

City of Harrington
MINUTES
City Council Workshop
April 1, 2013

A workshop with the Harrington City Council was held on April 1, 2013 and was attended by the following: Mayor Robert E. Price, Jr.; Vice Mayor Cheryl Lahman; Council Member Duane E. Bivans; Council Member Fonda Coleman; Council Member Amy Minner; Council Member Kenneth Stubbs; Keith Shyers, Deputy Chief of Police; William Pepper, City Solicitor; Teresa Tieman, City Manager; Faye Smith, Finance Director, and Kelly Blanchies, Clerk of Council.

Also in attendance: Tom Wilkes, Remington, Vernick, and Beach; Hetti Brown, The Humane Society of the United States; and Maryellen Lofland-Skura.

Council Member Wayne Porter was absent.

Mayor Price called the meeting to order at 6:30 p.m.

The Pledge of Allegiance was given.

Update on Community Cats TNR program

Mayor Price stated that this item would be discussed next.

Messick's Manufactured Housing Community update

The City Manager stated that she received an update from the Office of Drinking Water. One well is clear of bacteria, administrative orders for continuous chlorination have been signed, and Messick's is now considered a public water system, which means testing will be done monthly. The City Manager stated that there will be a meeting regarding the possibility of Messick's receiving a loan from the State to update the pipes and connect to the City's water system.

Update on Community Cats TNR program

Hetti Brown from The Humane Society of the United States presented information on the City's Trap, Neuter, Return (TNR) program. She stated that last summer she presented the program to the City Council, and it was estimated that there are 600 feral cats in Harrington. The City was using a trap and remove program that was inconsistent and ineffective. The City Council has been very supportive of the program and updated ordinances to accommodate cats that are part of the TNR program. The City helped by collecting donations and promoting the program. The City Cat Crew began a pilot program in August and full program in September. Danny Tartt and Maryellen Lofland-Skura have been

instrumental in organizing the program. A donation was received by Delaware SPCA from Petsmart Charities to pay for the spaying and neutering of the cats. Partnering with Forgotten Cats allowed for higher volume and one hundred fifty-eight cats were neutered and vaccinated in January and February alone for an overall total of two hundred fifty-six cats. The City Cat Crew wants to increase awareness of the program and identify new colony caregivers, focusing on the east side of DuPont Highway. Assistance is needed in promoting the program, raising funds for food, and recruiting more volunteers.

Maryellen Lofland-Skura stated that she has been using her own money to buy tuna and sardines to bait the traps. Speaking with and educating the public has been a large part of the effort. One citizen complained of cats on her porch but was receptive to the suggestion of placing citrus peels around to discourage the cats.

Lagoon closure

The City Manager stated that there are two options for closing the lagoons. Remington, Vernick, and Beach recommend solidifying the sludge and leaving it in place. This plan is recommended because of the cost and technical feasibility. There have been no major environmental issues at the site.

Tom Wilkes stated that testing was done because DNREC was not comfortable leaving the sludge in place when the composition was unknown. Testing was done on soil from the berm, sludge, and groundwater. DNREC would still like monitoring but not much will have to be spent on remediation. The testing was important to ensure there were no environmental or liability issues.

The City Manager stated that funding the closure has to be discussed. Vice Mayor Lahman asked if the remaining balance of the force main loan can be used. The City Manager replied yes.

Council Member Minner asked how long it would take DNREC to approve the lagoon closure plan. Mr. Wilkes stated that it is unknown, but he will resubmit the plan with the analytical data that was collected.

Downtown Streetscapes Phase II

The City Manager stated that on June 18, 2012 the City Council discussed the proposal for Phase II of the Streetscape Project, and the project was estimated to cost nine hundred eighty-two thousand three hundred sixty dollars (\$982,360) with the City's match as one hundred ninety-six thousand four hundred seventy-two dollars (\$196,472). Council determined that the cost was too excessive to do at one time and asked that the project be phased. The scaled back project would continue the streetscape up to the railroad tracks and in front of the post office. The cost of the project is estimated to be four hundred twenty

thousand dollars (\$420,000) with a City match of fifty thousand dollars (\$50,000). The match can come from Community Transportation Funds or Municipal Street Aid Funds. The project will improve the appearance of the City's downtown corridor and provide economic stimulus to the area.

Council Member Minner asked if there is an expiration on the grant. Mr. Wilkes stated that there is high demand for the grant and future funding is uncertain.

Council Member Minner stated that her constituents will complain about spending money on the downtown area when there are inflow and infiltration issues and sidewalks in the rest of the town that need to be fixed.

Vice Mayor Lahman stated that there are many issues that the City must tend to. If Council focuses on only one area then there are many things that will not get done. The amount of money that the City would get for the project is hard to overlook.

Budget & Finance Committee

Discussion of ways to amend the budget

The City Manager stated that according to the Government Finance Officers Association, it is acceptable to adjust the budget when unforeseen events occur. Vice Mayor Lahman stated that the budget is a dynamic document. The City Manager stated that there have to be controls in place to be accountable to the public. The City of Dover includes procedures for amending the budget with the budget. Department Managers are not allowed to amend the total department budget amounts, only line items, and cannot re-appropriate salary or capital items.

Vice Mayor Lahman stated that she does not want to approve every transfer. The City Solicitor stated that at the State and City of Dover, authorization is built into the budget; no policy exists in Harrington to amend the budget.

The City Manager stated that the City of Dover gives the City Manager the authority to transfer amounts not exceeding five percent of the total departmental budget within and between departments. Mayor Price stated that he does not want transfers between departments. In previous years, department heads have had to come before Council to move amounts in line items, and it has been discussed changing it before. The City Manager stated that the policy can be that any transfers between departments must be approved by Council. A customer should not have to wait for a month for Council action for a reimbursement for error on the City's part.

Mayor Price asked the Finance Director if she had any reasons not to have line item budget changes handled within each department. The Finance Director stated that the change would make things easier and speed the payment of invoices.

Compliance Environmental invoice

The City Manager stated that this invoice was a result of the roof being too dangerous to remove the asbestos in place. Compliance Environmental had to coordinate the asbestos removal contractor and demolition contractor and to make sure that the removal of the asbestos on the roof was done correctly. Compliance Environmental incurred additional costs for that work, which are reflected in their invoice.

Council Member Minner stated that she thought that was in their original bid. The City Manager stated that it was included in the demolition bid, but Compliance Environmental did not include it in their quote because they did not think it would have to be done. All the contractors at the pre-bid meeting stated that they would not go on the roof.

Mayor Price stated that the demolition was done well and the property is clean and neat.

Vice Mayor Lahman asked how much was spent. The City Manager replied approximately fifty-two thousand dollars (\$52,000) for the demolition. Mayor Price asked if the City would sell the property to recover the costs. The City Solicitor stated that the City probably does not have a use for a lot that size and location. The City Manager stated that the property would need to be appraised and a realtor hired. The City Solicitor suggested contacting the adjoining property owners to see if they are interested in purchasing it for the appraised price.

Council Member Bivans asked why an additional cost of one thousand nine hundred dollars (\$1,900) was incurred if a special asbestos company was brought in. The City Manager replied that Compliance Environmental identified the asbestos and wrote the specifications for the job. At the pre-bid meeting, all the contractors stated that they would not go on the roof to remove the asbestos shingles because it was not structurally sound. So Compliance Environmental had to coordinate the removal with the demolition contractor and specify to DNREC that the removal was done correctly.

Council Member Bivans stated that someone else should eat the cost because the specialist should have known that the roof was not sound. The City Solicitor stated that Compliance Environmental was not evaluating the structural integrity of the building. Council Member Stubbs

stated that contingency funds usually cover those kinds of unforeseen costs.

Mayor Price asked Council Member Bivans whose oversight he thought it was. Council Member Bivans stated that he believed it is shared, but the demolition does look good.

The City Manager stated that Compliance Environmental provided the best estimate they could to give the City the best price. It was not discovered until the pre-bid meeting that there were structural problems. The work has been completed.

Council Member Stubbs asked about the work stoppage. The City Manager replied that there was a problem with the contractor's license and delays with the roof removal coordination.

Charter Review Committee

Review of proposed Charter changes

Vice Mayor Lahman asked what the current total is of the assessed value of all non-tax-exempt real property. The City Manager replied one hundred two million six hundred sixty-one thousand two hundred fifty-seven dollars (\$102,661,257); the proposed debt limit of twenty-five percent would be twenty-five million six hundred sixty-five thousand three hundred fourteen dollars (\$25,665,314); the proposed limit on short term borrowing of five percent would be five million one hundred thirty-three thousand sixty-two dollars (\$5,133,062); and proposed limit on long term borrowing of three and one half percent would be three million five hundred ninety-three thousand dollars (\$3,593,000).

The City Manager stated that an increase of one cent in the tax rate is ten thousand two hundred sixty-six dollars (\$10,266) in revenue.

Mayor Price asked what the current total debts of the City are. The City Manager replied about nine million dollars (\$9,000,000), and the current debt limit is fifteen million dollars (\$15,000,000).

Council Member Bivans asked what properties are tax exempt. The City Manager replied schools, churches, and farm land are exempt. Very little of the properties in the City are exempt.

Council Member Bivans asked what would happen if the City defaults on its debts. The City Manager replied that it depends on the debt. The City Solicitor stated that the City's property could be seized but not the property of the individual tax payers.

Council Member Minner asked how many votes are required for long term and short term borrowing. The City Solicitor stated that it is proposed to require a super majority vote of five Council Members for long term borrowing, and short term borrowing already requires a simple majority of Council.

Vice Mayor Lahman stated that she views the short term borrowing is to be used for emergencies, and five hundred thousand dollars (\$500,000) is not sufficient if the water tower became unusable or a large line burst.

Council Member Minner asked if the municipalities that did not have information for short term borrowing or long term borrowing without voter approval included in their charter were contacted to ask why. The Clerk of Council stated that the charters were reviewed online and none of the municipalities were directly contacted. All charters had information on long term borrowing using the referendum process. The City Solicitor stated that fifty years ago there was no short term borrowing but as charters have been updated there have been a progression on limits.

Council Member Minner stated that she is not in favor of removing voter approval of borrowing, because there is a reason for referendums.

Council Member Bivans stated that voters at the referendum did not have enough information to make an intelligent decision. They need to know the pros and cons of the projects.

Vice Mayor Lahman stated that not all the reserves should be used to fund the water and wastewater projects.

Mayor Price stated that it is the job of the City Council to get information to the citizens. Council Member Bivans stated that he would have liked a fact sheet to hand out. Changing the Charter is a knee jerk reaction to not getting what the Council wants. Vice Mayor Lahman stated that it is not a matter of not getting what we want but what the City needs.

Council Member Stubbs stated that the City did not notice the inflow and infiltration problems as much when the City was treating its own wastewater but paying the County per thousand gallons of wastewater makes it apparent.

Vice Mayor Lahman asked how frequently referendums can be brought to the public. The City Solicitor stated as frequently as the City want to pay to hold one. The City Manager stated that it probably cost around six thousand dollars (\$6,000).

Vice Mayor Lahman stated that at least the short term borrowing needs to be revised. The City Manager stated that the State Legislature will not entertain more changes to the same section any time soon so be certain about how it will read. The City Solicitor stated that both the City's Senator and Representative are in the minority party in both houses. Vice Mayor Lahman stated that it is possible that the changes will not be adopted at the State level. The City Solicitor stated that Frederica tried for five years to amend their charter.

Vice Mayor Lahman asked the City Manager for her opinion. The City Manager stated that there is merit in the proposed changes but could be viewed as a knee jerk reaction to the failure of the referendum. No matter the funding method, it is important educate the public. The benefit is being able to get things done that may not be able done another way, but you also want buy in from constituents, although that will not always happen. The Council would have to be careful about what projects are approved. The City Solicitor stated safeguards are built in because there is a limit on what the borrowed money can be used for.

Council Member Stubbs stated that there is a lack of community involvement. Vice Mayor Lahman asked if the five percent of the citizens that voted should make such a huge decision for the whole City. Council Member Bivans stated that he does not believe that citizens do not care but that there is the perception that they are not listened to and there is no engagement. The City Solicitor stated that a lack of public attendance at meetings is not unique to Harrington.

Mayor Price stated that he agrees that the Council should be sure of what changes they would like to see. Vice Mayor Lahman stated that she feels unless there is a super majority approval then the changes should not be submitted to the State. The City Solicitor stated that as long as a majority is in favor then the resolution will be signed and sent to the Legislature; a Council Member can change their vote up until the vote is announced.

There being no further business, the Council Workshop adjourned at 8:52 p.m.

Respectfully Submitted,

Kelly Blanchies
Clerk of Council

Note: Minutes typed from notes and recording. Only a partial recording was available.