

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

May 13, 2014

7:00 PM

Acting-Mayor David Genshaw called the Regular Meeting to order with the following present: Councilwoman Leanne Phillips-Lowe, Councilwoman Grace S. Peterson and Councilman J. Rhea Shannon. Dolores J. Slatcher, City Manager, Trisha Newcomer, ED/IT Manager and Charles Anderson, Assistant City Manager, were also present.

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

Acting-Mayor Genshaw solicited changes to the agenda. City Manager Slatcher stated that there were none.

Acting-Mayor Genshaw called for a motion to approve the minutes of the Regular Council Meeting of April 22, 2014. Councilwoman Peterson made a motion to approve the minutes of the Regular Council Meeting of April 22, 2014. Councilwoman Phillips-Lowe seconded the motion and the motion so passed, with all present voting in favor.

Acting-Mayor David Genshaw asked Judge Hopkins to come forward. Judge Hopkins then did the Oath of Offices for David Genshaw as Mayor and Dan Henderson and H. William Mulvaney III as Councilman.

Mayor Genshaw then requested Council to vote for the Vice-Mayor position. Mayor Genshaw announced that Councilwoman Leanne Phillips-Lowe is the new Vice-Mayor.

Mayor Genshaw then appointed the Council Liaisons. Councilman Mulvaney will be Administration, Councilwoman Peterson will be Electric, Councilman Henderson will be Operations, Councilwoman Phillips-Lowe will be Police and Fire and he will remain as Parks and Recreation.

Mayor Genshaw then asked Bert Potteiger to come forward. He then read a Proclamation declaring May as "Poppy Month".

Mayor Genshaw called for a 10 minute break at 7:17 p.m.

Mayor Genshaw announced New Business # 1, Kris Smith, Integra to present health and life insurance renewal recommendation. He asked City Manager Slatcher to present the information. She stated that Kris Smith was unable to attend tonight due to a family emergency. City Manager Slatcher presented the information on behalf of Mr. Smith. She stated that Integra submitted requests for proposals from six reinsurance carriers that were rated A or better by the A.M. best rating agency. It was narrowed down to two choices which were Unimerica and Standard Security Life of New York. After meetings with the benefit committee and a thorough review of the current claims experience, it is being recommended to renew with Unimerica (a United Health Care company) and implement option 7A which is the benefit program in place currently. The current benefit plan costs have run below projections to date. The renewal costs are projected to be 1.98% above current year's projected costs. This percentage is below inflation trend which according to the 2014 Segal Health Plan Cost Trend Survey for a similar benefit program is showing a 7.6% inflationary increase. Optum/Unimerica Rewards Program was added last plan year. It offers a refund of premiums if the carrier paid claim costs are lower than Optum/Unimerica expects during the benefit plan year. Based on the past 5 year claims history the average refund would be \$17,500 per year. The City would need to renew with Unimerica next year to be eligible for the refund. Unfortunately, the claims paid by Unimerica this past year were such that a refund is not possible this current year. The retiree benefit program is insured with the Hartford Group Retiree Insurance Trust. The renewal for the Medicare eligible retiree program was January 1, 2014. For the 2014 plan year there was a slight increase to the current rates. The retiree dental and vision benefits are still administrated through INTEGRA.

The High Performance Network in the past year has added several hospitals since last year's renewal to include: Peninsula Regional Medical Center, Atlantic General, Beebe Medical Center

and A.I. DuPont. The secondary network will now be the First Health Network replacing the OneNet Network. It is a national network that will expand the network provider list while providing additional potential claim savings.

The Affordable Care Act (ACA) requires the dental and vision benefits are separate employee elections. If not broken out, the dental and vision benefits would be unlimited like the medical program. The dental and vision plans have been modified to reflect this required change.

Due to high costs of health care the recommendation is to utilize Fresenius as the provider or choice for dialysis services. They provide in facility services as well as in home dialysis.

The Health Reform/ACA is impacting health plan benefits and costs. The required plan changes have been made to be in compliance with the law. A few of the changes required for the June 1, 2014 renewal plan year include: Patient-Centered Outcomes Research Institute (PCORI) fee of \$1 per covered person – due July 1, 2014; transitional fee of \$5.25 per month per covered person is due January 15, 2015; no benefit lifetime maximums; no pre-existing conditions for any covered person on the plan; 90 day maximum limit on waiting periods; establish a maximum in-network medical out of pocket limits to no more than \$6,350 an individual and \$12,700 a family.

City Manager Slatcher explained that new employee benefit educational renewal booklets will be distributed to all employees to include the changes to the plan. With the changes, the rate will be adjusted as follows: Single Coverage will be \$11.48 per week (\$0.24 increase), Employee/Spouse/Family Coverage \$99.81 per week (\$2.13 increase) and Employee/Child(ren) Coverage \$63.98 per week (\$1.35 increase).

Councilwoman Peterson made a motion to award the health insurance coverage for the new plan year to the current carriers, Unimerica Option 7A as presented by INTEGRA and recommended by the benefits committee. Councilwoman Phillips-Lowe seconded the motion; motion so passed with all present voting in favor.

Councilman Mulvaney made a motion to approve Fresenius the provider of choice for dialysis services as recommended by INTEGRA and the benefits committee. Councilwoman Peterson seconded the motion; motion so passed with all present voting in favor.

Councilwoman Phillips-Lowe made a motion to approve First Health as our network provider for the new plan year as presented by INTEGRA and the benefits committee. Councilman Henderson seconded the motion; motion so passed with all present voting in favor.

Councilman Henderson made a motion to approve separating the dental/vision coverage to provide a maximum of \$400 benefit each to comply with the Affordable Care Act and administer the benefit for compliance. Councilwoman Peterson seconded the motion; motion so passed with all present voting in favor.

Councilwoman Peterson made a motion to approve the changes in the Employee Withholding as presented including the compliance with the Affordable Care Act with the separation of cost for medical, dental, and vision coverage as recommend by the Benefits Committee. Councilman Mulvaney seconded the motion; motion so passed with all present voting in favor.

Mayor Genshaw presented New Business # 2, he requested City Manager Slatcher to present letter to reduce maintenance bond for Belle Ayre Investments, LLC. Mr. Mark Pratta was present representing Belle Ayre Investments, LLC. City Manager Slatcher stated that they are stating that they do not want to be responsible for repairing the infrastructure that should have been in place in the first place. They are requesting that the normal two year maintenance requirement be reduced to six months. Councilman Henderson made a motion to approve a reduced maintenance bond from the two year requirement to a six month requirement due to the economic duration of the project and the multiple developers with some withdrawing from the project and the continuation of developing the property as per the Belle Ayre Investments, LLC letter dated April 23, 2014. Councilwoman Phillips-Lowe seconded the motion; motion so passed with all present voting in favor.

Mayor Genshaw presented New Business # 3, he requested City Manager Slatcher to provide the detail being Bids – Parks pickup. There was one bid received from Hertrich Fleet Services in the

amount of \$22,274. This pickup truck is to replace the stolen truck. City Manager Slatcher added that an insurance payment was received in the amount of \$4,292 for the truck. It is planned to have the truck delivered before June 30<sup>th</sup> so it will be included in the FY14 budget. Councilwoman Phillips-Lowe made a motion to award the Parks pickup bid to Hertrich Fleet Services, Inc. in the amount of \$22,274 as a non-budgeted purchase. Councilman Henderson seconded the motion; motion so passed with all present voting in favor.

Mayor Genshaw presented New Business # 4, Bids – Generator Maintenance. He requested City Manager Slatcher to review the information. There were bids received with FM Generator, Inc. being the low bidder for the total base bid without accepting any alternates. City Manager Slatcher stated that we have not worked with them in the past, however, Berley Mears, Director of PW has contacted them and they have assured him that they are more than capable of performing the required obligations on the bid. City Manager Slatcher stated that the bid is for all generators at all of the facilities. Councilwoman Phillips-Lowe made a motion to award the Generator Maintenance base bid only in the amount of \$2,775.00 only to FM Generator, Inc. Councilwoman Peterson seconded the motion; motion so passed with all present voting in favor.

Mayor Genshaw presented New Business # 5, Bids- Stein Highway Electric Distribution. He requested City Manager Slatcher to provide the information. There were four bids received with AUI, Inc. being the low bidder in the amount of \$63,870.00. City Manager Slatcher stated that this bid is for the labor to re-conductor Stein Hwy in a joint project with DP&L, Verizon, Comcast and DELDOT. The City is currently working with AUI, Inc. on the Route 13 Intersection project and they have been great to work with. City Manager Slatcher stated that \$55,000 was budgeted for this project but some utilities decided to do their own work which increased our cost. The inventory cost for the project is \$18,675.63 and the majority of the inventory is presently in stock. It is being recommended by staff to break the project cost up into FY14 and FY15 budget years since the project will not start until after June 30<sup>th</sup>. Councilman Henderson asked if the materials that are in stock for this project will be resupplied. City Manager Slatcher stated that the materials were ordered for this specific project and will not be resupplied. Councilwoman Phillips-Lowe made a motion to approve the recommended funding in using FY14 and FY15 funds for payment to AUI, Inc for the bid amount of \$63,870.00. Councilman Henderson seconded the motion; motion so passed with all present voting in favor. Councilwoman Peterson made a motion to approve the recommended funding in using FY14 and FY15 funds for payment to AUI, Inc for the bid amount of \$63,870.00. Councilman Henderson seconded the motion; motion so passed with all present voting in favor.

Mayor Genshaw presented New Business # 6, Announce Annette Cole's promotion to Human Resources Coordinator. City Manager Slatcher also added that Tina Hurley was recently promoted to Recreation Coordinator.

Mayor Genshaw presented New Business # 7, Announce new hire in Parks Department, Justin Hignutt who started Monday, May 12, 2014.

Mayor Genshaw presented New Business # 8, Present letter from Coulbourn Farms requesting to cut 150 foot power line right-of-way in Ross Business Park. He requested City Manager Slatcher to provide the information. She stated that they have been cutting this area for the past three years with no problems. Councilman Henderson asked if they were not to cut it how often would the City need to cut it. City Manager Slatcher stated that it would need to be cut about every other week. However, they only cut it one time in the year, they let it grow up and then harvest it. Councilwoman Peterson made a motion to permit Coulbourn Farms to continue to cut the 150 foot right-of-way beneath the power lines to Ross Substation in the Ross Business Park. Councilwoman Phillips-Lowe seconded the motion; motion so passed with all present voting in favor.

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

- FY15 Budget Workshop, May 20<sup>th</sup>, City Hall breakroom 5 p.m. – 8:30 p.m.
- Delaware League of Local Govts, Dover Downs Hotel, May 22<sup>nd</sup> at 6 p.m.
- Towne and Country Fair, Ross Mansion, May 24<sup>th</sup>, 9 a.m. – 4 p.m.

- City Offices and Operations closed on Monday, May 26<sup>th</sup> in observance of Memorial Day. Please call 629-4550 for emergency utility services needed.
- Veterans Day Memorial Day services in Kiwanis Park on May 26<sup>th</sup>
- Employee summer hours begin on May 27<sup>th</sup> with Office open 7 a.m. until 5 p.m. and all other departments 7 a.m. until 4 p.m.

### **COMMITTEE REPORTS**

City Manager Slatcher reported that the police department is doing firearms qualifications this week. They are preparing for Memorial Day services and the Clarence Street Church of God event this Saturday. The Chief and Captain will be out of town next week in Rehoboth for a conference.

City Manager Slatcher reported for administration that June Merritt, Director of HR/Finance is working on budget and health insurance renewal. Her department recently attended AED/CPR and First Aid training. She is also working on job descriptions for various jobs and workers comp claims. She recently attended the administrative professional breakfast and staff appreciation luncheon. She has scheduled audit for the week of September 2<sup>nd</sup>. The bills are due May 22<sup>nd</sup> and disconnects will be done on June 6<sup>th</sup>.

Mayor Genshaw reported that Tina Hurley started this week in the Recreation Department and Justin Hignutt started this week as the Parks Tech 1. The first movie night in the Park at Ross Mansion will be held on May 24<sup>th</sup> and will be Frozen. Softball season is underway and the parks department is busy mulching the Jays Nest.

Councilwoman Phillips-Lowe reported that Trisha Newcomer, ED/IT Manager has attended many events including the 5K walk, Live for Chocolate event and a Cyber Conference. She has also been working on getting internet service at the pool set up. She recently attended CPR/AED and First Aid training and a meeting with a client. The Code Department has been busy with routine work, such as sending violation letters and issuing building permits. Board of Adjustment meeting was held on May 7<sup>th</sup>. Josh Littleton, Building Official, will be attending the Wetlands Advisory Committee meeting tomorrow. The WWTF is running well and most business is routine. The WWTF is currently in the last of their fog inspections. Brian Murphy recently was named WWT Operator of the year. The Public Works Department is busy with Clean Up Week this week. All of the employees in PW recently attended CPR/AED and First Aid training. Councilwoman Phillips-Lowe thanked all of the operations department for everything while she was their liaison for the past few years.

Councilwoman Peterson reported that Rick Garner, Electrical Engineer reported that he recently held a quarterly safety committee meeting. He also completed the workplace safety inspection. Bill Bennett, Superintendent of Electric, reported that the transformer and the connection at the new car wash has been completed. The conduit at the Boyd Warehouse has been buried. They have been trimming trees on Virginia Ave and the entire department recently attended AED/CPR and First Aid training. The cabinet at the Industrial Park has been installed. The connection to the new Dollar General has been completed. Pine Street recently experienced an outage for about two hours and circuit 140 experienced an outage for about 33 minutes both due to a squirrel. Seaford Village shopping center also experienced an outage for an hour due to underground wiring.

Mayor Genshaw discussed filling the vacant seat on Council. He would like all Council members to send him their thoughts as to if they would like to fill the seat. He would also like recommendations on who they would like to fill the seat with if they plan to go that route. He would like all of these emailed to him no later than May 22<sup>nd</sup>.

With no further comments, Mayor Genshaw called for a motion to close the Regular Meeting of Mayor and Council. Councilwoman Phillips-Lowe made the motion to close the Regular Meeting of Mayor and Council. Councilwoman Peterson seconded the motion and the motion so passed, with all present voting in favor. Mayor Genshaw closed the Regular Meeting at 8:08 p.m.

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Dolores J. Slatcher, City Manager

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