

City of Harrington
MINUTES
City Council Meeting
May 19, 2014

Public Comments

There were no Public Comments.

A meeting of the Harrington City Council was held at Harrington City Hall, 106 Dorman Street, on May 19, 2014 and was attended by the following: Mayor Anthony R. Moyer; Vice Mayor Cheryl Lahman; Council Member Duane E. Bivans; Council Member Fonda Coleman; Council Member Amy Minner; Council Member Charles W. Porter; Council Member Kenneth Stubbs; Norman Barlow, Chief of Police; William Pepper, City Solicitor; Teresa Tieman, City Manager; Dean Gary, Accountant; and Kelly Blanchies, Clerk of Council.

Also present: Doug Phillips, Horty & Horty; Mike Easton, Horty & Horty; Terri Desanto, Strategic Insurance Partners; Christine Hayward, Library Director; Scott Hoffman, Cabe Associates; Bob Souza, Harrington Raceway and Casino; Marie Cunningham.

Mayor Moyer called the meeting to order at 7:12 p.m.

The Invocation was given by the City Solicitor.

The Pledge of Allegiance was given.

Roll was called.

Minutes

April 7, 2014 City Council Workshop

Council Member Minner asked that since money was received from Representative Outten, could the trash rate be reduced. The City Manager stated that it could be discussed in the budget. The Saturday hours for clean-up week were a big success. Council Member Bivans stated that it was busy all day Saturday at the Public Works Yard.

Council Member Bivans stated that there are people using their recycling cans for trash and asked if those people could receive an additional trash can instead of a recycling can. The Accountant stated that the contract is specific about the amount of trash that is acceptable from each house.

A MOTION was made by Council Member Coleman, seconded by Council Member Minner, to accept the April 7, 2014 City Council Workshop Minutes as presented. The MOTION passed unanimously.

[Minutes continue below.]

DFIT move to self-insured Workers' Comp

A MOTION was made by Council Member Porter, seconded by Council Member Stubbs, to move the DFIT move to self-insured Workers' Comp to the next agenda item. The MOTION passed unanimously.

The City Manager introduced Terri Desanto and stated that she represents the DFIT program. The City Manager stated that she is the Financial Secretary for DFIT.

Terri Desanto stated that the DeLea Founders Insurance Trust (DFIT) was created in 2008 by the Delaware League of Local Governments to fund self-insurance for municipalities. There are joint insurance trusts around the country and offer better stability of insurance costs. When started, there was not enough participation to be self-funded but did participate as a group and received returns on premiums as dividends. There are now twenty members, and there has been a forty percent reduction in claims. The Board of Trustees is elected annually.

Ms. Desanto stated that it is now a sound group and can self-insure through good planning. In 2009, workers' compensation rates were reduced by thirty-nine percent, and insurers left the State. The rates have since increased consistently. There is a fourteen percent increase this year. The Delaware Rating Bureau establishes the rates, but by being self-insured, DFIT is not subject to those rates. Most municipalities will see a twenty percent rate decrease; there is a reduction in fixed administrative costs. Excess money will be saved to cover catastrophic years. This group has performed well. When working with an insurance carrier, you are grouped with everyone else that uses that insurer. There is a lot of regulatory oversight; the Department of Labor approves all pools.

Ms. Desanto stated that there will be no change in the claims administration; reporting and accounting will be the same. Medical costs cannot be controlled, but AmeriHealth has medical cost containment measures.

Council Member Porter asked if Dover, Smyrna, and Wilmington have been asked to join the insurance trust. Ms. Desanto stated that Dover and Smyrna have been approached. The fund does not want adverse selection and want members that perform well.

Council Member Porter asked if the group only takes municipalities or if it would take church groups as well. Ms. Desanto stated that the group must be

homogenous so that they have the same risk. A group of churches could form a trust.

Council Member Minner asked if the employees will see any difference. Ms. Desanto stated that the insurance cannot make employees go to a certain provider, and the employee will not see any difference.

Council Member Porter asked if a discount is received for having safety programs. Ms. Desanto stated that right now the City receives the State safety credit but will no longer receive it when self-insured; the group already has a safety program that everyone must follow.

Mayor Moyer stated that it there is a stringent application process and asked if it is easy to be removed from the group if a city has a couple of bad years. Ms. Desanto stated that one member was almost removed because of not following the return to work program, which is a risk control measure, for several years.

Minutes (continued)

April 21, 2014 City Council Meeting

A MOTION was made by Vice Mayor Lahman, seconded by Council Member Porter, to accept the April 21, 2014 City Council Meeting Minutes as presented. The MOTION passed unanimously.

April 23, 2014 Proposed Water and Sewer Rate Public Meeting

A MOTION was made by Vice Mayor Lahman, seconded by Council Member Stubbs, to accept the April 23, 2014 Proposed Water and Sewer Rate Public Meeting Minutes as presented. The MOTION passed unanimously.

April 30, 2014 Proposed Water and Sewer Rate Public Meeting

A MOTION was made by Vice Mayor Lahman, seconded by Council Member Coleman, to accept the April 30, 2014 Proposed Water and Sewer Rate Public Meeting Minutes as presented. The MOTION passed unanimously.

Police Chief's Report

The Chief of Police stated that he is currently attending the Chief's Conference.

Council Member Minner asked how the School Resource Officer training went. The Chief of Police stated that it went well; there were five or six agencies that participated.

A MOTION was made by Council Member Porter, seconded by Council Member Minner, to accept the Police Chief's Report as presented. The MOTION passed unanimously.

City Manager's Report

Council Member Bivans asked if there will be a public meeting on the brown water issue. The City Manager stated that once a plan is formulated, it will be presented to City Council.

Council Member Minner asked why it says to contact the County on the demolition permit. The City Manager stated that it is in case the County requires a permit. Council Member Minner stated that unless it is for sewer reasons, an applicant would not need to contact the County. The City Manager stated that it can be removed. Council Member Minner asked how someone being removed from the sewer system is tracked. The City Manager stated that there is a charge for Public Works to cap off the sewer prior to demolition.

Council Member Minner asked if there is anything that can be done about the City Hall parking lot drainage. The City Manager stated that it is a catch basin that is not connected to anything.

Council Member Minner asked about the dangerous dog referred to on the report. The City Manager stated that the dog kept leaving the owner's yard; there were violations that occurred last year that the City was just made aware of. The owner was informed that if the dog was ever loose then it would probably be destroyed. The owner had the dog removed.

A MOTION was made by Council Member Porter, seconded by Council Member Coleman, to accept the City Manager's Report as presented. The MOTION passed unanimously.

Financial Report

Vice Mayor Lahman stated that the sewer bill was the highest ever. The City Manager stated that there was an extra week in this billing period.

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

Departmental Reports

Public Works

Mayor Moyer stated that there was a bad water main break on Tuesday, and the staff was out until late at night to fix it and did a good job. It was

difficult to find the right valve; the City needs better maps. The City Manager stated that the maps need to be verified.

Council Member Bivans asked about pothole repair. The City Manager stated that spring pothole repair has not started yet.

Council Member Minner asked about the brown water calls and the number of gallons of water used. The City Manager stated that since this was the first flushing since the winter, there were more reports of brown water and much more water was used to flush the hydrants. Mayor Moyer asked about meters to monitor the amount of water used for flushing. The City Manager stated that she is looking into it.

Library

There were no questions.

Parks and Recreation

There were no questions.

Fire and Ambulance

There were no questions.

A MOTION was made by Council Member Minner, seconded by Vice Mayor Lahman, to accept the Departmental Reports as presented. The MOTION passed unanimously.

City Planner's Report

Council Member Bivans stated that the Harrington Retail Center has site preparation happening and were going to be contacted. The City Manager stated that the builder has not applied for a permit; Remington, Vernick, and Beach is contacting them, because no site preparation work has been approved.

Council Member Minner asked about the research for the American Legion property, and the deed for the Armory. The City Manager stated that a call was received for some research for a potential buyer for the American Legion property; the House of Representatives voted to give the City the Armory property that Parks and Recreation uses, but the deed was never recorded; the Office of State Planning is working on it.

A MOTION was made by Vice Mayor Lahman, seconded by Council Member Minner, to accept the City Planner's report as presented. The MOTION passed unanimously.

City Engineer's Report

Council Member Bivans asked about work starting on the road program. The City Manager stated that Zack Excavating will be start on May 27, 2014 on the 2014 Road Program.

A MOTION was made by Council Member Minner, seconded by Vice Mayor Lahman, to accept the City Engineer's report as presented. The MOTION passed unanimously.

Old Business

Impact fee study

A MOTION was made by Council Member Porter, seconded by Council Member Stubbs, to lift the impact fee study from the table. The MOTION passed unanimously.

A MOTION was made by Vice Mayor Lahman, seconded by Council Member Porter, to accept the impact fee study. The MOTION passed unanimously.

New Business

FY 2012 Audit

Mike Easton stated that the audit is complete. The assets of the City exceeded its liability. There were increases to assets and debt service primarily because of the force main.

A MOTION was made by Council Member Porter, seconded by Vice Mayor Lahman, to accept the FY 2012 Audit. The MOTION passed unanimously.

Mr. Easton stated that the Management Letter includes some easily implemented items in purchasing and payroll for the City to make improvements.

Mr. Easton stated that the FY 2013 and 2014 audits will be worked on concurrently in the fall in order to catch up on past audits.

Appeals of additions to tax bills

Mayor Moyer stated that no appeals of additions to tax bills were received.

Appointment of Library Site Selection Committee

Mayor Moyer stated that he would like to appoint Council Member Porter, Council Member Minner, Doug Crouse, Jim Coudriet, and Christine Hayward, Library Director, to the Library Site Selection Committee.

A MOTION was made by Vice Mayor Lahman, seconded by Council Member Stubbs, to accept the appointments to the Library Site Selection Committee. The MOTION passed unanimously.

First Reading of Ordinance 14-04 – Amending Chapter 180, Municipal Fees, to repeal and replace the fee schedule

A MOTION was made by Council Member Porter, seconded by Vice Mayor Lahman, to dispense with the reading of Ordinance 14-04. The MOTION passed unanimously.

Mayor Moyer read the synopsis:

This Ordinance amends Chapter 180 with a revised fee schedule including deletion of unused items and changes to the property tax rate, water and sewer impact fee, utility rates, and other fines and fees.

Vice Mayor Lahman asked if all the changes have been discussed at previous meetings. The City Manager replied that everything except the tax rate has been discussed.

Council Member Minner asked if the Public Works Service Fee is per hour or a flat fee. The City Manager replied that it is a flat fee per trip.

Council Member Bivans stated that the fees for appeals of property maintenance tickets seem high. The City Manager stated that it was not changed; it involves a hearing and the City Solicitor. The Clerk of Council stated that the City Council had added the word formal to the description when this fee was adopted. Vice Mayor Lahman asked if there have been any appeals. The City Manager replied no.

A MOTION was made by Vice Mayor Lahman, seconded by Council Member Porter, to accept the first reading of Ordinance 14-04. The MOTION passed by majority. Council Member Bivans voted against the motion.

The public hearing and second reading will be on June 16, 2014.

First Reading of Ordinance 14-05 – Amending Chapter 108, Vacant Buildings, to update requirements

A MOTION was made by Council Member Porter, seconded by Vice Mayor Lahman, to dispense with the reading of Ordinance 14-05. The MOTION passed unanimously.

Mayor Moyer read the synopsis:

This Ordinance amends Chapter 108 to delete definitions, charge the Code Enforcement Officer with inspections, delete exemptions, require a designated person to have charge of the vacant building, and adding a fine for violating the Chapter.

A MOTION was made by Council Member Minner, seconded by Council Member Porter, to table Ordinance 14-05 to workshop. Council Member Porter withdrew the second. Council Member Minner withdrew the motion.

The City Solicitor stated that this ordinance is mostly technical changes to the ordinance. Mayor Moyer stated that if the property owner is not local, then they must have someone local to take care of the property. Council Member Minner asked about bank owned properties. The City Manager stated that the bank would have to have someone to maintain the property.

Council Member Minner stated that three months is not a long time to get a good tenant into a property. The City Solicitor stated that has not changed; it is being moved from one section to another. Mayor Moyer stated that three months is not long enough to fill a commercial space. Council Member Porter stated that the length of time had previously been six months. The fee for a vacant building was reduced, because City is trying to work with property owners to fill vacant buildings. Mayor Moyer stated that a building that maintains the water, sewer, and property maintenance is not considered vacant.

The City Manager stated that the fee in Chapter 180 is seventy-five dollars (\$75) annually for an inspection and seventy-five dollars (\$75) for registration, and there is a fine for not registering.

A MOTION was made by Council Member Bivans, seconded by Council Member Coleman, to table Ordinance 14-05 to workshop. The MOTION passed unanimously.

First Reading of Ordinance 14-06 – Amending Chapter 330, Sewers, to incorporate a new rate structure

A MOTION was made by Council Member Porter, seconded by Council Member Stubbs, to dispense with the reading of Ordinance 14-06. The MOTION passed unanimously.

Mayor Moyer read the synopsis for Ordinance 14-06:

This Ordinance amends Chapter 330 to outline a method for billing sewer users base and usage charges in order to operate and maintain the sanitary sewer system.

A MOTION was made by Council Member Porter, seconded by Council Member Minner, to approve the first reading of Ordinance 14-06. The MOTION passed unanimously.

The public hearing and second reading will be on June 16, 2014.

First Reading of Ordinance 14-07 – Amending Chapter 425, Water, to incorporate a new rate structure

A MOTION was made by Council Member Porter, seconded by Vice Mayor Lahman, to dispense with the reading of Ordinance 14-07. The MOTION passed unanimously.

Mayor Moyer read the synopsis of Ordinance 14-07:

This Ordinance amends Chapter 425 to outline a method for billing water users base and usage charges in order to operate and maintain the water system.

A MOTION was made by Vice Mayor Lahman, seconded by Council Member Porter, to accept the first reading of Ordinance 14-07. The MOTION passed unanimously.

The public hearing and second reading will be on June 16, 2014.

First Reading of Ordinance 14-08 – Amending Chapter 399, Payment for Utility Services, to incorporate a new rate structure

A MOTION was made by Council Member Porter, seconded by Vice Mayor Lahman, to dispense with the reading of Ordinance 14-08. The MOTION passed unanimously.

The City Manager stated that the synopsis is incorrect. Mayor Moyer stated that this ordinance amends Chapter 399 to revise payment for utility services to incorporate a new rate structure and full disconnection of utility services.

A MOTION was made by Vice Mayor Lahman, seconded by Council Member Porter, to accept the first reading of Ordinance 14-08. The MOTION passed by majority. Council Members Bivans and Minner voted against the motion.

Council Member Minner stated that she voted against the motion, because the synopsis was incorrect. Mayor Moyer asked the City Solicitor if there is any reason not to accept the first reading. The City Solicitor replied no.

[The synopsis was accurate and was not changed for the second reading.]

The public hearing and second reading will be on June 16, 2014.

First Reading of Ordinance 14-09 – Amending Chapter 440, Zoning, to increase the time of the extension that can be granted on site plan approvals

Mayor Moyer read Ordinance 14-09.

A MOTION was made by Council Member Porter, seconded by Council Member Minner, to accept the first reading of Ordinance 14-09. The MOTION passed unanimously.

The public hearing and second reading will be on June 2, 2014.

Personnel issues

Employee promotion

A MOTION was made by Council Member Porter, seconded by Council Member Stubbs, to promote Richard Clough to Public Works Tech III at Grade 13, Step 1 effective March 27, 2014. Roll was called: 6 Yes, 0 No (Lahman – Yes, Bivans – Yes, Coleman – Yes, Minner – Yes, Porter – Yes, Stubbs – Yes). The MOTION passed unanimously.

City Manager contract

The City Manager stated that some typos were corrected.

A MOTION was made by Council Member Minner, seconded by Council Member Porter, to approve the City Manager's contract. Roll was called: 6 Yes, 0 No (Lahman – Yes, Bivans – Yes, Coleman – Yes, Minner – Yes, Porter – Yes, Stubbs – Yes). The MOTION passed unanimously.

Chief of Police contract

A MOTION was made by Council Member Porter, seconded by Council Member Stubbs, to approve the Chief of Police's contract. Roll was called: 6 Yes, 0 No (Lahman – Yes, Bivans – Yes, Coleman – Yes, Minner – Yes, Porter – Yes, Stubbs – Yes). The MOTION passed unanimously.

First Reading of Ordinance 14-10 – Amending Chapter 120, Business Licenses, to add a fine for operating a business without a license

Mayor Moyer read Ordinance 14-10.

The City Manager stated that this makes the ability to fine clearer.

A MOTION was made by Council Member Minner, seconded by Vice Mayor Lahman, to accept the first reading of Ordinance 14-10. The MOTION passed unanimously.

The public hearing and second reading will be on June 2, 2014.

First Reading of Ordinance 14-11 – Amending Chapter 314, Rental Properties, to add a fine for operating a rental property without a license

Mayor Moyer read Ordinance 14-11.

Council Member Minner asked about the due date for rental licenses. The City Manager replied that it is set as January in another section.

A MOTION was made by Vice Mayor Lahman, seconded by Council Member Stubbs, to accept the first reading of Ordinance 14-11. The MOTION passed unanimously.

The public hearing and second reading will be on June 2, 2014.

Public Comments

Scott Hoffman stated that he represents the Delaware State Fair. The Raceway and the Fair agree with the City's decision to move away from a flat fee to a flow

rate, but the rate is unequitable to the Fair. Given the language in the agreement between the City and the Fair, it is questionable whether the new rate structure would apply to the Fair. We question some of the data and assumptions, including the allocation of salaries, inflow and infiltration, and debt service expenses. The Fair has made past capital contributions. A resolution can be reached with the exchange of some additional information. The Fair requests that Council not move forward on Ordinance 14-06 until the issues are resolved.

Marie Cunningham asked if useful and potable water is the same and if DFIT claims are down because of the safety plan. The City Manager stated that there is an active safety program.

Ms. Cunningham asked who pays for the flushing of lines. The City Manager stated that it is an operational cost covered by the usage rate.

Ms. Cunningham asked if it is correct to discuss minutes rather than just approve them. The City Solicitor stated that it is a long standing practice; it should probably be limited to correcting potential misstatements but making that change has been difficult.

City Council Comments

There were no City Council Comments.

Executive Session

There was no Executive Session.

There being no further business, a MOTION was made by Council Member Porter, seconded by Council Member Coleman, to adjourn the City Council Meeting. The MOTION passed unanimously, and the meeting adjourned at 9:06 p.m.

Respectfully Submitted,

Kelly Blanchies
Clerk of Council