

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

May 8, 2012

7:00 PM

Vice-Mayor J. Rhea Shannon called the Regular Meeting to order with the following present: Councilwoman Grace S. Peterson, Councilwoman Leanne Phillips-Lowe, Councilwoman Pat A. Jones and Councilman William G. Bennett. Dolores J. Slatcher, City Manager, Charles Anderson, Assistant City Manager, Sharon Drugash, RE/PR Manager, Berley Mears, Director of Public Works, Gary Morris, Chief of Police, June Merritt, Director of HR/Finance and Rick Garner, Director of Power were also present.

Councilwoman Peterson offered the opening prayer and led those present in the Pledge of Allegiance.

Vice-Mayor Shannon solicited changes to the agenda. City Manager Slatcher stated that there was one change. City Manager Slatcher stated to add the 2012 Senior League World Series sponsorship discussion to the agenda. Councilwoman Jones made a motion to approve the change to the agenda. Councilwoman Peterson seconded the motion; motion so passed with all present voting in favor.

Vice-Mayor Shannon called for a motion to approve the Council Minutes from April 10, 2012. Councilwoman Phillips-Lowe so moved; Councilwoman Peterson seconded the motion; motion so passed with all present voting in favor.

Vice-Mayor Shannon called for a motion to approve the Council Minutes from April 24, 2012. Councilwoman Jones so moved; Councilman Bennett seconded the motion; motion so passed with all present voting in favor.

Judge William Mulvaney then came forward to administer the Oath of Office to William G. Bennett, Mayor-Elect, Councilwoman Grace S. Peterson for another term; and David Genshaw, Councilman-Elect.

Mayor Bennett then appointed the Department Liaisons for the upcoming year. They will be as follows: Police and Fire Commissioner – Councilman Shannon, Administration – Councilwoman Jones, Electric- Councilwoman Peterson, Operations – Councilwoman Phillips-Lowe and Parks and Recreation – Councilman Genshaw.

City Manager Slatcher presented New Business # 1, Bids – HVAC Maintenance. City Manager Slatcher stated that one bid was received from National HVAC Services. The bid was in the amount of \$9,275.00 for FY 2013, \$9,462.00 for FY 2014 and \$9,653.00 for FY 2015. She added that they have worked with us in the past with good results. Councilman Shannon made a motion to award the HVAC maintenance bid to National HVAC Service, Ltd. For FY 2013 in the amount of \$9,275.00; FY 14 in the amount of \$9,462.00 and FY 15 in the amount of \$9,653.00.

Councilwoman Phillips-Lowe seconded the motion; motion so passed with all present voting in favor.

City Manager Slatcher presented New Business # 2, Kris Smith, Integra to present the employee health care and life insurance plan for plan year beginning June 1, 2012 and ending May 31, 2013. Mr. Smith stated that a request was sent out to six carriers for information and after review of the information; it was narrowed down to two carries. After reviewing the information, it is being recommended to renew with Unimerica. He added that the City of Seaford's cost amount in claims have been pretty consistent in the past five years, however, this past year they were higher than average years. The higher claims have impacted the cost projections for the upcoming year. Mr. Smith stated that there are ninety-two employees and retirees on the plan and with dependents; there is a total of 182 people on the plan. He added that 45% of the claims last year came from the employees and 56% of the claims came from the dependents. He added that the health reform is still having an impact on benefits to include: no benefit lifetime maximum, 2 million annual maximum and children under the under of 26 years old are eligible to be on their parent's health plan. Mr. Smith gave a packet of information out with a brochure that will be given to employees that breaks down the benefits and also shows where they can get access on their website. He also stated that the flexible spending plan is available again this year for employees. City Manager Slatcher added that the employee's share of the premium will increase from last year which will result in the employee paying the following amounts per week. Single Coverage \$7.97 (increase of \$2.08), Employee/Spouse/Family Coverage \$71.22 (increase of \$18.98) and Employee/Child(ren) Coverage \$44.04 (increase of \$11.70). Mayor Bennett stated that he will give everyone the next two weeks to review the information and it will come back to the next Council Meeting for approval.

City Manager Slatcher presented New Business # 3, Present resolution authorizing Pat McCullar, DEMEC President to sign a Memorandum of Understanding with Governor Markell on the Municipal Electric business. DEMEC is asking the City to execute this as one of the members of the nine member group. This is in reference to the municipal electric rates, economic development rate and transfer to general fund from the electric fund. The resolution states that the municipalities are working with Governor Markell to reduce rates that are charged to the customers. Councilwoman Peterson made a motion to approve the resolution for the Delaware Municipal Electric Corporation to execute on behalf of the City of Seaford's Electric Utility a Memorandum of Understanding with Governor Markell as a member of DEMEC. Councilman Shannon seconded the motion; motion so passed with all present voting in favor.

City Manager Slatcher presented New Business # 4, Request from Regional Builders, Inc. to obtain a two-year extension of his final site plan for Phase II Boyd Warehouses effective 5/26/2011. The approval from the Soil Conservation District letter of approval was not received until April 17, 2012. The recommendation from the code department is to extend for the two year extension for the final plan review for the Phase II Boyd Warehouses to expire on May 26, 2013. Councilwoman Jones made a motion to extend the final site plan approval for Phase II Boyd Warehouses until May 26, 2013. Councilwoman Phillips-Lowe seconded the motion; motion so passed with all present voting in favor.

City Manager Slatcher presented New Business #5, Present for approval Agreement of Sale documents for Bruce D. & Elaine Willey, TMP # 4-31-2.00-31.00 and Leon Williams Revival, Inc., TMP #4-31-2.00-31.00 for lands owned by the City of Seaford. The land at 525 N. Front Street will be subdivided to be sold at the appraised price. The interested parties would pay a good faith deposit and the rest of the money would be paid at settlement. Councilwoman Jones made a motion to approve the agreement of sale documents as presented for TMP #4-31-2.00-31.00 with Bruce D. & Elaine Willey in the amount of \$10,237 and Leon Williams Revival, Inc. in the amount of \$58,012.00 and authorize the staff to finalize the sale and transfer of property to the respective parties. Councilwoman Phillips-Lowe seconded the motion; motion so passed with all present voting in favor.

City Manager Slatcher presented New Business #6, Present for first reading Ordinance #2012-01 Amend Chapter 16, of the Municipal Code to "Exemption of Taxation". This would amend the language and to make an amendment including recognizing that family could include partners and civil union, if you have reached your 85<sup>th</sup> birthday and make less than \$9,000 regardless of your property value, you would be exempt from paying taxes. It would also change the deadline to file for tax exemption from April 30<sup>th</sup> to May 31<sup>st</sup>. City Manager Slatcher stated that this is a first reading and will come back to the next meeting for approval.

City Manager Slatcher presented New Business #7, Request from Senior League World Series Committee for the City of Seaford to be a co-sponsor. The team's hospitality reception was held in Seaford last year and was held at Williams Pond Park. City Manager Slatcher added that the girls actually stayed in the City of Seaford last year. The plan is for the girls to stay in Seaford again this year and the tournament will be held from August 5<sup>th</sup> – 11<sup>th</sup> on the fields in Roxana, DE. They are requesting the City to co-sponsor being the hospitality City. There is an insert with ads in a book that is given that includes the players and team pictures which is a main keepsake for the players to keep. The cost for this is about \$3,000; however, the cost could come down depending on the number of partners and other sponsors. Staff is recommending contributing the maximum amount of \$1,500 for this event. City Manager Slatcher added that the economic impact on the City is significant since the families and girls will be staying in the City. Councilwoman Phillips-Lowe made a motion to approve donating up to \$1,500 and encourage the representatives to get as many sponsors as possible to bring down the City's cost for insert for the Senior League World Series to be held from August 5<sup>th</sup> – 11<sup>th</sup>. Councilwoman Jones seconded the motion; motion so passed with all present voting in favor.

City Manager Slatcher presented Old Business #1, Reminder of Special Election to be held on May 14, 2012 from 2:00 p.m. to 6:00 p.m. proposing the issuance by the City of Seaford, Delaware of up to \$1,903,812 maximum principal amount general obligation bond to finance the installation of water meters and other associated equipment throughout the City of Seaford. Assistant City Manager Charles Anderson came forward to review the water meter billing analysis. He explained that based on the 2011 budget figures, the total annual water revenue would be \$840,146.88. A graph was then shown of the amount of water that was pumped and the amount of water that was billed. During the peak summer months the amount of water that was pumped was higher than the amount that was billed. Mr. Anderson explained that 40,561,397 gallons of water consumption was pumped and not billed for which equates to 5,412 EDU's of additional billing. This would result in

an increase in the projected water revenues (\$6,306.70/month) if all of the water pumped would have been metered and billed for in FY11. This is highly unlikely due to increased conservation, line losses and other factors that will undoubtedly occur with the shift to the installation of new meters. He explained that the proposed rate for water would be \$16.50/EDU of 7,500 gallons per month and the proposed rater for sewer would be \$37.24/EDU of 7,500 gallons per month (no change) with a total charge of \$53.74. Under the new charges, the total annual water revenue would be \$915,827.28. City Manager Slatcher explained that this is a snap shot in time; this is about two to three years away from this occurring. There will be more EDU's that will come on line which will help spread the cost across the board which will change the cost. Also expenses will be different which will impact the final rate.

### **REMINDER OF MEETINGS & SETTING NEW MEETINGS**

- City Wide Clean-Up Week May 14-18
- Budget Workshops to be rescheduled

### **COMMITTEE REPORTS**

Councilwoman Peterson reported that the conservation district will be out dipping out the storm drainage areas in the Industrial Park. The Washington Avenue project is moving along and they are currently working at the east side of the Catholic Church doing connections. The movie at the Ross Mansion had a good turn out last weekend. She thanked all of the people on the operations committee for working with her the past years and for their help.

Councilwoman Jones reported that the block watch committee met last Saturday and did a cleanup of the City that turned out well. She reminded everyone that the Heritage Days festival will be held out to the Ross Mansion on Memorial Day weekend.

Councilwoman Phillips-Lowe reported that the department is working on budget and health insurance renewal plan. She thanked everyone in administration for their patience while she was their liaison.

Councilman Shannon reported that a job offer was given to a dispatcher, Mark Hunter who will start on May 13<sup>th</sup>.

Mayor Bennett reported that the wells at the power plant are still in the process of getting filled in and the electric department is working with John's tree service in Westview for tree trimming. The fire department is busy and he will work on getting the new ambulance up to the next meeting for everyone to see.

Mayor Bennett welcomed Councilman David Genshaw and added that he will get the ballots out for Vice-Mayor so that this position can be appointed at the next meeting.

With no further comments, Mayor Bennett called for a motion to adjourn the Regular Meeting of Mayor and Council. Councilwoman Phillips-Lowe so moved. Councilwoman Peterson seconded the motion and the motion so carried with all present voting in favor. Mayor Butler adjourned the meeting at 8:15 p.m.

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Dolores J. Slatcher, City Manager

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