

MILFORD CITY COUNCIL

MINUTES OF MEETING

July 8, 2013

The Monthly Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware on Monday, July 8, 2013.

PRESIDING: Mayor Joseph Ronnie Rogers

IN ATTENDANCE: Councilpersons Bryan Shupe, Garrett Grier III, S. Allen Pikus, Dirk Gleysteen, Owen Brooks, Jr., Douglas Morrow, Sr., James Starling, Sr. and Katrina Wilson

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

COUNSEL: City Solicitor David Rutt, Esquire

CALL TO ORDER

Mayor Rogers called the Monthly Meeting to order at 7:00 p.m.

INVOCATION AND PLEDGE

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

APPROVAL OF MINUTES

Motion made by Mr. Pikus, seconded by Mr. Shupe to approve the minutes of the June 10, 2013 and June 24, 2013 Council Meeting as presented. Motion carried.

RECOGNITION

No guests were present to be recognized.

MONTHLY POLICE REPORT

Presenting the Monthly Police Report on behalf of Chief Hudson, Mr. Morrow moved to accept the police report as submitted, seconded by Mr. Starling. Motion carried.

CITY MANAGER REPORT

Mr. Carmean presented the following report:

Administration

I would like to thank the Mayor and Council for their work and input in completing the 2013-2014 City of Milford Budget. I know that Mr. Pikus, Finance Committee Chairperson, was very pleased with the participation by the Mayor and Council regarding the content of the budget. I realize all involved had difficulty in attempting to do more with less. Everyone had items, changes, or projects that had to be set aside or denied in order to reach a balanced budget with no increases in taxes, fees, or rates.

An administrative assistant's position for the city manager was requested in this year's budget, but funds were not available. In an attempt to somewhat solve this problem I have moved the administrative assistant from planning and zoning, code enforcement, and building inspection into a position that will give assistance to the city clerk and the city manager. She will also continue working with land management records and working with CLT with updates.

The duties performed previously by this employee have been distributed among several other staff members. This is, for the lack of a better description, a partial fix.

I have moved the Building Inspector and Code Official back to the public works facility under Mr. Dennehy. However, I am unsure how that will work once the billing staff and cashiers are moved back downtown.

Mr. Rutt has given me the nod to send the agreement of sale to PNC for the bank property. I have done so. Also prior to the mailing of the agreement the Phase I and partial Phase II environmental studies were completed. A Phase I is basically a historical look at the property and the surrounding areas. A Phase II is further invasive in that borings and other material samples can be taken from the property and analyzed for contaminants. The Phase I showed that a service station had been on an adjoining property some years ago, and that station had underground tanks. I therefore had borings done on the perimeter of the properties to test for any contaminants. None were found. Mr. Rutt has done a title search and I have asked him to settle as soon as possible.

During some of the recent heavy rains we experienced another small leak in the lower level. This was quickly traced to the ramp area where the ramp meets the building. There is a large caulked strip between the ramp and the side of the building. I have discussed a better way of diverting water away from the building with several contractors. I believe a much more permanent fix is to place a decorative brick edging against the building for the entire length of the ramp at little expense. The leak did no damage to the basement.

Sewer and Water

Asbestos removal at the Washington Street treatment plant begins Monday, July 8, 2013. The site has been fenced in for security and safety reasons. Also on the same date the bypass pumps should be installed at the Washington Street sewer pump station (DBF Engineer Erik Retzlaff confirmed this work has not been done yet.)

In several meetings with the representatives of Wickersham Subdivision, and Mr. Duplechain of DBF, most of the questions have been resolved as to the placement of our water tower and treatment facility on that property. Through further discussions with Mr. Hall, the adjoining property owner to Wickersham, allowed the city to locate a very satisfactory parcel for the planned construction of a sewer pump station to serve the southern area of our limits. Mr. Hall and his family have been generous in their assistance with our needed projects in south Milford.

Streets

The Northeast Front Street parking lot has been finished, but not striped as of this date. I feel this work by the city and the improvements made by the owner of the adjacent property has brought a much better look to Milford. Dennis Silicato has given the shopping center a nice face look considering its condition in recent years.

The detour on Airport Road is allowing the construction of a turn lane into the Cascades residential project. This detour is inconvenient but necessary to improve traffic safety. The repair is being paid by the developer of Cascades.

I do feel additional signs are needed as a number of vehicles are seen turning around which should not be occurring. I will see that more signs are placed in the area.

The road will be closed until at least the middle of August.

Electric

I have placed a lease in the council packets for approval by mayor and council. This is for a 22,000 square foot warehouse space in which we will be storing the materials for construction of our new 138KV transmission line on Route 113. This is a clear indicator we are getting closer to seeing our new substation become a reality.

Billing

We are within a few weeks of beginning our outsource mailings of bills. If all goes as planned, our customers should experience no change at the end of the process except the improved look to the bills.

Mr. Gleysteen asked if the cost of renting the warehouse space was included in the substation budget; Mr. Carmean stated yes that will be paid from those same funds. The city manager noted that is only a \$6,000 cost of an \$8 million project. He said there are lots of small parts that need to be opened up, laid out and inventoried.

Mr. Pikus explained the materials were requested to be stored inside.

COMMITTEE & WARD REPORTS

Fourth Ward

Mr. Starling reported that nothing has been done with the markings on Route 113 and North Street Extended. Mr. Carmean said he had contacted DelDOT and believes they will provide some assistance. The city is unable to touch any DelDOT roads without their permission.

Ms. Wilson recalled that Levy Court Commissioner Erik Buckson also offered to help correct the problem at that intersection.

Masten Circle Stripings

Mr. Brooks asked that the striping on Masten Circle between M&T Bank and McDonalds be repainted. The stripes can hardly be seen and vehicles are having difficulty determining which direction to go to make a turn.

Homelessness Task Force

Ms. Wilson reported that the Task Force for the Homeless met. Mr. Gleysteen and Mr. Pikus were also in attendance. She said they pulled together a lot of resources and information. Once they complete their final draft, they will be presenting the packet to council along with a plan of action.

COMMUNICATIONS & CORRESPONDENCE

Included in packet.

UNFINISHED BUSINESS

Infrastructure Investment Strategy/Amberwood Subdivision, Innovation Park II LLC and MBT Holdings LLC

Mr. Carmean recalled the presentation given by City Planner Gary Norris and Economic Development Director Steve Masten regarding the extension of infrastructure to some undeveloped properties in the city. Mr. Brooks and Mr. Morrow was unable to make it that evening though Mr. Brooks later reviewed it.

The city manager then read the following synopsis of that presentation:

The Infrastructure Investment Strategy is appropriate and necessary at this time because:

**'Shovel Ready' lands attract business development like Independent Commons and robust infrastructure allows existing businesses to grow and expand. Baltimore Aircoil, Perdue and Sea Watch are examples of the predictable job creation and business expansion when adequate utilities are available.*

**Infrastructure Investment supports Milford's future revenue requirements through business and job growth. In addition, this initiative ensures that Milford is competitive with surrounding communities offering 'Shovel Ready' sites*

and lands.

**Infrastructure Investment is aligned with the objectives of Milford's Comprehensive Plan, Master Plan and Economic Development Strategic Plan. Also, it promotes Milford as a viable business destination for new businesses desiring to locate in Delaware through inquiries to Delaware's Economic Development Office.*

Mr. Pikus then referenced the comments of State Planning Director Connie Holland and other area business people, investors and developers. He said they all agreed that council needed to put forth more effort into attracting businesses to Milford. He said he does not know how much money is available but recalls comments made by Ms. Holland regarding available funding for economic development through Alan Levin's Office (Delaware Economic Development Office-DEDO).

Mr. Carmean agreed that Ms. Holland felt some funds would be available.

Mr. Pikus then pointed out we have a Comprehensive Plan. Those properties are approved as part of the plan. Mr. Carmean said there is also a Master Plan on the southeast area of Milford. He recalled that Mr. Masten and Mr. Norris' recommendation were that the zoning districts be changed though we will need to contact the property owners for their input.

The city manager advised that the property east of Route 1 is zoned institutional as was requested by the property owner. However, no one has talked with the other property owners which include the Fry Farm, Draper Property, etc. Mr. Carmean confirmed the Draper farm is not one of the priority properties and it is currently zoned residential.

Mr. Pikus emphasized they are asking city council to start working on a plan to put a package together.

Mr. Grier asked if any engineering work has been done to get utilities to these specific properties; Mr. Carmean explained that as far as east of Route 1, we have installed a water main beneath Route 1. However, we have not extended it out as of this date. The sewer has not been run beneath Route 1.

Mr. Grier asked about the design; Mr. Carmean said we do not have a design but have a conceptional that Davis, Bowen and Friedel put together. It shows the best direction to take the sewer line though no engineering has been done.

Mr. Grier asked if the sewer line will go beneath Route 1 or up Bucks Road; Mr. Carmean confirmed it will go underneath Route 1.

DBF Engineer Erik Retzlaff advised there were some schematic things done originally based on the number of properties that were annexed into the city. He said that until the developers move forward, it is difficult to finalize the design. He said they can try to come up with a game plan and a number.

Mr. Pikus said if it goes under Bucks Road, it has to go under Route 1. Mr. Carmean agreed stating that we have a manhole connection at the northeastern most side of Meadows at Shawnee. That is where we would make our initial connection to carry over to the pump station at Shawnee Acres. Then it would come up through Marshall Street and down to Fisher Avenue.

The city manager explained there are upstream improvements that will need to be made including the Fisher Pump Station. There will be a number of improvements needed to handle the additional loads from out there.

Mr. Pikus said this would be part of the whole infrastructure picture as we prepare to go out there; Mr. Carmean agreed.

Ms. Wilson said she feels we may need to prioritize some things, but feels the presentation and support we received from the developers and two business leaders that were invited helped council understand the change we may need

to consider. They were clear on that though she did not take it that we needed to come up with a plan and start the work. She agrees we need to know that partnership is in place before we become proactive.

Mr. Shupe feels a debate is needed about what city council should be doing. He asked if the city should be investing money to put infrastructure out there or should the developers be doing it or even the State of Delaware. He asked if there should be a partnership and believes we have not gotten to the point yet.

Ms. Wilson said that Connie Holland was alluding to the partnership.

Mr. Pikus said he prefers the city manager start doing something and encourages council to authorize him to get some prices. He can determine what needs to be done and what the cost will be to accomplish that. He said we have been talking about it for a long time but we need to do something about it. His opinion is we need to step up to the plate.

Mr. Brooks feels we need to understand what we are preparing for; Ms. Wilson agreed. Mr. Brooks asked if we are talking about five different developments. Mr. Pikus stated we are talking about three developments. Mr. Brooks said there were five properties presented; Mr. Pikus said they prioritized and decided on three. Mr. Brooks feels it is only fair that what you do for one property, you do for all properties.

Mr. Pikus stated that council has the right to prioritize whatever council wishes. Mr. Brooks believes we need to treat all the developers the same. Ms. Wilson agrees and likes the partnerships but feels we also need to consider the type of plan and what percentage of the partnership they are willing to fulfill. She feels the city becoming a partner is the best route for our taxpayers.

Mr. Shupe says he still feels we need to talk with the State of Delaware. They had enough interest to come in here and tell us that this should be a big priority. He said it would be nice if they could put some skin in the game.

Mr. Pikus asked if we need to authorize the city manager to proceed with the plan; Ms. Wilson asked the city manager his opinion.

Mr. Carmean said that is one of the reasons he wrote City Planner Gary Norris and Economic Director Steve Masten a memo asking them to investigate what other communities are doing. Their presentation made to mayor and council at the last meeting was based on that investigation.

He explained that the city has been operating under the old policy where the developers or people who are building at a certain location pay to get the infrastructure to them. Before he went out and spent money on this and came back to council to inform them he spent a substantial amount of money, he wanted assurance that is the direction council wanted him to take.

Mr. Carmean asked how close can we come to cost numbers without the actual engineering being done. Mr. Retzlaff responded by stating it is difficult to get it exactly right when different properties are being developed. He explained there could be potentially different routes though they could give a worse case scenario. However, it will come down to the timing of who comes first and how they will develop. They could provide an overall big number.

Mr. Brooks asked if some type of plan needs to be in place to provide the analysis noting there is more than one hundred acres of land. Mr. Retzlaff agreed that is part of it. He explained that a lot of the preliminary work was based on assumption as to the maximum density allowable based on the zoning and what the generated wastewater flows would be. It would need to be a worst case scenario but if that does not occur, the numbers could be significantly off.

Mr. Brooks said from his experience, the cost would need to be based on the pipe size and capacity which is impacted by the type of business or plan proposed.

Mr. Retzlaff explained the majority of the work that was done previously was to identify where the pumping stations were needed. They estimated how deep the main sewers would have to be as well as how long the pressurized pipe

needed to be. He believes that work was done preliminarily and there are numbers associated with it. That was part of the master plan.

Mr. Carmean said there were numbers attached to that master plan but that was only one development on the east side.

Mr. Retzlaff said they were to be sized to accommodate all the other properties. Mr. Carmean asked if Mr. Retzlaff was referring to the additional properties in the northwest area of Milford; Mr. Retzlaff said no, that was solely related to the properties in the southeast area.

Mr. Retzlaff reiterated that until someone actually comes in with a plan, it is difficult to fine tune exactly what the game plan should be. He said the last thing you want to do is to install a pump station, then have another next door and another next to that. That will create a need for additional staff because more and more maintenance will be needed. He said it is always a lot easier to allow gravity do the work. As a result, it is very difficult to provide a good solid number though they could try to figure out the best way to provide service. He said that was back when things were developing and seven to eight properties were looking for service. Presently there are only one or two in that area.

Mr. Pikus stated that the state has prioritized and in their situation, they prioritized three properties. But we have no idea what it will cost to prepare ourselves and be ready when the properties are developed so they can tie into our system. He has no problem authorizing the city manager to proceed and find out what it will cost and what needs to be done. Right now, he has no direction as to what to do. He could come back to council with a cost picture, what needs to be done, how we do it and where the funding comes from. He stressed that somebody needs to start looking at the funding. He thinks there are funds out there that we need to latch onto them.

Mr. Brooks said that at the Friday meeting he attended, it was said that when someone owns a property and a buyer comes along, the person making a profit on the land should invest in the infrastructure. Mr. Pikus said we have things we need to do to get ready to be prepared. That is what we need to do and the city manager needs to come back with the information.

Mr. Brooks agrees but noted that there must be a game plan in place as Mr. Retzlaff suggested.

Ms. Wilson agrees adding that what came out of the initial meeting on this subject was that a lot of the communities and cities are meeting these developers halfway and building a partnership. The city will be responsible for a certain part of the infrastructure and the developer will also be responsible for a portion. By doing that, if a big corporation comes to us, then we will say ok, you are coming to us and you are going bring jobs, increase our tax base, etc. As a result, we will assist you with the infrastructure. Her understanding was council needs to adopt this new way of handling infrastructure. If not, we can lose out on some positive growth.

Mr. Brooks said that the gentleman that watched it with him, felt the original land owner should put some money back into it. That way, the land owner, developer and possibly the State of Delaware can all share costs.

Mr. Pikus said that Ms. Wilson is correct and the city needs to be in a position to attract businesses economically. Other communities the same size we are and some even smaller are stepping up to the plate and doing exactly that. Milford is not doing anything right now. If we expect to grow, we need to do this. If we want to leave things status quo and not grow we will continue as we are now. But we will not attract larger corporations or businesses such as manufacturing or research. To do that we have to step to the plate right now and we are not doing that. We are attracting businesses and stores to come here and attracting shopping centers here. We have a lot of properties that are ready for houses to be built, yet we have no houses going up because we have no people moving here to fill the houses. Businesses bring people and those people buy property and build houses. Mr. Pikus emphasized that other communities are already doing it though Milford is not. He thinks we need to take some steps and make some changes.

Mr. Grier feels the first step is to try to get the best perspective on the cost that we can. We are not going to be able

to come up with an exact number but at least get a ball park figure. He agrees with Ms. Wilson in terms of the partnership and believes the days of trying to attract someone and expecting the developer to pay the entire costs or the city paying the entire costs he does not agree with. He feels the partnership is perfect which he believes needs to be a three-way street with the state involved as well.

However, Mr. Grier does not want to do anything until we get an idea of what the costs will be.

He said he is building a carwash in Seaford where electric and water was available but sewer was not. The City of Seaford partnered with the developer in getting sewer under Route 13. The City of Seaford covered about 2/3 of the \$400,000 project and the developer paid 1/3 of it.

Mr. Grier said that State Planning Director Connie Holland mentioned the Amazon project in Middletown. In that case, the developer had a large investment in getting utilities to the Amazon site. He agrees there is a lot to be said for a partnership. If the state is going to come down here and make a presentation, then he feels they have an interest in these projects too. He said that they probably should have some money in the engineering in order to get started. He said when we consider all avenues, we can then start to move forward.

Mr. Brooks and Mr. Morrow both agreed with Mr. Grier. Mr. Morrow said that in Mr. Grier's case in Seaford, a definite plan was in place and the city knew exactly what Mr. Grier was going to build and needed as far as infrastructure. The city then partnered with the state and the developer.

Mr. Grier pointed out that they knew the costs. If they wanted to expand on the northbound side of the highway and go north, they knew how they had to get across the highway and the projected costs. Right now, Milford does not have the cost of what any of these projects will be.

He feels we also need to be talking to the state as far as what they are willing to put out there. From the presentation that was given the other night, there were no thoughts or ideas given as to how far they were willing to assist. He feels that if they are willing to take the time to come here and make a presentation, they should also step to the plate and figure out what they are willing to provide.

Mr. Carmean said he agrees with everyone. He said we have been told there might be some funding out there and that sort of thing. We know that the developer wants to develop the three prioritized properties. He thinks it would be in our best interest, as long as council does not tell him to go out and engineer the projects and pay for it. But he will take a look at some of these things. He will call Connie Holland and find out exactly what she was referring to and do a little study. He suggests keeping this at the committee level with economic development, finance and public works.

Mr. Grier suggested contacting Melody Booker of DEDO as well; Mr. Carmean agreed.

Mr. Pikus moved to authorize the city manager to proceed with the strategy and come back and tell us what we need to do. He can start the dialogue between the state, county and city as a partnership. See what needs to be done to get ready to have a plan to offer services to these developers so the properties are ready to move on. He said we have to have a strategy plan in place and we need to start now. Ms. Wilson seconded motion.

Mr. Shupe asked exactly what moving forward means and if that will cost the city money to go and get those estimates and will the engineering be included.

Mr. Pikus said that his motion is for the city manager to come back with estimates. But he has to start and develop a strategy plan and what it will cost and where the funding will come from and whether we can get money from the county or state. He is doubtful from the county though it is possible. He emphasized the strategic plan must be developed and now is the time to authorize the city manager to proceed with the plan, then come back to council.

Mr. Pikus said that no money will be spent yet though obviously it will be spent at some point. But we have

authorized the city manager to start with the strategic plan which was his motion.

Mr. Carmean said he was not here at the time, but believes that Davis, Bowen and Friedel, along with the former city manager, put together a plan for one of the prioritized properties. There is some type of plan though it could be changed. However, it is a starting point that will not cost us a lot of money.

The city manager noted that the other couple properties are just a matter of some additional utilities, sized to their needs. He added they are within fairly easy reach of utilities. He said that the utilities that are there cannot provide the capacity they could possibly need. He agrees it may not be that difficult to put together some type of package. We would put the state's feet to the fire and say we are looking at this and what can you do to help without spending a lot of money at this point.

Mr. Pikus noted that once we begin working on a strategic plan, the publicity will be out there that the City of Milford is looking for economic development.

Mr. Morrow said this is similar to ten years ago when the city manager began the effort with the business park. That was a strategy that resulted in an idea. There was no money in the system at that time and everything worked out between the state, city and some developers and businesses. Then it happened. This sounds like the right way to proceed as was done then.

Mr. Carmean recalled when he sent the memorandum to the city planner and economic development director, he felt he would be doing the city a disservice if he did not look at what these other places were doing. He said that if twenty-five years from now, he finds out that Smyrna gets something that Milford wanted, he will be very upset.

Mr. Pikus said we need to be in a position to do something. He asked the mayor to call for the question.

With no further discussion, the motion carried.

Mayor Rogers said he feels this is a good decision noting that financially things have been tight over the past few years. However, we do have some possibilities and need to know which way to move. He feels the time is right adding he supports it 100%.

NEW BUSINESS

Delaware League of Local Governments/Annual Membership Dues

Mr. Grier moved for approval to pay Delaware League of Local Government the annual membership dues in the amount of \$4,000, seconded by Mr. Pikus. Motion carried with no one opposed.

Mill-Pond Properties Agreement/Warehouse Space for Electric Equipment for Substation

Mr. Carmean is recommending the city rent from Joseph Warnell of Mill-Pond Properties a warehouse space to store electric equipment. He explained that though this is only \$6,000, he felt it was appropriate to run this by council so he could explain what is being done before any calls are made about city electric trucks being backed up to Mr. Warnell's property.

Mr. Pikus moved to accept the six-month lease agreement, seconded by Mr. Grier. Motion carried with no one opposed.

Redners Utility Agreement

P.E. Erik Retzlaff of Davis, Bowen and Friedel, Incorporated reported that well #9, located at the Seabury Avenue treatment facility, is the only city-owned well in the upper unconfined aquifer which means it is in a groundwater

aquifer. The wellhead protection area is based on a model of how the water will flow to it. At this time, well #9 is out of service. This is the only well in the city that presently requires iron treatment. He said that also generates backwash to basically clean all of the filtrates cleaned out. That is actually pumped to the sewer as it is set up right now.

Mr. Retzlaff explained that the well went down about two years ago. There are presently eleven production wells on line and this was not a major component of the production capacity. Because there are additional costs related to operating well #9 versus the others, the recommendation was not to put the well back on line.

Redners has now asked to install gas pumps. The only way that will be allowed is if the city were to abandon this well.

The agreement presented to city council states that if the conditional use for the proposed gas station is approved by city council at a later date, the approval is contingent upon the abandonment of the existing well #9 and the investigation and possible installation of a deeper replacement well at the Seabury Avenue Facility. The terms of the cost sharing associated (Redners will pay half of the costs up to \$200,000) with the well abandonment, investigation and possible installation of a new deeper replacement well are outlined.

Mr. Gleysteen asked if this needs to be replaced because the well has been out of service; Mr. Retzlaff said the biggest issue related to providing additional production capacity to the treatment facility. Right now, here is a treatment facility at Seabury that is not treating a tremendous amount of water. There are other depths/aquifers available to put wells in and this is the least expensive way for the city to recoup some of the production capacity versus building an entirely new facility.

Mr. Retzlaff advised the initial pilot hole will be about 600 feet deep.

When asked what would happen if nothing was done, Mr. Retzlaff explained the original design on the plant was just for well #9 and was upgraded to include wells 10, 11 and 12. Well #9 is the oldest and produces about 250 gallons a minute; Well #10 and 11 only pump about 100 gallons a minute each. Well #12 pumps about 450 gallons.

He said the facility is still viable but something needs to be done to potentially redevelop well #10 or 11 or replace well #9 at a greater depth.

He reported that the deeper confined aquifer provides a greater level of protection from whatever may be in the soils and runoffs from the farm. Approximately three years ago, there was a hit on well #9 for an oddball pesticide though it was later found to be a false positive. However, a spill can migrate quickly with the unconfined aquifer.

Mr. Retzlaff is unable to predict how many gallons a new well will produce. He reiterated that treatment is currently needed to remove iron and there are trace amounts of magnesium and a pH adjustment is needed so caustic soda must be added which is a harmful chemical to deal with every day. He said the nitrates are also high enough the well cannot run by itself and must be blended with the other wells in order to be used. If not, the nitrate would have to be removed which is a very expensive treatment.

When asked if the Redner property was undeveloped, would the recommendation be to install another shallow well or another deep well, Mr. Retzlaff explained that the city has one well in the unconfined aquifer which is well #9. Other communities only have unconfined wells to use. Milford is fortunate having the unconfined but three clearly defined aquifers that are about 250, 350 and 450. All other wells are in the confined aquifer which is the ideal place.

Mr. Morrow asked the city manager's opinion; Mr. Carmean feels this is a good deal noting that currently we are making out fine without well #9 though it is impossible we could lose another well or two in the future.

Mr. Brooks moved to approve the Redner's Market Utility Agreement, seconded by Mr. Morrow. Motion carried with no one opposed.

MONTHLY FINANCE REPORT

Chairman Pikus reported that through the eleventh month of Fiscal Year 2012-2013 with 92% of the fiscal year having passed, 94.37% of revenues have been received and 88.97% of the operating budget expended.

He reported that the city has money in reserves though most of the funds are earmarked for projects.

Mr. Pikus moved to accept the May 2013 finance report, seconded by Mr. Gleysteen. Motion carried.

Mr. Carmean reported that he and Mr. Portmann have no problem paying our share of approximately \$200,000 for the replacement well.

ADJOURN

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

The meeting adjourned at 7:59 p.m.

Respectfully submitted,

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

Terri K. Hudson, MMC
City Clerk/Recorder