

*MILFORD CITY COUNCIL*  
MINUTES OF MEETING  
*January 28, 2013*

Milford City Council held a Public Hearing on Monday, January 28, 2013 in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware on the following matters:

*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 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.*

PRESIDING: Vice Mayor Douglas Morrow, Sr.

IN ATTENDANCE: Councilpersons Steve Johnson, Garrett Grier III, S. Allen Pikus, Dirk Gleysteen,  
Owen Brooks, Jr., James Starling, Sr. and Katrina Wilson

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

COUNSEL: City Solicitor David Rutt

Vice Mayor Morrow called the Public Hearing to order at 7:01 p.m. He then invited Mike Jones, Project Manager of Sussex County Community Development and Housing Office and Albert Biddle, Housing and Community Development Coordinator of Kent County Levy Court to discuss the program.

Mr. Biddle began by explaining this is the annual and duly announced joint public hearing for the Community Development Block Grants funding application cycle administered through Kent and Sussex Counties. The purpose is to solicit and obtain citizen input on the federally-funded program and the ability for Kent and Sussex Counties to apply for funding through the Delaware State Housing Authority on behalf of the City of Milford.

Mr. Biddle reported that almost \$2 million has been allocated for Sussex and Kent Counties, with the exception of the City of Dover. He stated that because there is less than \$2 million and 44 municipalities and two county governments vying for the funding, it is very competitive. However, Milford has been fairly successful over the long haul with funding.

He explained that Delaware State Housing Authority has set priorities for funding projects with their number one priority being housing. Under that category, the primary goal is housing rehabilitation of owner-occupied houses for low to moderate income persons. They come in and make eligible repairs to get the house up to standard at no cost to the owner.

Other eligible projects include the demolition of vacant and condemned single family structures and small infrastructure projects such as sidewalks, drainage, sewer and water improvements. However, such projects are further down the list and not priority items.

Councilwoman Wilson arrived at this time.

Mr. Biddle noted that in years past, Milford has done some small infrastructure and demolition projects and most recently, some shelter related projects.

Mr. Biddle commented that Milford is unique because they are able to draw from different counties. He emphasized the

CDBG program is for low and moderate income persons and referenced the following income guidelines for FY13 (July 1, 2013):

	30% OF MEDIAN	Kent County		30% OF MEDIAN	Sussex County	
		LOW	MODERATE		LOW	MODERATE
1 Person	13,300	22,150	35,400	13,200	21,950	35,100
2 Person	15,200	25,300	40,450	15,050	25,050	40,100
3 Person	17,100	28,450	44,500	16,950	28,200	45,100
4 Person	18,950	31,600	50,550	18,800	31,300	50,100
5 Person	20,500	34,150	54,600	20,350	33,850	54,150
6 Person	22,000	36,700	58,650	21,850	36,350	58,150
7 Person	23,500	39,200	62,700	23,350	38,850	62,150
8 Person	25,050	41,740	66,750	24,850	41,350	66,150

Mr. Biddle also reported that during the current fiscal year, Kent County has \$68,000 to rehabilitate four homes. One is under contract and the others in the application and scope of work phases.

He emphasized that typically, there is a waiting list in both counties. The housing authority judges the applications based on the number of people on the waiting list. The more homes on the waiting list indicates there is a greater need.

Residents can call at anytime to be placed on the waiting list which helps with future planning. Contact numbers were then provided as follows:

Kent County at 744-2480  
Sussex County at 855-7777

In addition, any person interested can contact city hall for information.

Mr. Jones then introduced himself noting he is generally the representative in Milford writing jobs in order to get the work done on the Sussex side. He reported that over the last nineteen years, Sussex County Housing has spent over \$680,000 on the south side of Milford on a total of 48 rehabs.

He reiterated they work from a waiting list and the higher the number on the waiting list is a benefit and a factor in deciding if funding is made available to Milford.

He left the city clerk with a list of the residents on their current waiting list and a copy of the application.

Mr. Jones also reviewed the income guidelines for Sussex County.

Mr. Pikus asked if there is a limit on how much is spent per house; Mr. Jones said that as Mr. Biddle reported, there is \$68,000 available for the four rehabs currently planned. In that case, each home is appropriated approximately \$15,000. Each house is reviewed individually and if there is a greater need with one home versus another, that is also considered. He emphasized the program is not to remodel the home and instead, there must be a need for the repair.

Vice Mayor Morrow asked for comments. No one responded.

Mr. Grier then moved for adoption of the Resolution 2013-2, seconded by Mr. Pikus:

Resolution 2013-2  
Sussex County

ENDORISING PROJECT TO BE SUBMITTED TO THE DELAWARE STATE HOUSING AUTHORITY FOR FUNDING FROM THE UNITED STATES DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT AUTHORIZING DAVID B. BAKER, 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 28<sup>th</sup> DAY OF JANUARY 2013.

Motion carried.

Mr. Brooks moved for adoption of the Resolution 2013-3, seconded by Mr. Grier:

Resolution 2013-3  
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 January 28, 2013.

Motion carried.

Mr. Pikus moved for adoption of the Resolution 2013-4, seconded by Mr. Johnson:

Resolution 2013-4  
Authorizes Levy Court of Kent County to Submit Application

The City Council of Milford, Delaware, hereby authorizes its Mayor Joseph R. Rogers, to submit the Fiscal Year 2013 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 2013 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 January 28, 2013.

Motion carried.

Mr. Pikus moved for adoption of the Resolution 2013-5, seconded by Mr. Starling:

Resolution 2013-5  
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 January 28, 2013.

Motion carried.

Mr. Pikus moved for adoption of the Resolution 2013-6, seconded by Mr. Brooks:

Resolution 2013-6

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 January 29, 2013 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 after one Public Hearing, endorsed this application.

Motion carried.

With no further business, the Public Hearing was adjourned by Vice Mayor Morrow at 7:14 p.m.

Respectfully submitted,



Terri K. Hudson, MMC  
City Clerk/Recorder

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
January 28, 2013

The City Council of the City of Milford met in Workshop Session on Monday, January 28, 2013 in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Vice Mayor Douglas Morrow, Sr.

IN ATTENDANCE: Councilpersons Steve Johnson, Garrett Grier III, S. Allen Pikus, Dirk Gleysteen, Owen Brooks, Jr., James Starling, Sr. and Katrina Wilson

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

COUNSEL: City Solicitor David Rutt

The Workshop Session convened at 7:14 p.m.

*Circle of Light, Incorporated/Task Force for Homelessness for Milford/Reverend Deacon Dorothy Vuono*

Reverend Deacon Dorothy Vuono introduced herself noting she is the Program Coordinator for the Circle of Light, Incorporated which is the resource center for homeless women and children in the Milford area.

She recalled a few years ago, their group spoke to city council on the homeless situation occurring in Milford. They are now asking for collaboration between the council and the Circle of Light to form a task force to delve further into the problem existing in Milford.

Reverend Deacon Vuono reported that in 2007, the Circle of Light started to do some research. At that time the group consisted of a group of local citizens who were willing to look at the problem existing for women and children that were homeless in this city. In December 2009, they had their first client; in 2010, they had 31 clients. Circle of Light is primarily supplying and helping the women who are homeless and their children with birth certificates, social security cards and state identification cards. Without any of those, they are unable to get public assistance and housing.

They have since moved into helping with application fees for apartments for these women who are coming out of transition safe programs through People's Place. They are also working on the Teen Girl Foster Care Program with People's Place and helping in ways the state is unable to. They are providing essential items such as mattresses for those moving out of the safe program into transition housing. She noted that many are unable to be funded with state or federal monies.

In 2011, their number of clients increased from 31 to 54. In 2012, they have helped 111 people. Reverend Deacon Vuono emphasized the numbers are growing and it is becoming an extreme area of concern for the organization who hope that by the end of the presentation, council will agree there is a need for a task force.

Reverend Deacon Vuono then introduced Craig Warrington who is the homeless liaison for Milford School District.

Mr. Warrington advised that a lot of times, people do not see these homeless families on the street and many people wonder if there is a homeless problem and if so, where they are. He explained that these children are in a 'different' residence; for example, someone in foster care falls in this category. There is a group home in town that is used. A lot of the children are in shelters. Milford has two domestic violence shelters.

He said there are also several families that are in shelters in Dover, Georgetown and other local areas because Milford has no homeless shelter. In addition, a lot of families and children are in motels with Travelers and Super 8 the predominant motels in Milford.

Due to problems with the Travelers Inn over the past year, a number of the families are living in motels in Dover and

Georgetown and other surrounding towns.

Mr. Warrington noted that a lot of their homeless students are 'doubled up'. Doubled up means the family can no longer afford their lease or rent or live on their own. They are then forced to move in with someone else which may be a family or a friend. Those students also fall under the homeless category.

He clarified that homeless means lack of an adequate, consistent place to live. Basically, the person is a transient.

In his role at Milford School District, they support these students as much as they can. Supplies including hygiene items, blankets, sleeping bags, clothing and uniforms are provided. These supplies, in addition to money for field trips, are mainly provided by local groups, organizations, churches and businesses.

The school also receives a small grant from the state, which is funded through the federal government, allows them to assist these people.

Mr. Warrington advised the biggest thing they do is ensure they have an adequate education. The homeless act, instituted in 2002, addresses homeless families that move from shelter to home to other sites. Moving from Milford to Lake Forest to Cape would be very difficult for a child to maintain any kind of consistent education. This allows the student to stay in one district. As they identify the students who fall in this category, they provide them with transportation to and from the school.

He explained that when a family loses their home in Milford and moves to a home in Harrington, Milford School District will keep that student in their district and provide a van to and from the school. There are numerous students that fall under this category and a great deal of transportation going around Milford and surrounding areas. He said they have gone as far as Laurel and Smyrna. He said they have accommodated those students even though that is pushing it because they do not want those students on the bus all day. However, keeping that student in one school district is vital to their education. He reported that realistically, this is the only consistent thing in their lives and where they get clothing, food, education and attention. Outside of that, there is not a lot going on for some of these students.

As of today, Mr. Warrington added another student to Milford's list. Currently, there are 141 students in the school district that are in the homeless category. He said that number rises every year and will increase as the school year progresses.

He said it is a problem and one a lot of people do not see. He works with these people every day and finds they are very humbled and very appreciative.

Mr. Warrington said this community is fantastic. They have had a huge outpouring from not only Milford, but surrounding areas where businesses, organizations and ministry groups have made huge donations to try and help these folks even more. He has addressed civic and church groups and as the problem is identified and the word spreads, people are stepping forward to help them out.

He does not feel the number will go down and from his experience, it will continue to increase unless the economy does something miraculous over the next couple of year.

Mr. Warrington said that homeless shelters used to fill up only during the winter. Currently, they are full all the time because of the economy. As a result, it is almost next to impossible to get into a shelter. If a person or family is lucky enough to get in, they are not permitted to stay very long.

He said there are some people living on the street and in the woods.

Mr. Warrington left council with the thought that the picture of a homeless person is not always accurate. He has worked with people that live a normal life for many years and then suddenly, everything falls apart and they lose their job, lose their house and suddenly have nothing. He said it can happen to anyone at anytime and has seen it happen first hand.

Mr. Pikus said that he has heard there are families with young children living in tents in this area; Mr. Warrington said he is unaware of students living in tents. There are people living in tents in the wooded area on the other side of Stevenson Home. But he is unaware of any students in that situation. He has had some families with children come to him who are living on the street and arrangements have been made for them. Legally, an adult can live in a tent or live outside, but legally a child under the age of eighteen cannot. If he is made aware of that, he is required to call Division of Family Services to report it. He added that those families will not come to him because they fear losing their children.

Mr. Pikus said he must presume these are adults in that situation. If they are living on private property, that is illegal too; Mr. Warrington agreed. He reiterated that if he is informed that children are living on the streets or in tents, he would report that to the state.

Mr. Brooks asked Mr. Warrington to clarify the statement he made about these families who find a home do not live there long; Mr. Warrington explained that these folks are struggling so much they may end up in a shelter but for a limited time. They are then required to move out. They may receive assistance from the state and that is when they may be sent to a motel. If they qualify, they can receive funding for about a month; then they must move on. They might find a friend or a relative to move in with but that is also typically temporary.

He explained that these families are simply unable to find a consistent place to stay because of the lack of funding or resources.

Mr. Warrington said that some folks do not want to be identified as homeless which can makes their situation difficult. As a good example, he has a grandmother that has five children and grandchildren living with her in an apartment. He was made aware of it and when he contacted her, she did not want Mr. Warrington's help because she was unable to have buses coming to the apartment because they would draw attention. In her case, if the apartment manager found out, she would be evicted because there were too many people living there. As a result, he will not get involved in such legal issues though he offers the assistance.

Vice Mayor Morrow noted that Councilwoman Wilson is a member of the Circle of Light Board and asked if she wished to comment.

Ms. Wilson said she is very proud to be a part of a positive, active board of which everyone is one accord and trying to do what is best for these students. She sees a lot of people coming into her place of business that are sleeping in cars. She knows that some are parents with children. She agrees the right thing is to turn them into DSF. But she feels that when families are trying to stick together, they try everything possible to keep their families together. In these cases, the children would most likely be placed in foster homes.

She wants the city to appoint someone else to this board besides herself. She would like a partner or as many partners as are willing to help this program develop. She wants Milford to be one of those towns in Delaware that is helping their homeless residents. Milford is one of the largest towns in the Delaware but she feels we are behind the eight ball. She prays this is the beginning of an open conversation and hopes Circle of Light can get as much help as possible from the city as well as other entities and businesses. She hopes Milford will step forward to do everything possible to help our citizens and our children and protect our children's future.

Mr. Pikus asked if they find many of the homeless are new people moving here or if they have lived here for sometime. Mr. Warrington said it is mainly people who already live here.

Mr. Warrington reiterated that transportation is available to the students to get them to the appropriate district. Funding is through the federal government though the district pays 10%.

Mr. Brooks recalled a couple of years ago when some church members came before council to discuss a cold weather shelter at the Church of the Nazarene.

Pastor Kevin Bowers of the First Presbyterian Church then recognized the board members of the Circle of Life.

Pastor Bowers then reported there are approximately three different homeless populations tonight in Milford—the students in the school district, women in safe transitional housing and those at the teen foster home. He said that every community has the same problems as Milford. Every community has the challenge of looking at its indigenous populations, why they are where they are and any needs.

He said homelessness is a multi-layered issue and there is no simple answer how to help them and how to be able to meet them with the services they require. That is one of the reasons they are seeking a partnership with the council which will provide a broader community-based and involved task force.

Pastor Bowers is aware that no one has enough resources to do what needs to be done. They will work with the city to do as best as they can for those in need.

Vice Mayor Morrow thanked the Circle of Light members for the information noting this is a topic that needs to be addressed. He asked council to consider their concerns adding that it will be put on councils' agenda for later action. He agrees it is not a situation that will disappear especially during these times.

Mr. Starling asked if something can be done right away. He expressed his concern that often a topic is postponed and action is not taken for several meetings. He is very concerned that winter is here and February is expected to be very cold. He encouraged the city administration to begin working on this immediately.

Linda Boone, Chair of the Home of the Brave Board of Directors, then addressed council. She explained Home of the Brave is a homeless veteran facility with a Milford address. They have been in business for twenty-one years and she has been involved with the homeless veterans issue since 1990. Currently, they house 15 homeless veterans at their farm home on Sharps Road. Last year, they served 39 veterans. They can stay up to two years but typically stay between six and nine months.

In November, Home of the Brave bought an additional home in Milford that will serve homeless women veterans and their children.

She said they seem to be ignored because they are outside city limits. She offered her support, along with Board of Chair Vice President Dave Markowitz and a number of active community members, who want to make sure Milford does face and find some solutions to the homeless issue.

Vice Mayor Morrow directed the city manager to contact the Circle of Light's Program Director tomorrow and start this path toward a partnership. There were no objections of city council.

Mr. Gleysteen then asked if there is some type of structure for determining who will be recommended to be involved from the city.

Reverend Deacon Vuono said they tried to do some research about other cities but were unable to find any information on a city as small as Milford. Something similar was started twelve years ago in Laurel (Hope House). She said the Town of Laurel raised money to help build the Hope House. The idea of the task force is to start zeroing in on some of those issues in addition to transportation because they have no way for people to get to work as they only have one bus.

She announced that Dan Bond, Beth Parker and Suzanne Moore (absent) will represent the Circle of Light on the task force. They are asking city council to have three people or less who would begin to meet and bring back information to city council on their progress in finding ways to solve these problems.

She welcomed the Home of the Brave to participate as well as any other members of the community who wish to step forward.

Reverend Deacon Vuono emphasized that Circle of Light is one of the first agencies to bring this matter to the attention of a town. Over the course of time, the Circle of Light has gotten pictures in the newspaper by doing different things such

as the sleeping bag project. As a result, they received help from a Red Hat Group. She feels the public is genuinely interested in helping but needs someone to start telling them how they can help which is what the task force will do.

Mr. Brooks asked how the Town of Laurel raised funds; Reverend Deacon Vuono said they had a capital campaign and raised over \$30,000 to help build the Hope House. However, she only has the information that was provided in a conversation with Laurel Mayor John Shwed. She plans to attend one of their board meetings to obtain additional information. The home has four units which can be used by the homeless for either 30, 60 or 90 days.

Mr. Pikus asked who managed the units; Reverend Deacon Vuono said Hope House though she knows the town gives them a reduced rate on taxes and does not charge for electric and water.

She said that right now, it is important to get this message out to people.

Ms. Wilson said she is familiar with Whatcoat Shelter in Dover which was a collaboration of city council and which John Pitts was instrumental in forming. A number of their churches worked together to establish the program which has served hundreds of people noting that a number of people from Milford are sent there. She agrees the problem with shelters is the limited amount of time that can be spent there. In some cases, it only averages fifteen to thirty days. At the end of that period, these families must collect their items and move on. Unfortunately, staying at one shelter does not allow enough time for a person to get their feet on the ground. Even if they have a job, there is a later problem when they are released because not only do they lose their homes, but they often lose transportation as well.

She said Milford is blessed because there is now some affordable housing in Milford that can be offered.

Ms. Wilson said this is not the first time this has been presented to the city. In the past, there was not a strong organization behind it. She said approximately ten years ago, council was made aware of the homeless situation in Milford though it was not as bad as it is now. Right now it is very difficult and reiterated there are a number of people today sleeping in their vehicles that often eat a cold can of soup for dinner.

She agrees that something needs to be done and hopes that it starts today.

City Solicitor David Rutt then asked what they envision the structure should be for the task force. He said it was mentioned there would be three people from the Circle of Light and possibly three people from the city in addition to community members. He needs to know the structure and whose guidance this would fall under. In addition, if there will be any funding requested. He explained that information is needed to determine whether the task force would be an official arm or commission of the city which has some legal ramifications.

Pastor Bowers agreed those are good questions though he is unsure they have the answers. They have done some thinking and referenced the documents in the council packet. They noted some issues and areas the task force may want to get into. They hoped that would lead to a developing structure though it has not been thought out to that depth.

According to the pastor, their hope was to get it started and let council have a role which would be significant when developing a community strategy to deal with the various issues of local homelessness.

He said there has always been an idea that we might get into some problematic areas which council would need to understand is their role. However, he feels that is down the road.

They did not come tonight with a preset strategy and a formal structure. They have tried to do some research though it is difficult to find what similar communities are doing for homelessness.

Vice Mayor Morrow said this can start a dialogue to work toward some common goals and suggested the city manager work on that.

Pastor Bowers referenced a recently published 2011 Comparison of 25 Cities in the United States by the National

Conference of Mayors addressing hunger and homelessness programs. Unfortunately, the document addresses larger cities and not smaller towns. He emphasized they do not want to reinvent the wheel and believe there are lots of places someone can find information on what communities are doing to address homelessness concerns.

*PowerPoint/Economic Development Presentation/Economic Development Director Steve Masten*

Mr. Masten introduced himself as being with the Economic Development Office in the city. He presented the attached PowerPoint.

He then gave the following report:

*Slide 1. Economic Development Strategy*

*I would begin my presentation with the Economic Development Strategy, authored by John M. Rhodes, December 2010. This company is a nationally recognized economic development and site selection consultant. This economic development strategy projects to the year 2025.*

*Slide 2. Action Plan*

*These six areas are the core areas of economic development. In this presentation I am going to discuss and bring you up on the current demographic status and a few facts.*

*Slide 3. Comprehensive Plan Neighborhoods*

*A document that is updated on a regular basis is the town's comprehensive plan. Milford has four neighborhoods and each is a little different. Milford has a defined town center with many historical buildings and homes. Contrasted by the north neighborhood having a high density of commercial and light industrial activity.*

*Slide 4. Downtown Milford Incorporated Event Promotion*

*Downtown Milford Incorporated is a special organization that directs its attention on promoting business and business activities in the central part of the city. The focus is a four-point approach--*

*Design, taking advantage of visual opportunities, landscaping, store fronts, signs, etc.*

*Promotion takes many forms, but the aim is to create a positive image of the downtown in order to rekindle community pride in the commercial area.*

*Economic restructuring is accomplished by retaining and expanding existing businesses to provide a balanced mix of commercial entities by converting underutilized or unused space into productive property.*

*Organization establishes consensus by building partnerships with stakeholders who are private and public.*

*Slide 5. Business Development*

*Promoting new businesses is a must for new business start ups. Ribbon cuttings are necessary to inform the public that Milford is open for business.*

*Slide 6. DMI Achievements*

*DMI is a vital organization that promotes and organizes volunteers and provides knowledge-based incentives to businesses. DMI is an administrative arm for economic development and the City of Milford whose efforts are infused into the downtown area of Milford.*

*Another organization that promotes Milford at large is the Chamber of Commerce for Greater Milford.*

*Slide 7. Chamber of Commerce for Greater Milford*

*Milford is divided between Kent and Sussex Counties. The Chamber of Commerce works hand in hand with the businesses by providing resources and promotional events. The chamber supports a balanced economic development of Milford by promoting civic, industrial, commercial, educational, agri business, social and quality of life interests.*

*Slide 8. Chamber of Commerce Provides*

*Organizing activities such as these require dedicated leader and support staff. Milford Chamber accomplishes these tasks along with many other areas of support. Milford is very fortunate to have a chamber that supports its businesses in the Milford area. Recently, I was speaking to the Town Manager of Smyrna who informed me that Smyrna did not have a Chamber to promote businesses activity and growth. This responsibility was largely performed by town officials as time allowed.*

*Slide 9. Collaborative Partners*

*Its worth mentioning that both Downtown Milford, Inc. and the Chamber of Commerce for Greater Milford are working for the good of Milford. Milford officials are on their boards and on many committees of the city such as the Economic Development Advisory Committee.*

*Slide 10. Consumer Sector*

*Our area regarding employment and unemployment. These figures are updated on a regular basis. August numbers reflect the unemployment rate went from 6.8% to 6.9%. September unemployment rate dropped to 6.8%. These figures are for the State of Delaware and not just Milford. The next slide will give you a better perspective of how we compare to other states.*

*Slide 11. Regional Unemployment*

*September 2012 unemployment rate maintained at 6.8% with the US unemployment rate being 7.8%. The State of New Jersey continues in the month of September 2012 to experience a 9.8% unemployment rate. The source for this information comes from the Delaware Department of Labor and the respective department of labors for each state.*

*New Growth for Milford*

*Slide 12. Milford Growth*

*Growth has begun in the southwest neighborhood with Redners. Additionally, about ten pad sites are being constructed with interest from many applicants wishing to open up new businesses at this development. I have made about half dozen referrals to the leasing company for prices and availability of pad sites.*

*Slide 13. Redners Pads*

*Six pad sites that are under construction. Four additional pad sites are being built and are separate structures, but adjacent to these pads. Year 2014 is going to hold big plans for the next major employer in Milford as well as the city.*

*Slide 14. Milford Memorial Hospital Bayhealth Expansion*

*Bay Health will be building a brand new hospital. Capital investments will bring in over \$200 million. The hospital administrator, Mr. Ashton, noted the real challenge is to keep hospital services running while the old part is replaced with a new facility. Plans are to keep the hospital open during all parts of the construction process. The city has met with the*

*hospital administrator to extend our services during the construction process. All services that Milford provides will be affected by the new construction; coordination of services will be part of this major project.*

*Slide 15. Independence Commons*

*Medical, a new business has broken ground; Dr. Bunting will be building a dental facility to house three dentists and a support staff that will grow to over twenty employees. The location of this project is in Independence Commons next to Response Computer. As a foot note, another medical office is in the works and an approximate 8,000 to 10,000 square foot facility is being considered.*

*Slide 16. Milford Business Park*

*I have been working with a client who is looking to start a new business. An assessment of available real estate and buildings in Milford has been performed. The building on this slide is currently in operation, but the owner is looking to downsize his operation, making this facility available. I have identified square footage that range from 15 cents a square foot to 15 dollars a square foot. There is a need for quality buildings at affordable rates for new start up and existing businesses.*

*Something new for Milford!*

*Slide 17. Solar Farm*

*On or about December 25, 2012, the Milford Solar Farm was energized and began feeding electric into Milford's new substation. I would like to point out that the solar farm is not owned by the City, but the electric "15 megawatt" generated there feeds directly into the electric grid of Milford. The \$50 million project is owned by Public Service Enterprise Group who also owns solar farms in Arizona, Ohio, Florida and New Jersey.*

*Another big project getting the necessary approvals is*

*Slide 18. Perdue Expansion*

*Perdue will be expanding their Milford plant to process organic poultry. Perdue has hired about sixty new employees and is scheduled to add at least another one hundred to its employment base. This project is on a fast track to be completed by August 2013. A new and emerging market for this area is the production, processing and farming that is organic in nature. By producing organics, a higher quality product will be sold as the demand increases.*

*Promotion--in September the bikers are coming to Milford.*

*Slide 19. BMX National Event*

*BMX will be holding the First State BMX National Series Event and attracting bikers three years of age and up with the average age of twelve to fourteen. Coordination of services has begun promoting this event. Families from all over the United States will be visiting Milford. This event is scheduled to attract over 600 bikers and their families. This event will occur on Friday, September 13th thru Sunday, September 15, 2013. This is one of 32 events held annually. Milford BMX is hoping that this becomes an annual event that brings in lodging, retail, and restaurant dollars to this community.*

*Slide 20. Business Retention*

*In an effort to support the business community, the City Economic Development, along with the City Manager, are working on barriers to this business' entrance and exit problems, In short, the north end of Carpenter Pit Road is a one-way bridge that prevents visitors from exiting to the north. Instead, they must exit at the Grotto Pizza intersection. We have met with the state and are trying to assist with better signage and road improvements.*

*Here is a look at the bridge that is a one way bridge.*

*Slide 21. Hampton Inn/Bridge*

*Because of safety standards, DELDOT has determined that this road is safe only if used in one direction. Solutions are costly.*

*Slide 22. Warehouse*

*Dogfish Head has arrived in Milford storing their pre-processing materials on McColley Street. During the expansion of the Milton facility, storage of bottles, wrappers, cardboard and all the items used to market the beverage will be stored at this warehouse and delivered as needed to the Milton Location. When the expansion is complete, they will consolidate this activity in Milton.*

*Slide 23. Route 1 & Wilkins Road*

*In December 2012, DeLDOT began the grade separation of Route 1 and Wilkins Road. They awarded the project to George & Lynch. It is expected to be completed in 12 to 16 months. Existing services have been put under ground to allow for the construction to begin. City water will be installed for the first time east of Route 1. The overpass will allow residents and businesses to access east and west areas without entering Route 1.*

*Slide 24. Kent County Regional Sports Complex*

*Location of this new sports complex is north of Milford and across from Meding Seafood. Restaurants, lodging, and area attractions will feel the boost that this major complex will add to the economy. Most of the funds have been raised with a construction start date of late 2013 or 2014. This complex will host an indoor component with activities year round. This complex will become a regional complex that will draw sportsmen from many areas outside of Delmarva.*

*Slide 25. Business Retention Baltimore Air Coil*

*Business Retention: We have an existing business that employs over 400 employees that needs city water. In Economic Development, it is easier to keep the businesses you have, then to try and attract new business.*

*Jobs*

*Slide 26. Benefits to Economic Development.*

*This business currently employees 408 full-time direct manufacturing jobs.*

*They support 150 plus indirect jobs throughout the state.*

*Jobs that are induced from Baltimore Air Coil are all over Sussex, Kent, and New Castle Counties based on purchasing patterns of this business.*

*Metal is bought from up north. Stainless steel rivets, machinery and equipment is purchased from all over the state.*

*Baltimore Aircoil Company is an economic engine for the Milford area.*

*Slide 27. Benefits to Economic Development*

*Strengthens retention and expansion efforts.*

*Completes required utility services to sustain this and future business.*

*Provides clean potable drinking water.*

*Enhances fire protection capability.*

*Promotes future Economic Development in the western Kent County area of Milford.*

*Economic Development Threat.*

*We have identified Milford as River Town, Art Town, Home Town.*

*Slide 28. Challenges*

*The Mispillion River is in need of some serious attention. This picture is taken at the Mispillion Marina located at Route 1 and Route 36. The marina is no longer usable and the Mispillion River is silting more and more each year. Boat traffic will and has almost come to a halt. In speaking with Richard Carmean, he mentioned that the Mispillion River used to be known for the large mouth bass that were caught by anglers.*

*The river needs to be dredged and the vitality of the river needs restoring. The Army Corp of Engineers used to provide funding; now they will only dredge if you are shipping cargo and meet a very high tonnage requirement. It has been estimated that the cost will be around \$10 million.*

*Next, Economic Gardening*

*Slide 29. Economic Gardening*

*It's a strategy that is simple, but many economic development professionals are using this term as it applies to growing your communities businesses. They are simple, but essential, in keeping businesses in our city.*

*Slide 30. Strategy Process*

*The Strategy Process that was outlined in the Economic Development Study identifies--*

*Level 1-Primary Industries: state/federal government, agriculture, manufacturing, college/universities, headquarters and back offices, regional healthcare, retail distribution and tourism related business*

*Level 2- Business Support Services: commercial construction, commercial banking and insurance, business hospitality, business transportation and printing/copying/mail services*

*Level 3-Consumer Services: retail, healthcare, education, banking, and residential construction*

*Keeping our eye on the primary levels that support the economy is essential. Resources such as real estate, labor, education, transportation and utilities is the fuel that an economic engine runs on*

*Slide 31. Thank You*

Ms. Wilson left at this time.

Mr. Gleysteen recalled that DMI President Irv Ambrose gave a presentation of their activities over the past year. He stated that DMI made it clear they are very independent of the city's economic development services. They focus their efforts only on downtown. The chamber is somewhat different.

A question was raised if there is an opportunity for Mr. Masten to network with these other groups or if it is better if everyone does their own thing.

Mr. Masten said that they each sit on the other boards. In Mr. Masten's case, he makes referrals and vice versa both with DMI and the chamber. He said that DMI focuses only on a particular area of the city which is an advantage to the

businesses downtown.

Mr. Masten said that DMI has many volunteers. Their volunteer hours total more than 7,000 hours. He does not have that amount of manpower in his office.

Mr. Masten asked if DMI is needed then stated that in his opinion, they are like an administrative arm of the city.

Mr. Gleysteen said a lot of these projects have been in the pipeline for sometime. He was wondering what methods he plans to attract more businesses to Milford. He asked if any of the projects mentioned are Mr. Masten's babies. Mr. Masten said he is currently working on one now and council will hear more about it in the coming months. He explained that one thing he has identified is the importance of working with existing businesses and finding out who they use and where they get their materials and products. He then tries to attract the related business to Milford. That is something that Sussex County has been successful at. He can then apply that to the city level in terms of trying to get those businesses to Milford so they can serve the people here who are doing the manufacturing.

Mr. Pikus asked if we have been successful in that; Mr. Masten said he has reached out and has not yet brought anyone in but that is part of the economic gardening.

City Manager Carmean said that many council members may remember the meetings with Baltimore Air Coil six to seven years ago in relation to their utility problems. They approached the city after their septic failed. If DNREC would allow them to put in another field, which was up in the air at the time, that would have left them with no room for expansion. The city manager then approached Maurice Blessing to allow the city to build a sewer line across his farm. That was the shortest distance to get to Baltimore Air Coil. Kent County also joined in to help reduce the costs to the city.

The city manager reported that since that time, Baltimore Air Coil has closed several facilities but chose to grow in Milford. There were 135 jobs when their utilities began to fail. Currently, there are 408 jobs that we would have lost had the city not partnered with Kent County and the State of Delaware.

He pointed out that though they are not in city limits, they have a direct impact on our city and our residents economically.

Mr. Carmean advised he is currently working with Perdue on an incentive program. There is a possibility that with their expansion, jobs could increase by one hundred positions.

He said all of the services the city provides influence these businesses. That includes our infrastructure and our police force. He emphasized that every business also wants to discuss electric.

He recalled when Seawatch came to him when they wanted to expand. They were then provided some incentives on new loads for sewer, water and electric because they were bringing an addition 120 jobs. They receive a very small rebate on electric though they are sewer and water dependent.

The city manager feels we need to work on electric rates for commercial and industrial customers. Residentially, we are number four out of eleven.

He agrees it is important to keep working on that and working together with Kent County Economic Office, Sussex County Economic Office, Milford Chamber of Commerce and Downtown Milford. He wants to keep them going in the same direction and does not want them at odds with each other.

He agrees the Mispillion River has a problem. The way it is filling in is dangerous to our downtown area. During a nor-eastern, as the silt fills in and the water is pushed over the areas into the basin, someone may not be able to get back out. It is important that is addressed.

Mr. Carmean said the Army Corp of Engineers used to do some dredging every ten years or so. They no longer provide that service. He will contact the State of Delaware (DNREC) to see what can be done.

Mr. Masten said that right now the most important issue he is working on is retention and making sure Milford does not lose anyone. He was talking with one business who said they almost closed last year. He just found out about it noting that is what they don't want to happen. His goal is that everything we have we keep and begin to add new businesses.

Mr. Pikus asked that Mr. Masten keep council up to date as to new businesses, what is being considered and what is happening in Milford. Often, council has no knowledge of what is coming.

Mr. Masten added that there are a lot of rumors circulating about a number of restaurants; Mr. Pikus prefers that we stick to the facts.

Mr. Masten said that until we receive a site plan or something formal, he does not know if they are coming.

Mr. Carmean then commented on the new solar farm out on Route 14 whose cost was almost \$60 million. He emphasized that a lot of people think it belongs to the city thought it is actually owned by a private company.

The city manager explained the solar farm originally came here because the land was available and a new substation was being built. This allows them to put the power through the city's system and onto the grid. The project had a timeline for completion of December 31, 2012. Had they not completed it, they would have lost a tremendous amount of tax incentives.

On a good day, the solar farm produces anywhere from 13 to 15 megawatts; on a hot summer day it produces 43 to 44 megawatts. DEMEC is buying all the power for the next twenty years. Mr. Carmean said this fulfills the green energy requirements of power providers mandated by the government for Milford and a lot of the other DEMEC customers for many years to come.

Even though it is not a large part of the city's energy, it will cut down on demand, transmission and capacity costs.

He hopes to see some reductions in electric costs in the next couple years. He noted the rate reductions over the past couple years and for commercial and industrial customers, 14 to 17%. Of all our customers, the largest reductions were given to industry and commercial customers. He felt our residential rates were competitive considering Milford is fourth from the lowest rates.

He anticipates better rates in the future once we get the energy on line. When that occurs, the reduction will need to be balanced between businesses and residential customers.

He remembered when Milford had the highest residential rate in the state adding it is difficult to shed that reputation.

With no further business, the Workshop Session concluded at 8:18 p.m.

Respectfully submitted,



Terri K. Hudson, MMC  
City Clerk/Recorder

Attachment: Economic Development Director Steve Masten PowerPoint

ECONOMIC DEVELOPMENT STRATEGY  
**CITY OF MILFORD, DE**

DECEMBER 2010



**Moran, Stahl & Boyer**

Site Selection and Economic Development Consultants

# Action Plan

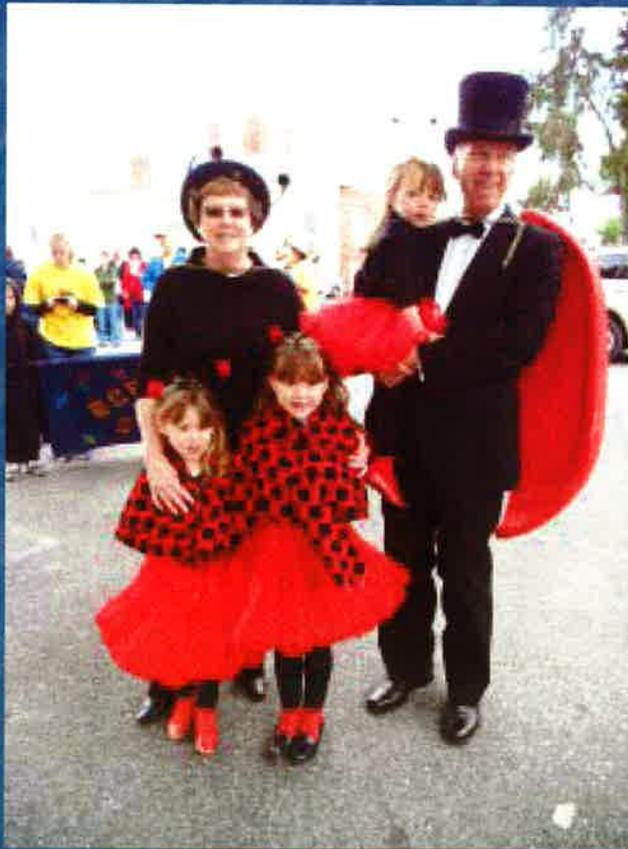
- **Real Estate (Land & Buildings)**
- **Workforce Development**
- **Infrastructure (Utilities and Roads)**
- **Organizational Support for Economic Dev.**
- **Support New Business Start-Ups & the Expansion of Existing Business**
- **Marketing Promotion**

# **Comprehensive Plan Neighborhoods**

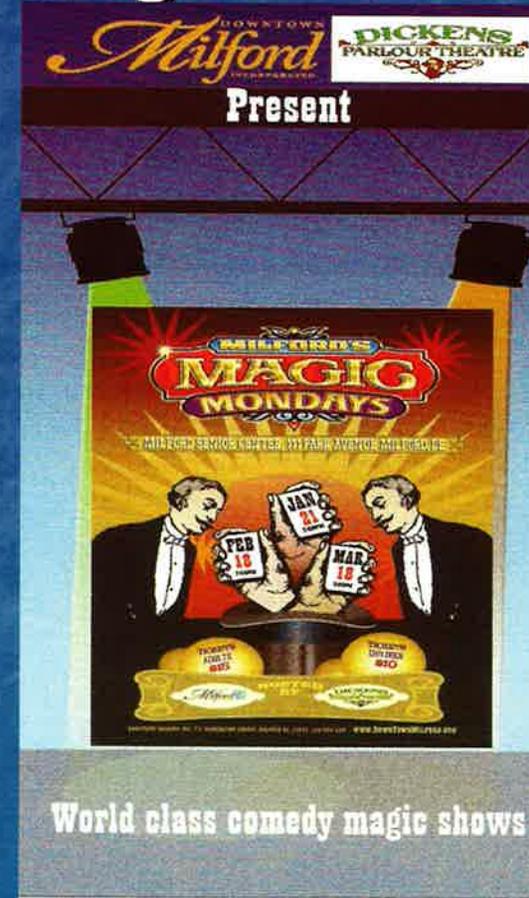
- **Town Center**
- **Southwest Neighborhood**
- **North Neighborhood**
- **Southeast Neighborhood**

# Downtown Milford Incorporated Event Promotion

- Bug & Bud Festival



- Magic Mondays



# Business Development

■ Milford Gifts



Hidden Gem



# DMI Achievements

- 10 New Businesses
- 2 Successful Businesses Expanded
- Project Pop-Up yeilded New Business
- Popular Farmers Market
- 9 Promotional Events
- 7,265 Volunteer Hours
- Improved Downtown Appearance

# Chamber of Commerce for Greater Milford



# Chamber of Commerce Provides

- Networking Opportunities
- Chamber Events
- Advertising Opportunities
- Business Listing
- Promotes Economic Development
- Business to Business Promotion

# **Collaborative Partners**

**Downtown Milford, Inc.**

and

**Chamber of Commerce for Greater Milford**

are working partners

for

**Milford Economic Development**

# Consumer Sector

## Employment

- | <b>■ Delaware (July 2012)</b> | <b>■ Delaware (June 2012)</b> |
|-------------------------------|-------------------------------|
| ■ Labor force 439,745         | ■ Labor force 440,984         |
| ■ Employment 409,749          | ■ Employment 411,469          |
| ■ Unemployed 29,996           | ■ Unemployed 29,515           |
| ■ Unemployment rate 6.8%      | ■ Unemployment rate 6.7%      |

# Regional Unemployment

	June 2012	July 2012
■ Pennsylvania	7.6%	7.9%
■ New Jersey	9.6%	9.8%
■ Maryland	6.9%	7.0%
■ <b><u>Delaware</u></b>	<b>6.7%</b>	<b>6.8%</b>
■ U.S.	8.2%	8.3%

# Milford Growth





# Milford Memorial Hospital Bayhealth Expansion



# Independence Commons



# Milford Business Park



# Solar Farm



# Perdue Expansion



# BMX National Event

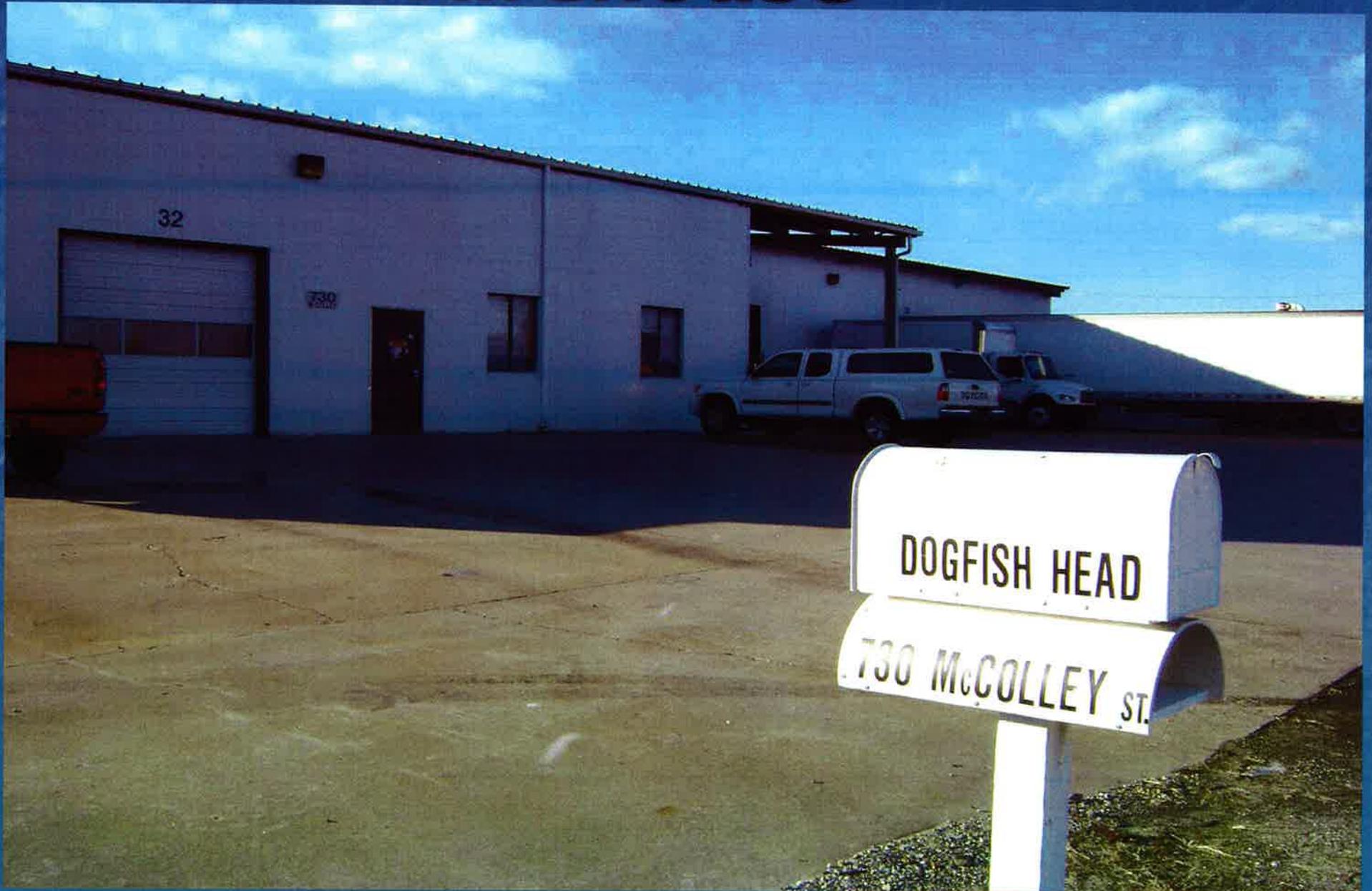


# Business Retention





# Warehouse



# Rt. 1 & Wilkins Road



# Kent County Regional Sports Complex

- Estimated Cost
  - \$6.0 Million for Indoor Facility
  - \$3.61 Million for Infrastructure Cost
  - \$7.19 Million for Fields & Appurtenances
  - 16,800,000 Total Cost
- 
- \$18,000,000.00 Yearly Impact
  - Jobs: 302 jobs (construction & staff)

# **Business Retention Baltimore Air Coil**

- Strengthens retention and expansion efforts
- Completes required utility services to sustain this & future business
- Provides clean potable drinking water
- Enhances fire protection capability
- Promotes future Economic Development in westerly Kent County area of Milford

- Supports **408+** "direct" manufacturing jobs
- Supports **150+** "in-direct" jobs through- out the State
- Supports jobs that are "induced" in New Castle, Kent, & Sussex Counties base on purchasing patterns of the business

# Challenges

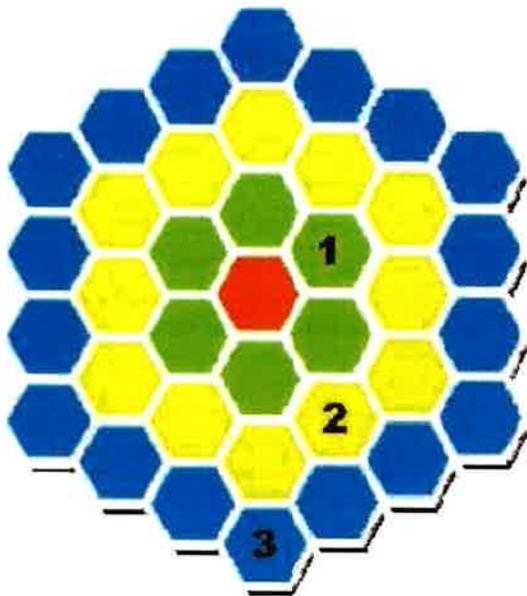


# Economic Gardening

- Grow the local economy from within
- Strategies to help businesses to reach outside markets
- Identify your community's assets
- Determine target audience for services
- Develop a collaborative effort among partners
- Gain community support and buy-in
- Economic Development friendly City

# Strategy Process

## COMPOSITION OF A LOCAL ECONOMY: THE "ECONOMIC PORTFOLIO"



**Resources to Support the Economy**  
(Real estate, labor, education, transportation, utilities, finances, etc.)



### Level 1 - Primary Industries

Employers that infuse money into the region from outside sources, such as:

- State/Federal Government
- Agriculture
- Manufacturing
- Colleges/Universities
- Headquarters/Back Offices
- Business Services (with clients outside the area)
- Regional Healthcare, Retail and Distribution
- Tourism-Related Businesses



### Level 2 - Business Support Services

- Business services (local clients)
- Commercial construction
- Commercial banking and insurance
- Business-focused hospitality
- Business-focused transportation
- Printing/copying/mailing services



### Level 3 - Consumer Services

- Local retail
- Local healthcare
- Local education
- Personal services
- Local retail banking/insurance
- Residential construction

MILFORD CITY COUNCIL  
MINUTES OF MEETING  
January 28, 2013

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, January 28, 2013.

PRESIDING: Vice Mayor Douglas Morrow, Sr.

IN ATTENDANCE: Councilpersons Steve Johnson, Garrett Grier III, S. Allen Pikus, Dirk Gleysteen, Owen Brooks, Jr., and James Starling, Sr.

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

COUNSEL: City Solicitor David Rutt, Esquire

#### CALL TO ORDER

Vice Mayor Morrow called the Council Meeting to order at 8:18 p.m.

#### INVOCATION AND PLEDGE

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

#### RECOGNITION

No special guests in attendance.

#### COMMUNICATIONS & CORRESPONDENCE

City Manager Carmean reported that Receptionist Carlene Wilson was in an accident this evening. She was not seriously injured though her vehicle is most likely totaled.

Vice Mayor Morrow announced that Former City Planning Commissioner and Board of Adjustment Member Sam Johnson passed away this past Saturday. Services will be held Saturday at the Calvary United Methodist Church with the viewing from noon to 2:00 p.m. with the funeral to follow.

#### UNFINISHED BUSINESS

##### *Trash Container Pickup/Delivery Fee*

Mr. Carmean reported that some council members have received calls from customers who say they are in Florida for three months and complain they are still paying a trash fee. He recalled when his wife opened a daycare several years and parents would complain when they did not bring their children or took them out for a few days but still had to pay the fee. Mrs. Carmean pointed out that they still have to provide the availability of the slot. She further explained that when two or three children are taken out for two weeks (for example), the daycare owner is still required to pay for the caregivers regardless of how many children are there. In addition, she still had overhead bills that had to be paid. As a result, the parents had to understand they were required to pay their bill whether or not the children were there.

He has looked at the trash fees in the same manner because they are part of our budget revenues.

The city manager also stated that he has received calls from landlords who may have no one in their rental properties for a certain amount of time and ask that the trash fee be waived.

The city manager emphasized that our trash business is based on the number of customers we had the prior year. That number is divided into the overall cost of the service which includes employee and equipment costs.

Mr. Carmean has since agreed to consider an amendment to our solid waste ordinance which would require a resident requesting this waiver to turn in their trash container. He feels that if the container is left at an alleged vacant residence, the resident will return and start rolling it without the city realizing they are not paying a trash fee. He also believes that some citizens may claim they will not be at the home and continue to use the service free of cost.

Mr. Carmean, therefore, feels this is a dangerous situation which could lead to abuse.

In an effort to accommodate these requests, he is recommending the container be picked up. The trash crews will then be notified they are unable to pick up any items from these residences until such time the resident requests the container be returned and is back on the curb.

Mr. Brooks explained it is not unusual for someone dedicated to recycling to sit out a lone bag of trash. He personally, does that on a regular occasion because the majority of his waste is recycled.

The city manager said he has not worked out the logistics yet and wanted some feedback from council. He feels that can be handled by the truck drivers who when that occurs, can contact public works to confirm the address is not on the list of residences that trash cannot be picked up. Mr. Brooks emphasized there are a number of elderly citizens living by themselves who do not need to roll out their containers every week and instead place a small bag on the curb to be picked up. Mr. Carmean agreed adding that our employees are familiar with those residents though they will need to watch these residences more carefully if council agrees to allow these temporary waivers.

Mr. Carmean then explained that if we decide to pick the containers up, it will involve an employee, a pickup truck, the container being picked up and brought back to the yard where it will have to be stored. After the resident returns to their home, another employee is needed to pick the container up from public works, then take it back to the residence. The employee's time and gasoline costs should also be considered. A plan of action will also need to be put in place to ensure the containers are properly stored and easily retrieved at the yard. As a result of the additional work involved, he feels a fee should be assessed for the service.

He reiterated the various concerns associated with leaving the trash container at the home in these situations.

Vice Mayor Morrow asked approximately how many residents are requesting this waiver; Mr. Grier said he received three or four calls in November and December. In those cases, the city picked up their cans though none were charged a fee.

Mr. Grier explained that when they asked if the trash fee could be waived, he informed them their cans would be picked up and possibly a \$35 fee assessed to get the can back. He felt that was a fair rate considering we charge \$23.50 a month and it should be more than one but less than two months.

Mr. Pikus asked if there will be a minimum time limit. He feels that it would not be worth someone leaving for a month to ask for the waiver. He asked if a two or three-month minimum would be required. He recommends some policy be established that addresses the time the residence will be vacant.

Mr. Carmean said if they are only gone a month, it will still cost them \$35 for the city to pick up their can and return it after they come back home.

Mr. Grier said all the residents he spoke to were in favor of the concept.

Vice Mayor Morrow agrees it is doable though he feels that public works should determine the amount to ensure it covers the associated work of picking up, storing and delivering the containers. Mr. Grier said a list should also be compiled with the addresses of those residences where trash is unable to be picked up. That would be available to the trash crews who would then keep an eye on them.

Mr. Carmean stressed that in the future, he hopes this does not hurt the trash business.

Vice Mayor Morrow asked Mr. Carmean to follow up with a solid fee that would cover the costs of the service.

Mr. Carmean said that our city solicitor will confirm that we have every right to tell customers this is a service the city provides and a fee they must pay. As a result, the city does not have to do this. However, he has no problem with it as long as our trash crews keep an eye on it and there are no problems.

He emphasized that \$23.50 is a very reasonable price for yard waste, recycling and trash services, especially compared to fees being charged by other trash companies.

When asked if this would apply to landlords and empty rental units, Mr. Carmean said a landlord called him today to inform him he has no one renting right now. As a result, he dispatched a trash crew to pick the can up. In those cases, a week later the rental unit could be rented and the city asked to bring the can back. In his opinion, residents need to carefully consider whether it is worth the money to have the container picked up.

Mr. Gleysteen feels that rental properties should be treated in a different manner. In Harrington, a building must be vacant for three months to have the water turned off. A \$20 disconnect fee is charged in addition to a \$70 administrative fee. After that, the city only cuts the bill in half. It is only in the owner's best interest if the building will be vacant for a long period of time.

It bothers the city manager that someone renting is required to pay a \$35 connect fee for electric. In the case of rentals, the tenant comes in and disconnects the service. Someone is then sent to turn it off. The next day the landlord calls and informs the city some work is needed so the electric needs to be turned on. That is being done currently at no cost even though there is a cost to the city. Two days later, the landlord calls back and requests it be turned off again.

Mr. Carmean feels the electric should be left on in rental units. Once the customer takes it out of their name, it would then be automatically billed in the landlords' name.

Mr. Carmean said another problem is the tenant comes in and has the power turned off in the middle of the winter. Then the landlord claims that because the power was turned off, the pipes are now frozen. In the summer, food may be left in the refrigerator and they claim the refrigerator is now ruined. If the electric was left on, this would not occur. The majority of landlords agree with him versus the option of requiring them to pay \$35 each time there is a request to have the electric turned off/on.

Mr. Pikus said that in the future, he hopes council will consider going to smart metering which will prevent all of these problems. Mr. Brooks noted there was an article in the News Journal that said smart metering cuts the work force by 31%. Mr. Pikus agreed noting it is initially very expensive but pays for itself in a few years. He noted that the City of Newark is going to smart metering.

Mr. Carmean said he will come back with an official number and a better idea of how this will be handled though \$35 seems to be an appropriate fee.

Joe Palermo of 5 Misty Vale Court, Meadows at Shawnee, asked when the yard waste containers will be delivered; Mr. Carmean said that residents can call now and the trash department will deliver them. Mr. Palermo said he already ordered one but has not yet received it.

Mr. Carmean explained that they are able to be delivered because we received the shipment. He said that every resident who has requested one must have it delivered by April 1<sup>st</sup> which is the beginning of our yard waste season.

He then assured Mr. Palermo he will have the container by April 1<sup>st</sup>.

*Downtown Milford, Incorporated/Lease of 207 South Walnut Street*

Vice Mayor Morrow referenced the Finance Committee minutes related to the initial request by DMI included in the council packet.

Finance Committee Chairman Pikus advised that a Finance Committee meeting was held last week with several members of council were present. He recalled that when the city purchased 207 South Walnut Street, the intent was to demolish the building. However, DMI has since asked that they be permitted to use the building for their office. The finance committee is recommending that DMI have the use of the entire building with a year's lease, to be used as they wish and that DMI be responsible for all expenses, including utilities and insurance. Any other repairs would also be at DMI's expense. At such time the city deems the building needs to be demolished, a notice of at least one year will be given to vacate the building. In addition, only on-street parking would be permitted with no use of the parking lot (as was stated by DMI President Irv Ambrose).

Mr. Grier moved for approval of the above recommendation of the finance committee, seconded by Mr. Gleysteen.

Mr. Rutt clarified that when the city decides to tear down the building, the city would give them a year's notice to vacate the premises.

Mr. Pikus explained that essentially, this involves a two-year lease; Mr. Gleysteen disagreed noting we could be six months into the lease and give them a year's notice. They could either continue their lease for eighteen months or vacate.

Mr. Rutt explained the lease is for one year. At the end of the year, with no notice given, council can decide whether to extend it for an additional year. On the other hand, should the city decide six months into the lease to tear down the building, DMI would have an additional six-month lease. It will still satisfy the one year notice requirement.

Mr. Carmean said that Mr. Ambrose stated that DMI is willing to fix up the building and take care of the necessary repairs to do business there. However, he did question who would be responsible for a major mechanical failure, roof failure or structure failure. Mr. Pikus reiterated that DMI would be responsible for all expenses.

Mr. Morrow then referenced the landlord/lease typical arrangement. He thought under that code should the roof cave in would the city be responsible as the landlord. Mr. Gleysteen pointed out this is not a typical lease because the city is not being compensated or paid rent.

Mr. Rutt then explained that this is a commercial lease which means it is not subject to the landlord/tenant code. Therefore, it would follow the agreement between the two parties. In this case, it would be between two business entities which is the city and DMI. That precludes it from being subject to all the notice requirements that apply to a residential lease.

The city manager said if something major were to happen, such as the boiler going up, DMI would not be required to fix it but instead could choose to move out. Mr. Pikus said it would be up to council but as was discussed previously, the intent is to demolish the building. Mr. Grier added there was never any intent to put money back into the house.

It was agreed that if the roof caved in, the building would be demolished. Mr. Morrow then pointed out that in that case, we are still required to give DMI a year's notice. Council said it would be condemned and demolished at that point.

DMI President Irv Ambrose then addressed council. He stated that he is speaking for himself and has a board meeting on February 7<sup>th</sup>. He will present this but will not recommend leasing the building under those conditions. He said they committed to putting \$6,000 into the building to make it usable. If three weeks after they take occupancy and the boiler blows up at a cost of \$20,000, he would not commit DMI to those costs.

He emphasized that if DMI walked away, they would leave \$6,000 which could be used at a different place. If council

agrees to lease it, he will take it to the board though he will not recommend leasing it with the conditions.

Mr. Grier said that with no rent being paid, the \$6,000 could be made up over the year. Mr. Ambrose said that depends on whether something major occurs within a couple of months. Mr. Pikus emphasized that if there is a major expense, the city will not repair it. Mr. Ambrose said regardless, at that point, DMI would have lost \$6,000.

Mr. Pikus asked the city manager if the boiler is in good shape; Mr. Carmean said the heat is currently on and noted that it is radiator heat. He could have drained the entire system but because of the plaster walls, he felt it should be kept on to prevent any damage. He advised that the city's building inspector checks on the house on a regular basis.

At Vice Mayor Morrow's request, Mr. Pikus again read the recommendation of the finance committee that DMI has the use of the entire building with a year's lease, to be used as they wish, DMI would be responsible for all expenses, including utilities and insurance. Any other repairs would also be at DMI's expense. At such time the city deems the building needs to be demolished, a notice of at least a year will be given to vacate the building. He said the motion was made by Mr. Grier, seconded by Mr. Morrow and carried.

Mr. Johnson asked if Mr. Ambrose wished to take the request off the table. Mr. Ambrose said no and plans to take it to his board but first needed a commitment from council.

Motion then carried by a unanimous 7-0 roll call vote.

Vice Mayor Morrow asked Mr. Ambrose to take the decision of city council to his board and then report back to the city.

#### NEW BUSINESS

##### *FY2012-2013 Budget Adjustment/Kent County Bypass Project-Loan Interest/Sewer Reserves*

City Manager Carmean advised the following bill was received from Kent County:

##### *DEBT SERVICE FOR SOUTHERN BYPASS PROJECT COST*

<i>11/10/11</i>	<i>Interest Only Payment</i>	<i>\$16,848.59</i>
<i>11/13/12</i>	<i>Interest Only Payment</i>	<i>\$29,203.41</i>
<i>TOTAL INTEREST DUE</i>		<i>\$46,052.00</i>
<i>02/10/13</i>	<i>1<sup>st</sup> Payment</i>	<i>\$12,735.21</i>
<i>TOTAL DUE</i>		<i>\$58,787.21</i>

*Please remit payment to:  
Kent County Levy Court  
Department of Finance*

Mr. Carmean was unfamiliar with this project and had the city clerk pull some related minutes. He recalled when the force main out on Route 1 going from Station 7 (next to police department) to Frederica. It ruptured causing a lot of the sewage to spill into the Mispillion River.

He noted that our collection system also runs beneath the river and if we need to shut that down, there is no way to get the sewage out of town.

According to the minutes, Kent County Public Works Director Hans Medlarz discussed with city council a joint operation

where a bypass would be built. At that time, he offered for Kent County to borrow the money through the USDA on behalf of the county and the city. The city agreed to pay their portion of 60.5%.

According to Mr. Carmean, it took a long time to complete the project and Kent County was unable to provide the exact figures until now. He explained the interest is lower the first year because it covered a partial year; there was a full year of interest assessed for 2012. The total loan was for \$2,146,894.65 and of that, \$12,735.21 (152 payments) would be paid by the City of Milford quarterly or \$50,940.84 annually over the remaining 38-year time frame.

The city manager reported the total balance of the loan is \$1,298,871.26.

He emphasized that when council voted to accept the loan, there was an estimated seven-cent increase in sewer rates per 1,000 gallons.

Mr. Carmean has confirmed the increase will be 2.75% though it is actually 2.5%. Mr. Carmean applied to his bill which monthly is around 6,000 gallons or an additional 42 cents per month. He said the increase is needed to pay back the loan.

The sewer ordinance will need to be amended to reflect the increase.

The request before council this evening is to transfer money from sewer reserves to pay for a partial and full year of interest on the loan. It will also pay the first quarterly bill which is required because the city does not have the extra funds because the rates have not been increased.

Mr. Brooks asked how much money is in the sewer reserve account; Mr. Pikus said enough to pay this bill. Mr. Carmean assured council that each of the utility reserve accounts contains approximately one million dollars.

Mr. Pikus said he reluctantly moves to pay \$58,787.21 to cover the interest payments from 2011 (\$16,848.59) and 2012 (\$29,203.41), and the first installment which is due February 10, 2013 (\$12,735.21), seconded by Mr. Gleysteen.

Mr. Grier asked if the city was aware this was coming; Mr. Carmean said he was unaware of the bill. He was familiar with the new bypass but was unaware of the details until he researched the minutes.

Motion carried by unanimous roll call vote.

Mr. Grier votes yes though he is unhappy about the situation.

Mr. Pikus votes yes stating he would rather not have to do this. The city inherited the problem and as a result believes we have no choice but to vote yes.

Mr. Gleysteen votes yes, echoes Mr. Grier and Mr. Pikus' comments and is not happy about it. He does not understand why someone did not know this was coming. Unfortunately, the city is obligated to pay according to the city manager.

Mr. Morrow votes yes and recalled the situation noting that a few of those present were on council at the time this happened. There was a decaying Kent County line that the city has responsibility for in the area of Route 113 near IG Burtons.

According to the city manager, the city is only paying for the amount of bypass work that was done within the corporate limits. The county is paying for any extension beyond city limits and up to their facility.

Mr. Brooks recalled it was a major problem at the time and there were concerns about what could occur in the future which is the reason council agreed with Mr. Medlarz that the bypass was needed.

Mr. Carmean said he is unsure what else council could have done other than roll the dice and hope it worked for awhile.

In his opinion, the cost is what it is and there are no irregularities. He added that if he had been city manager, he would recommend council agree to the proposal as well.

Mr. Pikus recalled that the line was patched initially and to prevent any further problems, the bypass was installed.

Mr. Carmean reiterated that the bill was received now because the project was just completed; Mr. Gleysteen asked if the project was just completed, why is the city being billed for two years back. Mr. Carmean said the money was obligated and spent at the time the work was done. According to Finance Director Jeff Portmann, the initial interest was not as much because there was not as much money spent at that time. When the final bill was received, they were able to provide the final numbers.

Mr. Gleysteen said if Kent County provided the service to the city and the service did not become available until recently, it does not seem right that the city is charged the interest on the work.

Mr. Carmean emphasized that if this was Kent County's complete project, he would agree. However, in this case, this was a joint project between the City of Milford and Kent County.

He said it is similar to the city's water main project currently underway on Wilkins Road. The contractors take draws at which time, the city starts to pay interest on that amount.

Erik Retzlaff of Davis, Bowen and Friedel explained this is interim interest noting the money was expended and amortized. The forty-year clock does not begin until the project is completed. During construction, it is considered a construction type loan.

Mr. Gleysteen said his understanding is the quarterly payment is \$12,735.21 and we were only billed half of the annual rate for 2011 and 2012; Mr. Carmean stated yes.

#### *Mutual Aid Agreement/DE Water/Wastewater Agency Response Network*

The city manager compared this mutual aid agreement to Milford Police Department's mutual aid agreement whereby Chief Hudson's officer are permitted to assist other departments and vice versa. Instead, this is for the water department. Mr. Carmean confirmed that our other utility departments also have mutual aid agreements in place with other municipalities.

When asked if other towns have approved the agreement, it was noted Milford is the last town to have the agreement reviewed and approved by legal counsel.

Mr. Pikus moved to approve Milford's participation in the Delaware Mutual Aid and Assistance Agreement for Intrastate Water/Wastewater Agency Response Network, seconded by Mr. Morrow. Motion carried.

#### *DNREC/Mosquito Control Spray Policy*

Mr. Grier moved for approval of the DNREC Mosquito Control Spray Policy Agreement, seconded by Mr. Pikus. Motion carried.

Joe Palermo of 5 Misty Vale Court reported he is on the Meadows of Shawnee HOA Board. He advised the spray contains chemicals that create side effects for the elderly and very young children. His board decided to contact the city manager who agreed to report any spraying to their development beforehand.

Mr. Palermo noted their stormwater ponds were inspected by DNREC and spraying was only permitted if mosquito larva was present. They were also only permitted to spray the ponds and not the streets.

EXECUTIVE SESSION

*Pursuant to 29 Del. C. §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed; Pursuant to 29 Del. C. §10004(b)(4) Strategy sessions, including those involving legal advice or opinion from an attorney-at-law, with respect to collective bargaining or pending or potential litigation*

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

Vice Mayor Morrow recessed the Council Meeting at 9:04 p.m. for the purpose of an Executive Session as is permitted by Delaware's Freedom of Information Act.

*Return to Open Session*

City Council returned to Open Session at 9:30 p.m.

*Executive Session Matter-Agreements*

Mr. Pikus moved to authorize the city to enter into an agreement with a software consultant, seconded by Mr. Grier. Motion carried with no one opposed.

Mr. Grier moved for approval of the easement agreement prepared by Solicitor David Rutt, seconded by Mr. Johnson. Motion carried with no one opposed.

ADJOURN

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

The Council Meeting adjourned at 9:31p.m.

Respectfully submitted,



Terri K. Hudson, MMC  
City Clerk