

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

April 23, 2013

7:00 p.m.

Mayor William G. Bennett called the Regular Meeting to order with the following present: Councilman J. Rhea Shannon, Councilwoman Grace S. Peterson, Councilwoman Pat A. Jones, Councilwoman Leanne Phillips-Lowe and Councilman David Genshaw. Dolores J. Slatcher, City Manager, Charles Anderson, Assistant City Manager, Berley Mears, Director of Public Works and Rick Garner, Director of Power were also present.

Councilman Genshaw offered the opening prayer. Mayor Bennett led those present in the Pledge of Allegiance.

Mayor Bennett solicited changes to the agenda. City Manager Slatcher stated there was none.

Mayor Bennett called for a motion to approve the Minutes of the Regular Council meeting of April 9, 2013. Councilwoman Jones made the motion to approve the Minutes of the April 9, 2013 Regular Council meeting. Councilwoman Peterson seconded the motion. Motion so passed, with all present voting in favor.

Mayor Bennett called for a motion to approve the minutes of the Special Workshop Electric Rates held on April 16, 2013. Councilman Genshaw made a motion to approve the Special Workshop Electric Rates minutes of April 16, 2013. Councilwoman Jones seconded the motion; motion so passed with all present voting in favor.

Mayor Bennett then asked Mr. Berley Mears and Mr. Charles Anderson to come forward. Mayor Bennett stated that they recently received an award from the Governor. Mr. Anderson, Mr. Mears and City Manager Dolores Slatcher attended a meeting in Dover and received the Urban Conservation Award for their green practices for the Washington Street project. He congratulated them on a job well done.

Mayor Bennett then asked for any correspondence. City Manager Slatcher stated there was none.

City Manager Slatcher presented New Business #7 – Present for approval the granting of an easement to Regional Builders. City Manager Slatcher explained that the easement will be in the right-of-way on Cannon Street in the area of the sidewalk. It will be a five foot easement and the purpose of the easement is for a fire escape from the 2nd floor which is needed. Mr. Bob Boyd, owner of the property was present. He explained that they are going to be selling the property to La Ried and the fire marshal is requiring this fire escape. A survey has been done of the property and an easement has been written. Councilwoman Phillips-Lowe made a motion to approve the granting of the easement to Boyd Properties as presented as per the survey. Councilwoman Peterson seconded the motion; motion so passed with all present voting in favor.

City Manager Slatcher then presented New Business #1 – Present non-budgeted proposal to perform needed repairs to the Riverwalk bulkhead. City Manager Slatcher explained that these issues need to be corrected before something occurs. They were recently found when a sink hole was found in the area and then a walk through was done with the contractor. An estimate has been given by Hastings Marine Construction in the amount of \$10,750.00. Pictures were shown of the area and what needed to be fixed. Councilman Genshaw made a motion to approve the estimate submitted by Hastings Marine Construction to perform non-budgeted repairs to the Riverwalk Bulkhead and the preparation of plans and filing the DNREC permit application in the amount of \$10,750.00. Councilman Shannon seconded the motion; motion so passed with all present voting in favor.

City Manager Slatcher presented New Business #2, Present non-budgeted quotes for needed sections of sidewalk repairs on City owned lands on Front, King and Market Streets. City Manager Slatcher explained that last year during Riverfest someone fell which was before the City owned the property. An inspection was done once the City took ownership of the lands and several areas were found to be missing or cracked. It was decided to just replace sections of the sidewalk that were damaged or missing. Berley Mears, Director of Public Works obtained two quotes for the work. It is being recommended by staff to split the bids. For the Front and King to be awarded to Wothers Masonary in the amount of \$5,140.00 and for the Market Street to be awarded to Nanticoke Concrete Works in the amount of \$1,500.00. Councilman Shannon made a motion to approve the quote from Wothers Masonary to repair certain sidewalk sections on land of the City of Seaford on Front and King Street in the amount of \$5,140.00 with funding to come from the Realty Transfer Tax Reserve and to be repaid with proceeds from the sale of these lands referred to as Ayres at some future date. Councilwoman Peterson seconded the motion; motion so passed with all present voting in favor. Councilwoman Peterson made a motion to approve the quote from Nanticoke Concrete Works to repair certain sidewalk section on lands of the City of Seaford on Market Street in the amount of \$1,500.00 with funding to come from the Realty Transfer Tax Reserve and to be repaid with proceeds from the sale of lands referred to as Ayres at some future date. Councilwoman Jones seconded the motion; motion so passed with all present voting in favor.

Mayor Bennett presented New Business #3, Present for approval proposed new electric rates and PPCAC rates to be effective with the May 2013 bills sent out. The Mayor stated that a rate reduction is proposed for all customers. The reductions in 2013 range from 5.3% to 7.2% with an overall rate reduction of 4.4% for all the classes. This will result in rates being reduced from 5.6% to 14.9% meeting the required 10% as per the Memorandum of Understanding with the Governor's Office. The overall cumulative rate for Seaford will be 10.1%. Mayor Bennett added that the new adjusted Power Cost Adjustment will start at a credit of 0.00925/kwh. These rate reductions are the result of lower wholesale power costs due to new contracts and the expiration of older contracts with higher costs. The Electric Committee recommendation is to implement these rates effective retroactively to the April 1, 2013 electric consumption to be billed in May 2013. Mayor Bennett stated that the City has reviewed the billing methods used by all of the Delaware Utilities. The City of Seaford is one of the last utilities to create a customer charge. The reason to implement a customer charge

and not pass all costs for electric infrastructure through the kwh charge is to be sure all customers are bearing some of the cost for wires, transformers, meters, poles, billings, meter readings, etc. even when they do not use a kwh of energy. The City must provide the availability of electric service to those who use and sell back solar, wind, and other green initiatives kwh to the City in the event these systems are not producing electricity and need the municipal service. The customer charge is so that everyone is paying something toward the electric service available in the City. A listing was shown of all of the DE utilities with a customer charge and the City of Seaford using the residential class as an example which is the lowest in DE. Mayor Bennett explained that the City of Seaford is adapting a Customer Charge in its electric rates. This action will remove a corresponding dollar amount from the energy rates to create this Customer Charge. As a result virtually all of the City's electric customers will see no difference in the current amount of their electric bills. This charge is being introduced at the same time that the Power Cost Adjustment Clause rate is going down, so all customers will see a reduction in their monthly electric bills. It was explained that currently nine of the eleven Delaware electric utilities have implemented a Customer Charge. The customer charge implemented by the City will be the lowest Customer Charge currently in place by any of the nine Delaware electric utilities. With no further questions, Mayor Bennett asked for a motion. Councilman Genshaw made a motion to adopt the proposed new electric rates as presented for all rate classes, the proposed Power Cost Adjustment Clause as presented with adjustments occurring as needed, and to implement a customer charge for all rate classes as presented. Councilwoman Peterson seconded the motion; motion so passed with all present voting in favor.

City Manager Slatcher presented New Business #4, Present for approval the amended Schedule of Fees and Rates to be effective retroactively to April 1, 2013.

City Manager Slatcher presented New Business #5, Bids – Clean-up Week. There were four bids received with Allied Waste being the low bidder in the amount of \$91.00 per pull. Staff is recommending awarding them the bid, we have worked with them in the past and they have done good work. Councilwoman Jones made a motion to award the bid for clean-up week to Allied Waste in the amount of \$91.00 per pull. Councilwoman Phillips-Lowe seconded the motion; motion so passed with all present voting in favor.

City Manager Slatcher presented New Business #6, Present for approval to sell the used switch gear at the Power Plant. City Manager Slatcher explained that Mr. Anderson was contacted by Mr. Lance Fisher from NCM that advised that he had a potential buyer that was offering \$30,000 for the used switch gear. The requirement would be that the City would bear the cost of shipping and removal which is \$5,000. She added that NCM would handle the removal and the shipping and they would also like a 5% finder's fee as sales commission. The final result would be that the City would receive a net of \$23,250. It is being recommended to sell the switch gear to the potential buyer since there are not many people buying them. Councilwoman Peterson made a motion to sell the used switch gear at the Power Plant for \$30,000 with the shipping and removal cost to be deducted from sale estimated to be \$5,000 and to pay NCM a 5% commission on the sale estimated to be

\$1,750 for a net payment to City in the amount of \$23,250.00. Councilman Genshaw seconded the motion; motion so passed with all present voting in favor.

City Manager Slatcher presented Old Business #1, Second reading and adoption of an ordinance to amend Chapter 15, of the Municipal Code of Seaford, Delaware relating to "Zoning" for temporary sign regulations. Councilwoman Phillip-Lowe made a motion to adopt the ordinance to amend Chapter 15, of the Municipal Code of Seaford, Delaware relating to "Zoning" as presented. Councilwoman Peterson seconded the motion; motion so passed with all present voting in favor.

Mayor Bennett then called for a Roll Call Vote:

Councilman Genshaw voted in favor;
Councilman Shannon voted in favor;
Councilwoman Phillips-Lowe voted in favor;
Councilwoman Jones voted in favor;
Councilwoman Peterson voted in favor.

REMINDER OF MEETINGS & SETTING OF NEW MEETINGS:

- Kick-Off Parks and Recreation Walking Club at Hooper's Landing on April 24th at 7 p.m. 1st 25 receive a t-shirt
- DE League of Local Governments, Sheraton, Dover, DE April 25th at 6 p.m.
- SCAT, The Rookery North Clubhouse (previously Shawnee Country Club), Milford, DE, May 1st at 6 p.m.
- National Day of Prayer at City Hall, May 2nd at 12:20 p.m.
- Delmarva Power Wholesale Meeting at the Clarion in Ocean City at 3 p.m. on May 2nd

COMMITTEE REPORTS:

Councilwoman Phillips-Lowe reported that the ED/IT has been attending meetings for the Chamber for Economic Development and working on software updates. Trisha has also attended several meetings with clients and a pre-construction meeting for Davis Drive, Hooper's Landing and Riverfest. She is also assisting Scott with the walking trail program. In the code department, grass season has begun and letters have been sent out to property owners that are in violation of the 10 inches limit. There have been five building permits issued and a demolition permit has been issued for Burton Brothers. There have been plan reviews for four commercial renovations, one fit out and one single family home. Three applications were submitted to the Board of Adjustments on April 29th. A pre-construction meeting was held at Governor's Grant entrance work which will begin in a few weeks. In the WWTF, the place is running well and most of the work has been routine. There are two employees in the department that recently attended the EPA pre-treatment training in PA. In Public Works, paving has been completed on Nylon and Locust Street. Weeds have been sprayed on Stein and Norman Eskridge Highways. The new 100 watt generator has been

received and two water services on South Porter Street have been replaced with more to be replaced in conjunction with the Porter Street stormwater project. Hydrant flushing will start on Monday, April 29th.

Councilwoman Peterson reported that work continues with tree removal and trimming. Work is continuing on the extension of the electric lines in the Industrial Park for the Boyd Warehouses. There were some outages reports including April 8th a transformer failed at the Seaford School District office causing an outage for 800 customers on circuit 210. On April 14th, an osprey nest caused an outage were 335 customers on circuit 150 were out. On April 17th, an underground cable failure caused an outage for 34 customers at Meadowbridge Apartments. On Saturday, April 20th a squirrel blew a transformer wire on North Street causing the lights to flicker at NMH.

Councilman Shannon reported that the Mayor did a proclamation on April 15th at the Police Department for National Telecommunications Week. There will be a new officer starting on May 6th, Dustin Hamilton. There is currently a Sgt. and a Corp. in New York for a tactical training course. There will be a fire department election tomorrow night for the Vice President position since Armor Rice stepped down since he has been activated by the military.

Councilwoman Jones reported that June has been working on the FY2014 budget and working with the customer service representatives. She has been assisting the retirees with pension benefits, working on spreadsheets and processing personnel paperwork for various issues. She is reviewing purchase order requisitions and reviewing cash accounts. June has been attending meetings and reviewing information for the solar PPA project. She is also reviewing the tax collection bids and making revisions for next year's bid. There is a meeting with Integra scheduled for this Friday in reference to health insurance renewal. She is also preparing for Administrative Professional Day which is tomorrow and the offices will be closed from 8 to 9 a.m. The utility bills will be going out around May 10th. Meter readings for water will be April 23-24 and electric will be April 29-30. Disconnect notices will be mailed out on April 25th and disconnects will take place on May 7th.

Councilman Genshaw reported that the recreation is gearing up for modified and slow pitch softball and looking into forming a horseshoe league. The main focus has been on the walking trail program which has a kick-off program tomorrow night at 7:00 p.m. at Hooper's Landing. He also added that it is being looked into about getting better communications in the community with the schools and other organization to support each other.

There being no other business, Mayor Bennett called for a motion to adjourn. Councilwoman Peterson made a motion to adjourn. Councilman Genshaw seconded the motion. Motion so passed with all present voting in favor.

Mayor Bennett adjourned the Regular meeting at 7:45 p.m.

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By: _____
Dolores J. Slatcher, City Manager

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