

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

June 14, 2016

7:00 PM

Mayor David Genshaw called the Regular Meeting to order with the following present: Councilwoman Grace S. Peterson, Councilwoman Leanne Phillips-Lowe, Councilman William Mulvaney, Councilman Dan Henderson and Councilman Orlando Holland. City Manager Dolores Slatcher, Assistant City Manager Charles Anderson, Superintendent of Electric, Bill Bennett, and Finance/ HR Director June Merritt, was also present.

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

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

Mayor Genshaw called for a motion to approve the minutes of the Regular Council Meeting of May 24, 2016. Councilwoman Peterson made a motion to approve the minutes from the May 24, 2016 Council Meeting. Councilman Holland seconded the motion; motion so passed with all present voting in favor.

Mayor Genshaw presented the Mayor's Right Choice Award. The Mayor's Right Choice Award, is given to a student who has been a well-rounded academic student and sets a great example for others. Jacob Prettyman was the recipient of this year's Mayor's Right Choice Award as well as a \$500.00 scholarship. Jacob is a student at Seaford Senior High School, and is active in sports and academically responsible.

Mayor Genshaw called Superintendent of Electric, Bill Bennett, up to present the APPA Safety Award that the Electric Department received. Mr. Bennett stated that the American Public Power Association (APPA) awarded the department with a Class B award, which requires the department to be free of any injury/incidents for 15,000-29,999 hours out of the year. The department had 19,139 hours with no reported injuries/ incidents.

CORRESPONDENCE

There were none.

NEW BUSINESS

Mayor Genshaw presented New Business # 1, City of Seaford's Compensation Study. Assistant City Manager Charles Anderson, came up to present the information. Mr. Anderson explained that the Singer Group conducted the compensation study to review the salary structure of City employees to establish internal and external equity, ensure pay is fair, competitive and equitable. The study also ensured the compensation structure is aligned with overall strategic goals and brings the best compensation studies to the City. The last compensation study was conducted in 1982, so doing the study now will ensure pay ranges are reflective of the market, structure is simple and easy to understand, and allow better recruitment

and retention. The Mayor, Council, staff and department heads were interviewed to better understand overall job responsibilities, develop classification hierarchy and career ladders. The Singer Group compiled and analyzed the internal findings, as well as external compensation studies from 10 other survey participants and data utilized from the 2015-time frame for data effective as of January 1, 2016, to create a new compensation philosophy/ policy for the City. The findings from the salary data found that 18 positions are behind the market (+/- 5% of what market is paying) for minimum salary range, and 12 positions are at market. For maximum salary range, 18 are more than 5% behind the market and 12 positions are at market. The compensation system will be fair, competitive, fiscally responsible, and supportive of recruitment, and retention of employees.

Mayor Genshaw solicited any questions or comments from Council. There were none.

Mayor Genshaw called for a motion. Councilwoman Phillips-Lowe made a motion to table the approval of the 2016 Compensation Study/ Plan report and pay plan grades as presented pending further review. Councilwoman Peterson seconded the motion. Motion so passed with all present voting in favor.

Mayor Genshaw presented New Business #2, City of Seaford's Compensation Policy. Assistant City Manager, Charles Anderson presented the information. The City's pay system must meet the fiscal and service requirements set by the City. Wages are determined by the annual budgetary process to assure affordability. Mayor and Council reserves the right to address any pay adjustments as they deem necessary. Each job is assigned a pay grade according to factors including job complexity, education/experience, scope and impact, supervision received, working relationships, working environment and physical demands. Within each pay grade there is a minimum, mid-point, and maximum compensation. Once an employee is at the maximum Mayor and Council will review a wage increase but it will be given as a lump sum bonus versus being considered part of an employees pay for benefits. All employees will be assigned to one of the listed pay grades. In most cases, a new employee will begin at the minimum of the pay grade for the job which they were hired. Progress through the pay range, is based on the employee's performance which is termed a Merit Adjustment and any other pay adjustments granted by the Mayor and Council. Authorized by the Mayor and Council, the City will survey the rates of pay paid by other private and public sector employers in our labor market and will evaluate whether to make changes in the City's pay grades. The salary of a promoted employee shall be set at the minimum rate for the pay grade classification to which he/she is promoted or as determined by the City Manager. An employee being demoted for disciplinary reasons shall be placed in the pay established for the classification to which he is demoted shall be determined by the City Manager. If the position held by an employee is reclassified to a classification assigned to a higher pay grade, the employee's pay shall be changed in the same way as if the employee had been promoted. If an employee's position is reclassified, but without a change in pay, the rate will stay the same and if the position is reclassified to a lower pay grade, the employee's pay may be changed as determined by the City Manager. An employee who is assigned the duties and responsibilities of another position, which is assigned to a higher pay grade, on an acting basis for more than 20 consecutive days, shall receive a temporary increase in pay. The pay for the additional assignment shall be the higher of either the minimum pay rate of the new range, or as determined by the City Manager.

Mayor Genshaw solicited any questions or comments from Council. There were none.

Mayor Genshaw called for a motion. Councilwoman Peterson made a motion to table the Compensation Policy as drafted due to the tabling of the 2016 Compensation Study/ Plan. Councilman Mulvaney seconded the motion. Motion so passed with all present voting in favor.

Mayor Genshaw presented New Business #3, request to replace two doors on the west end of City Hall. City Manager Slatcher stated that the two doors will not open, and need to be replaced. The doors are a secondary handicap exit/ entrance and are a main exit from the Council Chambers should a fire occur. Salisbury Door and Hardware, Inc. quoted a price of \$5,350.00 for the installation of the new doors. This would be a non-budgeted expense and would be paid from the General Fund Reserve Account titled GMB Rent.

Mayor Genshaw solicited any questions or comments from Council.

Councilman Henderson asked what the lead time on the doors would be.

Assistant City Manager, Charles Anderson, stated it would be about 4-6 weeks since the doors are custom made.

Councilman Henderson asked if this would be coming from the FY 17 budget.

City Manager Slatcher stated, that it was not in the budget so the cost would be paid from reserves.

Councilman Henderson also asked who will be responsible for painting the doors, and stated that there will be additional costs involved to do so.

Assistant City Manager, Charles Anderson, stated that it would be someone from City staff.

With no further questions or comments, Mayor Genshaw called for a motion. Councilman Mulvaney made a motion to approve the non-budget request to replace the two corridor doors on the west end of City Hall in the amount of \$5,350.00 from Salisbury Door and Hardware, Inc. and to be paid for with General Fund Reserve Account titled GMB Rent. Councilman Henderson seconded the motion. Motion so passed with all present voting in favor.

Mayor Genshaw presented New Business #4, the FY 17 Budget. Finance/HR Director June Merritt, came forward to present the information on the budget. Mrs. Merritt presented the FY17 budget as a balanced budget with no rate increases. The information is also available on the website, www.seafordde.com and can be requested at City Hall through the finance department. Below is the budget information as presented:

**CITY OF SEAFORD
BUDGET/REVENUE ANALYSIS
BUDGET DRAFT 06 14 2016 (No Rate Increase)**

| | FY 2016 | FY 2017 | % CHANGE | \$ INCR/DECR |
|--------------------------------------|-------------------|-------------------|--------------|------------------|
| <u>REVENUE</u> | | | | |
| General Fund | 5,879,043 | 5,295,744 | -9.92% | (583,299) |
| Transfer from Electric Fund | 2,731,660 | 3,257,142 | 19.24% | 525,482 |
| Transfer from Sewer Fund | 100,000 | 230,500 | 130.50% | 130,500 |
| Transfer from Water Fund | 177,644 | 65,800 | -62.96% | (111,844) |
| Municipal Golf Fund | 0 | 22,019 | 0.00% | 22,019 |
| Transfer from General Fund | 454,204 | 448,068 | -1.35% | (6,136) |
| Transfer from Electric Fund | 0 | 0 | 0.00% | 0 |
| Water Fund | 1,317,418 | 1,200,771 | -8.85% | (116,647) |
| Transfer from Electric | 0 | 0 | 0.00% | 0 |
| Sewer Fund | 2,551,785 | 4,360,085 | 70.86% | 1,808,300 |
| Transfer from Electric | 0 | 0 | 0.00% | 0 |
| Electric Fund | 15,365,040 | 16,012,679 | 4.22% | 647,639 |
| TOTAL REVENUE | 28,576,794 | 30,892,808 | 8.10% | 2,316,014 |
| REVENUE W/O INTERNAL TRANSFER | 25,113,286 | 26,891,298 | 7.08% | 1,778,012 |

EXPENDITURES

| | | | | |
|------------------------|-----------|-----------|---------|----------|
| Executive | 115,921 | 96,214 | -17.00% | (19,707) |
| Capital | 0 | 2,275 | | |
| Administration | 1,741,932 | 1,753,731 | 0.68% | 11,799 |
| Capital | 17,500 | 59,975 | 242.71% | 42,475 |
| Transfer to Golf Fund | 454,204 | 448,068 | -1.35% | (6,136) |
| Economic Development | 127,578 | 113,893 | -10.73% | (13,685) |
| Capital | 6,500 | 44,900 | 590.77% | 38,400 |
| Information Technology | 0 | 79,369 | 0.00% | 79,369 |
| Capital | 0 | 1,700 | 0.00% | 1,700 |
| Code | 321,163 | 362,997 | 13.03% | 41,834 |
| Capital | 29,500 | 1,400 | -95.25% | (28,100) |
| Fire | 273,707 | 269,126 | -1.67% | (4,581) |

| | | | | |
|---|------------------|------------------|---------------|-----------------|
| Capital | 0 | 0 | 0.00% | 0 |
| Police | 3,681,980 | 3,474,088 | -5.65% | (207,892) |
| Capital | 72,000 | 79,900 | 10.97% | 7,900 |
| Dispatchers | 630,808 | 604,180 | -4.22% | (26,628) |
| Capital | 0 | 6,900 | 0.00% | 6,900 |
| Recreation | 214,611 | 213,567 | -0.49% | (1,044) |
| Capital | 1,400 | 0 | -100.00% | (1,400) |
| Parks | 496,105 | 491,733 | -0.88% | (4,372) |
| Capital | 0 | 24,270 | 0.00% | 24,270 |
| Pools | 25,630 | 31,784 | 24.01% | 6,154 |
| Capital | 0 | 0 | 0.00% | 0 |
| Streets | 477,808 | 495,922 | 3.79% | 18,114 |
| Capital | 200,000 | 193,194 | -3.40% | (6,806) |
| EXPENDITURES - SUBTOTAL PAGE 1 | 8,888,347 | 8,849,186 | -0.44% | (39,161) |
| Municipal Golf | 454,204 | 470,087 | 3.50% | 15,883 |
| Capital | 0 | 0 | 0.00% | 0 |
| Water | 1,011,016 | 1,018,684 | 0.76% | 7,668 |
| Capital | 128,758 | 116,287 | -9.69% | (12,471) |
| Transfer to General Fund | 177,644 | 65,800 | -62.96% | (111,844) |
| Sewer Collector System | 437,494 | 436,572 | -0.21% | (922) |
| Capital | 0 | 14,900 | 0.00% | 14,900 |
| Sewer Plant | 1,772,676 | 1,707,698 | -3.67% | (64,978) |
| Capital | 10,100 | 1,692,700 | 16659.41% | 1,682,600 |
| Transfer to General Fund | 100,000 | 230,500 | 130.50% | 130,500 |
| Compost | 213,515 | 277,715 | 30.07% | 64,200 |
| Capital | 18,000 | 0 | -100.00% | (18,000) |
| Electric Distribution | 12,421,980 | 12,618,931 | 1.59% | 196,951 |
| Capital | 211,400 | 136,606 | -35.38% | (74,794) |
| Transfer to General Fund | 2,731,660 | 3,257,142 | 19.24% | 525,482 |
| Transfer to Golf Course Fund | 0 | 0 | 0.00% | 0 |
| Transfer to Water Fund | 0 | 0 | 0.00% | 0 |
| Transfer to Sewer Fund | 0 | 0 | 0.00% | 0 |

| | | | | |
|---|-------------------|-------------------|---------------|------------------|
| Power House | 0 | 0 | 0.00% | 0 |
| Capital | 0 | 0 | 0.00% | 0 |
| EXPENDITURES - SUBTOTAL PAGE 2 | 19,688,447 | 22,043,622 | 11.96% | 2,355,175 |
| TOTAL EXPENDITURES | 28,576,794 | 30,892,808 | 8.10% | 2,316,014 |
| EXPENDITURES W/O INTERNAL TRANSFER | 25,113,286 | 26,891,298 | 7.08% | 1,778,012 |
| Total Revenues without Internal Transfers | 25,113,286 | 26,891,298 | 7.08% | 1,778,012 |
| Total Expenditures without Internal Transfers | 25,113,286 | 26,891,298 | 7.08% | 1,778,012 |
| Surplus (Deficit) | 0 | 0 | 0.00% | 0 |
| Note: Purchased Power Electric Distribution | 10,063,085 | 9,903,124 | -1.59% | (159,961) |
| Note: Electric Distribution without Purchased Power | 2,358,895 | 2,715,807 | 15.13% | 356,912 |

Mayor Genshaw solicited any questions or comments from council.

Councilwoman Petersons stated that she would be more susceptible to raise the water/sewer rates verses using reserves to balance the budget.

Councilwoman Phillips-Lowe stated that she too, worried that using money from reserves would be an issue in the future.

Councilman Henderson stated that he disagreed. By raising rates, Council would be contradicting what they had told citizens would happen. The Solar Array Project is supposed to help with cutting costs and save citizens from raised rates for utilities. By raising the rates, they would be going back on what they had told citizens and the project for the Solar Array hasn't broke ground yet.

With no further questions or comments, Mayor Genshaw called for a motion. Councilman Mulvaney made a motion to approve the FY 17 Budget as presented. Councilwoman Phillips-Lowe seconded the motion. Motion so passed with all present voting in favor.

COMMITTEE REPORTS

Councilwoman Phillips- Lowe reported that there was no fire report given. In the police department, recertification's have been completed for firearms and Taser, oral boards were also completed as well as applicant testing. The CAD conversion is moving along with some minor issues. The CID department has been working on many items and recently executed a search warrant at Meadowbridge and Days Inn, where possession of drugs was confiscated. In the month of May, there were 789 911 calls, 501 cell phone, 2,917 administrative and 85 VIOP calls and there were 818 police, 257 EMS and 53 fire service calls. Officer Miller was promoted to Sergeant effective June 13th and six officers from the department participated in the Special Olympics run last week.

Councilman Holland reported that in administration, the department prepared bids for tennis court repairs, met with Downs & Associates for the Pine Street Substation project distribution upgrades preliminary designs. Administration personnel also attended the DEMEC Executive Committee meeting for annual personnel evaluations, participated in quarterly meeting with Adkins Management and discussed the need for additional parking and signage. The department participated in Sussex County's meeting with Delmar, Laurel, and Blades in Seaford for preparations for new regulations regarding storm water and the Chesapeake Bay. Personnel attended Seaford's Fire Department tribute foundation that was installed in Kiwanis Park, worked on adjustments to the FY-17 budget, to balance the budget without raising rates/ fees, attended the preconstruction meeting with contractor for the solar project, and the preconstruction meeting for additional parking and sidewalk addition on Market Street. They also attended Danny Short's Monthly Coffee meeting, Board of Adjustment hearing, DEMEC Community Briefing meeting, and attended a meeting with the Mayor and Trisha Newcomer at the Governor's office for possible telecommunication options for the City.

Councilwoman Peterson reported that in the Recreation Department, men's slow pitch softball games have started, and youth flag football and co-ed softball sign-ups have begun. The Parks Department has started regular grass cuttings, prepping the soccer field, and completed fertilizing. The Parks and Recreation Department also had an employee meeting. In the Code Department, Josh Littleton, Building Official, attended multiple meetings including a DelDot meeting regarding a commercial highway entrance, a Board of Adjustment hearing and variance request from Perdue Grain & Oilseed, which was approved, and a meeting with a developer regarding Lawrence Crossing Subdivision. The department also issued notices to property owners affected by proposed FEMA flood map changes, and worked on Riverfest Vendor applications and layout.

Councilman Mulvaney reported that Director of Public Works, Berley Mears, and the department completed the water service line replacement on Williams Street prior to the paving. Other portions of paving were completed on Harrington, Cypress and Third Street and the Utility Parking lot. The new solar radar signs have been installed; two on Stein Highway and two on Sussex Avenue. A pre-construction meeting was held on the Stein Highway sidewalk project and the Locust Street Additional Parking Project. Multiple properties were boarded up on behalf of the Code Department. Quarterly sewer main cleaning was completed and weed spraying has begun. In the Waste Water Treatment Facility performance is reported as fair with some noticeable changes being addressed. Leachate treatment is going well, compost sales continue to be good, and some screening has been completed. One OUZ Mixer was pulled for repair and an air leak on Oxid Train #2 is being addressed. DNREC performed their annual compliance/ sampling inspection and everything went

well. The department also received the yearly EPA 2015 Pretreatment Program report and Seaford received a category 1 rating which is the highest of three categories.

Councilwoman Henderson reported that Electrical Engineer, Rick Garner, continued work on the Circuit 330 addition. His work concentrated on the design of the control panel and preparations for the arrival of the breaker which is due to be delivered later this month. Once Circuit 330 is completed, it will help improve system reliability, and will ease load on existing circuits. Mr. Garner has also been troubleshooting an issue with a control that exercises the backup generator at City Hall, and attended multiple meetings. Those meetings included, a Pepco Holdings Inc. annual wholesale meeting in Ocean City, DEMEC Joint Community Briefing in Dover, City of Seaford Solar Array Project pre-construction meeting, and a Geographic Information System (GIS) demonstration meeting hosted by the City of Salisbury. City of Salisbury explained their history of usage of the GIS and demonstrated the use of the current system. For more information on the GIS you can visit https://en.wikipedia.org/wiki/Geographic_Information_System. Superintendent of Electric, Bill Bennett, reported that he continued work on clearing of the easement for the new Circuit 330. He also met with myself, to help get familiar with the department and its operations, and attended the Pepco Holdings Inc. wholesale meeting, City of Salisbury's demonstration of their GIS and Asset Management system, and travelled to Smyrna with Blake Chaffinch and Ed Toumberlin to learn about their substation control room layout. The department disconnected the first units in Meadowbridge Apartments to start their remodel work and cut dead limbs from trees at Soroptomist Park. Mr. Bennett also reported that during the June 5th storm, Breaker 140 momentarily opened and reset for system reliability.

With no further comments, Mayor Genshaw called for a motion to adjourn the Regular Meeting of Mayor and Council to move into an Executive Session. Councilman Henderson made the motion to adjourn the Regular Council Meeting to move into an Executive Session and Councilman Holland seconded the motion. Motion so passed with all present voting in favor. The Regular Council Meeting was closed at 8:05 p.m. to move into an Executive Session.

Mayor Genshaw reopened the Regular Council Meeting at 10:20 p.m. and called for a motion to adjourn the regular meeting. Councilman Mulvaney made a motion to close the Regular Council Meeting. Councilwoman Peterson seconded the motion and the motion so passed with all present voting in favor.


Dolores J. Slatner, City Manager