

**REVISED 5-19-16**

**AGENDA  
REGULAR MEETING OF THE MAYOR AND COUNCIL  
May 24, 2016  
SEAFORD CITY HALL - 414 HIGH STREET**

- 7:00 P.M.** - Vice-Mayor Dan Henderson calls the Regular Meeting to Order.
- Invocation
  - Pledge of Allegiance to the Flag of the United States of America.
  - Changes to agenda for this meeting.
  - Approval of minutes of the regular meeting on May 10, 2016.
  - Approval of the FY17 Budget Workshop meeting on May 17, 2016

**Vice-Mayor Henderson to present Mayor Genshaw's appointments for Council Liaisons for the next year.**

**Vice-Mayor Henderson to proclaim May as "Poppy Month".**

**CORRESPONDENCE:**

1.

**7:05 P.M. PUBLIC HEARING:**

1. **Case # S-12-16:** BASF Corporation, property owners of 100 Industrial Blvd, identified as Tax Map and Parcel 531-10.00 236.02, desire to subdivide this parcel into two parcels: Parcel A consisting of 6.2699 acres and Parcel B consisting of 13.3641 acres. The property is zoned M-1 Light Industrial District; the proposed lots will comply with the area and bulk requirements for the district.

**NEW BUSINESS:**

1. Bids - Paving Western Sussex Boys and Girls Club Parking Lot
2. Bids - Trash
3. Recommendation from the Electric Committee for an Economic Development Rate.
4. Recommendation from the Economic Development Committee to swap 2.08+/- acres (M-1 Zone) in the Seaford Industrial Park with Joe Balsamo for 2.17 +/- acres (C-2 Zone) in the Ross Business Park.

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**AGENDA**

Regular Meeting of Mayor and Council

May 24, 2016

**OLD BUSINESS:**

1.

**REMINDER OF MEETINGS & SETTING NEW MEETINGS:**

1. Delaware League of Local Governments, Duncan Center, Dover, May 26<sup>th</sup>
2. Delmarva Power Wholesale Meeting, Clarion Resort, Ocean City, MD, May 26<sup>th</sup> at 3:00 p.m.
3. Memorial Day Services, Kiwanis Park, May 30<sup>th</sup>, parade at 10:15 a.m. and ceremony at 11 a.m.
4. SCAT, Dewey Beach Lions Clubhouse, June 1<sup>st</sup> at 6:00 p.m.
5. DEMEC Joint Community Briefing, Dover Downes, June 1<sup>st</sup> at 4:00 p.m.
6. SCAT, Steering Committee Meeting, Arena's, June 3<sup>rd</sup> at 9 a.m.

**COMMITTEE REPORTS:**

1. Police & Fire - Councilwoman Leanne Phillips-Lowe
2. Administration - Councilman H. William Mulvaney III
3. Parks and Recreation - Councilman Orlando Holland
4. Operations Committee - Councilman Dan Henderson
5. Electric - Councilwoman Peterson

**Vice-Mayor Henderson solicits a motion to adjourn the regular council meeting.**

**NOTE:** Agenda shall be subject to change to include or delete Additional items (including executive session) which arise at the time of the meeting. (29 Del. C. S1004 (e) (3))

NB#1  
5/24/16

## MEMORANDUM

**TO: Dolores Slatcher, CM**

**FR: Berley Mears, Director of Public Works**

**RE: Boys and Girls Club Paving**

**DT: May 19, 2016**

**The City received four bids for the above referenced project. Please see the below table:**

Bidder	Total Price
Delmarva Paving Co	\$77,992.00
Jerry's Inc	\$79,250.00
George and Lynch, Inc	\$94,306.45
Gateway Construction	\$160,162.60

**It is my recommendation to award the Boys and Girls Club Paving bid to Delmarva Paving, Inc. for the total of \$77,992.00. Delmarva Paving, Inc. was the lowest bidder that met all of the bidding requirements.**

**Please present this information to Mayor and Council at the May 24, 2016 meeting for their consideration.**

**Should you have any questions, please contact me.**

**Thank you.**

# MEMORANDUM

**TO:** Dolores Slatcher, CM  
**FR:** Berley Mears, Director of Public Works  
**RE:** Trash Collection and Recycling bid  
**DT:** May 19, 2016

The City received four bids for the above referenced project. Please see the below table:

Bidder	City Hall	WWTF	SCSC Pool	Utility Bldg.	Rec. Office	Police Dept.	Soroptimist	Jay's Nest	Parks Bldg.	Fire House	Total Monthly Price - Year One
Peninsula Oil Co. Inc.	\$ 140.00	\$ 120.00	\$ 18.00	\$ 178.00	\$ 67.00	\$ 140.00	\$ 40.00	\$ 30.00	\$ 150.00	\$ 208.00	\$ 1,091.00
Waste Management	\$ 126.18	\$ 160.00	\$ 30.00	\$ 179.32	\$ 245.78	\$ 126.38	\$ 118.49	\$ 59.24	\$ 28.81	\$ 242.80	\$ 1,317.00
Waste Industries	\$ 100.00	\$ 520.00	\$ 40.00	\$ 200.00	\$ 275.00	\$ 100.00	\$ 100.00	\$ 50.00	N/A	\$ 300.00	\$ 1,685.00
Blue Hen Disposal	\$ 149.00	\$ 415.00	\$ 40.00	\$ 239.00	\$ 347.00	\$ 149.00	\$ 120.00	\$ 60.00	N/A	\$ 314.00	\$ 1,833.00

Bidder	City Hall	WWTF	SCSC Pool	Utility Bldg.	Rec. Office	Police Dept.	Soroptimist	Jay's Nest	Parks Bldg.	Fire House	Total Monthly Price - Year Two
Peninsula Oil Co. Inc.	\$ 145.00	\$ 125.00	\$ 18.00	\$ 178.00	\$ 72.00	\$ 145.00	\$ 45.00	\$ 35.00	\$ 150.00	\$ 208.00	\$ 1,121.00
Waste Management	\$ 126.18	\$ 160.00	\$ 30.00	\$ 179.32	\$ 245.78	\$ 126.38	\$ 118.49	\$ 59.24	\$ 28.81	\$ 242.80	\$ 1,317.00
Waste Industries	\$ 100.00	\$ 520.00	\$ 40.00	\$ 200.00	\$ 275.00	\$ 100.00	\$ 100.00	\$ 50.00	N/A	\$ 300.00	\$ 1,685.00
Blue Hen Disposal	\$ 154.00	\$ 427.00	\$ 42.00	\$ 246.00	\$ 358.00	\$ 154.00	\$ 123.00	\$ 62.00	N/A	\$ 323.00	\$ 1,889.00

It is my recommendation to award the Trash Collection and Recycling bid to Peninsula Oil, Inc. for the total monthly charges of \$1,091.00 for year one and \$1,121.00 for year two. Peninsula Oil, Inc. was the lowest bidder that met all of the bidding requirements.

Please present this information to Mayor and Council at the May 24, 2016 meeting for their consideration.

Please contact me should you have any questions.

NB#2  
5/24/16

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## Proposed Economic Development Rate Draft Ordinance Language

The City of Seaford, in an effort to promote the local creation of jobs and capital investment within the City, has the objective of creating qualified Employment Centers (EC's) for growth. Employment Centers are areas recommended by the City Economic Development Committee and established by the City Council to foster employment and to promote growth and capital investment. Within the EC's; qualifying businesses, by virtue of their capital investment, jobs creation, or other factors and combined with increased electrical consumption, can be eligible for an Economic Development Rate ("EDR") for the customer's electric billing.

The EDR is only to be offered to customers (existing or new) in the Large General Service ("LGS") and Medium General Service ("MGS") retail rate classes that demonstrate increases in employment or capital investment, and electrical consumption within the City of Seaford.

To qualify for and receive the EDR City electric customers must be located in one of five designated Employment Centers within the corporate limits of Seaford. All EDR customers are required to meet the requirements of the Electrical Rules and Regulations of the City of Seaford at all times to be eligible for the EDR and must comply with the Good Standing Ordinance of the City of Seaford.

The City will review the customer's EDR information quarterly to verify conformance with the EDR policy prior to the application of the EDR benefit. The EDR benefit will be applied after the satisfactory quarterly review by the City for the previous three month period beginning with the customer's February, May, August and November electric bill that immediately follows 3 months of participation in the EDR. This EDR benefit can be applied to the customer's ongoing monthly electric bill once the City has verified that the customer has fulfilled its electrical consumption increase, capital investment targets, job creation level and/or other obligations required. EDR benefits are applied to the customer's monthly electric bill as the customer's quarterly review is completed and the EDR requirements are satisfied.

Tier I EDR is the minimum level of EDR compliance. With the approval of the customer's entry into the rate by the Economic Development Committee the customer will be eligible for the published EDR. The customer must demonstrate a *measurable* and trackable employment increase and/or

capital investment increase, and an increase in electrical consumption as determined by the Economic Development Committee of the City of Seaford.

Tier I EDR benefit = five percent (5%) refund of the annual Gross Operating Margin (“GOM”) of the EDR customer. GOM will be calculated using actual retail rate revenues received from the EDR customer (excluding taxes, surcharges, late fees, penalties, and non-tariff charges) less the EDR customer’s wholesale power supply costs. Power supply costs will be determined by increasing the EDR customer’s retail sales for the applicable transmission and distribution system losses prior to multiplication by the appropriate DEMEC wholesale power rate. Tier I EDR benefits for ongoing qualifying customers will be available for up to a maximum of three (3) years.

Tier II EDR customers would have to demonstrate *substantial* and trackable employment increase and/or capital investment, combined with an increase in overall electrical consumption as determined by the Economic Development Committee of the City of Seaford. The EDR benefit for Tier II qualified customers would be a sliding scale of refund of the City’s GOM for up to a maximum of a three (3) year period:

Year I = 30% reduction of the GOM

Year II = 20% reduction of the GOM

Year III = 10% reduction of the GOM

Year IV = 0% reduction of the GOM

Tier II customers would be required to enter into a contractual arrangement with the City of Seaford to receive the proposed Tier II EDR benefit. All Tier II customers will be considered by the City Economic Development Committee on an individual case by case basis.

Tier I and Tier II EDR customers must demonstrate quarterly ongoing compliance with the requirements for Tier I or Tier II EDR benefits. Failure to comply will result in immediate discontinuation of EDR benefits.

EDR customers may submit only one EDR application per year. That is during a twelve month period, the EDR customer cannot submit multiple Tier I or Tier II applications, nor a combination of Tier I and Tier II applications for a single location, facility, or retail account.

EDR benefits for customers who demonstrate ongoing qualifications, will sunset following a maximum of three (3) years for both Tier I and Tier II EDR applications.

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## Proposed Economic Development Rate Draft Policy Language

Tier I EDR is the minimum level of EDR compliance. With the approval of the customer's entry into the rate by the Economic Development Committee the customer will be eligible for the published EDR. The customer must demonstrate a *measurable* and trackable employment increase of at least ten (10) full-time equivalent employees and/or a capital investment of at least one and a half million dollars (\$1.5M) combined with a net increase in electrical consumption of at least 150,000 kWh a year.

Tier II EDR customers would have to demonstrate *substantial* and trackable employment increase of at least forty (40) full-time equivalent employees and/or a capital investment of at least five million dollars (\$5.0M) combined with a net increase in overall electrical consumption by at least 500,000 kWh a year. The EDR benefit for Tier II qualified customers would be a sliding scale of refund of the City's GOM for a three (3) year period.

Should an entity not meet the specific minimum criteria listed above to qualify for a Tier I or Tier II EDR the City Economic Development Committee would be able to consider offering a lesser discount to the GOM (2.5% vs 5%) or a shorter term (2 years vs 3 years) or a combination of both as potential options.

**Not-for -Profit Entities:** The EDR was intended to be an economic development tool for creation of jobs and/or capital investment in the City of Seaford that would support Economic Development and an increase in electrical consumption to the City of Seaford. The intent would be to limit the offering of the EDR to tax exempt business, entities and facilities unless they demonstrate economic development impacts including both creation of jobs and increased electrical consumption by their proposal to the City Economic Development Committee. EDR benefits for not-for-profit entities will more typically be for less than three years, as determined by the City Economic Development Committee.

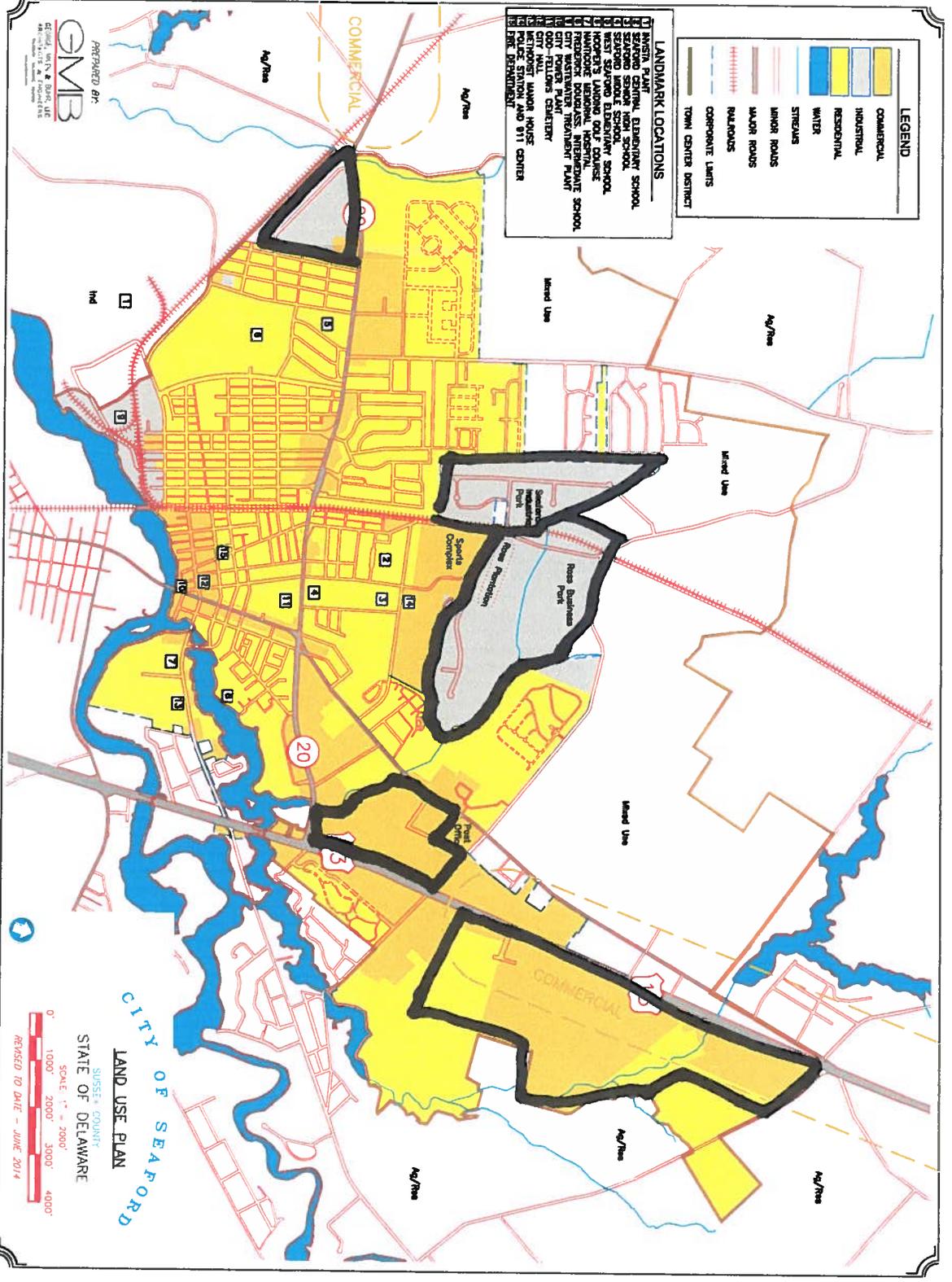
EDR for existing customers through addition of electric consumption through one metered account for both existing and new electrical consumption may be treated as follows. All

electrical consumption, existing and new, may be eligible for the EDR benefit, but the length of the EDR benefit would typically be for a period of three years or less as determined by the City Economic Development Committee.

Retention of jobs: This EDR is intended to promote growth of capital investment and/or jobs, and an increase in electrical consumption. Since “retention” of existing jobs does not create new jobs, new investment, nor increased electric consumption, then “retention” is not a direct and measurable additional benefit to the City. If the City Economic Development Committee desires to utilize this EDR for instances of “retention” of jobs, capital investment and electric consumption, then a specific and narrowly defined criteria for applying this EDR to existing customers should be developed and sparingly utilized. (“But-for” test applied)

Revised 3-9-16 To Add Zones and 13A Corridors (see map)

# \* Proposed Employment Corridors





NB#4  
5/24/16

## Economic Development Committee Recommendation

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To: Dolores Slatcher, City Manger

From: Trisha Newcomer, Economic Development Manager *dn*

Date: May 19, 2016

**RE: ED Committee Recommendation – Balsamo Property**

The City of Seaford Economic Development Committee meet recently to discuss and consider a request from Mr. Joesph Balsamo. Mr. Balsamo currently owns a parcel in the Ross Business Park – TMP# 331-5.00-4.14 (Appx. 2.17 +/- Acres). This property is zoned C-2. To date, development has not occurred on that property, due partly to the types of potential projects he has had shown interest, not meeting the requirements of C-2. He currently has a prospect for a 7,000 SqFt warehouse, with the potential of a second 7,000 SqFt warehouse. Again, this type of project does not meet the zoning requirements of his property.

The City of Seaford owns a parcel of land in the Seaford Industrial Park – TMP# 531-10.00-236.00 (Appx. 2.68 +/- Acres). This property is zoned M-1. Mr. Balsamo is asking the City to consider a land swap of these two aforementioned properties.

The ED Committee, through their discussions, is recommending the swap of parcels under the following terms:

- Mr. Balsamo will be deemed responsible for all associated fees with regard to this swap – surveys (both parcels), document fees, legal fees, etc.
- A letter of agreement will stand in place until a firm commitment to begin construction from Mr. Balsamo's client is reached, at which time the process to of the land swap would begin.
- Development of the Seaford Industrial Park Property will still be required to follow the proper procedures for plan review and approvals.

Once land has changed hands the City will begin working to market the C-2 zoned property in the Ross Business Park.



**Addresses / Parcels**

Tax Parcels

**Council Districts**

Fire Districts

County District 01

County District 02

County District 03

County District 04

County District 05

County Boundaries

**Schools/Libraries**

School Buildings (Various)

School Library

Public Library

Special Library

DOE School Districts

DOE VoTech School Districts

**Hydrology**

Streams / Rivers

Lakes, Ponds, Bays

**Flood Zones**

0.2% Annual Chance

Flood Hazard

A

AE

AO

Open Water

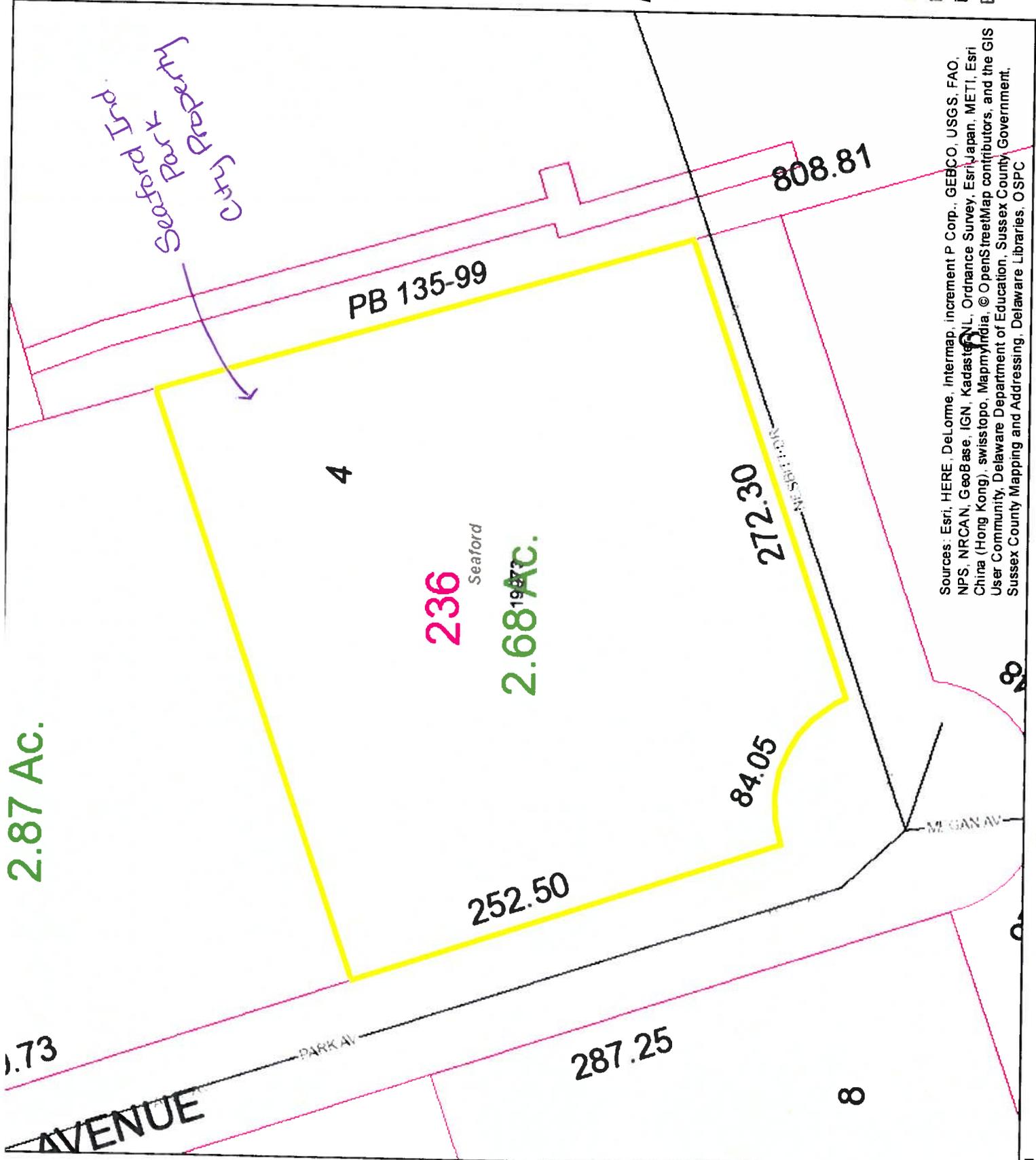
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Public Protected Lands

Municipalities

Communities

Boundaries State County



Sources: Esri, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community, Delaware Department of Education, Sussex County Government, Sussex County Mapping and Addressing, Delaware Libraries, OSPC



**Sussex County Map**





**Addresses / Parcels**

□ Tax Parcels

**Council Districts**

□ Fire Districts

County District 01

County District 02

County District 03

County District 04

County District 05

□ County Boundaries

**Schools/Libraries**

↑ School Buildings (Various)

📖 School Library

📖 Public Library

📖 Special Library

📖 DOE School Districts

📖 DOE VoTech School Districts

**Hydrology**

~ Streams / Rivers

🌊 Lakes, Ponds, Bays

**Flood Zones**

🟡 0.2% Annual Chance

🟠 Flood Hazard

🟠 A

🟠 AE

🟠 AO

🟠 Open Water

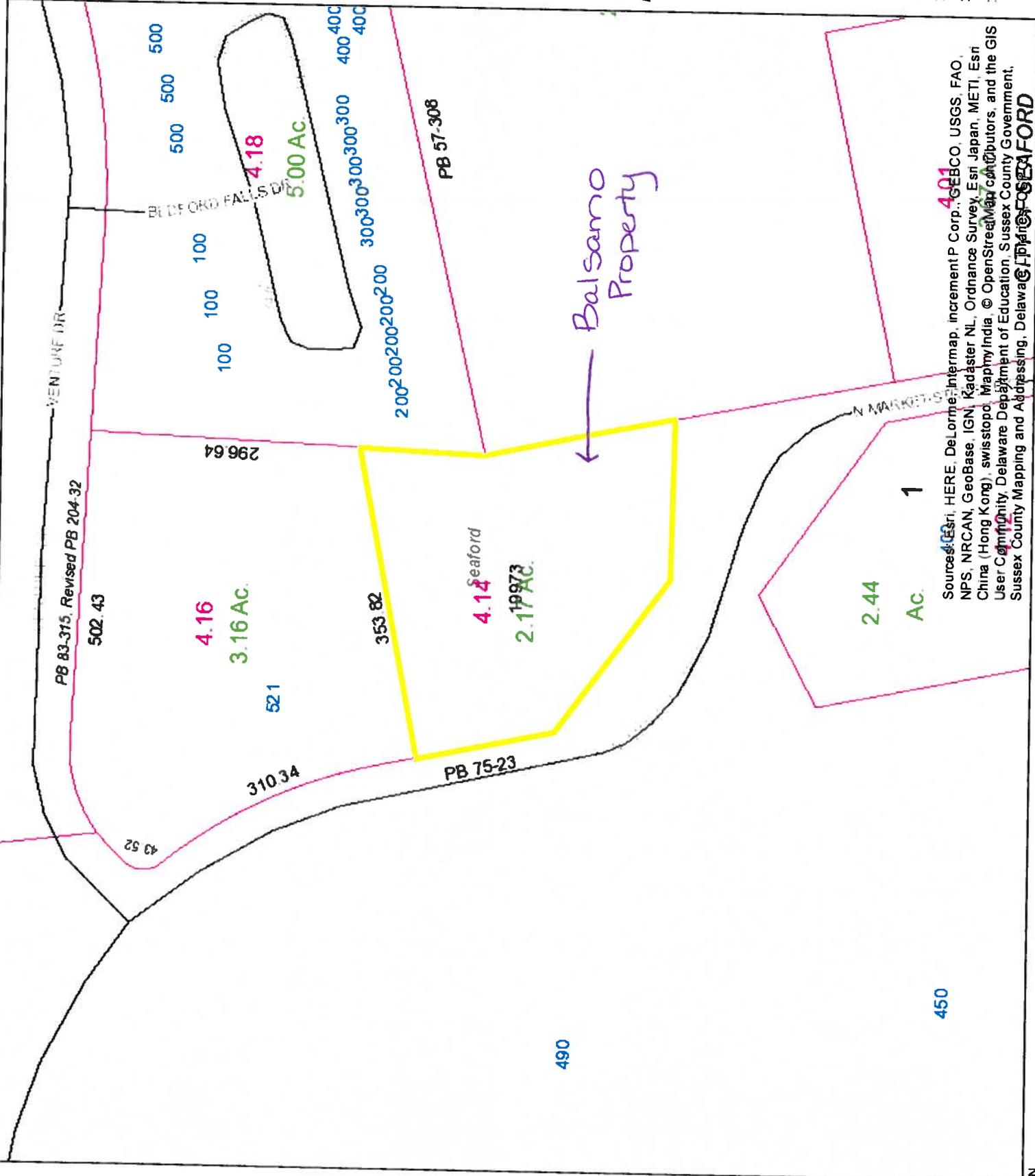
🟠 VE

Public Protected Lands

⋯ Municipalities

⋯ Communities

⋯ Boundaries State County



Sources: ESRI, HERE, DeLorme, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), swisstopo, MapmyIndia, © OpenStreetMap contributors, and the GIS User Community, Delaware Department of Education, Sussex County Government, Sussex County Mapping and Addressing, Delaware Department of Transportation

**Sussex County Map**