

**City of Harrington
MINUTES
City Council Meeting
August 15, 2016**

Open Forum

The City Chaplain suggested adding "In God We Trust" to police cars and stated that there is a movement from the Federal government to take over police departments. He asked for prayers for Ralph Tucker's son.

A meeting of the Harrington City Council was held at Harrington City Hall, 106 Dorman Street, on August 15, 2016 and was attended by the following: Mayor Anthony R. Moyer; Vice Mayor Duane E. Bivans; Council Member Charles W. Baugher, Jr.; Council Member Eric Marquis; Council Member Amy Minner; Council Member Micah Parker; Norman Barlow, Chief of Police; William Pepper, City Solicitor; Teresa Tieman, City Manager; Dean Gary, Accountant; and Kelly Blanchies, Clerk of Council.

Also present: Rob Taylor, Harrington Fire Department; Aubrey Brown, City Chaplain; Dan String, KCI Technologies; Jenn Antonik, The (Harrington) Journal; Margaret Christopher; and Kay Outten.

Council Member Robert Dean Helsel was absent.

Mayor Moyer called the meeting to order at 7:00 p.m.

The Invocation was given by the City Chaplain.

The Pledge of Allegiance was given.

Roll was called.

Police Award

The Chief of Police presented Chief's Commendations to Rebecca Raugh and Crystal Gillespie for organizing a fundraiser to purchase a bullet resistant K-9 vest for the Harrington Police Department.

Capital Projects

The City Manager presented a slideshow on United States Department of Agriculture (USDA) and State funding for new water and sewer projects. For upcoming water projects (new water tower, new well, and water line

replacements), which the funding requires voter approval, the total project cost is four million one hundred eighty-two thousand one hundred dollars (\$4,182,100) paid for by a USDA grant of two hundred one thousand dollars (\$201,000), a State principal forgiveness loan of one million eight hundred sixty-six thousand one hundred dollars (\$1,866,100), and a USDA loan of two million one hundred fifteen thousand dollars (\$2,115,000). The sewer capacity improvement project is funded by a USDA grant and State funding each of three hundred six thousand one hundred twenty dollars (\$306,120) and a USDA loan of eight hundred fifty thousand six hundred eighty-five thousand dollars (\$850,685) for a total project cost of one million four hundred sixty-two thousand nine hundred twenty-five dollars (\$1,462,925). Last fiscal year the State of Delaware refinanced USDA loans at more favorable rates and terms. This refinancing will save the City over forty-two thousand dollars (\$42,000) annually. The City has approved payoffs of two existing higher interest rate loans that will save the City over fifty-one thousand dollars (\$51,000) annually. Due to the loan savings, the City now has the opportunity to improve infrastructure without increasing water and sewer rates. The total impact to the annual budget of new and proposed loans taking into account the loan savings is thirty-one thousand twenty-eight dollars (\$31,028), which will be covered by existing revenues.

Council Member Marquis asked if the loans have any effect on the tax rate. The City Manager replied that water and sewer loans are separate from taxes and that any increase in water and sewer rates would not be because of the loans.

Mayor Moyer asked how far along the sewer project is. The City Manager stated that the City is waiting for USDA approval to start.

The City Manager stated that the water projects require a referendum for funding and will provide a reliable water system that will help mitigate brown water and increase pressure and capacity.

Council Member Minner asked if the land purchase is included in the cost. The City Manager replied yes.

Council Member Marquis asked if any more projects for sewers will be needed. The City Manager stated that about two-thirds of the inflow and infiltration has been corrected and the capacity of Dorman Street was increased. There are other areas where sewer capacity needs to be increased. The water fund and the sewer fund are separate.

Harrington Fire Company

Rob Taylor stated that the Delaware State Fair is done and that there are plans to have a fundraiser during Heritage Day.

Minutes

No minutes were presented for approval.

Financial Report

Council Member Marquis stated that he does not agree with sending flowers and does not agree with personal purchases being made with taxpayer money. Mayor Moyer asked that this issue be added to the next workshop agenda and asked that Council Members come with ideas of how to resolve this issue.

Council member Marquis asked about the Fuelman accounts. The City Manager stated that the City is having a lot of problems getting cards, and the City will be switching to the State of Delaware system. Mayor Moyer asked about tracking the amount of fuel used in each piece of equipment

Vice Mayor Bivans asked about the grass cutting charge for 101 Delaware Avenue.

Council Member Minner asked about distributing community impact funds.

Council Member Minner asked that the waived transfer tax amounts be included in the financial report.

The City Manager stated that City Hall has been very understaffed due to medical leave for a few staff members.

A MOTION was made by Council Member Marquis, seconded by Vice Mayor Bivans, to file the Financial Report for audit. The MOTION passed unanimously.

Old Business

Fire Department Contract

Mayor Moyer asked if the Fire Company has reviewed the contract. Mr. Taylor replied that they are waiting on a meeting with the Mayor.

New Business

Wastewater and Drinking Water Asset Management Incentive Program

Dan String from KCI Technologies stated that asset management is an approach to owning and operating a particular item or system to achieve the desired level of service at the lowest life cycle cost, which includes capital, maintenance, operation, repair, rehabilitation, and replacement

costs. Having a plan for assets improves chances of receiving grants and funding and may eventually be a requirement. The City Manager stated that as an incentive, lower interest rates on loans are also available for those with asset management systems.

Mr. String stated that the asset management program will be a long term plan on how to maintain the system and justify how the City is spending its money. Benefits of an asset management system is lowest cost of service, increased reliability and sustainability of system, increased understanding of assets, transparency, more efficient operation and maintenance, improved emergency response, and facilitating short and long term financial planning to maximize grant and loan funding.

Mr. String stated that grants are available for one hundred thousand dollars (\$100,000) each to start asset management programs for water and sewer systems. There is no match required. Environmental Protection Agency guidelines must be followed and a five year commitment is required with annual updates.

Mr. String stated that the grant funding can be used for anything that develops the asset management system such as GIS mapping, assessments, hardware or software, or training. The money goes to the City, not the consultant. Long term success depends on the staff buy-in to program. Asset management is a process, not a project, that can be customized to the City's needs; there is no completion date.

Mr. String stated that the grant program is gaining more interest, so it is likely that matching requirements will be added to future rounds of funding. KCI is currently assisting Smyrna and Felton with their asset management programs.

Mayor Moyer asked about training for staff. Mr. String stated that training is a fundable expense.

Council Member Marquis asked what the bad side is. Mr. String stated that eventually asset management programs will be a requirement for funding. A program also helps the State Revolving Loan Fund with planning for demand. The City Manager stated that effort and training will be required from staff, and the program needs to be continued to be used and maintained.

Mayor Moyer asked if the State will dictate utility rates to the City if the grant is accepted. Mr. String stated that the information provided by the program can be used as evidence that funding is necessary, not for the State to set rates.

Council Member Marquis asked about the City Council approving applying for the funding because of the short time frame to the application deadline and deciding later not to accept the funding. Mr. String stated that he is there to present the opportunity to the City Council and is not pushing them to accept.

A MOTION was made by Council Member Marquis, seconded by Council Member Minner, to move Resolution 16-R-18 to the next agenda item. The MOTION passed unanimously.

Resolution 16-R-18 – A Resolution Approving the Application for No Match Grant Funding from the DNREC/DHSS Wastewater and Drinking Water Asset Management Incentive Program

Mayor Moyer read ordinance 16-R-18.

A MOTION was made by Council Member Marquis, seconded by Council Member Baugher, to deny Resolution 16-R-18 until further research is conducted. Roll was called: 5 Yes, 0 No, 1 Absent (Bivans – Yes, Baugher – Yes, Helsel – Absent, Marquis – Yes, Minner – Yes, Parker – Yes). The MOTION passed unanimously.

Council Member Marquis stated that he would be more comfortable checking into the program more and thanked Mr. String for his presentation. Mr. String stated that a letter of interest can be submitted and the resolution voted on later, if the City Council wishes and that he would provide the contact information for the grant administrators.

Change date of September meeting from September 19 to September 20, 2016

A MOTION was made by Council Member Minner, seconded by Council Member Marquis, to change the date of the September meeting to September 20, 2016. The MOTION passed unanimously.

Council Member pay

Mayor Moyer stated that he believes that one night should count as one meeting for compensation purposes. Council Member Marquis agreed and stated that if a Council Member does not show up to the meeting then they do not get paid.

Vice Mayor Bivans asked if the Council should be paid for town hall meetings. The Clerk of Council stated that town hall meetings are not currently included in the policy but can be added if that is what the City Council would like.

Vice Mayor Bivans suggested Council Members be paid every other month.

A MOTION was made by Council Member Minner, seconded by Council Member Marquis, to adopt version 1 of the Mayor and Council Member Compensation Policy presented with the amendment to issue the pay quarterly.

Vice Mayor Bivans stated that the section outlining what constitutes a meeting should be removed. Council Member Minner stated that including it makes it clear what the City Council should be paid for. The City Solicitor suggested striking the word "separate" from Section 3.

The MOTION to adopt version 1 of the Mayor and Council Member Compensation Policy presented with the amendment to issue the pay quarterly was rescinded.

A MOTION was made by Council Member Minner, seconded by Council Member Marquis, to adopt version 1 of the Mayor and Council Member Compensation Policy present with the amendments to strike the word "separate" from Section 3 and to issue the pay quarterly. Roll was called: 5 Yes, 0 No, 1 Absent (Bivans – Yes, Baugher – Yes, Helsel – Absent, Marquis – Yes, Minner – Yes, Parker – Yes). The MOTION passed unanimously.

New police officer hire

The Chief of Police stated that the City Council approved the hiring of a new police officer in the budget and asked to move LeRoy Lahman from the Public Works Department to the Police Department. Mayor Moyer stated that he is in support of the Chief of Police's decision.

A MOTION was made by Council Member Marquis, seconded by Council Member Minner, to approve the hiring of LeRoy Lahman as a police officer. The MOTION passed unanimously.

Resolution 16-R-16 – A Resolution Outlining Proposed Funding of Up to \$2,115,000 of a General Obligation Bond to Finance the Cost of Water System Improvements and Establishing the Time and Place for a Public Hearing Thereon (USDA)

A MOTION was made by Council Member Marquis, seconded by Council Member Minner, to dispense with the reading of Resolution 16-R-16. The MOTION passed unanimously.

A MOTION was made by Council Member Marquis, seconded by Council Member Minner, to adopt Resolution 16-R-16. Roll was called: 5 Yes, 0 No, 1 Absent (Bivans – Yes, Baugher – Yes, Helsel – Absent, Marquis – Yes, Minner – Yes, Parker – Yes). The MOTION passed unanimously.

Resolution 16-R-17 – A Resolution Outlining Proposed Funding of Up to \$1,866,100 of a General Obligation Bond to Finance the Cost of Water System Improvements and Establishing the Time and Place for a Public Hearing Thereon (DNREC)

A MOTION was made by Council Member Marquis, seconded by Council Member Minner, to dispense with the reading of Resolution 16-R-17. The MOTION passed unanimously.

A MOTION was made by Council Member Minner, seconded by Council Member Marquis, to adopt Resolution 16-R-17. Roll was called: 5 Yes, 0 No, 1 Absent (Bivans – Yes, Baugher – Yes, Helsel – Absent, Marquis – Yes, Minner – Yes, Parker – Yes). The MOTION passed unanimously.

Selection of Code Enforcement Officer

The City Manager stated that interviews were conducted and a candidate was selected. The candidate's name is being withheld for privacy, but he is a resident with previous law enforcement and documentation experience. There will be a two year contract to ensure training costs are recovered.

A MOTION was made by Council Member Minner, seconded by Council Member Baugher, to accept the candidate that was presented for the position of Code Enforcement Officer.

Vice Mayor Bivans requested an Executive Session to discuss the matter further. Council Member Minner stated that she would like the matter decided this evening.

A MOTION was made by Vice Mayor Bivans to defer the matter to Executive Session. The MOTION dies for lack of a second.

A vote was called for on the motion to accept the candidate that was presented for the position of Code Enforcement Officer. The MOTION passed by majority. Vice Mayor Bivans voted against the motion.

Public Comments

The City Chaplain stated that he is glad the City Council delayed the application for the asset management grant.

Margaret Christopher stated that code enforcement has been lacking and that the City is looking decapitated. Some alleys have trees overhanging. The City Manager asked that Ms. Christopher call City Hall with the addresses of problem properties.

Ms. Christopher asked about how building permits are calculated. The City Manager stated that a formula is used.

Kay Outten stated that the City is in the worse looking condition she has ever seen.

City Council Comments

Mayor Moyer stated that the City received a designation as a Downtown Development District.

Council Member Marquis thanked the citizens for attending the meeting and stated that he received an inquiry about meeting minutes.

Council Member Baugher stated that some sidewalks cannot even be used because of overgrown trees.

Vice Mayor Bivans stated that the City Council's goal is to be transparent and approachable. The City Council wants the City to be comfortable and safe. Vice Mayor Bivans asked that issues be reported to the City.

Council Member Minner thanked the audience members for attending.

Mayor Moyer stated that if the audience members are interested in joining the Builder and Developer Committee to let him know.

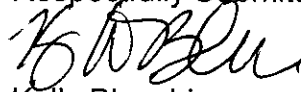
The City Manager thanked the Public Works employees for doing code enforcement work while there is no Code Enforcement Officer.

Executive Session

There was no Executive Session.

There being no further business, a MOTION was made by Council Member Marquis, seconded by Council Member Baugher, to adjourn the City Council Meeting. The MOTION passed unanimously, and the meeting adjourned at 9:13 p.m.

Respectfully Submitted,

A handwritten signature in black ink, appearing to read 'K. Blanchies', written in a cursive style.

Kelly Blanchies
Clerk of Council