

## MINUTES OF THE MEETING OF THE CITY OF SEAFORD MAYOR AND COUNCIL

January 12, 2010

7:00 p.m.

Mayor Edward H. Butler, Jr., called the Regular Meeting to order with the following present: Councilman J. Rhea Shannon, Councilwoman Leanne Phillips-Lowe, Councilwoman Pat A. Jones, Councilwoman Grace S. Peterson, and Councilman William G. Bennett. Dolores J. Slatcher, City Manager, Charles D. Anderson, Assistant City Manager and June Merritt, Director of Finance were also present.

Councilwoman Jones offered the opening prayer and Mayor Butler led those present in the Pledge of Allegiance.

Mayor Butler solicited changes to the agenda. City Manager Slatcher asked to add an Executive Session for the purpose of discussing personnel, and to add to the "Meeting Reminders" MLK Day and the Awards Ceremony for the Police Department. Councilwoman Jones made the motion to accept the changes to the agenda. Councilwoman Phillips-Lowe seconded the motion. Motion so passed with all present voting in favor.

Mayor Butler called for a motion to approve the Minutes of the Regular Meeting of December 8, 2009. Councilman Shannon made the motion to approve the Minutes of December 8, 2009. Councilman Bennett seconded the motion. Motion so passed with all present voting in favor.

Mayor Butler and Councilwoman Phillips-Lowe announced the Holiday Decorating Contest winners. The selection committee consisted of Councilwoman Phillips-Lowe, Karen Manso, Mike Vincent and Elizabeth Bleile. The winners of the 2009 Contest were:

Frank Dorman	- 3rd place	510 Nylon Blvd
Carl Street	- 2nd place	325 Fifth Street
Tiffany Arthur	- 1 <sup>st</sup> place	711 Washington Street

Mayor Butler presented each winner with a check and thanked them for their participation.

Mayor Butler closed the Regular Meeting and opened the Public Hearing at 7:05 p.m. City Manager Slatcher presented the reasoning for the proposed charter change. She is asking Council to consider the change and to authorize her to send the approved charter change to Rep. Daniel B. Short and Sen. Robert L. Venables to request their sponsorship of the bill during this legislative session.

City Manager Slatcher explained the Economic Development Committee is recommending a charter change to expand the farming and non-profit recreational tax exemption on parcels in excess of five acres. They will be taxed only on the first five acres per zoning to include subdivided land, contingent upon there are no changes in land use. The current charter allows for the exemption of farmed or non-profit recreation land in excess of five acres, if the acreage is not subdivided. The owner/developer pays taxes on the five acres which remains the same in the proposed charter change.

The current charter does not specify when the change from farm or non-profit recreation land is implemented nor does it provide any guidance on enacting the provisions. If Council and the General Assembly approve the proposed charter change then an ordinance stating the

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means and methods of changing lands from farming and non-profit recreational will be presented for consideration.

The current charter does state that when an owner records the subdivision regardless of its use they will no longer be eligible for the tax exemption in excess of five acres. In the proposed change, the owner/developer has the following options:

- An owner/developer can acquire all approvals and hold the plans for recordation and be exempt.
- An owner/developer can un-record a record plan and receive the exemption provided the land is farmed or used for non-profit recreation.

A recorded public record allows adjoining owners to know what the proposed land is being developed for and what easements exists for utility extension, etc.

The charter change will give an incentive to have farmland annexed into the City to allow the user base to grow for taxes and services which will spread the cost over a larger base. A recorded subdivision allows the owner/developer to move more quickly to develop the farmland when the economy starts to change. The City does not want to be classified as another bureaucracy that is slowing down business or residential growth or adding barriers and costs to projects. Its goal is to promote growth in a planned steady manner that serves its end users. This change would also align us with our neighboring communities and retain our competitiveness to grow.

Mayor Butler asked for questions from the public. No one came forward. Mayor Butler closed the Public Hearing at 7:08 p.m. and reopened the regular meeting.

Mayor Butler asked for a motion on the proposed charter change. Councilman Shannon made a motion to approve the charter change which will retain the farming and non-profit recreational exemption from recorded subdivision until such time as the land's use is changed from farmland or used for non-profit recreational. In addition, to authorize the City Manager to send the approved charter change to Representative Daniel B. Short and Senator Robert L. Venables to request their sponsorship of the bill, in this legislative session. Councilwoman Jones seconded the motion. All present voted unanimously in favor of the motion.

Mayor Butler introduced New Business #1. PKS & Co. is presenting the audit report for the year ending June 30, 2009. Auditor Boyd Bounds, CPA and Ms. Ginger A. Heatwole, CPA presented the report to the Council.

Mr. Bounds started out by stating the auditors are issuing an unqualified opinion (clean opinion) on the financial statement which is required by AIPA. Page 49&50 is a report required by the Federal Government and State which basically states there are no instances of non-compliance. In a separate letter required by American Institute it states no problems or issues with management occurred during the audit. In a bound small copy required by the 2009 Expenditures in excess of \$500,000 in Federal funds, is the review of the use of Clean Water Funds.

Mr. Bounds briefly ran through the audit:

Page 2: Financial Highlights:

\$ 25,661,903 in total revenues

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\$ 238,318 change in net assets (profit)  
\$ 44,852,193 net assets

Page 3: Sources of revenue is a comparison with 2008:

\$25,661,903 compared to \$23,290,213 (2008)

- The largest increase is the charge for services – electric, water & sewer
- The increase was due mainly to the cost of power
- There was a decrease in realty transfer taxes.

Page 4: Functional Expenses:

The expenses for 2009 totaled \$25,423,585

- The largest business-type expense is the purchase of power \$900,000;
- The Police Department and Dispatcher is the second;
- Other expense -\$764,729 which is mostly the Fire Department

Page 5: Expenses by Type:

Salaries - \$4,223,975 (employ benefits represented 46% of the salaries)

Health and pension accounted for the increase over 2008.

City Manager Slatcher commented the audit was slow this year because the City changed software and had issues to overcome.

Mr. Bounds thanked June Merritt and her department for their assistance.

Mayor Butler asked Council if they had any questions. He then thanked Mr. Bounds for a job well done. He commended Mrs. Merritt and the departments for working together to assist the auditors. He praised Mrs. Merritt for her dedication to the City.

City Manager Slatcher presented New Business #2, the request from **Circle J Developers, LLC** for the extension of their preliminary plan approval for Gallery Pointe, Tax Map and Parcel 331 6.00 5.00 for two years. The original preliminary plan approval sunsets on February 12, 2010. Councilwoman Peterson made a motion to approve the extension of the preliminary plan approval for Gallery Pointe through February 12, 2012. Councilman Bennett seconded the motion. Motion so passed with all present voted in favor.

City Manager Slatcher presented New Business #3. **George, Miles & Buhr** has requested an extension of their lease for a one-year term at 400 High Street at the current rental rate. Staff is recommending approval. Mayor Butler stated GMB has been a good tenant, Councilman Bennett made the motion to approve a one-year extension of the Lease Agreement to March 31, 2011 under the terms of ¶ 3.2 Second Option Year without a fee increase. Councilwoman Phillips-Lowe seconded the motion. Motion so passed with all present voting in favor.

City Manager Slatcher presented New Business 4. The **2010 Census** work is beginning; census personnel have done preliminary walk-around the town. The information gained from the census drives many grant and other types of funding; the information affects how federal and state programs are allocated; and it also determines re-apportionment. City Manager Slatcher encourages every citizen to participate in the census. Councilwoman Jones asked

what is the population of Seaford? City Manager Slatcher replied about 7,000. She based her estimate on new development, but she really couldn't accurately tell. At the last census, the population was 6,699. The census forms will be mailed out to every household to complete and return - 10 questions, 10 minutes to complete. Everyone needs to complete and drop back in the mail. It is for the benefit of each person in our community. Some people are sensitive to the personal questions, but, for example, the medium income drives the assistance programs. City Manager Slatcher also noted she has a contact person who will talk to individuals; and there is assistance available to help someone complete the form.

City Manager Slatcher presented New Business # 5. The **Sussex County Sports Foundation, Inc. is seeking approval for the Termination of Agreement** with the City for the Seaford Sports Complex. City Manager Slatcher felt the Foundation's programs were not as successful as they hoped. Under the agreement terms, the Sports Foundation will be repay the loan to Sussex County and the loan to Wilmington Trust Company. City Manager Slatcher added the Foundation will not use the fields or concession stand. Councilwoman Jones made the motion to approve the Termination Agreement with Sussex County Sports Foundation, Inc., for the Seaford Sports Complex, as presented. Councilwoman Peterson seconded the motion. All present voted in favor of the motion.

As New Business #6, City Manager Slatcher announced the Municipal Election will be held on **Saturday, April 17, 2010 from 10:00 a.m. until 6:00 p.m.** in Council Chambers of City Hall, 414 High Street. The Mayor and one Council position (Councilwoman Phillips-Lowe) are up for election. The deadline for voter registration is prior to 5:00 p.m. March 26, 2010. You must be registered at City Hall to vote in the Municipal Election. The deadline for candidate filing is prior to 5:00 p.m. March 26, 2010.

City Manager Slatcher presented New Business #7 as the **Resolution for the 2008 City of Seaford Comprehensive Plan**. The 2008 Plan will be the foundation for revision or improvements of the City's zoning ordinance, subdivision ordinance, housing codes, potential annexation plans, etc. Councilman Shannon made the motion to approve the Resolution for the 2008 City of Seaford Comprehensive Plan, as presented. Councilwoman Phillips-Lowe seconded the motion.

Roll Call Vote:

Councilman Bennett voted in favor;  
Councilman Shannon vote in favor;  
Councilwoman Phillips-Lowe voted in favor;  
Councilwoman Jones voted in favor; and,  
Councilwoman Peterson voted in favor.

Mayor Butler confirmed Council unanimously voted to approve the 2008 City of Seaford Comprehensive Plan.

**REMINDER OF MEETINGS**

- Chamber of Commerce and Economic Development Meeting January 14<sup>th</sup> at noon
- Planning Session - Mayor and Council January 22<sup>nd</sup> at 8:30 a.m.
- MLK Day - January 18<sup>th</sup> Breakfast at the SFH

- Police Awards Ceremony – January 21<sup>st</sup> @ 6:00 P.M. - SFH

**COMMITTEE REPORTS:**

- Councilwoman Peterson commended PW for an excellent job removing snow. She reported:
  - The Westview water main installation is moving along well. Mayor Butler said he has received questions about brown water. City Manager Slatcher recommended telling the residents to run cold water from the outside spigot. If they run the water inside, tap the sediment out of the screen if it runs inside.
  - One of four houses scheduled for demolition on Market Street has come down
  - **Trisha Newcomer was appointed to the Sussex County Economic Board ??????????**
- Councilwoman Jones reported on the activities in the Recreation Dept.:
  - The Little Wrestler program is doing well;
  - Basketball has started;
  - The Jr. Jordan Clinic has started; 35 children are participating.

Councilwoman Jones also thanked Council for their continued support of MLK program especially when other support has declined.

- Councilwoman Phillips-Lowe commended management for a good outcome on the financial report. She understood first hand how intense the audit is and the amount of work involved.
  - She also heard good comments about the snow removal effort from PW.
- Councilman Shannon said 2009 at the Police Department was successful; only one incident occurring over the holidays is unsolved. The men and women of the Department and Communications Center did an excellent job. He thanked them for all the hard work.
- Councilman Bennett reported;
  - The Electric Dept. is doing routine maintenance. There were a few minor outages due to the high winds.
  - The Fire Department will install their new officers on January 13<sup>th</sup> at their annual banquet.
  - February 6<sup>th</sup> is the 75<sup>th</sup> anniversary of the Ladies Auxiliary.

Mayor Butler expressed his pleasure that so few electric outages occurred during the period of high winds experienced in our area. City Manager Slatcher pointed out part of that was due to the tree trimming effort put forth by the Electric Department.

There being no other business, Mayor Butler called for a motion to adjourn into Executive Session for the purpose of discussing personnel. Councilwoman Phillips-Lowe so moved; Councilwoman Jones seconded the motion. Motion so passed with all present voting in favor. Mayor Butler adjourned the Regular Meeting at 7:37 p.m.

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The Executive Session ended at 8:10 p.m. and Mayor Butler reopened the regular meeting. He called for a motion to adjourn. Council \_\_\_\_\_ made a motion to adjourn. The motion was seconded by \_\_\_\_\_. The motion so passed with all present voting in favor.

By: \_\_\_\_\_  
Dolores J. Slatcher, City Manager

/wjp