City Clerk Christine Crouch

COUNSEL: City Solicitor David Rutt, Esquire

Mayor Shupe called the Public Hearing to order at 7:03 p.m.

City Planning Coordinator Rob Pierce was also present.

*F. Jerry & Jan W. Kovach
Final Minor Subdivision of 16.46+/- acres
R1 (Single Family Residential) and C3 (Highway Commercial) Zoning District
560 S DuPont Boulevard and 17776 Oak Hill Drive, Milford Delaware
Present Use: Residential; Proposed Use: Same
Tax Map 1-30-3.11-002.00 and 1-30-3.11-009.00*

Rob Pierce reviewed the application and read the data sheet/staff report.

The Kovach property is located at 17776 Oak Hill Drive, involves a small parcel off Route 113. The property is designated low Density Residential (1-30-3.11-002.00) and Highway Commercial (1-30-3.11-009.00) in the City Comprehensive Plan and is zoned R-1 (Single-Family Residential District) and C-3 (Highway Commercial District).

The applicant is the owner of both parcels that will be impacted by the lot line adjustment. The parcels are located partially in the City of Milford and within the unincorporated area of Sussex County. The lot line adjustment will require administrative approval from Sussex County prior to formal recordation and legal adjustment of the property line.

Mr. Pierce believes this is the only property partially in the City at this time. As a result of the properties being split by the municipal boundary, the properties are split zoned. The applicant proposes to convey seventy-six (76) feet of property from parcel 002. to parcel 009. to get some additional buffering from an accessory building they have on their primary residence.

The application was advertised in the Milford Beacon on August 30, 2017. All properties within 200 feet received a notice of the request.

The application was reviewed by the Planning Commission in September and received unanimous recommendation for approval.

A survey is included in the packet showing the proposed conveyance.

R.B. Kemp, Professional Land Surveyor from Adams-Kemp Associates, represented the application on behalf of Mr. and Mrs. Kovach who were also present. In addition to the information presented by Mr. Pierce, Mr. Kemp stated that he has contacted Sussex County Planning and Zoning and presented the plan to ensure there would be no issues. They have indicated the request is standard and they have no problem with it.

City Solicitor Rutt asked Mr. Kemp for clarification. He confirmed the parcel is partially in Sussex County and partially in

the City of Milford and that the portion in the City is the focus of the request. Sussex County would continue to have jurisdiction over the balance of the property. Mr. Kemp stated that is correct and referenced the drawing included in the packet.

Mayor Shupe then opened for the floor for public comment. No one responded. The public comment period was then closed.

Councilman Brooks to approve the Kovach Final Minor Subdivision Plan of 16.46+/- acres as described, seconded by Councilwoman Wilson. Motion carried by the following unanimous roll call vote:

Councilman Mergner voted to approve based on the recommendation of the Planning Commission.

Councilman Campbell votes to approve the application based on review and vote of the Planning Commission.

Councilwoman Peel votes to approve to uphold the Planning Commission recommendation.

Councilman Burk votes to approve based on the recommendation of the Planning Commission.

Councilman Brooks votes yes based on the Planning and Zoning Commission.

Councilman Morrow votes yes based on the approval recommendation of the Planning Commission.

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

ORDINANCE 2017-20

An ordinance to amend Chapter 180-Residential Rental Operation License to allow the transfer of a license during the licensing period upon payment of administrative fees and request an inspection prior to occupancy by a new renter.

Rob Pierce referenced the memo included in the packet outlining the proposed amendments to Chapter 180 Residential Rental Operating License involving three main subjects.

Moving the annual license fee to the City Fee Schedule.

It is recommended the monetary amount for the annual license be moved from the ordinance to the City Fee Schedule as was previously done for Contractor Licensing, Building Permits, Vendor Licensing, and Planning & Zoning Fees.

Adding the Ability to Transfer a License

It is recommended that language be added to allow rental property owners the ability to transfer their license with the transfer of property as was discussed at the July Community Affairs Committee meeting.

The current code states that every landlord shall apply for a rental operating license which historically was interpreted by the Department as requiring new landlords to register a rental property after a real estate transaction. For example, if Owner A registers a one-hundred unit apartment complex in January and pays the required \$5,000, and that is later sold to Owner B, in the past, the City has collected the \$5,000 fee for a second time that same year.

The current code is silent on the transfer of licenses. However, City staff believes this places an unnecessary financial burden on larger multi-family complex owners and recommends associated language to allow a transfer of the rental license as a result of property transfers. The new language would permit the property owners to transfer the rental license for an administrative fee of \$50 per license (property), not per unit. That fee should cover the cost of updating the information and issuing the new license.

Timing of Rental Inspection

Over the past few months, staff has advertised and reviewed proposals from inspection firms to outsource the City rental inspection duties. However, the City retains the right to inspect any residential rental property within forty-eight hours of notice to the property owner. The most appropriate time to inspect a rental unit is between tenants which makes it easier to conduct inspections and perform repairs. It is also less intrusive on the tenant and would allow the City to deny occupancy or revoke the rental license without displacing tenants for substantial violations.

Mr. Pierce said they are in the process of evaluating proposals from inspection firms to conduct residential rental inspections, which will result in scheduling dozens of inspections each week throughout the entire year. He hopes to present the proposal to Council in December.

Concluding his presentation, Councilman Burk followed up by asking what problems do the amendments solve; Mr. Pierce stated that mainly the \$50 fee needs to be removed from the Rental License Ordinance and added to the Fee Schedule. He did not want to bring that before Council until other changes needed to be considered.

The second issue came up in a transaction that occurred a few months ago when the \$50 fee for a new license had to be paid mid-year. When reviewing the code, it was unclear whether or not a license could be transferred though historically, the full amount had been collected. Clarification was needed as a result.

The Planner further stated that the final proposal requiring landlords to request an inspection between tenants came up as a result of the rental inspection program that will be started in January. He felt it would make the process simpler one for both the landlords, tenants and the City if done between occupancies. If this is not approved, Mr. Pierce stated the City will continue to inspect properties after 48-hours of notification.

Councilman Burk asked how quickly we will be able to do a rental inspection; for example, a tenant moves out on the 31st of the month and the next tenant wants to move in on the 2nd. This occurs frequently because they have to leave their old rental by the 31st. He asked if this will place a burden on the tenant because we are delaying the relocation. Another problem is the landlord may want to paint between tenants or have an exterminator come between tenants. He asked what the timeline will be in getting a new tenant in the unit especially when this service is being outsourced.

Mr. Pierce explained the firm they have been negotiating with is considering allocating three days for the primary initial inspection. That would leave two remaining days for follow up or unscheduled inspections such as an emergency. There is no intent to hold any tenant up from occupying the rental unit though Mr. Pierce is aware that landlords need some time to get in and clean things up. In addition, most tenants give notice and if the landlord is aware in advance, they have the option of scheduling something at that point.

Mr. Pierce emphasized that the impromptu tenants that move out most likely left the landlords with some work that is needed.

He reiterated this is to help ease the rental inspection scheduling process and the City is not requesting an inspection at each transfer of a tenant. It is also being considered that if the property passes the initial inspection in year one, that property would not need to be revisited for several years. As a result, the City is trying to reward those landlords who are compliant with no reinspecting each time a tenant moves.

When asked what happens if the property fails the inspection, Mr. Pierce said they would be given a certain number of days to remedy or correct the violations. However, if they continue to violate City codes, they would be issued a fine.

Councilman Burk asked what would fail a rental property and Councilman Mergner asked how long would an inspection take for a two-bedroom unit. Mr. Pierce said there are approximately 1,600 units in Milford and the goal is to inspect half each year. An inspection checklist is being created which includes items from the property maintenance code. The inspector would walk through with the caretaker/landlord and review any issues that are found.

Councilman Burk asked if chipped paint on the exterior would fail an inspection and prohibit someone from moving in; Mr. Pierce stated no. The Councilman then suggested providing a list of those items that would prohibit a new tenant from moving in due to the overwhelming number in the property maintenance code.

Mr. Pierce pointed out that code states that something significant involving a life/safety issue would fail the property. A lot of small minor issues that compound one another, should not prevent the unit from being occupied. They would be given time to correct those issues. For example, if the issues are corrected by the end of a 30-day deadline, that would require reinspections and at some point violations of the City code.

He stressed that these will not be violation notices nor fines. The caretaker/landlord will be advised to address the issues and

then be called for the reinspection.

Mayor Shupe asked if a new tenant could move in during the 30-day timeline while the minor infractions are being addressed; Mr. Pierce said he does not believe that would be a problem adding that the amendments require the landlord to request an inspection though that does not mean the inspection has to be performed. The intent is to get in within the first couple of days to make it less intrusive on the tenant.

When asked who this change benefits, Mr. Pierce explained that the City will inspect all rental units regardless of how long someone has lived in the rental unit.

City Manager Norenberg explained there are two independent focuses. One is to fulfill the obligations the City has under the rental licensing program. Right now, he pointed out that we only have the manpower to handle inspections on a request/complaint basis. The goal is to ensure our residents are living in quality, safe housing.

The other reason we want an inspection of these properties is to ensure the internal premises are safe for habitation. At that time, a full inspection of the outer unit should also be done to make sure the property is well maintained and we are keeping our eyes on all the property maintenance and code concerns that Council has been discussing over the past couple of years. In that manner, we can target concerns that are structural or property maintenance needed that is the responsibility of the landlord or something that falls under the tenant. This will hopefully ramp up the quality of our neighborhoods.

Councilman Campbell asked how to handle properties within the City that are really bad; Mr. Norenberg said that assuming they are rentals, we will add them to the list of inspections. However, we are continuing to follow up on code violations in general.

The City Manager said this has taken some time and will provide some additional inspectors to help the City do this on a more regular basis. Mr. Pierce believes this will involved two to three inspectors. He then added that he hopes the inspection program will move forward regardless of the amendments before Council this evening.

Councilwoman Peel asked if this is only request-driven; Mr. Pierce answered no. The City will reach out to the property owners and try to divide the pool in half and inspect half in year one and the second half in year two. The plan is to proactively move forward with inspections.

Mr. Brooks asked if all empty houses have to be inspected before they can be rented; Mr. Pierce stated no. He is only asking that the landlords request an inspection. The City has the authority to request an inspection upon 48 hours notice to the property owner.

As a result, they could send letters to every rental unit and inform them they want to inspect that unit in two days. However, he does not feel that is sufficient time to make sure everything is in compliance with the checklist. Councilman Burk pointed out the landlords also are required to give their tenants forty-eight hours notice. Mr. Pierce agreed and clarified the code states the City reserves that right. His intent is to work with the landlords to find a convenient time for everyone involved. In addition, the plan is to give the landlord several weeks notice in scheduling these inspections over the next couple years.

Councilman Mergner asked who will coordinate all the efforts and oversee the communication; in his opinion, it seems to be a lot of work in his department. He pointed out there will be letters, communication, follow-ups, documentation, etc. His concern is we go through this process which is great, but are able to keep this up because it seems like a big expense as well.

Councilman Burk agreed that was the pitfall in the past.

Councilman Mergner likes the idea but is concerned about the execution.

Mr. Pierce said some additional discussions are planned in a few weeks. The administrative functions of this process will be split between the consultant and the City. The City will handle the initial outreach requesting the landlord contact and the inspection company. In addition, the City will be responsible for following up on those properties that are not compliant. However, the majority of scheduling will be handled by the consultant.

When asked how many we inspect now per year, Mr. Pierce said a few dozen or so. Councilmember Brooks asked how many inspectors are needed to do the job correctly; Mr. Pierce said the department wants to do 20 to 25 inspections a week over the next couple years.

Mr. Pierce then confirmed that nothing before Council this evening will create additional work and aligns with the current code that the City would do annual inspections.

Councilman Morrow asked the cost; Mr. Pierce stated approximately \$40,000 a year. Councilman Burk asked the unit cost and if the City will lose money on the program. Councilman Burk pointed out we have talked about these things in the past though later it was determined the costs were higher than what was being charged.

Mr. Pierce said he will have additional information though he believes we have the funds within our current budget to cover these expenses. Councilman Burk asked the cost of an inspection and whether the rental license even covers the inspection costs. Mr. Norenberg pointed out those type things that are still being developed. Councilman Burk prefers to determine the facts before we proceed adding this has been a recurring theme. He does not own rentals but is anxious to hear what the landlords in our community have to say.

Mr. Pierce said the negotiated cost is \$50 an inspection.

Councilwoman Wilson then noted that when a resident requests the City come in as a result of a complaint, it is typically because they have not been able to work it out with the landlord. As a result, they use the City as a last resort. What this program is doing is putting things in order to support the City in addressing these problem homes. She understands that we are also not able to do this with two or three in-house inspectors. This will protect the tenants as she has personally witnessed a number of units that have been ignored and not been kept up to code.

Mr. Norenberg explained that there is no reason this ordinance has to be adopted tonight. It was reviewed with the Community Affairs Committee in July who recommended approval. It was presented to Council in October and carried over for a public comment session tonight. In the meantime, the inspection contract will be added to the December agenda for additional action.

If Council is more comfortable, this ordinance could be postponed until December as well. In that manner, Council will have the recommended contract in hand before final consideration is given on the ordinance. He added there is not intent to rush the ordinance.

Mr. Pierce pointed out that he continues to hear complaints that the City has not been able to handle the rental inspections which is the reason he is bringing this plan forward without hiring another employee. Once we get through the first two years of the rental program, he anticipates the number of inspections will decrease as we reward those who pass their initial inspections.

Mayor Shupe then thanked Mr. Pierce and his staff for finding ways to solve this problem and to address the code enforcement issues that have been brought before Council. This is also a way to do inspections that many Milford Realtors have asked for in the most economic manner.

Mayor Shupe noted that the public comments should not address the rental program, but instead the ordinance that is before Council.

Solicitor Rutt agreed that the only thing that can be discussed publicly is the amendments proposed to the code. The ordinance already exists so that program is unrelated issue to any comment. There are three points up for discussion—moving the annual license fee to the fee schedule, adding the ability to transfer a license and requiring a landlord to request inspections between tenants.

Mayor Shupe then opened the floor to public comment. He asked anyone that wishes to speak in favor of Ordinance 2017-20 come forward.

Emmett Vennett of 810 NE Tenth Street stated he only has four houses comprising six units. Most of the landlords in

attendance have many more properties. He recalled that when the inspection and fee schedule was first established, it was with the intent of improving properties throughout the City as far as appearance and standards.

Mr. Vennett noted there are 1,600 units which come to \$80,000 a year for inspections. The last couple of years, these inspections have not been conducted. He has one Section 8 unit that is administered by the State of Delaware. They already do an annual inspection and he agrees it benefits both the tenant and the property owner. He also agrees that sometime a landlord may get complacent with the condition of the property. He added that sometime tenants do not tell him things they should. He believes there is a value in inspection and a value for the community and a value to the tenants. It also can be somewhat of a value to the landlord to provide a point in time and a non-confrontational approach to go in and look at a unit.

However, Mr. Vennett is a little suspicious about moving something to a fee schedule because then it can go from \$50 to \$200 without any input from the community. He noted that the landlords are already contributing \$80,000 though not many inspections are being done. The next thing you know, someone realizes the City is not getting enough money and that the third party needs more money. It is then increased.

Joe Wiley of 202 Lakeview Avenue announced that he has a few questions. The ordinance states that a landlord can request a rental inspection and asked that really means; he asked if a landlord can request one not be done or does it mean it must be requested in a timely manner.

Mr. Wiley stated that the other question is how to handle situations in which there will only be one inspection per year and asked what occurs when a property turns over twice. If one inspection has been done with the first tenant, is another inspection needed for the second tenant.

The other question is how to handle situations in which you have joint tenants and one of those tenants asked that their name be removed from the lease. A new lease is then required for the other person. At that point, the other person will want their electric deposit back from the City and will also ask for a second deposit for the new person. Currently, the City checks to see if there is a rental license in those situations. His concern is the City staff will also check to see if an inspection has been requested while the entire time, the same tenant remains there.

Mr. Wiley noted that most landlords have Section 8 properties. The State inspects those properties every year which is great because that provides an opportunity for the landlord to go into the property and see it as well. The tenant can refuse to let a landlord in if they request to see it. They have the right to their own privacy just as anyone who owns their property. He is unsure if the ordinance coincides with the State law because the Delaware law will override any local ordinance. He then asked if there has been any type of comparison done.

He then asked if when the State has already inspected the Section 8 house, is a second inspection needed by the City.

Mr. Wiley also heard the concerns of the rental program adding that a rental license is \$50. He believes the City is already aware that the inspection process is going to cost more than \$50 per the bidding process. When at the time of the inspection a violation is found, a second inspection will be needed. He is curious whether the cost of the inspections will become so high it will make Milford appear to be a non-business friendly community.

He then noted that there is a perception that all derelict properties in the City are owned by landlords. Mr. Wiley emphasized that is not true. He has been with inspectors who have stated a garage had to be torn down that has existed for one hundred years and if wasn't touched, it will still be there in another hundred years. But it is torn down because it has to be torn down. At the same time, you are looking at a street and see three roofs in a row with shingles missing, and plywood on the back of the houses. Mr. Wiley already knows they are owner-occupied houses though the perception is that all the derelict properties owned by landlords. Instead it is found they are owned by low-income hard-working people who have a home and can't afford to get the work done.

Mr. Wiley asked what happens when a rental home is cited for peeling paint though right now it is complaint-driven by a neighbor who doesn't like it because of the paint peeling off the home. He understands the intent of raising money because of the fee structure. But the City has to be careful and should ensure that the existing codes are enforced and that a new code is not needed.

Mark Davis of 228 Cicada Lane said he owns numerous rental properties. He said he was the one that went to Councilman Brooks when he paid half the rental license and the other half was forgotten in an envelope beside the desk until he received a late notice three months later. The reason this occurred according to the City is because they were already overwhelmed and understaffed when receiving money from rental licenses. Now the City is planning to conduct 800 licenses. He thinks the City is behind two people or more. He asked where the money is in the budget except for more fees and pointed out there are a lot of them.

Sam Passwaters of 315 Columbia Street thanked everyone for doing the jobs they do. He had the chance to go and inspect one of his rental houses at 510 Fisher Avenue five years ago. He did it occasionally to look for leaks or other problems. The gentleman met him at the door and told him he was not allowed to come into the rental. Mr. Passwaters proceeded to tell him he had sent him a letter and had spoken with the man's wife the night before.

The tenant again stated he was not allowed in. Mr. Passwaters left and the tenant went to Milford Police Department and requested that Mr. Passwaters be arrested for trespassing though they would not arrest him because they did not see where any crime was convicted. The tenant then went to a judge who made Milford Police arrest him because he talked after he asked him to leave.

The judge told him he didn't have any record and didn't need a lawyer though that was bad information. He said it ended up costing Mr. Passwaters \$9 in the end though it is probably on his record still. The judge told Mr. Passwaters that he did not care what type of letter was sent or what he did, but when someone asks you to leave a property, you don't own it anymore. He said Mr. Passwaters had turned it over to that gentleman and that he no longer had a say in the property. The judge said the tenant wants to let him in, he can, but if he does not want to let you in, Mr. Passwaters needs to leave and stop talking. The judge asked Mr. Passwaters to stay later and said if you ever enter anyone's property without them there, they can call the police and tell them they have lost \$3,000 cash. He would then come before the judge who would make him pay it.

He pointed out that is another side the City needs to look at and suggested they be prepared when an inspector is sent in. Mr. Passwaters thought he had the right to go in to inspect and keep the property looking right. He loves Milford which is a beautiful community and the City is doing wonderful things.

Mr. Passwaters agrees that a lot of houses are in bad shape though they are not all failing inspection. Mr. Passwaters said he is a contractor and does a lot of work for different landlords. He sees a lot. He rented a house one year and the City Code Enforcer condemned it. He was unaware that the tenants were tearing his house apart. The code enforcer was upset with Mr. Passwaters and asked him to meet there. The code enforcer did not believe Mr. Passwaters had nothing to do with the condition of the house.

But Milford Police Department went with the City Code Enforcer one day because he had to go in and he needed a witness. The police officer said 'oh my God what happened to this house?' The Code Enforcer said why and the police officer continued to say he had been in that home many times for domestic complaints or fights and it was never in that condition. But within no time, that house had been destroyed. He agrees it can happen but it is not necessarily the fault of the landlords. He did not want that to happen \$6,000 later which is what it took to get it back to where it was before they moved in.

Mr. Passwaters has no problem with the inspection. He would love for the City to inspect it because fire alarms and extinguishers need to be updated. He would rather the City have that responsibility after it has been inspected and it is on file that the landlord had those things there before they pulled all the batteries out or removed them or whatever the situation is.

He agrees that tenants change things though he agrees with Mr. Wiley that there are many owner-occupied homes with issues too.

Mr. Wiley returned to the podium to correct his comments later adding that he did not understand the Mayor was asking at that point for people to speak who were in favor of the ordinance. Instead he wanted to be on record that he is not necessarily in favor of the proposed changes though he is in favor of an ordinance if he is able to get some answers to his questions.

No one else was willing to speak in favor of the ordinance.

Mayor Shupe then asked if anyone wanted to speak against the amendment to the ordinance. No one responded.

Mayor Shupe then asked if anyone neutral wanted to speak.

Pat Davis of 1 Misty Vale Court in Milford stated she is not sure but just wanted to listen to people that had interest in rental properties. She is unsure if any Councilmembers have an interest or rent properties. She said that perhaps when these sessions are being done, privately Councilmembers may want to pull some of the people in attendance and put them on a committee. It seems to her like they have really good comments and seem to know more about it.

Nadia Zychal of 303 South Walnut Street stated she does not own a rental property and is a homeowner. Her primary concern is the actual enforcement of the ordinance. In theory it sounds wonderful to have it inspected but in actual practice when you call for very obvious code violations on a person living next door to you and there is no follow up for something that only happens a couple dozen times a year, she is unsure how realistic it is to follow up on 800 units. She stated that the primary problem that needs to be addressed is the low hanging fruit in conjunction with the obvious problems, after which a simple follow up and systemic property-by-property inspection can be done if needed.

There being no further comments, the public comment portion of the meeting was closed by the Mayor.

City Planner Rob Pierce then proceeded to respond to the earlier concerns.

He referenced the proposed amendments showing the additions and omissions. With regard to Mr. Wiley's question, Mr. Pierce explained there is already a \$50 reinspection fee on the books even if it is necessary to come out multiple times to reinspect a rental property. There are no proposed changes to the fee.

In addition, Mr. Pierce explained the City is proposing to reduce a fee that should an inspector arrive and the property is not ready for inspection, a fee of \$100 is assessed. That is proposed to be reduced to \$50. The intent is to provide an initial inspection and one follow-up at no cost to the landlord. The fee of the third inspection would then be reduced to \$50 and is already part of the ordinance adopted in 2008.

He continued by stating the regulation that allows the City Inspector to enter or request an inspection within 48 hours is already part of the City ordinance adopted in 2008. This is not a new item being proposed.

Mr. Pierce is willing to look at the validity of that requirement compared to the State of Delaware Landlord-Tenant Code and will follow up with the City Solicitor. However, that is not part of the amendment before Council this evening.

The intent is to have the landlord request the inspection to reduce the inconvenience of the tenants while making the properties easier to inspect. The goal is not to inspect the units multiple times per year. Once the inspection is completed in year one and the property passes, the City will not be back until year five. If the property fails, the City will follow-up until the items are addressed. Another inspection will be done in year three.

Mr. Pierce explained that if multiple tenants are moving in and out, the property is not going to be inspected each time.

The point of the program is to have a more regular routine of inspections on an every-other-year basis which will be his proposal to Council in a couple weeks.

Another question involved the number of inspections though Mr. Pierce believes that related to the number of times an inspection would be done between tenants.

The Planner shared with those present he is willing to consider the State of Delaware Inspections within this program. It is not being proposed at this time and there is nothing on the books right now stating the City would accept a third party inspection. Mr. Pierce is aware of other jurisdictions that permit it, though it is something that will need to be considered internally as they proceed with the inspection contract.

Again, Mr. Pierce emphasized that is not included in the amendment to this code.

When asked about the privacy laws Mr. Pierce stated that he previously mentioned the code already states the code enforcement official reserves the right to inspect property at anytime to ensure compliance. It further stated that when such inspections are deemed necessary, the Code Enforcement Official will provide 48 hours notice to the owner or caretaker. Exceptions will apply when health or safety conditions exist that require immediate inspections.

Mr. Pierce said if that needs to be modified then it will be corrected.

Solicitor Rutt then addressed the landlord-tenant code. He explained that is in Title 25 of the Delaware Code, Section 5509(a) state:

The tenant shall not unreasonably withhold consent for the landlord to enter into the rental unit in order to inspect the premises, make necessary repairs, decorations, alterations or improvements, supply services as agreed to or exhibit the rental unit to prospective purchasers, mortgagees or tenants. A tenant shall have the right to install a new lock at the tenant's cost, on the condition that (1) The tenant notifies the landlord in writing and supplies the landlord with a key to the lock; (2) The new lock fits into the system already in place; and (3) The lock installation does not cause damage to the door. The landlord shall not abuse this right nor use it to harass a tenant. The landlord shall give the tenant at least forty-eight hours notice of the landlord's intent to enter and shall enter only between 8:00 a.m. and 9:00 p.m.

Mr. Rutt reiterated it is built into the landlord-tenant code to allow for inspections. Therefore, the landlord has the right to do that. He stated he is unsure of Mr. Passwaters' situation and what it specifically involved.

When asked what happens in a case such as Mr. Passwaters, as the landlord, had to go to court and where it ends. Mr. Rutt stated he is unable to give legal advice as to what should have happened. But if one of Mr. Rutt's clients informed him that his tenant would not allow him into the home, he would have advised the landlord to go to the JP Court and get an order against the tenant to allow him to enter the property.

Mr. Pierce explained the last item involved moving the fees, as well as the building, code, planning and zoning fees and licensing fees into a fee schedule with the intent that all fees in the City would be in one document for easy access and an annual review by Council during their budget hearings. Right now they have to be pulled out of every chapter of the code and are difficult to analyze.

City Manager Norenberg agreed that was done when a number of fees including the parks and recreation fees and planning and zoning fees were placed in one document. Eventually, this will be added to the website.

Mr. Pierce added that any change to those fees would be modified through the adoption of a resolution by City Council.

Councilwoman Peel then referenced section 401-88(b) adding that in her opinion, the inspection must be requested and no one is able to move in until that request has been made. Mr. Pierce stated that is correct though the request should be done between tenants.

When a new tenant moves in, Mr. Pierce explained that is the initial inspection of the year and if the property passes, no further inspection is needed if within a few months later another tenant moves out. Should they property fail on several items, another inspection will be done in year three. If the property passes and is compliant following the first inspection, another inspection is not needed until year five.

Councilman Mergner suggested putting them on an annual three-year-inspection cycle and not worry about changing out of tenants. He is unsure why we would want to inspect the property each time a tenant transfers. Mr. Pierce reiterated an inspection is not done each time a tenant moves.

Councilmembers Mergner and Peel both agree that is how it reads. Mr. Pierce explained that if the property has already been inspected and passed, it is good. They will be informed the property does not have to be inspected until a certain year.

Councilmember Burk recommends the language read that way in the code. Three Councilmembers believe that is not how the amendment reads and are recommending more clarification. He does not want it left to someone's discretion.

Councilmember Peel stated the amendment reads contradictorily to what was just said with tenant turnover. Mr. Pierce clarified that if the landlord requests the inspection, as opposed to the City saying the property will be inspected in 48 hours, is less intrusive and more convenient to all parties.

Councilmember Peel believes she is hung up on 'occupy after a vacancy and it cannot be occupied by any person other than the owner or a person directly related unless an inspection has been requested'. That implies to her that any time there is a turnover, there would be another inspection.

Councilmember Wilson suggests the language simply be tweaked.

City Manager Norenberg said there has been a lot of good feedback tonight, some on the actual proposal, and some not related to the proposal. However, because the inspection proposal is scheduled on December 11th, he recommends that Mr. Pierce work on some alternative language to ensure it is clear. At that point, Council can consider that amendment at the December 11th meeting and carried over under unfinished business.

Councilman Burk said if the intent is to make it more convenient for the landlords and tenants, he recommends we reach out to the landlords to get their input.

Solicitor Rutt informed Councilman Burk that could only be done in a public meeting. He further explained that if this ordinance is amended, it would need to be readvertised and another public hearing scheduled on the new amendment. In that manner, other persons will have the ability to provide input. However, to take comments outside the public hearing process would create problems with FOIA.

Mayor Shupe asked if a workshop could be scheduled that would involve the landlords and possibly some tenants to make sure the information on the street level is what it should be as far as the code. Solicitor Rutt stated that could be done or it could go all the way back to the committee though all that is delaying it further.

He feels the best option is to have Mr. Pierce make the changes based on the comments tonight. When it is put back on the agenda, he suggests the public comment session be reopened solely for the purposes of discussing the amendments and nothing else in the code.

Councilmember Wilson moved to defer action until December 11th on Ordinance 2017-20 to allow additional changes to be made, seconded by Councilmember Peel. Motion carried by unanimous roll call vote.

ORDINANCE 2017-22

An ordinance to amend Chapter 178-Realty Transfer Tax in order to limit the first-time home buyer exception solely to the grantee's portion of the City realty transfer tax (typically one-half (1/2) of the total City transfer tax) and require grantors to pay grantor's portion of the City realty transfer tax (typically one-half (1/2) of the total City transfer tax) and prohibit first-time home buyer grantors and grantees from contractually modifying the apportionment of the transfer tax to decrease the grantor's portion of the transfer tax.

City Manager Norenberg stated that earlier this summer, Sussex County adopted an ordinance related to the collection of the property transfer tax by eliminating the portion of the homebuyers' exception that was benefitting the seller, thus allowing the exemption to only apply to the buyer. As a result, we were getting questions from a number of attorneys and realtors after which our code was reviewed and it was agreed the exemption should be revisited. In the meantime, Kent County and other municipalities are also considering this change though the City Manager is unaware of their status.

He shared that real estate transactions in Milford for the first six months of 2017 records were then reviewed by staff. It was determined that 29 transactions involved first-time homebuyers (22 in Sussex County and 8 in Kent County). Sale prices ranged from \$45,000 to \$476,500, with an average of \$164,890. As a result of the first-time homebuyer exemption, the City gave up \$71,727 in six months to both buyers and sellers.

He stated that if the City follows the lead of Sussex County, and sales continue at an annual rate consistent with the first six

months of 2017, by applying the exemption only to the first-time homebuyer and not the seller, the City would receive approximately \$71,000 in additional revenue. This additional revenue, along with current realty transfer tax revenue, must be segregated from the City's general fund and expended solely for the capital and operating costs of public safety services, economic development programs, public works services, capital projects and improvements, infrastructure projects and improvements and debt reduction.

Mr. Norenberg stated that the real estate transfer tax is 4% at the State level and 1.5% for the City. The first time homebuyer exemption has been around for a while this amendment will continue to provide the exemption for the buyer but no longer for the seller. This would be a savings of approximately \$70,000 to Milford's taxpayers. It would mimic the amendment Sussex County implemented earlier this year.

Councilman Burk asked how much of the money that went to the seller was given back to the buyer as help; Mr. Norenberg explained we receive the new deeds from the Recorder of Deeds and do not receive the HUD1 forms.

Councilman Burk agreed that the City would have received another \$71,000, but the complaints he is getting from the realtors are that seller typically gives that amount to the buyer as an incentive. However, if there is no data to prove that, it is a mute point at this time.

City Solicitor Rutt stated that does occur but it is not limited to a first-time home buyer because it is already exempted.

Solicitor Rutt then stated that Title 9 addresses Counties and the Real Estate Transfer Tax of 4% of which the County can assess 1.5% of the transfer tax. However, Title 9 specifically states "and further provided that the County government, shall by ordinance, exempt from such taxation first time home buyers". He noted that it does not say "buyers and sellers". That program was started in 1998.

He referenced State Code's Title 22 which addressed the municipal transfer tax. It also allows municipalities to impose a transfer tax of up to 1.5% which is a division with the State of Delaware. He emphasized that the language does not say the municipalities are obligated to exempt first time home buyers.

Mr. Rutt further stated is there are a lot of municipalities that assess the transfer tax. This year when the State of Delaware increased the transfer tax from 3% to 4%, Sussex County went back and reviewed it to pattern exactly what the statute says that it only apply to first time home buyers. There is no mention of the sellers. As a result, the seller would pay the additional 3.75%.

Under the Delaware Code for municipalities, there is no obligation to exempt first time home buyers.

Councilman Mergner asked why this can't be made part of a sale and not identify what a buyer or a seller has to pay. In other words, he recommends the buyer and seller negotiate who pays what. He does not care who, though it thinks it should be paid at the time of the property transfer.

Councilwoman Wilson stressed that it was provided as an incentive for the first time home buyer to purchase a home.

City Solicitor Rutt stated it is much easier to address when it is included in the statute versus negotiating it.

Councilman Campbell then asked if there should be some sort of cap on the first time home buyer exemption; Mr. Norenberg stated there is presently no cap and that one of the properties purchased by a first time home buyer was almost \$500,000.

Solicitor Rutt explained that if there is no first time home buyer, the 4% State rate is equally divided between the seller and buyer. Of that, 2.5% goes to the State and 1.5% goes to the municipality. For example, the transfer tax on a \$100,000 purchase is \$4,000. Of that, \$2,500 would go to the State and \$1,500 to the City though it is equally divided and paid between the buyer and seller. If the property is in an unincorporated area, the 1.5% goes to the County.

Solicitor Rutt confirmed that Title 22 does not mention first time home buyers and leaves that discretion to each municipality as a result. However, the maximum is 1.5%.

Councilman Burk said that this has always been called a first time home buyer incentive which intent was to attract first time home buyers. He noted that people complain about landlords and tenants but a first time home buyer is owner-occupied which is part of the intent. However, we do not have data to prove if the buyer or seller paid the transfer tax.

Councilman Burk emphasized that Kent County has still not made a decision and he does not want Milford to do something that will detract a first time home buyer. He pointed out we have a new hospital and wants to attract doctors and medical professionals who will purchase Milford's electric and pay Milford's property taxes and have their children go to school here. He would not want to remove the incentive.

Councilman Burk said he is constantly asking what problem we are trying to solve. If the problem is the \$71,000, he asked where it went; if the seller gave it back to the buyers as an incentive to get them to the settlement table, then it's working. That is how he feels about it and added that he does not have any financial interest in the matter.

Councilman Mergner clarified that he does not want the seller to be penalized when selling to a first time home buyer. If he is working with a realtor, though he knows they are unable to choose whom they sell their property to, someone is able to figure it out. Solicitor Rutt pointed out if a seller tries to limit the sale to a first time home buyer, that would be a violation of the fair housing issues.

The Mayor noted that the staff's perspective in looking at the incentive is trying to determine if it is worth the return. That return investment may come in many forms such as a dollar amount or bringing a first time home buyer into the City of Milford, according to Mayor Shupe. He feels a case can be made on whether the \$71,000 should be collected or whether this incentivizes the first time home buyer.

Councilman Burk then referenced to the amount of incentives that have been given to businesses who locate to Milford. He stated that many businesses have been granted waivers of impact fees, licenses, permits, etc.

Councilwoman Wilson agreed adding that the Milford Housing Authority is pushing hard to get first time home buyers here.

Solicitor Rutt stated that a buyer must complete an affidavit in which they have to state where they have lived over the past ten years. By definition, a first time home buyer is anyone who has never owned an interest in real property anywhere in the United States and not just Delaware. However, this is taken at their word after they complete the affidavit. The State of Delaware sometime randomly audits them to verify addresses and if they find the information was incorrect, they can go back and penalize that person.

City Manager Norenberg then stated this was presented to Council as an option because Sussex County had made the change and we were receiving a number of questions about it. The fact is this revenue, must by law, go into a fund that would be used to help improve property values in the surrounding areas through the paving and up keep of streets and sidewalks, for example. He recalled the report provided to Council by the interns who assessed our paving conditions last summer. This is one way we could creatively look at having more money in that fund for those projects. At this point, it is really a public policy decision for Council to decide.

Mayor Shupe then opened the floor to those persons in favor of the ordinance. No one responded.

Mayor Shupe then opened the floor to those persons who wished to speak against the ordinance.

Randy Marvel of 4 Archers Way stated he has lived in Milford all of his life and has been in the real estate business for forty years. He spoke in 1989 when the City was against it. He spoke again in 1998 when Milford considered it. But in their wisdom at that time, Council decided to exempt first time home buyers, which included the seller, as a way to encourage first time home buyers to move into and buy property in Milford.

Mr. Marvel feels this should be considered a tax increase because Council will be increasing taxes on top of what the State Legislators did at the last hour by increasing that same tax by 1%. He said that Delaware now has the highest transfer tax in the United States though he thinks that perhaps New York City may be higher.

Mr. Marvel told the City Solicitor that the seller side of the first time home buyer exemption, in about 90% of the cases, is used as seller help for the buyer. He could have dug out records from last year just like the City did showing the \$71,000. He pointed out the first time home buyer is able to finance 95 to 100% of the value of the property. However, they run into problems with closing costs which can run as high as 10% depending on the mortgage. As a result, they have convinced sellers to contribute to that otherwise they would not be able to sell to first time home buyers because they do not have cash though a few may be lucky and are able to get the money from their parents. The realtors are able to convince the sellers to sell the house to them by contributing to their costs and the 3/4% is always part of the negotiations. He noted that if this change is made, it will come out of the buyers' pocket.

He continued by stating Milford is sending the wrong message to the public. Milford already has issues with competition and people wanting to buy homes, regardless of if they live in town or out of town. The current electric rates are about \$300 a year higher than comparable companies and buyers know that. People will come to Mr. Marvel and say they want to purchase a home in Delaware Coop's territory, for example. A homeowner in the City pays City and County property taxes which is at least twice of what it would be in the County.

Mr. Marvel emphasized that most buyers do not perceive any value for living in the City. It does not make any difference to the general public and they instead prefer to go where it is cheaper. Adding the additional City taxes on top of the mortgage payment and dividing it by twelve is another \$40 a month they have to pay.

According to Mr. Marvel, this will reduce the number of homeowner-occupied properties in Milford. He said there are a lot of first time home buyers who are buying lower priced homes in Milford. If this is eliminated, the number of first time home buyers will be reduced which creates a whole group of other issues. The electric write offs are much higher because that is who will end up buying a lot of properties when a first time home buyer no longer does. There will be more rentals, more issues with crime which makes the police busier, in addition to people moving in and out which creates trash issues.

Mr. Marvel also informed Council that owner-occupied properties participate more in City activities and are involved in City groups, government, schools and make better citizens in the long run to help the community grow.

He stated that his response will be if the City needs money, which it sounds like they do, he recommends the City tax everyone in Milford and not just people who buy and sell houses.

Mr. Marvel also encouraged Council to use the transfer tax revenues for capital improvements. He is aware for the last twenty years, that \$500,000 of that money has been used for operating costs at the police department. If that money had been saved, there would have been enough money to build the new police station.

Gloria Markowitz of 8 East Thrush Drive, Meadows at Shawnee, stated that she takes offense to proposed Ordinance 2017-22, exempting grantors who are first time home buyers in the City of Milford, for the following reasons. Number one, hypothetically speaking, this ordinance amendment is intended to entice first time home buyers to purchase in Milford. She said that we pay a realty transfer tax when we moved here twelve years ago which was \$4,106. She asked if the developer Mario Capano of Capano Development or Beazer Homes paid a realty transfer tax when they sold them their home and bets they did not.

Ms. Markowitz also stated that if a first time home buyer can afford to buy a home here, they can afford their share of the realty transfer tax. It is simply incorporated into their mortgage.

She said that point two, hypothetically speaking, this ordinance amendment is encouraging young families to purchase a home in Milford. Young families have children. Our schools are beyond capacity right now. She asked where will these children be put.

Point three, she continued, is that new home owners with children will vote yes to building new schools. They will not have remembered what happened here during the summer of 2016 when our school taxes skyrocketed.

Ms. Markowitz stated she is opposed to being outnumbered by new property owners who have no idea of what happened here in Milford last year.

She said that theoretically, point four, this ordinance is discriminating against older property owners because at a certain point in life, they need to sell and relocate to a 55 and older community or to an assisted living facility. They will pay a realty transfer tax to move in and now will pay another realty transfer tax to move out, according to Ms. Markowitz. She emphasized that the first time home buyers are exempt and feels that is discriminating.

Joe Palermo of 5 Misty Vale Court, Meadows at Shawnee, stated that when he first heard about this amendment, he was astounded and in disbelief. He indicated that as a senior citizen who just turned 70, he experienced a substantial increase in our school taxes and now the State of Delaware has added on another percentage point to the transfer tax. Now the City is going to turn around and try and pass an ordinance that will increase our taxes.

He further stated that a majority of the residents that are here create a bedroom community of senior citizens. At one point they may no longer be able to handle the home because of financial reasons or because of health. Should they decide to downsize to a condo or a co-op, they will have to pay a State of County transfer tax and now a City transfer tax along with a real estate commission of 5 to 8%. He said that when all of that is added up along with all the incidentals, it is a considerable amount of money. He asked Council to look at the senior citizens who are the little guys and is on a fixed income. He concluded by saying to remember, when a hidden tax is passed, they are the ones that will be hit most because they are on a fixed income.

Dave Markowitz of 8 East Thrush Drive, Meadows at Shawnee, said he only has one thing to say. He thinks that whatever the intentions are, the result is not going to be what the City wants if this ordinance is passed. People are going to sell a house and people will buy a house and are going to pay the selling price. He and his wife have sold three homes themselves without a realtor. They can testify that if they don't want to sell a house to someone, they are not going to sell the house. He said sorry, but a person can work successfully without a realtor in the same manner. If a person says to a realtor don't give us a first time home buyer, and that realtor wants to sell that home, that is what they are going to do. Whatever the intentions are, Mr. Markowitz does not believe it will work and should not work because it is a form of discrimination.

He added that they have paid their taxes in Milford for twelve years. It would be hard for him to imagine that on their way out, the City is going to stick it to them one time. It doesn't seem fair to Mr. Markowitz.

Mayor Shupe then clarified that the ordinance involves only a first time home buyer. The realty transfer tax would be set at the same rate it currently exists unless it involves a first time home buyer.

Inaudible conversation occurring.

Joe Wiley of 202 Lakeview Avenue readdressed Council stating that he is trying to follow the comments though some of them are very confusing. Some of the questions about proposing an ordinance perhaps should come from a group of buyers and sellers. Mr. Wiley is unsure how this ordinance was created and feels that it should be made by multiple people.

Mr. Wiley pointed out there are 1,600 rentals in Milford and if he is not mistaking, the rental stock in Milford is about 50% of the existing homes. He feels the City's goal is to have more owners in town because they generally take more interest in their properties. The idea of trying to change this ordinance, which would limit the first time home buyer exemption, is playing against what Milford is trying to do. He noted that a buyer can choose to sell to whomever they want. You are unable to discriminate even though the buyer has the right to choose one offer over another for any reason. He stressed that buyers do not always take the highest offers.

Mr. Wiley does not understand why the City wants to stop incentivizing first time home owners and instead say that anyone living in the house will be exempted, period. He is sure that will get more people to buy houses in town.

Mr. Wiley said he is against them doing away with the ordinance and not continuing with the first time home buyers exemption. He said that if the City had reviewed the HUD1's, almost all of the money that goes on the buyer or seller side goes back into the pocket of the person buying the house. The first time home buyers come to the table with no money and need all the help they can get. He would hate to see them lose this exemption.

Inaudible conversation occurring.

Solicitor Rutt then read the proposed amendment adding it appears there is some confusion:

On transfers where all grantees qualify as first-time home buyers, no transfer tax shall be imposed on the grantee's (buyer's) portion of any transfer tax as defined in §178-2A. hereof. For purposes of this article, "first-time home buyer" shall have that meaning given in §178-1H. The first-time home buyer exception shall apply only to the grantee's (buyer's) portion of the transfer tax and shall not relieve the grantor (seller) from payment of grantor's portion of the transfer tax.

He explained that right now, there is a 1.5% transfer tax that the City collects on property transfers. If the person who is buying is a first time home buyer, that tax is waived for both the buyer and the seller. The ordinance is proposing that only the buyer's portion, would be waived in a first-time homebuyer situation. The City would then collect the transfer tax by the seller.

Mr. Rutt further explained that if a property is sold to anyone else, other than a first time home buyer, all parties have to pay the realty transfer tax. Presently, if a first time home buyer purchases the house, the seller is also exempt from paying the real estate transfer tax.

Inaudible conversation occurring.

The Solicitor continued by stating the seller's portion is .75 or 1.5% divided by two. The buyer's portion in a first time home buyer situation, or .75%, would still be waived. The seller would then be required to pay their .75%.

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

Mr. Burk moved to deny Ordinance 2017-22, Chapter 178, Real Estate Realty Transfer Tax, and to keep the language in the code as it currently exists, as an incentive to first time home buyers, seconded by Councilwoman Wilson. Motion carried by a unanimous roll call vote:

Councilmembers Burk, Morrow and Wilson both said denying the ordinance is a positive incentive for the City.

Mayor Shupe thanked everyone for coming out for public comment to ensure Council made the right decisions.

A motion was then made by Councilwoman Peel, seconded by Councilman Mergner to adjourn the Public Hearings. Motion carried.

The Public Hearing was adjourned at 8:50 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Transcriber

MILFORD CITY COUNCIL
MINUTES OF MEETING
November 13, 2017

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, November 13, 2017.

PRESIDING: Mayor Bryan Shupe

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

City Manager Eric Norenberg, Police Chief Kenneth Brown and Deputy City Clerk Christine Crouch

CALL TO ORDER

Mayor Shupe called the Council Meeting to order at 8:59 p.m.

INVOCATION AND PLEDGE

The Pledge of Allegiance followed the invocation given by Councilmember Wilson.

APPROVAL OF PREVIOUS MINUTES

Councilmember Brooks made a motion to approve the October 9, 2017 Council Meetings, seconded by Councilmember Burk. Motion carried.

RECOGNITION

Police Officer Promotion

Mayor Shupe announced this item will be postponed until the November 27th meeting.

City Manager Eric Norenberg

International City/County Management Association (ICMA) Fellow Evan Miller asked that any City employees present at the meeting to join him at podium.

Mr. Miller then stated ‘that tonight we would like to recognize someone who has been an invaluable member of the community and has dedicated himself to the services that the City of Milford provides. He tirelessly represents the City with distinction for the betterment of the community and in the highest professional manner’.

He shared that last month, the ICMA celebrated their members’ dedication to public service and professional management at the local level. Among the celebration, Milford’s City Manager Eric Norenberg was individually recognized for his thirty years of local government service during the Celebration of Service to the Profession which took place during the ICMA Annual Conference. He stated that every day, Mr. Norenberg brings a level of expertise and commitment to the City of Milford that is simply unparalleled. We express our gratitude for his service and look forward to his continued success as a City Manager.

Mr. Evan stated that on behalf of the City of Milford Staff, he congratulates Mr. Norenberg on his achievement and presents him with a plaque from ICMA for his achievement.

Mr. Norenberg thanked everyone for the honor.

MONTHLY POLICE REPORT

Police Committee Chairman Burk presented the report on behalf of Chief Brown noting that activity has increased. Councilman Mergner also publicly thanked the police officers who were in his neighborhood on Halloween.

Chairman Burk also noted that he, along with Chief Brown and five other Milford Officers, attended the IACP Conference in Philadelphia, adding it is a good training opportunity for the officers and is money well spent.

Chairman Burk moved to accept the October Police Report, seconded by Councilman Campbell. Motion carried.

MONTHLY CITY MANAGER REPORT

City Manager Norenberg referenced the report in the packet. He noted that Code Enforcement had 104 cases that were closed during the month and those that are open continue to be worked on.

He reported that we had the first ever City Garage sale and Staff was surprised on how much interest there was. As a result, the City was able to sell a lot of obsolete and miscellaneous items and netted approximately \$2,000.

Mr. Norenberg reported that the Community Conversations continue with eight held to this point. The next one will be held on Wednesday, November 15th and a list of upcoming meetings, agendas and minutes can be found on the City's Website. Meetings have been scheduled for each of the four wards and the Haitian Community. He welcomes any suggestions in the meantime.

Councilman Mergner then asked what a resident does when they miss a trash collection due to a holiday; he asked if they are able to call and make a special request for a pickup.

Public Works Director Mark Whitfield was present. He explained it is difficult to go back around in another neighborhood when it is not scheduled. However, if they have a lot of debris, they can request a special pickup though the City prefers they wait until the next regularly scheduled pickup.

When asked if there is an additional cost, Mr. Whitfield stated yes and that is currently under review.

Councilman Brooks informed Public Works Director Whitfield that last Tuesday his trash and recycling were picked up at different times with trash being last at 5:00 p.m. He has never seen it done at that time and his concern was the dark, rainy conditions and the two employees on the back of the truck. Because of the speeding problem on Tenth Street, he paid particular attention and noticed this was slowing the vehicles down. Councilman Brooks was concerned someone was going to get hit in those conditions. He did acknowledge the employees were dressed in the appropriate safety clothing and was pleased with that.

Mr. Whitfield stated he is surprised and will check into that. He said that normally they get done between 4:00 and 4:30 p.m.

The Public Works Director did report that his Public Works Crews have gone to a new uniform with reflective piping so that they can be more easily seen. Councilman Brooks said the uniforms are very nice and everything has gone very smooth until that late pickup adding that they were on the old trash truck.

Councilman Burk then referenced the memo that stated the City only received one proposal for residential rental inspections. He is unsure if it was mailed to multiple companies or asked if we are getting three bids; Mr. Norenberg said that was the intent. However, for professional services, there are fewer stringent requirements though it was advertised and a complete RFP issued in late August/early September.

Mr. Norenberg was also surprised there was no more interest. As a result, we will most likely enter into a one or two-year contract to see how it works out. In the meantime, the Planning Director has been negotiating with them to get the best results.

He pointed out that he is familiar with a number of companies who are not presently operating in Delaware though they have an interest in relocating here. They are meeting with one tomorrow and will continue to find the best solution.

Councilman Mergner moved to accept the Monthly City Manager Report, seconded by Councilman Burk. Motion carried.

MONTHLY FINANCE REPORT

Finance Committee Chairman Morrow reported that through the third month of Fiscal Year 2017-2018 with 25% of the year having passed, 33% of revenues have been received and 21% of the operating budget expended.

Mr. Morrow said it is early in the year and we need to continue spending cautiously and saving money where possible in order to prepare for next year's budget.

It was confirmed the City's financial reports are available on line. Mr. Norenberg referenced the fund balances on the first page of the monthly report. He noted that a number of those funds are dedicated to particular utilities and reserves are in place for emergencies and planned capital improvements.

Councilman Brooks moved to accept the September 2017 Finance Report, seconded by Councilman Campbell. Motion carried.

COMMITTEE & WARD REPORTS

Councilman Brooks reported that their Community Conversation for the third ward will be held Wednesday night at 6:00 p.m. After the first of the year, he plans to have monthly ward meetings because he is now permitted to have them.

Mr. Norenberg recalled discussing this with Councilman Brooks last week. He stated that he will be happy to make sure the City Clerk's Office and Staff is available on those evenings and there is proper notification and recordkeeping as is required under FOIA.

Councilman Burk reported the second ward held their meeting and a number of people were in attendance. Some things were surprising and he looks forward to City Council receiving the information. He was surprised that bike trails were a higher priority to most residents than a new police facility. He said that means we need to continue working as we move forward with the new facility but refocus accordingly.

Mayor Shupe said he has attended several meetings and it is very interesting to see the differences in what is important to people based on the wards and/or their interests when it comes to other groups.

Councilwoman Wilson reported the Fourth Ward Community Conversations will be held Tuesday, December 5th.

Minutes from all Community Conversation meetings are available on the City website.

COMMUNICATION & CORRESPONDENCE

None to report.

UNFINISHED BUSINESS

Authorization & Implementation/Classification and Compensation Study

Mr. Norenberg recalled the discussion a month ago related to this topic. At that time, the City's HR Administrator was on vacation. She is in attendance tonight and is present to answers any questions regarding the study.

He then referred to the following memo:

Overview and Background

It has been approximately ten years since the City of Milford has done a job classification and compensation study for general employee positions. A compensation study was done in 2016 for the sworn police officers and sergeants in conjunction with union negotiations. During the FY 2016-17 budget process a classification and compensation study for our general employees was budgeted to be sure that we were staying competitive in the market place. Through an RFP process, Paypoint HR was selected and work began in early-2017.

Dr. Rick Campbell and Ms. Karen Campbell from Paypoint HR have worked with every department to update job descriptions in order to ensure that each position is accurately described in order to make appropriate compensation comparisons. On

October 9, Paypoint HR presented their research and general findings for the City's Job Classification and Compensation Study. The report includes recommendations for an updated pay grade chart so that City of Milford positions are competitive in the market place, to retain our workforce and to be attractive for future recruitments. In addition, Paypoint HR has made other recommendations for improving human resources practices and employee compensation.

Discussion

Paypoint HR's report, details recommendations in several key areas and the team has provided the City with several deliverables. Following is a list of each of those key recommendations and next steps for implementation, as well as the deliverables and how they will be used:

- *Updated Job Descriptions:* Job descriptions have been updated by Paypoint HR, in consultation with City department heads, supervisors and human resources staff. Once the study is accepted by the City, job descriptions will be posted on the City website, so that current and prospective employees can review their job descriptions and assigned pay grades (see next item). As many of the job descriptions have changed (and a few titles), HR staff and supervisors will meet with everyone to review the updated versions. Paypoint HR will provide the City with the tools to use in reviewing new or changed positions in the future, so that the continued administration of our job descriptions and classification plan is consistent.
- *Updated Pay Grades:* The report provided to City Council shows the new pay grades (salary schedule) on page 45 of their report. This chart, and an example shown on Exhibit A, will also be added to the City's website so potential candidates know the range of pay for a position that they might be interested in applying for. In the future, Paypoint HR recommends that the pay grades be adjusted based on the CPI annually. The study found that most positions are at or possibly slightly above the market average, in particular those in the Teamsters and IBEW bargaining units (as the City Council will recall, early results from this study were presented in late-spring that resulted in the successful negotiation of the IBEW collective bargaining agreement that was approved by City Council in June). The recommendation is to adjust salaries of positions not yet at the market average (see fiscal impact below).
- *Merit Pay and Special Recognition:* Paypoint HR recommends moving away from standard, across the board pay adjustments to a system that is based on a combination of cost of living adjustments and merit pay. As a result, staff will be recommending changes to the personnel ordinance in the coming weeks. Staff feels these changes will motivate our current high performers, while giving extra motivation to those employees who may not feel inspired by a pay structure that rewards every employee with the same pay increase each year.
- *Restructured Performance Appraisal System:* Paypoint HR recommends employees have a more active role in performance evaluations than in the past. This could initially involve a self-assessment and in the future the use of a 360-degree performance appraisal for all positions. In addition, with the completion of the Strategic Plan, individual goals and objectives will be linked to division and department goals that are then linked to strategic goals set by City Council.

Next Steps

Once the study is accepted by City Council and authorization is given to the City Manager and Police Chief to proceed with implementation, the following activities will take place in the coming weeks:

- *Rollout and Implementation:* The results of the study will need to be presented to each employee. This will include a review of their updated job description, along with any position title changes or pay grade modification that has been as a result of the study.
- *Public Posting:* The new pay grades and job descriptions will be posted to the City's website, so that it is easily accessible to all staff and prospective employees.

Fiscal Impact

Over the past few weeks, we have looked at a variety of options and financial scenarios related to implementing the recommendations to adjust the compensation of the positions that the study identified were below the market. Keeping in mind that many of our employees are at the market level and will need no adjustment, and that the collective bargaining agreements for Police Officers and Sergeants (approved last year) and for unionized electric employees (approved earlier this fiscal year) brought those employees to market rates, the Finance Director, Human Resources Administrator and I sought to find a way to responsibly bring these remaining employees up to the market. Our goal was to be able to make the adjustments for below market employees (identified in the Paypoint HR study) and associated benefit-related costs with no adverse impact on the budget or on revenue sources.

Several scenarios were modeled, including:

- Making adjustments retroactive to July 1, 2017
- Making mid-year adjustments at various implementation dates,
- Making 50% adjustments for supervisory and management employees this year and 50% next fiscal year, etc.

Concurrently, we identified savings in both the general fund departments and enterprise fund operations that can offset the cost of additional compensation. As we are partially through the fiscal year, the impact will be less than the impact of making the

change for the full year. However, once implemented, these adjustments will carry on into the full fiscal year starting in July 2018. Accordingly, any savings that were identified had to be ongoing, not one-time savings or one-time revenues. The result is the scenario shown on Exhibit B that will not result in the need for a revenue increase.

Alternatives

1. Set competitive compensation target to less than Market Average: Paypoint HR and staff agree that in order to attract and retain a quality workforce, we should aim to compensate our employees at the market average. Choosing to be at less than the market average would reduce the fiscal impact of the recommendations now and in the future. During the course of the study, scenarios were modeled that would result in financial savings and reduce the number of positions to be adjusted. However, choosing those options would likely result in reduced morale, increased turnover and difficulty in attracting or promoting into key positions. This alternative is not recommended.

2. Delay implementation of compensation adjustments: The scenario that is modeled and recommended in Exhibit B would implement changes in mid-November. City Council could choose to delay implementation. Each month of delayed implementation would reduce the fiscal impact by approximately \$19,000.

Recommendation

It is recommended that the City Council authorize implementation of the recommendations of the Paypoint HR Job Classification and Compensation Study, including the compensation adjustments

Mr. Norenberg noted that the next step of the implementation plan is to meet with supervisors and every employee to ensure that everyone understands the changes and scope of their job. All of the updated job descriptions will then be available on line.

He noted there are a few minor job title changes but nothing substantial. The upgraded paygrades will be posted on line as well. The 1992 Personnel Ordinance continues to be updated. The merit pay and special recognition that the PayPoint HR Consultants discussed internally with City Staff will move away from the flat across-the-board payraise, to ones that are linked more closely with merit pay increases for anyone non-union.

Mr. Norenberg recalled that the implementation of the pay adjustments was recommended to be November 1st though that was delayed.

In terms of a policy making role, it was discussed whether we need to be competitive when setting our compensation at the market average or if we want to be above or below that. HR Paypoint Consultants and City Staff agreed during the process that we need to be attracting and retaining a quality work force and should aim to compensate our employees at the market average. If less, that would save money but we would risk losing employees and create greater challenges as we are currently experiencing in terms of recruitment.

Councilman Campbell asked if the compensation increases include a COLA. Mr. Norenberg explained that at this point, there is a need to adjust the pay ranges for specific positions/titles not considered to be near the market average. However, the majority of our employees are either in the police department union or the IBEW bargaining unit. Neither of those groups will be impacted by the results of the study. A number of other employees are at or near the market average and will not be adjusted.

The City Manager noted there are only about twenty positions that need minor mid-year adjustments. Cost savings have already been identified to cover those twenty increases to prevent any rate adjustment that may be needed at this point to pay for them.

In terms of COLA, if the recommendations of the study are rolled out properly, staff may propose the employees receive a small COLA of .5 or 1% and include some money for merit increases to reward the high performance employees and to help motivate the others. He feels that will be a better strategy moving forward versus all employees receiving the same increase.

Mr. Norenberg said that according to Consultant Karin Campbell's presentation a month ago, the majority of employees felt that everyone receiving the same increase each year is de-motivating and not as encouraging as being rewarded.

Councilman Campbell asked if that includes the four staff officers in the police department; Mr. Norenberg confirmed the positions that still need adjustments included the four senior officers in the police department that are non-union employees, along with a couple other positions there.. However, Mr. Norenberg pointed out that Chief Brown, the City Clerk and he will not be included in the list because those three positions report to Council and Council preferred not being restricted to a pay scale

when considering their compensation. He feels those positions are pretty close and recalled Chief Brown asking about increases for his staff. As a result, their salaries are being adjusted to ensure there is an adequate gap between the senior union members and the Department's supervisory command staff to encourage others officers who want to be promoted into those positions.

Councilman Burk asked if Chief Brown had received anything more than Council has received in regard to this study and to be specific, data on his employees. Chief Brown stated no.

Councilman Burk pointed out the study states that the City Manager and Police Chief should implement upon authorization. He recommends that Chief Brown be provided the raw data that both the City Manager and HR Person have had during the study. He asked if Chief Brown can have access to that data for his employees and specifically any data related to police employees.

City Manager Norenberg stated that Chief Brown has received the updated job descriptions for each of the six positions in the police department that will be adjusted. He asked if Councilman Burk is referring to the data from other police departments that was used in comparison; Councilman Burk stated he is asking about comparable data that was received from other police departments and referenced the current negotiations whereby the teamsters will receive the comparables being used in the discussions. He feels that because the police fall under Chief Brown, he should be privy to that information. Councilman Mergner agreed that information should be provided to every department including public works or parks and recreation or any other department.

Mr. Norenberg stated that each of the department heads had a meeting with the consultants prior to the presentation given at the Council meeting. He was unaware of anything that Chief Brown needed though the Public Works Director had a follow-up on one position that needed further consideration by the consultants in addition to a few other follow-up conversations about individual job descriptions or confirmation they were benchmarked appropriately with accurate positions in other communities or private employers. However, if Chief Brown needs something else, Mr. Norenberg will provide it and sit down with the consultants if necessary to resolve it.

Councilmember Peel explained that one of the things that stood out to her was about the merit-based pay. She said the consultants emphasized our employees wanted that as motivation. She also wants to talk about the implementation plan in moving forward to include the opportunity for training and education to increase salaries and that the City pay for training as a benefit. She is unsure how all of that works.

Mr. Norenberg explained that Councilmember Peel is talking about a number of things that are already in place though the Personnel Ordinance that dates back to the early 1990's. As a result, there are a number of sections that need to be added or overhauled. Those details are currently being worked on by HR. The department heads have reviewed that document four to five times during staff meetings. It will then need to be reviewed by the City's Labor Attorneys to make sure nothing has been missed. He is hoping to introduce that ordinance in December.

Councilmember Peel then stated that she works for an agency that does not have merit-based pay so she sees everyone making the same salaries and agrees it is discouraging for productive employees. One of the things they have implemented is an innovation award which is a financial incentive. She explained it is similar to a person applying for a grant and there are points for collaborating with another interagency to solve a problem. They would then post their priorities and employees would come up with ways to solve them. She recommends that as well.

Councilmember Peel pointed out that people who are living and breathing the problems firsthand may have some insight to the solutions.

Mr. Norenberg said one thing they have talked about in terms of the strategic plan are the goals and priorities that will be established for the next five years will be tied to the goals and objectives for the City Manager and each department head. That will then filter down to every employee who will have them linked into their performance appraisal process. They want to recognize not only individuals, but teams that may be working to solve a problem or get a grant or implement a new program.

Councilwoman Peel continued by explaining it is twofold for them. They applied for the grant and there are more people awarded the grant money to put toward the problem. At the end, they do a write up explaining the progress and one team is

selected as the innovation winner for coming up with the most progress.

Mr. Norenberg added that lots of private organizations have that type of recognition in the way of suggestion or similar awards. He agrees we definitely need to reward creativity and innovation as well as cost savings. He knows that is something the City has been focusing on and we have been identifying ways to shave costs by doing things more efficiently but still providing great customer service.

Councilman Mergner agrees and likes the 'good idea' award concept.

Councilwoman Peel feels it provides motivation for those employees who are already doing things that are not being recognized. That is something that stood out to her in the focus group. It was apparent that people were frustrated about working harder than someone else though they received the same pay.

Councilman Burk asked how morale is between employees and asked the reasons our employees are giving for leaving during the exit interviews. He asked if it is because of benefits, pay or merit-based increases.

HR Manager Lisa Carmean stated it is definitely a combination. She stated that the City has a workforce that has been here a long time so we are running into the situation where people are retiring. There has been four people retire this year. In the next coming years, there will be more people retiring. In certain positions, she stated that people are looking at the fact that they can go and make more money elsewhere. A lot of them involve our younger force. They feel money is more important at times than the benefits.

Ms. Carmean said that even though our benefit package is very rich, one thing that came out of the study was that a lot of other municipalities do as well and the City of Milford doesn't always realize it.

She further stated that a lot of times, the other municipalities and herself feed off one another and exchange ideas. The HR Manager emphasized that there are other municipalities that have some very rich benefit packages as well.

Councilman Burk said he just received from his employer a double explanation of the benefits. It showed the current pay and the value of each benefit received. He asked if we provide that to our employees; Ms. Carmean said she has plans to do that and was hoping that would be in place by now. Unfortunately, she is only one person and does not have the time to do everything. The City's software allows that information to be pulled at the end of the calendar year. She tried last year, but was just a little bit short when she realized exactly what needed to be pulled before the payroll had to be closed to start the new year. She agrees it is very important our employees see that information.

Ms. Carmean captured that information at the end of the fiscal year in hopes to do again. But in turn, between then and now, we have had a lot of turnover involving employees that have left and new hires. That turnover creates a lot of paperwork for her. Because we piggyback with the State medical and pension plans, the State of Delaware has reduced its workload by pushing the paperwork toward our HR Manager. In turn, what used to be the employee filling a form out was sent to the pension office or OMB to load. That is all done by Ms. Carmean and she is responsible for any updates as well. Though it doesn't sound like much, when something needs to be updated, it takes her a lot of time. She spends a lot of time adding all the information on a new employee or removing an employee that is leaving.

Councilman Burk said he received the benefit breakdown last week. He learned the cost of his benefit package is twice what his salary is. That helps him think that he is getting a good value which convinces him it is not worth looking for another job because of the overall value and feels overall it is beneficial.

Councilman Burk then asked about morale. Ms. Carmean said that at the time it is mixed because we have employees that are embracing a lot of the changes in the City but we also have employees who don't like any change and it brings fear.

Councilman Burk asked if the increase in pay for everybody will alleviate that fear; Ms. Carmean stated that the fact is because our employees know that City Council took it upon themselves in the budget to pass this compensation study showed everyone that Council was interested in knowing where our employees need to be in the market value. She feels they have seen the

different groups, meaning the two unions and what has happened with them. The latest one being the IBEW union which was included in this study and the salary increases already implemented and approved by City Council. She thinks that is because of the fact that employees talk to on another. A lot of the employees are looking at the fact that the compensation study has been done and they are waiting to see the results.

Ms. Carmean also thinks that when the last study was done ten years ago, from the results she has seen the fact is we still have a few people who are not where they need to be only because that last study was never completely implemented. At this point, she thinks, and has discussed with the City Manager, that bringing everyone to market value and providing a firm foundation to build upon, will cause our employees to get even more motivated which will be seen through improved employee evaluations, more training and things like that.

Councilman Burk agreed that developing more talent is a good way and because Ms. Carmean is referring to a great deal of pending retirements, we need to make sure we look at our bench and that we have experienced people that are going to matriculate into these vacant positions.

Councilman Mergner asked if we are tracking turnover rate. Ms. Carmean stated that within the last year, we have had eighteen people leave and fifteen new hires. She has had to process each of those so she is familiar.

Councilman Mergner asked if there is a ballpark number of what it costs the City to retrain a new hire and any other associated costs. He feels that if we don't have that now, it is something that needs to be tracked. Ms. Carmean stated she does not have the number off the top of her head. However, she does know that it not only affects the new hire, but affects all of the other employees, plus the department, plus the services we are giving to our citizens.

Councilman Mergner agreed it is a struggle when there is a high turnover and there are definitely associated costs. The City needs to determine that cost though he also understands that each department is different and specifically public works, police and city hall. But it needs to be considered especially after losing eighteen people in one year.

Councilwoman Peel said that is most likely impacting morale as well.

Mayor Shupe stated that when we talk about finance and wanting to make sure all of our employees are at the market rate, have we also looked at spending some of the salary increase costs to hire additional employees; he asked if our current employees would be happier if our departments had more employees to support one another. Councilwoman Peel asked if Mayor Shupe was referring to a trade off from the pay increases.

Mayor Shupe continued by stating that our Planning and Code Department, for example, has a very small number of staff who try to handle rental licenses, business licenses, inspections, etc.

Councilman Burk pointed out that Ms. Carmean has wanted to do the benefit summary for sometime but doesn't have the time.

Mayor Shupe reiterated that possibly adding employees to each department to help with the duties is an important step or if Ms. Carmean thinks the pay increase will be more important. Ms. Carmean stated that at this moment, because there was a staff reduction approximately eight years ago. Over those years, we have continued to ask our current employees to do more and more but with less and less. She thinks it would be somewhat of a morale hit and though it would be nice to have the extra hands to help, at the same point our employees have gone above and beyond to do that extra mile. Now all of a sudden, they do not feel like they were valued in what they have done.

Councilwoman Peel agreed stating that they just want to be paid for the work they have been doing all these years and especially any extra work. Ms. Carmean stated it is something we definitely need to consider but also feels the current City work force needs to be brought to a level where all of groups of our employees are on the same level.

Councilman Mergner said there will be a lot learned when the job descriptions are completed. He feels there will be a better understanding of what our employees do and should actually help determine what each department does a lot of and those departments that are understaffed. Until the job descriptions are completed and provided to each employee, it will not be understood.

Councilman Burk then reconfirmed that eighteen people left last year; Ms. Carmean stated yes though four were retirees and fifteen new employees have been hired. Right now, there are two open positions though one is going to be filled.

Councilman Burk suggests removing the four retirees from the equation because they would most likely have retired regardless. Of the remaining fourteen, what was the reason for leaving. Ms. Carmean stated that she knows at least four to five went to another employer to make more money.

Councilman Burk asked if we have an opportunity to counteroffer in that situation; Ms. Carmean said if it is not budgeted we do not have the funding to do that. She has handled that in the past by telling those employees that were leaving that the City was doing the compensation study that was going to show exactly what salaries were needed. However, they left anyway because they had the opportunity to make more money.

According to the City Manager, in two department cases, the employees are in bargaining units and is unable to negotiate by offering more money.

When asked if the City requires pre-employment drug testing, Ms. Carmean said we require pre-employment drug testing and physicals for all full-time and part-time positions.

Councilman Brooks asked Ms. Carmean to provide a list of the fourteen positions that employees left. Ms. Carmean stated that we had an accounting position that left but has since been filled. We also had some police officers leave and other police staff leave. We also had a retirement from the Street Department and a retirement from the Parks and Recreation Department. The building inspector left to take another job that was motivated by an increase in salary.

Councilman Burk pointed out that the building inspector left to take a city manager position in another town.

Mr. Norenberg said he will have Ms. Carmean get the entire tally for the year to date and provide that by email to City Council. He does not want Ms. Carmean to do this off the top of her head.

Councilman Burk said he wants to get a read on the morale and if we are doing exit interviews, would really like to know what they are saying. As the attorney from the State Integrity Commission stated, Milford is a small town and if people aren't happy, you hear about it. He had heard some things previously about a specific department that he brought before Council so we could get ahead of it. That is why he is asking for this information.

Councilwoman Peel asked if fourteen is an average turnover or a lot; Ms. Carmean stated that is a really high number. Councilwoman Wilson agreed.

Councilman Campbell stated that if he looks at the money needed to bring these salaries to market, \$172,000 is needed which means there are a lot of people below the midpoint. Councilman Mergner prefers the City to get ahead of the problems and we need to react to that though he feels we should have already been in front of this.

Councilman Morrow asked for the current salary grade structure and referenced the new one. He would like to see exactly what has changed.

Ms. Carmean feels the new pay structure is not going to be a true comparison because the new structure is based differently. That will be one of the things she will need to convey to the employees. Their first thought will be 'I was this and now I'm this'. Councilman Morrow recommends that before it is conveyed to the employees, it needs to be conveyed to the eight Councilmembers exactly what has changed.

Ms. Carmean pointed out this is a brand-new scale and has nothing to do with the old structure. It is based on one created by PayPoint solely. Councilman Morrow understands but is asking to see where the money is going based on the changes. In other words, the plan to implement so he understands it from a financial aspect.

Councilman Brooks agreed stating that Council used to know everything. Now everything is a secret. Councilman Morrow said he simply wants to see where we are starting at to get a better understanding.

Councilman Brooks said when he was Vice Mayor, he and the Mayor would sign checks weekly and he knew what was being paid by the City. He knows nothing more than a man on the street at this point in time.

Councilman Burk stated that is a good point and asked where the money is coming from. He recalled the previous discussion stopped before specific accounts were talked about and exactly where the \$163,904 is being transferred from.

City Manager Norenberg stated that Ms. Carmean, in conjunction with the Finance Director and him, scoured through the current year's budget and identified areas with potential savings that would carry over. They did not want this to be a one-time savings that could not be replicated in next year's budget.

He stated that in some cases, new hires had chosen the single health insurance coverage versus a family plan, or similar healthcare situations. It was also broken down by department to make sure it is touching the right funds and specifically general fund versus the enterprise accounts. They have also incorporated the costs of the fringe benefits. As Councilman Burk referenced earlier, Mr. Norenberg stated that our fringe benefits are 27% of those salary increases. As a result, Ms. Carmean was able to find the exact savings in the HR-related line items. A minor adjustment may be needed later by Council when other minor adjustments are done, but it will not be appropriating any new money though some money may need to be moved from one department to the right department though it will remain in the general or enterprise fund.

When asked about the second question, Councilman Burk said that the funds have been identified and asked how that came about noting it is a sizable amount of money.

Ms. Carmean stated that she took a fine tooth comb and went through each budget.

Mayor Shupe emphasized that eighteen employees leaving here is the canary in the coal mine and a major problem. Our City employees need to be taken care of and rewarded with a rate they deem at least market value so that we can retain our employees who are productive and also attract new employees. He feels the City needs a strong work force in order to move the City forward considering the growth and new projects that we have on board.

The Mayor further stated that is also needed in the private business and he also compares salaries to where they need to be in order to retain the employees that are doing well as well as attract new ones. He feels that salaries and benefits are the two items that most employees look at.

Ms. Carmean informed Council that the City of Seaford did their study two years ago and just brought their employees up to the level they needed to be. Councilman Burk asked that if the study was done two years ago, why are they just now implementing the increased salaries; Ms. Carmean explained that they implemented those salaries last year though the study was done two years ago. She is also aware that Kent County did a study not too long ago as well. It is often recommended to do a study every five to seven years and in Milford's case, it has been ten years. When she compares the old study to the new study, she feels we would not have as many positions to adjust if the last study had been completely implemented.

Councilman Brooks asked why that study wasn't implemented. Ms. Carmean stated it was probably due to the changes in management though she is unsure. All she knows is that it was never followed through. Looking back at the old study, part of it was put in place and the rest of it was supposed to follow. And it was never done though maybe they thought the annual increases were taking care of it. But the new study shows it was never implemented like it should have been and did not include the increases that were needed.

Councilwoman Wilson stated that she somewhat knew when Mr. Norenberg was interviewing and going through his hiring process, that the HR Department needed a great deal of help with becoming current and determining the best way to benefit our employees. Way back then, she can remember conversations about that. Even further back, when Councilwoman Martha Flick was here, who worked in HR at the college level, she was putting together increases for the employees in the City of Milford. She has seen us drag our feet for the non-union employees for a really long time. She is glad it is happening now and believes it is scary to know that fourteen people have resigned from the City. She was unaware of that but hopefully, the City will be able to recruit good employees because of these increases who will want to stay here and feel this is a great place to work.

Councilwoman Peel noted that as part of the transition, there are almost all new department heads though that is a natural transition. Councilman Campbell said he has seen the incorporation of the union and had heard that several union employees

left.

Mayor Shupe feels that Councilman Mergner made a good point and the City does not want to wait until something happens to ask what needs to happen. Councilman Mergner added that he sees it all the time. Someone comes in and starts taking qualified and experienced employees which can decimate a business. Having eighteen employees resign requires the City to be on the forefront. We need our other current employees to be recruiting and bringing in potential employees. Because of the loss, he agrees there is a need for competitive salaries and benefits. He also agrees that plays into the morale and is all intertwined into one package. He feels the benefits are good but it sounds like the non-union compensation needs to be bumped up. Hopefully, this will help any morale issue that needs to be focused on as quickly as possible.

Councilwoman Peel agrees though Council may ask for the fine tooth comb Ms. Carmean referred to again at budget time.

Mayor Shupe recalled this being discussed during the last budget and agreed it did not need to be considered at that time because it would have immediately impacted the budget adversely. He is very happy that the City Manager and HR Manager went back and began to look at retirements and benefits to realize the savings over the last couple months. He agrees they have worked hard to make a case of how this can be done by not adversely impacting the budget and he appreciates that.

Councilman Mergner pointed out that he is aware of the difference of someone who went from a state-funded compensation package to a private compensation package that was huge and in the double digits. Councilman Burk agreed that even if Ms. Carmean is unable to do this individually, perhaps an example can be given showing the salary and the amount of the benefit package if it involves a single person or someone who is married. He emphasized that the employee cost of the benefit package for health insurance in Milford is really low in the market and referenced the 27% number used when calculating the costs of the new pay increases.

Councilman Mergner agreed it should be at least included in the portfolio provided to a new employee when they are hired. Councilwoman Wilson suggests that the employer share also be compared to the employee share. Councilman Morrow agree that is also done by his employer for new employees as well.

Councilman Burk asked if the City is participating in recruitment events such as job fairs, colleges, etc. He feels that is an inexpensive way to put the City's name out there and present what we offer. Ms. Carmean said that has been discussed though it is not being done yet.

Mr. Norenberg said that Chief Brown can speak to this better than he can, but believes the police officer area is a place that has even more challenges. He thinks this is impacting police agencies across the State of Delaware. Chief Brown agreed adding it is actually affecting police nationwide.

Mr. Norenberg feels that whatever needs to be done for police should be addressed and supported. He feels we always target our advertising where we think it is best for that market. He said we don't have to recruit out of state for entry-level electric workers and we actually got the newest employee for the electric department right here in Milford on Marshall Street. Sometimes we can find what we are looking for within our own community and usually they are the ones we want to retain, grow and develop.

Councilman Mergner said the best form of recruiting is the City of Milford employees. He suggests an incentive also works well in many cases.

When asked for additional thoughts, Councilwoman Wilson feels we need to move forward. All of the groundwork has been done and a collection of impartial data has been obtained. We also know the state of the employees is more of an urgency and it will only increase if we wait. We need to take care of our employees and be able to recruit qualified ones.

Councilwoman Wilson moved to authorize the implementation of the job classification compensation study.

Councilman Brooks said he does still not understand who, what and how this is being done. Councilman Morrow agrees with Councilman Brooks and added that he does not think Council was given enough information. He may be missing something, but there has not been a straight answer about how this is being paid for. Nor has he seen a comparison between the old classification and the new classification.

Councilman Campbell said he was under the impression it has already been paid for; Councilman Mergner agreed and thought it was already budgeted. Councilman Morrow pointed out that is the cost to implement this during the second half of this fiscal year. However, it does not count on July 1st when it will have a more than \$320,000 financial impact.

Mr. Norenberg reiterated that Ms. Carmean, Finance Director Jeff Portmann and he have identified the part-year savings for this implementation, which will carry through into next year for continued savings. He does not plan to come back and have to deal with an increase strictly related to employee increases. However, that does not mean there won't be a need for a tax increase as a result of the Teamsters' negotiations or because of an adjustment in the State of Delaware benefits. At this point, the savings will carry into next year.

Mr. Brooks noted that next year the impact will be more than \$300,000 for a twelve-month time frame in addition to another three to four-percent payraise.

Mr. Norenberg emphasized that another three to four-percent payraise is not under consideration. Councilman Brooks noted there is a payraise given to employees every year. The City Manager explained their proposal this evening is to change the focus as a result of the study and to move more toward a merit-based pay though there may be a small cost of living adjustment to make sure the ranges keep pace with inflation. However, the increases will be based more on performances as Councilmember Peel described earlier in the innovation program they offer. Employees would be recognized based on their individual performances and teams as opposed to doing a flat-across-the-board pay adjustment as has been done automatically each year. That does not mean it will be less expensive than doing it the other way, but it will be much more rewarding and beneficial to all the employees.

Councilman Morrow feels the only cost change would be if only half the employees received a merit increase. He emphasized the City has great employees and they need to be recognized fairly. Councilman Brooks stated that he worked at DuPont for thirty-six years and they had six pay groups. Everyone in each of the six groups made the same amount of money. There was no juggling or opinions related to merits.

Councilman Morrow stated that he has no problem taking care of all the employees, but does not feel Council has been given adequate information.

Mayor Shupe asked for confirmation that the finances or ongoing expenses will cover next year's fiscal year budget as well. Mr. Norenberg stated that at this proposed rate, it will. However, when they will need to consider other budget issues next year, including the union contract negotiations, additional pay related to individual performances and cost of living increases. However, the changes related to the collective bargaining agreement for the electric department are already programmed in. The other outstanding issue is the cost of the State's benefits which are anticipated as new costs and are not part of this recommendation.

Councilman Campbell pointed out that we give raises to our employees every year. This study shows we are \$172,000 substantially lower than each position's mid range. So whatever has been done in the past is no longer working. He also asked if there is a reserve for salary increases that can be used; Mr. Norenberg stated that we do not have a specific reserve set aside for salary increases. A huge amount of the City budget each year is pay and benefits for employees. Reserve accounts are linked to capital purchases or projects.

Councilman Campbell looks at this report and sees \$200,000 in the red in employee costs so whatever has been done in the past has kept all City employees below the midpoint and not even at the average. He reiterated that in his opinion, it is not working.

Councilman Burk asked if there are other employees that are above the market rate. Ms. Carmean stated yes, that is correct.

Councilman Morrow said if we are not doing it right now, how will this ensure everyone is correct which is his concern. According to Ms. Carmean, the last study wasn't done correctly though Council was never told that.

Councilman Burk then asked if those employees who are above the market value will receive a COLA or possibly a small increase. Councilman Campbell asked if there will be no raises for specific employees; Councilwoman Wilson said there will be raises for everyone. Councilman Burk then pointed out that healthcare costs will also increase. We still have a lot of good employees and because someone's tenure makes them above their market value though that is all based on what the consultants

have said because Council has not seen the raw data. Those employees will not receive the 3% that Council fought to give them last year. But those same employees are going to be hit with higher benefit costs. He also has some concerns about how and where the money is coming from. He prefers to see a breakdown of where that funding is being taken from to make sure there will be enough money to cover all of next year's increases.

Councilman Burk also stated that he would really like to see the results of the exit interviews of those fourteen employees that left and specifically, why they left and where they went. That is the purpose of an exit interview.

Councilman Campbell understands and added that employees are always going to leave. Though benefits are costly, he knows that the paycheck matters most to our younger employees.

Councilman Brooks pointed out that younger people need money to take care of their kids. Older people need the benefits to take care of themselves.

Councilwoman Wilson sees everyday people with full-time jobs who are still getting State benefits because they are low income. She noted that most of these people don't make anything and need those benefits to live at a certain standard. They need the primary and secondary insurances to pick up the additional medical benefits.

When asked about reserve funds, Mr. Norenberg explained that we have reserve funds, but don't want to deplete them because they are used for capital items.

Councilman Brooks again questioned how we will have the \$300,000 for next year's increases. Ms. Carmean interjected by stating that we have to look at the fact of what Council can approve this based on their ability versus the City being in a position of where Council has to give increases, just like they are now doing with the unions. She pointed out how much money has been spent on lawyer fees for the negotiations. This involves employees that are not part of either union but will consider that if that is needed to an increase. She said that unfortunately they may become unionized even though they didn't want to do that in the beginning. She emphasized that will then cost the City even more but in legal costs.

Mayor Shupe announced there is a motion on the floor to approve the implementation of the study. Ms. Carmean continued (inaudible—everyone talking at once)

Councilman Campbell stated that if it takes \$200,000 to get our City employees up to the mid range, that needs to be done. Councilman Brooks said his question is next year how to cover the more than \$300,000 will be needed.

Councilman Morrow said the elephant in the room is that one penny of a property tax equals \$46,000. Doing some quick math, this will require a fifteen-cent tax increase.

Mr. Norenberg confirmed that \$163,904 is predicated on the time frame of November 13, 2017 thru June 30, 2018. However, Council has the option of changing it to January 1st or December 1st if they prefer.

Mr. Norenberg also reiterated that based on the savings as has been determined this year by Ms. Carmean, those savings will extend into next year's budget though that does not include any COLA increases that may be given to all employees.

Councilman Brooks asked if the \$163,904 is only going to certain employees. Councilman Burk responded by stating it is only going to the people that the consultants determined are below the mid range. He again asked why the City of Seaford did this study two years ago and did not implement it until last year. He wonders if they mulled over it a little bit.

He prefers to have this conversation during a budget hearing.

Councilman Morrow agrees with Councilman Brooks that this needs to be fair to everyone. There are still a number of questions out there that have not been answered and specifically where the money is coming from.

Councilwoman Peel said the numbers are reflected in the report and it is nebulous where the money is coming from. However, each department has identified cost savings based on the current status of employees. There are a lot of variables like certain employees who have a certain healthcare plan that is less expensive than was calculated during the budget hearings. However,

that plan could become a family plan next fiscal year. She asked if the variables that have been considered are realistic; Mr. Norenberg stated that every year when benefits for a vacant position are budgeted, the worst case scenario or most expensive is used. For example, if there are three vacancies, three family medical plans will be budgeted. As there is turnover, a new employee selecting single coverage results in a savings within that department's budget.

According to Ms. Carmean, most of the savings she identified and she assured Council that all variables were taken into consideration and whether or not there could be change next year. However, she agrees nothing is guaranteed.

Councilman Burk asked for confirmation that the savings to pay for the increases is based on healthcare savings. Ms. Carmean answered that it will cover a large majority. Councilman Burk said Council is only asking where the savings is coming from and asked for more explanation. Ms. Carmean said a large majority was from healthcare which she based on the fact that she had someone with single employee coverage though she knew that their spouse was working for the State and had their children on the State policy. She then tried to determine if the spouse will keep the State insurance plan and more than likely, she is 99% sure that these employees will remain with the single employee coverage. Anyone that was questionable was not included in the calculation.

Councilwoman Peel asked if Ms. Carmean used conservative variables; Ms. Carmean answered yes definitely.

Councilwoman Wilson then moved to withdraw her original motion and because there continues to be a lot of questions, she feels it should be postponed and the matter revisited in addition to the fact it is 10:18 p.m. Councilman Morrow seconded the motion.

Councilman Mergner then pointed out the costs are already covered in the current budget. He said that no one knows what will happen next year. To worry about next year's budget is a waste of time. He feels we need to entrust the analysis done by our staff who have overseen this study and their financial recommendations. He said they are feeding this to Council and are doing a great job. At some point, Council needs to take their hands off of it a little bit and entrust that they know what they are talking about. It sounds to him like there is a problem here with salaries and because it is way out there, Council needs to act on it quickly.

Councilwoman Peel agrees it is not going away.

Councilman Mergner said Council can worry about next year but no one knows what will happen then. There is always the option to have cutbacks somewhere else as has been done in the past.

Councilman Morrow pointed out that Councilwoman Wilson is not asking to wait until next year. Right now, she is proposing to talk more about it with more explanation. We need to make sure it's fair across the board.

Councilman Mergner noted that it has been talked about for three meetings and now we are recommending it be posted until December.

Councilman Brooks said that Ms. Carmean and Mr. Portmann have found \$163,000. If we did not have that \$163,000, he asked what would be done. Councilman Campbell said there would be no action taken because the money would not be available.

Councilwoman Peel said we would definitely have bigger questions and it would have to be looked at more strategically with the implementation over a period of time.

Mr. Norenberg said he would not have made the recommendation if the money had not been identified. He said they spent at least a month wrapping up other parts of the study, doing the research and a financial analysis as Ms. Carmean described. He was not going to bring Council a problem that had no solution. His plan was to bring a proposal that could be easily accepted and supported and move forward to address potential morale concerns. If our employees feel there is not support, then we could have a bigger challenge as Ms. Carmean indicated. This will show them that Council is behind a study that has identified some problems and solutions and will satisfy our employee's compensation needs. He thought it was a very workable proposal that has been made in good faith and supported by the Finance and HR Departments.

Ms. Carmean informed Council that she looks at the City as having three groups of employees. There is the police union, the

electric union and now these employees being talked about tonight. Both of the unions have received Councils' blessings. What she is asking for is that this third group be rewarded with the same fairness the other two have. She said to remember that this third group is not in a group who is trying to put the City in a position where they have to be forced into this position. These involve employees that come to work and are an asset to the City every day. She added that it may not involve a piece of equipment or something like that, but she looks at each and every employee as a true asset of the City.

Councilman Morrow asked how many employees are we talking about in this third group; Ms. Carmean said there are approximately 64. Out of the 64, Mr. Morrow asked how many are not in the union because they are supervisors or directors and would not normally be part of a union. Ms. Carmean said fifteen to twenty.

Councilman Morrow pointed out that 33% would not be in the union anyway. Councilman Burk agreed that 33% would not qualify anyway to be in the union. As a result, Mr. Morrow said there are actually two groups among the 64 employees. He does not know how many pieces of that increase pie are these twenty supervisors getting when compared to the other forty plus that are actually hourly and rank and file who could unionize.

He again asked what part of the \$163,000 is going to management versus the rank and file; Ms. Carmean said there were only a few management positions that were pinpointed as needing to go up to the market level. But most of this is going to the actual working people. Councilman Morrow asked for confirmation that two-thirds of the working employees will receive this increase.

City Solicitor Rutt stated that the question is how many people are below the midpoint and how many are above who will not be receiving an increase and asked if those above the midpoint are mainly in the union. Ms. Carmean said they are not included in the \$163,000 because the police and electric unions have already been satisfied and brought to market.

Solicitor Rutt asked if Ms. Carmean is referring to the fifty employees who are non-union, non-supervisory. Ms. Carmean stated that is correct. Councilwoman Wilson agreed the lower middle class employees are being taken care of. She stated that she always refers to the two sets of middle class—the lower middle class and then the others.

Mr. Norenberg did point out that the employees who will be touched by the last aspect of the compensation adjustment are scattered in a variety of positions. They include staff in the police department, the public works department and almost every department. If a position was vacant and then refilled later, it might have been brought in closer to the market because of recruiting that was done at the time. So often some of the employees that have been here the longest are not where they need to be, based on the study that was never fully implemented eight years ago. However, new employees have come in and are benchmarked are closer to where they should be.

The City Manager stated that if Council prefers to defer action until the December meeting, he wants to know exactly what other information needs to be brought to the meeting.

Councilman Morrow reiterated that he needs more time to soak this in and ensure it is fair.

Based on the motion to postpone action until December, Mayor Shupe asked for a vote.

Councilwoman Peel asked what will happen in December. Councilwoman Wilson feels we are at a deadlock. Councilman Mergner said we will only sit in here and do the same thing again. He pointed out it is not fair to Ms. Carmean and Mr. Norenberg who have done all of this work and asked what other questions remain unanswered so that they can answer them.

Councilwoman Wilson said one of the questions is more information on how this will be paid for; Councilman Burk said that some of the money is coming from healthcare and some is coming from somewhere else but we don't know where somewhere else is. Councilman Mergner confirmed we are covered for this year. He respects Councilman Morrow's opinion because he has a lot of history with the City and has a great deal of experience in human resources.

Councilman Morrow said he only needs to know how we can pay for this moving forward. Councilman Mergner said there is a question about how we will cover anything next year. That is the reason he is listening to Councilman Morrow and comprehends what he is saying. He is fine with postponing it but does not want to come back in this chamber and repeat the same information. That does not appear to be fair to him.

Councilman Morrow feels that Mr. Norenberg needs to come up with a plan to show where it is going and how it can be paid for next year assuming our financials will increase every year. He has to come up with a plan to move forward with the \$300,000. Though it is not etched in stone, as a Councilman, he has a duty to understand more about it and making sure it is fair. He has no problem with all employees getting an increase, but still questions the information that has been provided.

Councilman Morrow asked if we can get our Finance Director involved in these questions; Mr. Norenberg reiterated that the money has been identified as continuing savings. They are not just one-time dollars and are a savings that were identified by Ms. Carmean that will continue into next year to prevent a problem in June of not having enough money. He tried to explain it different ways though he is unsure he has presented it the right way. The money identified to cover the adjustments starting in November have been identified as money that will carry through into next fiscal year. There is no money for a cost-of-living adjustment and no money for merit increases though we are unaware of those costs at this point in time. We also do not know what the Teamsters will propose and that impact on the budget. But right now, he stated they are only aware of the cost increase for the IBEW for next year. But there will be many unknowns for next year.

Councilwoman Peel said that is why she needed to ask Ms. Carmean about the health insurance savings -and she verified that it was looked at from a conservative perspective.

Ms. Carmean reiterated that she looked at it from a conservative perspective but will throw out to Mr. Norenberg and Mayor Shupe, that she is willing to forego her increase. She stated that after the last pay study, the lowest and most out-of-whack salary of all City employees was herself. Even with her situation, that is how much she feels we need to value these other employees.

Solicitor Rutt then stated to summarize, it would be right to say that the money or equalization at this point, has been identified in this year's budget and will be carried forward. What will need to be found next year in the budget, is the same thing found every year and involves the cost of living increase and other pay raises. It will be no different next year than any other year in the past.

Councilwoman Wilson then withdrew her motion to postpone. Solicitor Rutt then asked if Councilman Morrow is willing to withdraw his motion.

The procedural process was then discussed.

Ms. Carmean interrupted the conversation adding that she wants Council to remember that our employees know this is going on and asked Council to consider employee morale. She said this will have an impact. Councilman Burk pointed out that Seaford's did as well and they waited a year to put into effect. Ms. Carmean continued by stating she really is unsure of the time frame in Seaford though it was a couple of years ago and thinks it may have been approved possibly the beginning of the year.

Mr. Rutt stated that the motion on the floor is to postpone action on the matter until December 11th.

According to City Solicitor Rutt, if the person who made the motion withdraws it, there is no motion. If there was an amendment to the original motion, the person who seconded the amendment would have to agree to withdraw the amendment. In this case the person making the motion also amended the motion and is withdrawing the motion.

Councilwoman Wilson again withdrew her motion.

Councilwoman Wilson made a motion to authorize implementation of the PayPoint HR Job Classification Study as presented and discussed tonight, seconded by Councilman Campbell. Motion carried.

Motion carried by the following 5-2 vote:

<u>Yes</u>	<u>No</u>
Councilman Mergner	Councilman Brooks
Councilman Campbell	Councilman Morrow
Councilwoman Peel	
Councilman Burk	
Councilwoman Wilson	

Councilman Burk would have preferred to have more data, but will agree at this time.

Councilman Brooks said he will not authorize it. He has been through a number of budget hearings and cannot approve it with so little information.

Councilman Morrow said he will not agree to authorize it at this point. There is a need for more specific information and to figure out how we will be able to pay for it in the future. He is not against the employees receiving increases, but wants to ensure this is fair and the way it was presented to Council does not give enough data.

Councilwoman Wilson votes yes based on the information presented by Mr. Norenberg and Ms. Carmean adding that she trusts that information, which included the Financial Director recommendation as well.

Councilwoman Wilson left at 10:39 p.m. due to an early next day appointment.

NEW BUSINESS

Proclamation 2017-28/Small Business Saturday

Mayor Shupe presented the following proclamation:

SMALL BUSINESS SATURDAY

WHEREAS,

The Mayor and Council of the City of Milford celebrate our local small businesses and the contributions they make to our local economy and community; and

According to the United States Small Business Administration, there are currently 28.8 million small businesses in the United States; and

Small businesses represent 99.7 percent of all businesses with employees in the United States and are responsible for 63 percent of net new jobs created over the past 20 years, and

Small businesses employ 48 percent of the employees in the private sector in the United States; and

On average, 33 percent of consumers' holiday shopping will be done at small, independently-owned retailers and restaurants; and

Of all consumers, 91 percent believe that supporting small, independently-owned restaurants and pubs are important and 76 percent plan to go to one or more small businesses as part of their holiday shopping; and

The City of Milford supports local businesses that create jobs, boost our local economy and preserve our neighborhoods; and

Advocacy groups, as well as public and private organizations across the country, have endorsed the Saturday after Thanksgiving as Small Business Saturday.

NOW, THEREFORE, I, Bryan W. Shupe, Mayor of the City of Milford, do hereby proclaim, November 25, 2017, as

SMALL BUSINESS SATURDAY

and urge the residents of this community to support small businesses and merchants on Small Business Saturday and throughout the year.

Proclamation 2017-30/Veterans Day

Mayor Shupe presented the following proclamation:

VETERANS APPRECIATION DAY

WHEREAS,

Our Great Nation was founded on the belief that all Americans are created equal, and are guaranteed the inalienable rights of life, liberty, and the pursuit of happiness; and

Our Nation's Veterans have sacrificed to preserve and protect our Country and Constitution from all enemies foreign and domestic; and

November 11, 1919, was initially proclaimed as "Armistice Day" to honor our Country's World War I Veterans, and in order for a grateful Nation to pay homage to Veterans of all wars; and

On June 1, 1954, Dwight Eisenhower the 34th President of the United States, signed into law the renaming of Armistice Day to Veterans Day; and

The quality of life we enjoy today was purchased at great cost by the unselfish devotion of these Veterans, as many of our soldiers lost their lives during wars to defend our freedom, and some are still missing in action; and

The City of Milford recognizes the contributions of all men and women in the military who have served our Country, and who continue to serve their Communities today.

NOW, THEREFORE, I, Bryan W. Shupe, Mayor of the City of Milford, hereby proclaim Saturday, November 11, 2017 as

VETERANS APPRECIATION DAY

in the City of Milford, and urge all citizens to honor the sacrifices of the loyal and courageous Veterans who have given so much for the cause of peace by taking a moment to kindly acknowledge them.

Streets Division/Pavement Patcher Purchase Authorization

Public Works Director Mark Whitfield submitted the following memo:

The Public Works Department requests City Council consider a recommendation to purchase a trailer-mounted pothole patcher to be used by the Street and Utility Division. The pothole patcher will be used for the permanent patching of street, alley, and parking lot potholes.

The filling of potholes is critical in reducing water intrusion into the subbase of the pavement structure. Water intrusion into the subbase during freeze-thaw cycles contributes to the premature failure of the pavement structure. Additionally, potholes can be a hazard to vehicles traversing the roadway, and expedient patching reduces the hazard potential. The proposed unit uses an emulsion that creates a permanent patch, without the need to return and repatch with a "hot mix" of asphalt.

The Street and Utility Division staff has evaluated the proposed unit, and viewing demonstrations as well as checking various references, staff recommends Durapatcher Trailer Mounted Patcher, Model 125DJT be purchased from Cimline Pavement Maintenance Group-Duraco/Cimline for \$60,000, which is the same amount authorized by Council in the 2018 Budget. The purchase can be made through the HGACBuy Purchasing Agreement (Contract #SW10-16) through the Delaware State Contract.

Specifications for the pothole patcher trailer unit are included in packet.

Staff requests City Council consider the purchase of the Durapatcher, and recommends authorizing the purchase of the unit through HGACBuy to City Council.

Councilman Brooks moved to authorize the purchase of a Durapatcher Trailer Mounted Patcher, Model 125DJT from Cimline Pavement Maintenance Group-Duraco/Cimline in the amount of \$60,000, through the HGACBuy Purchasing Agreement Contract #SW10-16, seconded by Councilman Burk. Motion carried.

Electric Division/Bucket Truck Purchase Authorization

Public Works Director Mark Whitfield submitted the following memo:

Staff requests City Council consider a recommendation to replace the existing 2008 Ford X56 Service Bucket truck (Unit E-112) used by the Electric Division with a 2017 Terex Hi-Ranger LT40 Articulating/Telescoping Aerial Service Bucket Truck. The existing bucket truck has 78,839 miles, and is ten years old. Ten years is the recommended standard replacement term for bucket trucks, based on annual dielectric testing performed on all bucket trucks within the Electric Division's fleet.

The purchase of this truck will be made through the NJPA Purchasing Agreement through the Delaware State Contract. Specifications for the 2017 Terex Hi-Ranger LT40 Aerial are attached. The Electric Division budgeted \$175,000.00 for the purchase of this unit, and the NJPA final cost is \$131,844.00.

Staff requests City Council consider the replacement of the service bucket truck, and recommends authorizing the purchase of the new unit through the NJPA National Contract.

Councilman Brooks moved to authorize the purchase of a 2017 Terex Hi-Ranger LT40 Aerial through the NJPA Purchasing Agreement through the Delaware State Contract, in the amount of \$131,844.00, seconded by Councilwoman Peel. Motion carried.

Council Rules Discussion

Councilman Burk moved to postpone discussion on the Council Rules matter until the December 11, 2017 Council Meeting, seconded by Councilwoman Peel. Motion carried.

EXECUTIVE SESSION

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

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

Pursuant to 29 Del. C. §10004(b)(2) Preliminary discussions on site acquisitions for any publicly funded capital improvements, or sales or leases of real property

Motion carried.

Mayor Shupe recessed the Council Meeting at 10:41 p.m. for the purpose as permitted by the Delaware Freedom of Information Act.

Return to Open Session

Councilmember Burk moved to return to the Regular Session, seconded by Councilmember Campbell. Motion carried.

City Council returned to Open Session at 10:50 p.m.

Potential vote related to strategy sessions, including those involving legal advice or opinion from an attorney-at-law, with respect to collective bargaining or pending or potential litigation (Teamsters Contract)

Potential vote related to site acquisitions for any publicly funded capital improvements, or sales or leases of real property (Police Department Site)

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

ADJOURN

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

The Council Meeting adjourned at 10:51 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder

MILFORD CITY COUNCIL
MINUTES OF MEETING
November 27, 2017

A Meeting of the City of Milford Public Works Committee was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware on Monday, November 27, 2017.

PRESIDING: Chairman Owen Brooks Jr.

IN ATTENDANCE: Committee Members: Councilpersons Lisa Peel and Douglas Morrow

STAFF: City Manager Eric Norenberg and Deputy City Clerk Christine Crouch

Chairman Brooks called the Committee Meeting to order at 6:01 p.m.

Public Works Director Mark Whitfield was also in attendance.

Long Term Vision of Refuse Collection Program and Financing

Public Works Director Whitfield brought the Committee up to date on the solid waste collection and recommendations in terms of moving forward. The manner in which it has been handled in the past has been labor intensive with the rear loader truck using a driver and two employees on the back of each, lifting and tossing trash into the back.

In addition, we were only able to do trash collection once a week and recycling every other week due to time constraints.

In terms of improving service without increasing costs, a new automated truck was purchased which has been operating for seven months. Instead of a three-person crew hoisting cans and bags into trucks, a single driver uses a joystick to make a mechanical claw grab and dump standardized cans. As a result, services were increased by adding citywide yard waste and recycling collection once a week.

As a result, there has been an increase in participation and volume in recycling. Because of the additional recycling, the tonnage requests related to normal trash has been reduced.

Mr. Whitfield stated that another automated truck was budgeted for the upcoming budget year. He noted that an automated truck will not work everywhere within a City so while looking at other alternatives and considering future growth, a split body truck was recommended. The semi-automated truck is used for refuse and recycling and is operated by one employee. The fourth truck in the fleet would continue to be a rear loader which is extremely handy for bulk item collection and as a back-up to replace a truck that has to be taken off the road.

He explained that the cost of these trucks are in the \$250,000 range as opposed to the rear loaders that run around \$160,000 which roughly last eight years. In terms of labor, the two rear loaders have required six full-time employees though that is reduced to three full-time employees under this plan. As a result, the cost savings over that eight-year time frame will be approximately \$1 million.

While the vehicle is much more expensive, the result is a savings in manpower and better service for our residents by offering more frequent yard waste and recycling collections. The convenience has already created additional participation by our customers.

Chairman Brooks confirmed the City will have three trucks, one of which will be used as a backup.

Councilman Morrow confirmed the additional overtime being paid to our solid waste employees are calculated into the savings.

Mr. Whitfield also shared that the backup staff on the solid waste trucks actually came from the Street Department. As a result, their labor was not charged to the refuse account though it would have been helped had that been added. Employees in the Street Department are paid from general fund dollars though in this situation, were working in the Solid Waste

Department. In moving forward, he wants to assure the true costs of collection are captured.

Chairman Brooks again expressed concern about the safety of the solid waste employees on the back of the trucks at 5:00 p.m. in dark and rainy conditions. He noted that Tenth Street is a racetrack and drivers were not slowing down even with the presence of the truck and employees.

Mr. Whitfield pointed out that moving to an automated truck will eliminate employees on the back of the truck as is needed on a rear loader. Chairman Brooks pointed out that he has observed the automated truck actually slow speeding vehicles down.

Councilwoman Peel recalled a previous discussion when there were several vacancies in the Solid Waste Department. He confirmed that is still true and the number of employees has been reduced by half.

Mr. Whitfield confirmed that no one will be laid off and several employees will be repositioned as our needs change.

Councilman Mergner arrived at this time.

Recommendation on Purchase of New Refuse Truck

The following memo was included in the packet:

The Public Works Department requests the Public Works Committee consider a recommendation to purchase a new refuse collection truck used by the Solid Waste Division. The truck will be used for the collection of refuse, yard waste and recyclable materials.

The proposed truck is a one-person automated collection vehicle, which allows customer containers to be emptied using a hydraulic arm operated by the vehicle driver, similar to the vehicle purchased earlier this year. The unit will allow for the efficient collection of refuse, yard waste and recyclable materials using a single person.

The proposed change in the type of vehicle has numerous advantages over the present system of using three people (a driver and two collectors) on a rear loading refuse truck. The unit also allows for the safe collection of materials since there is no human contact with the container. The unit eliminates lifting of containers, exposure to dust, needles, and other potential hazardous materials, exposure to weather, traffic hazards, etc. The efficiency will eliminate the need to fill two present vacancies in the Solid Waste Division.

The present unit will replace a 2005 International with a Leach rear load refuse body. The unit has over 18,450 engine hours, 110,334 travel miles and the body is rusted out. A like kind replacement (rear-loader on a tandem axle truck) unit would cost about \$160,000. The proposed automated replacement unit was budgeted at \$227,000 in the 2018 Budget.

Staff recommends the purchase of a G S Product CS9133 CollectStar Auto Side Loader body on a single axle Peterbilt truck through Hunter Truck Sales & Service, Inc. at a price of \$255,865.60. The purchase can be made through the National Joint Powers Alliance Contract (NJPA).

The purchase price of \$255,865.60 is \$28,865.60 over the amount budgeted for the unit. Staff recommends using \$24,450 which was budgeted for downtown containers (the City received a grant to cover this cost) and \$4,415.60 from the container line item to make up the shortfall for the purchase. Because of the favorable quotes on container replacement, staff anticipates a savings within this line item.

The proposed unit was evaluated by the present operators, who took into consideration needed changes from the unit which was purchased earlier this year. Their 6-month experience yielded some recommended changes.

The price of the vehicle is higher than originally budgeted and anticipated due to the need for a cab-over configuration for the vehicle. The cab-over allows for a tighter truck turning radius, allowing for better maneuverability. Additionally, the cab-over feature allows easier entry/exit for the driver. Due to the multiple times of exiting and entering the truck during the work day, the cab-over not only provides a safer means, but also allows for better time efficiency and less wear and tear

on the driver.

Specifications for the truck and refuse body are attached, as well as the requirements for joining the NJPA cooperative purchasing alliance.

Mr. Whitfield recommends the replacement of the refuse truck, and the purchase authorization through the National Joint Purchase Alliance (NJPA) to City Council. Item to be added to the December 11, 2017 meeting.

Councilwoman Peel moved to authorize the matter be placed on the December 11, 2017 City Council agenda, seconded by Councilman Morrow.

Sidewalk Inspection/Improvement Program for 2018

The following memo was included in the packet for Committee review:

The Public Works Department Engineering Division is planning to conduct a sidewalk inspection program beginning in 2018.

Preliminary Inspection

Presently, the Engineering Assistant is conducting an assessment of the present condition of all existing sidewalks within the City. Based on this assessment, a dollar value can be placed on the potential replacement of sidewalks. This will allow staff to evaluate the scope of repairs, both in terms of volume and dollar value, needed to bring sidewalks up to standards as set forth in the Sidewalk Ordinance.

Inspection Program

Staff proposes to begin a formal inspection process in late spring. First priority for inspection will be:

2018:

- 1. The Downtown Development District;*
- 2. Collector streets (Walnut, Marshall, SE Front, Causey, Lakeview, Seabury, Washington, McColley, North, and Church);*
- 3. Streets used for school access (SE Third, SE Fourth, SE Fifth, Bridgeham, NW Fourth, NE Tenth, and Buccaneer)*

2019: Remaining sidewalks not covered in Year 1, in Ward 2

2020: Remaining sidewalks not covered in Year 1, in Ward 3

2021: Remaining sidewalks not covered in Year 1, in Ward 1

2022: Remaining sidewalks not covered in Year 1, in Ward 4

Future Years: Complete inspection in one ward each year; with every ward completed once every four years.

Funding Options

In accordance with the Ordinance, the property owner is responsible for the repair, maintenance and replacement of the sidewalk adjacent to their property. The City may elect to replace the sidewalk along properties where owners fail to complete replacements in a timely manner, and place a lien on the property for the work. This however ties up City funds, potentially for a long period of time, until the property is sold.

There are several funding considerations Council may want to consider in moving forward.

Revolving Loan Fund - Council may elect to set aside reserve funds for maintenance and repair and allow property owners

to borrow funds with a 3-5 year repayment schedule at no or low interest. Place lien on property until loan is repaid.

Public Works Projects - On streets identified as needing to be repaved, deteriorated curb will also need to be replaced. In many cases, curb abuts the sidewalk, and the curb replacement will necessitate sidewalk replacement. This work will be completed by the City. Sidewalk repair should not be identified on streets where a public works project is planned within the next five years. Sidewalks not needing to be replaced due to curb work could be identified, and the property owner could elect to piggyback on the public works project to have their sidewalk replaced as part of the project, or elect to replace on their own within one year.

Community Development Block Grants, Community Transportation Funds or other Grants - In areas of low income properties, investigate the possibility of obtaining state or federal monies for assistance.

Sidewalk Replacement Project - The Public Works Department would identify all needed repairs and obtain a price from a contractor to complete all work. Property owner could elect to have City replace the sidewalk under that contract, or complete on their own. Property owners would be billed for the work and would include the City's overhead and project inspection costs.

Next Steps

Complete inventory of sidewalks for extent of repairs needed

Decision on funding options

Budget funds for 2018

Begin formal inspection in July 2018, with replacement by property owners within 90 days of notification.

As proposed, this will create a four-year program and provide a break for residents who may need an annual expenditure to repair sidewalks. In addition, covering the entire town with one inspector in one year is nearly impossible. Breaking it out into wards makes it much more manageable for the residents.

Chairman Brooks confirmed the homeowners will continue to be responsible for their sidewalks because the City does not need that responsibility. He agrees this program is badly needed throughout the City.

Councilwoman Peel reported that a number of residents complain to her about the condition of their sidewalk even though it is their responsibility. She does not think most people understand that the sidewalk conditions are their responsibility. The Councilwoman feels if walkability, bikeability and safer passages downtown are going to be priorities in our strategic plan, she recommends the City create some sort of campaign to educate them. She does not want the City showing up at someone's house to fix a sidewalk, only to learn later that resident is also being billed.

Mr. Norenberg pointed out there is a notification process required in the Code that would occur before any repairs would begin. They also talked with the media to inform them of several of these projects though he agrees that public education is important.

They also understand that a homeowner may want to do something differently. For example, if the City inspected ten sections of sidewalk and four or five were repaired or replaced, someone may prefer to do their entire sidewalk versus piecemealing the repairs.

The City Manager also pointed out that financing is not something the City wants as a first choice, because of the time it takes to recover. They have not yet identified how to determine low-income criteria for financial assistance, in addition to the percentage, payback period, etc.

Councilwoman Peel has heard multiple complaints through the Community Conversations though it is identified repeatedly

as a concern and priority.

Councilman Morrow asked how the City plans to address what has been done in the past and what is being considered now. He agrees the City has wrestled with this for at least twenty years though we never really followed through unless it was a complete street project with curbs and sidewalks repaired at the same time. The last project he recalled was on Southeast Front Street.

The Public Works Director explained that one of the things looked at as part of the capital improvement plan will be prioritizing streets where work is needed. Prior to that resurfacing, he recommends replacing any bad curbing along the street. When the curbing is adjacent to the sidewalk, the City has no recourse but to replace the sidewalk block. If there is a grassy area between the curb and the sidewalk, then the sidewalk does not have to be disturbed. However, a resident with a bad sidewalk against a bad curb, would be the City's responsibility.

He further stated that he does not want to identify sidewalk blocks to be replaced, only to find out three years later the City has to tear up that new sidewalk to replace the curb. As a result, the curbing and sidewalk projects need to be coordinated.

Mr. Norenberg agreed he has heard from a few residents that the City was able to get grant funds from the State or Federal government in the past to do some enhancement programs. In those cases, there were no City dollars used and instead was other government money. For example, there was a decision made at the time by Council that it was important for downtown redevelopment and such funds were accepted and invested. Those property owners received the benefit as a result.

Only outside funding would be eligible for ADA ramps that need to be included at intersections and in particular, where crosswalks are needed. There are a number of intersections where crosswalks cannot be added because the ADA ramps do not meet code. In such situations, CDBG funds could potentially pay for those ramps with the hope of acquiring federal funds through the County to complete the projects.

Councilwoman Peel asked if there is funding available for walkability to encourage residents to use less vehicle transportation; Mr. Norenberg is unaware of funds for that purpose. He is aware of the Safe Routes to School funding which is designed to fix or create a sidewalk where there are gaps children need to walk. They will continue to work with the school district to identify those though in most instances it has been used mainly for infill where sidewalks gaps exist.

Mr. Whitfield announced that one of the areas being considered was the cemetery property particularly after considering the amount of foot traffic on the North Walnut side where there is no sidewalk. That would be an appropriate place for Safe Routes to School.

Councilwoman Peel feels that a crosswalk on Tenth Street over Rehoboth Boulevard to get to the high school should also be considered.

Chairman Brooks prefers the entire Council make this decision.

Mr. Norenberg hopes that Public Works will be able to bring recommendations on capital improvements earlier than the normal budget cycle and address the operational portion in May and June. He prefers discussing the capital improvement planning, including streets and sidewalks, in late winter/early spring.

Councilman Brooks said he has always complained that the City spends millions of dollars and there should more than two nights of budget hearings.

Mr. Norenberg encouraged the Committee Members to get in touch with him should they have any additional questions.

Review Potential Parking Lot Layout for City Hall Parking Lot and City Parking Lot at Northeast Front Street/Denny Row

The Public Works Director then informed the Committee that they have reviewed some of the parking in the downtown areas. In particular, improvements in terms of the number of spaces, as well as the circulation and maneuverability, in and around

the parking lots, are being considered. Right now they are looking at City Hall Parking Lot and the City Parking Lot at Northeast Front Street/Denny Row.

Councilman Burk arrived at 6:40 p.m.

Mr. Whitfield then referred to the existing Arena's Parking Lot at Denny Row and NE Front Street. He pointed out some angled parking that is at a 45-degree angle. That angle requires a nineteen-foot drive out though only a ten-foot drive out exists.

There is also a line that separates the two parking spaces that should be perpendicular instead of at a skew. That causes vehicles to park further back in the space than where they should be. That just exacerbates an already bad situation in terms of the drive outs which become very narrow especially when it involves a large SUV or pickup.

A couple different layouts were then reviewed. One was to use ninety-degree spaces. He personally likes that because the number of spaces can be maximized. Changing to ninety-degree spaces will provide 116 spaces in that existing lot. Some minor improvements would be needed at the entryways. Seal coating would also be needed on the entire lot to help preserve it. Presently there is a lot of oxidation on the pavements and a sealant would alleviate the lamination of the pavement as well as cover up all current white lines and allow for restriping.

For what Mr. Whitfield believes will be a fairly low cost, an additional eighteen spaces or so could be added. It would also make it ADA compliant.

If the angled spaces are preferred, 109 spaces can be created. It would entail a ten-foot travel aisle at a thirty-degree parking angle.

The aisles are most suitable in width in terms of the angle. The division line would be perpendicular to the parking aisle and also gain some spaces toward the end which presently contains no parking though there is an extremely wide aisle.

The parking lot at Milford City Hall presently has 43 parking spaces. Some minor modifications to this lot would include relocating the existing entrance to the north and installing a second entrance where a utility pole currently exists but can be removed. The guy wire was no longer needed so the pole is obsolete. The entryway can then be installed and visitor parking spaces placed near the building.

The asphalt should also be resealed.

The reconfiguration would allow another fifteen or so spaces with some minor work.

Mr. Whitfield noted that the parking lots across from DBF, across from Penney Lane, behind the Georgia House and next to the City's Customer Service Department will also need some work.

Councilwoman Peel feels the parking lot by Arena's is a priority adding that she will not even use that lot and chooses to park on the street instead. She is unsure how full the City Hall Parking Lot gets though additional spaces and safer passages should be considered in both lots.

Councilman Mergner agrees that labeling the actual parking lots would help as well. He recommends one sign stating it is a City of Milford Public Parking Lot.

Councilwoman Wilson arrived at 6:50 p.m.

Mr. Norenberg stated that the City will talk with the owner of the Arena's building because they own the first row of spaces and coordinate the effort in terms of striping, sealing and especially the provision of the ADA spaces.

The branding and associated duties are being handled by the City Planner according to Mr. Norenberg. That includes a

parking study that is being funded by the Dover-Kent MPO and a collaboration through the USDA Downtown Marketing Plan that will allow some identification signage. He agrees signage is needed in addition to posting regulations regarding snow removal.

Councilman Brooks recommends adjourning this meeting in preparation for the Council Meeting that begins at 7:00 p.m. Due to the time, Councilman moved to recess the Public Works Committee Meeting until after the completion of the City Council meeting, seconded by Councilwoman Peel. Motion carried.

The Meeting was recessed at 6:53 p.m. by Chairman Brooks. The balance of the items on this agenda will be addressed when the Committee Meeting is resumed after the completion of the Council Meeting.

Councilmember Peel moved to reconvene the Public Works Committee meeting, seconded by Chairman Brooks. Motion carried. The Committee Meeting resumed at 7:17 p.m.

Update on Five-Year Capital Improvement Plan (CIP)

Public Works Director Whitfield reported a five-year capital improvement plan is currently being developed. He said it will be very different from what has been done in the past.

Mr. Whitfield emphasized this is a plan and not a budget. His goal is to identify every item that will need to be addressed over the next five years, with the estimated cost. He recommends this be created at this point, without any concerns for financing.

He recalled the inventory done this past summer regarding City streets and their conditions. The next step is to review the infrastructure beneath the pavement to prevent having to repave a street when it involves a bad sewer or water line. In addition, should those utilities lines need to be replaced, that enterprise or reserve fund should pay a portion of that street's resurfacing.

As we move forward, signage will be addressed, along with water improvements, sewer and pump station issues.

Mr. Whitfield stressed the need to get these projects listed, with an approximate estimate over the next five years. After that, the next step will be to prioritize and determine the financing. Any items that can be addressed through legislative money or grant funding can then be considered. Any projects that will need a bond issue or enterprise funds can also be considered in terms of rate structures or increases.

A data sheet will be included in this year's budget to identify each project. After that, the projects will be prioritized at budget time. Projects that are not funded will be deferred until such time the funding can be identified.

Councilwoman Wilson pointed out that in the past, Council was asked to identify problem areas in their wards though she is unsure whether or not they would all be considered capital projects. Mr. Whitfield welcomed any input and asked Council to look at infrastructure in terms of buildings, roads, street lighting, electric water, sewer, etc.

Councilman Brooks said that Council used to ride the whole City and itemize each problem that was included in the five-year plan.

International City/County Management Association (ICMA) Local Government Management Fellow Evan Miller, then echoed Mr. Whitfield's comments that the CIP is a great planning tool. Mr. Miller shares his time with the City of Rehoboth Beach and is also currently working on their CIP.

Mr. Miller agrees this is a great time to focus on an inventory of the infrastructure and equipment needed by all Departments. He then referred to samples he has used in the past. A survey will be provided to the Department Heads who will be given a time frame to return. That document includes a project title, description, justification, estimated cost, estimated time frame and if applicable, any impact on the annual budget.

The draft CIP he completed for the City of Rehoboth is approximately one-hundred pages though he added general information about a CIP, why it is needed, how prepared, the various roles of the department heads, Councilmembers and the City Manager.

He feels this is a great way to provide transparency to residents. It is also a great tool on determining the funding as well.

Mr. Miller then referred to CIP's from Northborough, Massachusetts, State College, Pennsylvania and the five-year three-page Budget Plan for Rehoboth Beach (see Council packet). He agrees this plan can sometimes take several months before the surveys are returned. After that time, a meeting will be held with each Department Head, after which the projects will be reviewed and estimates obtained.

City Manager Norenberg stated that once this information is acquired and added to the CIP, it will be presented as part of the budget for 2018. It will be handled by staff and funneled into a one project that will be overseen by the Finance Department, Public Works Director and Mr. Miller primarily.

Councilmembers Brooks and Wilson both agreed it is a great way to handle.

When asked who prioritizes the projects, Mr. Miller explained it is a combination. It is crucial the City Manager and the Department Heads work together on the document. When he prepared the Departmental survey, he asked for three identifying priorities—essential, deferrable or desirable. The Department Heads do prioritize, which then falls under the City Manager, who then turns it over to City Council for further action. However, priorities are mainly categorized by the Department Heads and the City Manager.

Update on Smart Meter Project

Mr. Whitfield then reported that the City is close to deploying smart meters which should occur late in February or the first part of March. The meters have been received and all data collectors, but two are in place. A number of meters of various sizes have been deployed and are currently being tested to ensure everything is working.

The biggest holdup has been the financial software being able to talk to the software currently used by the meters. Getting that code written to ensure the customer does not see any change in the billing will ensure a seamless process other than a slight blip when their electric meter is pulled and the new one put into place.

The Public Works Director stated that he is aware of other cities that have deployed smart meters and considered an opt-out provision for customers who may have a concern with the radio frequency waves of a smart meter. The reality is the smart meter has less radio frequency waves than a baby monitor, a microwave or cell phone. However, there are residents who have concerns with regard to the radio frequency and the possibility of associated medical issues. Some locations have provided an opt-out provision in which the meters are actually manually read. That customer must then pay for the additional manual service on a monthly basis which is typically in the range of \$25 to \$30.

Mr. Whitfield stated that most cities have not provided that opt-out provision and is what he recommends to the City of Milford. He reiterated there is no more basis for a health concern than a cell phone or other items previously mentioned.

Mr. Norenberg added that this past summer, an informational sheet was included in the utility bill. That generated a few phone calls and questions to Customer Service. At the same time, an informational page was added to the City's website which is still available and includes factual information prepared by Mr. Miller. Customers with concerns have been referred to this page and related links. Many fears were alleviated as a result.

The City Manager directed our Customer Service staff to refer to him anyone with concerns after they have accessed this information or were provided additional information by that Department. To date, he has not heard from any of our residents.

The topic also came up during one of the Community Conversations. Mr. Norenberg referred that person to our website and provided his business card though he has not heard back from him either. Therefore, he feels this is a nominal issue and does

not believe it will go very far as is the case with other utility companies.

If an opt-out program is needed, the Electric Tariff will need to be amended and fees applied.

Councilman Brooks said he will not agree to charging a City Customer just to have our employees go out and read their meter. Mr. Norenberg pointed out the reason for the fee is that a special service is being provided that is not provided to our other customers. He does not recommend that at this point, but if they choose not to use a smart meter, a policy decision would have to be made because it will require a dedicated employee to read the meter.

Councilwoman Peel stated that it sounds to her as though we are complicating this matter unnecessarily. She believes that if the education materials are available, it will not be an issue with our customers.

Mr. Norenberg stated that he wanted Council aware of the possibility.

Update on Southeast Regional Pump Station Project

Davis, Bowen and Friedel Engineer Jason Loar stated that he was asked to provide updates on several projects. The first is the Southeast Regional Pump Station Project that is currently under construction. This project is key to add sewer service to the southeast area of the City and is being funded primarily by those developments, including the hospital.

The project is about 33% complete. The majority of the work left is at the pump station site and involves bigger, heavy duty construction.

It is on schedule and on budget with final completion scheduled in March 2018.

Update on Shawnee Acres Pump Station Project

Mr. Loar reported this is part of the \$4 million USDA Sewer Project that began a few years ago with Fisher Avenue being the first project completed. This project is also critical to the southeast area of the City because it actually goes through the Shawnee Acres Pump Station.

The project funding included a \$2 million grant, \$1.6 million in loans and \$400,000 in City reserves.

It is being designed to accommodate current and future flow for development of the southeast area and is approximately 50% designed. At the Public Works Director request, they are preparing a meeting with local residents to provide them with information and obtain feedback.

Update on NE & NW Front Street Sewer & Water Improvement Project

Mr. Loar proceeded by explaining this includes two projects. The sewer portion is also part of the USDA-funded project and the water portion is being paid from the City's water reserves.

A key issue to this project is that DelDOT plans to repave Front Street over the next couple years. As a result, any utilities need to be corrected before the repaving begins.

The project is approximately 30% designed. The first priority was to camera the existing sewer lines to determine their condition. The review is almost complete and it has been determined that the majority will only need to be lined. That portion should be fairly quick though a portion of sewer will need to be replaced on the northwest side of Milford closer to the Truitt Avenue Pump Station.

The water project will involve a complete replacement of the lines from Business Route 1 over to Walnut Street. That is being scheduled to start as soon as possible and is presently out to bid.

Adjourn

There being no further business, Councilwoman Peel moved to adjourn the Committee Meeting, seconded by Councilman Morrow. Motion carried.

The Public Works Committee Meeting was adjourned at 7:53 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Transcriber

Attachments:
Long Term Plan

Solid Waste Operations

Past

	Cost	Number of Employees	Annual Depreciation	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Cost Over 8 Years
Wages (\$33,296/employee)	\$33,396	6		\$200,376	\$200,376	\$200,376	\$200,376	\$200,376	\$200,376	\$200,376	\$200,376	
Benefits (\$21,375/person)	\$21,375	6		\$128,250	\$128,250	\$128,250	\$128,250	\$128,250	\$128,250	\$128,250	\$128,250	
Rearload Truck (8yr depr)	\$160,000		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	
Rearload Truck (8yr depr)	\$160,000		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	
Rearload Truck (8yr depr)	\$160,000		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	
Rearload Truck (8yr depr)	\$160,000		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	
Total Cost				\$408,626	\$408,626	\$408,626	\$408,626	\$408,626	\$408,626	\$408,626	\$408,626	\$3,269,008

Proposed Future

Wages (\$33,296/employee)	\$33,396	3		\$100,188	\$100,188	\$100,188	\$100,188	\$100,188	\$100,188	\$100,188	\$100,188	
Benefits (\$21,375/person)	\$21,375	3		\$64,125	\$64,125	\$64,125	\$64,125	\$64,125	\$64,125	\$64,125	\$64,125	
SideLoader (8yr depr)	\$220,290		\$27,536	\$27,536	\$27,536	\$27,536	\$27,536	\$27,536	\$27,536	\$27,536	\$27,536	
SideLoader (8yr depr)	\$255,866		\$31,983	\$31,983	\$31,983	\$31,983	\$31,983	\$31,983	\$31,983	\$31,983	\$31,983	
Split Body Semi Auto (8yr depr)	\$290,000		\$36,250	\$36,250	\$36,250	\$36,250	\$36,250	\$36,250	\$36,250	\$36,250	\$36,250	
Rearload Truck (8yr depr)	\$160,000		\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	\$20,000	
Total Cost				\$280,082	\$280,082	\$280,082	\$280,082	\$280,082	\$280,082	\$280,082	\$280,082	\$2,240,656
Annual Savings				\$128,544	\$128,544	\$128,544	\$128,544	\$128,544	\$128,544	\$128,544	\$128,544	
												Savings over 8 Years
												\$1,028,352

MILFORD CITY COUNCIL
MINUTES OF MEETING
November 27, 2017

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

PRESIDING: Vice Mayor Douglas Morrow

IN ATTENDANCE: Councilpersons Christopher Mergner, Arthur Campbell, Lisa Ingram Peel, James Burk, Owen Brooks Jr., and Katrina Wilson

City Manager Eric Norenberg, Police Chief Kenneth Brown and Deputy City Clerk Christine Crouch

COUNSEL: City Solicitor David Rutt, Esquire

CALL TO ORDER

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

INVOCATION AND PLEDGE

The Pledge of Allegiance followed the invocation given by Councilmember Burk.

RECOGNITION

Milford Police Department Promotions

Chief Brown introduced Miles Kosiorowski noting that he was promoted to the rank of Corporal last month. Corporal Kosiorowski began his career at Milford as a dispatcher.

Chief Brown also acknowledged Patrolman Lester Shaffer who was promoted to Patrolman First Class on November 15, 2017. PFC Shaffer came to Milford after spending 22 years at the Georgetown and Laurel Police Departments.

Certificates were issued to each officer and a photo taken with Chief Brown and Mayor Shupe.

COMMUNICATION & CORRESPONDENCE

Vice Mayor Morrow referenced the letter included in the packet from Comcast (see packet).

In addition, Councilman Campbell submitted a letter from a resident that will be forwarded to the City Manager for delivery to the Code Enforcement Official. At the December meeting, Mr. Norenberg will provide a follow-up.

UNFINISHED BUSINESS

None to report.

NEW BUSINESS

Fisher Ave Pump Station Change Order

Public Works Director Whitfield submitted the following memo for consideration:

See Council packet for deduction Change Order to close out the Fisher Avenue Pump Station project. The Change Order and Final Acceptance has been reviewed by our consultant engineer, who is recommending approval. The Change Order includes changes in the quantity of work items performed, resulting in a credit back to the City.

Recommendation: I recommend Council authorize the execution of Change Order #1 for the Fisher Avenue Pump Station Rehabilitation Project to M2 Construction, Inc. of Landisville, PA for a credit of \$14,031.71.

Councilman Brooks moved to authorize the Fisher Avenue Change Order for a credit of \$14,031.71, seconded by Councilwoman Peel. Motion carried.

Airport Road/NE Tenth Street Change Order

Public Works Director Whitfield submitted the following memo for Council consideration:

A portion of NE 10th Street is in very poor condition and needs resurfacing. Because this section contains pavement loops and is part of the Airport Road/113 intersection, staff recommends City Council consider authorizing the resurfacing of about 340 feet of NE 10th Street, immediately east of US 113 intersection as part of the Airport Road Rehabilitation Project. This section of roadway will require pavement milling, pavement wedging (to rebuild roadway crown), and resurfacing. Presently, a pavement seam exists approximately 340 feet east of US 113, where a portion of NE 10th Street was resurfaced as part of the Wawa Development.

All work items will be incorporated within the bid items of the Airport Road Project. It is expected this section will cost approximately \$63,181.50 and approximately five days to complete. All work will be completed at night, as per DELDOT requirements.

The original contract for Airport Road was for \$1,655,177.50. Based on past and projected payments, the final cost will be about \$1,648,150, or about \$7,027 under the contract amount. With the added NE 10th Street work, the projected final cost will be about \$1,738,000. The total budgeted amount for construction of Airport Road was \$2,187,864, with another \$273,483 estimated for engineering and inspection, bringing the total budget for the project to \$2,461,347.

In review of expenses to date as well as anticipated expenses, sufficient budgeted funds are available to complete the NE Tenth Street work, which was verified by the Finance Director.

Recommendation: I recommend Council authorize the resurfacing of approximately 340' of NE 10th Street from the intersection US 113 going west and to add the work through a final Change Order onto the Airport Road Rehabilitation Project, with all work to be completed by December 15, 2017.

The Public Works Director apologized for instructing the contractor to proceed because of timeliness, but is still asking for Council approval. It will be completed under the existing pay items in the Airport Road Project as a final change order at a later date though he wanted it presented with an estimate of \$63,000.

He said the work is scheduled to begin tonight.

Councilman Burk moved to authorize the resurfacing of approximately 340 feet of NE Tenth Street from the intersection US 113 going west and to add the work through a final Change Order onto the Airport Road Rehabilitation Project, with all work to be completed by December 15, 2017, seconded by Councilman Mergner.

Councilwoman Wilson stated that as long as the City cannot find money to install sidewalks in this area, she will vote in favor of this.

Motion carried with no one opposed.

Budget Adjustment/General Fund Reserves-Enforcement & Inspections Demolition \$17,000

City Planning Director Rob Pierce submitted the following memo for Council consideration:

The Department requests an appropriation of \$17,000 from General Fund Reserves to the Enforcement and Inspections Demolition budget item to cover expenses associated with the emergency demolition of 419 South Washington Street. Enclosed is a copy of the signed contract with John Macklin and Son Demolition, Inc. for the work performed. Staff obtained three (3) written quotes to remove the structure from the property, however, the second lowest bid was selected in order to perform the

work in a timely manner.

The City will attempt to recoup these funds from the property owner's insurance company and/or place a lien against the real estate.

Mr. Pierce noted that the second lowest bid was accepted due to a time constraint on the lowest bidder and the urgent need for the structure to be demolished as quickly as possible. The work began immediately and has been completed.

Councilman Brooks moved to approve a budget transfer in the amount of \$17,000 from the General Fund Reserve Account to the Enforcement and Inspections Department budget to cover the costs of the demolition project, seconded by Councilwoman Wilson. Motion carried.

Impact Fee Waiver Request/Carlisle Fire Company

Vice Mayor Morrow announced that Carlisle Fire Company requested this item be removed from the agenda. As a result, no action is needed.

EXECUTIVE SESSION

Pursuant to 29 Del. C. §10004 (b)(4) for the purpose of the discussion of strategy sessions, including those involving legal advice or opinion from an attorney-at-law, with respect to collective bargaining or pending or potential litigation.

Vice Mayor Morrow also announced there is no need for an Executive Session at this time.

ADJOURN

There being no further business, Councilman Mergner moved to adjourn the Council Meeting.

Councilman Campbell then questioned the letter that he received from a Central Academy Student and its discussion. According to Solicitor Rutt, in terms of FOIA, it can fall under correspondence only because the letter was received. However, the actual item will have to be added to an agenda in order to be discussed.

Motion seconded by Councilwoman Peel and carried.

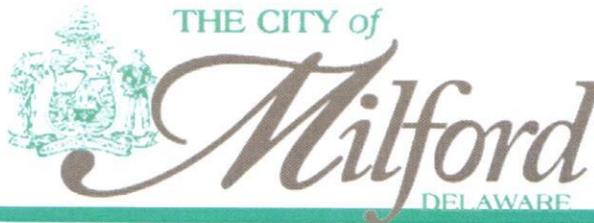
Vice Mayor Morrow adjourned the meeting at 7:16 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Transcriber



OFFICE OF THE CHIEF OF POLICE
KENNETH L. BROWN
kenneth.brown@cj.state.de.us



400 NE Front Street
Milford Delaware 19963
302.422.8081 Fax 302.424.2330

TO: Mayor and Members of City Council
FROM: Kenneth L. Brown, Chief of Police *KLB*
DATE: December 5, 2017
RE: Activity Report/November 2017

Monthly Stats:

A total of 497 arrests were made by the Milford Police Department during November 2017. Of these arrests, 154 were for criminal offenses and 343 for traffic violations. Criminal offenses consisted of 35 felonies and 119 misdemeanors. Traffic violations consisted of 113 Special Duty Radar, 7 Drunk-Driving charges, 223 other.

Police officers investigated 50 accidents during the month and issued 81 written reprimands. In addition, they responded to 1142 various complaints including city requests and other agency assistance.

Monthly Activities:

Chief Brown and Lt. Huey attended the 2017 Annual Dentsply Sirona Emergency Response Meeting Luncheon.

Chief Brown attended the Mayor's City Update meeting that he presented to the Hearthstone Community.

Training –

Chief Brown and three other officers attended the 2017 Highway Safety Conference held at Dover Down.

CI Detective attended the Annual Narcotics Investigators Conference held in Ocean City, Maryland.

Three officers attended FBI-LEEDA Executive Leadership training held at Dover Downs.

Three dispatchers attended Crisis Intervention for Communications Specialists training held at the Delaware State Police Academy.

One officer attended a Fair & Impartial Policing Training Program course held at New Castle County Police Department

SRO –

Sgt. Masten assisted the Milford Central Academy with an intruder drill. Each school in Delaware is mandated to complete two a year, in addition to a tabletop exercise, to comply with the Omnibus School Safety Act. For more information on the Comprehensive School Safety Program this website provides valuable information. <https://dshs.delaware.gov/cssp.shtml>

Cpl. Bloodsworth attended a Veterans Day event hosted by Chick-Fil-A and displayed a vehicle for children who attended the event.

Cpl. Bloodsworth assisted the Criminal Justice program at Sussex Technical High School in Georgetown with an annual event in which law enforcement officers are asked to sit on a panel that conducted mock pre-employment interviews for students.

K9 Unit –

For the month of November 2017 the Milford Police Department K9 unit had the following stats:

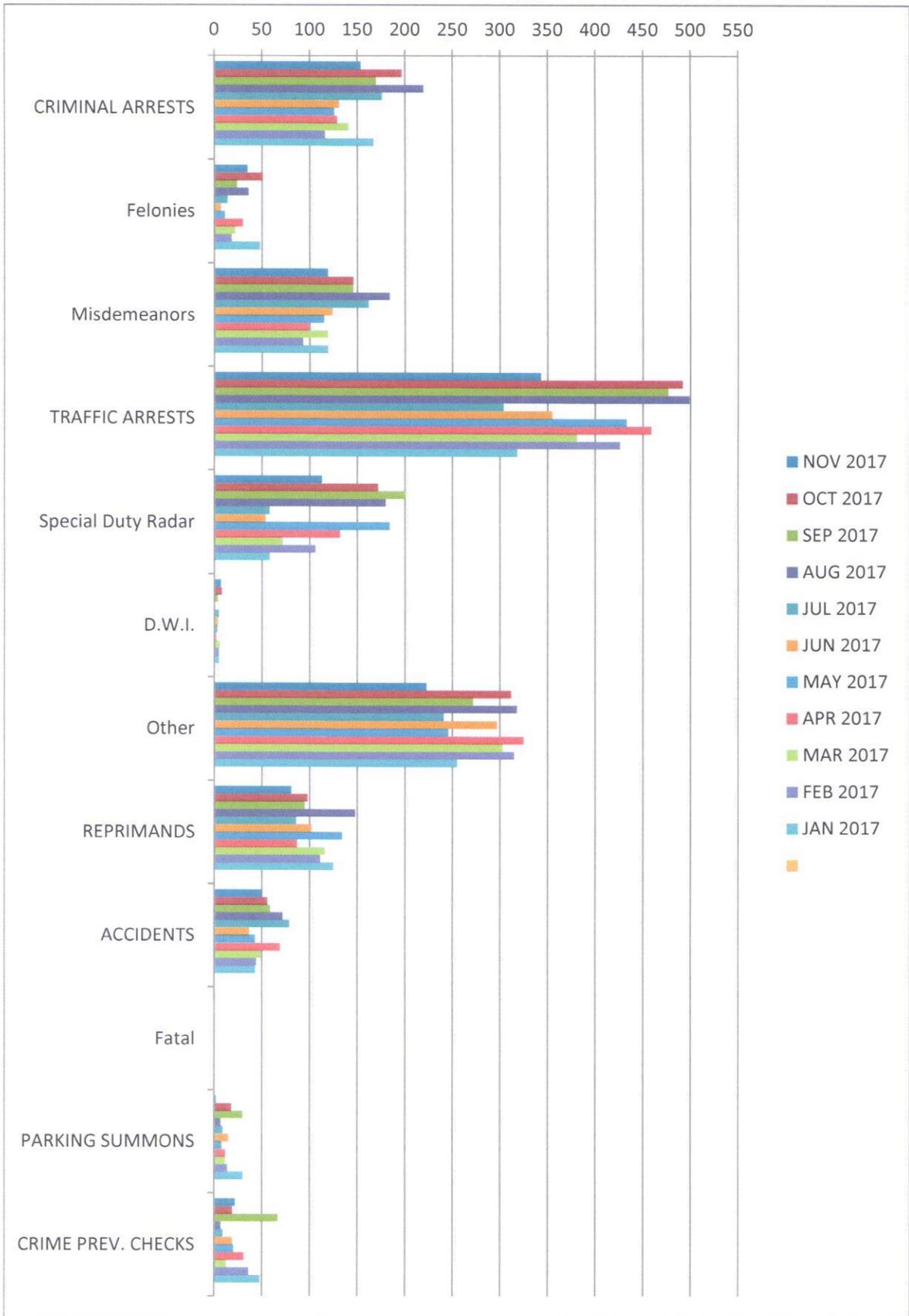
- Utilized 9
- Drugs 0
- Crowds 1
- Assist Other Agencies 0
- Building Searches 1
- Deployed as Precaution 2
- Demo 1
- Foot Patrols 3
- Drug Sniff 3
- Currency Sniff 1

<u>Seized Items</u>	<u>Amount</u>	<u>Value</u>
• Marijuana	0	
• Heroin	0	
• Cocaine	3.5 grams	
• Crack	0	
• Methamphetamine	0	
• Hashish	0	
• Pills	0	
• Currency	\$450	
• Gun	0	
• Vehicles	0	
• Other	Drug Paraphernalia (2)	

Note: K9 Audie missed approximately 8 shifts due to scheduled vacation, training and vehicle service issues.

NOV 2017 ACTIVITY REPORT

	NOV 2017	TOTAL 2017	NOV 2016	TOTAL 2016
COMPLAINTS	1142	13398	999	13444
CRIMINAL ARRESTS	154	1727	129	1885
Felonies	35	296	29	460
Misdemeanors	119	1426	100	1425
TRAFFIC ARRESTS	343	4487	367	4508
Special Duty Radar	113	1330	31	1189
D.W.I.	7	50	5	50
Other	223	3107	331	3300
REPRIMANDS	81	1183	104	1243
ACCIDENTS	50	601	51	623
Fatal	0	0	0	2
PARKING SUMMONS	2	157	6	75
CRIME PREV. CHECKS	22	291	35	347
FINES RECEIVED	\$ 8,470.52	\$ 99,125.73	\$ 7,150.32	\$ 86,524.30



City Manager's Report December 11, 2017

ADMINISTRATION

Parks & Recreation

- Hosted a "Haunted Hallways" at the office on Halloween. Staff dressed in costume and decorated the office and created a maze whereby kids could walk through and see a bunch of themed inflatables, receive candy and Fifers' donuts and cider, play on a bounce house and witness a performance of Michael Jackson's "Thriller". This was well received by the public and the staff put in a lot of time and effort to create this event.



- Staff helped coordinate a Garage Sale of surplus items owned by the City which was held at the old Growmark. Items for sale were minor miscellaneous items that were no longer needed and were

simply laying around. P&R sold \$1730, Public Works sold \$119 and Police sold \$201 worth of items.

- Parks and Recreation received a check in the amount of \$5,847.86 from the Nanticoke Rotary Club to purchase items to make repairs at the Can-Do playground.
- Currently moving the Parks Staff out of the Mill St and NE Front St locations and into the rear of the Armory. This involves reconfiguring the space including creating offices, installing a working bathroom facility, getting the heating system and overhead doors operational, and connecting to the City's computer network. Work will continue on this building over the winter months.
- Park staff removed seasonal flowers and planted approximately 400 pansies and 400 tulips, which will flower in the spring at various flower beds around town.
- Staff assisted with preparing the parks and general area for the arrival of Santa and the Holiday Stroll with general clean up and providing port-a-johns for these events.





- Staff worked the Sunday following Thanksgiving with volunteers and members of DMI to install the winter greenery in the hanging baskets on the bridges and light poles. This involves cutting greenery ahead of time and depositing the greenery at the baskets for the volunteers to install.

- “Season Greetings” banners were installed by staff along the Riverwalk for the holiday



season.

- Staff installed festive garland and lights on all the light poles in the downtown area as preparation for the holiday season. They also installed miniature lights in all the small trees along Walnut and Front Streets.
- Drinking fountains and the irrigation system were winterized at the Dogpark during late November.
- A new roof was installed on the storage shed at the Tony Silicato Memorial Park.



- Lil Buc’s wrestling began on November 6 with over 35 participants in grades 1-6.
- The Department responded to new State regulations concerning concussions and began implementing new concussion training for all staff and coaches. An important part of this process is to make sure parents receive information about the warning signs if their child is suspected of having received a concussion, which the Department is handling at the time of registration.
- Registrations for winter programs continued with sign-ups for Indoor Soccer (6-18 year olds), Basketball (6-13 year olds) and Gymnastics and Tumbling (3-10 year olds).
- Youth Indoor Basketball leagues held tryouts and practices the month of November. Practices continue through December with games beginning the first of the year.

FINANCE DEPARTMENT

Customer Service Division

Accounts Billed for the Month	
Residential	5956
Small General	736
Medium General Service	348
Contract Services	3
Large General Service	6
General Service Primary	14
City Accounts	50
Lights: Street/Security	181
Total	7294

Payments Processed	
Cash	\$121,245.68
Check	\$1,672,918.77

Money Orders	\$8,002.14
Direct Deposit Payments	\$553,877.43
Credit Card (Utilities)	\$84,087.72
Online Credit Card (Utilities)	\$228,183.22
Online Credit Card (Taxes)	\$7,666.25
Online E-Check (Utilities)	\$69,528.38
Online E-Check (Taxes)	\$22,935.91
City Accounts	\$37,204.06
Total	\$2,805,649.56

Payment Plan/Delinquent/New Accounts/Terminated Accounts	
Payment Plans Arranged	166
Sent to Collections	2
Delinquent Notices Mailed	1443
Disconnect for Non-Payment	91
Accounts Not Re-Connected	11
Door Tags (requesting customer contact us)	36
Final Bills Mailed	49
New Services Set Up	151
Services Terminated	79
Total	2028

Information Technology Division

Issues Addressed	
Administration/Council	9
Customer Service	9
Finance	10
Parks & Recreation	7
Planning	7
Police	0
Public Works	7
Information Technology	9
Vendor/3 rd Party	5
Total	63

- Does not include routine maintenance items such as changing back up tapes, performing morning system checks, etc.

PLANNING DEPARTMENT

Code Enforcement & Licensing Division

Case Activity	
New Cases	12
Closed Cases	47
Open at Start of Month	194
Open at End of Month	159

Case Violations	
Abandoned Vehicle	1
Dangerous Tree	1
Furniture	0
Generic	2
Property Maintenance	6
Rubbish/Garbage	2
Weeds & Grass	0
Zoning Use	0
Total	12

Inspections & Licensing	
Rental Inspections Performed	0
Rental Licenses Issued	1
Vendor Licenses Issued	0
Contractors Licenses Issued	14

Building Inspections & Permitting Division

Building Permits Issued	
Commercial Foundation	0
Commercial New Construction	5
Commercial Sign	6
Demolition	2
Residential New Construction	24
Residential Renovation/Accessory Structure	12
Roof/Siding	2
Solar Panels	1
Utility (Electric/Water)	4
Total	56

Planning & Zoning Division

- The Planning Commission did not meet during the month of November 2017.
- Adoption public hearings for the 2017-2018 Comprehensive Plan will be held on December 19, 2017 with the Planning Commission and January 22, 2018 with City Council.
- The Board of Adjustment did not meet during the month of November 2017.

Economic Development Division

- The City of Milford has seen a committed investment of over \$4.0 million (a \$0 change from last month) within the Downtown Development District (DDD) area since September 2016 (based on permit valuations from submitted applications). The State of Delaware has committed or awarded over \$559k in grant funds for both large and small commercial and residential projects in Milford. The City has waived over \$77k (an increase of \$2,000 from last month) in permit and or utility impact fees associated with these projects in accordance with Chapter 19 Economic Development and Redevelopment and DDD program guidelines.

PUBLIC WORKS DEPARTMENT

Electric Division



Power Outages	11
Poles Replaces (due to age, rot or damage)	0
Closed Work Orders	5
Trouble Service Calls	24
After Hours Calls	18
New Electric Service Installed	4
Preventative Maintenance/Trees Trimmed	6
Miss Utility Locates	200

- Rob Palladino and Manuel Caballero-Rodriguez took the newer digger truck to the Touch a Truck Event and represented the Electric Division.
- Crew changed panel at solar farm and replaced insulator at DEL1.
- Crew installed Christmas lighting, ribbon, and a switch at City Hall and all thru-out the City.

Engineering Division

- Drained and refilled Washington Street tower due to various leaks and needed repairs. Upon acceptable state testing results will return to service.

Public Service Division

Bulk Pick Ups	35
Brush Collections	1
New Service Deliveries	
Trash	10
Recycle	10
Yard Waste	6
Change Container Size	2
Damaged/Replaced Container	16

- Received a new sewer jetter trailer this month and began training the crews in the operation of the unit.
- Completed safety training for refuse drivers and collectors.
- Attended a snow removal safety seminar that included the proper application of salt on roadways. We have installed plows on trucks and prepped trucks with salt boxes in preparation of winter weather.
- Meeting held to determine locations P&R and PW will mow and plow. P&R evaluating feasibility of performing all mowing PW formerly maintained.
- Crews cleaned storm drains in various locations throughout the town. This is a typical winter preparation task.
- Crews prepped downtown and set up barricades for the Holiday Stroll.
- “How to Recycle Guide” and new recycling magnets received and will be distributed to Wards 3 & 4 for additional recycling education as part of the *Cycle 8 Recycling Grant* the City received earlier in the year for educational literature.
- Proposals being sought to change all PW lighting from incandescent to LED, indoor and outdoor.
- Crews collected 45.79 tons of leaves in November!



**CITY OF MILFORD
FUND BALANCES REPORT**

Date: October 2017

Cash Balance - General Fund Bank Balance	\$5,230,510
Cash Balance - Electric Fund Bank Balance	\$4,503,700
Cash Balance - Water Fund Bank Balance	\$1,888,815
Cash Balance - Sewer Fund Bank Balance	\$249,965
Cash Balance - Trash Fund Bank Balance	\$349,862

	<u>General Improvement</u>	<u>Municipal Street Aid</u>	<u>Real Estate Transfer Tax</u>	<u>Economic Development Fund</u>
Beginning Cash Balance	90,023	1,039,055	2,123,699	\$419,789
Deposits		55,915	53,754	\$54,500
Interest Earned this Month	57	573	1,359	
Disbursements this Month		(194,314)	(41,666)	
Investments				(\$6,383)
Ending Cash Balance	\$90,080	\$901,229	\$2,137,146	\$467,906

	<u>GF Capital Reserves</u>	<u>Water Capital Reserves</u>	<u>Sewer Capital Reserves</u>	<u>Electric Reserves</u>
Beginning Cash Balance	1,939,473	7,420,130	3,479,188	8,065,931
Deposits				
Interest Earned this Month	946	3,411	1,848	3,715
Disbursements this Month	(3,189)	(825)	(447)	(898)
Investments				
Ending Cash Balance	\$1,937,230	\$7,422,716	\$3,480,589	\$8,068,748

	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>	<u>Electric Impact Fee</u>
Beginning Cash Balance	1,769,092	\$1,112,348	\$517,265
Deposits	24,579	\$12,987	\$6,000
Interest Earned this Month			
Disbursements this Month			
Investments			
Ending Cash Balance	\$1,793,671	\$1,125,335	\$523,265

INTEREST THROUGH THE FOURTH MONTH OF THE FISCAL YEAR:

General Fund	9,735	Water Fund	3,708
GF Capital Reserves	2,508	Water Capital Reserves	9,046
Municipal Street Aid	2,793	Sewer Fund	411
Real Estate Transfer Tax	5,073	Sewer Capital Reserves	4,908
Electric Fund	9,639	Trash Fund	807
Electric Reserves	9,854		

TOTAL INTEREST EARNED TO DATE \$58,482

REVENUE REPORT

Page Two

Date: October 2017

AMOUNT BUDGETED

MTD

YTD

33% of Year Expended

YTD%

ACCOUNT

Economic Development Fund	95,000	0	0	0.00%
General Fund Reserves	585,000	0	0	0.00%
Realty Transfer Tax-Police	500,000	41,667	166,667	33.33%
Real Estate Tax	3,850,560	16,405	3,830,712	99.48%
Business License	45,000	775	3,950	8.78%
Rental License	80,000	300	2,725	3.41%
Building Permits	80,000	13,650	85,378	106.72%
Planning & Zoning	15,000	379	5,975	39.83%
Grasscutting Revenue	16,000	2,000	8,000	50.00%
Police Revenues	446,750	17,868	229,197	51.30%
Misc. Revenues	286,065	13,664	61,791	21.60%
Transfers From	3,324,000	277,000	1,108,000	33.33%
Total General Fund Revenues	\$9,323,375	\$383,708	\$5,502,395	59.02%
Water Revenues	2,734,500	246,734	1,004,279	36.73%
Sewer Revenues	2,508,000	218,233	883,105	35.21%
Kent County Sewer	1,850,000	155,646	631,478	34.13%
Solid Waste Revenues	1,384,815	123,022	471,071	34.02%
Electric Revenues	25,016,000	1,901,349	8,936,815	35.72%
TOTAL REVENUES	\$42,816,690	\$3,028,692	\$17,429,143	40.71%
YTD Enterprise Expense		(27,716)		
YTD Enterprise Revenue		33,191		
LTD Carlisle Fire Company Building Permit Fund		125,809		

EXPENDITURE REPORT

Page Three

Date: October 2017

33% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
City Manager					
Personnel	505,220	\$39,255	149,125	29.52%	356,095
O&M	129,250	\$9,806	26,015	20.13%	103,235
Capital	0	\$0	0		0
Total City Manager	\$634,470	\$49,061	\$175,140	27.60%	459,330
Planning & Zoning					
Personnel	137,180	\$12,914	49,365	35.99%	87,815
O&M	50,875	\$1,846	8,702	17.10%	42,173
Capital	0	\$0	0		0
Total P, C & I	\$188,055	\$14,760	\$58,067	30.88%	129,988
Code Enforcement & Inspections					
Personnel	130,630	\$7,703	29,328	22.45%	101,302
O&M	116,950	\$1,519	32,593	27.87%	84,357
Capital	0	\$0	0		0
Total P, C & I	\$247,580	\$9,222	\$61,921	25.01%	185,659
Council					
Personnel	31,225	\$2,318	7,220	23.12%	24,005
O&M	41,200	\$2,030	10,062	24.42%	31,138
Council Expense	20,000	\$1,394	9,847	49.24%	10,153
Contributions	206,000	\$0	66,000	32.04%	140,000
Codification	10,000	\$900	7,977	79.77%	2,023
Employee Recognition	11,000	\$0	0	0.00%	11,000
Insurance	23,000	\$0	8,236	35.81%	14,764
Christmas Decorations	10,000	\$0	0	0.00%	10,000
Economic Development	5,000	\$0	898	17.96%	4,102
Strategic Plan	20,000	\$0	5,000	25.00%	15,000
Armory Expenses	12,000	\$218	3,102	25.85%	8,898
Total Council	\$389,425	\$6,860	\$118,342	30.39%	271,083
Finance					
Personnel	405,510	\$29,932	103,864	25.61%	301,646
O&M	84,650	\$6,402	27,951	33.02%	56,699
Capital	0	\$0	0		0
Total Finance	\$490,160	\$36,334	\$131,815	26.89%	358,345
Information Technology					
Personnel	157,195	\$12,075	45,677	29.06%	111,518
O&M	187,950	\$8,881	43,821	23.32%	144,129
Capital	63,000	\$0	52,127	82.74%	10,873
Total Information Technology	\$408,145	\$20,956	\$141,625	34.70%	266,520

EXPENDITURE REPORT

Page Five

Date: October 2017

33% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
Water Division					
Personnel	287,840	\$22,011	79,051	27.46%	208,789
O&M	1,186,575	\$71,674	343,329	28.93%	843,246
Capital	535,320	\$0	0	0.00%	535,320
Debt Service	724,765	\$0	79,039	10.91%	645,726
Total Water	\$2,734,500	\$93,685	\$501,419	18.34%	2,233,081
Sewer Division					
Personnel	287,840	\$22,011	79,388	27.58%	208,452
O&M	1,177,425	\$109,370	370,215	31.44%	807,210
Capital	384,015	\$59,427	59,427	0.00%	324,588
Debt Service	658,720	\$12,735	339,220	51.50%	319,500
Sewer Sub Total	\$2,508,000	\$203,543	\$848,250	33.82%	1,659,750
Kent County Sewer	1,850,000	\$155,646	631,478	34.13%	1,218,522
Total Sewer	\$4,358,000	\$359,189	\$1,479,728	33.95%	2,878,272
Solid Waste Division					
Personnel	344,810	\$27,113	107,590	31.20%	237,220
O&M	803,655	\$57,599	271,571	33.79%	532,084
Capital	236,350	\$0	0	0.00%	236,350
Total Solid Waste	\$1,384,815	\$84,712	\$379,161	27.38%	1,005,654
Total Water, Sewer Solid Waste	\$8,477,315	\$537,586	\$2,360,308	27.84%	6,117,007
Electric Division					
Personnel	1,240,350	\$99,947	370,078	29.84%	870,272
O&M	2,061,020	\$136,271	506,759	24.59%	1,554,261
Transfer to General Fund	2,500,000	\$208,333	833,333	33.33%	1,666,667
Capital	721,665	\$4,297	28,148	3.90%	693,517
Debt Service	192,965	\$0	0	0.00%	192,965
Electric Sub Total	\$6,716,000	\$448,848	\$1,738,318	25.88%	4,977,682
Power Purchased	18,300,000	\$1,326,770	6,050,736	33.06%	12,249,264
Total Electric	\$25,016,000	\$1,775,618	\$7,789,054	31.14%	17,226,946
TOTAL OPERATING BUDGET	\$42,816,690	\$2,890,684	\$12,675,176	29.60%	30,141,514

EXPENDITURE REPORT

Page Four

Date: October 2017

33% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
Police Department					
Personnel	4,025,455	\$289,384	1,102,541	27.39%	2,922,914
O&M	497,700	\$28,770	152,336	30.61%	345,364
Capital	83,340	\$350	79,597	95.51%	3,743
Total Police	\$4,606,495	\$318,504	\$1,334,474	28.97%	3,272,021
Streets & Grounds Division					
Personnel	381,565	\$28,957	99,701	26.13%	281,864
O&M	397,345	\$18,845	94,488	23.78%	302,857
Capital	538,000	\$0	0	0.00%	538,000
Total Streets & Grounds	\$1,316,910	\$47,802	\$194,189	14.75%	1,122,721
Parks & Recreation					
Personnel	642,235	\$56,640	225,454	35.10%	416,781
O&M	284,900	\$16,919	84,365	29.61%	200,535
Capital	115,000	\$422	422	0.37%	114,578
Total Parks & Recreation	\$1,042,135	\$73,981	\$310,241	29.77%	731,894
Total General Fund					
Operating Budget	\$9,323,375	\$577,480	\$2,525,814	27.09%	6,797,561

INTERSERVICE DEPARTMENTS REPORT

Page Six

Date: October 2017

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	33% of Year Expended	UNEXPENDED BALANCE
				YTD%	
Garage					
Personnel	92,590	7,027	26,748	28.89%	65,842
O&M	77,855	6,546	22,638	29.08%	55,217
Capital	0		0		0
Total Garage Expense	\$170,445	13,573	\$49,386	28.97%	121,059
Public Works					
Personnel	428,039	29,316	106,036	24.77%	322,003
O&M	168,161	5,892	57,865	34.41%	110,296
Capital	11,100	0	10,122	91.19%	978
Total Public Works Expense	\$607,300	35,208	\$174,023	28.66%	433,277
Billing & Collections					
Personnel	554,850	42,104	160,546	28.94%	394,304
O&M	221,975	24,440	72,836	32.81%	149,139
Capital	0		0		0
Total Billing & Collections	\$776,825	66,544	\$233,382	30.04%	543,443
City Hall Cost Allocation					
Personnel	0		0		0
O&M	44,200	2,950	13,313	30.12%	30,887
Capital	0		0		0
Total City Hall Cost Allocation	\$44,200	2,950	\$13,313	30.12%	30,887

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

City of Milford



2018 City Council Meeting Dates

Monday	January 8
Monday	January 22
Monday	February 12
Monday	February 26
Monday	March 12
Monday	March 26
Monday	April 9
Monday	April 23
Monday	May 14
Tuesday	May 29
Monday	June 11
Monday	June 25
Monday	July 9
Monday	July 23
Monday	August 13
Monday	August 27
Monday	September 10
Monday	September 24
Monday	October 8
Monday	October 22
Tuesday	November 13
Monday	November 26
Monday	December 10
Wednesday	December 26-Cancelled



November 3, 2017

TO: Mayor and City Council
FROM: Eric Norenberg
SUBJECT: Options to Consider for City Council Rules of Procedure

Purpose

The purpose of this memo is to review options for City Council Rules of Procedures for meetings to be established by Resolution in the future. Direction from City Council is requested.

Background

One of the provisions in our updated Charter is: "An ordinance may be introduced by the Mayor, any member of City Council or the City Manager at any regular or special meeting of the City Council in accordance with City Council Rules established by Resolution."

The Charter was amended to include the reference to City Council Rules due to the lack of written rules or procedures for this topic or, generally, for how the meeting functions. The Charter Review Committee agreed with the advice from the City Solicitor, that it would be better to have rules established separately by Resolution rather than embedded in the Charter. In addition, having written procedures for Councilmembers has been requested by newer City Councilmembers to help with orienting new members and to provide a guide for current members and the public.

As we consider options for City Council Rules of Procedure, requirements of FOIA, the Charter and other Delaware Code provisions must be considered. In addition, the City Council approved Public Hearing procedures in September that should be incorporated in the final Rules of Procedure. Feedback from City Council was requested in September so that draft written procedures can be developed that will make the process clear to both the public and City Council about how our meetings operates.

Discussion

One of the key changes to consider in drafting City Council Rules of Procedure will be whether to add opportunities for public comment. Cities historically accepted public comment, following reasonable procedures and guidelines, to ensure that all the people within their jurisdictions have the ability to actively engage with their local government.

To ensure that elected officials and staff are transparent in making public policy and serving the needs of our community, we should strive to eliminate the barriers to public involvement in decisions, programs, and services, particularly for people who have been historically disadvantaged.

Accordingly, I am seeking guidance from City Council regarding certain features of City Council Rules of Procedure before the document is finalized. During discussion of this item on the November 13 agenda, it would be helpful to gain consensus regarding the following please:

Should there be an opportunity for Public Comment during the following topics / sections of City Council meetings (in addition to that already required during Public Hearings)?

Regular Meetings:

- Ordinances – Current practice does not allow comment by the public at the meeting when ordinances are introduced. However, at subsequent meetings, when ordinances are on the agenda for action, City Council could decide to allow public comment.
- Resolutions – Resolutions are different from ordinances and do not require introduction prior to adoption. Current practice does not allow comment by the public at the meeting when resolutions are being considered. Similar to the previous item, City Council could decide to allow public comment.
- Purchases – Purchases do not require an ordinance or resolution. Current practice does not allow comment by the public at the meeting when purchases are being considered on the City Council agenda. City Council could decide to allow public comment on purchases.
- Contracts/Agreements – Most contracts and agreements do not require an ordinance or resolution. Current practice does not allow comment by the public at the meeting when contracts or agreements requiring Council action are being considered, though on occasion a representative of the organization involved in the contract is given the opportunity to comment on the proposed contract/agreement. City Council could decide to allow public comment as well.

Committee / Workshop Meetings: City Council Committee and Workshop meetings are a time for the City Council, Mayor and staff to deliberate issues prior to future action during a regular City Council meeting. Accordingly, some communities do not allow comment at all during Committee and Workshop meetings, others allow it on a case-by-case basis as published on the agenda, while others treat the items on the Committee and Workshop agendas as they do the items on the regular agenda.

Time limits: Most communities establish a time limit for public comment of up to three minutes per person, in accordance with established rules. In some cases, procedures allow for the Mayor to give a single presenter more time, if s/he is representing a block of attendees who have agreed to let one speaker present their case more completely.

Consent Agendas: As adding public comment and feedback to the deliberation process for items on an agenda may lengthen City Council meetings, one strategy to consider is use of a Consent Agenda to speed approval of routine matters. The Consent Agenda is a means of grouping agenda items that have no controversy or need for discussion by the City Council or the public. When the agenda is prepared, routine items can be marked with an asterisk or other symbol to designate them as part of the Consent Agenda. At the beginning of the meeting, the Mayor will ask that the Consent Agenda be read aloud and then anyone on City Council can ask that a particular item be removed from the Consent Agenda and discussed separately. Examples of routine items include, approval of minutes, annual agreements like the mosquito control agreement, etc.

Conclusion

We will have an item on the November 13 agenda for City Council to discuss the concepts presented in this memo and to provide input to staff to be used in drafting Rules of Procedure that can be then considered during the December 11 meeting. Please let me know if you have any questions.

OFFICE OF THE CITY MANAGER
201 South Walnut Street
Milford, DE 19963
www.cityofmilford.com



ERIC NOREMBERG, ICMA-CM
City Hall 302.422.1111
Direct 302.424.8394
ENorenberg@milford-de.gov

November 21, 2017

TO: Mayor and City Council
FROM: Eric Norenberg
SUBJECT: Carlisle Fire Company Impact Fee Waiver Request

The Carlisle Fire Company is building a new building to house ambulances. Earlier this year, funds were requested from the Carlisle Enhancement Fund to help pay for construction.

Because the project includes a bathroom, a shower for decontamination, a mop sink, and floor drains, water and wastewater impact fees were calculated and assessed along with other building permit fees.

The Carlisle Fire Company Board has requested City Council consider waiving the impact fees totaling \$3,756.60.

The City of Milford collects impact fees to pay for future system improvements and future expansion. Earlier this year, City Council approved an amendment to the Code to incentivize economic development using a formula and scale based on the value of the investment and projected job creation. We have not waived impact fees otherwise.



PUBLIC WORKS DEPARTMENT
180 Vickers Drive
Milford, DE 19963

PHONE 302.422.1110
FAX 302.422.1117
www.cityofmilford.com

To: Eric Norenberg, City Manager
From: Mark A. Whitfield, Public Works Director
Subject: Recommendation on the Purchase of a Solid Waste Automated Collection Vehicle
Date: November 17, 2017

The Public Works Department requests the Public Works Committee consider a recommendation to purchase a new refuse collection truck used by the Solid Waste Division. The truck will be used for the collection of refuse, yard waste and recyclable materials.

The proposed truck is a one-person automated collection vehicle, which allows customer containers to be emptied using a hydraulic arm operated by the vehicle driver, similar to the vehicle purchased earlier this year. The unit will allow for the efficient collection of refuse, yard waste and recyclable materials using a single person.

The proposed change in the type of vehicle has numerous advantages over the present system of using three people (a driver and two collectors) on a rear loading refuse truck. The unit also allows for the safe collection of materials since there is no human contact with the container. The unit eliminates lifting of containers, exposure to dust, needles, and other potential hazardous materials, exposure to weather, traffic hazards, etc. The efficiency will eliminate the need to fill two present vacancies in the Solid Waste Division.

The present unit will replace a 2005 International with a Leach rear load refuse body. The unit has over 18,450 engine hours, 110,334 travel miles and the body is rusted out. A like kind replacement (rear-loader on a tandem axle truck) unit would cost about \$160,000. The proposed automated replacement unit was budgeted at \$227,000 in the 2018 Budget

Staff recommends the purchase of a G S Product CS9133 CollectStar Auto Side Loader body on a single axle Peterbilt truck through Hunter Truck Sales & Service, Inc. at a price of \$255,865.60. The purchase can be made through the National Joint Powers Alliance Contract (NJPA).

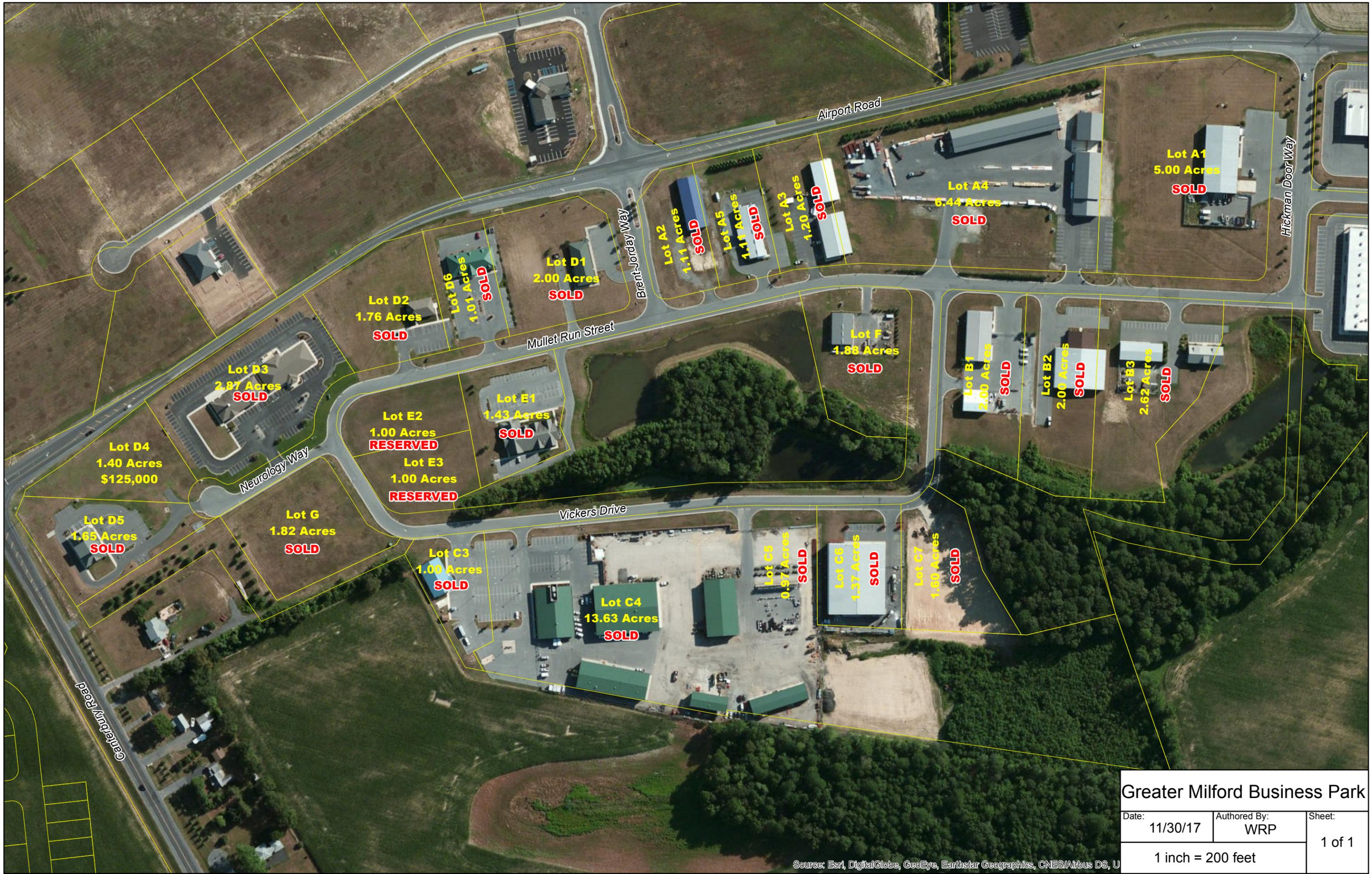
The purchase price of \$255,865.60 is \$28,865.60 over the amount budgeted for the unit. Staff recommends using \$24,450 which was budgeted for downtown containers (the City received a grant to cover this cost) and \$4,415.60 from the container line item to make up the shortfall for the purchase. Because of the favorable quotes on container replacement, staff anticipates a savings within this line item.

The proposed unit was evaluated by the present operators, who took into consideration needed changes from the unit which was purchased earlier this year. Their 6-month experience yielded some recommended changes.

The price of the vehicle is higher than originally budgeted and anticipated due to the need for a cab-over configuration for the vehicle. The cab-over allows for a tighter truck turning radius, allowing for better maneuverability. Additionally, the cab-over feature allows easier entry/exit for the driver. Due to the multiple times of exiting and entering the truck during the work day, the cab-over not only provides a safer means, but also allows for better time efficiency and less wear and tear on the driver.

Specifications for the truck and refuse body are attached, as well as the requirements for joining the NJPA cooperative purchasing alliance.

Staff requests the Public Works Committee of City Council consider the replacement of the refuse truck, and recommends authorizing the purchase of the unit through the National Joint Purchase Alliance (NJPA) to City Council.



Greater Milford Business Park

Date:	11/30/17	Authored By:	WRP	Sheet:	1 of 1
1 inch = 200 feet					

Source: Esri, DigitalGlobe, GeoEye, Earthstar Geographics, CNES/Airbus DS, U



Lot 4
11.52 Acres
\$460,000

Lot 3
7.51 Acres
SOLD

Lot 18
1.69 Acres
\$100,000

Lot 6
1.16 Acres
SOLD

Lot 5
1.00 Acres
\$100,000

Lot 8
1.00 Acres
SOLD

Lot 9
1.00 Acres
\$100,000

Lot 10
1.00 Acres
\$100,000

Lot 11
1.00 Acres
\$100,000

Lot 12
1.83 Acres
RESERVED

Lot 2
3.97 Acres
SOLD

Lot 16
3.00 Acres
\$270,000

Lot 17
3.05 Acres
SOLD

Lot 1
4.77 Acres
SOLD

Lot 15
1.00 Acres
SOLD

Lot 14
1.42 Acres
SOLD

Lot 13
3.36 Acres
RESERVED

Independence Commons

Date: 11/30/17	Authored By: WRP	Sheet: 1 of 1
1 inch = 200 feet		



December 4, 2017

TO: Mayor and City Council
FROM: Eric Norenberg and Rob Pierce
SUBJECT: Greater Milford Business Park and Independence Commons Lot Sales Commission

Purpose and Background

The purpose of this memo is to review the status of the Greater Milford Business Park and Independence Commons and review options to stimulate sales of the remaining lots.

The City has one (1) lot remaining for sale in the Business Park and eight (8) Independence Commons as shown on the provided exhibits. Lot prices range from \$100,000.00 for a one (1) acre lot to \$460,000 for an eleven (11) acre lot. Only one lot in Independence Commons has been sold in the past thirty (30) months.

Funds from the sales of lots in the Business Park and Independence Commons go into the City's Economic Development reserve fund which is primarily used for capital improvement projects and one-time projects. Previously, a policy was set that the City would not pay a commission to a realtor representing the buyer of a City-owned parcel in the Business Park and Independence Commons. At the time lot sales were brisk and no commission would maximize City revenue.

Discussion

Recently, it has been suggested that if the City was willing to pay a commission on lot sales in the Business Park and Independence Commons, there would be more incentive for realtors to bring potential buyers to the City and we could possibly speed the sales and development of remaining lots. Typically, a real estate commission is set at six percent, with three percent going to the seller's agent and three percent going to the buyer's agent.

Options

1. Offer a Commission of 1% to 3% to a Buyer's Agent: This would cost the City approximately \$1,000 to \$3,000 per lot. Advantage: There could possibly be additional realtors marketing the lots. Disadvantage: There would be the expense of paying a commission.
2. Hire a Realtor and Pay Commissions: Prepare an RFP to solicit proposals from realtors to represent the City and select one or multiple realtors based on their proposed marketing plan and commission rates. Advantage: A realtor would actively be marketing the lots, featuring on the MLS, etc. Competition through an RFP process could ensure we get the lowest commission. Disadvantage: There would be the expense of paying a commission to both the seller and the buyer.
3. No Change: Continue current practice.



TO: Mayor and City Council

FROM: Rob Pierce, Coordinator of Planning & Economic Development Activities

DATE: December 11, 2017

RE: Residential Rental Inspection Services Contract

Background and Recommendation

During September and October 2017, the Planning Department solicited proposals from qualified firms for Residential Rental Inspection Services. The Department received one proposal in response to the Request for Qualifications (RFQ) from First State Inspection Agency, Inc (FSIA). Enclosed is a copy of the submission. Staff reviewed the submission and found the firm qualified to perform the work as outlined in the RFQ documents. The City met with the firm and negotiated a unit price of fifty (\$50.00) dollars per initial and follow-up inspections as outlined in the attached draft contract/agreement.

Discussion

The Department intends to initiate a rental inspection program that will inspect each residential property once over a two-year period. Those properties that require a follow-up inspection in years one and two will then be re-inspected in years three and four. Those properties that do not require a follow-up inspection will not be inspected again until year 5, unless an inspection is found necessary by the Department. Based on this schedule, the City can anticipate approximately 800 inspections in year one and year two, and 600 inspections in year three and year four.

Each inspection would include general exterior, general interior, structural, plumbing, electrical and fire inspections as outlined in the International Property Maintenance Code (IPMC) 2015. See attached for sample inspection checklist. A copy of the IPMC 2015 can be found at <https://codes.iccsafe.org/public/document/toc/551/>.

The City will provide landlords with information related to inspection guidelines and scheduling procedures with renewal notices in early December. The same information and links to the checklist, IPMC, Chapter 174, Chapter 88 and other ordinances will be provided on the Department page on the City's website.

The majority of the administrative functions of the rental inspection program will be performed by FSIA, including the scheduling of the initial and subsequent re-inspections. Properties that do not comply after re-inspection will be forwarded to the Department for formal issuance of violations. The City will issue violation notices to those property owners who fail to respond, register or remedy infractions after re-inspections are completed. Violations are subject to fines and penalties as outlined in Chapters 180 and 174 of the City Code.

Based on the negotiated price, the total cost for the four-year program will be approximately \$140,000 as shown in the table below.

	Year 1		Year 2		Year 3		Year 4	
	Inspections	Cost	Inspections	Cost	Inspections	Cost	Inspections	Cost
Initial Inspection	500	\$ 25,000.00	500	\$ 25,000.00	300	\$ 15,000.00	300	\$ 15,000.00
Followup Inspection	300	\$ 15,000.00	300	\$ 15,000.00	300	\$ 15,000.00	300	\$ 15,000.00
Total	800	\$ 40,000.00	800	\$ 40,000.00	600	\$ 30,000.00	600	\$ 30,000.00
								\$ 140,000.00

The outsourcing of the rental inspection services was included in the overall "Contract Services" expense line item in the Enforcement and Inspection Division's FY18 Budget, totaling \$72,000.00. "Contract Services" included the outsourcing of all building plan review, building inspection and residential rental inspection services.

Fiscal Impact

It appears, based on the first third of the fiscal year, that the budgeted amount of \$72,000.00 will only cover the building plan review and inspection services. This is due to an increased number of commercial and residential building permits issued during the first four months of the year. With the increased number of permits comes an increase in building permit revenue, which the Department projects will cover the additional expenses of all building and rental inspection services for the remainder of the year. The City projected \$80,000.00 in building permit revenue which has already been surpassed in the first four months. The City would need approximately \$34,500.00 in additional building permit revenue over the next eight months to fund the rental inspections contract for this year. See the table below for more information on year-to-date, budgeted and projected expenses and revenue related to contract services and permit/licensing fees.

	Year to Date (FY2018)	Budgeted (FY2018)	Projected (FY2018)	
Plan Review & Inspection Expenses	\$ 35,433.25	\$ 40,000.00	\$ 72,000.00	
Rental Inspection Expenses	\$ -	\$ 32,000.00	\$ 40,000.00	
	\$ 35,433.25	\$ 72,000.00	\$ 112,000.00	\$ (40,000.00)
Building Permit Revenue	\$ 82,117.00	\$ 80,000.00	\$ 116,400.00	
Rental Registration Revenue	\$ 88,600.00	\$ 85,000.00	\$ 88,600.00	
	\$ 170,717.00	\$ 165,000.00	\$ 205,000.00	\$ 40,000.00
				\$ -

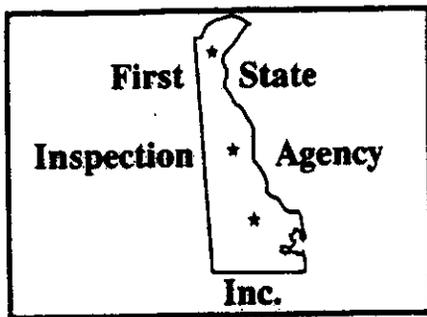
Recommendation

Staff recommends the following;

“A motion to accept the proposal from the qualified firm and authorize the Mayor to execute the provided contract for Residential Rental Inspection Services with First State Inspection Agency, Inc. for a period of eighteen (18) months, scheduled to terminate on June 30, 2019,”

AND

“A motion to appropriate forty-thousand dollars (\$40,000.00) from additional Building Permit and Residential Rental Operating License revenue to the Enforcement and Inspections *Contract Services* account (101-1045-429.30-10) to fund the Residential Rental Inspection Services contract through the end of FY2018.”



FIRST STATE INSPECTION AGENCY, INC.
1001 MATTLIND WAY
MILFORD, DELAWARE 19963
PHONE: 302.422.3859

City of Milford, Planning Department
Request for Qualifications
2017 Residential Rental Inspection Services

First State Inspection Agency, Inc., is pleased to offer our inspection services to the City of Milford for the purpose of inspecting residential rental properties to assure compliance with the adopted property maintenance code of the City of Milford. The following is a statement of qualifications as requested in the public notice given by the City of Milford Planning Department.

- A. Demonstrated capability and expertise of the firm.** First State Inspection Agency, Inc. is a third party inspection service that has provided electrical, building, plumbing, HVAC and Property Maintenance inspection services to various states, counties and municipalities since 1985. During that period we have performed approximately 760,000 electrical inspections, 240,000 building inspections, 9,600 HVAC inspections and 1,440 Property Maintenance inspections. We continue to provide timely professional inspections throughout the State of Delaware and numerous Maryland Counties. Our same day service is the foundation of our business. If a request for inspection is received prior to 9:00am, we will provide the inspection that same business day. This prompt service allows the building industry to meet scheduling deadlines and adjust for variations in the weather during the construction process. Rental inspections are typically scheduled at a time when the tenant or landlord can provide access to the rental unit. We will confirm an appointment time and perform the rental unit inspection. The rental inspection form will be

completed during the inspection and available for signature by the property owner/landlord at the conclusion of the inspection.

- B. Staff expertise, including Qualifications of Staff who will be assigned directly to the rental inspections.** Out of our current staff of 11 inspectors and 5 office clerks, we plan to assign 2 inspectors and 1 of our clerks directly to the City of Milford Rental inspections. Along with other duties, 1 of the inspectors will be available for morning inspections and the other inspector will be available for afternoon inspections. We plan to have 2 additional inspectors familiar with the Rental Unit Inspection Form so they can be available during vacations or illness of the 2 assigned inspectors. All of the available inspectors will take the ICC certification exam for the 2015 International Property Maintenance Code in order to update their knowledge of the adopted code of the City of Milford. Each of the inspectors assigned have many years of experience in the construction trades as well as code enforcement. They have exhibited customer service abilities and are sensitive to the application of adopted codes and the legal aspects of code enforcement. Should the need arise for court testimony, they will provide concise and accurate testimony on behalf of the City of Milford.
- C. Staffing capacity to meet expected work load.** Our plan is to provide 2 inspectors and 1 clerk as previously stated. Should the expected work load require additional staffing, we are capable of adjusting our current staff to meet that need.

D. Location of Office. First State Inspection Agency, Inc. currently has an office within the city limits of Milford. Located at 1001 Matlind Way, Milford, Delaware 19963.

E. Demonstrated ability in previous projects. Since 1985 First State Inspection agency, Inc. has provided contract inspection services to:

- Sussex County, DE** from 1992 until 2007, Building inspections
- Milton, DE** from 2006 to present, Building inspections
- Milford, DE** 2017 to present, Building Inspections
- Middletown, DE** 2004 to present, Building, Plumbing, HVAC
- Odessa, DE** 2010 to present, Building, Plumbing, Electrical
- Easton, MD** 2012 to present, Electrical
- Caroline County, MD** 2008 to present, Building, Plumbing, Electrical
- Sudlersville, MD** 2013 to present, Building, Plumbing, Electrical, Property Maintenance
- Barclay, MD** 2014 to present, Building, Property Maintenance
- Ocean City, MD** 2004 to present, HVAC

In addition to these contracts, First State Inspection Agency, Inc. provides daily inspection services to the entire State of Delaware and 5 Counties in the State of Maryland.

F. Familiarity with IPMC 2015 and residential building construction standards. Our inspection services, as listed, include residential inspections based on the International Residential Code as adopted by the local jurisdiction. The Property Maintenance Code inspections are performed using an inspection form based on the edition of the IPMC adopted by the local jurisdiction. The assigned inspectors to the Milford

Residential Rental Inspections will have taken and passed the ICC certification exams for the 2015 IPMC.

G. A unit price for each initial inspection and follow-up inspection.

The unit price for each rental unit initial inspection will be: \$70.00

The unit price for each rental unit follow-up inspection: \$40.00

Respectfully Submitted;

A handwritten signature in blue ink that reads "Robert Smith". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Robert Smith, Vice-President

First State Inspection Agency, Inc.

Plan Review/Inspection Agreement

THIS AGREEMENT, made this ____ day of _____, by and between the **CITY OF MILFORD**, a political subdivision of the State of Delaware, (Hereinafter referred to as “City”) and **FIRST STATE INSPECTION AGENCY, INC.** (Hereinafter referred to as “FSIA”).

WHEREAS, the parties desire to enter into a contract with respect to residential rental inspections of properties within the City of Milford;

NOW THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the parties agree as follows:

1. FSIA shall conduct residential rental inspection services as requested by the City of Milford Planning Department.
2. FSIA shall conduct rental inspections based on the requirements of Chapter 180 Residential Rental Operating Licenses, Chapter 174 Property Maintenance, the 2015 International Property Maintenance Code (IPMC), and other City Code requirements as may be adopted, including any amendments thereto.
3. FSIA shall maintain written records of on-site inspections and provide a copy of all inspection records to the City. FSIA shall provide written documentation and pictures of all violations cited during on-site inspections. Inspections shall be performed based on the checklist provided by the City.
4. FSIA will provide the landlord a copy of all completed inspection reports and determine the necessary corrective actions and timing.
5. Outstanding violations from rental inspections will be forwarded to the City Code Official for further enforcement and legal action.
6. The City will notify landlords in writing of pending rental inspections approximately three (3) weeks in advance and all inspection requests shall be to the FSIA office.
7. FSIA shall provide technical advice and information, as requested by the City.
8. The City agrees to pay FSIA fifty (\$50.00) dollars for each inspection, including both the initial and any follow-up inspection performed and approved by the City of Milford. FSIA shall bill the City upon performance of each inspection. Payment is due thirty (30) days after receipt of invoice.
9. FSIA shall, during the entire term hereof, and any extension thereof, keep in full force and effect, a policy of general liability insurance with respect to its obligations under this agreement, which is approved by the City and in which the limits of liability shall not be less than one million (\$1,000,000.00) for each accident or occurrence. FSIA also agrees to maintain an Errors and Omissions Policy approved by the City, and in which the limits of liability shall be not less than one million (\$1,000,000.00). FSIA shall furnish the City with the certificate or certificates of insurance or other acceptable evidence that such insurance is in full force at all times during the term hereof.

10. This agreement shall remain in effect for a period of Eighteen (18) Months, with the option of an additional Two (2) Years with a review of the services provided and the fee schedule at that time, to determine the necessity of a possible increase of fees. This agreement will commence January 1, 2018, and end June 30, 2019, provided, however, that the City shall have the sole option to terminate this contract after Eighteen (18) Months, by providing FSIA written notice at least 30 days prior to termination.

IN WITNESS THEREOF:

Signed, sealed and delivered in the presence of:

FIRST STATE INSPECTION AGENCY, INC.

Attest

Printed Name: _____ (SEAL)
Title: _____

Sworn to and subscribed before me this ____ day of _____, 20__ .

Notary Public

Date Commission Expires

CITY OF MILFORD

Attest/City Clerk

By: Mayor Bryan W Shupe (SEAL)

Sworn to and subscribed before me this ____ day of _____, 20__ .

Notary Public

Date Commission Expires



**CITY OF MILFORD
RENTAL UNIT INSPECTION FORM**

Date: _____

Inspection # _____

License Number: _____	Officer: _____
Tax Parcel ID: _____	Tenant: _____
Rental Property Location: _____	
Street Address	Unit Number
Email Address: _____	Start Time: _____
	Stop Time: _____

GENERAL EXTERIOR

	PASS	FAIL	NOTES
PM.302.4 Weeds	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.308.1 Accumulation of Rubbish and Garbage	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.308.3.2 Rubbish and Garbage Containers	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.302.3 Sidewalks and Driveways	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.304.7 Roofs and Drainage	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.304.11 Chimneys and Towers	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.304.9 Overhang Extensions	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.304.2 Protective Treatment	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.304.13 Windows, Skylight, and Door Frames	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.304.13.1 Glazing	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.304.10 Stairways, Decks, Porches, Balconies	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.304.4 Structural Members	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.304.5 Foundation Walls	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.604.3 Electrical System Hazard	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.304.12 Handrails and Guards	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.702.3 Locked Doors / Egress	<input type="checkbox"/>	<input type="checkbox"/>	_____

GENERAL INTERIOR

	PASS	FAIL	NOTES
PM.304.15 Doors	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.305.3 Interior Surfaces	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.305.4 Stairs and Walking Surfaces	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.305.5 Handrails and Guards	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.701.2 Fire Safety Requirements	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.305.6 Interior Doors	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.309.1 Infestation	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.602.3 Heat Supply	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.603.1/607.1 Mechanical Appliances/Duct Systems	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.603.2 Removal of Combustion Products	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.605.1 Electrical Equipment - Installation	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.403.5 Clothes Dryer Exhaust	<input type="checkbox"/>	<input type="checkbox"/>	_____
PM.704.2.1.2 Smoke Detector	<input type="checkbox"/>	<input type="checkbox"/>	_____

LIVING ROOM

		PASS	FAIL
PM.304.13.2	Openable Windows	<input type="checkbox"/>	<input type="checkbox"/>
PM.304.14	Insect Screens	<input type="checkbox"/>	<input type="checkbox"/>
PM.305.3	Interior Surfaces	<input type="checkbox"/>	<input type="checkbox"/>
PM.305.4	Stairs and Walking Surfaces	<input type="checkbox"/>	<input type="checkbox"/>
PM.604.3	Electrical System Hazard	<input type="checkbox"/>	<input type="checkbox"/>
PM.704.2	Single and Multiple Station Smoke Alarms	<input type="checkbox"/>	<input type="checkbox"/>

NOTES

DINING ROOM

		PASS	FAIL
PM.304.13.2	Openable Windows	<input type="checkbox"/>	<input type="checkbox"/>
PM.304.14	Insect Screens	<input type="checkbox"/>	<input type="checkbox"/>
PM.305.3	Interior Surfaces	<input type="checkbox"/>	<input type="checkbox"/>
PM.305.4	Stairs and Walking Surfaces	<input type="checkbox"/>	<input type="checkbox"/>
PM.604.3	Electrical System Hazard	<input type="checkbox"/>	<input type="checkbox"/>

NOTES

KITCHEN

		PASS	FAIL
PM.304.13.2	Openable Windows	<input type="checkbox"/>	<input type="checkbox"/>
PM.304.14	Insect Screens	<input type="checkbox"/>	<input type="checkbox"/>
PM.305.3	Interior Surfaces	<input type="checkbox"/>	<input type="checkbox"/>
PM.305.4	Stairs and Walking Surfaces	<input type="checkbox"/>	<input type="checkbox"/>
PM.504.1	Plumbing Systems and Fixtures - General	<input type="checkbox"/>	<input type="checkbox"/>
PM.505.1	Water System – General	<input type="checkbox"/>	<input type="checkbox"/>
PM.603.1	Mechanical Appliances	<input type="checkbox"/>	<input type="checkbox"/>
PM.604.3	Electrical System Hazards	<input type="checkbox"/>	<input type="checkbox"/>

NOTES

HALLWAYS

		PASS	FAIL
PM.304.13.2	Openable Windows	<input type="checkbox"/>	<input type="checkbox"/>
PM.304.14	Insect Screens	<input type="checkbox"/>	<input type="checkbox"/>
PM.305.3	Interior Surfaces	<input type="checkbox"/>	<input type="checkbox"/>
PM.305.4	Stairs and Walking Surfaces	<input type="checkbox"/>	<input type="checkbox"/>
PM.604.3	Electrical System Hazards	<input type="checkbox"/>	<input type="checkbox"/>
PM.704.2	Single and Multiple Station Smoke Alarms	<input type="checkbox"/>	<input type="checkbox"/>

NOTES

BATHROOM #1

		PASS	FAIL
PM.304.13.2	Openable Windows	<input type="checkbox"/>	<input type="checkbox"/>
PM.305.3	Interior Surfaces	<input type="checkbox"/>	<input type="checkbox"/>
PM.305.4	Stairs and Walking Surfaces	<input type="checkbox"/>	<input type="checkbox"/>
PM.607.1	Operational Exhaust	<input type="checkbox"/>	<input type="checkbox"/>
PM.504.1	Plumbing Systems & Fixtures	<input type="checkbox"/>	<input type="checkbox"/>
PM.604.3	Electrical System Hazards	<input type="checkbox"/>	<input type="checkbox"/>

NOTES

BATHROOM #2

PASS FAIL

NOTES

PM.304.13.2 Openable Windows

PM.305.3 Interior Surfaces

PM.305.4 Stairs and Walking Surfaces

PM.607.1 Operational Exhaust

PM.504.1 Plumbing Systems & Fixtures

PM.604.3 Electrical System Hazards

BEDROOM #1

PASS FAIL

NOTES

PM.304.13.2 Openable Windows

PM.304.14 Insect Screens

PM.305.3 Interior Surfaces

PM.305.4 Stairs and Walking Surfaces

PM.305.6 Interior Doors

PM.604.3 Electrical System Hazards

PM.704.2 Single and Multiple Station Smoke Alarms

BEDROOM #2

PASS FAIL

NOTES

PM.304.13.2 Openable Windows

PM.304.14 Insect Screens

PM.305.3 Interior Surfaces

PM.305.4 Stairs and Walking Surfaces

PM.305.6 Interior Doors

PM.604.3 Electrical System Hazards

PM.704.2 Single and Multiple Station Smoke Alarms

BEDROOM #3

PASS FAIL

NOTES

PM.304.13.2 Openable Windows

PM.304.14 Insect Screens

PM.305.3 Interior Surfaces

PM.305.4 Stairs and Walking Surfaces

PM.305.6 Interior Doors

PM.604.3 Electrical System Hazards

PM.704.2 Single and Multiple Station Smoke Alarms

DEN (IF APPLICABLE)

PASS FAIL

NOTES

PM.304.13.2 Openable Windows

PM.304.14 Insect Screens

PM.305.3 Interior Surfaces

PM.305.4 Stairs and Walking Surfaces

PM.604.3 Electrical System Hazards

OTHER VIOLATIONS

CODE SECTION: _____

VIOLATION: _____

CODE SECTION: _____

VIOLATION: _____

NOTES: _____

Rental unit is found to be in compliance with all codes/ordinances. **No Further action required.**

The above non-compliant items must be remedied within _____ calendar days from the date of inspection. The Code Enforcement Office will contact you in regards to scheduling a re-inspection. Be advised that if the property is still not found to be in compliance, a \$50 fee will be assessed for each additional re-inspection scheduled.

I, the owner/caretaker of the above referenced rental unit, acknowledges the property must comply at all times with Chapter 174 (Property Maintenance), including the 2015 International Property Maintenance Code (IPMC), Chapter 230 (Zoning) and other City ordinances. By signing below, I acknowledge that the residential rental unit inspection has been performed by the Code Official in my presence and agree that any non-compliant items must be corrected within the time frame provided above.

Property Owner/Landlord

Print Name

Date

Code Enforcement Officer

Clerk's Office Received 12/11/17

From: Daniel Bond [<mailto:daniellbond@gmail.com>]

Sent: Sunday, December 10, 2017 2:52 PM

To: Starling, James <JStarling@milford-de.gov>; Wilson, Katrina <kwilson@milford-de.gov>; Campbell, Archie <acampbell@milford-de.gov>; Mergner, Christopher <CMergner@milford-de.gov>; Burk, James <JBurk@milford-de.gov>; Peel Lisa <lpeel@milford-de.gov>; Brooks, Owen <obrooks@milford-de.gov>; Morrow, Doug <dmorrow@milford-de.gov>

Cc: Mayor Shupe <Mayor@milford-de.gov>; Norenberg, Eric <ENorenberg@milford-de.gov>

Subject: Proposed contract for residential rental inspections

Dear Council Members,

I understand that the City Council will soon be considering acceptance of a contract for residential rental inspections with First State Inspection Agency, Inc.

I am fully in support of the City's plan to contract out this importance service to a qualified vendor.

I am a landlord and I have fourteen apartments in buildings along NW Front Street. I have no problem in having these inspected on a regular basis.

However, I think that the proposed items to be inspected by the contractor, which are limited to physical conditions of the apartments, is inadequate. One of the problems we have in Milford is that some landlords allow an excessive number of people to inhabit their apartments.

Chapter 180 of the City Code on Residential Rental Operating Licenses requires that landlords report annually the number of persons occupying each apartment at the time they apply for the license. The City currently does not have a way to check that this is the actual number of occupants or that the number stated is appropriate given the number and size of bedrooms and the overall size of the dwelling unit.

I think that with the new inspection procedures there should be included a requirement that when the inspector examines an apartment they should note in their report any physical evidence that indicates that an excessive number of people are using it and that this should be reported to the City. The City should then undertake to have the landlord reduce the number of residents to the appropriate level as specified in the Delaware Housing Code.

Thank you for your consideration of my comments,

Dan

Daniel L. Bond
Downtown Properties of Milford LLC
101 NW Front Street
Milford, DE 19963
Cell: +1-302-228-6590



DATA SHEET FOR LANDS OF GLENN & DONNA WATSON

Planning Commission Meeting: December 19, 2017

Application Number / Name	:	17-017 / Lands of Glenn & Donna Watson
Applicant	:	Glenn & Donna Watson 115 N. Washington Street Milford, DE 19963
Owner	:	Same
Application Type	:	Conditional Use
Present Comprehensive Plan Map Designation	:	Commercial
Present Zoning District	:	C-2 (Central Business District)
Present Use	:	Office
Proposed Use	:	Office & Restaurant
Size and Location	:	0.253 +/- acres located at the northeast intersection of NE Front Street & N Washington Street. Known as 111 N. Washington Street.
Tax Map & Parcel	:	MD-16-183.10-03-71.00 & 72.00

ENC: Staff Analysis Report
Exhibit A – Location & Zoning Map
Exhibit B – Site Plan



STAFF REPORT
November 1, 2017

Application Number / Name	:	17-017 / Lands of Glenn & Donna Watson
Present Comprehensive Plan Designation	:	Commercial
Present Zoning District	:	C-2 (Central Business District)
Present Use	:	Office
Proposed Use	:	Office and Restaurant
Tax Map & Parcel	:	MD-16-183.10-03-71.00 & 72.00
Size and Location	:	0.253 +/- acres located at the northeast intersection of NE Front Street & N Washington Street. Known as 111 N. Washington Street.

I. BACKGROUND INFORMATION:

- The applicant proposes to convert an existing 3,940 square foot commercial, single occupancy building within the central business district into a two suite commercial structure. The building will remain the current size but will undergo interior and exterior renovations. The new use will include a twenty-four (24) seat restaurant and 1,892 square feet of office space. Although the property is located within the C-2 zoning district, which does not require off-street parking, the property will contain thirteen (13) off-street parking spaces. The applicant has provided ADA accessible parking and entrances to the commercial building.
- This project is located within the City’s Downtown Development District.
- The affected commercial structure is located across two separate properties. These parcels should be consolidated into one tax parcel as a condition of the approval.
- Although the proposed uses are permitted uses within the C-2 Central Business District zoning designation, Chapter 230-45 states “in any and all zoning districts, multiple permitted uses or mixed use of a property shall be deemed a conditional use subject to special requirements.”

II. STAFF ANALYSIS:

Based on the information presented, the City of Milford Code, and the Comprehensive Plan, staff submits the following regarding the request for the Conditional Use:

- Evaluation based on the criteria found under Chapter 230-48 Conditional Uses.

A. The presence of adjoining similar uses.

The property is surrounded by a mixture of uses, which is indicative of a downtown business district. The property is bound to the west by a municipal parking lot and the rear of several residential properties. To the north, east and south are additional commercial buildings, containing a wide variety of business types. The proposed uses would be consistent with the character of the neighborhood.

B. An adjoining district in which the use is permitted.

The proposed uses are permitted within the C-2 Central Business. However, multiple permitted uses on the same property require conditional use approval based on the City Code.

C. There is a need for the use in the area proposed as established by the Comprehensive Plan.

The Comprehensive Plan designates this area as Commercial. The proposed uses are consistent with the land use plan for the Comprehensive Plan and would provide additional downtown amenities and office space. The proposal is consistent with the goals and objectives of the City's Downtown Master Plan and Downtown Development District Plan.

D. There is sufficient area to screen the conditional use from adjacent different uses.

The site bound to the west and south by N. Washington Street and to the south by NE Front Street. The structures to the north and east are of close proximity and of similar use, therefore, staff has no concerns regarding screening from adjacent uses.

E. The use will not detract from permitted uses in the district.

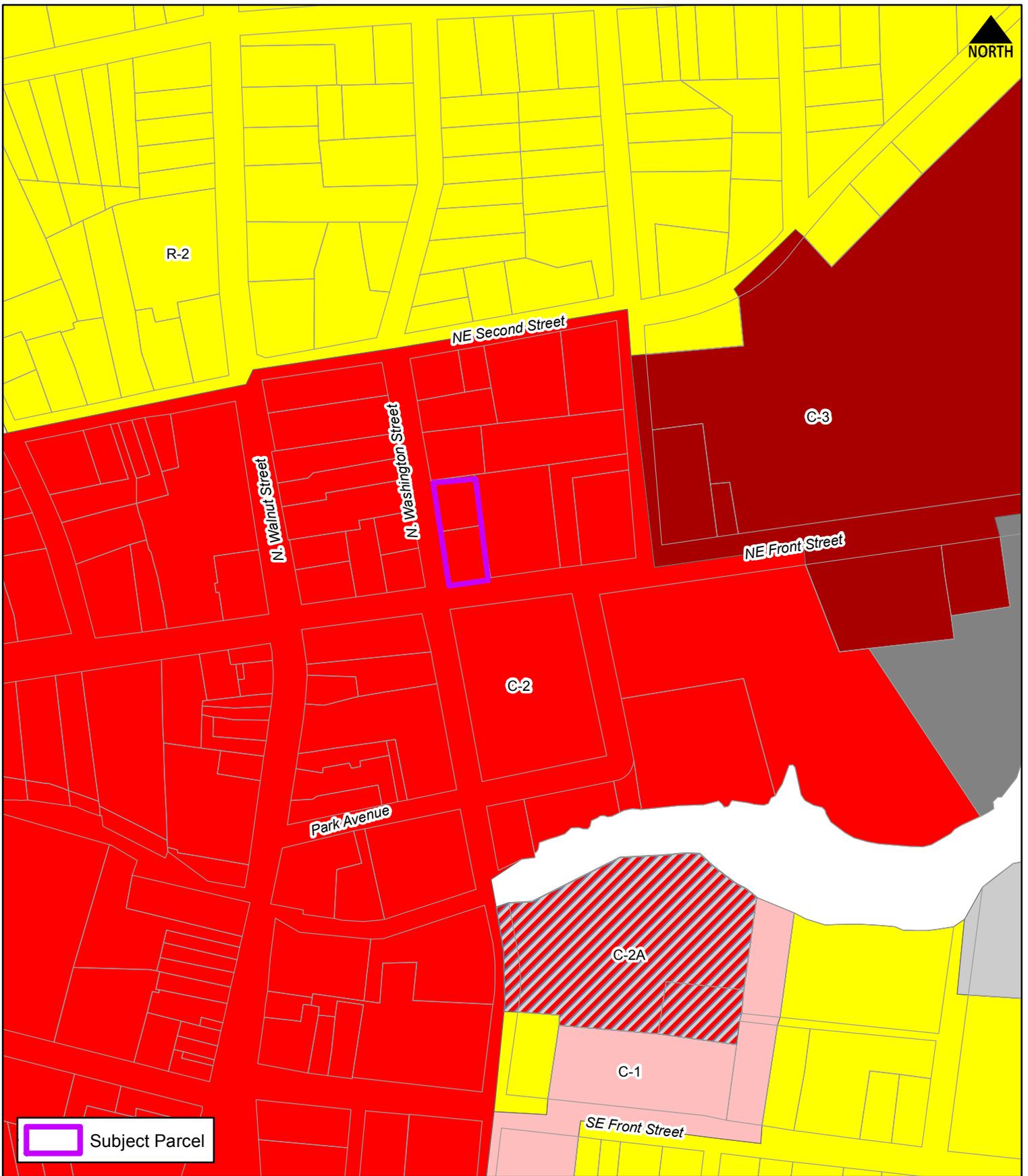
The uses are permitted within the C-2 Central Business zoning district and should not detract from other uses in the district. The proposed uses should complement existing commercial businesses in the downtown area.

F. Sufficient safeguards, such as traffic control, parking, screening and setbacks, can be implemented to remove potential adverse influences on adjoining uses.

The site is located at the intersection of N. Washington Street (City maintained) and NE Front Street (State maintained). The applicant has provided thirteen 13 off-street parking spaces within existing parking areas, which are accessed from N. Washington

Street. The City will require improvements to widen the entrance to accommodate two-way traffic. Patrons and employees of the proposed businesses may utilize municipal parking lots located along N. Washington Street and NE Front Street, as allowed by the parking loading standards for properties zoned C-2 Central Business District. There are no setback requirements for C-2 zoned properties. The structures directly adjacent to the building are not screened but are similar commercial uses.

- If the Planning Commission and City Council elect to approve the applicant's request, staff recommends the following minimum conditions of approval:
 - The applicant must obtain approval from the State Fire Marshal's Office for the proposed parking lot arrangement and exterior layout.
 - The applicant must obtain approval from the State Fire Marshal's Office and permits from the State of Delaware, Department of Health and Social Services, Division of Public Health Commercial Plumbing and DHSS Food Establishment in conjunction with the issuance of a building permit and Certificate of Occupancy.
 - Site improvements and utility connections must be permitted, approved and inspected by the City Engineer and the Public Works Department prior issuance of a Certificate of Occupancy.
 - The applicant must consolidate the two affected properties to create one tax parcel.



 Subject Parcel



 THE CITY of *Milford* DELAWARE

Scale:  Feet
 0 100 200

Drawn by: WRP Date: 09/15/17

Title:

Conditional Use
Lands of Glenn & Donna Watson
Location & Zoning Map

Filepath: ConditionalUse_Watson.mxd



ABBATE DRAFTING SERVICES

RESIDENTIAL & COMMERCIAL PLAN SERVICES
350 SCHOOL STREET
HOUSTON, DE 19954
PHONE (302) 422-5541 FAX (302) 422-7650
EMAIL abbatedrafting@comcast.net

October 26, 2017

Rob Pierce
Planning & Economic Activities Coordinator
City of Milford
201 S. Walnut St
Milford, DE 19963

Owner:
Glenn M. Jr & Donna M. Watson
115 N Washington St.
Milford, DE 19963
Tax Map #5-16-183.10-03-71.000 & #5-16-183.10-03-72.000
Zoning: C-2, Central Business District

Proposed Project Information:
ReMax Twin Counties Realtors
& Jaw Krackers Deli & BBQ
125 NE Front St
Milford, DE 19963

Per City of Milford Municipal Code Chapter 230, Article IX, Section 46, Purpose, the owners of the above referenced properties are formally requesting a conditional use. The narrative requirements of the Conditional Use Application are described below.

Requirement #2, Legal Description

Proposed property description has been provided on the site plan, a consolidation survey (attached) has been completed and will be recorded as one parcel after approval of this application.

Requirement #3, Written Summary

The properties present use is a warehouse for the Reagan-Watson Auction Services. The existing 3940 s.f. building sits on the two parcels referenced above. The Watsons also own the adjacent properties to the north, which contains the ReMax Twin Counties Real Estate and Reagan-Watson Auction Services. Building and lands of Fisher Appliances are adjacent to the east side of said property and are used for multi-use occupancy also.

The proposed Commercial Interior Fit-out would allow for a multi-use occupancy of the building which the ReMax office would utilize space along with a new restaurant business, Jaw Krackers Deli & BBQ. The building footprint will remain, a small (6'x24') entrance deck would be added for the Jaw Krackers restaurant.

A shared sewer connection between the existing warehouse and ReMax / Reagan-Watson Auction offices to the north would be separated for the two buildings. A proposed joint sewer connection on N Washington St. would service the relocated ReMax offices and Jaw Krackers restaurant.

The existing warehouse has its own water service from N Washington St. This would remain and service the relocated Remax office. A proposed 1" water service from the NE Front St. area would be added for the restaurant.

The existing 200 Amp electric service to the warehouse would remain and provide service to the ReMax office. A new 400 Amp electric service would be installed for the Jaw Krackers restaurant. The new service would run underground from a utility pole along NE Front St.

Note all new services provided to the Jaw Krackers Deli & BBQ will be installed per the City of Milford Construction Standards. Utility work of the underground electric and water connection near NE Front St. would be installed in areas maintained by the City of Milford. Both services are near State Right-of-Way therefore DelDOT would be notified.

The C-2 District has no parking, loading or landscaping requirements however we have shown a parking layout on the included site plan and will, upon approval, increase the width of the entrance from N Washington. The site has 100% impervious surface coverage and no landscaping is scheduled.

Requirement #4, Proposed Use

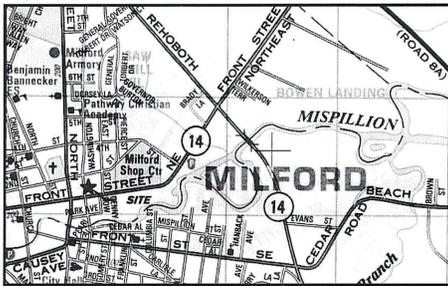
As stated earlier, the proposed use of the existing building would be for a multi-use occupancy of a “B Business and A-2 Assembly Occupancy”. It would become the relocated home of the ReMax Twin Counties Real Estate offices and the new restaurant, Jaw Krackers Deli & BBQ.

ReMax has (2) full-time employees. Their hours of operation are Monday – Friday, 9:00 AM – 5:00 PM.

Jaw Krackers Deli & BBQ will employ approximately (5) people to start, and their hours of operation will be Tuesday – Saturday, 11:00 AM – 7:00 PM, Closed Sunday & Monday.

The information provided above is submitted to deem the Conditional Use Application complete and accompanies the site plan and lot consolidation survey as required.

Submitted: Angelo Abbate
Abbate Drafting Services



SITE LOCATION MAP
ADC MAP #38
BLOCK A-10
 NOT TO SCALE

LEGEND:

- FIRE HYDRANT
- UTILITY POLE
- PROPERTY LINE
- SANITARY SEWER MANHOLE
- SANITARY SEWER CLEAN-OUT
- WATER METER PIT
- WATER VALVE BOX
- SANITARY SEWER LINE
- CW — CENTRAL WATER LINE

DATA COLUMN:
 TAX PARCEL I.D.# MD-16-18310-03-72.00-000

GROSS ACREAGE: .26 ACRES±
 GROSS BLDG AREA: 3,980 SQ. FT.±
 CURRENT ZONING: C2 CENTRAL BUSINESS DISTRICT
 CURRENT USE: MULTI-USE
 PROPOSED USE: OFFICE RESTAURANT

MAXIMUM BUILDING HEIGHT: 3 STORIES OR 35'

IMPERVIOUS: 100% EXISTING COVERAGE
 SETBACKS: N/A
 PARKING: N/A
 REQUIRED: N/A
 PROPOSED: 13
 PROPOSED HC: ONE
 UTILITIES: CITY
 ELECTRIC: CITY
 SEWER: CITY
 WATER: CITY

ROADWAY CLASSIFICATION:
 N.E. FRONT STREET (MINOR ARTERIAL)
 N. WASHINGTON STREET (MINOR ARTERIAL)

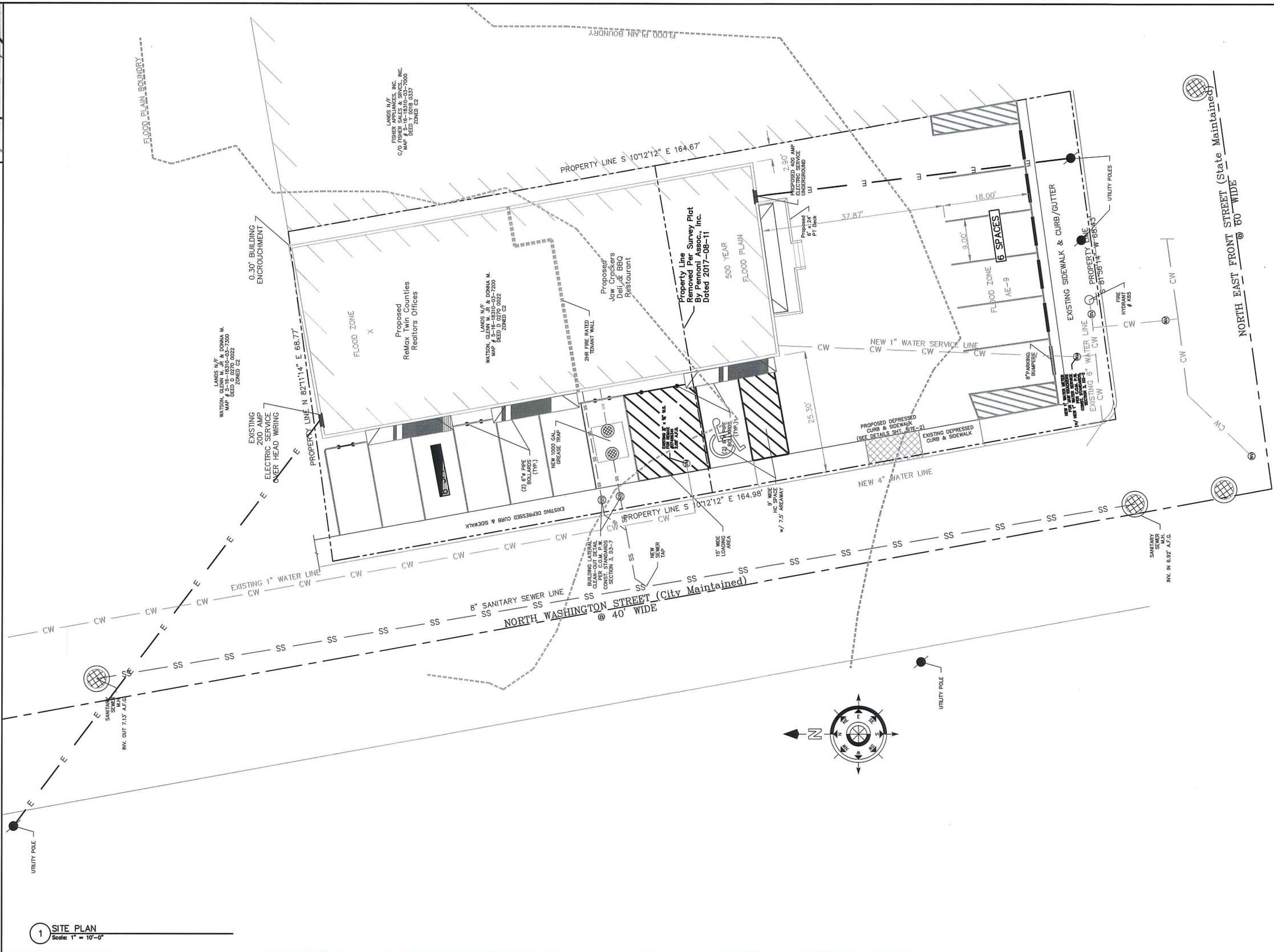
OWNER OF RECORD:
 GLEN M. JR. & DONNA M. WATSON
 115 N WASHINGTON ST
 MILFORD, DE 19963
 302-542-8421

PROJECT CONTACT: ANGELO ABBATE OF ABBATE DRAFTING SERVICES

ENGINEER:
 CARMINE F. CASPER
 1048 WAGONER DR.
 WILMINGTON, DE 19805
 302-354-1169

NOTES:

- THE BOUNDARY INFORMATION SHOWN ON THIS PLAN WAS TAKEN FROM DOCUMENTS OF PUBLIC RECORD AND IS THE RESULT OF AN ACTUAL FIELD SURVEY BY PENKOW ASSOCIATES, INC.
- THIS SURVEY DOES NOT CERTIFY TO THE LOCATION AND/OR EXISTENCE OF EASEMENTS AND RIGHT-OF-WAY CROSSING THE SUBJECT PROPERTY.
- ALL UTILITY CONSTRUCTION SHALL CONFORM TO THE CITY OF MILFORD DEPARTMENT OF PUBLIC WORKS CONSTRUCTION STANDARDS.



1 SITE PLAN
 Scale: 1" = 10'-0"

OWNERS CERTIFICATION

WE, GLEN M. JR. & DONNA M. WATSON, HEREBY CERTIFY THAT WE ARE THE OWNERS OF THE PROPERTY DESCRIBED AND SHOWN ON THIS PLAN, THAT THE PLAN WAS MADE AT OUR DIRECTION, AND THAT WE ACKNOWLEDGE THE SAME TO BE OUR ACT AND DESIRE THE PLAN TO BE DEVELOPED AS SHOWN IN ACCORDANCE WITH ALL APPLICABLE LAWS AND REGULATIONS.

SIGNATURE/TITLE: *[Signature]* DATE: 10/15/17

CERTIFICATE OF ENGINEER

I, CARMINE F. CASPER, P.E. #4756, HEREBY CERTIFY THAT I AM A REGISTERED ENGINEER IN THE STATE OF DELAWARE, THAT THE INFORMATION SHOWN HEREON HAS BEEN PREPARED UNDER MY SUPERVISION AND TO MY BEST KNOWLEDGE AND BELIEF REPRESENT GOOD ENGINEERING PRACTICES AS REQUIRED BY THE APPLICABLE LAWS OF THE STATE OF DELAWARE.

SIGNATURE: *[Signature]* DATE: 10/25/17

CITY ENGINEER APPROVAL

CONSTRUCTION IMPROVEMENTS PLANS HAVE BEEN REVIEWED AND ARE FOUND TO BE IN GENERAL CONFORMANCE WITH THE CITY OF MILFORD CONSTRUCTION STANDARDS AND SPECIFICATIONS FOR WATER, SEWER AND STREETS. THE OWNER AND HIS ENGINEER AND/OR SURVEYOR ASSUME ALL RESPONSIBILITY FOR DESIGN AND ACCURACY OF INFORMATION SHOWN HEREON.

SIGNATURE: _____ DATE: _____
 ERIK RETZLAFF, P.E.

CITY OF MILFORD APPROVAL

CITY MANAGER: _____ DATE: _____
 ERIC NORENBERG

ABBATE DRAFTING SERVICES

RESIDENTIAL & COMMERCIAL PLAN SERVICE
 350 SCHOOL STREET
 HOUSTON, DE 19954
 (302) 422-5541 PH.
 (302) 422-7650 FAX.
 E-mail: abbatedrafting@comcast.net



ReMax Twin Counties Realtors & Jaw Krackers Deli & BBQ

Commercial Fit-out Site Plan
 Owner: Glenn M. & Donna M. Watson
 125 NE Front St
 Milford, DE 19963
 Tax Map # 5-10-18310-03-71.000 & 72.000

DATE: _____ REVISION: _____

SCALE: AS NOTED

SHEET NO.
SITE-1

DATE: 10-Oct-17

APPLICABLE CODES:

THIS PROJECT IS DESIGNED AND SHALL BE BUILT TO THE FOLLOWING:
 NFPA LIFE SAFETY CODE 2012
 INTERNATIONAL BUILDING CODE 2012
 INTERNATIONAL CODE COUNCIL / AMERICAN NATIONAL STANDARD INSTITUTE A117.1-2009
 ACCESSIBILITY GUIDELINES WHERE APPLICABLE.
 INTERNATIONAL ENERGY CONSERVATION CODE 2012
 NATIONAL ELECTRICAL CODE LATEST ADDITION
 INTERNATIONAL MECHANICAL CODE LATEST ADDITION
 INTERNATIONAL PLUMBING CODE 2015,
 AND ANY OTHER STATE OR LOCAL CODES.
NEPA LIFE SAFETY CODE 101-2012.

GENERAL BUILDING DESCRIPTION:
 THE EXISTING COMMERCIAL SPACE AT 125 NE FRONT ST., MILFORD, DE, OWNED BY GLEN & DONNA WATSON, 115 N WASHINGTON ST. MILFORD, DE 19963. MIXED USE OF OCCUPANT GROUP "A-2" ASSEMBLY, RESTAURANT & "B" BUSINESS, CONSTRUCTION WILL CONSIST OF A COMMERCIAL FIT-OUT.

EXISTING BUILDING AREA - (NON-SPRINKLED):
 EXISTING BUILDING 3940 SF
 EXISTING TOTAL NON-SPRINKLER AREA 3940 SF

OCCUPANT LOAD - (12.1.7 & 38.1.7):
 12.1.7.1 & 38.1.7.1 THE OCCUPANT LOAD, IN NUMBER OF PERSONS FOR WHOM MEANS OF EGRESS AND OTHER PROVISIONS ARE REQUIRED, SHALL BE DETERMINED ON THE BASIS OF THE OCCUPANTS LOAD FACTORS OF TABLE 7.3.1.2 THAT ARE CHARACTERISTIC OF THE USE OF THE SPACE OR SHALL BE DETERMINED AS THE MAXIMUM PROBABLE POPULATION OF THE SPACE UNDER CONSIDERATION, WHICHEVER IS GREATER.

TABLE 7.3.1.2 OCCUPANT LOAD FACTORS

ASSEMBLY A-2 LESS CONCENTRATED USE, WITHOUT FIXED SEATING: 15 SQUARE FEET (S.F.) PER PERSON
 KITCHEN: 100 SQUARE FEET (S.F.) PER PERSON
 STORAGE: 300 SQUARE FEET (S.F.) PER PERSON
 BUSINESS: 100 SQUARE FEET (S.F.) PER PERSON

NEW ASSEMBLY AREA: 628 SF. / 15 = 46 OCCUPANTS
 NEW KITCHEN AREA: 820 SF. / 100 = 9 OCCUPANTS
 NEW STORAGE AREA: 60 SF. / 300 = 1 OCCUPANT
 NEW BUSINESS AREA: 1892 SF. / 100 = 19 OCCUPANTS

TOTAL OCCUPANT LOAD: = 75 OCCUPANTS

MEANS OF EGRESS REQUIREMENTS - (12.2 & 38.2):
 12.2.1 & 38.2.1 GENERAL MEANS OF EGRESS SHALL BE IN ACCORDANCE WITH CHAPTER 7 AND SECTIONS 36.2

ARRANGEMENT OF MEANS OF EGRESS (12.2.5 & 38.2.5):
 ASSEMBLY ORDINARY HAZARD: (NON-SPRINKLED)
 COMMON PATH: 20 FT
 DEAD-END: 20 FT

BUSINESS ORDINARY HAZARD: (NON-SPRINKLED)
 COMMON PATH: 100 FT
 DEAD-END: 20 FT

MEASUREMENT OF TRAVEL DISTANCE TO EXITS - (12.2.6 & 38.2.6):
 ASSEMBLY ORDINARY HAZARD: (NON-SPRINKLED)
 TRAVEL DISTANCE LIMIT: 200 FT

BUSINESS ORDINARY HAZARD: (NON-SPRINKLED)
 TRAVEL DISTANCE LIMIT: 200 FT

INTERIOR FINISH - (12.3.3 & 38.3.3):
 12.3.3 & 38.3.3 GENERAL INTERIOR FINISH SHALL BE IN ACCORDANCE WITH SECTION 10.2.

DETECTION, ALARM, AND COMMUNICATIONS SYSTEMS - (12.3.4 & 38.3.4):
 12.3.4 & 38.3.4 GENERAL CLASS A MERCHANTILE OCCUPANCIES DESCRIBED IN THESE SECTIONS SHALL BE PROVIDED WITH A FIRE ALARM SYSTEM IN ACCORDANCE WITH SECTION 9.6.

BUILDING SERVICES - (12.5 & 38.5):
 12.5.2 & 38.5.2 HEATING, VENTILATING AND AIR CONDITIONING, HEATING, VENTILATING, AND AIR-CONDITIONING EQUIPMENT SHALL COMPLY WITH THE PROVISIONS OF SECTION 9.2.

INTERNATIONAL BUILDING CODE 2012

GENERAL BUILDING DESCRIPTION:
 THE EXISTING COMMERCIAL SPACE AT 125 NE FRONT ST., MILFORD, DE, OWNED BY GLEN & DONNA WATSON, 115 N WASHINGTON ST. MILFORD, DE 19963. MIXED USE OF OCCUPANT GROUP "A-2" ASSEMBLY, RESTAURANT & "B" BUSINESS, CONSTRUCTION WILL CONSIST OF A COMMERCIAL FIT-OUT.

EXISTING BUILDING AREA - (NON-SPRINKLED):
 EXISTING BUILDING 3940 SF
 EXISTING TOTAL NON-SPRINKLER AREA 3940 SF

USE GROUP CLASSIFICATION - (CHAPTER 3):
 SECTION 303, "A" ASSEMBLY FOR RESTAURANT
 SECTION 304, "B" BUSINESS

SPECIAL USE AND OCCUPANCY - (CHAPTER 4):
 N/A

GENERAL BUILDING LIMITATIONS - (CHAPTER 5):
 N/A

TYPES OF CONSTRUCTION - (CHAPTER 6):
 SECTION 602.5, TYPE V

712 FIREBLOCKING IN COMBUSTIBLE CONSTRUCTION FIREBLOCKING SHALL BE INSTALLED TO CUT OFF CONCEALED DRAFT OPENINGS (BOTH VERTICAL AND HORIZONTAL) AND SHALL FORM AN EFFECTIVE BARRIER BETWEEN FLOORS BETWEEN A TOP STORY AND A ROOF OR ATTIC SPACE. FIREBLOCKING SHALL BE INSTALLED IN THE LOCATIONS SPECIFIED IN SECTIONS 712.2.2 THROUGH 712.2.7.

712.1 FIREBLOCKING MATERIAL. FIREBLOCKING SHALL CONSIST OF 2-INCH (51 MM) NOMINAL LUMBER OR TWO THICKNESSES OF 1-INCH (25 MM) NOMINAL LUMBER WITH BROKEN LAP JOINTS OR ONE THICKNESS OF 0.719-INCH (18.3 MM) WOOD STRUCTURAL PANEL WITH JOINTS BACKED BY 0.719-INCH (18.3 MM) WOOD STRUCTURAL PANEL OR ONE THICKNESS OF 0.75-INCH (19 MM) PARTICLEBOARD WITH JOINTS BACKED BY 0.75-INCH (19 MM) PARTICLEBOARD. Gypsum board, cement fiber board, batts or blankets of mineral wool, glass fiber, or other approved materials installed in such a manner as to be securely retained in place shall be permitted as an acceptable fireblock. Batts or blankets of mineral or glass fiber or other approved nonrigid materials shall be permitted for compliance with the 10-FOOT (3048 MM) HORIZONTAL FIREBLOCKING IN WALLS CONSTRUCTED USING PARALLEL ROWS OF STUDS OR STAGGERED STUDS. LOOSE-FILL INSULATION MATERIAL SHALL NOT BE USED AS A FIREBLOCK UNLESS SPECIFICALLY TESTED IN THE FORM AND MANNER INTENDED FOR USE TO DEMONSTRATE ITS ABILITY TO REMAIN IN PLACE AND TO RETARD THE SPREAD OF FIRE AND HOT GASES. THE INTEGRITY OF FIREBLOCKS SHALL BE MAINTAINED.

INTERIOR FINISHES, WALLS & CEILINGS (803.1): (NON-SPRINKLED)

(A) CLASS A INTERIOR WALL AND CEILING FINISH. FLAME SPREAD 0-25; SMOKE DEVELOPMENT 0-450.
 INCLUDES ANY MATERIAL CLASSIFIED AT 25 OR LESS ON THE FLAME SPREAD TEST SCALE AND 450 OR LESS ON THE SMOKE TEST SCALE. ANY ELEMENT THEREOF, WHEN SO TESTED, SHALL NOT CONTINUE TO PROPAGATE FIRE.

(B) CLASS B INTERIOR WALL AND CEILING FINISH. FLAME SPREAD 26-75; SMOKE DEVELOPMENT 0-450.
 INCLUDES ANY MATERIAL CLASSIFIED AT MORE THAN 25 BUT NOT MORE THAN 75 ON THE FLAME SPREAD TEST SCALE AND 450 OR LESS ON THE SMOKE TEST SCALE.

(C) CLASS C INTERIOR WALL AND CEILING FINISH. FLAME SPREAD 76-200; SMOKE DEVELOPMENT 0-450.
 INCLUDES ANY MATERIAL CLASSIFIED AT MORE THAN 75 BUT NOT MORE THAN 200 ON THE FLAME SPREAD TEST SCALE AND 450 OR LESS ON THE SMOKE TEST SCALE.

EXCEPTION: EXISTING INTERIOR FINISH SHALL BE EXEMPT FROM THE SMOKE DEVELOPMENT CRITERIA.

TABLE 803.9 INTERIOR WALL & CEILING FINISH REQUIREMENTS BY OCCUPANCY GROUP "A" ASSEMBLY A-2 (NON-SPRINKLED)

VERTICAL EXITS & PASSAGEWAYS - CLASS A
 EXIT ACCESS CORRIDORS AND EXIT WAYS - CLASS A
 ROOMS OR ENCLOSED SPACES - CLASS B

GROUP "B" BUSINESS (NON-SPRINKLED)
 VERTICAL EXITS & PASSAGEWAYS - CLASS A
 EXIT ACCESS CORRIDORS AND EXIT WAYS - CLASS B
 ROOMS OR ENCLOSED SPACES - CLASS C

INTERIOR FLOOR FINISHES (804):
 FLOOR FINISHES SHALL COMPLY WITH THE REQUIREMENTS SECTION 804.

FLOOR AREA PER OCCUPANT (TABLE 1004.1.1)
 ASSEMBLY A-2 LESS CONCENTRATED USE, WITHOUT FIXED SEATING: 15 SQUARE FEET (S.F.) PER PERSON
 KITCHEN: 100 SQUARE FEET (S.F.) PER PERSON
 STORAGE: 300 SQUARE FEET (S.F.) PER PERSON
 BUSINESS: 100 SQUARE FEET (S.F.) PER PERSON

NEW ASSEMBLY AREA: 628 SF. / 15 = 46 OCCUPANTS
 NEW KITCHEN AREA: 820 SF. / 100 = 9 OCCUPANTS
 NEW STORAGE AREA: 60 SF. / 300 = 1 OCCUPANT
 NEW BUSINESS AREA: 1892 SF. / 100 = 19 OCCUPANTS

TOTAL OCCUPANT LOAD: = 71 OCCUPANTS

EXIT ACCESS (TABLE 1016.1): (NON-SPRINKLED)
 GROUP-A & B, COMMON PATH OF EGRESS TRAVEL SHALL NOT BE MORE THAN 200'

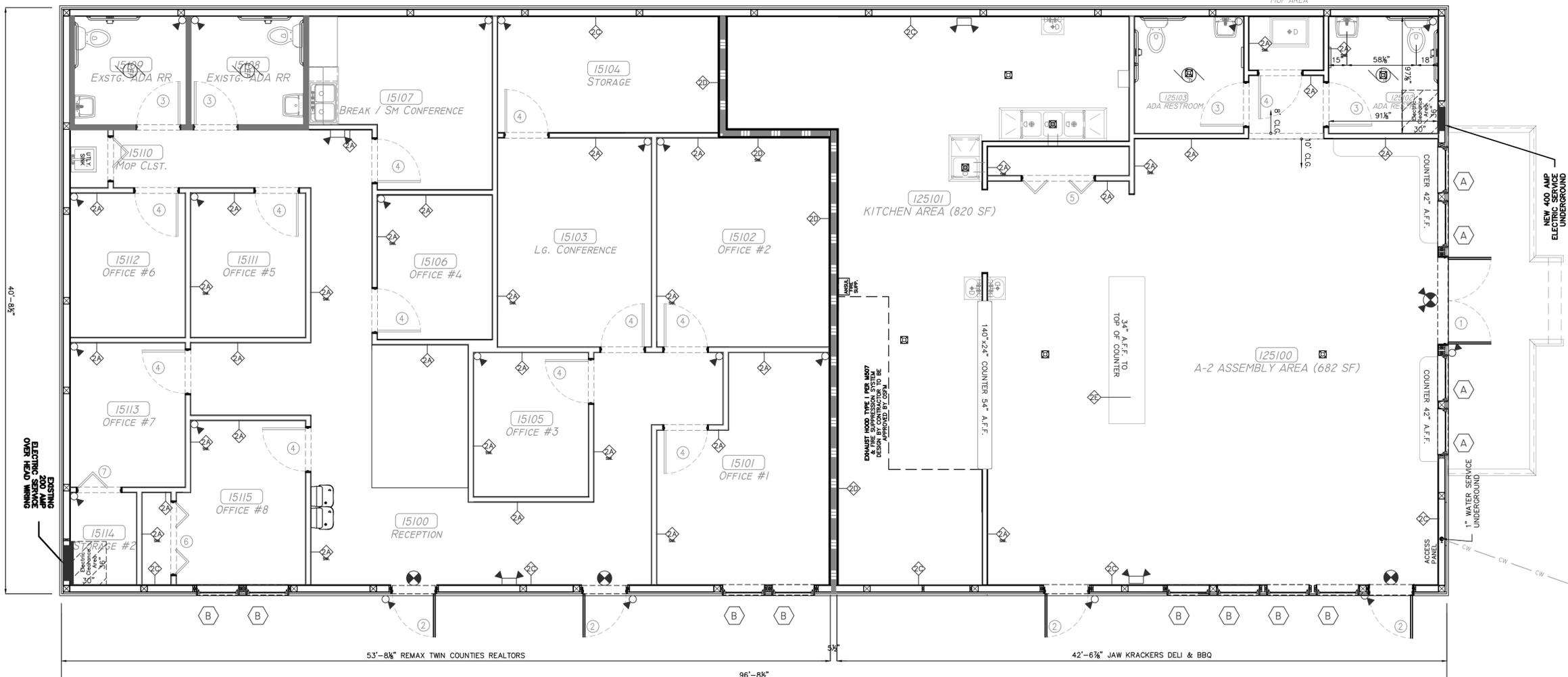
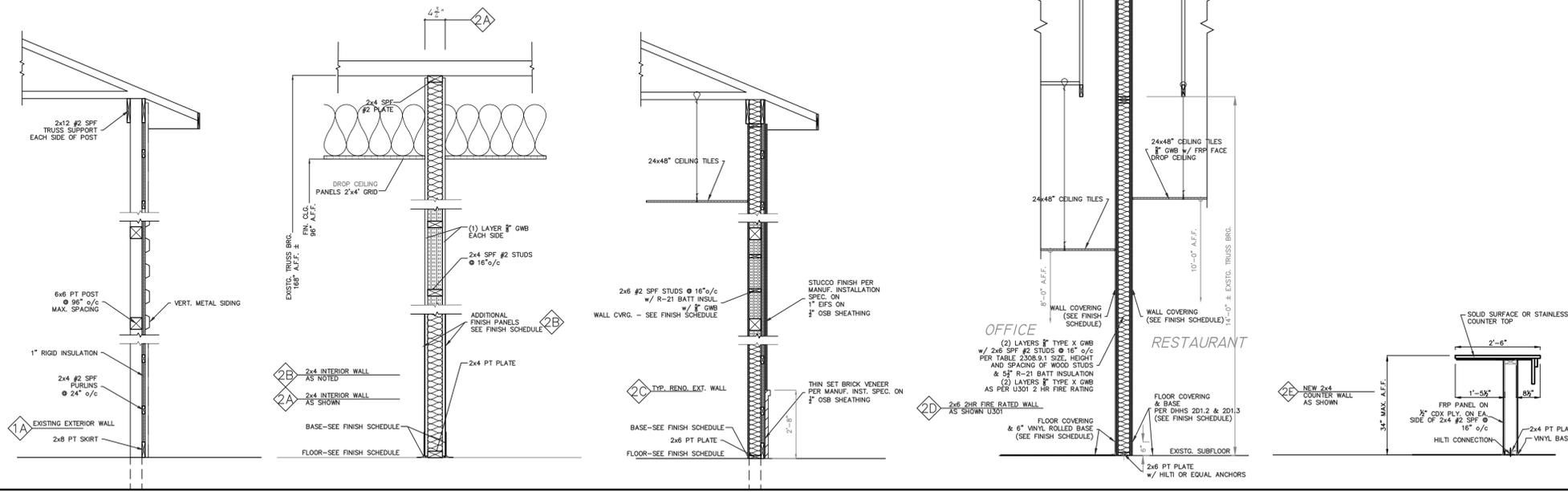
INTERNATIONAL PLUMBING CODE - 2015

CHAPTER 1 SCOPE AND ADMINISTRATION.
 CHAPTER 2 DEFINITIONS.
 CHAPTER 3 GENERAL REGULATIONS.
 CHAPTER 4 FIXTURES, FAUCETS AND FIXTURE FITTINGS.
GROUP A-2:
 WATER CLOSET - 1 PER 78
 LAVATORIES - 1 PER 200
 DRINKING FOUNTAIN - N/A
 OTHER - 1 SERVICE SINK

GROUP B:
 WATER CLOSET - 1 PER 25 FOR THE FIRST 50 AND 1 PER 50 FOR THE REMAINDER EXCEEDING 50
 LAVATORIES - 1 PER 40 FOR THE FIRST 40 AND 1 PER 80 FOR THE REMAINDER EXCEEDING 80
 DRINKING FOUNTAIN - 1 PER 100
 OTHER - 1 SERVICE SINK

CHAPTER 5 WATER HEATERS.
 CHAPTER 6 WATER SUPPLY AND DISTRIBUTION.
 CHAPTER 7 SANITARY DRAINAGE.
 CHAPTER 8 INDIRECT/SPECIAL WASTE.
 CHAPTER 9 VENTS.
 CHAPTER 10 TRAPS, INTERCEPTORS AND SEPARATORS.
 CHAPTER 11 STORM DRAINAGE.
 CHAPTER 12 SPECIAL PIPING AND STORAGE SYSTEMS.
 CHAPTER 13 NONPOTABLE WATER SYSTEMS.
 CHAPTER 14 SUBSURFACE LANDSCAPE IRRIGATION SYSTEMS.
 CHAPTER 15 REFERENCED STANDARDS.

2 Wall Details
 NO SCALE

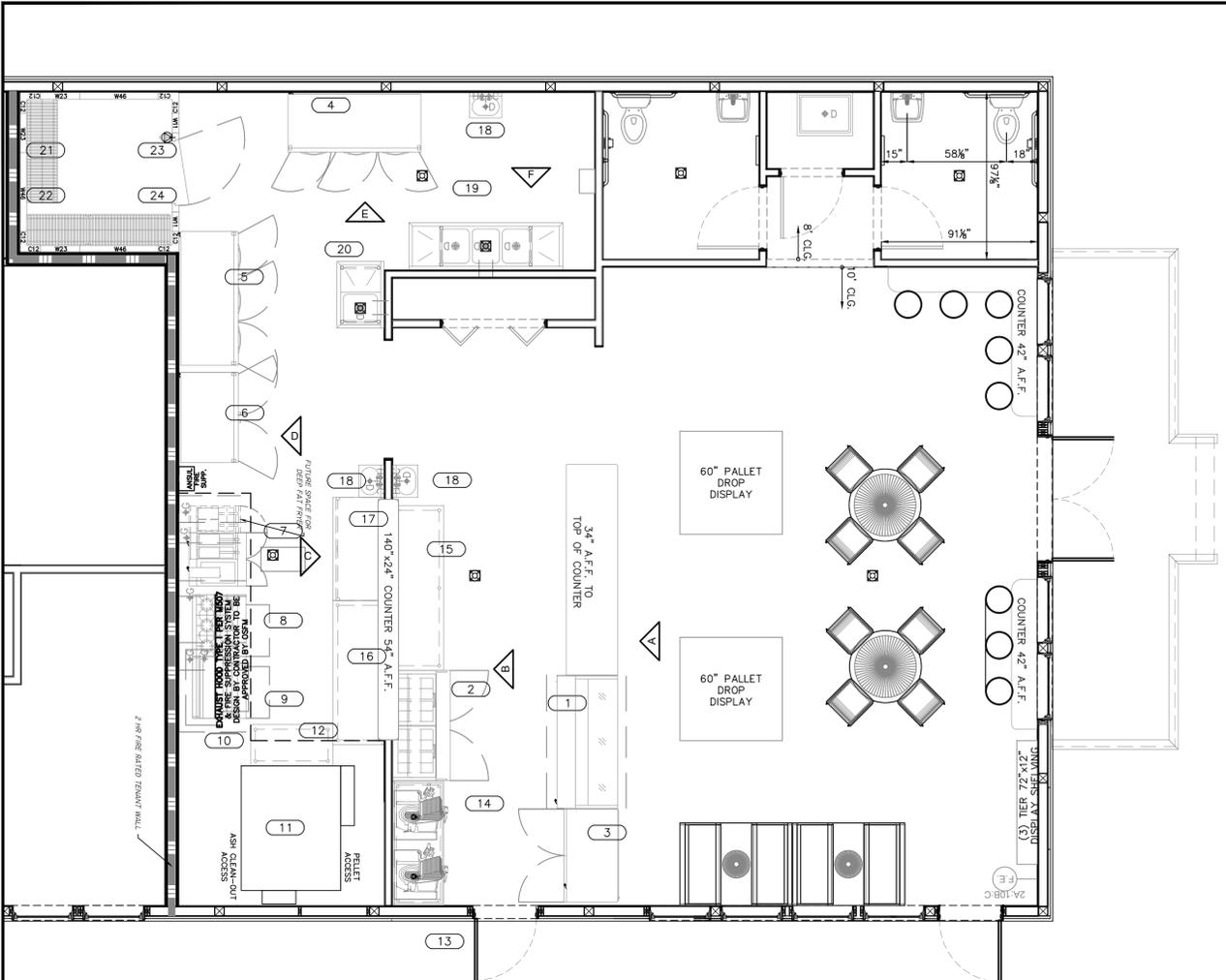


1 Code Plan
 Scale: 1/4" = 1'-0"

ABBATE DRAFTING SERVICES
 RESIDENTIAL & COMMERCIAL PLAN SERVICE
 350 SCHOOL STREET
 HOUSTON, DE 19956
 (302) 422-5541 PHN.
 (302) 422-7650 FAX.
 E-mail: abbatedrafting@comcast.net

ReMax Twin Counties Realtors & Jaw Krackers Deli & BBQ
 Code Plan, Notes & Wall Details
 Owner: Glenn M. & Donna M. Watson
 125 NE Front St
 Milford, DE 19963
 Tax Map # 5-16-18310-03-72-000

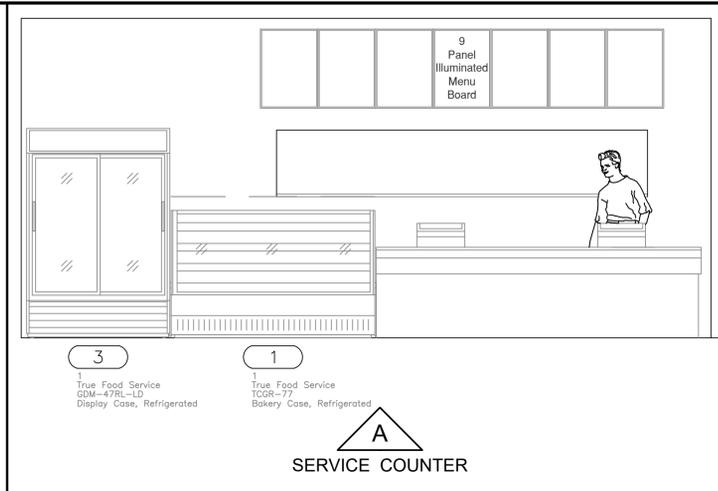
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 REVISION:
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 DATE: 14-SEP-17



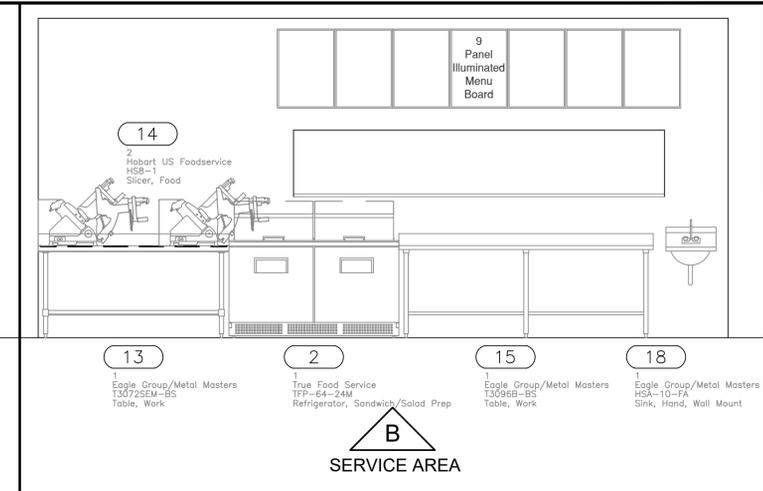
2 JAW KRACKERS EQUIPMENT PLAN
Scale: 1/4" = 1'-0"

JAW KRACKERS EQUIPMENT SCHEDULE

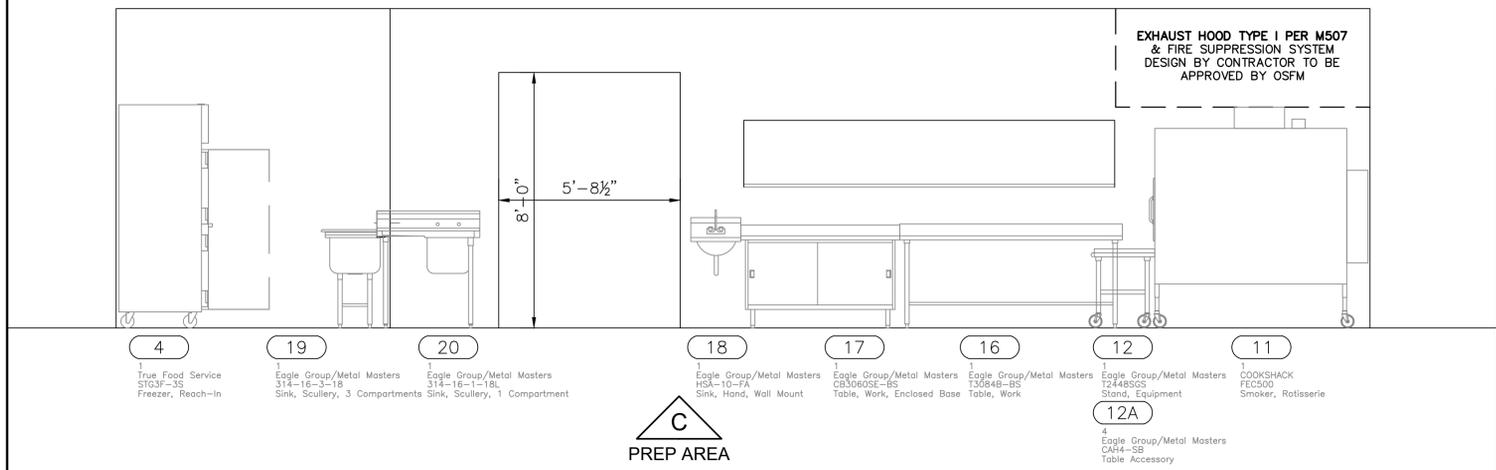
Item No	Equipment Category	Manufacturer	Model Number	Amps	Volts	Phase	Cycle	Direct Plug	NEMA	Cold Water Size (in)	Hot Water Size (in)	Hot Water GPH	Direct Drain Size (in)	Indir Drain Size (in)	Gas Size (in)	MBTUH	
1	Bakery Case, Refrigerated	True Food Service	TCGR-77	15.3	115	1	60	X	5-20P								
2	Refrigerator, Sandwich/Salad Prep	True Food Service	TFP-64-24M		115	1	60		5-15P								
3	Display Case, Refrigerated	True Food Service	GDM-47RL-LD	7.2	115	1	60	X	5-15P								
4	Freezer, Reach-In	True Food Service	STG3F-3S	8.3	208	8	60		6-15P								
5	Refrigerator, Reach-In	True Food Service	STG3R-3S	9.1	115	1	60		5-15P								
6	Cabinet, Heated, Reach-In	True Food Service	STA2H-2G	14.4	208	1	60		6-15P								
7	Fryer, Deep Fat, Gas w/Filter	Imperial Range	IFSCB-150-LH	7.3	120	1	60	X	5-15P						0.75	140	
8	Range, Restaurant, Gas	Imperial Range	IR-6	6.8	120	1	60	X	5-15P							0.75	203
9	Range, Restaurant, Gas	Imperial Range	IR-G36													0.75	95
10	Salamander Broiler, Gas	Imperial Range	ISB-36													0.75	35
11	Smoker, Rotisserie	COOKSHACK	FEC500	14.0	120	1	60	X									
12	Stand, Equipment	Eagle Group/Metal Masters	T2448SGS														
12A	Table Accessory	Eagle Group/Metal Masters	CAH4-SB														
13	Table, Work	Eagle Group/Metal Masters	T3072SEM-BS														
14	Slicer, Food	Hobart US Foodservice	HSB-1	5.4	120	1	60	X	5-15P								
15	Table, Work	Eagle Group/Metal Masters	T3096B-BS														
16	Table, Work	Eagle Group/Metal Masters	T3084B-BS														
17	Table, Work, Enclosed Base	Eagle Group/Metal Masters	CB3060SE-BS														
18	Sink, Hand, Wall Mount	Eagle Group/Metal Masters	HSA-10-FA							0.5	0.5	5	1.5				
19	Sink, Scullery, 3 Compartments	Eagle Group/Metal Masters	314-16-3-18							0.5	0.5		1.5				
20	Sink, Scullery, 1 Compartment	Eagle Group/Metal Masters	314-16-1-18L							0.5	0.5		1.5				
21	Refrigerator, Walk-In Unit	MasterBilt	76080BCL - 7' 9" x 7' 9"														
22	Shelving Unit, Starter, Metal, Wire	Eagle Group/Metal Masters	1860C63-5														
23	Shelving Unit, Starter, Metal, Wire	Eagle Group/Metal Masters	1836C63-5														
24	Shelving Unit, Starter, Metal, Wire	Eagle Group/Metal Masters	1848C63-5														



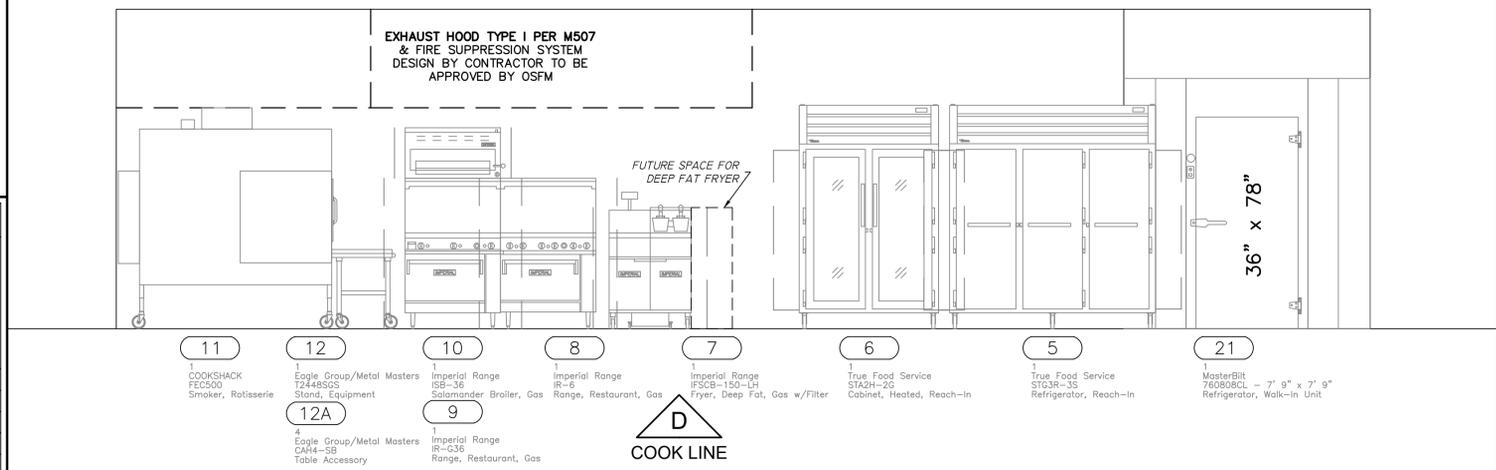
A SERVICE COUNTER



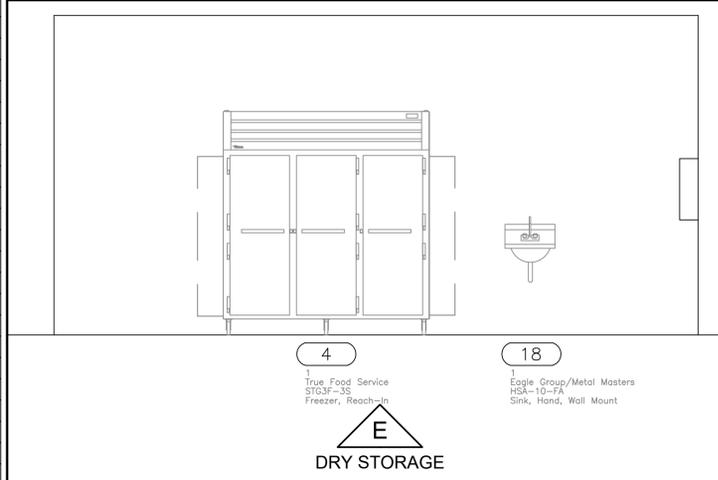
B SERVICE AREA



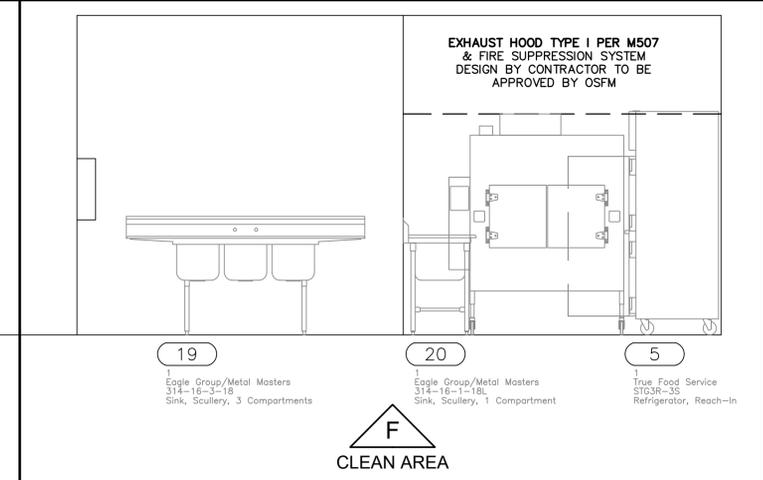
C PREP AREA



D COOK LINE



E DRY STORAGE



F CLEAN AREA

ABBATE DRAFTING SERVICES
RESIDENTIAL & COMMERCIAL PLAN SERVICE



Jaw Crackers Deli & BBQ

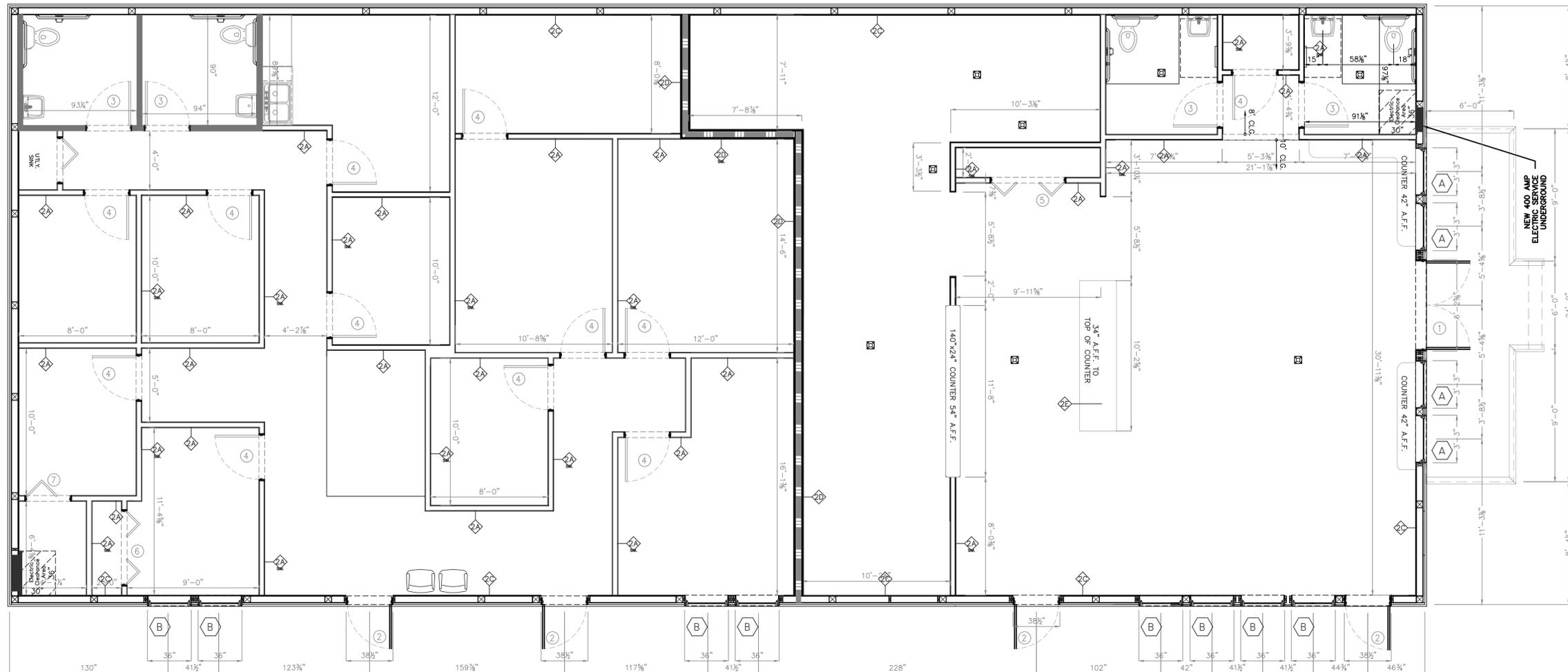
Equipment Plans, Schedule, & Interior Details
Owner: Glenn M. & Donna M. Watson
125 NE Front St
Milford, DE 19963
Tax Map # 5-16-18310-03-71.000 & 72.000

DATE	REVISION

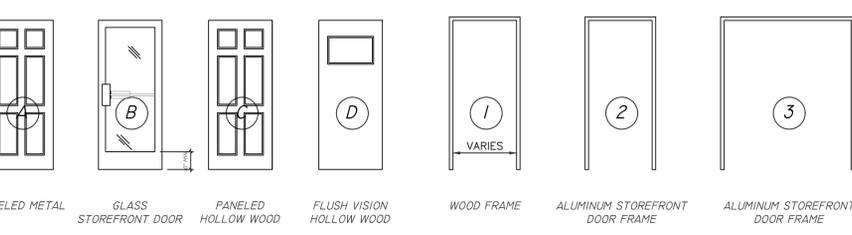
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SHEET NO. A1.2
DATE: 26-JUL-17

25-Oct-17 LAST PRINTING
Carmine Casper, P.E. # 4756

Warehouse R7.dwg



1 FRAMING PLAN
Scale: 1/4" = 1'-0"

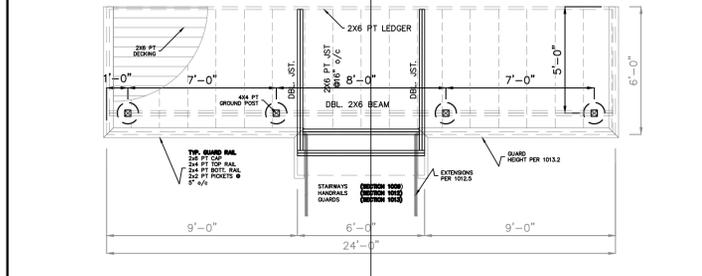


DOORS **FRAMES**

NO.	DOOR			FRAME			HOWR SET	UL LABEL (MIN.) ASSEMBLY	NOTES
	W	H	TYPE	TYPE	MAT'L	DEF.			
1	6'-0"	7'-0"	B	GLASS	3	MTL	-	1	ALUM. STOREFRONT SEE 404.2.9
2	3'-0"	7'-0"	B	GLASS	2	MTL	-	1	ALUM. STOREFRONT SEE 404.2.9
3	3'-0"	6'-8"	C	HOLLOW WD	1	WD.	-	3	SELF CLOSING
4	3'-0"	6'-8"	C	HOLLOW WD	1	WD.	-	4	BI-FOLD DOOR
5	6'-0"	6'-8"	C	HOLLOW WD	1	WD.	-	-	BI-FOLD DOOR
6	5'-0"	6'-8"	D	HOLLOW WD	1	WD.	-	-	BI-FOLD DOOR
7	3'-0"	6'-8"	D	HOLLOW WD	1	WD.	-	-	BI-FOLD DOOR

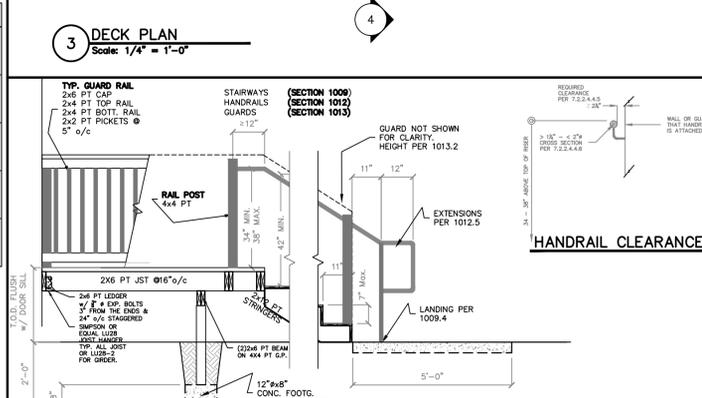
NOTES:
 ALL DOOR HARDWARE SHALL BE READILY OPENABLE FROM THE EGRESS SIDE WITHOUT THE USE OF A KEY OR SPECIAL KNOWLEDGE OR EFFORT.
 ALL FIRE DOOR ASSEMBLIES SHALL COMPLY WITH THE REQUIREMENTS OF ASTM 152 AND FIRE PROTECTION RATING REQUIRED IN TABLE 715.3 INTERNATIONAL BUILDING CODE 2006 CHAPTER 7.
 REFERENCE BUILDING FLOOR PLAN FOR DOOR SWING.
 ALL DOORS SHALL COMPLY WITH THE REQUIREMENTS OF **ICC/ANSI A117.1-2003** AMERICAN NATIONAL STANDARDS FOR ACCESSIBLE AND USABLE BUILDINGS AND FACILITIES.
404.2.9 DOOR SURFACE: DOOR SURFACES WITHIN 10 INCHES (255 MM) OF THE FLOOR, MEASURED VERTICALLY, SHALL BE A SMOOTH SURFACE ON THE PUSH SIDE EXTENDING THE FULL WIDTH OF THE DOOR. PARTS CREATING HORIZONTAL OR VERTICAL JOINTS IN SUCH SURFACE SHALL BE WITHIN 1/16 INCH (1.6 MM) OF THE SAME PLANE AS THE OTHER. CAVITIES CREATED BY ADDED KICK PLATES SHALL BE CAPPED.
 DOOR HARDWARE MAY BE SUITABLY SUBSTITUTED WITH HARDWARE SELECTED BY BUILDING OWNER OR BUILDING CONTRACTOR PROVIDED THE HARDWARE COMPLIES WITH ALL BUILDING CODES HAVING JURISDICTION.
 ALL DOORS WITHOUT DIMENSIONS ARE ASSUMED TO BE 6" FROM WALL OR CENTERED ON WALL.

2 DOOR SCHEDULE
Scale: 1/4" = 1'-0"



SECTION 1009 - STAIRWAYS

1009.1 STAIRWAY WIDTH. THE WIDTH OF STAIRWAYS SHALL BE DETERMINED AS SPECIFIED IN SECTION 1005.1, BUT SUCH WIDTH SHALL NOT BE LESS THAN 44 INCHES (1118 MM). SEE SECTION 1007.3 FOR ACCESSIBLE MEANS OF EGRESS STAIRWAYS.
1009.2 STAIR TREADS AND RISERS. STAIR RISER HEIGHTS SHALL BE 7 INCHES (178 MM) MAXIMUM AND 4 INCHES (102 MM) MINIMUM. STAIR TREAD DEPTH SHALL BE 11 INCHES (279 MM) MINIMUM. THE RISER HEIGHT SHALL BE MEASURED VERTICALLY BETWEEN THE LEADING EDGES OF ADJACENT TREADS. THE TREAD DEPTH SHALL BE MEASURED HORIZONTALLY BETWEEN THE VERTICAL PLANES OF THE FOREMOST PROJECTION OF ADJACENT TREADS AND AT A RIGHT ANGLE TO THE TREAD'S LEADING EDGE. WINDER TREADS SHALL HAVE A MINIMUM TREAD DEPTH OF 11 INCHES (279 MM) MEASURED AT A RIGHT ANGLE TO THE TREAD'S LEADING EDGE AT A POINT 12 INCHES (305 MM) FROM THE SIDE WHERE THE TREADS ARE NARROWER AND A MINIMUM TREAD DEPTH OF 10 INCHES (254 MM).
1009.3 DIMENSIONAL UNIFORMITY. STAIR TREADS AND RISERS SHALL BE OF UNIFORM SIZE AND SHAPE. THE TOLERANCE BETWEEN THE LARGEST AND SMALLEST RISER HEIGHT OR BETWEEN THE LARGEST AND SMALLEST TREAD DEPTH SHALL NOT EXCEED 0.375 INCH (9.5 MM) IN ANY FLIGHT OF STAIRS. THE GREATEST WINDER TREAD DEPTH AT THE 12-INCH (305 MM) WALK LINE WITHIN ANY FLIGHT OF STAIRS SHALL NOT EXCEED THE SMALLEST BY MORE THAN 0.375 INCH (9.5 MM) MEASURED AT A RIGHT ANGLE TO THE TREAD'S LEADING EDGE.
1009.4 STAIRWAY LANDINGS. THERE SHALL BE A FLOOR OR LANDING AT THE TOP AND BOTTOM OF EACH STAIRWAY. THE WIDTH OF LANDINGS SHALL NOT BE LESS THAN THE WIDTH OF STAIRWAYS THEY SERVE. EVERY LANDING SHALL HAVE A MINIMUM DIMENSION MEASURED IN THE DIRECTION OF TRAVEL EQUAL TO THE WIDTH OF THE STAIRWAY. SUCH DIMENSION NEED NOT EXCEED 48 INCHES (1219 MM) WHERE THE STAIRWAY HAS A STRAIGHT RUN.
1009.5 STAIRWAY CONSTRUCTION. ALL STAIRWAYS SHALL BE BUILT OF MATERIALS CONSISTENT WITH THE TYPES PERMITTED FOR THE TYPE OF CONSTRUCTION OF THE BUILDING EXCEPT THAT WOOD HANDRAILS SHALL BE PERMITTED FOR ALL TYPES OF CONSTRUCTION.
1009.6 STAIRWAY WALKING SURFACE. THE WALKING SURFACE OF TREADS AND LANDINGS OF A STAIRWAY SHALL NOT BE SLOPED STEEPER THAN ONE UNIT VERTICAL IN 48 UNITS HORIZONTAL (2-PERCENT SLOPE) IN ANY DIRECTION. STAIRWAY TREADS AND LANDINGS SHALL HAVE A SOLID SURFACE. FINISH FLOOR SURFACES SHALL BE SECURELY ATTACHED.
1009.7 OUTDOOR CONDITIONS. OUTDOOR STAIRWAYS AND OUTDOOR APPROACHES TO STAIRWAYS SHALL BE DESIGNED SO THAT WATER WILL NOT ACCUMULATE ON WALKING SURFACES.
1009.8 VERTICAL RISE. A FLIGHT OF STAIRS SHALL NOT HAVE A VERTICAL RISE GREATER THAN 12 FEET (3658 MM) BETWEEN FLOOR LEVELS OR LANDINGS.
1009.9 HANDRAILS. STAIRWAYS SHALL HAVE HANDRAILS ON EACH SIDE AND SHALL COMPLY WITH SECTION 1012 WHERE GLASS IS USED TO PROVIDE THE HANDRAIL. THE HANDRAIL SHALL ALSO COMPLY WITH SECTION 2407.

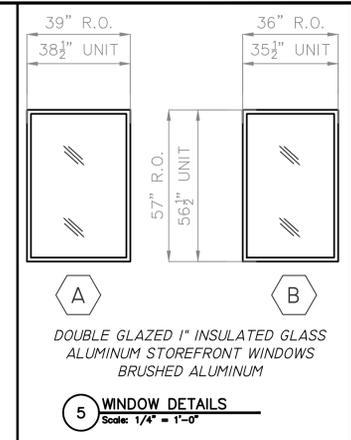


SECTION 1012 - HANDRAILS

1012.1 WHERE REQUIRED. HANDRAILS FOR STAIRWAYS AND RAMPS SHALL BE ADEQUATE IN STRENGTH AND ATTACHMENT IN ACCORDANCE WITH SECTION 1607.2. HANDRAILS REQUIRED FOR STAIRWAYS BY SECTION 1009.10 SHALL COMPLY WITH SECTIONS 1012.2 THROUGH 1012.8. HANDRAILS REQUIRED FOR RAMPS BY SECTION 1010.8 SHALL COMPLY WITH SECTIONS 1012.2 THROUGH 1012.7.
1012.2 HEIGHT. HANDRAIL HEIGHT, MEASURED ABOVE STAIR TREAD HEIGHTS, OR FINISH SURFACE OF RAMP SLOPE SHALL BE UNIFORM, NOT LESS THAN 34 INCHES (864 MM) AND NOT MORE THAN 38 INCHES (965 MM).
1012.3 HANDRAIL GRASPABILITY. HANDRAILS WITH A CIRCULAR CROSS-SECTION SHALL HAVE AN OUTSIDE DIAMETER OF AT LEAST 1.25 INCHES (32 MM) AND NOT GREATER THAN 2 INCHES (51 MM) OR SHALL PROVIDE EQUIVALENT GRASPABILITY. IF THE HANDRAIL IS NOT CIRCULAR, IT SHALL HAVE A PERIMETER DIMENSION OF AT LEAST 4 INCHES (102 MM) AND NOT GREATER THAN 6.25 INCHES (160 MM) WITH A MAXIMUM CROSS-SECTION DIMENSION OF 2.25 INCHES (57 MM). EDGES SHALL HAVE A MINIMUM RADIUS OF 0.01 INCH (0.25 MM).
1012.4 CONTINUITY. HANDRAIL-GRIPPING SURFACES SHALL BE CONTINUOUS, WITHOUT INTERRUPTION BY NEWEL POSTS OR OTHER OBSTRUCTIONS.
1012.5 HANDRAIL EXTENSIONS. HANDRAILS SHALL RETURN TO A WALL, GUARD OR THE WALKING SURFACE OR SHALL BE CONTINUOUS TO THE HANDRAIL OF AN ADJACENT STAIR FLIGHT OR RAMP RUN. AT STAIRWAYS WHERE HANDRAILS ARE NOT CONTINUOUS BETWEEN FLIGHTS, THE HANDRAILS SHALL EXTEND HORIZONTALLY AT LEAST 12 INCHES (305 MM) BEYOND THE TOP RISER AND CONTINUE TO SLOPE FOR THE DEPTH OF ONE TREAD BEYOND THE BOTTOM RISER AT RAMPS WHERE HANDRAILS ARE NOT CONTINUOUS BETWEEN RUNS, THE HANDRAIL SHALL EXTEND HORIZONTALLY ABOVE THE LANDING 12 INCHES (305 MM) MINIMUM BEYOND THE TOP AND BOTTOM RAMPS.
1012.7 PROJECTIONS. ON RAMPS, THE CLEAR WIDTH BETWEEN HANDRAILS SHALL BE 36 INCHES (914 MM) MINIMUM. PROJECTIONS INTO THE REQUIRED WIDTH OF STAIRWAYS AND RAMPS AT EACH HANDRAIL SHALL NOT EXCEED 4.5 INCHES (114 MM) AT OR BELOW THE HANDRAIL HEIGHT. PROJECTIONS INTO THE REQUIRED WIDTH SHALL NOT BE LIMITED ABOVE THE MINIMUM HEADROOM HEIGHT REQUIRED IN SECTION 1002.2.
1012.8 INTERMEDIATE HANDRAILS. STAIRWAYS SHALL HAVE INTERMEDIATE HANDRAILS LOCATED IN SUCH A MANNER SO THAT ALL PORTIONS OF THE STAIRWAY WIDTH REQUIRED FOR EGRESS CAPACITY ARE WITHIN 30 INCHES (762 MM) OF A HANDRAIL. ON MONUMENTAL STAIRS, HANDRAILS SHALL BE LOCATED ALONG THE MOST DIRECT PATH OF EGRESS TRAVEL.
SECTION 1013 - GUARDS
1013.1 WHERE REQUIRED. GUARDS SHALL BE LOCATED ALONG OPEN-SIDED WALKING SURFACES, MEZZANINES, INDUSTRIAL EQUIPMENT PLATFORMS, STAIRWAYS, RAMPS AND LANDINGS THAT ARE LOCATED MORE THAN 30 INCHES (762 MM) ABOVE THE FLOOR OR GRADE BELOW. GUARDS SHALL BE ADEQUATE IN STRENGTH AND ATTACHMENT IN ACCORDANCE WITH SECTION 1607.2 WHERE GLASS IS USED TO PROVIDE A GUARD OR AS A PORTION OF THE GUARD SYSTEM. THE GUARD SHALL ALSO COMPLY WITH SECTION 2407. GUARDS SHALL ALSO COMPLY WITH SECTION 2407. GUARDS SHALL BE LOCATED ALONG GLAZED SIDES OF STAIRWAYS, RAMPS AND LANDINGS THAT ARE LOCATED MORE THAN 30 INCHES (762 MM) ABOVE THE FLOOR OR GRADE BELOW WHERE THE GLAZING PROVIDED DOES NOT MEET THE STRENGTH AND ATTACHMENT REQUIREMENTS IN SECTION 1607.7.
1013.2 HEIGHT. GUARDS SHALL FORM A PROTECTIVE BARRIER NOT LESS THAN 42 INCHES (1067 MM) HIGH, MEASURED VERTICALLY ABOVE THE LEADING EDGE OF THE TREAD, ADJACENT WALKING SURFACE OR ADJACENT SEATBOARD.
1013.3 OPENING LIMITATIONS. OPEN GUARDS SHALL HAVE BALUSTERS OR PATTERNS SUCH THAT A 4-INCH-DIAMETER (102 MM) SPHERE CANNOT PASS THROUGH ANY OPENING UP TO A HEIGHT OF 34 INCHES (864 MM) FROM A HEIGHT OF 38 INCHES (965 MM) TO 42 INCHES (1067 MM) ABOVE THE ADJACENT WALKING SURFACES. A SPHERE 8 INCHES (203 MM) IN DIAMETER SHALL NOT PASS.

3 DECK PLAN
Scale: 1/4" = 1'-0"

4 STAIR DETAIL
Scale: 3/8" = 1'-0"

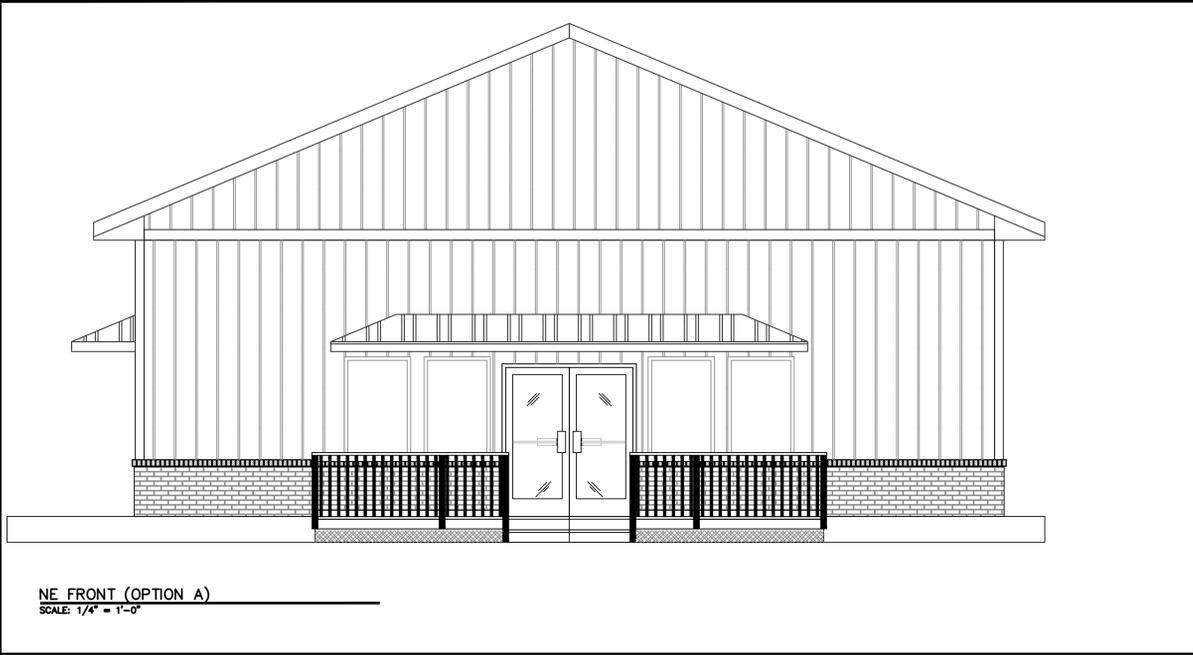


5 WINDOW DETAILS
Scale: 1/4" = 1'-0"

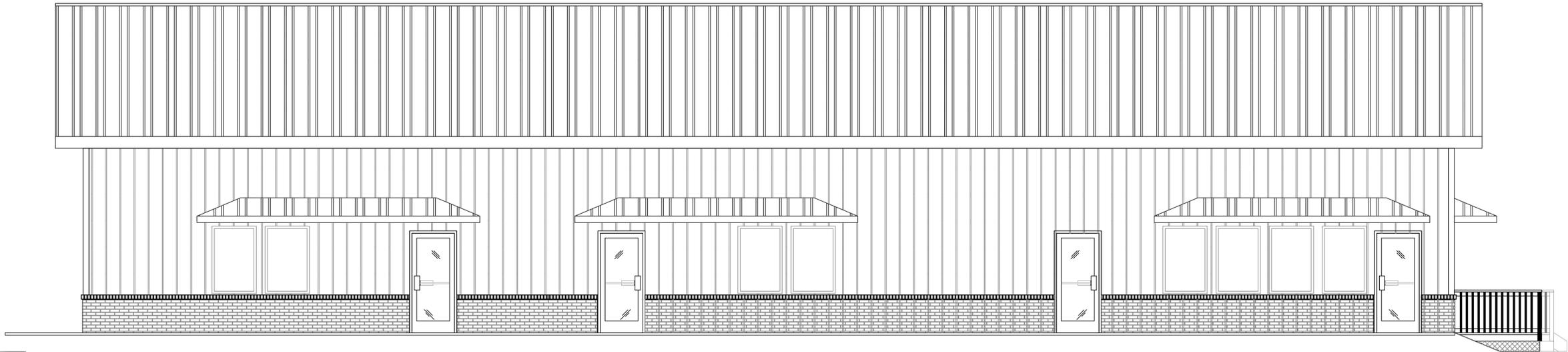
ABBATE DRAFTING SERVICES
RESIDENTIAL & COMMERCIAL PLAN SERVICE
 350 SCHOOL STREET
HOUSTON, DE 19954
 (302) 422-5541 PHN.
(302) 422-7650 FAX.
 E-mail: abbatedrafting@comcast.net

ReMax Twin Counties Realtors & Law Krackers Deli & BBQ
Framing Plans & Schedules & Details
 Owner: Glenn M. & Donna M. Watson
 125 NE Front St
Mifflord, DE 19963
 Tax Map # 5-16-18310-03-72-000

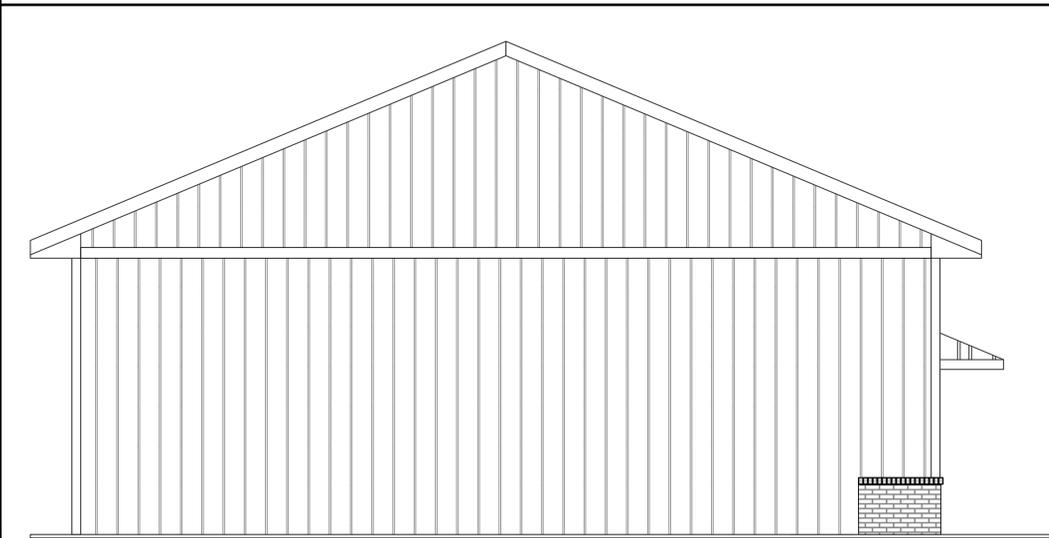
DATE: 26-JUL-17
 REVISION:
 SCALE: AS NOTED
 SHEET NO. **A1.4**
 DATE: 26-JUL-17



NE FRONT (OPTION A)
SCALE: 1/4" = 1'-0"



N WASHINGTON (OPTION A)
SCALE: 3/16" = 1'-0"



NORTH SIDE (OPTION A)
SCALE: 1/4" = 1'-0"

ABBATE DRAFTING SERVICES
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ReMax Twin Counties Realtors & Jaw Crackers Deli & BBQ

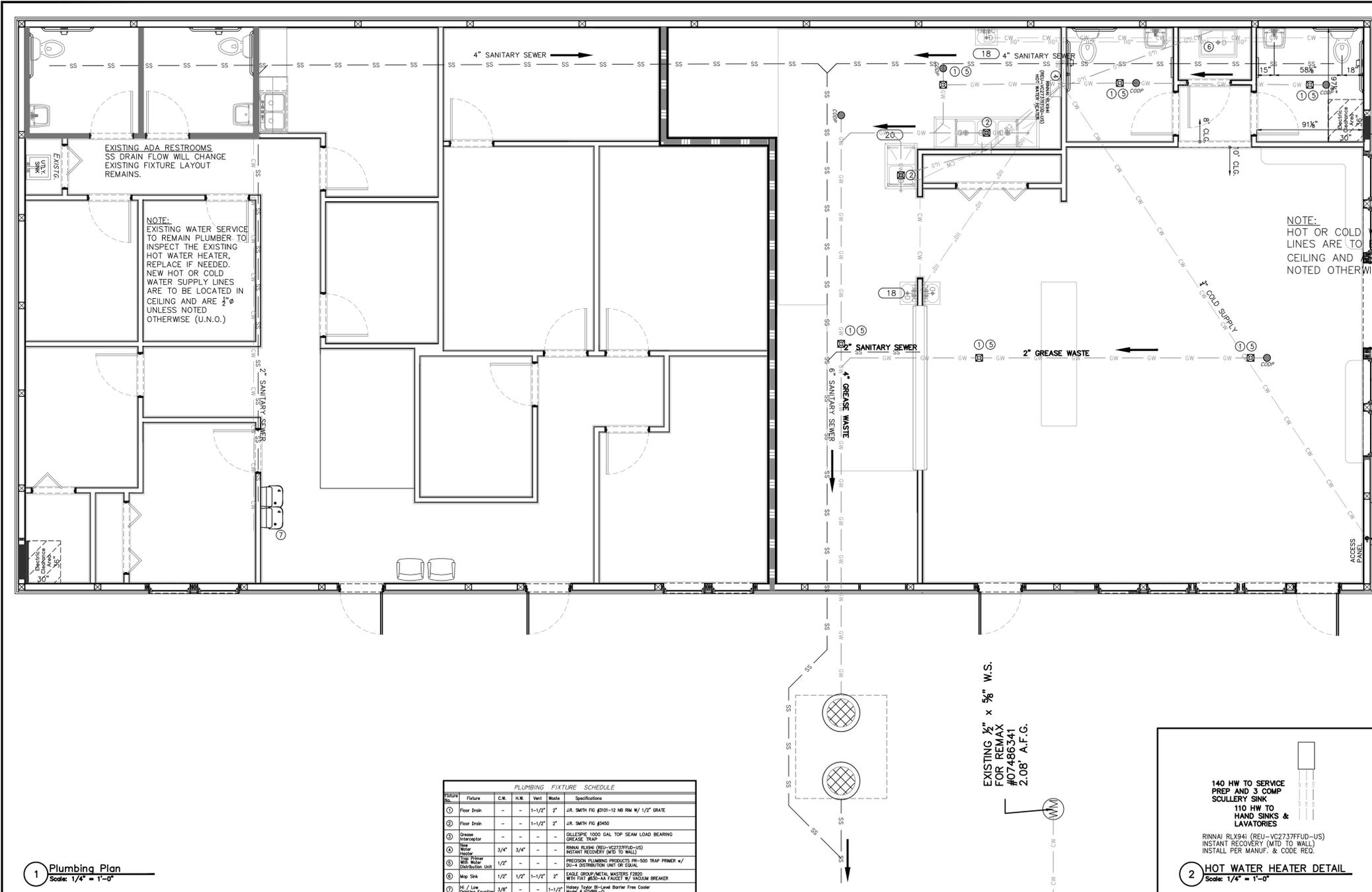
Commercial Fit-out Elevations
Owner: Glenn M. & Donna M. Watson
125 NE Front St
Milford, DE 19963
Tax Map # 5-16-18310-03-71.000 & 72.000

DATE	REVISION

SCALE: AS NOTED

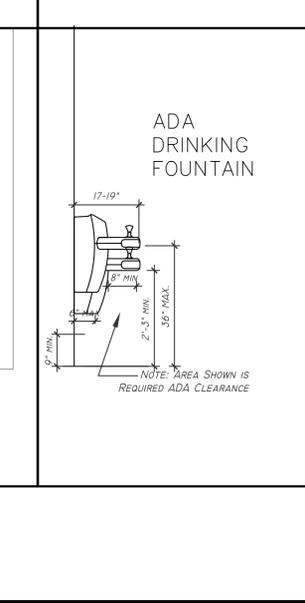
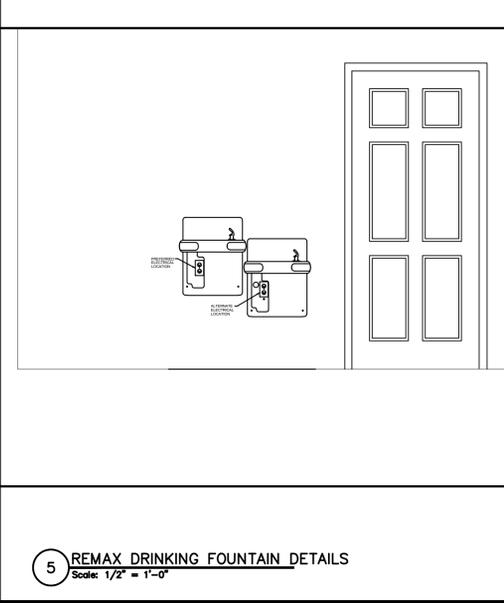
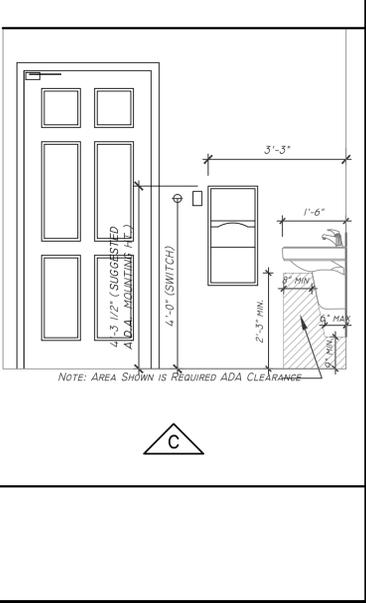
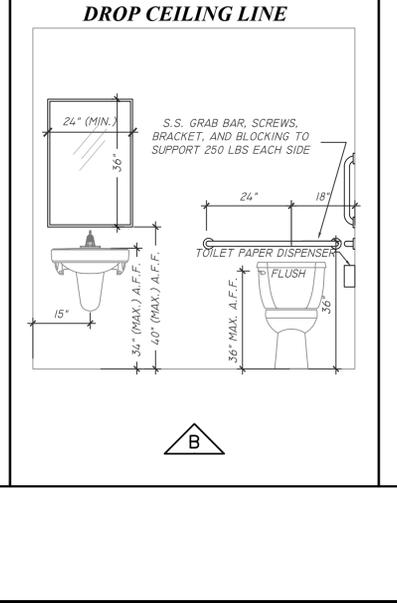
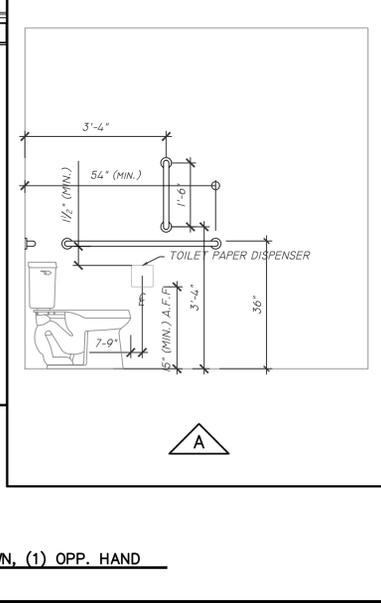
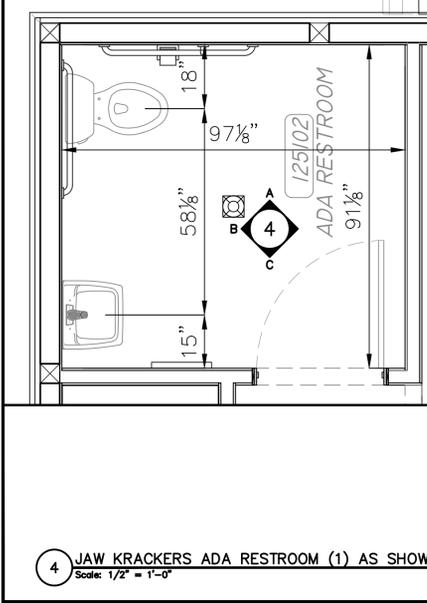
SHEET NO.
A1.5

DATE: 26-JUL-17



PLUMBING FIXTURE SCHEDULE

Fixture No.	Fixture	C.R.	S.R.	Vent	Waste	Specifications
1	Floor Drain	-	-	1-1/2"	2"	J.R. SMITH FIG #3011-12 NB RM W/ 1/2" GRATE
2	Floor Drain	-	-	1-1/2"	2"	J.R. SMITH FIG #3450
3	Grease Interceptor	-	-	-	-	GILLESPIE 1000 GAL TOP SEAM LOAD BEARING GREASE TRAP
4	Hot Water Heater	3/4"	3/4"	-	-	RINNAL RLX941 (REU-V2737FFUD-US) INSTANT RECOVERY (MTD TO WALL)
5	Hot Water Distribution Unit	1/2"	-	-	-	PRECISION PLUMBING PRODUCTS PH-100 TPB PRIMER w/ DI-4 DISTRIBUTION UNIT OR EQUAL
6	Mop Sink	1/2"	1/2"	1-1/2"	2"	EAGLE GROUP/PAETA MASTERS F202 WITH TAIL BRUSH FACET W/ VACUUM BREAKER
7	High/Low Draining Fountain	3/8"	-	1-1/2"	-	Hidary Taylor B-Level Barrier Free Cooler Model # 11708-1



PLUMBING REQUIREMENTS IN THE FOOD ESTABLISHMENT

4A. GENERAL ALL PLUMBING SHALL BE INSTALLED BY A LICENSED PLUMBER UNDER A VALID CURRENT PLUMBING PERMIT IN ACCORDANCE WITH THE STATE OF DELAWARE REGULATIONS GOVERNING A DETAILED PLUMBING CODE.

4B. WATER SUPPLY AND SEWAGE DISPOSAL FACILITIES SERVED BY A PUBLIC WATER SUPPLY AND SEWAGE SYSTEMS DO NOT REQUIRE FURTHER EVALUATION. PRIVATE WELLS MUST COMPLY WITH CHEMICAL AND BACTERIOLOGICAL STANDARDS. SATISFACTORY ANALYSIS IS REQUIRED BEFORE AN OPERATING PERMIT MAY BE ISSUED. INDIVIDUAL SEWAGE DISPOSAL SYSTEMS REQUIRE THE APPROVAL OF THE DEPARTMENT OF NATURAL RESOURCES AND ENVIRONMENTAL CONTROL PRIOR TO OPERATING THE FOOD ESTABLISHMENT.

4C. BACKFLOW PREVENTION

- AIR GAP: SUPPLY AN AIR GAP BETWEEN THE WATER SUPPLY AND THE FLOOR DRAIN LEVEL OF THE PLUMBING FIXTURE. DOWNFLOW EQUIPMENT SHALL BE AT LEAST TWICE THE DIAMETER OF THE WATER SUPPLY INLET AND MAY NOT BE LESS THAN 1 INCH (DEFOOD CODE, §5.2021.13).
- AIR GAP DRAINAGE: NO DIRECT CONNECTION MAY EXIST BETWEEN THE SEWAGE SYSTEM AND ANY DRAIN ORIGINATING FROM EQUIPMENT IN WHICH PORTABLE EQUIPMENT OR UTENSILS ARE PLACED (DE FOOD CODE §4-4021.1). EQUIPMENT AND UTENSILS UTILIZED FOR THE STORAGE, PREPARATION AND HANDLING OF FOOD SHALL DISCHARGE THROUGH AN INDIRECT WASTE PIPE BY MEANS OF AN AIR GAP (DE PLUMBING CODE 2012, §602.1.2).
- FLOOR DRAINS: FLOOR DRAINS LOCATED WITHIN WALK-IN REFRIGERATORS OR FREEZERS IN FOOD ESTABLISHMENTS SHALL BE INDIRECTLY CONNECTED TO THE SANITARY DRAINAGE SYSTEM BY MEANS OF AN AIR GAP (DE PLUMBING CODE 2012, §602.1.2).
- BACKFLOW PREVENTION DEVICE: A BACKFLOW OR BACKSIPHONAGE PREVENTION DEVICE SHALL MEET AMERICAN SOCIETY OF SANITARY ENGINEERING (ASSE) STANDARDS FOR CONSTRUCTION, INSTALLATION, MAINTENANCE, INSPECTION, AND TESTING FOR THAT SPECIFIC APPLICATION AND TYPE OF DEVICE (DE FOOD CODE, §5-202.14).
- PLUMBING FIXTURES: THE SUPPLY LINES OR FITTINGS FOR EVERY PLUMBING FIXTURE SHALL BE INSTALLED SO AS TO PREVENT BACKFLOW (DE PLUMBING CODE 2012, §608.2).
- DEVICES, APPLIANCES: ALL DEVICES THAT CONNECT TO THE WATER SUPPLY SHALL BE PROVIDED WITH PROTECTION AGAINST BACKFLOW (DE PLUMBING CODE 2012, §608.3). THIS INCLUDES DEVICES USED FOR FOOD PREPARATION AND PROCESSING, STEAMERS, THE STORAGE OF ICE OR FOOD, WAREWASHING MACHINES, AND OTHER FOOD SERVICE EQUIPMENT.
- HOSE CONNECTIONS: SILCOCKS, HOSE BIBBS, WALL HYDRANTS AND OTHER DEVICES WITH A HOSE CONNECTION SHALL BE PROTECTED BY AN AIR GAP OR AN ATMOSPHERIC-TYPE OR PRESSURE-TYPE VACUUM BREAKER OR A PERMANENTLY ATTACHED HOSE CONNECTION VACUUM BREAKER EXCEPT FOR WATER HEATER DRAIN VALVE, CLOTHES WASHING MACHINE (DE PLUMBING CODE 2012, §608.15.4.2).
- BEVERAGE DISPENSERS: THE WATER SUPPLY CONNECTION TO CARBONATED BEVERAGE DISPENSERS SHALL BE PROTECTED AGAINST BACKFLOW BY A BACKFLOW PREVENTER CONFORMING TO ASSE 1022 OR BY AN AIR GAP. THE BACKFLOW PREVENTER DEVICE AND THE PIPING DOWNSTREAM THEREFROM SHALL NOT BE AFFECTED BY CARBON DIOXIDE GAS (DE PLUMBING CODE 2012, §608.16.1).

40. UTILITY SERVICE INSTALLATION

- UTILITY LINES INCLUDING GAS, PLUMBING AND ELECTRICAL SHALL BE INSTALLED INSIDE WALLS, ABOVE CEILING OR BELOW FLOOR WHENEVER PRACTICALLY PRACTICAL, AND IN ACCORDANCE WITH APPLICABLE CODE REQUIREMENTS.
- UTILITY LINES ARE RUN IN FRONT OF WALLS. LINES SHALL BE INSTALLED USING STAND-OFF BRACKETS OR OTHER SECURE MOUNTING METHOD, SUCH THAT A MINIMUM CLEARANCE OF ONE INCH (1") EXISTS BETWEEN LINES AND WALLS.
- EXPOSED HORIZONTAL UTILITY SERVICE, INCLUDING WATER SUPPLY AND DRAIN LINES, MAY NOT BE INSTALLED ON THE FLOOR.
- JOINT SEALING: JOINTS FORMED BY FIXTURES IN CONTACT WITH WALLS OR FLOORS SHALL BE SEALED WITH AN APPROVED SEALANT. WHERE INSTALLATION DOES NOT ALLOW ACCESS FOR CLEANING, FIXTURES SHALL BE SEALED TO WALL OR ADJOINING EQUIPMENT. WHERE NOT STRUCTURALLY PRACTICAL, A MINIMUM GAP OF ONE INCH (1") SHALL EXIST BETWEEN THE FIXTURE AND WALLS OR ADJOINING EQUIPMENT.
- SINKS: ALL SINKS SHALL BE SUPPLIED WITH HOT AND COLD RUNNING WATER UNDER PRESSURE.
- SPLASHGUARD DIVIDERS: WHERE LESS THAN 18 INCHES LATERAL SEPARATION EXISTS BETWEEN SINKS AND ADJACENT FIXTURES, FOOD CONTACT SURFACES OR OPEN STORAGE AREAS, A SPLASHGUARD DIVIDER CONSTRUCTED OF A MATERIAL WHICH IS DURABLE, EASILY CLEANABLE, NON-TOXIC AND IMPERVIOUS TO MOISTURE SHALL BE INSTALLED. SUCH DIVIDER MAY BE WALL-ATTACHED OR FIXTURE-ATTACHED AND SHALL EXTEND OUTWARD TO THE LEADING EDGE OF THE SINK AND BE OF SUFFICIENT HEIGHT TO PREVENT WATER FROM SPLASHING INTO AN ADJACENT PREPARATION OR STORAGE SURFACE. NOTE: IT IS RECOMMENDED THAT A MINIMUM SPLASHGUARD HEIGHT OF 8 TO 12 INCHES BE PROVIDED. DEPENDING UPON CASE-SPECIFIC SITUATIONS ENCOUNTERED IN THE FACILITY, A HIGHER MINIMUM HEIGHT MAY BE NECESSARY.

1. HANDWASHING SINKS THESE FIXTURES, WHEN LOCATED IN FOOD PREPARATION, FOOD DISPENSING, BEVERAGE DISPENSING (INCLUDING BAR SERVICE AREA), FOOD STORAGE AND WAREWASHING AREAS, MUST BE CERTIFIED OR CLASSIFIED UNDER AN APPROVED INDUSTRY STANDARD FOR FOOD EQUIPMENT, SUCH AS NSF INTERNATIONAL, ETL, SANITATION, UL FOR SANITATION, BISSC, OR EQUIVALENT.

1.A. A SEPARATE, SINGLE-COMPARTMENT HANDWASHING SINK IS REQUIRED IN FOOD PREPARATION, FOOD DISPENSING, AND WAREWASHING AREAS. A HANDSINK IS REQUIRED WITHIN EACH DISTRICT WORK AREA USED FOR FOOD PREPARATION, FOOD DISPENSING OR WAREWASHING. HANDSINKS SHALL BE INSTALLED WITHIN A RADIUS OF APPROXIMATELY 15 FEET OF WORK STATIONS WITHIN EACH OF THESE AREAS AND ACCESSIBLE WITHIN DIRECT LINE ACCESS. HAND SOAP, PAPER TOWELS AND A TRASH RECEPTOR MUST BE KEPT AT THESE SINKS.

1.B. A MINIMUM HOT WATER TEMPERATURE OF 100°F, DELIVERED THROUGH A MIXING VALVE OR COMBINATION FAUCET, IS REQUIRED.

1.C. IF INSTALLED, SELF-CLEANING, SOAK-CLEANING, OR METERING FAUCETS SHALL PROVIDE A FLOW OF WATER FOR AT LEAST 15 SECONDS WITHOUT THE NEED TO REACTIVATE THE FAUCET.

1.D. A HANDWASHING SINK MAY NOT BE USED FOR ANY OTHER PURPOSE.

1.E. AN INDIRECT DRAINAGE CONNECTION IS NOT REQUIRED FOR CONNECTION TO A GREASE TRAP IS NOT REQUIRED.

2. FOOD PREPARATION SINKS ANY SINK IN WHICH FOOD IS WASHED OR THAWED UNDER RUNNING WATER AS PART OF THE FOOD PREPARATION PROCESS MUST BE CERTIFIED OR CLASSIFIED UNDER AN APPROVED INDUSTRY STANDARD FOR FOOD EQUIPMENT, SUCH AS NSF INTERNATIONAL, ETL, SANITATION, UL FOR SANITATION, BISSC, OR EQUIVALENT.

2.A. A FOOD PREPARATION SINK MAY NOT BE USED FOR DISPOSAL OF MOP WATER OR LIQUID WASTES.

2.B. AN INDIRECT DRAINAGE CONNECTION THROUGH AN AIR-GAP IS REQUIRED.

2.C. CONNECTION TO PROPERLY SIZED GREASE TRAP IS REQUIRED.

2.D. IF A FOOD PREPARATION SINK HAS TWO OR MORE COMPARTMENTS, A SEPARATE WASTE LINE CONNECTION FROM EACH SINK COMPARTMENT THROUGH AN AIR GAP INTO A FLOOR SINK IS REQUIRED.

3. WAREWASHING SINK THIS FIXTURE MUST BE CERTIFIED OR CLASSIFIED UNDER AN APPROVED INDUSTRY STANDARD FOR FOOD EQUIPMENT, SUCH AS NSF INTERNATIONAL, ETL, SANITATION, UL FOR SANITATION, BISSC, OR EQUIVALENT.

3.A. A SINK OF AT LEAST THREE SEPARATE COMPARTMENTS WITH COVERED CORNERS AND INTERNAL DRAINAGE AT EACH END SHALL BE PROVIDED FOR MANUALLY WASHING, RINSING AND SANITIZING EQUIPMENT AND UTENSILS. EACH SINK COMPARTMENT SHALL BE LARGE ENOUGH TO ACCOMMODATE THE IMMERSION OF THE LARGEST EQUIPMENT ITEM OR UTENSIL. A CHEMICAL TEST KIT THAT MATCHES THE TYPE OF SANITIZING AGENT IN USE IS REQUIRED IN THE WAREWASHING AREA. A WAREWASHING SINK MAY NOT BE USED FOR HANDWASHING OR DISPOSAL OF LIQUID WASTES.

3.B. CONNECTION TO A PROPERLY SIZED GREASE TRAP IS REQUIRED.

3.C. AN INDIRECT DRAINAGE CONNECTION FROM EACH BOWL IS REQUIRED.

4. SERVICE SINK (FOR USE AS JANITORIAL SINK, UTILITY SINK OR MOP SINK)

4.A. WHEREVER PRACTICAL, INSTALL THIS FIXTURE OUTSIDE OF THE FOOD PREPARATION, FOOD DISPENSING, FOOD STORAGE AND WAREWASHING AREAS.

4.B. THIS FIXTURE, WHEN LOCATED IN FOOD PREPARATION, FOOD DISPENSING, FOOD STORAGE AND WAREWASHING AREAS, MUST BE CERTIFIED OR CLASSIFIED UNDER AN APPROVED INDUSTRY STANDARD FOR FOOD EQUIPMENT, SUCH AS NSF INTERNATIONAL, ETL, SANITATION, UL FOR SANITATION, BISSC, OR EQUIVALENT.

4.C. CONNECTION TO A PROPERLY SIZED GREASE TRAP IS REQUIRED.

4.D. GREASE TRAP THE GREASE TRAP MUST BE SIZED IN ACCORDANCE WITH PDI STANDARD C01.

4.E. CONNECTION TO A PROPERLY SIZED GREASE TRAP IS REQUIRED FOR ALL FIXTURES THAT DISCHARGE GREASE-LOADED WASTE, E.G. WAREWASHING SINKS, FOOD PREP SINKS, PRE-WASH SINKS FOR WAREWASHERS, WORKS, AND OTHER COOKING EQUIPMENT.

4.F. WATER HEATER - HOT WATER SUPPLY

1. THE WATER HEATER SHALL BE SIZED TO PROVIDE HOT WATER AS REQUIRED TO SUPPLY BOTH THE CONTINUOUS REQUIREMENTS AND THE HOURLY PEAK DEMANDS OF THE FACILITY. THE CONTINUOUS AND HOURLY PEAK DEMANDS ARE BASED ON THE TYPE OF EQUIPMENT AND NUMBER OF FIXTURES CONSUMING HOT WATER AS REQUIRED FOR FOOD OPERATIONS.

2. THE TOTAL HOT WATER AVAILABILITY IN GALLONS PER HOUR (GPH) FROM A WATER HEATER IS THE SUM OF THE UNIT STORAGE CAPACITY PLUS THE RECOVERY RATE AT A 100°F RISE.

3. A FUEL-FIRED (GAS OR OIL) WATER HEATER IN A FOOD ESTABLISHMENT SHALL HAVE A MINIMUM STORAGE CAPACITY OF THIRTY (30) GALLONS, AN ELECTRIC WATER HEATER SHALL HAVE A MINIMUM STORAGE CAPACITY OF FORTY (40) GALLONS. STORAGE CAPACITIES LARGER THAN THE MINIMUM SHALL BE REQUIRED, BASED ON THE TYPE OF EQUIPMENT AND NUMBER OF FIXTURES CONSUMING HOT WATER.

1 Plumbing Plan Scale: 1/4" = 1'-0"

4 JAW KRACKERS ADA RESTROOM (1) AS SHOWN, (1) OPP. HAND Scale: 1/2" = 1'-0"

5 REMAX DRINKING FOUNTAIN DETAILS Scale: 1/2" = 1'-0"

2 HOT WATER HEATER DETAIL Scale: 1/4" = 1'-0"

3 TYP. FLOOR DRAIN DETAIL Scale: 1/2" = 1'-0"

5 REMAX DRINKING FOUNTAIN DETAILS Scale: 1/2" = 1'-0"

25-Oct-17 LAST PRINTING

ABBATE DRAFTING SERVICES
RESIDENTIAL & COMMERCIAL PLAN SERVICE

350 SCHOOL STREET
HOUSTON, DE 19956
E-mail: abbatedrafting@comcast.net

(302) 422-5541 PHN.
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ReMax Twin Counties Realtors & Law Krackers Deli & BBQ
Plumbing Plan, Notes, Schedules, & Details

Owner: Glenn M. & Donna M. Watson
125 NE Front St
Milford, DE 19963
Tax Map # 5-16-18310-03-71.000 & 72.000

SCALE: AS NOTED

SHEET NO. **P1.1**

DATE: 26-JUL-17

Warehouse R7.dwg

CITY OF MILFORD
NOTICE OF PUBLIC HEARINGS

The Planning Commission will hold a Public Hearing regarding the below ordinance on TUESDAY, DECEMBER 19, 2017 to hear evidence from interested parties and make a recommendation to City Council regarding the ordinance.

The City Council will hold a Public Hearing regarding the below ordinance on MONDAY, JANUARY 22, 2018 to hear evidence from interested parties and make a final determination regarding the ordinance.

Both meetings begin at 7:00 p.m. and will take place in the Joseph Ronnie Rogers Council Chambers of Milford City Hall at 201 South Walnut Street, Milford, Delaware at which times, the following ordinance will be considered:

ORDINANCE 2017-23

Glenn and Donna Watson for a Conditional Use to allow multiple permitted uses on .253+/- acres in a C2 (Central Business) Zoning District. Property is located at the northeast corner of intersection NE Front Street & N Washington Street; 111 N Washington Street, Milford, Delaware. Present Use: Office; Proposed Use: Office & Restaurant.
Tax Map MD-16-183.10-03-71.00 & -72.00

WHEREAS, the City of Milford Planning Commission considered the ordinance, as described, at a duly noticed Public Hearing on December 19, 2017 and recommended its adoption to City Council; and

WHEREAS, Milford City Council conducted a duly noticed Public Hearing on January 22, 2018 to consider all information presented by City Staff, the Applicant, and written and verbal public testimony; and

WHEREAS, it is deemed reasonable, beneficial, and in the best interest of the City of Milford to allow a Conditional Use to allow multiple permitted uses on a property as herein described.

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

Section 1. Upon the adoption of this ordinance by City Council, Glenn and Donna Watson are hereby granted a Conditional Use Permit to allow multiple permitted uses on a property, in accordance with the application, effective on the date so noted.

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: December 19, 2017

City Council Introduction: December 11, 2017

City Council Public Hearing: January 22, 2018

Adoption: January 22, 2018

Effective: February 1, 2018

This ordinance shall take effect and be in force ten days after its adoption.

For additional information, please contact Rob Pierce in the Planning Department at Milford City Hall either by e-mail at RPierce@milford-de.gov or by calling 302.424.8396.

Advertised: Beacon 11/29/17