

MILFORD CITY COUNCIL
MINUTES OF MEETING
June 24, 2013

The City Council of the City of Milford met in Workshop Session on Monday, June 24, 2013 in the Joseph Ronnie Rogers Council Chambers of Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Mayor Joseph Ronnie Rogers

IN ATTENDANCE: Councilpersons Bryan Shupe, Garrett Grier III, S. Allen Pikus, Dirk Gleysteen
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

The Workshop Session convened at 7:00 p.m.

Economic Development Utility Extension Package/Properties East of Route 1/Economic Development Director Steve Masten & City Planner Gary Norris

City Manager Carmean advised that a couple of months ago, he started hearing rumblings that a couple other communities in the state were looking at participating in infrastructure expansions in their undeveloped areas so he checked into it. He said that ten years or more ago, we started hearing about the annexation boom in Kent and Sussex County. Annexation work was something we had not done to any extent. It seemed as though everyone was getting into annexation whether it was the counties or municipalities. He said when you look at the state regulations on annexation, once you are trapped in an area where another entity, whether it is the county or a municipality is butting up against you, you are not going to jump over it for expansion. He talked to the council at that time and council embraced the idea that we needed to do some annexation to protect our own limits. He said we did that and feels we are set well in the future as far as growth. He said we have the right to pick and choose what we want to do as far as growth.

The city manager said he asked City Planner Gary Norris and Economic Development Director Steve Masten to prepare a presentation. He asked them to go out and talk to other towns about what they were doing and how they were paying for the infrastructure.

City Planner Norris reported that he and Mr. Masten developed a power point presentation regarding the infrastructure and investment strategy for the City of Milford. The presentation will identify certain parcels within the corporate limits and some outside the city boundaries. These parcels could be developed though there are certain zoning restrictions attached to these parcels at this time.

Mr. Norris advised the infrastructure investment strategy goals are to provide continued progress for the City of Milford, support growth in jobs and economic development while sustaining current economic and business initiatives and position Milford for planned growth and dependable infrastructure.

Mr. Norris said he received a memo from the city manager who charged Mr. Masten and Mr. Norris with identifying potential sites for future economic development, identifying Delaware communities and state agencies that are taking action to promote economic development and to develop an economic infrastructure investment strategy to serve the annexed and growth area of Milford.

Mr. Norris identified properties within and outside the corporate limits of the City of Milford. Those properties were divided into zones. The northwest zone includes the Fry Farm, Amberwood and Draper property. The south zone includes the Simpson property and Milford Ponds; the southeast zone includes Innovation Park, the Mills Farm and the Hall property.

He referenced the urban growth boundary (green) and the city boundary line (black). All the properties except the Hall property are within the corporate limits of the city. The Hall property is the only property outside the corporate limits. The Fry Farm lies between the Canterbury Road and the Milford-Harrington Highway, the Amberwood property is adjacent to Baltimore Air Coil and the Draper property is adjacent to the Williamsville Road. He identified the railroad line which is in the area of these properties.

The Fry Farm is a 182-acre parcel located in the fourth ward. The future land use/zone is highway commercial/moderate density residential/business park. Water, sewer and electric are adjacent to the site. Recommended action is to amend the comprehensive plan and change that zoning to light industrial.

The future land use/zoning of the Amberwood property is moderate density residential. No water or sewer is available to the 13.6-acre site at the present time. Recommended action is to amend the comprehensive plan to allow light industrial and extend the waterline to this property. The railroad line is adjacent.

The future land use/zoning of the Draper property is low density/residential. No utilities exist on the site. The Draper property consists of 34 acres in the fourth ward. The railroad line is adjacent.

Mr. Gleysteen asked why all recommendations are to change the zoning to light industrial zoning. Mr. Norris said that in order to have economic development, those properties need to be available for jobs which would require the comprehensive plan to be amended. He said the current land use was approved in the 2008 comprehensive plan.

In the south zone, the 183-acre Simpson property and Milford Ponds are located in the second ward between South Walnut and US Route 113. The future land use is moderate density residential and zoning is low density residential. Water, sewer and electric are available. The comprehensive plan will need to be amended to change the zoning to light industrial.

It was confirmed the sewer main runs through this property over to Route 113.

Milford Ponds is 178 acres just south of the Simpson property bordering Walnut and Route 113 in the second ward. The future land use is moderate density residential and zoning is low density residential. The recommended action is to amend the comprehensive plan and change the zone to light industrial.

When asked if a residential development is still planned at Milford Ponds, Mr. Norris said he has had discussions with potential developers. There appears to be a great interest in the property but then he does not hear from them again. It was confirmed that one developer bought out the other so there is no longer any legal issues associated with the property.

In the southeast zone, Innovation Park, Mills property and the Hall property (unincorporated contiguous area) were identified.

Economic Development Director Masten reported that currently the property at Innovation Park is zoned institutional service district. Electric is the only utility available. Water and sewer needs to be extended to the site. When asked if water is adjacent, Mr. Masten said water is being brought to the site.

Mr. Masten noted that the Mills Farm is contiguous to Innovation Park. The future land use is light industrial and zoning is residential (R-3). The recommendation is to extend water and sewer to the site. The comprehensive plan does not need to be changed as property is already zoned light industrial.

The Hall property is outside the corporate limits of Milford and borders between Route 30 and State Route 1. The future land use is low density residential. Electric is available to the 267-acre site though water and sewer will need to be extended.

Mr. Rutt noted that what is shown is half of a 540-acre farm; the other half is on the other side of Route 30. It was confirmed this land is presently under contract.

According to Mr. Masten, only about half of the land is useable due to the wetlands it contains.

Mr. Masten then discussed the projects occurring in Sussex County. The airport runway is being extended in Georgetown at a cost of over \$25 million. Delmar is building a recreational complex which will include an amphitheater. Seaford, Milton, Laurel and Lewes are all upgrading and expanding their utilities. Rehoboth Beach has completed their downtown upgrades which include utility, parking, paving, sidewalk and lighting improvements.

In Kent County, Mr. Masten reported that while working with the Greater Kent Committee, Smyrna plans to re-image US Route 13 and anticipates new investments in terms of jobs and stores on that corridor. The projected investment is between \$6 and \$7 million. Dover is planning to link the Garrison Oak Technical Park to Route 1. Some generation facilities are planned for a total cost of \$4.9 million.

The City of Harrington is planning an I&I project at a cost of \$6.3 million.

Milford has identified a water line extension at the cost of \$5.4 million to Baltimore Air Coil (BAC) in an effort to keep the jobs here. That estimate includes the tower and line though the line can be extended initially and the tower added at a later date. Presently, there are 408 jobs in addition to a number of spin-off and contracted works that BAC supports.

Dover Air Base is planning to expand its cargo ramp and services at a cost of \$38 million. Currently, an aircraft only has four to five hours before they are required to leave. Expanding the ramp and new hangars will allow maintenance to be performed to the aircraft.

There is an approximate \$18 million economic impact anticipated as a result of the new Kent County Regional Sports Complex.

Mr. Masten then reviewed the infrastructure investment strategy and successes in Milford. Seawatch is currently expanding their processing line by adding 35 new jobs for an investment of \$4 million. An organic certified facility at Perdue will bring in 250 new jobs at a cost of \$15 million.

If Milford did not have the current infrastructure available, Mr. Masten pointed out that Perdue would not have considered Milford. By providing the necessary infrastructure, Milford is ahead of the game.

The establishment of the Greater Milford Business Park created 700 plus jobs at a cost of \$2.5 million.

Because the utilities were already available to Independence Commons, the costs were reduced to \$1.5 million. The professional park resulted in more than 500 jobs between the Veterans Home, Boys and Girls Club, Hospice and other offices and businesses.

Mr. Masten advised that the Amberwood property, Innovation Park and the Mills Farm are the priority growth zones for the city because they will return the highest yield in terms of investment on behalf of the city.

City Manager Carmean recalled that a couple years ago, Seawatch was considering taking their additional processing to either their New England or Virginia facility. The city, state planning, Kent and Sussex Counties joined together on some economic incentives that resulted in approximately 200 jobs.

Mr. Gleysteen asked Mr. Norris what light industrial means; Mr. Norris explained that light industrial is similar to both our industrial parks. It could also accommodate a business similar to Amazon who developed Middletown. Seawatch and Perdue are a step up in terms of manufacturing. Seawatch is medium manufacturing.

Mr. Gleysteen asked if we can bring in a railroad to these properties would they be considered for more than light industrial; Mr. Carmean said the zoning of the two properties prioritized east of Route 1 may need a railhead.

Mr. Masten also noted that the three specific sites selected have easy access to Route 13, Route 113, Route 15 or Route 14.

Mr. Pikus asked to refocus on the two properties on the east side of Route 1. He asked if the zoning is institutional; Mr. Norris confirmed Innovation Park is currently zoned institutional. Mr. Pikus also confirmed it is shown as institutional in the state comprehensive plan.

Mr. Carmean said that he recently announced that Milford had earmarked some of our own money for the purchase of land for economic development and growth. His opinion at that time is the city does not need any more land for economic growth and development because we have an abundance available in the areas being discussed. Milford is well set within our corporate limits.

It was also noted the Hall property could be a fairly reasonable annexation. By looking at this presentation, there is a great deal of land available for development.

The city manager said he asked State Planning Director Connie Holland to attend the meeting and make a few comments. He recalled a few years ago, state planning spent a lot of time and effort to develop a master plan which covers the southeastern portion of Milford we are discussing.

Ms. Holland said Milford is doing wonderful things. She said she served as a Kent County Planner for thirty years and decided to retire. She was lucky enough to go to the state and has been there thirteen years. She said she has seen the good, bad and the ugly and has some scars as a result.

Ms. Holland learned to really respect the farming community during this time. At one time, state planning said no growth in level four. Today, they are looking at growth in level four but want to make sure it is agricultural or something that has to do with the environment. Things that can keep our farms afloat but not necessarily large housing developments because that is in levels one, two and three.

She said you may wonder why the state is so involved in the city's business. It is because Delaware is unique and the state pays for a lot of the schools, roadways, infrastructure, libraries, healthcare, etc. Working on the other side, she used to ask Dave Hugg how could she plan if she didn't know what the state wanted. They did state strategies for policies and spending which explained where the state would put their money. Milford has done its comprehensive plan. Now the state will know where to put the infrastructure money which is just not sewer and water. It is also healthcare because Delaware is one of the oldest states in the nation and everyone needs healthcare. So they are looking at how one can age in a place where they can enjoy the community.

They have worked with Middletown for about seven years. People are happy in Middletown, even those that have been there seventy to eighty years. They still have a viable downtown even though Middletown has grown immensely. When Amazon came to the area, they were deciding whether to select Smyrna or Middletown. Middletown had preplanned and Amazon went to that parcel of land as a result. Smyrna did not have the sewer that Amazon needed. And when a business is ready to make a decision, time is of the essence.

When they decided to do another master plan, she came to Milford. She asked if they would work with her. They needed to do something about the growth in Sussex County if all that going to be out there were two units to the acre. That was not a good use of the land. The city serves the facilities with infrastructure in Milford because the police, fire and ambulance need to go out in those areas. Milford agreed to look at it and we started having meetings for a master plan. These were meetings where input was provided on how your community should grow.

Ms. Holland said the first two or three meetings in Milford were interesting because not everyone agreed. They put different people next to each other—people that wanted to preserve and people that wanted to build. People that were retired and retirees that wanted to work. There were some farmers that wanted to sell and some that did not want to sell. Through the diligence of people in Milford, there was a consensus on how to grow. That resulted in a master plan which is extremely important to this community.

She said Milford has predictability and when someone buys a house they know whether they will be next to an Amazon or not. The National Home of Realtors and National Home Builders, Delaware Board of Realtors and Delaware Homebuilders are all now friends of Ms. Holland. When they do surveys, they are finding the younger generation coming

Mr. Pikus then called Tom Draper up. Mr. Draper said that he is one of the guys that lives out of town but he still has a Milford mailing address. He also lived in Rehoboth for about fifteen years.

Mr. Draper said he used to do a lot of development years ago especially downtown. He said Milford is a great town and he likes to come back and shop in Milford today.

Mr. Draper feels that in his business, he has the curse of knowing a lot of towns. His television station covers a big market. He is familiar with lots of town whether in Maryland or Eastern Shore Virginia. He feels Milford is in a fabulous inflection point. He agrees Milford has done a great job. Milford has come a long way and there are a lot of exciting things in Milford. He said what is going to be done with the infrastructure, though it might be amended here and there, will play great dividends because Milford has land mass and it is located in a good spot. We have an excellent retail base, a hospital and a great school system that is run in Milford and not from another town. He is aware of so many communities whose leaders fight and are never able to get things done.

He believes Milford is uniquely situated because of what has been accomplished over the past ten to fifteen years to move ahead. It is now one of the premier towns of Delaware. He understands the balance sheets are in good shape and a lot of towns are not in good financial shape. Milford has a lot of opportunities and he applauds the presentation about growth. He believes this will attract a lot of capital to the Milford area. He congratulated the city and hopes it will continue to do well.

Joe Palermo of 5 Misty Vale Court, Meadows at Shawnee stated he has been a resident of Delaware for nine years. He lived in Seaford for approximately a year. However, he chose Milford because of its prime location and easy access to Dover and the beaches. Most of the amenities are here. The Boys and Girls Club, Hospice, Veterans Home, a state of the art library and so on. Unfortunately, there are still a few areas that need to be addressed though the location is excellent.

Mr. Palermo said that Mr. Burton spoke about the inner area. He pointed out that when you drive down Southeast Second Street, you see a lot of rundown houses and properties. The houses are not up to code and need to be addressed.

Overall, he feels the city has a bright future.

When asked if anyone else wished to speak, no one responded.

With no further business, the workshop session concluded at 7:56 p.m.

Respectfully submitted,



Terri K. Hudson, MMC
City Clerk/Recorder

MILFORD CITY COUNCIL
MINUTES OF MEETING
June 24, 2013

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, June 24, 2013.

PRESIDING: Mayor Joseph Ronnie Rogers

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

City Manager Richard Carmean, Police Chief Keith Hudson and City Clerk/
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COUNSEL: City Solicitor David Rutt, Esquire

CALL TO ORDER

Mayor Rogers called the Council Meeting to order at 7:56 p.m.

INVOCATION AND PLEDGE

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

RECOGNITION

No special guests were in attendance.

COMMUNICATIONS & CORRESPONDENCE

Fourth Ward

Mr. Starling reported he has a problem with the condemnation of some houses. He does not understand if the electricity and water is discontinued and the person is behind in taxes, how a house can be condemned if it is in good condition. He is aware of some homes that were condemned and letters sent stating the homes were going to be demolished.

He understands the city has rules to disconnect water and electricity, but questions why a person living in that house is made to leave. He has seen this happen on two different occasions. On the other hand, the city is working with a group who is discussing building shelters for the homeless, but in these cases the city is causing homelessness. He actually observed a man leaving his garage where he is now living because the house was condemned.

Mr. Starling asked for an explanation of the rules for condemning a house. Mr. Carmean said it is spelled out in the codes and zoning ordinance. Condemnation can apply to a house that is structurally unsound and needs to be torn down. He explained that if a large portion of the house needs to be torn down, the entire house must be demolished.

The other condemnation involves health. The fact that people do not have proper facilities such as water and sewer can be grounds for condemnation. However, electric is not that big a problem because candles can be used.

Mr. Carmean asked Mr. Starling to get up with him and he can discuss that. He will have the appropriate employees present so that Mr. Starling can ask them any questions.

UNFINISHED BUSINESS

Adoption/Ordinance 2013-05/Chapter 69/Workforce Development Commission/Reduction in Number of Commissioners

Economic Development Committee Chair Grier advised this ordinance will reduce the number of Workforce Development Commissioners from eleven to five. Two of those five will be the mayor and his/her designee and the school superintendent and his/her designee. He said the commission has had a difficult time getting a quorum which is the reason for the amendment.

Mr. Grier moved to adopt Ordinance 2013-5 as presented, seconded by Mr. Pikus:

*ORDINANCE 2013-5**NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:*

Section 1. Part 1, Administrative Legislation, Chapter 69 of the Code of the City of Milford, entitled Workforce Development Commission shall be amended by reducing the number of commissioners from eleven to five.

The City of Milford hereby ordains:

Section 2. §69-2, Membership, Appointment, Terms of Office, is hereby amended by removing the number "11" and inserting "5" and "nine" to "3" as indicated below:

§69-2. - Membership; appointment; terms of office.

The commission shall be comprised of ~~11~~ 5 members, one of said members to be the Mayor or designee, one of said members to be the Milford School District Superintendent or designee and ~~nine~~ 3 of said members to be appointed, all to serve without pay. Recommendations will be forwarded to the Mayor for appointments, subject to confirmation by city council. All members shall be residents of the Milford School District or employed therein. Following the time of their initial appointment, Commissioners shall be appointed or reappointed at the next annual organizational meeting. Thereafter, terms will be for one year beginning on the date of each subsequent organization meeting.

Section 3. Dates

Introduction: June 10, 2013

Adoption: June 24, 2013

Effective : July 4, 2013

Motion carried.

Ms. Wilson said she was appointed as a member of the Workforce Development Commission. She attended a couple of meetings and did not attend any further meetings. She felt that most of the work had already been done. Therefore, she felt she was unable to contribute to the commission as she intended.

There were other meetings occurring where she felt she could make a bigger contribution. As a result, she prioritized and worked with those groups.

NEW BUSINESS*Award of Bid/Electric Department/ 138-24.94/14.4 kV Substation & 138 kV Tap Station Installation*

Sealed bids were received, publicly opened and read on June 13, 2013 for one 138-24.94/14.4 kV Substation and one 138 kV Tap Station Installation. Seven bids were received that ranged from \$770,652.00 to \$1,580,43.12. Progressive Engineering Consultants oversaw the process and reviewed the bids.

The following letter of recommendation from P.E. Alan Cobb of Progressive reads as follows:

Sealed bids were received on June 13, 2013 for furnishing the labor and materials for the construction of your 138 kV Tap Station and Delivery #2 Substation. As shown by the enclosed tabulation of bids received, Sumter Utilities submitted the lowest cost proposal for the project in the amount of \$770,652.00. We have reviewed the proposal from Sumter Utilities and believe it to be in compliance with the specifications. Therefore, it is our recommendation that the City accept the proposal from Sumter Utilities in the amount of \$770,652.00.

Mr. Carmean advised that our insurance agent is concerned that the proposal is not clear on who provides the insurance during the construction. He asked the bid be awarded but wants the motion contingent that the insurance issue is clear.

Mr. Pikus moved to award the bid to Sumter Utilities in the amount of \$770,652.00, contingent upon the insurance matter being addressed to the city's satisfaction, seconded by Mr. Shupe. Motion carried with no one opposed.

Adoption of Resolution 2013-13/Approving FY 2013-2014 City of Milford Budget

Mr. Pikus stated it is the recommendation of the finance committee that the FY 2013-2014 budget, as presented, by the city manager and reviewed by the finance committee and members of city council on June 11th and June 12th be passed by the mayor and council.

This is a balance budget with no tax increase or any increase in fees or costs. The costs were contained by good fiscal management, work load distribution and good operational practices.

Mr. Pikus moved to adopt Resolution 2013-13, seconded by Mr. Gleysteen, as follows:

ADOPTING THE CITY OF MILFORD FISCAL YEAR 2013-2014 BUDGET & CAPITAL PROGRAM

WHEREAS, the operating and capital budgets of the City of Milford for the Fiscal Year 2013-2014 were prepared and submitted to the City Council by the City Manager in accordance with Article VI Financial Procedures of the City Charter; and

WHEREAS, the City Council was presented with the proposed budget after the Finance Committee made a comprehensive study and review during meetings on June 11, 2013 and June 12, 2013; and

WHEREAS, in the opinion of the City Council, the budget accurately, as possible, reflects the city's anticipated revenues and expenditures for the fiscal year beginning July 1, 2013 and ending June 30, 2014.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MILFORD, that the City of Milford's Operating Budget for Departments shown under General Fund as Administration, Planning and Zoning, Code Enforcement and Inspections, Finance, Information Technology, Tax Assessment, Council, Police, Streets, Parks and Recreation and Engineering; and the Water Department, Sewer Department, Sanitation Department and Electric Department was adopted and approved as the budget of the City of Milford for Fiscal Year 2013-2014 in the following amounts:

*Operations and Maintenance - \$36,976,260
Debt Service - \$2,195,320
Capital Program - \$2,299,760
Total Expenditures - \$41,471,340*

A copy of said budget is on file in the Office of the City Clerk as was passed and adopted by the Council of the City of Milford on the 24th day of June 2013 by a 6-0 vote.

s/Mayor Joseph R. Rogers

Motion carried with no one opposed.

Referendum Consideration/New Police Facility/Finance Chair Pikus

Mr. Pikus moved to request the city manager, chief of police and finance director be directed to investigate and deliver to council a cost analysis for the construction of the proposed police building, the purchase of the property to build the building on, the cost of the anticipated work site, including entrances, parking areas, fencing and lighting. Also, the cost of operating the facility yearly. Once these costs are collected, council will decide on the funding for the project which, with the possibility of a referendum, could be placed before the voters in Milford, seconded by Mr. Grier. Motion carried.

When questioned about a committee meeting, Mr. Carmean said he is sure Mr. Morrow will want to have some meetings with the police committee, though at this point we do not know how to go about this.

ADJOURN

Motion to adjourn the meeting was made by Mr. Pikus, seconded by Mr. Grier. Motion carried.

The workshop session concluded at 8:12 p.m.

Respectfully submitted,



Terri K. Hudson, MMC
City Clerk/Recorder