

Milton Town Council Meeting
Milton Library
121 Union Street
Monday, February 4, 2013
6:30 p.m.

Transcriptionist: Helene Rodgville
[Minutes Are Not Verbatim]

Mayor Newlands: Good evening everyone, we have a full meeting tonight. We have a couple of things on the agenda; we're going to take the Property Taxes Appeals out of order. We're going to do that one first, because I don't know if everybody for Property Tax Appeals is going to want to stay for the whole meeting. You're welcome to stay, but we'll do that first. Also, I'm going to do one public participation ahead of everything else, because the gentleman has to leave and that's Representative Smyk.

5. Public Participation

1. Representative Steve Smyk: Can you hear me? This thing is really working, because I can hardly hear myself up here. There's a few things that have come up to light. One of the things is that I've reached out to a lot of people, but not everyone knows who I am, so I want you to know that you can get me at... I am your new State Legislator, the 20th District, you're in it, especially if you live in Town. It's Steve.Smyk@state.de.us. It's very easy and if you don't remember it and you can't write it down real quick, get in touch with that fellow right there. He knows how to get in touch with me as well. I want to let the Board know and it's very nice to see that Leah Betts is back. We've all missed you Leah.

Vice Mayor Betts: Thank you.

Representative Steve Smyk: I know, I have.

Vice Mayor Betts: Thank you.

Representative Steve Smyk: I'm here to support the Town and I understand that if there's an issue with any Charter changes, if you have any Charter changes, I think I've already reached out and found out that there's no need at this time, but if you can think of one, now's the time to get it into the legislative session, so that way we can push that. The avenues to help the Town of Milton with it's growth, and it's so good to see it's growth, and I might be absolutely out of school, but I have been contacted by a lot of different agencies, and some of them like the Delaware Community Foundation, CGrant and Wells Fargo, that will give Towns grants to help them in their growth and I can certainly be a liaison to the Town for that and Mr. Mayor, if you want to later, just give me a call. Do you still have my number?

Mayor Newlands: Yes I will. I do.

Representative Steve Smyk: I understand at the previous meetings there's been a lot of questions about the Police Department and I haven't dived into any of the stats of this police agency; that's not my job. That's going to be the job of the Police Chief, who I've known since I started policing, back in 1988, but I do know that the IACP, which is the International Associations of Chiefs of Police, will come out and audit your police agency and they do it in a way that's congruent with whatever funds are available for the Town; so they don't tell you what your Police Department needs and then you can't afford it. They're going to try and make it so that it works. There's a ton of different recipes and a ton of different ways that this can work. So I would suggest to the town to have an audit, if at all possible, before this agency... he loses some of his officers. Another thing that I'd like to let

you know is that if you call me, or if you get in touch with me and many of you already have, through my email address, I'll answer any questions that you have, believe me. I don't know how much time I spend on the phone dealing with people's issues and I repeat myself quite a bit. I would love to do it in a forum, if you have a community event and you want me to come out there and speak, give me a call. I'll come out and I'd like to do this, because I think that everyone needs to know what's going on up at your State House. Mr. Prettyman, it's good to see you as well. Any other questions for this evening?

Unidentified Speaker: Can we have your phone number?

Representative Steve Smyk: You want my phone number too? I'll give it to you. It's 462-... You know what, I'll just right it down for you, but it's 462-0463 and I had it on all the literature that I put out publicly. Well, Noble Prettyman has it. He uses it quite a bit. There you go. That's perfect and I'm done, Mayor. Thank you.

Mayor Newlands: Thank you very much.

4. Property Tax Appeals

Mayor Newlands: If Council could get their packs for the Property Tax Associates, there's a letter in here from Property Tax Associates and we'll go over the property tax appeals first. Does everybody have their packets?

Win Abbott: Mr. Mayor, would you like the appellants to speak?

Mayor Newlands: Yes, I'm going to get to that in one second. Just to let everyone know, we don't have in our packets the actual appeal itself from the applicants that went... The Town Manager sent that off to David Hickey and David Hickey is with us in the cranberry sweatshirt, sweater. He's already done an analysis on this, but this is not part of our meeting, as far as voting on the recommendations, so we have the recommendations from him in front of us, but we don't have an agenda item. It should be on the meeting for next month, so that we can vote on the recommendations from Mr. Hickey. And Mr. Abbott, have these recommendations gone to the applicant's at all?

Win Abbott: No, Sir.

Mayor Newlands: Okay. Alright, can you call them one by one and let them come up and speak. They can actually stand in front of their seats and speak. That will be fine.

Win Abbott: Mr. Sands. Please do list all appellants that you are representing. Speak clearly for the benefit of our transcriptionist.

1. Mayor Newlands: State your name, please.

Neil Sands, 111 Mill Pond Avenue in the community of Heritage Creek: There's a group of residents that also live there, filing an appeal on the same basis, so to save time they've designated me to speak on their behalf. I have signed Affidavits which are on record, authorizing me to do so. Appeals have been filed and I am speaking on behalf of the following families: Chip and Karen Brenner, who are not present tonight, they reside at 110 Arch Street; Paula and Frank Costanzo, residing at 119 Arch Street; Sherman and Vera Drew, residing at 116 Heritage Boulevard; Erin Farley and Jim Hostetler, both residing at 106 Arch Street; Alice and Terry Foil, residing at 108 Arch Street; Madelyn and Dave Hefley, residing at 112 Heritage Boulevard; Dianne and John Kemp, residing at 119 Heritage Boulevard, they're not here tonight; Eileen and Darin Kohler, residing at 107 Mill Pond Avenue; Tom and Liz McDade, residing at 111 Heritage Boulevard; Tom and Judy Marsden, residing at 107 Arch Street; Annette and Mark Pittman, residing at 100 Heritage Boulevard; Nancy and Dick Trask, residing at 101 Mill

Pond Avenue; Linda and Victor Weinstein, residing at 110 Heritage Boulevard; Karen and Victor Young, residing at 105 Mill Pond Avenue; and, Bob Burakiewicz, who I'm not representing, will also speak on his behalf. He's here tonight, as well. The basis of our appeal is rather simple. All of the lots in the community of Heritage Creek are well under 2/10ths of an acre in size. The land is assessed by the Town, was assessed in 2009, at \$120,000 for each lot. Now, I purchased my house and I went to contract in 2008 and we moved in 2009. The house was the first one that settled in the community, so I think what we paid was fairly representative of the market conditions, which was the year in which I believe, I think it was 2008, 2009 that the Town did the community-wide appraisal. Comparing and looking at the property list, I virtually went through and I said let me look at every single piece of property that's in the published list, that's under 2/10ths of an acre and I didn't look at all 200 pages in the property list, but I did go through approximately 40% of those pages and then I started going blind and I'm now wearing glasses, as you can see as a result of that. I did not find, outside of Heritage Creek, one property in the Town of Milton that was appraised at \$120,000. Most of the lots were \$80,000 and under. So this kind of represents a disparity, an inequity, I think, in property values. There are other lots in some of the newer developments that are appraised over \$80,000, but they also happen to be larger lots. So based on market conditions at the time, we're looking at \$80,000 or less, vs. \$120,000. Furthermore, I had a professional appraisal done by Houston Appraisal Company, on my lot and the land was appraised at significantly under \$120,000; that's documented by Houston Appraisal Company at \$82,000. So I think this is the facts speak for themselves. I think, also, for the sake of the Town, I don't know what the reasoning was. There is no distinguishing features on this land. It's just an open field, they're improved lots, with city water, city sewer, curbs and sidewalks, just the same as what we have in the Town of Milton for these other lots that I reviewed, and I did list a couple of lots specifically, if you want to go look at them. I think it would behoove the town. Looking at communities right outside of our town borders, down Route 5 and looking out on Cave Neck Road, if you look at these communities, they're building at a rate at least double the rate that our community is growing and it's a regressive tax policy and I honestly believe, and many of the residents believe, we should be encouraging growth within the Town of Milton and having this kind of... People aren't stupid. They look at this stuff and they say, why would I want to build in the Town of Milton, when I can save an awful lot in taxes, by building just down the road and still have many of the benefits, not all the benefits, of living in the town. So, this just doesn't make sense and the faster we can build new homes in Heritage Creek, and some of the other communities with a larger amount of vacant land, the more ratables we're going to see and the better off for the town, for a whole lot of reasons. I don't have anything else to say. That's basically what I wanted to say to you tonight and thank you all for taking the time to consider this appeal. Any questions?

Mayor Newlands: Not of you, but of Mr. Hickey, I would ask some questions, if he could go over his recommendation; because he's already looked at this, based on the numbers. And also, if you can go over and explain... I've seen some of these applications and there's a difference between what people think of as an

appraised value and an assessed value, so if you could explain that and the market value.

Seth Thompson: Mr. Hickey, before you go, if the applicant... do you know what date the Houston Appraisal... typically an appraisal is for a date specific. Do you know what date was on the appraisal?

Neil Sands: Yes, that date was... the letter to me was dated March 7, 2011.

Seth Thompson: And was that the date of the appraisal? So it was the value...

Neil Sands: Yes it was. And the purchase price of the house, just for your information, my particular house, just to give you an example, was \$394,000. I think the house is currently appraised at... When we moved in and our first tax bill was in 2009. The town had the house appraised at \$424,000; the house was purchased and according to the National Home Builder's, house construction costs at that time were \$110 a square foot, the house is approximately 3,000 square feet, that means that the house itself, and the land, I paid for the land, was \$62,000. Right. Now that was in 2009, the year of the town-wide appraisal, so I'm just curious as to how we got to \$120,000, especially in that period, as many of us know the real estate market was just about frozen after the crash in 2008, so I probably was one of the few sales, I think there were 30 or 40 transactions in the Town of Milton in 2009. So I don't know if that helps answer your question.

Seth Thompson: Thank you.

Mayor Newlands: Mr. Hickey.

David Hickey, Property Tax Associates: Mr. Sands, you have building permits in June of 2012?

Neil Sands: That's correct.

David Hickey: To finish your basement, so that's added value to your house.

Neil Sands: Yes.

David Hickey: And the value is even more.

Neil Sands: I recognize that. I'm not arguing that point.

David Hickey: Okay. In this form letter, that I would assume that you filled it out for everybody, for this entire group?

Neil Sands: What form letter are you looking at?

David Hickey: This appeal.

Neil Sands: Yes.

David Hickey: Okay. You list three sales for \$55,000 each...

Neil Sands: That's correct. Yes.

David Hickey: In Heritage Creek. I can't find any reference to those sales, anywhere in Sussex County and I contacted Gina Madsen-Noor from Schell Brothers Sales and said could I buy an individual lot and she said no; that they sell everything as a house/lot package, so these sales of \$55,000, where were they?

Neil Sands: Those were transfers between Fernmoor Corporation and Schell Brothers and they're part of the settlement when the houses are... Fernmoor owns the land and that was based... and that's what the lots are actually selling for today, so when they settle...

David Hickey: That's a paper transaction, then.

Neil Sands: It's a paper transaction. It would not be recorded. It would be recorded in conjunction with the closing on the house.

David Hickey: Okay.

Neil Sands: Most of the residents that are closing today, basically the transfer takes place as part of the closing.

David Hickey: Well at the time we did the reassessment, there were a couple of lots, in particular that I was aware of. The one up on Chandler Avenue sold for \$143,500; that's up in Preserves. Another one in the Preserves sold for \$135,000. There was a sale on 113 Arch Street for \$125,000 in November of 2008, but I'm not sure that's the Arch Street that's in your sub-division.

Neil Sands: What size were those lots that were sold in the Preserves?

David Hickey: They were lots. I recognize they're nicer lots then...

Neil Sands: They're huge lots and they're overlooking... It's probably one of the prettiest parts in town, so it's...

David Hickey: They're wooded lots and you can't see anything from there. There was a lot at 602 Atlantic, sold for \$118,000; 107 Chestnut Street sold in September of 2007 for \$110,000. Just based on that, we recognize that when we started the reassessment, there were not very many units sold in Heritage Creek, at that time. It was just getting started and we were going by lots that were selling, or units that were selling in Cannery Village and Preserves and Wagamon's Pond; those were the areas that we were using as comparables and on that basis, that's where we came up with the values. I recognize that the value throughout the Town have dropped dramatically since we did the reassessment, but at the same time, once the reassessment is established, we have to maintain uniformity in the valuations from property to property, so every property, all those houses that have been built in Heritage Creek since we started are all assessed on the same basis as the ones that were initially there. I understand where you're coming from, but those lots... it's a unit, it's a house and a lot package and we were going by a total value, rather than saying this is the value of the lot, because you can't sell one of those lots independently. You can't sell your lot to Mr. Davis there if you wanted to right now, because your house is on it, so it's a...

Neil Sands: I understand that, but with all due respect, I think you're looking at land that's significantly larger. If I wanted a larger lot, I would have gone to Wagamon's West Shores, I would have gone up to the Preserves, but these are much smaller lots, ranging from 5,000 to 7,200 square feet, so you're looking at comparables and I understand that you weren't selling a lot of land at that time, of that size, so it's kind of hard to find comparables.

David Hickey: I remember a listing outside of town, with no services, of less than a half an acre for over \$90,000, right out Route 5.

Neil Sands: A half an acre is about 20,000 square feet, plus.

David Hickey: An acre is 43,560 square feet.

Neil Sands: Right.

David Hickey: So, less than a half an acre...

Neil Sands: So we're less than 2/10ths of an acre.

David Hickey: Right, but people don't buy lots on a unit price basis, like that.

Neil Sands: Well if you're buying a home package, with a lot... if you want to buy land, you're also buying the house on the land, so as you said, it's a package. If I wanted a yard with a front yard, which we don't have. It's a sidewalk community,

I would have gone to a community with a larger yard and perhaps paid more.

David Hickey: You paid \$392,000.

Neil Sands: Right.

David Hickey: Or whatever, for your house and that lot, at the time.

Neil Sands: Right, and the house to construct, not with a profit, was roughly \$330,000, which left the value of the land of approximately \$64,000.

David Hickey: On whose basis? I mean, that's what you're saying.

Neil Sands: That's from the Association of Home Builders. That's the average cost, actually the cost to construct a luxury home with the amenities is more like \$115.00 per square foot. That's a cost basis and it's also documented by the Houston report.

David Hickey: On your property we used all of \$56.86, as a starting point.

Neil Sands: For construction costs?

David Hickey: Yes, so I mean, you can argue all day long that we used too much on the land and not enough on the house, but at the end of the day, we got one number for the whole package.

Neil Sands: Yes, and we're appealing on the basis of the land. I saw nowhere in all the research that I've done, where you can build a house today for \$56 a square foot.

Mayor Newlands: Mr. Hickey, how was that price divided, from the land and the dwelling; how did that work? How did you do the math and how did you come up with the ratios of so much for the land and so much for the house?

David Hickey: What we did is we came up with our best guestimate of what the unit costs for the different types of homes in the Town and what you have to do in a case like this, in a lot of cases, is what they call "a land residual analysis", where you have to take the sales price and you deduct from that the worth of the structure, leaving a residue value of the land. So we had to do that in a lot of cases and we had throughout the Town it was easily over \$120,000 in a lot of cases, but we settled on these smaller, older style lots in the downtown area, around \$80,000 and the nicer, larger lots and the nicer communities, we had more money, like Wagamon's Pond we had \$120,000/\$140,000 on some of them, but those are a lot larger lots then these.

Mayor Newlands: Can you explain that at the time you do the assessment, the assessed value and the market value are pretty much the same. Is that correct?

David Hickey: We try.

Mayor Newlands: I just want everybody to understand that at the time of the reassessment the market value and the assessed value are pretty much the same and that right after that, they're going to go in different directions, one way or the other.

David Hickey: Exactly, when we did our analysis early on, we looked at sales that occurred in 2006, 2007 and 2008. We recognized the market was falling, so we would take 30% off of the 2006 sales, 20% off the 2007 sales and 10% off the 2008 sales, to recognize the property values were falling, but we had to come up with a value as of a point in time and that was January 1, 2009 and the property values, unfortunately, have continued to decline since that time.

Mayor Newlands: So, again, the market value and assessed value at that time were pretty much the same...

David Hickey: Correct.

Mayor Newlands: And the market values have gone down now and we don't reassess to market values every year. It's not going to be for ten years that you'll get another assessment coming up.

Neil Sands: And that's not the basis of our contention. We contend that there's a disparity. You're just looking at lot sizes, improved, with homes on them, same size, and the rest of the town and I counted out of 40 pages in the property tax list, I counted a total of I think it was 65 properties that were all under 2/10ths of an acre, same size, with homes on them, with curbs and sidewalks, same amenities, no special view or anything and they were all \$80,000 or under, so on the basis of that comparison, we're saying there seems to be an egregious discrepancy. These were all appraised at the same time, right?

Mayor Newlands: Right, but I want to go back to what Mr. Hickey said is the math they use. You come up with a market value for the house, then take the size of the house, multiply it by \$56 a square foot?

David Hickey: Then there's some quality grading factors that go in there, but...

Mayor Newlands: They you're subtracting that from a total, coming up with the land value.

David Hickey: Well you take the sales price, you take the worth of the house, after the depreciation and everything, and whatever is left over out of that sales price, would be a representative indication of the land. The problem is, in older homes, the correct and accurate measurement of depreciation is really difficult, so therefore, we try to shy away from that, but it's just like this lot at 117 Federal Street, right next door Town Hall. At the time it sold for \$165,000. I remember that house was in lousy shape when we first came here to Milton, so \$165,000, a large chunk of that had to be in the land. It's a tiny, little lot. So we tried to be consistent in our application. You had those townhouse lots in Cannery were selling for \$80,000, \$85,000. I felt like Heritage Creek was a lot nicer than the units in Cannery, because they were on top of each other.

Neil Sands: Land is land. Are you familiar with Marshall and Swift?

David Hickey: Yes, Sir.

Neil Sands: What they're saying here, according to this document; this is from a professional appraiser; they're saying that based on this, the site value, using the same methodology, the cost of construction, based on a cost basis, is \$115 a square foot.

Mayor Newlands: You two are going to go on for a whole night doing this.

Neil Sands: We can only agree to disagree.

Mayor Newlands: Well, to move this along, what I'd like to do, I'll have a discussion with the Town Manager and we'll get some more information from Mr. Hickey as to what the math is behind this, how all this stuff is done, and for the next meeting, because that's when we have to vote on this, is at the next meeting, and we're going to be voting on his recommendations, whether to take the recommendations or not; and so we'll have all that information to you ahead of time. Okay?

Neil Sands: Okay.

Seth Thompson: Did you want to submit a copy of the appraisal?

Neil Sands: Yes, I can do that. That's information, but this is market based.

Mayor Newlands: That's the problem that it's market based.

Neil Sands: It's market based, alright, but the cost of construction has not changed, if you look at their books.

Mayor Newlands: He's not using a realistic cost of construction. He's using a number. Assessments are a target number. They're not reality, as far as, you're not going to have a house built for that money. Okay? It's really a target that he uses for his math, to get to a certain place and the reason for that is that the house that was built yesterday, he's using the same math; he's using \$56; he's not using today's cost of construction. So it's the same as the County does it, the County's is 1974 assessment and they're assessing houses today, as if they were built in 1974. So the math he uses has to be consistent going forward from the time he starts in 2009 and does those appraisals then. He's going to use that same math going forward, am I correct?

David Hickey: Yes, Sir. I would point out that we measure our performance by taking the relationship what the properties are actually selling for and their assessments. It's called the assessment sales price ratio. When we finished the reassessment here, our ratio was right around 98%. That means that our assessments were pretty close to 98% of what the then current market was. So we were fairly close to the market, but you're exactly right, we have to maintain uniformity and consistency throughout. It's just like having different tax rates for different areas around the town, if you were to change a bunch of things. So you can't...

Mayor Newlands: So your model home, built today, will cost \$50,000, \$60,000 less possibly. It's going to have the same assessed value, though. It will be the same assessed value as yours is, because it's all done with the same math from 2009.

Neil Sands: And it's actually, right now, based on this appraisal it's \$86,000 less than what the town has it appraised at; which is a lot more, that's a fairly large percentage.

Mayor Newlands: It's what the Town has assessed at, not appraised at; there's two different terminologies.

Neil Sands: I understand.

Mayor Newlands: And that's what I want everybody to understand. It's different terminologies. Okay?

Neil Sands: Okay.

Unidentified Speaker: Can I say something please?

Mayor Newlands: Excuse me.

Unidentified Speaker: I don't need a mic. Trust me.

Mayor Newlands: Yes, you do need a microphone because we need to get it recorded and we're not taking people out of turn. I'm sorry.

Unidentified Speaker: That's wonderful.

2. Win Abbott: Mr. Mayor, we have a number of lots that were under tax appeal from Fernmoor Homes at Heritage Creek. Do we have a representative from Fernmoor Homes here?

David Wilk, National Director of Corporate Real Estate and Advisory Services for Sperry Vann Ness, which is a large national real estate company: I also have

spent 24 years as an adjunct professor at the University of Delaware teaching real estate finance from 1989 to 2012 and I also do valuation and appraisal work on a national basis and I just want to make sure that my role here tonight – I am not here as an appraiser, although I am a licensed certified general appraiser in the State of Delaware, and I'm also a licensed real estate broker in the State of Delaware, but I am here in a role that's called Advocacy Consulting, which means that I have a client, Fernmoor Homes, who has retained me to help them figure out why their property tax assessment for their lots are what they are and try and figure out if that makes sense, in terms of market pricing and to have a dialogue with the Town group or representative that's responsible for the assessment of the properties, so I can explain to my client why the lots are assessed at \$120,000 and they're only buying them from Schell Brothers for \$55,000 apiece. So the purpose for being here is I've done quite a bit of property tax consulting work over the years. As a matter of fact, I started out in 1977 working for a mass appraisal company for property tax purposes in New Jersey. So I understand your dilemma and your constraints and things that you have to go through in putting uniform assessed values on properties. The other interesting thing about the property tax business, or system, is that every town and every community, has a different system of doing things in many cases, and each town has it's own process for filing appeals and finding out what the basis is for an assessed value on the property. So normally, what we do, is I go into the assessment group and I'll talk to them and find out beforehand what the basis is for the assessment so that we can figure out whether it's market based or whether there's a reasonable grounds for a reduction. In some cases, you get an opportunity to do that beforehand. In other cases, you don't. So the reason I'm here tonight is this is the first chance that we've had, with anyone from the Town, on behalf of Fernmoor Homes to discuss the basis for the lot valuations for the Fernmoor lots. So I'm here on an information seeking mission and also to present information as we did in the appeal form to the town to try and determine whether there's any basis for reduction in the assessment. So the facts are, that Fernmoor Homes owns... The appeal forms that we filed and I filed as their Agent, okay, not as their appraiser, as their agent, which is very important. Secondly, they have 22 lots in the Heritage Creek sub-division and all 22 lots are valued at \$120,000 per lot and I have worked many years in appraising property in Sussex County residential, commercial, industrial, institutional and I'm fairly familiar with lot prices and my initial gut of looking at this \$120,000 a lot for these lots, tells me that I'd like to see the support for that and what's the basis for it and not one acre lots in large sub-divisions, but similarly sized lots in similar developments, at similar time frames. So based on Mr. Sands, who presented before me and who I had spoken with before, rather than going back and forth with Mr. Hickey, may I suggest that we have a conversation where we can see the information that Mr. Hickey used, unless he has a recommendation for lowering the assessed value of the lots that I can take back to my client, so that I can understand what the basis is, without having to kind of argue that, but discuss it back and forth in front of a full room and take up everybody's time, so that's a possible suggestion. I think that the bottom line is that the market was collapsing in 2009. It was just starting to get under way. It's really, really hard, in fairness to

Mr. Hickey and appraisers, to use 2006, 2007, 2008 sales for a 2009 valuation, because of the principal of change. All it takes is one cataclysmic event, like a financial meltdown, or a \$750 billion dollar bail-out that was going on in January of 2009, so spook the market and change everything and it's really hard to capture that and I completely acknowledge that, but at the same time reasonableness is still reasonableness and I don't think that lots in this sub-division ever sold for \$120,000 apiece and if they did, please provide me with this information and I'll be happy to provide it to my clients, but we want to get kind of to a fair level of assessment. So that's my purpose here.

Mayor Newlands: That's fine. Like I said before, we'll get the math that he's using and we'll get that out to everybody who put in an appeal.

David Wilk: That's fine and I mean, hopefully, there will be a dialogue, because you said you want to vote on everything within a week. As long as we...

Mayor Newlands: No, no, no, in a month. Next month.

David Wilk: Oh, in a month. Okay, good. So as long as we can just sit down. It's a very friendly process. It doesn't have to be adversarial and it's only about people paying their fair share. If something is worth that... If you can sell the lots for \$120,000, or could have, then that's a good assessed value, but if you couldn't, then there probably should be some discussion.

Mayor Newlands: Okay.

David Wilk: Okay? Thank you.

Mayor Newlands: Thank you.

3. Win Abbott: Also from Heritage Creek, we have Robert Navar Brown. Mr. and Mrs. Brown? Okay. Michele Burakiewicz.

Bob Burakiewicz, 108 Heritage Boulevard in Heritage Creek: I'd just like to have the Council look at a tax bill, the house is broken down as a certain price and the land is broken down at \$120,000. I would like you to think that you lived in the same size house and the same size lot as I do. All our houses were appraised at the same exact time. Your house is appraised with land value of \$80,000. My house is appraised at \$120,000. Why? If it's appraised at the same exact time and your house is the same exact size as mine, and your lot is the same exact size as mine, why is mine \$120,000 and yours \$80,000? So when you look at the appeal, take that into consideration, because that is the difference. The tax bill says \$120,000 for land and yours says \$80,000. I just want to know why.

Mayor Newlands: Actually, mine says \$120,000 and I don't live in Heritage Creek either.

Bob Burakiewicz: Well I'm just saying if it's the same size house and the same size lot, why is one priced at \$80,000 and one's priced at \$120,000?

Mayor Newlands: I think Mr. Hickey may be able to give you some insight into that, because remember when I asked the question, standing back where Mr. Burakiewicz was, five, or six years ago, the answer was that we had underground utilities, sidewalks, curbs, things like that.

David Hickey: The amenities always add to the value. We're back to the same issue. We had sales for \$143,000, \$120,000, throughout the town, for small lots, whatever, and we looked at what sales were available and we tried to determine what would be a fair value for the lots in a sub-division such as Heritage Creek.

Mayor Newlands: I think until we get the math, as to how he does all this, we're going to be spinning our wheels doing that.

Bob Burakiewicz: Okay, just take that into consideration. One house appraised at \$80,000 and one house at \$120,000.

Mayor Newlands: I'm also going to have Mr. Hickey give the differences between the various lots within town and in the newer sub-divisions that have underground utilities and things.

Seth Thompson: Mr. Hickey, do you know which lot Mr. Barack is referring to, the \$80,000 lot? Do you know which one?

David Hickey: The \$80,000, we had that throughout the town.

Seth Thompson: Okay.

David Hickey: All over the place.

Mayor Newlands: Yes, it's most of the town, except for the new sub-divisions.

Seth Thompson: Okay.

David Hickey: When you're do assessment work, you've got to take areas and you've got to come up with what's considered a fair value for the different areas and you try to apply your valuation as uniformly as you can, because as the gentleman from Fernmoor, the application of equitable assessments, and making them all the same, is an important consideration in our business, here.

4. Win Abbott: Next we have Mel and Sherry Bwint. Not here. Okay. Next is Donald Galgano and Kenneth Kay. Okay, Mr. Sands represented. Very well. Robert and Cindy McDonough. Is there a separate representative for Schell Brothers, LLC? Perhaps represented by Fernmoor Homes, as well. Richard and Nadine Thompson. Daniel and Sheryl Wellbourne.

Daniel Wellbourne: Neil spoke for us.

Win Abbott: Very well. Next we have Keith and Marianna Rowe? Very well. David and Karen Greenhoff. Okay, Mr. Greenhoff.

David Greenhoff, 205 Ridge Road in the Preserve, right up here: I wondered if there was a relationship between lot size and assessment value and I guess that's directed to you?

David Hickey: Okay. In my 30, almost 40 years of doing this, in residential sub-divisions, you very rarely find very wide disparity in value, based on size. If they're selling lots in a sub-division for \$25,000, they're all going to be roughly the same size, in the same price and you don't get down to it... We would be into an argument of well my lot's valued for \$100 more than his, because it's 100 sq. ft. bigger and I don't think that's going to work either. We find the sales... You can break those sales down into a unit price component, but you're going to always come to some centralized unit of value that you're going to apply, uniformly, to all of them and they're all going to come up with different values, so I've always heard when you're buying lots, a lot is a lot is a lot and that's just the way it's always been presented to me.

David Greenhoff: Well, to be more specific, there are 22 maybe lots in the Preserve. Eight of those lots are between 5,000 and 5,500 sq. ft. The cul-de-sac and corner lots are 13,000 to 18,000 sq. ft. The balance of the lots are probably 10,000 to 11,000 sq. ft., but they're all assessed at the same value.

David Hickey: \$140,000.

David Greenhoff: Right.

David Hickey: Right. And we had a lot sell for \$143,500 and another one sold for \$135,000; kind of in the middle. That's the way we did it.

David Greenhoff: Well, the eight smallest lots that are between 5,000 and 6,000 sq. ft. were not sold separately, so that would be just conjecture, but if lot size has nothing to do with assessment, then my question is answered.

David Hickey: Well, obviously, if you went to buy 100 acres of ground, you're going to be looking at a price per acre; but residential lots I've found normally sell for a lump sum value, based on where they're located. You have all kinds of other amenities, whether you've got water and sewer in place, the location, the view, those features that you can't put a qualitative number on, but people will pay a lump sum value for the lot and you have to... We do not have the ability or benefit of being able to point to a lot and say that one's really, really, really nice and we're going to pump the value up on that. We're trying to maintain uniformity and equitable distribution to all the lots in an area. Obviously we'll try to make some accommodation if you have an area that they're all large lots and you have a tiny little lot stuck in the middle; we would probably make an exception in that case, but for the most part it's a uniform application of the value for the different lots, based on their location.

David Greenhoff: That's all I need to know. Thank you very much.

Councilwoman Jones: I have a question.

Mayor Newlands: Sure.

Councilwoman Jones: Mr. Greenhoff, my appeal statement says that your property was purchased in October of 2008 for \$394,000. What's the assessed value, may I ask?

David Greenhoff: \$140,000 for the lot, \$261,000 for the improvements.

Councilwoman Jones: Thank you.

5. Win Abbott: I have an appeal from Barbara and Larry Ferguson. Mr. and Mrs. Ferguson?

Barbara Ferguson: Hello.

Mayor Newlands: Before you go on. Mr. Hickey had some information he was requesting from you. Has he received that yet? Mr. Hickey, in the notes that you have here, you were waiting to discuss something further with Mr. Ferguson. I don't want you to get all riled up if he's got an answer for you.

David Hickey: Mr. Ferguson, my question on your property was finished basement; is there a finished basement in your unit?

Barbara Ferguson: Yes. No walls.

David Hickey: No walls. What do you mean?

Barbara Ferguson: It's just a big open space.

David Hickey: It's not a finished wood in there yet.

Barbara Ferguson: It's sheet rock walls, yeah.

David Hickey: It is sheet rock; just one big room?

Barbara Ferguson: Yup.

David Hickey: Okay. That was the one question I had on your property, is the quality of that finish. You do have a ceiling?

Barbara Ferguson: Yes.

David Hickey: Is it just sheet rock?

Barbara Ferguson: Yes.

David Hickey: What's on the floor, carpet or tile?

Barbara Ferguson: Carpet. Yes.

David Hickey: Okay. Alright. There's no plumbing or anything down there; it's just one big room?

Barbara Ferguson: No, it came with a bathroom. The house came that way.

David Hickey: Okay. Alright. That was the one question I had on your property.

Barbara Ferguson: Okay, question for you. I'm a Murphy's Law girl; if it can go wrong, it will. My question is this. I took the time to go through I believe it was 183 pages when the tax assessment for the properties in Milton and page after page after page of them are assessed at \$10,000 per one tenth of an acre. Now we have slightly over one-tenth of an acre of land, slightly over that. I want, and the people in Heritage Creek should get, the same assessment as the rest of these people in Milton are getting and there's page upon page... I have pages of them here, okay, so it seems to me that your dirt shouldn't be any more expensive than my dirt. In addition to that, there are businesses listed and a lot of the businesses are paying \$10,000 per one tenth of an acre, so under the circumstances we probably shouldn't be paying more than \$15,000 in property tax for the lot. That's my issue. I mean, take your time to go through the assessments and take a look at it and that's all I have to say. Thank you.

Mayor Newlands: Thank you.

David Hickey: Thank you.

Mayor Newlands: Just for the public's knowledge there are a number of lots within Town that are not buildable, so there are small lots. You'll find them on Lake Drive, they're not buildable lots, so they may be assessed very low for that reason.

6. Win Abbott: Is Joseph Lank present? Mr. Lank. Joseph Lank? Okay.

Mayor Newlands: Mr. Lank is here.

Win Abbott: There you go. Sorry.

Joseph Lank: Good evening. I'm pleased to have a chance to also make my appeal. The three lots I own in Milton are 301 Walnut, 303 Walnut and 306 Coulter. Now I have submitted my appeal and I stand by those, so I won't take up the Council's time at this point, but I do want to comment on 306 Coulter. There is no gold. It is not precious. It's a small 10,600 sq. ft. lot. I should not have to pay \$1,686 for that lot. Now what I suspect has happened, is somebody got mixed up in Town Hall and I hope that this will be corrected when you send me my next bill.

Mayor Newlands: You may be getting your current bill incorrectly, but we will make sure you get a corrected bill, because Mr. Hickey can...

David Hickey: I apologize Mr. Lank. There was a re-subdivision of your property and it got mixed up with a tract that Mr. Charles Turner owns, right on Lavinia and it was described on your property that you could build 44 townhouse units on it and I straightened it out with Mr. Davis, the other day, and the assessment was only supposed to be \$90,000 on that lot.

Joseph Lank: I suspected that.

David Hickey: Which is just like all the ones around it.

Joseph Lank: And that's what it was last year and that's what I'm appealing.

David Hickey: Right.

Joseph Lank: \$90,000 was put on my three lots. I think the land value is totally inflated.

David Hickey: Well why did you sub-divide that Mr. Lank?

Joseph Lank: Because I want to sell 303. I'd like to sell 303 and you had the land value at \$90,000; you have the house at \$90,000. Now I'm just appealing the land value, although the house value is a little inflated too.

David Hickey: Well, let me see.

Joseph Lank: You do have my paperwork, do you not?

David Hickey: Yes, Sir. I have a house on Lake Drive; it sold in September for \$200,000. Of course the 117 Federal Street sold for \$165,000, which is less than yours. It had half the lot; it had less than a tenth of an acre of lot. So I mean there were sales to justify the assessment on the improved portions of your property.

Joseph Lank: Well, send that back to me in the mail, please?

David Hickey: Okay.

Mayor Newlands: And if you've got the bill for 306... You should have gotten the bill for 306 Coulter. Just don't pay it. Come in and we'll get it corrected.

7. Win Abbott: Anthony and Jeanette Mastromarino.

Jeanette Mastromarino: Thank you. I appreciate your taking the time to hear this. We live in Phase 2 of the Preserve on the Broadkill and Phase 2 was one house for the last five years. We're not in the same section with Phase 1 with all the pretty views up there, but we do have a beautiful lot. We built our house in 2008. We bought the land in 2007 and we built it. Now the reason I guess I assessed it, is when I was looking through the assessments it seemed like we were in almost the top 10% at \$440,000. I know there's a different correlation between assessment and that. I understand that. But one of the things, I think, that spurred us on this year, they did finally build a Capstone house at the end of our street, so now there's two houses on our street. That Capstone home just sold for \$268,000. Now they're on a similar lot as us, the same side of the street. We, like I said, are assessed over \$440,000. We don't have any street lights. Our street is finished and we do have sidewalks, so we were just kind of thinking that this seemed like quite a lot when I looked at some of the other houses I listed on my appeal.

David Hickey: Mrs. Mastromarino, just for the record, your lot is .25 acres in Preserves and our records show that you paid \$135,000 for that lot in December of 2007.

Jeanette Mastromarino: Correct.

David Hickey: That's correct, okay. I've checked the sales and I can't find any recent sales activity on 314 Valley Road, or the 119 Clifton, but 101 Summer Walk sold for \$417,000 in July of 2007 and the 111 Sassafras, you had listed, sold for \$501,000 in May of 2007.

Jeanette Mastromarino: But I was looking at the assessments on those and I only picked those because I knew they were newer homes and they were not similar to mine, because mine is a little different. You may not find the one on 314, because it just sold, but I did talk to Joe Reed and he gave me the price of \$268,000 as it

sold and that was one of the reasons I thought... We don't have any major improvements on our lot and I just thought that one of the top 10% seemed to me that our house was appraised pretty high for over \$440,000.

David Hickey: And 213 Chandler, in the Preserves, sold in June of 2008 for \$525,000.

Jeanette Mastromarino: That's Phase 1, though. It is a little different there, than it is where we are, but you know...

David Hickey: Alright. And there's houses all over Wagamon's Pond that have sold in the \$400,000.

Jeanette Mastromarino: But are they assessed for that? Because that's what I was looking at.

David Hickey: Yes.

Jeanette Mastromarino: The only I actually put a price on when it was sold, was the one on our street, because I didn't have any assessment on that. I only have the sale price, but that's the only reason I put in my appeal, so I appreciate that.

David Hickey: Alright. Okay. Thank you.

Mayor Newlands: Thank you.

8. Win Abbott: Laura Odell. Laura Odell. Ms. Odell. That's all that I have. Are there any other property tax appellants here that I have not named? Very well. As the Mayor has indicated, we'll be taking this information and it will be on the agenda for next month for Council's consideration.

Mayor Newlands: And whatever information we get from... Actually, this packet, I'd like sent out to the residents; what we got from Mr. Hickey, so the people who appealed and also when we get the information back from Mr. Hickey, with the math, I would like to get that out to them in the same packet.

Win Abbott: Will do.

Mayor Newlands: Thank you.

1. Public Hearing ---- re: Community Development Block Grant program (managed by: Sussex County Community Development and Housing Department)
Mayor Newlands: Okay, we want to open up a Public Hearing. Last month we had the Community Development Block Grant, Brad Whaley came from Sussex County and he represents the Community Development Block Grant. We mistakenly did not list the item as a Public Hearing, so we came back and decided to do it again this month and reopen it up in case somebody from the public has comments or questions and he's going to give a couple of minute presentation.
Brad Whaley, Director of Sussex County Community Development: Our office applies for and administers the Community Development Block Grant program for the communities in Sussex County. This funding is allocated by Congress to the Department of Housing and Urban Development. The main goal of it is to help low to moderate income people with housing related issues and I gave a little bit more detail last month about it, but what we're here tonight is to ask the Town, ask the public, what you would like us to apply for in the 2013 grant application. The things that you can use the money for are housing rehabilitation, Code Enforcement, demolition, small infrastructure projects, sewer and water hook-ups, that type of thing. Historically, the large amount of funding goes to housing rehabilitation, to maintain the existing housing stock. Our office does probably 140 housing rehabilitation projects a year, but

it is your choice and that's why I'm here tonight, so I know you have a lot on your agenda. Does anybody have any questions about the program? It all benefits people who's income is 80% or below the area median income.

Unidentified Speaker: Do you know what our area's median income is?

Brad Whaley: Yes, it's about \$42,000 for a single person. It's Sussex County as a whole, and then it goes up about \$4,700 per additional person, so a single-person household to qualify for our help would have to earn less than \$33,350 and it just goes up per additional family member.

Mayor Newlands: I would like to open the floor up for any questions and please get a microphone from Robin, if anybody has any questions. State your name and address, please.

Bernice Edwards: So the town will have the opportunity to tell the Sussex County what they would like to apply for? Am I correct?

Mayor Newlands: Yes.

Vice Mayor Betts: Is there a deadline?

Brad Whaley: Yes, the application has to be turned into the Housing Authority by February 28th. I need that probably February 14th or so. The possibility of infrastructure came up last time and the question about sidewalks and that sort of thing and that's certainly an eligible application. My recommendation is that if that's something the town is interested in, it might be better to work on an application for next fiscal year. There's a lot of engineering, a lot of surveying, a lot of qualifications that have to go into an application like that, so this year we requested funding for housing rehabilitation and we had five houses. It's certainly your choice, but it might be better if you have an area, it has to be a low to moderate income area, over 51% of the area has to have income that we can literally survey out to be below that level. Like I said it's kind of drawn out, it's kind of complicated, we have to go do a door-to-door survey, so I'm thinking that the best option for that, might be to put that in the future and we'll work with the town to do that. Historically, over the last ten years, Milton has basically asked for housing rehabilitation funding; and if that's something you're agreeable with, we'll do that and then maybe work to do a larger infrastructure project that hits our targeted group.

Mayor Newlands: Just so everybody knows, the Town is not really asking for the work to be done on behalf of residents. The residents are coming to the Town and we're facilitating the process and facilitating all the paperwork.

Brad Whaley: Exactly.

Mayor Newlands: So it's really not the Town, per se, asking for any work to be done, it's the residents who are in need and qualify and we just get all the paperwork together and funnel it through.

Brad Whaley: Exactly. Exactly. We manage the rehabilitation program completely from beginning to end.

- a. Noble Prettyman, native of Milton, 15 Duory Circle: Along with what you just said about applying and using CBG money for sidewalks, just being involved with the zoning and everything 1988, that has been a no no. It's always been to help upgrade homes in our community and are you saying now, we can apply for sidewalks?

Brad Whaley: It's an eligible project to apply for.

Noble Prettyman: You're saying eligible. It's like saying nothing, because I want you to say yea or nay, because eligible is just out there; you're just saying... It's just something you're _____ the public here and giving them hope, where there is no hope.

Brad Whaley: You can apply. For sidewalks, is that what you're saying?

Noble Prettyman: Yes.

Brad Whaley: The Housing Authority, it's not a priority, so when you apply for

sidewalks in the Town of Milton, they're going to weigh that application against other towns, against other rural communities, West Rehoboth, Pinetown, Coverdales, so just keep that in mind that you're not going to score as high with a sidewalk project, as you are with a housing rehabilitation project. It's going to directly affect the homeowner's better if we maintain the housing stock; if we stop the roofs from leaking, that sort of thing; but it is eligible. I can't say that it's not, there are...

Noble Prettyman: I thank you.

Brad Whaley: You're welcome.

- b. Ginny Weeks: Are you saying that... Does that apply... Are you assuming that the Town takes care of the sidewalks here, because in this town the homeowner's have to do it.

Brad Whaley: No, that's how most towns are. In most towns, you're responsible for it, but if there's not a sidewalk in a specific area, we've done them in Laurel, we did one it basically went to an Assisted...

Ginny Weeks: We have some sidewalks that are absolutely dangerous, that the property owners can't afford to replaced and that's public safety.

Brad Whaley: We've asked about that before and we can't use our funding for an individual homeowner to fix their sidewalk. We've had that exact same question.

Ginny Weeks: You have to do an area, a whole area.

Brad Whaley: Yes, we have to do a whole... We've helped Milton probably 10 or 12 years ago with the Mulberry Street improvement. They used, I think, it was \$75,000 in funding, it was our CDBG funding and it went in a larger pot of money.

Ginny Weeks: Okay.

Brad Whaley: But, no, not specifically individual sidewalks in front of houses.

Ginny Weeks: Okay thank you.

Mayor Newlands: Does anyone else from the public have any questions?

- c. Gwendolyn Jones, 204 Atlantic Avenue: I understand that the Block Grant and the improvement, if for instance, if Ms. Weeks has an objection to having sidewalks, or other people have objections to having sidewalks, for any number of reasons, do they have an opportunity to opt out of something like that, or is it basically just laid upon them?

Brad Whaley: If it's a community and the Town's requesting per se, a street, a whole street, I don't think there's an opt out; I don't think you have the ability to opt out. It will be Town requesting that project and I'm assuming the Town would have whatever it would need in place for that request.

Gwendolyn Jones: So it would basically be left to the people to get involved and discuss this with the Council and make their wishes known as a group.

Brad Whaley: Exactly. It's the Town's choice.

Gwendolyn Jones: Okay. Thank you.

Mayor Newlands: Any other comments? Mr. Whaley.

Brad Whaley: Well I guess the final thing is we've left some documentation with the town. If you're in agreement that we apply for housing rehabilitation to preserve the housing stock, we'll take that direction; like I said, we've done it for years and then maybe next year we can work with the Town Manager and if you want to take that direction of other infrastructure projects, we can possibly look into that.

Mayor Newlands: Now, the infrastructure projects does that compete against the projects for the housing rehabilitation?

Brad Whaley: It does and there's a match required on any infrastructure project, so just wanted to be sure that the Town would know about that.

Mayor Newlands: Okay, great thank you. Okay, thank you, so now we'll close the Public Hearing.

2. Presentation from Habitat for Humanity – “Brush with Kindness”

Mayor Newlands: Tom Protack is going to speak.

Tom Protack, Community Engagement Director for Sussex County Habitat for Humanity: We are a Christian Housing Organization and knowing that this meeting has already gone to 20 of 8, I'm going to be very mercifully brief on all of you. Habitat for Humanity, our mission statement is “Seeking to put God's love into action by bringing people together to build homes, to build communities and to build hope.” That's our mission. We've been in Sussex County for 21 years and most people when they think of Habitat they think of homes, that we build homes, and we've built almost 80 homes so far in Sussex County. Currently we probably have ten homes underway for this target year. Sussex also does minor, exterior house repairs; very similar to what Brad was talking about with the Community Block Grant. Our program is a little bit different, because Habitat doesn't believe in a hand-out, we believe in a hand up, so we work and partner with our families. The labor, when we work on a brief exterior project, the labor is donated because we have volunteers to do that, but the cost of the materials, we ask the homeowner's to have a good faith loan with us and to pay us back over a period of years; just like with our homes. We don't give our homes away, we sell our homes to our homeowner's; we give them a thirty year mortgage, interest free, but the home is paid over those 30 years and our homeowner's partner with us, so they build with us, they do sweat equity with us. The reason I'm here tonight is we're trying to be good neighbors with the Town of Milton. We're going to be doing a service project day on Monday, April the 8th. We have partnered with Dogfish Brewery for about five years now, where they close the brewery down and the restaurant in Rehoboth and they give us all of their employees for a day of service. In addition to giving us free volunteers for the day, they give us \$25 an employee, donation. This year, we thought it would be great, instead of doing our framing frenzy, which you've probably seen on TV or on Rehoboth Avenue, we build the walls of houses and then later on we use them. This year, since Dogfish has increased their employees' numbers, we're dividing the employees up between two big projects. One is they will go and be bused to Georgetown to finish two homes over there that we're working on. The other is that we're going to identify five homeowner's here in the Town of Milton who would be applicant's and who would be approved through our application process for this “Brush with Kindness” projects, so we're reaching out. I met with the Mayor, the Town Manager and your Code Enforcement Officer first to discuss all this and to get the logistics of how the town works; knowing that there are probably homeowner's here who would qualify for our program. Our program is pretty basic. We're looking at projects that would start... a one day project on Monday, April the 8th is actually the service day, so we would schedule these five projects in town or in the town environment and we would start at 8:00, 8:30 a.m. and be done by 3:00 p.m.; so we're not putting roofs on, we're not building huge decks or garages, we're actually looking at doing minor repairs, whether it's power washing, landscaping, we do some gravel work in driveways, we can do some minor window repairs, sheds, things of that nature that we'll be able to help some of the homeowner's in the Town of Milton. We left tons of material with the Town Hall, but we also have applications here tonight, both in English

and in Spanish, for those... If you know someone, if a neighbor, a friend, a family member would qualify for these projects, because we are going to do five of them and hopefully we'll have them right within town. How about any questions. I didn't think so, with such a long meeting. But if you want to learn more about Sussex County Habitat, just Google us, we have our website, we have a Facebook and Anthony who is the coordinator with the Brush with Kindness project, is here. We're going to be outside for a little while. We're going to leave all the materials and we'll continue the discussion. We did talk with the Town Manager and the Mayor and they asked us to propose, that if we do have any minor projects that need permits or fees, that the Council would consider waiving those for this non-profit and for the sake of the Town.

Mayor Newlands: We'll put that on next month's agenda, but yes.

Tom Protack: Perfect. Perfect. Thank you for your attention and good luck with the rest of your meeting.

Mayor Newlands: Thank you.

3. 2012 Fiscal Year Audit presentation – PKS Certified Public Accountants

Leslie Michaelik, PKS & Company: I'm joined tonight by Ginger Heatwhole and Mike Kleger. We did an audit of the Financial Statement of the Town for the fiscal year ended September 30, 2012 and previously we met with the Mayor and the Treasurer and the Town Manager and your accounting clerk and discussed the audit report in detail, so my purpose tonight is really just to make a public presentation and to hit some of the highlights of the audit report. For those of you who have the bound copies, our report appears on Page 1 of the bound Financial Statements and in that report it states that the Financial Statements are the responsibility of the management of the Town, that it's our responsibility to perform an audit and express an opinion, based on our audit. Now there's three types of opinions that we can give on the Financial Statements. The first is an Unqualified or Clean Opinion, which says that the Financial Statements are a fair presentation of your financial position. That's the highest level of assurance that we can give on the Financial Statements. The second type of opinion would be a Qualified or a Modified Opinion, which is sometimes called an Except For Opinion, so it says that the Financial Statements are a fair presentation, but there are exceptions. And the last type of opinion that we give is an Adverse Opinion, which says that your Financial Statements do not present fairly your financial position and that's the type of opinion that you never want to see. Our Opinion is in the third paragraph on Page 1 and it is an Unqualified, Clean Opinion and it states that the Financial Statements present fairly in all material respects, the financial position of the Town of Milton, Delaware, as of September 30, 2012 and for the year then ended, in conformity with Generally Accepted Accounting Principles. In addition, because we perform our audit in accordance with Government Auditing Standards, we have to look at whether or not the Town has complied with all applicable laws, grants, and regulations and during the course of our audit we did not find any instances where the Town did not comply with everything that they were required to. We also look at the Town's Internal Accounting Controls and we did note some areas that we consider to be weaknesses in the Town's accounting controls and they're described on the last two pages of the Audit Report, Pages 39 and 40; but they're related to separation of duties, over cash receipts and disbursements and preparation of Financial Statements in accordance with GAAP and both of those are really due to the small size of the Town and the small number of accounting employees that you have. We also found a weakness relating to reconciliation of Accounts Receivable and Accounts Payable Subsidiary Ledgers. Now I would like to note that over the past two fiscal years, the Town has made significant improvements in

their accounting controls and are continuing to work on these items and that overall, the Town is in good financial position. I'm going to turn the mic over to Ginger and she's going to go over some of the financial results for the years.

Ginger Heatwhole: If you look in your Agenda package, you should have a four page report with some financial highlights. Instead of going through all forty pages of the Financial Statements, we're just going to highlight a couple of key numbers. So if you have the financial highlights in front of you, on the first page what we have are the financial highlights for the General Fund. For the year ended June 30, 2012, your total revenues for the year were \$1,813,000 vs. a budget at \$1,463,000. Your total expenditures were \$1,623,000 vs. a budget at \$1,453,000. This meant that at the end of the year, your net change in fund balance for the General Fund was an increase of \$190,000. For June 30, 2011, you actually had a decrease of \$318,000, so it's a tremendous turnaround. For the year ended June 30, 2012, at the end of the year, your Fund Balance was \$988,000; of this, about \$3,000 was non-spendable, which is essentially pre-paid taxes; about \$216,000 was restricted for transfer taxes and Municipal Street Aid and then the remaining \$768,000 is an unassigned number, basically money available to be spent. If you want to turn to the second page, what we have is a pie chart breaking down your General Fund Revenue, by source. As you can look at the pie chart, most of your revenue comes from taxes and assessments, 57%, or \$1,042,000, followed then my licenses and permits at 15%, or \$274,000 and then inter-governmental revenues at 12%, or \$223,000. So these are your three largest sources of revenue in 2012. If you switch to Page 3, you have a breakdown of your General Fund Expenditures by category. The largest category is Public Safety at 52%, or \$854,000 and then the General Government is 22% at \$368,000, followed by Public Works and Code Enforcement at about \$164,000 and \$165,000 and those four items encompass most of your expenditures for the General Fund. On the final page, we have your Utilities Fund Financial Highlights for the year ended September 30, 2012. The total Operative Revenue for your Utility Fund was \$805,000. Your total Operating Expenditures were \$745,000, leaving you with an operating income of about \$60,000. Added to that are some Non-Operating Revenues and Expenses of \$19,000, leaving you with an increase in Net Assets of \$79,000. At September 30th, your total Net Assets were \$2,057,000. Of that, \$1,038,000 is invested in your fixed assets, \$280,000 are restricted for Impact Fees, leaving you with an unrestricted amount available to be spent of \$738,000. So that's a very brief, quick overlook of your year ended 2012 and what happened that year. We would like to thank you all for this presentation and for Mr. Abbott and his staff's help with us this year.

Mayor Newlands: Does Council have questions? Going once, going twice, nobody? Okay, thank you very much.

5. Public Participation

1. Mayor Newlands: When I call your name, you can either stay in place and we'll give you the microphone or you can go to the corner over there. Barry and Hattie Bull? We have a lot of people wanting to speak tonight, so just be brief.

Hattie Bull, 524 Mulberry Street: What I have to say is very short, sweet and to the point. I wanted to speak when Habitat was in here, because of his presentation he mentioned that they're based on faith and I know Christian principles, so my first comment is, how Christian-like is it to block people in for exiting from their garage? We live at 524 Mulberry Street in Milton. We purchased the property over 20 years ago and at the time that it was purchased, we were told to turn our house the opposite direction of everybody else's, because we had purchased a corner lot. In front of our house is

Orchard Street Extension, which has been sore, how do I put it? A pain in our side for the last 20 years. I have been fighting with the Town of Milton about that property for over 20 years, which is ridiculous. Then I hear, through the grapevine, that you are now either selling or donating that same property. Ten years ago my husband and I came from Florida, you were putting a house there. With the help of Noble Prettyman and a lot of discussion, the foundation was removed. They removed the foundation, threw dirt there and as my grandson says, Grammy it's very hard getting to your garage because it's so bumpy; because that's all you did. You went back, you threw dirt in this foundation. Now you're going to sell it. Now what my husband and I are questioning how do you expect us to get out of our garage, that I have vacuum my floors every day for the dirt that I travel into my garage, to get into my house. What is your proposed plan for me to drive through the house that Habitat is going to put there? I can understand helping people. It's been my life. I taught school for 29 years and I retired from teaching, so I am all about helping, that's what I know. That's what I do. That's what I do in my present job, but tell me, I want a logical explanation as to how... and be reasonable and I know that that is a road. How do you put a house, like I asked 10 years ago, how do you put a house in the middle of a road? Because year's ago I was on the street committee for the Town, until Don Post kicked me off. I served on the Street Committee, so I had a chance to look at the maps. That's the road. That is not a lot. So how are you going to put a house in the middle of a road? Now, I mean, reasonably?

Mayor Newlands: First of all, the entrance to that property was never converted to a road by having curbs going in it, that's the first thing.

Hattie Bull: No, no, no. I'm not going there, because it wasn't a conversion. It is a road. It is Orchard Street... You have it on here, Orchard Street Extension.

Mayor Newlands: Mrs. Bull, I understand that. Can I speak for a second?

Hattie Bull: If it's going to be something that's reasonable. Yes, I am willing to listen. I'm serious. I am extremely upset.

Mayor Newlands: I brought the people from Habitat to that property to show them that property. They are aware of where your driveway is and they will make sure that you have full access to your garage.

Hattie Bull: So what happens to the people in the house? They've got to jump out windows to get out?

Mayor Newlands: They will architect that property so that both of you have access...

Hattie Bull: They tried that. They tried that. The guy came there and came up with something very similar. My response to him is the same thing. Why would you have people jumping out of a window? Don't you have some kind... There is so much footage, stupidity doesn't run within my family, or me, there is so much footage between properties. Now you're telling me that there's enough footage from the placement of a house there, from our property to this house?

Mayor Newlands: To be quite frank with you, it hasn't been architected yet, but they're aware of the need that you have to get into your property. They are fully aware of that.

Unidentified Speaker: Come on now, that's a road.

Hattie Bull: It's a road. You're looking at other lots for Habitat, you know what you really need to do, what should have been done years ago, that should have been paved years ago and it is ridiculous. It is totally uncalled for. It makes absolutely no sense. It should have been paved. Now you're going to try and put another house there. Now suppose I come home at night. I work at night and run into the house, what are you

going to do to me, because the house is in the middle of a road and I'm trying to get to my garage and I run into the house. You're going to have the cops, and I would do the same thing, they're going to come and get me for running into their house, because it's in a spot that it should not be. That's realistic. That's realism. I lived over here... You've had money for years, I'm getting to you, I'm just a little... I'm calming down. I've been dealing with this. My husband and I have been dealing with this too long. When the grass is cut, I have to call up Town, so you come out and you spray weed killer. The man was down there to put down, to lay something there. I don't know what you call it, crush and run, you called them and told them and I asked them, where are you going? The Mayor told me to leave. Why?

Mayor Newlands: That was a scam artist going to your house. It was not...

Hattie Bull: No, it was the Town of Milton.

Mayor Newlands: It was not the Town of Milton.

Hattie Bull: It was the Town of Milton. I guarantee, I talked to the man.

Mayor Newlands: In the last three years, that was not us. If it happened in the last three years, that was not the Town of Milton.

Hattie Bull: He had one of your trucks, so he scammed you out of a truck and brought it down there, because that was what he was in. It was the Town of Milton truck and I walked out and I talked to him...

Mayor Newlands: I'm sorry, he's telling me it was a couple of years back.

Hattie Bull: I talked to him and he was getting ready to do the work. You called him and told him to leave.

Mayor Newlands: It wasn't me who called him.

Hattie Bull: Then he lied, he told me it was you.

Mayor Newlands: No, it was my predecessor, I'm being told.

Hattie Bull: No, he said it was you. He did. Because I walked out of my house and I asked him where are you going? He said, I just got a phone call on my cell phone and the Mayor told me not to proceed. I said Why? He said, I don't know. So I wasn't going to argue with the man, so I called up to Town and I asked... Of course, I didn't get an answer, because where I live, the guy mentioned earlier, you view certain neighborhoods and I deal realistically, that's who I am, you view certain neighborhoods certain ways and that's how that's being viewed. But, we pay taxes too. Check your books. Never late. Pay property taxes every year. Water bill, yeah, I do it deliberately. I don't pay it sometimes on time, because that's how I deal with my stress sometimes, but I always call and tell them, it will be there and it's paid. There are no bills that are outstanding in my husband and my name in the Town of Milton. Now I want to see some of my tax dollars work where I live. Where I live and that's the Orchard Street Extension. I don't think it's fair and I say this to all of you, because it's your vote. You need to really consider, Leah, because you and I have been here before with this, round and round, what you're about to do is not fair and I support Habitat for Humanity wholeheartedly because they do help people, but it is not right for you to put a house on a street, to block us exiting from our house. No, Sir. I forgot, suppose an ambulance comes, if I need that. They've got to run through the house? That's another accident. You need to really think about it. I'm serious.

Mayor Newlands: Mr. Prettyman?

Noble Prettyman: Mr. Mayor, Vice Mayor, Council, this is Noble Prettyman, native of Milton, 15 Duory Circle, Shipbuilder's Village: Some years back, Jack Hudson made me

the assistant chair person for the Planning and Zoning and we wrote it up in 1985, 1986, got it approved in 1988, when Shipbuilder's was being built. That made in the plans and you can go back and look them up, in the plans, Orchard Street Extension was supposed to be an exit for those people living on North Spinnaker Lane and Duory Circle out to Broadway. In 2006, when I was working with DeIDOT getting the sidewalks on Mulberry Street, I had to go to every resident on Mulberry Street, notarize papers and everything and when we were at Orchard Street Extension, I had them put a curb in there, because I knew that that was a part of the Town and a part of Shipbuilder's. Now I hear housing, utterly ridiculous. What do you expect of these people there. The biggest mistake that was done by the Town, they let Capano build a house on Duory Circle, blocking, so now it is a dead end street and there are dead end streets in this country; I travel in North Jersey and South Jersey, all over and there have been dead end streets. I don't even see how you, as Council, can sit there and think of putting a house there and 203, Ms. Bull called me up. I had to get out of bed, pajamas on, top coat, and go over there; they had put this foundation down. They didn't speak English, so I said I'll call the cop and then they started speaking English and okay. But I stopped it, because the Capano's at that time stated they had a deed. They had a deed. I had to do some homework and pull out boxes of stuff. There was no deed. It was something that they made up, but that was Orchard Street Extension. It has been Orchard Street Extension since they build Shipbuilder's and it will be Orchard Street Extension. There should not be any homes out there and I can't even understand why Habitat for Humanity even wants to do that to those residents. They had the balls to build their home on Orchard Street Extension. Their address should be Orchard Street Extension, but then they changed their mind somewhere and said, oh we'll give them the Mulberry Street. No. We've got to get it right and this is the time for you, the Council, to sit there and do what is right for this family and also get that blacktopped and there's another thing. You let the contractor come out. They put just all the way around the outside area of the shopping center and everything, but they didn't come down between the people's homes. They separated their home from Shipbuilder's. You have people in Shipbuilder's – they can't even let their grandchildren go outdoors and play, because everybody's walking through their yard. I don't think any of you sitting at this table would want that.

Mayor Newlands: Thank you, Mr. Prettyman. I let these few people go a longer time than normal, but I really would like the rest of the people if they could keep their comments brief.

2. Ed Harris, 305 Behringer Avenue, 310 Behringer Avenue, Ellendale Road: I own several properties in town. Anyway, you all received a letter from me. I hand-delivered it, from my attorney pertaining to the water tower and the over spray. The Mayor actually answered a question, finally. I came to you all numerous times in the past, because I was concerned about the over spray on my properties in the past. I had a car messed up. I have a brand new car I don't want messed up. The water tower is flaking right now, as we speak and there are pieces falling down, but apparently you are going to be, or you're making a motion to tent it. I just wanted to let you all know I did give you a letter from my attorney that if there are any more issues, I'm going to pursue it further. A couple of things I'd like to say, really, really quick, that are kind of repetitive. Whenever I seem to come here, I seem to get the same feel. Things that have troubled me with the Town and what I'm seeing. First of all, about the assessment, I'm going to try to speak fast here. I

have some real concerns about that, because someone said that all the dirt is equal in Milton. You know, all of us were reassessed. I've lived here twenty years. There have been two Mayors, four or five council people who have lived on my street or adjacent to my street. Nothing. I mean nothing has changed on my street in twenty years. It hasn't been resurfaced. I have old infrastructure. I don't have streetlights. I don't have sidewalks. 95% of the homes have gravel or dirt driveways, so I don't think it's fair to compare and I was reassessed. My property was assessed. My taxes went over double on my property, okay? And I had no problem with that, because I wanted to pay my fair share, but do I think, and I don't begrudge anybody who lives outside of the town itself, that we all should be paying our fair share, but we aren't all on a level playing ground and I don't see a lot of the older residents that are here, that have lived here for years, and bought their properties for \$20,000, \$30,000, \$40,000, \$50,000 and are not living exactly in luxury homes with granite counter tops and marble floors and hardwood floors. They're not here to stand up for themselves. If we're taking a look at checking everybody's assessment, then let's look at the whole Town. Another thing that troubles me is and I think it's great that Heritage is here and I think it's great that Cannery Village is here and all these new developments that have come in, but I think we all are getting away from the big picture of this Town. You know, all these people left. They took off after they had their little speech about Heritage Creek, because they wanted to preserve their tax price. Now here we all sit and not everybody, because there are some people here, we're all still here and the Town of Milton itself... I'm going to give you an example. I leave every morning and I'm coming back and forth, what twice or four times a day sometimes. Up on Front Street, there have been bottles sitting on that bridge full of urine for 4 months. There has been garbage sitting on the side of the road, since last summer. I've seen pizza boxes at the Town Maintenance Yard down there, that have been sitting. They talk about the residents not putting garbage in their yards, there's a big pile sitting there. I don't think and the people that are here from outside of the town itself, you don't realize... I'll give you an example. I went to Wagamon's West Shores and spoke to some people out there about some antiques they were selling and I was talking to them. Through the course of the conversation, they said to me, we don't have our friends come through Town. We have them take Lavinia Street and come in the back way, because we're embarrassed the way the town looks. If you're embarrassed the way the town looks, we've got a problem. We really have a big problem, as these neighborhoods are forming and they're getting more and more beautiful, the rest of the town; and I keep on telling you all this; looks horrible. Two summers ago I came to you all and told you about the weeds in the lot downtown, next to the theater. Again, they were three foot tall. We have M&T put a monolith in the downtown. It took volunteers years to get Ordinances in place to stop that kind of signage. We have trees that have been cut down up here on the corner, this lady took a tree down, what I call a historic tree; there are tree ordinances. None of this stuff, that all these volunteers spent months, hours, ordinances that you put in the books, have been followed in the last few years. We have a serious problem. As these new developments are getting more and more beautiful, the core of this downtown, what Wagamon's, what Heritage Creek, what Dogfish Head is marketing to bring people here; people come here and they look at this town and they say, oh my God, what... It's a mess. Ask yourself again and I'm going to tell you this, and ask that people who bought outside, if they were to buy again, would they buy in Milton? There's your answer. Are you proud, as a Mayor and Council, to sit

there and say that you're proud of that? I've been here two years. There have been Mayor and Council people that have come and gone. Ask yourself what legacy you're going to leave after you get up and you're out of office. What have you done to make life better in Milton? That's what's sad. We need to look at the Town itself. It will appreciate property values. It will help Dogfish Head. It will bring people here. It will help bring business here. It will draw more attention to the Town. You have one of the largest sign companies in the area, okay, work with them to get proper signage. You come on Cave Neck Road, how do you know you're in Milton? Can't we put a sign there that says Welcome to Historic Milton; one out on the other end of town? I've been saying this for years. We need to market this town and take a look at the town itself, because you're not doing anybody a favor if you don't live in the town itself; you're doing yourself a favor, because when people come here, they look at the town. If you're a real estate agent, I don't know if we have anybody in the room, aren't you embarrassed to bring your clients into old Milton, because of the way it looks? It reflects our property values. We need to take a look at the Town itself, but anyway, thank you all. I'll stop raving.

Chief Phillips: Excuse me, Mr. Harris, what bridge are you talking about, Sir?

Ed Harris: The one up here on Front Street.

Chief Phillips: That would be the one out of town?

Ed Harris: The one headed out of town.

Chief Phillips: Where the branch is.

Ed Harris: Where the branch is.

Chief Phillips: I believe our property stops right there at the fish dock.

Ed Harris: Granted it does, but as a Mayor and as a Council, you mean to tell me that nobody can pick up a phone and say to DelDOT, get somebody out here and pick up the bottles? It's been months.

Mayor Newlands: We'll get it done.

Chief Phillips: That's the first I've heard of it, or seen it. I've never seen anything there like that.

Ed Harris: Anyway, thank you.

Mayor Newlands: Let's go on, please. We will make sure it gets taken care of.

3. Bob Burakiewicz, 108 Heritage Boulevard, Heritage Creek: I'd like to arrange a meeting between you (Hattie Bull) and Habitat for Humanity to talk about your concerns. I'm a volunteer for them.

Hattie Bull: Well thank you. I'm glad somebody was listening.

Bob Burakiewicz: When I came to that piece of property to see it, I saw that house built crossing the road. No, no, not yours.

Hattie Bull: That's mine.

Bob Burakiewicz: The one that's crossing Orchard Street Extension...

Hattie Bull: That blocks it.

Bob Burakiewicz: That blocks it. So you may say that Mr. Prettyman said it's a dead end there. It is a dead end. What use is it? It can be put to use, maybe. I don't know. You said the house... I don't know the design of the house that they're talking about. I don't know the property lines. I don't know anything about that. Okay? But it is worth discussing. If it can be improved upon, then it might be worth it. I don't know that. That's why it might be good to have a meeting with Habitat; whoever is going to draw up these plans for this piece of property.

Ms. Edwards: I'm here... I'm sorry. My name's not on it. I'm sorry, but I need to say this to the Council and to you, Sir. Coming into Historic Milton, what Ed was talking about, Historic Milton... Now I guess it's just mind boggling to me that a Mayor and a Council, you already know that it is a street. I don't care if it was designed as a street. I guess my question would be, why would you even entertain or consider putting a house there? I guess, maybe it's me; help me. I may be getting older and I just can't... See I can comprehend, but to even think about that Mr. Mayor, you know that everybody... Leah, you know. I know Leah knows, because we have worked together, because I've been in this town for 27 years...

Mayor Newlands: Can we...

Ms. Edwards: Okay, I hear you, I hear you, but you know what, I pay taxes here, I pay my bills here, when I go up to pay my bills, nobody asks me what color that money is; it's green and I feel that I have a right to say some things that I need to say tonight. If you, as a Council, would sit here and even consider; because I'm going to tell you about Habitat. I know about Habitat, because I was one of the first Board Members when Habitat came here twenty years ago.

Mayor Newlands: Ms. Edwards. Ms. Edwards.

Ms. Edwards: I guess I want to know, why you're still considering put a Habitat house on a street? I just... Help me.

Mayor Newlands: We're going to have that discussion.

Ms. Edwards: It is hard to sit here and go along with you to get this done, I've got some problems with this Council. I've got some real problems. I'm sorry. I'm sorry.

Mayor Newlands: Okay, Ms. Edwards, we can't have... We have that item as an agenda item to discuss, so we can't do it as part of public participation.

Ms. Edwards: Okay, but I'll tell you what, do it. If you do it, I'm serious.

Mayor Newlands: Mr. Burakiewicz, do you have anything else.

Bob Burakiewicz: I thought I was being nice.

Ms. Edwards: You were being very nice. You were being very nice.

Hattie Bull: You were nice. Your response was nice.

Mayor Newlands: Okay, we can't have a discussion.

Ms. Edwards: I work with Habitat. I am on the Habitat Housing Council.

Mayor Newlands: Ms. Edwards. Ms. Edwards, please.

4. Georgia Dalzell, Chamber of Commerce: Hello, everyone. I'm here from the Chamber of Commerce and I have only thing to say tonight. Every year, since 1986, the Chamber has presented a Meet the Candidate Forum before an election and there is an election coming up in March, so please, we are having a Candidates Forum Saturday, February 23rd. This is sponsored by the Chamber of Commerce, the moderators will be from the Sussex County League of Women Voters. We hope that this is the official meet the candidates session and we hope that you will please come out. This year, we've changed the venue, it will be held at Goshen Hall. Milton's getting busy these days and all the normal places are occupied by Girl Scouts and other people, so Goshen Hall will be the location, 10:00 a.m. on Saturday, February 23rd and it will give you an opportunity to put questions to the candidates and have them answer your questions in a one-on-one forum and I hope that you will come. We have two hours for it and hopefully it will help you make your decision on your votes. Thank you.

Vice Mayor Betts: What time?

Georgia Dalzell: 10:00 a.m. on the 23rd of February. Questions are written and all questions will be taken in writing and will be screened for appropriateness only. They are not censored by any means. If there are two questions the same, only one will be asked, so that's what the League of Women Voters will be doing.

Mayor Newlands: Thank you.

5. Mayor Newlands: Barbara Ferguson, is she still here? She was here for tax appeals. Barbara Ferguson?

Robin Davis: She left.

Mayor Newlands: No, okay. Gwendolyn Jones.

Gwendolyn Jones, 204 Atlantic Avenue: I'm sure that we all offer congratulations to Milton's Public Works Director, Allen Atkins, on his retirement. When Milton posted the job vacancy, the requirement for possession of a current water operator's license was stated. Apparently due to the lack of respondents and with all the requirements, the requirements regarding that license were modified to a six-month provisional. After a conversation with Mr. Abbott last Monday, the question of whether somebody had been hired for that position had been answered with a not necessarily. I now ask again for a plain answer. Council, Mr. Abbott, whoever is qualified to give me a plain answer. When that point was raised that the job description had been modified, since several people had viewed the advertisement and some had declined to apply based on the original description, the Town Manager responded with that was a personal choice. Mr. Abbott also stated that several others had raised the same question. That choice, Milton Council and Mr. Abbott, was based on a false premise. Mr. Abbott also stated that Milton Council would have to direct him to re-post the ad with the modified requirements. I'll add that Delaware State law does not have a requirement to possess that license at the time of application. I ask for all those who may feel qualified to apply for that posting, that Milton Council re-post that job vacancy with the modified water license requirement, that of the six-month provisional. Thank you.

Mayor Newlands: I would like to answer the question that was posed to you.

Win Abbott: The posting referenced a job description, the job description did include a current Delaware Water Operator's License. That job description has not changed. No hiring has been done. It's a personnel matter, which we will be discussing with Council this evening.

6. Ed Kost, 230 Sundance Lane, Cannery Village: First of all I would like to note that the famous fire hydrant on Summer Walk is being installed and that's a step in the right direction. Thank you very much. Anyhow, I'm here in the last couple of meetings; I've been waiting for Council to give us a determination on what steps Council is going to take with regards to compelling Chestnut Properties to correct safety problems in Cannery Village and do something about the performance bond. From what I understand, Chestnut has ignored Council and Chestnut is stonewalling Council. Mr. Thompson?

Seth Thompson: Mr. Kost, I went through the minutes and I didn't see anything on the waiver issue. I pulled the old sub-division ordinance. I drafted a letter that I sent to the Town today, to look at, so as long as I get their approval, it goes out.

Ed Kost: I don't quite understand. Are you going to send Chestnut Properties a thing that they have to post, is that what you just said?

Seth Thompson: That's correct. They had initially raised concerns that the sub-division ordinance, in effect at the time of their approval, didn't require a bond, so I went back and I pulled the old sub-division ordinance and then I went through the minutes to see if, indeed, somehow, there was some sort of waiver granted by Council; and there wasn't.
Ed Kost: Thank you very much.

7. Mike MacNamara, 106 Sailor Lane, Shipbuilder's Village: Tonight I'd like to talk about the Milton Police Department. If we remove any Police Officers from the department, that would limit their ability to our 24 hour coverage. That would be a mistake. We not only count on the Police Department for patrolling and answering complaints, but just their presence deters people from breaking the law. We also count on them to be here in case of an emergency. That could be a hurricane, a snowstorm, a power outage or even a Nor'easter that might stall over Sussex County. If no officers were on duty, like I said before, that would be a mistake. I know we're all concerned about the economic conditions and have tough choices to make. We have a security system in our house. If we had any financial problems, the security system would be one of the last things that we would touch, so please don't alter the security system in our Town of Milton. Leave the Police Department intact. Thank you.

Mayor Newlands: Thank you.

8. Jane Severs, 103 North Spinnaker Lane, Shipbuilder's Village: I'm a not so proud resident of Shipbuilder's Village. The gentleman said it very well, exactly what I was going to say. Please support the Milton Police Department. We rely on them for all of those reasons he just mentioned and I also wanted to ask about the timing of bringing in this organization to do an assessment of the staffing of the Milton Police Department. I think it would be a real mistake to make financial, business and residential safety decisions, without having somebody come in and really use benchmark data to determine Best Practices and what appropriate FTE staffing levels should be, so could somebody answer to that, please?

Mayor Newlands: We have that on the agenda to discuss this evening.

Jane Severs: Okay, thank you.

Mayor Newlands: Thank you.

6. Call to Order – Mayor Newlands

Mayor Newlands: Called the meeting to order at 8:26 p.m.

7. Moment of Silence – Vice Mayor Betts

8. Pledge of Allegiance to the Flag

9. Roll Call – Mayor Newlands

Councilman Lester	Present
Councilwoman Jones	Present
Councilwoman Patterson	Present
Councilman Booros	Present
Councilman West	Present

Vice Mayor Betts
Mayor Newlands

Present
Present

10. Additions or Corrections to the Agenda

Mayor Newlands: Do we have any additions or corrections to the agenda? Item 18d we have to postpone. We have to take it off the agenda, it was posted late and we'll put that on next month's agenda because it missed the deadline and Mr. Thompson thinks it's too critical to allow it to be done late, with the late posting. Sorry.

Ginny Weeks: Can you announce what 18d is, because it's not on this agenda.

Seth Thompson: It's a Revised Agenda.

Mayor Newlands: It was a Revised Agenda.

Ginny Weeks: It was a Revised Agenda. It wasn't in the package you handed out.

Seth Thompson: Just to answer your question, Item 18d on the Amended Agenda, was Complaint Filing re: Sombar & Associates Auditing Services. But again, it wasn't given seven days notice, so they're not going to act on it tonight.

Ginny Weeks: Thank you.

Mayor Newlands: Their packets had the old agenda on it? Any other changes to the agenda?

11. Agenda Approval

Mayor Newlands: Can we get a motion to approve the agenda, deleting...

Councilman West: Mr. Mayor, I make a motion to approve the agenda, as corrected.

Councilwoman Patterson: I second.

Mayor Newlands: We have a motion and a second to approve the agenda, as corrected. All in favor...

Councilman Booros: Can we have discussion?

Mayor Newlands: Yes.

Councilwoman Jones: I was very glad to see that the COPS Grant issue is on this month and the Shipbuilder's Village project updates, I'm hoping that's more than just the roads, possibly that is talking about the seven lots in Shipbuilder's, but two things that are reflected in our minutes from last month are not on this agenda; two people from the audience, besides myself spoke to the 3% across the board raises that were given out and it was asked that that be placed on the agenda this evening, as well as asking CUBE Associates to come before Council to answer for their actions having to do with the water referendum; and they're missing for another month and I'm asking why.

Win Abbott: With regard to the 3% raises, exactly what would you like the agenda item to read. We had a Personnel Committee meeting during the course of this past month and I thought that would have provided some clarification with regard to that. But exactly what would you like the agenda item to read like?

Councilwoman Jones: Well I was in that Personnel Committee meeting and we didn't have any open discussion about how those raises were given out, but there was a clear discussion back and forth here...

Councilman Booros: 18 and 19 on the minutes from last month.

Win Abbott: Exactly what would you like for me to put on the agenda? One phrase, one sentence, an agenda item?

Councilwoman Jones: I believe your email to the Council having to do with this issue, was labeled "Communications"; that's what I asked for. It is stated here. Mr. Cote and Mr. Dailey both brought it up last month and were surprised that it was not on the agenda. I am, myself,

surprised that it's not on the agenda, because there is conversation, quite a bit, back and forth, Councilman Booros asked questions about who posted an approved agenda. To my knowledge, only two people in the room could have answered that and Councilman Booros did not receive an answer. That's why I asked for it to be on the agenda, so it could be discussed in open.

Win Abbott: Very well, it will be on next month's agenda.

Councilman Booros: And I also ask that before we move forward with a Resolution, or anything else to do with a referendum on water improvements, that CABA Associates appear before this Council and explain why the information was withheld from us last year, when we spent all the money on this and I think, you said, understood, they'd be here, kind of thing. Do you want them here? I think it's in the minutes and I said yeah I want them here and you said okay.

Win Abbott: This is true. This is true.

Councilman Booros: Well what surprises me is I didn't know we were paying CABA Associates to sit in the corner every week when we're in this meeting, once a month. That they're on the payroll and somebody from CABA Associates has been sitting in the room the last ten times; I ask the question. Not once has he come around from the back side of the table to explain anything.

Win Abbott: Okay, the reason why that's not on the agenda, is because I made a conscious decision not to muddy the waters with regard to what we're facing right now, with regard to the water system improvements.

Councilman Booros: And I made a conscious decision of letting these people know why they were kept in the dark last year and to assure them that they're not going to be kept in the dark again this year, before we go forward with another referendum, to ask for \$1.5 million bucks.

Win Abbott: Is there something missing from the information that you have received this year?

Councilman Booros: I don't know. I didn't think there was anything missing from the information we received last year, quite honestly, Sir. But apparently everybody else knew it but us, including everybody... CABA Associates knew it all and I want to know why CABA Associates didn't tell it all.

Mayor Newlands: What does that have to do with this year's referendum?

Councilman Booros: I don't know, Cliff, I really don't know. What don't we know? What is the proprietary information that CABA Associates is holding that we may need for these water improvements that we can't get from CABA Associates?

Mayor Newlands: CABA Associates is not working on the water project right now.

Councilman Booros: They have proprietary information from last time, when they did the study that we may need to move forward in the mapping of the system?

Mayor Newlands: What does that have to do with the letter that they...

Councilman Booros: What does it have to do... Mr. Mayor, I have asked for CABA Associates to appear before this council for nine months, nine months I've been asking for it and you will not put them on the agenda.

Mayor Newlands: I've got nothing to do with...

Councilman Booros: You have kept the agenda up until recently. You have kept the agenda, Sir and you will not put them on this agenda to stand before this Council and I would like to know why?

Mayor Newlands: I beg to differ with you. I have not kept the agenda for over a year. I'm sorry and I'm not letting Mr. Abbott on this either. I recall, you withdrew this. Didn't he? Somebody... You told me that he withdrew this, I thought, or that the CABA Associates discussion was... I know we had a discussion about not muddying the waters and putting CABA Associates on there, because it will confuse people; because CABA Associates has nothing to do with this

water system right now.

Councilman Booros: These people are smart enough not to be confused. CABA Associates, that was taxpayer's dollars that blew us through that referendum last year. A lot of wasted dollars, because there was information that was withheld that we didn't know about and these taxpayer's need that answer and they are not here tonight and it was asked during the minutes, these minutes and they were to be here and they're not on this agenda.

Councilwoman Jones: And Mr. Mayor, even if didn't have to do with the water issue, solely, we're still using their services in this town.

Mayor Newlands: That's true. We are using their engineering services and we haven't come to any conclusion to not use their services, as a Council.

Councilwoman Jones: Except I happen to agree with Councilman Booros, you were looking at a professional association which perpetuated leading the town into a referendum last year.

Mayor Newlands: We still haven't, as a Council, determined that we're going to drop them and use another engineering service.

Councilwoman Jones: We haven't talked about it as a Council.

Mayor Newlands: We haven't talked about it as a Council, correct. We did for water services and that's why we have a new engineering firm for water services.

Councilwoman Jones: I understand that but Milton's money is still going to an engineering company that did not do the best job, my personal opinion, for the Town of Milton; but we are still keeping them in their professional services and yes, I understand we are, because we haven't had any discussions to change them out.

Mayor Newlands: Right. So.

Seth Thompson: If it could help the Council, I think we're getting into a more substantive discussion. Right now we're looking at the agenda. If the Council wants to consider changing an engineering firm, certainly just put it on the agenda. Because they're not an employee, it has to be something that's discussed in public.

Councilman Booros: I've been trying, Sir, for many, many months.

Seth Thompson: And that's fine. I just don't want to get into a substantive discussion...

Councilman Booros: And I don't want to go one more month without it being on this agenda.

Seth Thompson: Okay.

Councilwoman Jones: But Mr. Thompson, you're talking about...

Mayor Newlands: Hang one second.

Councilwoman Jones: Sure.

Mayor Newlands: Are you talking about putting on the agenda CABA Associates as our engineering firm, or just the water services? That's what just confused me.

Councilman Booros: Oh no, I think they're all the same. I think based on them withholding the information from us last year, maybe we don't want to use them anymore.

Mayor Newlands: Oh no, they're not the same. Well that's fine, but that...

Councilman Booros: I don't know, but let's hear what they have to say about the water situation last year, before we discuss whether or not we want to give them anymore money.

Seth Thompson: And I think ties into my suggestion where if it goes on next month's agenda, it might also be helpful to read consideration or some sort of possible vote in terms of continuing to use their services.

Councilman Booros: That works for me.

Seth Thompson: That was really where I was going.

Councilman Booros: That works for me.

Seth Thompson: And Freedom of Information Act distinguishes between employees vs.

contracted services; that's why we need to be in the main agenda.

Mayor Newlands: We have a motion and a second to approve the Amended Agenda, removing Item 18d. All in favor say aye. Opposed. Motion is carried.

12. Presentation and Approval of Minutes: January 7, 2013

Mayor Newlands: Does anybody have any issues with the minutes from January 7, 2013? Can we get a motion to approve the minutes for January 7, 2013.

Councilman Lester: Mr. Mayor, I make a motion that we accept the minutes of January 7, 2013.

Councilman Booros: I'll second that motion.

Mayor Newlands: We have a motion to accept the minutes for January 7, 2013. All in favor say aye. Opposed. Motion is carried.

13. Discussion on Written Committee Reports

Mayor Newlands: We have committee reports – Board of Adjustment. We have Truitt Jefferson requesting a lot that's non-conforming, it's 2-1/2' shorter than our minimum.

Councilman Booros: A variance?

Mayor Newlands: He's requested a variance and the Board of Adjustments granted him the variance.

Councilman Booros: Could I ask a question, during this committee report?

Mayor Newlands: Sure.

Councilman Booros: The Planning and Zoning report. I sat through that Planning and Zoning Committee and I don't see a report for the Planning and Zoning Committee. That was Truitt Jefferson and Marvin Ingram both came before Planning and Zoning for reviews.

Seth Thompson: The Preliminary Site Plan was one.

Councilman Booros: Right.

Mayor Newlands: We'll just make sure that one comes out next month. I don't know what happened to it.

Councilman Booros: Okay, because I would like to have some discussion about that meeting, when those minutes come out.

Mayor Newlands: Sure. Okay. Does anybody have any issues with the Board of Adjustment Committee Report? Cannery Village Signage Committee. Well we don't have anything for that, do we? We have in our packet Cannery Village Ad Hoc Signage Committee Report. Robin's asking me to hold that until Item 17c, until we have it on the agenda.

Win Abbott: Mr. Mayor, before we move off of written committee reports, I don't know, we have a couple of people here from the Charter and Ordinance Review Committee, not a written report. Would you like to report anything about the activities thus far?

John Collier, Chair of the Charter and Ordinance Review Committee: At this time we haven't submitted a report and that's mainly my fault, because I blew up my computer and I don't have any word processing software at this time, but we will get one to you next month and we'll bring it up to date. My apologies for that.

Mayor Newlands: He said his computer died and he doesn't have word processing working.

14. Town Manager Report

Win Abbott: Very briefly, this is the Town Manager's Report. Hurricane Sandy – an application to be reimbursed for \$14,812 in manpower, equipment and supplies was completed and we're waiting to get a response on that, but that was done in the past month. Our paving project is on hold for now. It has been awarded and the funds have been lined up, however, the hot mix

asphalt plants have been closed for annual maintenance. They will likely open just around March 30th and we'll be preparing for work at that time with paving most likely to occur in the week after Easter. The deadline to register to vote in the upcoming municipal elections has passed. The Board of Elections has met and certified the ballot. The municipal election will be held on Saturday, March 2nd, from 8:00 a.m. to 6:00 p.m. at Town Hall located at 115 Federal Street. On January 15th and this will go to the water system improvements monthly update, on January 15th, transducers were installed in the water system tanks. These devices will provide an accurate measurement of water and storage and they also will provide an alert for leaky vents and a method to check any anomalies in our pump activity. On the 28th of this month, the last of three check valves were installed. These valves should effectively stop the flow of water back into our wells from the system; stopping the back flow will reduce the amount of water that is pumped from our aquifer because it will not be counted twice. It is important to note, though, that the more accurate gauges, the flow meters that will go on each one of those have not been received yet and that is an important piece of the puzzle. Mayor Newlands and members of the Economic Development Committee attended a luncheon hosted by the Sussex County Economic Development Office in January. The Sussex County Profile for the year 2013 was unveiled and it features a full page advertisement for the Town of Milton. This speaks to what one of the resident's was talking about with promoting the Town of Milton. That same committee, together with myself, are putting together a grant application. It was discussed at the last Council Meeting where we should be able to get funds to have better signage, like Visit Historic Milton. And last but not least, there's an item in this about the new Delaware Office of Early Learning. They're interested in volunteers to serve on readiness teams for Early Childhood Education. Information can be found on the town website and letters of interest should be submitted to Sherylynn Arolio, Del Team Project Manager by February 15th. You can contact the Town Hall if you need more information. Thank you.

Mayor Newlands: On the Federal Emergency Management Agency monies that we submitted for reimbursement, the \$14,812, do we know what percent we'll get back? Is there a standard that they reimburse us by?

Win Abbott: The whole amount.

Mayor Newlands: Oh really, okay. That's nice. Okay.

Councilman Booros: Mr. Abbott, on the Shipbuilder's paving, the fact that we've stalled it off a month, month and a half, whatever it is, is the \$29,000 additional dollars, does that price come down any, or is the price still with the extra money we approved last month, or the month before that?

Win Abbott: The manor in which the cost will be arrived at is different from what we have done before. What we have done before is taken a low bidder for the whole project. Now it's based upon a unit price and the unit price will be what they pay for it and we'll be checking every single ticket, so we don't know what the cost will be when the plant opens up.

Councilman Booros: So it may come in less then the amount...?

Win Abbott: This is correct.

Councilman Booros: And my last question is on the second page, you talked about the Cape Henlopen School District is considering plans to expand or build additional schools, they came in to share their ideas for potential changes. Was there anything significant?

Win Abbott: Honestly, nothing more than what was printed in the Cape Gazette. It was an effort on their part to have personal relationships with people at Town Hall, rather than us reading about it in the newspapers first and hearing about it later; so what they shared with us at the time wasn't anything different then what was already known. It was just a personal gesture,

really.

Councilman Booros: Okay, thank you.

Mayor Newlands: And the building of those schools is out almost five years, by the time they get through all their processes. On the paving, Councilman Booros, you were concerned a month or two ago when we approved the monies for the paving. The difference in cost, the \$29,000; \$20,000 of that was the difference for the estimate that we were given; \$9,000 was additional work that they were going to do, so that's why there was a \$29,000 difference from what we originally had gotten an estimate for.

Councilman Booros: Okay.

Mayor Newlands: And Mr. Abbott, with the check valves that went in, do we see any difference?

Win Abbott: There's no significant difference to this date.

Mayor Newlands: Okay. Thanks.

15. Department Reports: Public Works, Project Coordinator, Code and Police

Mayor Newlands: Maintenance department. Anything for Maintenance? Let's go onto Project Coordinator. I would like to just go to Page 3, somebody had mentioned before that the hydrant's going in on Summer Walk?

Robin Davis: That's right.

Mayor Newlands: Who's paying for that?

Robin Davis: The Town is paying for that.

Mayor Newlands: And that was the Fire Marshall determining that we needed to have that, I'm assuming.

Robin Davis: It's a combination of a little bit of both. The Fire Marshall has a requirement, but we do have something in our Specification Book that says fire hydrants cannot be more than a maximum of 800' apart from each other. That was over 1,000 ft.

Mayor Newlands: That was, okay. The other ones that went around the corner didn't count?

Robin Davis: No, it has to be on the same street.

Mayor Newlands: Oh, okay.

Councilwoman Jones: Mr. Davis was the 800 ft. distance between in place when that project was reviewed and the hydrants were recommended for placement?

Robin Davis: I'm not sure Councilwoman Jones, I'm sorry. That was done before I came on as Project Coordinator and I don't know who reviewed the site plan for that. The major issue that I think happened was there were basically two projects, the Cannery Village project and the Round Pole Bridge project. One plan showed the hydrant in one location and one showed the hydrant in another location. So if we just moved the one from the current location it would have messed up the distance down the road, so it was basically needed, I think.

Mayor Newlands: And do we install that or do we have somebody install it? Somebody else does it, I think. Okay. Any other questions for Code?

Councilwoman Jones: I have two. Mr. Davis, where is Orchard's Development?

Robin Davis: It's actually the empty lot across from Shipbuilder's Boulevard by the seven lots. Mr. Zonko owns that.

Councilwoman Jones: On the other side of the road?

Robin Davis: It's on the west side of Mulberry, but it's the other vacant parcel. The seven lots are on the north side of Shipbuilder's Boulevard and it's on the south side.

Mayor Newlands: The left side when you're looking at it.

Robin Davis: There's actually a lift station there that the town owned, now Tidewater owns it.

Originally during the planning for the Shipbuilder's development, there was supposed to be an access road to that lift station. It never got installed.

Councilwoman Jones: And that's all that is about, is just providing access to the lift station?

Robin Davis: Correct.

Councilwoman Jones: My other comment and it's under the Code Enforcer and that was my follow-up again on 205 Federal. Mr. Trotta does say here that the renovations being done on old carriage house in the back... I guess that's what he's calling it. Building has been structurally secured. Besides that and since we've been on the business of demolition by neglect, it's actually the home at 205 Federal Street that is falling down with boards off it's face, rain gutters down, spaces open in the back. I don't guess it matters whether or not you can see the dilapidation from the road for it to be dilapidation or demolition by neglect, but the house has been, at least for two years, in terrible disrepair and I know that all they're doing is pulling the building permits for the that building out back. So, again, it's one of those homes, irreplaceable, and when you drive by it's visibly falling apart.

Robin Davis: I know Mr. Trotta, the Code Enforcement Officer, has been in contact with Mr. Copans, the owner and I think there was more of a concern that he talk with Mr. Copans, about the carriage house and getting that completed by the October time frame. I know there were some brief conversations with him about the house itself. I do not know the complete details, but I can ask Mr. Trotta and get back to you.

Councilwoman Jones: If he'd relay that, I'd sure appreciate it.

Robin Davis: I sure will and I'll have put it on his report.

Mayor Newlands: I don't have his report. Can I see that? No, it's a different report. Oh, okay. What's in our ordinance as far as demolition by neglect?

Robin Davis: It's actually covered in the Historic District section of the Code, so things in the Historic District, I don't know the exact wording, but it's basically if homeowner's just basically do not repair their homes, it's more demolition by neglect; they're letting it go to waste.

Mayor Newlands: Can we fine them?

Robin Davis: Yes, there are provisions in the Ordinance to do things to make sure they correct it or start fining them.

Mayor Newlands: Okay, well let's do that.

Councilman Lester: I've been asking about that house on Mulberry Street and the one on Union Street for almost three years and various and sundry enforcers and nobody ever mentioned that that was the course of action.

Robin Davis: Well actually demolition by neglect is only covered in the Historic Preservation District. Those homes that you were talking about... The house on Mulberry is not covered in the Historic District.

Councilman Lester: How about the one on Union Street? That is.

Robin Davis: The one in Union Street is, yes, and if you look at the back, Mr. Trotta said he had talked to Seth about a legal opinion on the demolition.

Seth Thompson: And I responded to Mr. Trotta on that. You do have provisions in your Code that cover building maintenance. Now, unlike the Historic District, it's really an issue of whether it's structurally not sound or causing some sort of public safety concern. It's a little bit higher of a standard, but I laid out the process for notifying the owners, as well as the occupants and issuing a citation or potentially noticing it for placarding.

Councilman Lester: I think that all goes beyond health and safety. It goes to what Mr. Harris said earlier. This is not a charming little town and places like that just add to that poor appearance. It just looks sad and run down.

Seth Thompson: I understand the concern. I guess the problem is the way the Charter is set up, your Ordinances are supposed to come back to the general welfare and public safety, which is different then getting into regulating aesthetics, for instance. Now, there's a spectrum there.

Councilman Lester: Right.

Mayor Newlands: On the Jailhouse Antiques, 106 Union Street, have Michael see me. I have their phone number, because somebody had asked me for it and I was able to search it. Do we have anything else on the Code Reports? Can we go to the police reports?

Councilwoman Jones: Chief, in the absence of Mr. Shandler, can you give an update, please, on the grants you're looking at for solar speed signs?

Chief Phillips: At this time, we're still trying to locate some grants. We've been in contact with other departments. I don't know if we're going to have that by this year, we might have to wait until the next budget year, but we are trying to find something, yes.

Councilwoman Jones: Are you able to tell me where you might have looked already?

Chief Phillips: The company that Rehoboth uses and the company's that a couple of other departments use. I've reached out to them. I don't know the name of the company right off hand, but we have one that's given the best price so far.

Councilwoman Jones: But I meant for funding.

Chief Phillips: At this stage of the game, there's nothing out there now. But by next year, when we do the budget again there will be.

Councilwoman Jones: Thank you.

Mayor Newlands: Any questions on the police reports?

Vice Mayor Betts: I have a question, Chief, on the streetlights. You have the ones that were reported, do you have the ones that have been fixed, or are these still reported out?

Chief Phillips: No, Ma'am, we never get a list back what they fix. Some of the can be reported 3 to 4 to 5 times before they fix them. We just keep calling them over and over and over and over and eventually it gets fixed.

Vice Mayor Betts: You don't know when they were fixed, or anything? You don't go back and check?

Chief Phillips: The only way we would go back and check is if the officer drove by and saw it out. But if they don't see it out, they go to the next one until they find one out. But like I say, we've reported some of the 3 or 4 times and then finally... they only come like every month or every other month to fix them, so it's a swing cycle that they fix them...

Vice Mayor Betts: So you don't really know what has been fixed or what hasn't been fixed.

Chief Phillips: We've asked for that, but they just sort of laugh at us and move onto the next person.

Mayor Newlands: Can you give this report to the officers so they could each go through their own list and just delete what's been done?

Chief Phillips: Yes.

Vice Mayor Betts: It would be nice to know.

Mayor Newlands: Because right now town would be blacked out if we had this many.

Chief Phillips: It's hard for the officer to go back and find the light was out, if he doesn't know which one is out?

Vice Mayor Betts: You have a report here don't you that they could go by?

Chief Phillips: Right.

Mayor Newlands: You don't need descriptions, just...

Chief Phillips: But you don't know where... yeah... I'll take a look at it, but it's going to be hard for them to try and figure out what light was out and which one's not out. They know which

ones are out, by which ones are out, but go back and try to find the ones that have already been fixed, is going to be pretty time consuming.

Mayor Newlands: They have the descriptions here. They can do it.

Vice Mayor Betts: They have the descriptions right here.

Mayor Newlands: Yes, they should be able to do it.

Chief Phillips: Okay. I'll see what we can do then.

Mayor Newlands: Okay. Thanks.

Vice Mayor Betts: Thank you.

Councilman West: Chief, you need to get them to check the one at 16 at the light and Union Street there at H&R Block.

Chief Phillips: Is it on the list already, or it's not.

Councilman West: No. It's not on the list.

Chief Phillips: You said, where is it at?

Councilman West: At H&R Block before you get to the light on Union Street.

Chief Phillips: Now is it on the street, or is it on their property? If it's on their property, it's not ours.

Councilman West: No, it's a street light.

Chief Phillips: Okay. I'll check it out on the way home.

Mayor Newlands: Is it be Ed Harris' shop?

Councilman West: On the other side.

Mayor Newlands: Oh, okay.

Chief Phillips: It will be reported tomorrow, then, I'll check it on the way home.

Vice Mayor Betts: Thank you.

Mayor Newlands: Anything else for the police report. I see the number of arrests are up significantly in December.

Chief Phillips: A lot of the usual domestics and things like that and we did solve some burglaries, etc., breaking into cars and some houses, etc. and of course we did just have the attempted murder thing, with a domestic situation over here across the street and then the next day we also had one in another development, with a baseball bat and things like that. We also had the raid on Bennett Street, where subjects were selling an illegal substances there and we cleaned it up pretty good and I talked to the landlord, he's evicting them all out of there, so they'll be gone and that will be a good thing.

Mayor Newlands: Is he? Good.

16. Finance Report and Revenue/Expenditures Report

Councilman Lester: I reviewed this month's report with Mrs. Rogers and we're pretty much on track with most items, compared to the budget. I think tonight, this presentation by PK&S is pretty important, because we finally got a clean report after a number of years and I truly think we hear all this noise about transparency, I think if people would actually, at this point, go back and look at the 2010 report by the State Auditor's Office and don't look at the financial stuff, just read what they said, then take a look at the reports provided by Zalinowski and Axelrod. They gave us a report on all the accounting problems that they found. Then the PK&S report, which as she said tonight, they could not give an opinion on, and finally we get a clean report, so that means that as the town goes forward and they're looking for financing, people will look at us in a completely different light. We pretty much... Mrs. Rogers has, I think, all the items... Let me just back up a second. Ginger did mention a couple of things that were questionable and in her report she talks about a couple of items not being reconciled. Well they couldn't be reconciled

and they haven't been reconciled for years and finally, with this final report, we've got all the details now in sync with the General Ledger, which is the books, the details agree. We can reconcile those going forward; all those items can be reconciled monthly. We know what the outstanding items are. The unpaid bills, everything agrees and it's been a long haul because there was a lot of detail there, going back for years that had never been reconciled and finally it's pretty much been cleaned up. I think the town's going to be in good stead moving forward and we've got a good staff in the office too.

Mayor Newlands: Yes, they are good. I have one issue with the reports. There's an item on page 2 of the Transaction Audit Report, on the legal fees, there's a \$10,000 charge for legal fees that should be in accounting. That's got to get moved up. That's the PK&S.

Councilman Lester: Oh, PK&S.

Mayor Newlands: That's the PK&S down payment.

Councilman Lester: Yes, that wasn't there when we met last month.

Mayor Newlands: Okay.

Councilwoman Jones: This won't be terribly popular, but I think it needs to be said. I think it's wonderful we had a retirement dinner for Allen. As a longer member of the Economic Development Committee then I have been a chairman, I am saddened to see we took it out of town.

Unidentified Speaker: Where was it?

Councilman Booros: Abbott's Grill.

Mayor Newlands: Does anybody have any other issues?

Councilwoman Jones: Has the cleaning of Town Hall gone up. I saw a \$550 charge in December. I thought we were at \$440.

Mayor Newlands: Five weeks in the month.

Councilwoman Jones: That was five weeks. Alright.

Mayor Newlands: It just depends on how many weeks are in the month that he bills us for. It's by the number of Saturdays.

Councilwoman Jones: Okay.

Councilman Booros: I have a question on page 6, the overtime holiday for the police, it says zero. Did they not get paid for Christmas and Christmas Eve?

Mayor Newlands: It may have been in the January check. I don't know. How far down are you?

Councilman Booros: Close to the bottom on page 6. It says December 14th and December 28th.

Mayor Newlands: It was probably in the January paychecks. I'm just guessing.

Councilman Lester: Yes, that would fall in the last pay cycle. Yes.

Councilman Booros: Okay and I guess this is a question, on page 7, down near the bottom, Dues & Subscriptions, Building Maintenance, K-9 Uniform and Supplies. That Building Maintenance, K-9 Uniforms and Supplies appears under Supplies, it appears under Dues & Subscriptions, it appears under meals for prisoners, miscellaneous. It appears everywhere through here, the exact same words. How do we know what was bought under Dues & Subscriptions, if it says Building Maintenance, K-9 Uniforms and Supplies?

Chief Phillips: That was my question exactly when I saw that and after talking to Kristy, I found out that for some reason, I'm not sure who made the decision, but they put all of them in a group and basically it goes to the first one in line. It could have been...

Councilman Booros: It's all the way through the whole document.

Councilman Lester: That question actually has been answered before, Chief.

Chief Phillips: Right. But the first thing you read is what it is, supposedly.

Councilman Lester: When the check is drawn on the accounting system, if it's paid to Joe

Blow's Hair Styling, every... and that's broken down into 10, 20, 30 categories, every category is going to show that check. It's impossible to go to each allocation of that check; that was a credit card charge.

Mayor Newlands: Right.

Councilman Booros: Oh, I gotcha.

Mayor Newlands: It's a credit card.

Councilman Lester: So all these credit card charges are going to show up, the Citizens Bank, everywhere.

Mayor Newlands: They break it down so each proper category gets hit and they tried as much as they can in the space that they have, to put in what it is.

Councilman Booros: Okay. Understand.

Chief Phillips: I was confused too, but okay.

Councilman Lester: I anticipated that Dues and I had it written down on my documents that Kristy and I went over and then I forgot them in the office, but I anticipated that.

Chief Phillips: I'm glad you asked Councilman Booros, because I had them marked on my piece of paper and hoped that somebody would ask that question.

Mayor Newlands: And along with the bill is all the receipts that... along with the Citizens credit card statement are all the receipts that support those charges.

Councilman Booros: Gotcha.

Mayor Newlands: So that's all documented.

Councilman Booros: And one more thing, on page 16, under Repair and Maintenance Auto, it says Meeting Training Supplies. Is that the same thing?

Mayor Newlands: Hold on, where?

Councilman Booros: Page 16.

Mayor Newlands: Yes, it's Citizen's Bank again. It's Citizen's Bank again, so you have to look for that P.O. Number.

Councilman Booros: Gotcha.

Mayor Newlands: Any of the credit cards are going to show up that way.

Councilman Booros: Okay.

Mayor Newlands: If you look at the bank balances you'll see were down to as little as \$3,400 at the end of November. We've been swinging money from the money market account, over to the general account, on a regular basis until tax dollars come in, which they're starting to come in a few weeks ago and a lot of money's been coming in quickly. So that will quickly ramp up from the \$27,000 to \$800,000 by March and then, what we'll do, is we'll move money into the money market account until we need it to pay bills.

Vice Mayor Betts: Chief, on page 6, Police Reimbursement – can you answer that? Page 6.

Chief Phillips: Do you have a line item?

Vice Mayor Betts: Police Reimbursement Salaries. The very bottom of page 6.

Councilman Booros: The very bottom.

Chief Phillips: You said Salaries?

Mayor Newlands: The last item, Salary Reimbursement. Oh, that's reimbursable. That's the money we get back from the COPS Grant, I think, isn't it?

Vice Mayor Betts: What. I'm sorry.

Mayor Newlands: Is that the salaries we're paying out for the COPS Grant?

Win Abbott: That's what it looks like.

Mayor Newlands: It looks like it's the salary for the Police Officer that we'll get the money back, so we break out the salary for a regular officers, and then the salary for the officer we're

getting back. We actually overdrew on that, so we've got to pay that money back.

Vice Mayor Betts: Thank you.

Mayor Newlands: That means we're going to get that money back. Are there any other questions on the finances?

Town Manager's Monthly Finance Report

Mayor Newlands: We have the Town Manager's monthly financial report.

Win Abbott: Mr. Mayor, I'll be brief. The report that I do every month follows the same template, so it makes it easy to follow along. You recall last month when we looked at our expenditures and I compared it to the prior year, that our expenditures were much higher and I had reported that this is because of the payroll cycle, the bi-weekly payroll cycle. In November, it provided for an extra payroll cycle and as you can see in December, things balanced out. That's because of the fact that we came back in sync with the prior year's payroll cycle. Other than that, it follows the same template.

Mayor Newlands: I just should note, the transfer tax that you're showing here. Last year we had three months paid up by December 31st. This year we only had two months paid up, so that's going to show a big discrepancy. I don't know how they booked that in, if they do it as of, but this year they didn't do it as of, so there was an extra \$26,000 that got booked in December, so we're actually at 43%; even though we're at 25% of the year, the first three months, we've collected about 43% of what we budgeted for. The other one on the bottom was that PK&S \$10,000; it went to the wrong category. So legal fees aren't as bad as we once thought.

Councilwoman Jones: On that, I was curious as to the sentence "Another item to consider is the recovery of legal fees that were generated from sources outside of the Council, Administration and Police Departments of the Town of Milton." Can you shed any light on that for me?

Win Abbott: Sure. There's work that Mr. Davis' department does, planning, with other developers and things related to requests for variances, or whatever, that we will pay for up front. These include legal charges and engineering charges and then we have to be conscious enough to bill back, to be reimbursed by these third parties, so the year before last, we didn't do any bill backs; we had zero reimbursements. Last year we aggressively billed back and received not only what we had accrued last year in terms of charges that should be paid for by third parties, but recouped some of the ones from the prior year, so last year's numbers for revenue, from those sources, looks significantly higher as compared against zero from the year before that. I had surmised that some of the reasons for our legal expenses being higher, could be related to the fact that we took some up front costs and had not yet billed for them. This was a supposition and that could be the case, but it's just something to be conscious of as we go forward to consistently bill back for reimbursements. That's all.

Mayor Newlands: Our system is not set up easily to bill back, so the way the accounting system is they just can't go in and generate bills. They have to manually go through it and do it. So it's a manual process. So as we're paying CABA Associates, or paying Seth, for us to get the money back, they have to manually go through all the reports and set it up and make invoices up to get that back from Dogfish or whomever. Okay, any other questions on that?

17. Old Business – Discussion and possible vote on the following items:

- a. Water System Improvements monthly update

Mayor Newlands: There's nothing in our packet?

Win Abbott: No, Sir. I made a brief mention of it in the Town Manager's report. We will soon have a presentation by Pennoni Associates relative to the referendum. I think that

covers enough.

Mayor Newlands: Okay. Thank you.

b. Shipbuilder's Village project updates

Mayor Newlands: Just the paving right now.

Win Abbott: Well, no Sir, there's much more to it than that. You have a packet that says January 26, 2013 Memorandum at the top, left hand corner, and this covers the whole chronology of things related to the Artisan's Bank approaching the Town in order to consider the purchase of these seven lots and the building; the different appraisals that we had done; and just in this past month, we have had responses from contracting companies to a very detailed Request for Proposal and the responses, as well as the appraised values are within your packet. I can tell you that the fellow from Artisan's Bank has been emailing me, asking if the Council's going to make an offer, on a regular basis for about six months now. The last email I received, was today.

Mayor Newlands: Two things on this issue. One is that Habitat for Humanity has expressed interest in the lots that are on Mulberry Street, that if we were to buy this, they would like to possibly split it with us. That way we would take the clubhouse and back, the back parking lot and the clubhouse and that area, and they would take the front lots on Mulberry Street. There are either three or four lots on Mulberry Street. That was just something that they entertained when they came by about two weeks. Mr.

Burakiewicz is the one who asked if we had any vacant land in town that prompted the discussions, so we toured some of the land that we have in town. Only one property we own, which we'll discuss later, the Shipbuilder's was a potential one and I know from our meetings on Council we had discussed we don't know what we would do with those front lots. Whether it may be good for them to take a look at it and if we don't pursue this, they're going to pursue it separately with Artisan's Bank. The second item is what are we going to do with that clubhouse? Does anybody have any thought? Have we gotten any interest for use in the clubhouse? Spending \$300,000 and nobody has any...

Councilman West: Mr. Mayor, you won't listen to people. I done told you what we could do with that building, but you won't listen. I said, people complain about going into Town Hall. We could end up making that Town Hall, build a police station out there; that would eliminate a lot of the problems out there; but you don't want to hear it. We can sell these two places, plus those properties and we would have it free and clear and the town would have extra money.

Mayor Newlands: Have we explored that? I've been asking for somebody to come and give us an update on that and explore that.

Councilman West: I tried to tell you. You don't want to listen, so I just quite.

Mayor Newlands: I don't know when you tried...

Councilman Booros: I haven't quit.

Mayor Newlands: Thank you, thank you.

Councilman Booros: I've talked to several people, including some people from First State Community Action and they might be interested in using it, maybe in the afternoons for mentoring students from the elementary school. I understand that they might take down part of Milton Elementary School in the back, where the Boys and Girls Club is, and those kids might be going to a school in Milton and then any of the kids that might be going over to the Boys & Girls Club from H. O. Brittingham, will have no place to go. It could be an area where the Boys and Girls Club might be

interested during that period of time. Leah mentioned that the Seniors could meet there.

Vice Mayor Betts: I think they've already got a place now.

Councilman Booros: Do they already have a place now?

Vice Mayor Betts: Yes, they have it out on Roy Tyll Road.

Councilman Booros: There's all kinds of possibilities, but it was all hinging on the cost factor.

Mayor Newlands: Which we now have.

Councilman Booros: So we're just getting the cost factor this week. So it's not that nobody's looked into anything, it's the fact of the cost. There's also been a suggestion that the Police Department move out there, because you have two locker rooms. You have a male and a female locker room. There are all kinds of ideas, so to toss out a portion of that, including a playground in the area in front of that parking lot, because there are no playgrounds up in that area for the kids in Shipbuilder's Village and that side of town, they have to come all the way down here to the park. There's a whole bunch of things that could be done there, before we toss seven lots out to somebody else.

Councilman West: It's just like I told you, Mr. Mayor, make them an offer on that and nobody would listen.

Mayor Newlands: I do not want to make an offer for whatever amount of money it is, unless we know what we're going to do with it. I'm sorry.

Councilman Booros: I agree. I agree.

Mayor Newlands: Now that we have all the costs, let's get items on the agenda and let's find out what it is we want to do with those properties and find out what it's going to cost the town to make those properties useful. If you're going to put a Town Hall and Police Station out there, it's an awful expensive proposition to build those buildings, okay? That's the first thing. Second thing, I don't think you're going to sell these buildings for anything near what we paid for them.

Councilman Booros: But there are other possibilities. An investment in the children of this community, is one of them.

Mayor Newlands: That's fine. So now that we have the cost, let's get some sort of plan on the table as to what we're going to do.

Seth Thompson: Mr. Mayor, one issue that we do have, whatever the proposed use is, we need to analyze in conjunction with their declaration of restrictive covenants. It's kind of an odd set of words, when it comes to the restriction on uses and they don't have an Homeowner's Association, so there's really no means of modifying their declaration. Typically, if you had an Homeowner's Association, there's normally some vehicle for modification, whether it's 65%, or some sort of super-majority of the homeowner's at that time, can then agree to modify or amend their declaration. We don't have that here.

Mayor Newlands: So their deed restrictions may prevent us from doing certain things; the covenants.

Seth Thompson: Well, the town has the ability to condemn, so basically you'd get the property. Now when you condemn, when you go through that condemnation process, you then have to give fair market value, but it's not just for that property, it's also for adjacent properties, so it could be that the town ends up having to pay. Now I have no idea what that's worth, but it could be that for instance if somebody living next door felt that their property value was diminished based on now being adjacent to a Police Department, there could be some financial repercussions that the town would have to

pay; again through the condemnation process. Now the other way you can do it, is you can seemingly have everybody in that development and I don't know how feasible this is, I suspect not very, essentially sign a waiver of that provision of their covenants. So it's a little more complicated and again, the wording is a little bit awkward on the use, but if the town figures out what it wants to do, you might trigger a requirement that you either go through the condemnation process or by some miracle, get everybody to effectively sign a waiver of their rights to have that as a purely residential... That's not the exact wording, but...

Mayor Newlands: So if we condemn the property, we could change the use?

Seth Thompson: That's correct.

Mayor Newlands: Really? Okay. Do you have a copy of the covenants?

Seth Thompson: I do.

Mayor Newlands: Do you have an electronic copy?

Seth Thompson: I do.

Mayor Newlands: Can you send that to all the Council?

Seth Thompson: Sure.

Mayor Newlands: And Councilman Booros you're going to work on this, to get us a package as to what can go there?

Councilman Booros: I'll do my best.

Mayor Newlands: Thank you.

Councilman West: And I will work with you Councilman Booros.

Councilman Booros: Thank you, Sir.

Mayor Newlands: Does anybody have anything further on the Shipbuilder's project? I know that Mr. Irwin's impatiently waiting, but if he had a buyer for it, he would have told you. So, we're the only game in town, I think, right now for him, so I think he'll wait.

c. Cannery Village signage issue monthly update

Mayor Newlands: I saw a very nice, extensive report from that. Mr. Frazier, how are you?

Bob Frazier, 227 Summer Walk: Hi, good evening. I'm, by default, the lead for this Cannery Village signage project. It's been going on for a year now, unfortunately, because we've had some issues in getting people to review our proposals and our problems, but I think we're through that hoop now and I believe you all have received our latest update and after our meeting on the 17th of January with the County Emergency Management personnel and the 9-1-1 Addressing Office manager, they are in full agreement that we need to do something about signage for Emergency Responders. In fact, it's rather timely that I'm making this presentation. Just this previous weekend, not the last one, but the previous weekend, we had a resident that unfortunately took a fall, broke a leg; one of their neighbors had to chase the ambulance down because they couldn't find the right residence. So the County report is in a memo that they sent is in your package and the two major proposals that we've been recommending and briefing everybody are also there and that is the hotel type signage at the end of our common area, or pocket parks; where houses face those common areas and the named streets actually run behind; and secondly, replacing our garage signs on the back of all our houses, with not only the number of our house, but the number and the name of the street that that house is addressed to. They are in full support of that, and

in fact, the County recommended that we do that on front and on back of the houses. I'm not sure that's absolutely necessary, but that's one of the things that we can consider. The other recommendation that the County made is that one of the properties actually be completely readdressed, because it's just not feasible to find it if you don't know how the properties are laid out. So we believe that the point that we've reached is, we'd like to recommend now that Council decide how we should proceed with planning for implementation of our additional signage and changing the signage where it needs to be changed. I say, need to be, thinking about implementation strategies, because it appears to us there are two ways we could go. I think probably the preferred method and really the method that should be pursued, because you have not accepted our streets in Cannery Village yet, would be to somehow get the developer, Chestnut Properties, to do these signage updates and signage additions. The other alternative, would be for the Town to take a look at whether they could fund the project, and if that's the case, what we would recommend is that we as a committee stay in session and assist the town then in doing Requests for Proposals and finding out what costs are, and so forth. So I think what I'm saying is that we have reached a point where we now need further guidance from Council on how you want to proceed with this, or if you want to proceed with this, and then we would be happy to stay in session as an Ad Hoc Committee and assist Council any way we can and the Town Manager and the Planning and Zoning Project Manager. But we're at a point where I think we need a decision from Council on how to proceed.

Mayor Newlands: Well I appreciate this. This is very good. I think the Committee should stay intact until the project is completed, just in case there's something that's needed, that we need eyes and ears for. We'll need eyes and ears out there, anyway, besides our own staff, but still I would prefer you guys to stay as a Committee. There was one comment that Ms. Nevus mentioned on here, that the layout...

Councilwoman Jones: "Unfortunately there is a layout flaw in the community." The second paragraph.

Mayor Newlands: Yes.

Bob Frazier: I didn't quite understand that comment either.

Mayor Newlands: She said it's not an option and they can't name walkways, so I don't know how you're going to name the pocket parks, if they're not going to name the walkway. I was kind of confused by that statement she made.

Bob Frazier: Technically, they're not named, and I don't think we would be naming them really, all we're doing is directing a sign that says, these houses on this walkway are these addresses. We're not asking that they be renamed and I guess that was what her comment is; we can't rename walkways, as streets.

Mayor Newlands: Okay. Now she's recommending, or the 9-1-1 people are recommending that you put the street name on the back of your house?

Bob Frazier: That's correct.

Mayor Newlands: But I thought they wanted... EMS wanted to be directed to the front of the houses.

Bob Frazier: Well I think what the issue was, when they looked at the situation, the reason we say that we're recommending that you put the address and the street name on the back of our properties, that's only really necessary on those properties where they're on a named street and face a named street, but the alleyways that run behind those houses are confusing because on one side of that alleyway, for example, where I live; on

one side of that alleyway it's Summer Walk addresses; on the other side of that same alleyway, or Muse, or Lane that goes behind those houses, that's Grist Mill, so we want it to be clear that when you drive down the houses you're looking at on this side are Summer Walk houses; the houses you're looking at on this side are Grist Mill houses, etc. That's only applicable to those areas where houses face front of a named street, or the front of the house does and the back of the house could be a little confusing; but for consistency purposes, we're just saying why not do it throughout the community and that would be consistent.

Mayor Newlands: Okay.

Councilman Booros: Can I ask a question? I think we all decided once before this is a public safety issue, with the police and fire not being able to get into the properties, or find the right house and I do agree it would be nice to get Chestnut Properties to pay for this, but in lieu of Chestnut Properties saying no way, we're not paying for this, might there be some public safety grant money available somewhere? I mean, I don't know. I have no clue.

Vice Mayor Betts: We should ask our Representative.

Councilman Booros: Maybe we can call Steve Smyk and ask him.

Vice Mayor Betts: And see if he'd be able to help us.

Mayor Newlands: Yes.

Councilman Booros: This is a public safety, health and safety issue here.

Vice Mayor Betts: We should have asked him that. I never thought of it. But we can get him.

Seth Thompson: For a second, Councilman Booros, you were wondering as to whether or not transfer taxes could be used for it?

Councilman Booros: No. No. I'm saying this is a public safety issue. You know, maybe there's some grant money out there, public safety grant money.

Councilwoman Jones: Mr. Thompson, the fact that Sussex County will go on record as stating the community fails to meet standards, does that give Milton anymore teeth with Chestnut Properties as far as covering the costs of this?

Seth Thompson: On some level it does. I suspect their response is going to be, but that's the way you, as Town, approved it.

Councilwoman Jones: And we did.

Vice Mayor Betts: We did.

Seth Thompson: And that's a very good argument.

Mayor Newlands: We don't have an estimate as to what it's going to cost for these signs yet, do we?

Bob Frazier: We got some estimates a year and a half or so ago, before you even appointed us to the Committee.

Bob Frazier: But they're out of date and they're not complete, so we have no idea right now what the costs are going to be.

Mayor Newlands: And the scope has changed a little bit, as well. So this inventory, this is a complete inventory of what they're looking for?

Bob Frazier: That's the inventory for the two major things that we want to do, which is the garage signs and pocket park signs, yes, that's the number of signs we're going to need to either add or change.

Mayor Newlands: Okay.

Bob Frazier: Now, there's one other suggestion that has come up and we'll have to take a

look at that when we decide how we're going to implement the costs. On those streets that do go behind houses and the front of the house faces one of those common areas, that we add a sign, not put another post up, but maybe add a sign underneath that street name, saying "EMS Entrance Ahead", or something like that so they know they don't turn down that street, go on down to where the sidewalk is.

Mayor Newlands: Is this the one for Ellis?

Bob Frazier: I believe that's the third or fourth recommendation in our report, where we say Signage Three – Supplementary sign existing saying "EMS Drivers", directing them a little further down the street.

Mayor Newlands: Okay. That's not a bad idea. I think what we should do is charge Mr. Abbott with getting prices for us and I think at the next meeting, or now, we decide whether we're going to pay for this up front... Well, we may want to look for grant money first and then at the next meeting, we can decide whether we're going to front the money for this ourselves and then go after Chestnut Properties, just because it is a safety issue.

Bob Frazier: Would you like for us, as a Committee, to assist the Town in getting some cost information? Because we talked about that and it would be something we would certainly be willing to do.

Win Abbott: Yes, please. Thank you.

Bob Frazier: Alright. We'll work with Mr. Davis.

Mayor Newlands: Okay. Great.

Bob Frazier: And then Mr. Abbott at the town, trying to help assist in getting some cost information.

Mayor Newlands: Excellent. Thank you.

d. Community Development Block Grant

1. Council Resolutions 2013-01, 2013-02, 2013-03

Mayor Newlands: This next item on the agenda is just really to approve the Community Development Block Grant applications and I just have a bunch of things to sign. Did you straighten out the paperwork with the dates? You just crossed out the dates and changed them.

Win Abbott: For the purposes of your packet, you have the same things as you saw last month. The only thing that would change is the dates. Those papers are back at the office that you'll sign for real.

Mayor Newlands: Right.

Win Abbott: But, so for your packets, you have two two-sided pieces of paper. The top one says Citizen Participation Certificate of Assurance and then the back side of that page is Resolution 2013-001 and it's followed by -002 and -003.

Mayor Newlands: So we really just need to approve the Community Development Block Grant Program for this year and the Resolutions?

Win Abbott: Yes, the Resolutions are what constitute your approval and these are on a template provided by Sussex County Housing office. Would you like for me to read them out loud?

Mayor Newlands: We don't need to read them at all.

Win Abbott: Okay.

Mayor Newlands: I think we need for someone to make a motion and go through the titles of the Resolutions.

Councilman Booros: I make a motion that Council approve the Community Block Grant Resolution 2013-001, 2013-002 and 2013-003.

Councilman West: I'll second that motion.

Mayor Newlands: Hang on one second. For the last one, Mr. Abbott, -003, do we need to put a dollar amount in there, or is that left blank all the time? The last Resolution, do we need to...

Win Abbott: It is left blank, because we don't know what constitutes the total number that we'll have.

Mayor Newlands: Right and there's no town expenditures at this point.

Win Abbott: That is correct. It's all HUD money that is administered through the County.

Mayor Newlands: Right, I just wanted that for Council's knowledge. So we have a motion and a second to approve the Community Development Block Grant Program Resolution 2013-001, 2013-002 and 2013-003. All in favor say aye. Opposed. Motion is carried.

- e. Funding for Consulting Services by the International Association of Chiefs of Police

Mayor Newlands: Next is funding to hire consulting services by the International Association of Chiefs of Police and that was estimated at \$6,000. One thing I would ask, is if we approve this, when we get down to the COPS Grant, we actually table that discussion until we get the report back from the International Association of Chiefs of Police. So Councilman Lester do you want to go through this?

Councilman Lester: As I was probably the first one to bring this to the attention of the Council, I've gone through their website and I've read the documentation. I think we're sorely in need; there's been so much division in this Town about the Police Department, whether we need 10, 8, 9, no policemen, give up our Charter and go fall on the mercy of the County or the State. From what I can see and from what I read, this is a reputable organization and I think we're in desperate need, desperate need of some independent voice to go through this; give us an analysis and tell us where they think we're either right or wrong. Because they're going to look at all functions. How the office is run. They're going to tell us. They're going to review the whole operation and I think it's like the town having an audit. This is I think a good step.

Mayor Newlands: I agree. I think it's worth the effort and the \$6,000 to get this put to bed, once and for all. Ocean View did it in 2010. Their report is attached. Ocean View is a different community than us. Also when Ocean View was done, they had only 1,100 people; they now, I think, have 1,800 people and Ocean View has a number of part-time residents.

Councilwoman Patterson: I have a quick question. Because it says the Study Objectives, the objectives were tailored to the preferences and requirements of the jurisdictions, so how do we decide what our preferences requirements are?

Councilman Booros: Councilwoman Jones asked earlier, two months ago, I think, for a workshop to discuss what our requirements were going to be and this keeps showing up on the agenda and we've still not had a workshop.

Councilwoman Patterson: Oh that's right. Lynn Ekelund mentioned that, as well, right?

Councilman Booros: Yes.

Councilwoman Patterson: It's just, because you're going to get in suggestions, and then you're going to get, well this wasn't asked and that wasn't asked, so I do think it would

behoove us to have a workshop, so at least we can hammer out what questions we're going to ask, because it's a very broad scope and, again, there's a lot of...

Mayor Newlands: The problem I have with that is, I don't want to pigeon hole these guys and tell them, these are things that we want you to look at. That's the biggest problem I have with it, is that we're telling them what the problems are...

Councilwoman Patterson: I know. And I can see where we can go with that.

Mayor Newlands: If we do that, then we don't need them.

Councilwoman Patterson: Then again, if we leave things out or okay...

Mayor Newlands: I don't know what you're going to leave out. They're going to come in and they're going to do... We can have the workshop with them here, as they're doing the study.

Councilwoman Patterson: And maybe that's what we do, because again, once it says tailored to the preferences, you're just going to open yourself up to well, maybe this wasn't addressed, or that wasn't addressed, or... I don't know. That was my comment.

Mayor Newlands: Mr. Abbott, did the Town Manager or Chief get back to you; I know he was on vacation last week; from Ocean View, did they get back to you about what their approach was? Because that's what we had asked. I know you wanted a workshop, but we wanted to know what Ocean View did and that's where we left it. It wasn't that we didn't do a workshop, we were asking what Ocean View did and what their approach was and Mr. Abbott's been in contact with them and got this report from them, but we don't know what their approach was. Did they have a workshop ahead of time and tell these guys what to do? Or did they come in and say, this is what we do and here's what we're looking at?

Win Abbott: You've received all the information that I have. Today is Monday. I don't know whether the Police Chief of Ocean View is back from last week's vacation today, or not, but I did not get a call today and I did not make a call again today. You have everything that I have.

Vice Mayor Betts: I think it gives you a pretty good outline of what Ocean View did.

Councilman Booros: They asked for the staffing requirements. That's all they asked for was the staffing requirements and that's what they got.

Vice Mayor Betts: Yes, they did. Oh, is that all they asked for?

Councilman Booros: That's what they got.

Councilwoman Jones: I would like to say again about the workshop that was called for by the public, as well as a statement that was just made a few minutes ago about tabling the COPS Grant issue. I do not see them linked. The COPS Grant issue is brought up again in front of Council by virtue of a vote of Council eighteen months ago to reduce the police force by attrition, again reiterated, the intention was clear, voted again in 2012 to reduce the force by two. That's the COPS Grant issue.

Mayor Newlands: They're very related.

Councilwoman Jones: This is something different.

Mayor Newlands: No, they are not different. If these guys come back...

Councilwoman Jones: The Council already voted on the COPS Grant issue and the direction they wanted it to go.

Mayor Newlands: And that could change if these guys come out with a substantially different...

Councilwoman Patterson: But Council voted on that. I looked at this...

Mayor Newlands: Council votes do not last through infinity. They can get changed. That

was a year and a half ago; they don't last for infinity. I'm sorry.

Councilwoman Patterson: Okay, well my understanding in looking at the staffing requirements is to look at the take home cars and to look at... I've been told one thing from the Police Department, then I've talked to other Police Officers and other police Chiefs and some of the information that I was given from our Town, was incorrect and it kind of made me very angry. I know a lot of Police Officers that actually drive to work in their uniform, so just taking a step back. I thought the International Association of Chiefs of Police was going to look at that and look at our budget and look at the take home cars, the staffing and the things like that, not the COPS Grant, because Council voted by attrition to reduce it by two and I even asked it at the budget meeting, is that going to carry forward into this budget year and you said yes. Everybody up here said yes, so we, as Council, from what I believe, are still looking to drop it by two.

Chief Phillips: My understanding after talking to Chief McLaughlin is that you guys will have a chance to talk the people first, whoever it is, and they'll feel out what you guys are looking for, what you want done for a price, because I think he only paid a couple of thousand dollars to find out what he found out. So there are different prices, different ranges and different things and you guys would come up with what you want as a guideway and they'd evaluate whatever you asked them to evaluate.

Councilwoman Patterson: Sure and I get that, but I think what Councilwoman Jones is saying, is that they really are two separate issues.

Mayor Newlands: Well they're not really two separate issues, because...

Councilwoman Jones: I think they are.

Councilman Booros: I have to agree.

Councilwoman Jones: And I have to say, in reference to what the Chief said, we could sit and pay a representative from the International Association of Chiefs of Police to sit and listen to us about our issues, and he would be on the clock at \$600 a day, or whatever the figure is quoted, or you could have a public workshop and you could present your reviewer without a cost to him for being there listening to you, with your list of what you'd like to see comprehensively come out of their study. It's very clear here, that it states, analyze law enforcement and administrative issues of concern to public officials, the department and the public and the public isn't going to get a chance to be heard if we don't give them that opportunity. That's been called on for a couple of times and Mayor Newlands you and I are just going to agree to disagree, the COPS Grant and this are two different things.

Mayor Newlands: We'll talk about that in a minute, but I can't see pigeon holing these guys and telling them, look at this and that's it, or look at five different things. They're the professionals...

Councilwoman Patterson: No, but I do think we need to go in there with a direction. It is the people's money and so they're going to spending the \$6,000 and even though it's the Town, it's still theirs and we need to analyze the whole system and see if there's more cost-effective ways and I know you guys work hard over there.

Mayor Newlands: I think these guys have to be at the meeting, in order to do that, only because...

Councilwoman Patterson: I mean, it is expensive.

Chief Phillips: Are you saying having a panel of the public make up what we investigate and you guys investigate yourself? Is that what you're saying?

Councilwoman Patterson: Investigate ourselves, how?

Chief Phillips: Check out you want evaluated through you all, or are you talking about bringing someone in professionally that does it for a living, like this?

Councilwoman Patterson: I think _____. It is the people's money and we're trying to... One of the reasons to reduce the force from what I read in the Council notes, is it's a cost issue and we talk about beautifying the Town and then there is a cost issue with the Police Department. It is expensive. It is our most expensive department and we've got to balance that.

Chief Phillips: Right.

Councilwoman Patterson: In this day and age, it's something that we have to investigate.

Chief Phillips: I just want to ask you, are you saying you do want to hire somebody to come in and evaluate us, or you don't want to hire, you just want to have a group meeting and decide how the Police Department is going to be run, that's what I'm trying to ask.

Councilwoman Patterson: No, I think this is a good organization. I actually was recommended this by a couple of other people.

Chief Phillips: Okay. Okay. Exactly. Okay.

Councilwoman Patterson: But I think they need to come in and have parameters...

Chief Phillips: I think they need to sit down and meet with you guys, absolutely.

Councilman Booros: And they need to know our concerns and quite honestly, one of my concerns in looking at the COPS Grant information was the percentage of a town's operating expenses, income coming in, that was used for their police forces, and this came out of the COPS Grant information and the average for public safety was somewhere between 27 and 34% of a city and/or town's revenue coming in, that was used for their Police Department and their public safety. That's in the data from the COPS Grant of all the people that have applied for the COPS Grant over the last two years; it's a pretty low percentage; didn't exceed 34%. Those were the averages Cliff. We're at 50% some percent and I think we need to take a nice, hard look at the dollars we're spending out of our revenue coming in.

Mayor Newlands: And you can spin those numbers... New York City has a budget of...

Councilman Booros: I'm not spinning them. This was the COPS Grant people.

Mayor Newlands: I understand that, but when you do the math and you look at New York City, it could be 10% for police and the rest of it's for whatever. Okay? So those numbers get skewed and those percentages get skewed way out of line, depending on...

Councilman Booros: I didn't skew them. I'm looking at the COPS Grant people...

Mayor Newlands: I know that. I understand what the number is, but you have to understand...

Councilman Booros: They're not my numbers.

Mayor Newlands: I'm not saying they're your numbers, but you have to understand that depending on the size of your budget, a \$2 million budget, his budget is going to be half of it. On a \$5 million budget, or an \$18 million budget, like Rehoboth, it could be 34%, so you're talking way different sizes of budget.

Chief Phillips: Each town is really different, because some of them have parking meters; some of them have big highways where they generate money, like Harrington and all them.

Mayor Newlands: You can't just say we should be at 34%. But you can't...

Councilman Booros: I understand that.

Mayor Newlands: You can't use that number that way.

Councilman Lester: But Mr. Mayor, I think having a meeting with one of the representatives and the Council to get some direction, I think if you have a workshop, you're going to get 800 different opinions and it won't end. It will turn into... Of course, if you do it after April, that would be okay with me. But that's going to turn into a long meeting and I doubt that you'll have a result, a success, but if you meet with the Council who have a responsibility for this, because all this talk about money and saving money and we're talking about buying land at Shipbuilder's, for which we will have no revenue. Let's get our priorities in order. We're saying we're wasting money on the Police Department, then we're talking about spending \$300,000 for a piece of land, for which we'll get no revenue. So it doesn't make any sense to me.

Chief Phillips: My concern is, let's say you do the survey and they say we need ten guys and we've already cut it down, then that means we'll never be able to apply for another Federal Grant for years to come, is all I'm looking at. By saying do the survey first, and whatever comes out of it, comes out of it and we'll be done with it. At least we'll all know on the right page where we stand.

Councilwoman Jones: I didn't read anything in the COPS Grant contract that says you can't apply for any funding ever, the statement you just made.

Chief Phillips: There was an email that I've seen recently.

Councilwoman Jones: Well, for the last two budget years, which are the ones that I've been personally involved with, the greatest number of voices that spoke at any public meetings, were the public. They spoke out during participation and 90% of it was in reference to the spending...

Mayor Newlands: And how many have had experience in the Police Department?

Chief Phillips: Actually, I'm glad you brought that up.

Mayor Newlands: I'm sorry, how many people...

Councilwoman Jones: But you're discounting the public sentiment because they may or may not have any expertise in the Police Department.

Chief Phillips: Councilwoman Jones?

Councilwoman Jones: Yes, Sir.

Chief Phillips: If I could ask you a question. Back in September or August of 2010, before you were on Council, you stood up in front of all these people and you advised that Rehoboth was, mile by mile, and that we needed more Police Officers and you and Ms. Mary Hudson, both agreed with that. I've seen the minutes that you said that. Now, two years later, when heroin is up, home invasions are up, shootings are up, crime is up now you want to back down and do just the opposite. I'm sorry. I just don't understand that and if you could explain it to me, I would be glad to listen, but I don't understand that.

Councilwoman Jones: And if you could show me the minutes, I'll agree with you, but I do not believe...

Chief Phillips: I'll be glad. I will email it to you first thing tomorrow morning.

Councilwoman Jones: I do not believe I have minutes stating about increasing...

Chief Phillips: Oh yes you do. No disrespect, but yes you do.

Councilwoman Jones: Let me finish.

Chief Phillips: Yes you do.

Councilwoman Jones: About increasing the police force. What I have seen is a flip/flop kind of issue brought up that somehow my wanting 24/7 coverage is in direct contrast to my voting to drop police through attrition by two. They are... I still want 24/7 coverage.

I still believe we can have 24/7 coverage, but I believe we need to do a better job with scheduling and managing the manpower that we have and I believe you can still it with less.

Chief Phillips: Well, you will have those minutes. I'll make sure all of the Council gets the minutes and it says quote unquote, exactly what you said and exactly what Ms. Mary Hudson said and she was on Council at the time and both of you were fighting for us to get that tenth officer and that's where it came from. She even said we needed more and you can read the minutes and I guarantee it's in your words. I promise you.

Mayor Newlands: Mr. Abbott, can you find out if these guys will come in, if the International Association of Chiefs of Police, a member will come in and attend a workshop, so we can...

Win Abbott: Absolutely. Do you have a target date in mind?

Mayor Newlands: Whenever they're free.

Seth Thompson: Mr. Abbott, I think on your summary it talks about the technical assistance packages, including an entry consultation to develop a clear, consensus about the objectives. I think that's really what we're talking about.

Councilman Booros: But that would require us to go ahead and vote to approve the \$6,000 in the study, right at this moment and I won't do that.

Councilwoman Jones: Correct.

Mayor Newlands: No. You don't have to do that. You can say no, but we're going to approve \$1,200 for the guy to come in for two hours. You don't have to approve the whole \$6,000. We can approve that and see what the gentleman says.

Win Abbott: I'll be glad to reach out to them to set an appointment. Do you have an appointment date in mind, like ten days from now, perhaps? At least seven, so we can notice it.

Mayor Newlands: Find out what their availability is, find out if they're willing to do it and then we can set a workshop to discuss it; or maybe we could have it at our second Council Meeting for February; set it up for the third Thursday. Let's use the third Thursday, as a target.

Win Abbott: Very good.

Councilman Booros: We've got to do this again?

Councilman West: I won't be here the 21st, Mr. Mayor.

Mayor Newlands: Is that the 21st?

Councilman West: Yes.

Mayor Newlands: Well we can make it the third Tuesday. I have something on the 19th. And you're not here on Wednesday's, right?

Councilman West: Monday is the 18th, Tuesday's the 19th, the 20th is Wednesday, the 21st is Thursday.

Mayor Newlands: Monday the 18th is a holiday for some and we have a Personnel Committee that night. The 19th I have something, I forget whether it's during the day or at night.

Councilman West: How about the 20th?

Mayor Newlands: The 20th Mr. Abbott's not here.

Win Abbott: If you'd rather proceed without me. Really.

Mayor Newlands: I'm sure you are.

Win Abbott: No kidding, on the 20th I'll be in the licensed water operator class; on the 21st I'm going to be an honored guest as a judge at the ACEC banquet.

Mayor Newlands: Shoot for the 20th.

Win Abbott: Very well, the 20th it is.

Mayor Newlands: Okay and we'll see. And also if you could ask them what their standard procedure is, since Ocean View didn't get... We tried getting from Ocean View what process they went through and all we got was the report, so we didn't get what process they went through, because that's what I wanted to find out for tonight. Let's find out from them what the process is that they use. So we don't need to vote on anything tonight. Are there any other questions on the International Association of Chiefs of Police? Okay, great.

18. New Business – Discussion and possible vote on the following items:

a. Sell/donate Orchard St. Extension lot to Habitat for Humanity

Mayor Newlands: Let's go through that. Mr. Burakiewicz mentioned to me at the last Council Meeting, at the beginning of January; he just asked me if Town had any vacant land that they could utilize for Habitat for Humanity to have a house built. It brought to mind Orchard Street Extension and I know you tell me it's a street, but it is a lot that's 50X140'. It is a fairly sizable lot. You guys have a picture of it in your package. He's been to the property. Bob and I met with Tom Protack who was the gentleman who spoke for Habitat for Humanity and we drove to this location and a few other locations throughout Town. I explained to him Ms. Bull's situation with the property on the left hand side where the driveway was and that there would have to be some sort of shared access.

Vice Mayor Betts: I thought when you set out that you went out... Can she go in her driveway with a house that's on that side?

Mayor Newlands: I told them that they would have to accommodate them. That that would be a stipulation if we sold the property to them; gave them the property; that they would have to make sure that they accommodated the Bulls.

Seth Thompson: From a legal perspective, the way that might work, would be there would be an easement that you would only sell the property...

Vice Mayor Betts: With an easement.

Seth Thompson: That's right. That's right, so that the neighbor always had... and it wouldn't just be that neighbor, but it would be into perpetuity, that the neighbor could use that for ingress and egress. That's right. And you could potentially put in...

Councilman Booros: How is that property zoned right now?

Hattie Bull: It's a street.

Seth Thompson: And I keep hearing that it's a street. At one point there was a record subdivision plan that indeed showed it as a street, but it was supposed to continue on.

Councilman Booros: So has it been rezoned as a lot, a residential lot? Or is it still a street?

Seth Thompson: There was a revised record plan recorded, that then removed that street.

Now for some reason and I can't tell from the deeds, but for some reason it was deeded to the town as a separate parcel, along with a three foot right of way; but it wasn't deeded as a street.

Councilman Booros: And it's zoned...

Seth Thompson: The deed itself doesn't indicate that it's a street; it indicates that it's a parcel that's... It's perfectly square. It's 140X50'.

Mayor Newlands: It's supposed to go through to the street, to Duory Court, straight through.

Councilman Booros: I understand that.

Seth Thompson: That's correct. That was the original record plan, but then Council back then

amended it. Actually I think it might have been the County. I'm sorry. I'm trying to think at one point.

Mayor Newlands: I will let you speak (directed to Hattie Bull), I just want you on microphone, that's all. Okay?

Seth Thompson: There was an Amended Record Plan for that sub-division that then removed it as a street, which is why the property behind it was able to be developed. In 2003, I went through the minutes, it looks like Shipbuilder's indeed thought that they owned it, because it was referenced in their deed, I believe from Czonko and Czonko's deed had it referenced from JT Partners. The only problem is JT Partners had already deeded it to the Town, so Shipbuilder's not realizing that, not going through the chain of title, saw it in their deed and thought they could develop on it. The minutes from 2003 are fairly clear that Shipbuilder's recognized that they didn't own it and that's why they stopped construction.

Councilwoman Jones: That parcel is non-conforming, is it not? It's under 10,000 feet.

Mayor Newlands: It's 50X140'.

Councilwoman Jones: Okay.

Mayor Newlands: It's a building lot, or we wouldn't have suggested it, if it hadn't been a building lot.

Councilwoman Jones: The point I make about this parcel is that on two occasions the Bull's have been lead to believe that that is a parcel that, shall we say, is not able to be developed; once by the Town's saying that the Bull's had to place their house in a different position because they were on a corner lot and that the Town recognized that as a street, a pass through; and the second time was whenever the Stop Work Order occurred. That was also implying that that was a non-buildable lot.

Seth Thompson: I think the Stop Work Order was based on the fact that Shipbuilder's, LLC didn't own it; that they were building on a lot they didn't own.

Mayor Newlands: Right.

Councilwoman Jones: But it was also at that time, identified as a street, was it not?

Mayor Newlands: It doesn't matter. It's not their property to build on.

Seth Thompson: At that point in time, in 2003, the Amended Record Plan had already been approved, that there was no longer a street there. Now normally when you see a deed for streets, it's indicated that indeed it is a deed for streets. I'll go back and double-check, but I've looked through thoroughly and I figured this would be an issue, but it wasn't deeded to the town as a street. I can't tell from the deed why it wasn't deeded to the town, but that's just the way it was deeded to the town.

Mayor Newlands: The reason Mr. Thompson's been doing all this research, is this is still in Shipbuilder's Village's name and I asked him months ago and that's why he's got this extensive background to reach this street, just for ownership purposes only. Just so we knew that it was owned by town. So he didn't do all this research based on the Habitat's request, because that request only came in a month ago and he's done an extensive background check on this.

Seth Thompson: If you look, for instance, on the County website, it will still show up as being owned by Shipbuilder's, LLC, but that's because when the County, and I'm guessing here, but certainly it makes sense, when the County received the deed, to Shipbuilder's, where they are the Grantee, it included the parcel. The County doesn't go back and do a title search to see if indeed that's the right parcel, so they just changed their County tax records to indicate it was Shipbuilder's LLC.

Councilwoman Jones: If the Town suddenly, and let me make this disclaimer, because there

isn't any better than Habitat for Humanity. Let me say that. It's hard to butt up against this, but if the Town is being so magnanimous as to being willing to donate or give a parcel of land away, the two homeowner's immediately affected by this decision, should have been the first people contacted to come to this meeting. They have never had the opportunity to negotiate for this parcel. This parcel was not available and I think there's more than Habitat in the Town of Milton here. You have resident's on each side of that property that could be well affected by this. At least, if you wanted to give it away, that's one thing. If you want to sell it, I think those property owner's should have had first right of refusal.

Vice Mayor Betts: They did have that. They did have the right to buy. Both owners were asked if they wanted to buy it. Isn't that right, Mrs. Bull. And you said no, that's true. But they were asked.

Hattie Bull: Because I still contend it is a street. You called it a street several times in your presentation. Now I have one question for you. You are so generous. In your neighborhood are there empty lots there, are you willing to let Habitat for Humanity use one of those lots, because of the nature of the work that they do, it will be a lovely place for someone build and live? Have you considered that?

Mayor Newlands: I don't have control over any of the lots in my neighborhood. I wouldn't have a problem.

Hattie Bull: I'm saying, you're willing to give up and you're talking about an easement. I still think it's going to be difficult, a hardship for my husband and I, to move in and out of our driveway, our area. It's going to be a problem. And yes you did offer that and as I said to you, it is town property. It is your responsibility to take care of it. You're calling it a street. You're calling it a street and now, all of a sudden, it's not a street.

Mayor Newlands: Well we just all refer to it as Orchard Street Extension, that's all. That's how it's always been referred to, I don't know what the address may be or may not be.

Bernice Edwards, Mulberry Street: I've been there for over 20 years. You can't get a better organization than Habitat, however, Habitat is coming into this town. Just a moral right, to me, if you were going to give the land to anybody, I would have said to those two homeowner's, you know what has gone through this, okay, but you, or nobody from Town Hall or this Council had the common courtesy or the moral... It's not... to notify anyone and I think that, to me... This is the thing that really bothers me about a town that's supposed to be inclusive, because of everyone who lives in this town, you never took the moral obligation to say to those homeowner's, that we are even considering either selling or donating this property. How do you think... Let me tell you, because you know I've been here before about Mulberry Street, because even a long time ago, you told us on Mulberry Street that that's County property; I'm going to say State maintained and what did I say when I came to this... Union Street is State maintained. Union Street always had sidewalks. Mulberry Street did not. You know and I know why not, so let's not fool ourselves, okay? All of you knew why. Just like the dollars that you have here today, the money that you have. You have extra money. I know for a fact that that money was diverted from Mulberry Street, for years, for years that money was diverted from our street. But guess what? You know what, when the guy talked about how your property look, our properties don't look that much worse than anybody else in Milton, because we worked hard for what we've got. Nobody gave us anything. And you're going to come now and you're going to take the property. To me, as a Council, you should have said to that family, you as the Solicitor, somebody should have written to them. Nobody wrote. As a Council, how do you feel sitting here? How would you feel if you were sitting in our seats on Mulberry Street? Because on Mulberry Street, I'll tell

you what we will do, we stick together. And just like I say, I might not have paid \$300,000 for my house, but guess what, I worked every day to pay for that house. I've got as much pride in that house as you have in Wagamon's West, that we have on Mulberry Street and to come up... We wouldn't have known that tonight and I thank God for some of you people that you have on the Council do have that moral obligation to say to the homeowner's, you know what, this is getting ready to go down. I don't know whether it's because the election is coming up, don't know that; but it seems awful odd to us that a month before the election comes, he's going to be gift giving and I've got a problem with it.

Mayor Newlands: I'm just going to say one thing. You're going to be the last one to speak, because this is not a Public Hearing.

Noble Prettyman: Thank you. Well I have several problems. First of all I'll go back 18 years with H. O. Brittingham sat there for 18 years without sidewalks in front of it. I'm on the school board, when I got on the school board there was a gentleman that worked for DelDOT and he told me there are never going to be sidewalks on that street. I don't understand it. I don't understand how we are so up about this historical town, but we don't care about our neighbors. We don't take the time and talk to them. I mean, it's not like you had 10 or 12, or 30 homes to go to. I mean, even when I did Mulberry Street, I walked Mulberry Street and got notarized all the paperwork for them. It is something that you have to stop and look at yourself and think about the people. The Bull's have their grandchildren. It's like no one cared about what was going on in that development. The Capano's built a house there. They knew that was a street. It was on the original plan in 1988, but we have to stop and look the Bull's. They have maintained their home, their yard and everything. There is a just a dead end street now, or do we sue the town to go after Capano's and have them tear that house down, so that street can go through? Is that what you want, you know, because this is getting really too crazy. It's really something that we need to stop and look at and make a decision as Ms. Edwards just brought up, there's an election coming up and we do great things in elections, general elections and all of them, they do great things. But, I don't see where the election has anything really to do with it. I think that we need to consider the families on both sides and leave that as a road. Mr. Bull has all kinds of grass cutting equipment that he has to get in and out of there and everything. The grandchildren can't even play out there. This is not right. Council, I'm begging you, I'm asking you to search your souls and come up with something that is going to work and be suitable. It is a useless piece of land and I don't blame the Bull's or the other people not taking it. Why would I want to take something and pay taxes on it, when I was told I couldn't build my house across there? This is getting too crazy. You've got to look and bite it and move on. But it's something that you, the Council, has got to look at. You wouldn't do it out in a new development, a piece of land out there. You wouldn't do it another part of our historical town. Sometimes I wonder if it's historical or hysterical, the way things are being handled and I just think that we need to stop and take time. The Bull's did what they were told to do. They said they had a corner lot. That's it. And that's how it should be. They told them that was a corner lot, it was Orchard Street Extension, don't understand to this day why they got a Mulberry Street address, because they are on Orchard Street. Thank you.

Mayor Newlands: Thank you.

John Collier: For the record, I have some more questions and these are pertinent to what you're thinking about doing. First of all, you said that the lot is 50X140'. That's non-conforming, because everything on the inside of it has at least 75' of frontage, making in R-1. If it is considered part of Shipbuilder's, then it's R-3, but it has to meet R-1 setbacks and

that's by Ordinance or something, because everything in Shipbuilder's is that way. So now you're talking about 10' side yards on either side, so now you have a 30' house. If you're going to grant an easement, even a shared easement, how are you going to alter that house in it's position. I think you need to explore where this falls within your own zoning laws, as far as the placement of that house, and the concepts that you have regarding how you might place the house in there, if you choose to move forward; because now you're looking at a variance and you're not going to slide the house to one side, because now you're putting the hardship on the people on the opposite side, if you do that. So be very careful, as a Council, how you proceed with this, is my question.

Mayor Newlands: Those are good points. That's why it's before Council, so we can talk about all the issues, because this is not an election issue. This was brought to my attention last month and I just wanted to get it before Council and because this property happens to be a maintenance issue for town.

John Collier: I understand.

Mayor Newlands: That's why we're constantly making...

John Collier: I understand about it not being an election issue and I'm not making that accusation. My point is that by the good graces of God and whoever else, come April 1st, I guess I'm going to sit up there and I may have to deal with the fallout from this thing, so if we can look at everything from the word go, then let's do that and nobody has brought these points up in any of this discussion of this whatsoever.

Mayor Newlands: Those are good points. Thank you.

Seth Thompson: I think it might help Council, this is a very unique situation. This isn't something... Again, I have no idea why 30 years ago they deeded this lot, when they also deeded an additional 3' on the road; I just don't know. We don't have... At least I haven't been able to find any records that date back that far. Typically when a town owns property, it's for the benefit of the public, as a whole. If this street went through, that would make sense. Again, it's a very odd situation where the town owns and maintains a piece of property that effectively can't be used by the public.

Mayor Newlands: Right.

Seth Thompson: In terms of the one issue, the easement that I was envisioning was something of a shared driveway, because, again, driveways and Robin you can correct me if I'm wrong, but I think our driveways all have to go through our setbacks, otherwise you wouldn't be able to get to the street.

Mayor Newlands: Right.

Seth Thompson: But it's... I didn't, at least I didn't expect this to be a one-night process.

Vice Mayor Betts: I didn't either.

Seth Thompson: Because while it's been there for a long time, it is something that needs to be addressed.

Mayor Newlands: And like you said, it is not a piece of land that is for the general public's use. It really has just one use to it. I don't know if you wanted to take up Habitat for Humanity's offer to sit down and talk with them, to see what they would possibly put on the lot? It hasn't gone to an architect. It hasn't gone anywhere.

Vice Mayor Betts: No.

Mayor Newlands: The discussion was they asked us if we had any property. I showed them the property and then that was it. That's the extent of it.

Vice Mayor Betts: And I think this is just more or less to discuss it with the public, to see their opinion of it.

Mayor Newlands: Yes.

Vice Mayor Betts: I don't think it's something set in stone.

Mayor Newlands: No. Not at all.

Bob Burakiewicz: The process that I went through with the Habitat for Humanity after we met with the people that were involved, I brought the Land Acquisition Committee out to take a look at the land and there was a builder and a real estate agent who have been doing this with Habitat for Humanity for many, many years. The first thing I want to say is, it's do no harm. If it's decided that this isn't the right thing to do, they'll walk away. They'll build someplace else. They have lots in Georgetown, they have lots in Seaford, they have another seven lots that have just been donated, so they have other places that they build. It's not like they're going to come in here tomorrow and start building. They have a land bank that they've stored some property in, so do no harm, number one. Number two, the houses that they're building in Georgetown Point, I think are 28' wide. I think. I'm not 100% positive on that, but I heard that number, so I'm going to say that's probably the size of the house in that scale, that would be on that lot. So if it's a 50' wide lot, 28', so there's room for a shared driveway; there's room for a 10' setback; that's 38', plus another 10' that's 48', so there's still another 2' that you're talking about. So I think the house that they would build there, would be a size that would fit the lot, with the setback, with the 10' driveway.

Mayor Newlands: Thank you.

Councilwoman Jones: I would just ask, as you consider your options in keeping Habitat for Humanity as one of them, that again, if the town is in the business of giving land away, I would also recommend one of your options be to ask the landowners on both sides of this property, if the town were to give this property and divide it between both homeowner's are they willing to pick it up and pay the taxes on it? But I do think that all options should be considered, not just architecturally how a house would sit there.

Councilman Booros: Including the option of paving the street, as it was intended to be initially. Shipbuilder's has waited 15 years for a paved street. The Bull's have waited 20 years for a paved street and they don't have it. We're about to pave Shipbuilder's and I'm sure it wouldn't take that much more pavement to pave that and leave it as what it was originally intended to be to begin with.

Mayor Newlands: If we make it a street, we have to... I talked to Allen about this. If we make it into a street, we have to change the curbing to have it actually curve the same way any other street does, if you're going to pave that, so I spoke to him about this a long time ago.

Seth Thompson: I think the most recent record plan would have to be revised too, because again at one point, it was amended so that there wasn't a street there.

Councilman Booros: Then revise it. They've waited 20 years for a street in front of their house. Not that Habitat isn't a wonderful thing. Don't get me wrong. It's a no brainer.

Mayor Newlands: We don't need to make a decision on this tonight. We can table this for more research.

Vice Mayor Betts: I think it should be.

Councilwoman Patterson: I don't know, you guys, if it was a street and I'm thinking maybe somebody's driving down the street and they might turn in there. Even if it was a street, people might go down and by mistake, thinking it was a little bit further down or something like that...

Councilman Booros: Like Mr. Prettyman said, there are dead end streets all over the place, so the fact that you turn in off of Mulberry and you come to a dead end, is irrelevant.

Councilwoman Patterson: That's true.

Councilman Booros: We have dead ends right here on Lake Avenue, you go to a dead end at the end of the street.

Hattie Bull: People use it in the development as a street. They walk through.

Councilwoman Patterson: Oh, they walk, they don't drive through there.

Hattie Bull: Well, yes they drive up. They have driven through there too.

Councilwoman Patterson: They have?

Hattie Bull: They come right through, so they use it as a street.

Councilwoman Patterson: That's not good.

Hattie Bull: And they drive...

Mayor Newlands: We don't have you on microphone. We need to record whatever you're saying. I'm sorry.

Councilman Lester: It's possible to pave the street and put a barrier at the dead end to people can't drive through. The question I have, if it's paved, do we have to put sidewalks in and would the Bull's be forced to pay for it?

Mayor Newlands: No, they wouldn't be forced to pay for it, but we'd have to... Oh, the sidewalks? I couldn't tell you.

Councilman Lester: Because if you put a road in there and curbs, do you have to put sidewalks?

Mayor Newlands: You would have to put a road a curb in.

Hattie Bull: When the State did Mulberry Street, that is flat now.

Mayor Newlands: They made a driveway cut.

Hattie Bull: Yes.

Mayor Newlands: They just made a driveway entrance, that's all they did.

Hattie Bull: Well, they opened it up so you could drive up. Thank you for saying that, because that's what we do. That's how we drive out of our garage.

Bernice Edwards: Somebody was talking about sidewalks. They're getting ready to pave Shipbuilder's and there's no sidewalks in Shipbuilder's.

Councilman Lester: There should be.

Bernice Edwards: I didn't see no sidewalks in Shipbuilder's.

Councilman Lester: There happens to be a lot of places in town where people have built and should have put sidewalks in and didn't do it.

Mayor Newlands: It wasn't an ordinance a long time ago. It is now. It's part of our building code now.

Councilman Lester: It wasn't too far back that there were houses built.

Mayor Newlands: It's part of our building code now, so we do that.

Bernice Edwards: There's no sidewalks on Bear.

Noble Prettyman: They would be grandfathered in, so even if you're saying it's part of your building code now, this street when they started to build, it was Orchard Street Extension, so that street has something that's already been grandfathered in and it should go as what they started out as. Orchard Street still if somebody comes out there and build up on it and everything; they just want to find someplace in some different area to build. I don't think it is right and it's not even right for the residents and Shipbuilder's, Mulberry Street to have this housing. It's wrong. Councilman Lester, you're just as wrong as can be. Because, if anything...

Councilman Lester: What did I say?

Noble Prettyman: If the Capano's or whoever, tear that house down, because that is the thing.

These people they built a house knowing that that was a street to go into North Spinnaker and Duory and everything, so I don't see this whole thing. I just think they need to go ahead and pave it and that is it. Because you're talking about the curbing. When the Bull's built there, they didn't tell them they had to put curbing in. They didn't even have sidewalks then and now here when I started to get and work to get this street sidewalks and everything, it cost a little bit over \$2.5 million and didn't cost the town anything. It was the work that was put into it. And when they cut that street, when they were doing it, I dealt with DelDOT. I sat there and said we've got to have it curbed so they can get into their home. Now, what they've got is a muddy driveway, because when the Capano's were trying to build a house and made up a deed, there was no deed. They took the blocks away and what did we have, a mess on our hands.

Mayor Newlands: Mr. Prettyman, I'm going to end this conversation because we're not having a Public Hearing on this right now. This wasn't slated as a Public Hearing. I just let people talk and we don't need to take any action on this tonight. So this was just for everybody's information.

b. COPS grant status revision

Mayor Newlands: We'll wait for everybody to get back and take our breaks. Just wait for Councilwoman Patterson to get back.

Seth Thompson: Mr. Mayor, there was one question, I think it was in relation to the auditing service, but I went through and looked through COPS application guide and it looks like at the conclusion of Federal funding, agencies that fail to retain the additional officer positions, may be ineligible to receive future COPS Grant for a period of one to three years. I think that was one of the questions.

Mayor Newlands: Okay, so that's if we fail to keep the officer after the 36 months, for that one year duration.

Seth Thompson: Correct. The statement and I'm looking at Section 8, which is on page 20 of the application guide. It doesn't address a situation where the COPS Grant is terminated early. This is only speaking to if you fail to retain the officer for that year afterward.

Mayor Newlands: Alright, I printed out an email that Mr. Abbott got from Peter Stickel. He approached them and asked them, it's the second email, if we could reduce the grant down. Do you want to explain this, Mr. Abbott? You sent him a lot of documentation.

Win Abbott: That's correct. What would you like me to say?

Mayor Newlands: Well, anything different then... We asked them to look at the grant and see if we could reduce it and use it for a reduced number of officers.

Win Abbott: And the answer was no.

Mayor Newlands: Right. Okay, so I just wanted to set the stage with that and the only options we have is to hire another officer and keep eleven officers, or give up \$50,000 a year for the next couple of years. We wouldn't have to fund this officer until probably fiscal year 2015, because the way this grant started, is it didn't start in September, 2012, I don't think. It started later and it's in suspended mode right now so what they do is they add on to the end of the grant period, so the grant may end August 2013, but it's going to go on for another year and a half, because we haven't really utilized much of the grant. So if people are thinking that we're going to fund this officer into fiscal year 2014, that's not correct; it's going to be fiscal year 2015 at the earliest and since we probably couldn't get anybody into this Academy in March, we'll probably be another six to maybe nine months before we can get another officer into the Academy; so we'll be out into 2016 before we have to fund an

officer.

Councilman Booros: However, Sir, we have to fund the tenth officer in order to be eligible for this \$50,000 grant money for the eleventh officer and if we have a tenth officer that leaves, and that's the second officer by attrition, then this town saves an awful lot of money and the \$50,000 grant money you're talking about funding the officer, does not completely fund that officer; not with the new tasers and the new guns and the new everything else that goes along with it. This discussion, I've heard it for two years. We've gone over it and over it and over it again and it's been voted twice, on two officers. I say you don't go to Walmart and you spend \$100 bucks just because they're going to give you \$5 bucks for free. If you don't need to spend the \$100 bucks, you don't spend the \$100 bucks.

Mayor Newlands: The reason we got the officer is because they saw that we had a need to have more Police Officers and they did that.

Councilman Booros: And the reason that this Council has twice voted to reduce the officers, and I think the opposing votes were you and Councilman Lester, period. I don't understand why this keeps coming up.

Mayor Newlands: Because it's a different situation now. Now we're talking about giving up \$50,000 a year.

Councilman Booros: No, it was talked about to begin with, losing two officers by attrition. Not a different situation. It was always going to be giving up the grant money.

Mayor Newlands: No, it was never giving up the grant. It was trying to get the grant reduced to fund the ninth officer. That's what it's always been for the last two years, or the last year and a half and Mr. Abbott went out and got an answer from them and they said no, you can't do that; unless you're under severe distress, laying off 10% of staff in all departments. That's what they said.

Councilman Booros: Gotcha. But that does not negate the fact that this Council has voted twice to reduce the Police Department by two officers through attrition.

Mayor Newlands: I understand that, but...

Councilman Booros: So why is this issue before us again?

Mayor Newlands: Because, this is now giving up the grant and this is a big issue, you're giving up \$50,000 a year. This is giving up a grant.

Councilman Booros: You're giving up \$50,000 a year, but that officer costs us more than \$50,000 a year.

Mayor Newlands: The tasers we get out of a grant.

Councilman Booros: That officer costs us more than \$50,000 a year and you know he does, between... The \$50,000 doesn't cover that officer for a year.

Mayor Newlands: It covers his salary, his pension, his health insurance, overtime...

Councilman Booros: His training, his uniforms, his gasoline, his car.

Mayor Newlands: His training is part of his salary. Most of the classes they go to, we don't pay for, do we, or we get grant money for him. So this is a different situation. We were asking to reduce the grant down to pay for the ninth officer. This is a different situation.

Councilwoman Jones: If we considered putting an eleventh officer in the Academy, in March, you are going directly against what Council voted two years in a row.

Mayor Newlands: I didn't say we were...

Councilwoman Jones: And I heard you say, you weren't going to be able to, but even the advertisement process brought about a great deal of criticism from the public, because the Council, for the second year in a row, had voted to reduce the Police Department by two, through attrition; then we see an advertisement for a positions, when one of the options is

withdraw from the grant.

Mayor Newlands: Withdrawing from the grant, I don't think was discussed much at all or in any seriousness, because everybody was trying to get the grant people to pay for the ninth officer.

Councilwoman Jones: And now we know, they won't.

Mayor Newlands: Yes. As of January we know they won't, that's when we finally got it in writing from them.

Chief Phillips: Can I say something, please?

Mayor Newlands: Yes, because I lost my train of thought.

Chief Phillips: I understand that you guys have a concern and I guess maybe I'm kind of biased, but all I can tell you is, when we applied for that grant, the FBI people, the stats, the data people, the people in the know, looked at our stats and knew our crime was bad enough that we needed the eleventh officer. I didn't make that up. They didn't give it to me because I'm good looking, they didn't give it to me because they like me, there are other towns that got beat out because of this. We had more burglaries, we had more robberies, more rapes, more everything that gave it to us. So if you guys want to sit here as civilians and make that call, I just hope and pray that nothing happens to any of these other people once we get rid of these people.

Mayor Newlands: I also think, since we're looking at doing the International Association of Chiefs of Police, that we just extend this out and hold off on this until we get the result of any survey or information from the International Association of Chiefs of Police, because if you give this up and they come back and say you need twelve officers, you're not going to get this money back. They're not going to just come back and give it back to you and say, okay, you can have it for the eleventh officer. That's not going to happen. So, I mean it's foolish to do anything right now with this until we have some conclusion from the International Association of Chiefs of Police and the idea that we can't change our mind that we're going to have nine officers forever, is a crazy idea and we can always go and change the size of the force.

Councilman Booros: Have we already hired an eleventh officer?

Mayor Newlands: No, we have not.

Chief Phillips: No, Sir.

Councilman Booros: Have we interviewed officers?

Chief Phillips: No, Sir.

Mayor Newlands: Since the last time you asked that, they haven't gone anywhere with anything that they've done. No tests. Nothing.

Chief Phillips: I would just like to see us take a chance and do the survey and see where it comes out. Wherever it lies, it lies and we'd be done with it.

Mayor Newlands: I agree.

Chief Phillips: But I hate to see us go backwards and then crime with the way it's going, look what we had in the last weekend. We had an attempted murder, we had a guy with a baseball bat, we had heroin in town, things are not going to get any better. If you think less officers are going to get better, make it easier, it's not, Sir.

Councilman Booros: Sir, what's on the table tonight and the Mayor has made it perfectly clear, about five times, is giving up \$50,000; not the amount of crime in this town; not the eleventh officer; it's giving up the \$50,000 he said one more time.

Chief Phillips: No disrespect Councilman Booros, I'm trying to keep it real for you.

Councilman Booros: I was trying to keep it real...

Chief Phillips: What's going to happen is your constituents out in the audience are going to be in the houses that are going to be broken and they're going to come to me and say why can't you solve this? Why did this happen? And I'm not going to have a good answer for them, Sir. I hope you do, but I will not. I'm just telling you that if you don't listen to the FBI and you don't listen to the survey people, then it's on you. It's not on me. I just want to go on the record that I'm telling you that you're making a big mistake. It's all on you, whatever you do.

Mayor Newlands: The \$50,000 is one of my issues. The other issue is not waiting for the results of the International Association of Chiefs of Police audit.

Councilwoman Jones: You're assuming we're going to approve an International Association of Chiefs of Police audit.

Mayor Newlands: Well if you...

Chief Phillips: Why would you not want to?

Mayor Newlands: That's number one, thank you and if you give that up and then we decide to do it and they come along and say you should have more officers, you've just lost all that money. That's why. Because you're putting the cart before the horse by not doing that.

Councilwoman Jones: You're tying the two together, where this COPS Grant should have been settled long before the International Association of Chiefs of Police entered the picture.

Mayor Newlands: Yes, I'm tying the two together.

Chief Phillips: If International Association of Chiefs of Police comes back and says you need it, then the citizens is going to look at you like, why did you guys make that decision?

Councilwoman Jones: Then I will be answerable to those folks.

Chief Phillips: Well.

Councilwoman Jones: I'll be accountable.

Chief Phillips: What doesn't make sense is, and I'm going to show you that email. I'm going to email it to every Council person, what you said in 2010 and I assure you you're going to be a little embarrassed by it, I'm sorry to say.

Councilwoman Jones: Well, at the same time that you happen to have that email, can you give me that training information I asked for a couple of months ago?

Chief Phillips: I don't know what training information you asked for, Ma'am. We've given it to you numerous times. We've given it to you numerous times, no disrespect. Captain Cornwell has explained it to you numerous times and if we have to, maybe we should put it in writing for you now.

Mayor Newlands: Chief, that's off topic.

Seth Thompson: It's obviously getting late. I think we need to make sure that we're not interrupting each other. It's going to be very difficult on the transcriptionist.

Mayor Newlands: Right.

Councilwoman Jones: My last statement about COPS Grant is we have been baby sitting this for over a year and a half and had we done our homework and due diligence, this topic probably would have been put to bed long before we looked at the International Association of Chiefs of Police for a Police Department assessment.

Mayor Newlands: But that's not where we're at now. Where we're at now is looking at the International Association of Chiefs of Police for assistance and I think it would be foolish for us to give up the grant, without getting that results from the International Association of Chiefs of Police. That's where we're at now.

Councilman Booros: I think where we're at now, Sir, is the fact that this Council's votes on

several things over the last year that I know about and the last two years actually, that I know about, have been negated all the way across the line; from the 3% raise, to the losing two officers by attrition. The majority vote of this Council means nothing and I think you're sending a message out to these people who say what is there an ad doing in the paper to hire another cop, when you all just voted two weeks ago not to. Why did they all get 3% raises, when you all just voted four weeks not to? The people in this town want to know what's going on. Why does the vote of this Council mean nothing? And that, quite honestly, is how I have felt for nine months. It doesn't matter what is said, the discussion doesn't matter. It just keeps coming back.

Mayor Newlands: I think Mr. Abbott and the Chief have gone out to the COPS Grant people quite a few times and we haven't gotten any answers until now, and they're both shaking their heads yes. So this is the first time we've gotten an answer from them. You will not get this back. If you get rid of this now, and the International Association of Chiefs of Police comes back and says...

Councilman Booros: I make a motion that we get rid of it now.

Seth Thompson: Just so that I can chime in here. I think the way we need to do that, the vote would need to be the withdrawal from the grant and direct the Chief of Police to file a letter of withdrawal with the COPS Grant. That obviously is one avenue. Another avenue is the Council, if it intends to continue on, would need to vote to basically rescind the prior Council's vote to drop two by attrition for some period of time. I don't know whether it's with regard to the study, that's up to Council in terms of what they want to do, but that's really how I see where we should go with this from a procedural standpoint. Frankly, I'm not an elected official. I don't have a say in which way you go, but that's really what we should do. I guess the one concern, I don't know Mr. Abbott if the COPS people gave you any sort of indication as to a timeline, as far as if we're going to continue to comply, do we need to be actively advertising, or can we have it suspended, so to speak?

Win Abbott: No, they did not specify any time period for us to bring our staff level back up to requirements and as a matter of fact, during the discussion about this, we discussed the fact that the grant began in August, but we did not have the staffing level up for another four or five months and the grant could be amended and I think that is referenced in this memorandum that I put together for you. So under that scenario, we could continue to be understaffed for a period of time and apply for an amendment to our existing grant to carry us on out for the next several months, or whatever. So it sounds like there isn't a specific time frame and I didn't see one.

Win Abbott: They did not give a specific time frame. No.

Mayor Newlands: They understand that you've got to people in the Academy. Actually when somebody started in the Academy, they pay us right away for that, but we'll miss the next Academy, which is March. So the next one isn't exactly six months after that, it's probably nine months after that.

Councilwoman Jones: So just so I understand, as long as we do not have the eleventh officer on payroll right now, we're simply not using their funds? Correct.

Win Abbott: That is correct.

Councilwoman Jones: Thank you.

Mayor Newlands: With the exception of two months.

Councilman Booros: What if the tenth officer leaves?

Councilwoman Jones: With the exception of what?

Mayor Newlands: Of two months last year, we accidentally picked up the money; we have

to refund it back to them.

Councilwoman Jones: Okay.

Mayor Newlands: The officer left October 18th and by mistake, one of the accounting people put in for the whole quarter; not realizing they couldn't do that, so we just have to refund the money back to them.

Councilwoman Jones: Okay.

Councilman Booros: And if a tenth officer leaves?

Mayor Newlands: If we still have the grant, then we hire two officers. We keep the force at eleven.

Seth Thompson: Which brings me back to the point where it should either be a vote to withdraw from the grant and direct the Chief to file the letter of withdrawal, or it should be a vote to essentially rescind the prior vote and revisit the issue... I'm not tying it to the study, but that certainly is a...

Mayor Newlands: Or we could wait for the study.

Seth Thompson: Right.

Mayor Newlands: We could simply wait for the study. I think the prudent thing to do is to wait for the study. It still suspends the grant. There's nobody being hired. There's no money lost. It just suspends it until... I would ask the Town Manager to let the grant people know what we're doing, just so they're aware that things are suspended. I tie the two of them together only because it's just prudent to hold that up until we know what the International Association of Chiefs of Police says and then we can come back to the issue.

Vice Mayor Betts: How long would you extend it to?

Mayor Newlands: The next Council Meeting after we got the report, we could put it on the next Council Meeting.

Vice Mayor Betts: But we're not losing it or we're not gaining it, if we decide after we get the report, we still don't want it, we can talk about it then?

Mayor Newlands: Yes. Yes.

Councilwoman Jones: And just for my own edification, the potential Town Council meeting on the 20th is to have a view at an International Association of Chiefs of Police representative being there, that evening, or to discuss the International Association of Chiefs of Police survey further.

Mayor Newlands: No, to have the representative from the International Association of Chiefs of Police at the meeting.

Councilwoman Jones: And what about authorizing funds for that?

Mayor Newlands: We'll do it then. It will be a Council Meeting. We can do it then.

Councilwoman Jones: Won't they already be here?

Mayor Newlands: He has to talk to them. They may charge us \$1,200 to come.

Councilwoman Jones: Then that would need a vote of Council, wouldn't it?

Mayor Newlands: I think the Town Manager can...

Win Abbott: Once again, I'll contact them first, but the purpose in mind was for them to come at no charge with the prospect that they might be able to get the grant.

Councilwoman Jones: Okay, thank you.

Seth Thompson: You really should do something based on the prior vote of Council.

Mayor Newlands: I know that, yes. I think the most harmless thing to do right now is just to wait for the International Association of Chiefs of Police report and just postpone any decision on the COPS Grant until we get that report.

Councilman Lester: I move that we table any further discussion on the COPS Grant until

such time as we've had an opportunity to meet with the International Association of Chiefs of Police.

Vice Mayor Betts: I second that motion.

Mayor Newlands: We have a motion and a second to table any further discussion on the COPS Grant until such time as we've had an opportunity to meet with the International Association of Chiefs of Police.

Seth Thompson: Councilman, does that include essentially suspending the attrition that the prior Council approved? I take that to be your intention. I just want it to be clear.

Councilman Lester: I think so, yes.

Vice Mayor Betts: I'm going to withdraw my second then, because that's not what I voted for.

Mayor Newlands: No that's a different... If we suspend that, that would mean the Chief can hire somebody. So, no, we wouldn't want to do that.

Seth Thompson: Okay.

Vice Mayor Betts: I wouldn't say yes. I'll second it just to wait for the International Association of Chiefs of Police report.

Mayor Newlands: Right. Now that's the other issue, to wait for not the meeting with the International Association of Chiefs of Police, but their report.

Councilwoman Jones: That assumes you're going to hire them.

Mayor Newlands: No it doesn't.

Councilwoman Jones: You just said, until you get their report. That indicates you intend to hire them.

Vice Mayor Betts: No, I don't think so. Not from me, it doesn't.

Councilwoman Jones: Okay.

Mayor Newlands: Because if we don't hire them, it's by default; we're not getting a report and then it goes back on the agenda. It's only logical. So do you want to amend the motion, to just say that we suspend the decision on the COPS Grant until we get the International Association of Chiefs of Police report?

Councilman Lester: I do.

Mayor Newlands: Okay.

Vice Mayor Betts: I'll second that.

Mayor Newlands: Okay, we have a motion and a second to suspend the decision on the COPS Grant until we get the International Association of Chiefs of Police report. Let's do a roll call:

Councilman Lester	Yes
Councilwoman Jones	No
Councilwoman Patterson	No
Councilman Booros	No
Councilman West	No
Vice Mayor Betts	Yes
Mayor Newlands	Yes

Mayor Newlands: The motion fails.

Seth Thompson: If the intention is to withdraw from...

Mayor Newlands: It just says status revision. It doesn't say anything else.

Seth Thompson: We're essentially left in purgatory here.

Mayor Newlands: Which is fine with me.

Councilman Booros: I make a motion that we direct the Chief of Police to send a letter to the COPS Grant people on official letterhead as stated in the email given to us by the Town Manager asking to withdraw from the COPS Grant.

Councilwoman Jones: I second that.

Mayor Newlands: We have a motion and a second to direct the Chief of Police to write a letter to the COPS Grant organization to withdraw from the COPS Grant. We'll take a roll call:

Councilman Booros	Yes
Councilman West	Yes
Vice Mayor Betts	No
Councilwoman Patterson	Yes
Councilwoman Jones	Yes
Councilman Lester	No
Mayor Newlands	No

Mayor Newlands: Motion is carried. And I would go back now and ask do we still want the... Never mind.

- c. Resolution to set a date for a Public Hearing for proposed Water System Improvements

Win Abbott: We have a couple of guests that have been here for about 4-1/2 hours.

Mayor Newlands: Are they charging us?

Win Abbott: Mr. McCabe has gone through a fair amount of effort in order to create a presentation for your benefit. I believe that you have PowerPoint slides there. I would ask that you provide him the opportunity to give you the visuals that support your decision to move forward with this resolution..

Councilman Booros: Are we really going to watch this? You've got to be kidding.

Steve McCabe, Pennoni Associates: I'll be brief, believe me. I'll be as to the point as possible. Are we all here now? Alright, we're all here now. I'm the engineer with Pennoni Associates and what I have for you tonight is a presentation on where we are with the water system improvements. You've all received an Executive Summary of the status of where we are. In this presentation I want to go over the following items and they are all in the handout. The bottom line is before I get started, I want to take it back to how we got to where we are. We were commissioned to come in and take a look at the previous referendum and this is some of the information that we had reviewed, the meetings and the existing reports and the past happenings. We looked at the Town. One thing I want to notice that we have, while we're on this slide, because I don't want to have to come back to it at the same time, the wells, and you can see the laser pointer, the wells and the water towers are all on the north side of the Broadkill River and there's two lines; one here and one here right now that link the north side, all the sources of supply on the north side, to everything else on the south side of town. That will be more relevant as we come back into the later parts of the presentation, but we looked at these with new eyes and compared to the previous referendum organization and these are our findings. We looked at how the system works. Currently you have three wells, you have two small towers. You've got 150,000 gallon tower, you've got a 75,000 gallon tower that feeds off the pressure of the network. You have three current wells in production, that are around this library and then you have one well

that's out of production. So that's how the system works. We looked at your water data. You can see that your water usage, per capita, is going up with the population and we make some report findings that we had reported last summer, and I gave you guys this presentation already in the summer and the Water Committee of the town are familiar with all these things. We made some recommendations. The recommendations are to look at improving your existing system, establishing inter-connectivity with other utilities, looping dead ends, revitalizing your wells, developing mapping and performance models of your system, and the like. They were condensed down into three alternatives, increasing pumping allocation of your existing wells, increasing elevated storage tank capacity, and exploring inter-connection with other utility water providers. The main source is increasing supply. The town water records and the happenings that happened last summer, have demonstrated that the town system has to work at or near capacity, during peak demand periods to supply the water to the town and if there's any maintenance or interruption, in any of the system components during the peak demand periods or the summer months, we have water shortages, which we experienced last summer. So the priorities that were communicated to us were serve existing demand and increase supply. Following our report in the fall, the Town Manager made two applications to the Office of Drinking Water State Revolving Fund loan program and they were favorably received. One was ranked number seven on the State's Project Priority List. It was for \$1.725 million for miscellaneous system improvements, which I'll go into detail later, which is basically the wells. The second pre-application was for the elevated storage tank and it was also favorably received and it ranked tenth in the State on the Project Priority List. This list is developed from all the municipalities in the State of Delaware that apply for funding, so there's a lot of competition on this list, there are a lot of towns, a lot of large towns, so we rank favorably. Out of those two applications, we had a report on January the 16th that was given to the town's Water Committee and the town's Water Committee elected to not pursue pre-application number two and they elected that they did not want to pursue the elevated storage tank option. We, in turn, looked at pre-application number one more closely, which contained these items and the town Water Committee elected not to pursue all the items in pre-application number one; the inter-connectivity with another private utility company was struck and it was elected to add the water tower number two foundation repair item, which was something that had not been in either application. This was an item that the town had explored, privately with another firm, a structural engineering firm recommended through their Town Engineer, so the Water Committee on January the 16th, just 2-1/2 weeks ago, asked us to add this to a pre-application number one and to modify what we were going to apply for. So what we ended up doing is on January the 24th we met with the Town Council and some of these items were discussed and these are the items that are to be considered, or to be placed in the State Revolving Fund full application. Basically, this is a result of pre-application number one for \$1.725 million for miscellaneous system improvements. These are the items that were to be put in it: the well number five rehab; the water tower number two foundation repair, which is the water tower at Shipbuilder's; the Wagamon's West Shores to Federal water main loop and I'll go into each of these separately. In your Executive Summary Package is the description for each one of these items, but basically well five is planned to be replaced with a new and deeper production well. This is the well that we're not currently using because of the sulfur taste and smell, however, this well is the well that is existing and it's located on the south side of the river, so it's already there and it's not being used, so it's the only source that we have right now on the south side. So we feel like it's a cost-effective alternative to

sink a deeper well at the same location, use the existing piping and it gives you a redundant well, so one of these other ones can be taken off line in a case of maintenance and it can also be used to rest the other wells during the peak demand periods. So that's well number five rehab. We're pricing it right now around \$810,000 for that construction cost. The second item was the water main loop and the reason why we wanted this in here, this was also recommended in the previous report from CABA Associates. As I stated before, on the north side of town, there's only two lines that cross the river, a 6" line and an 8" line. What this would do, is this would establish a third link from Wagamon's West Shores, which has really good water pressure and it has new, existing 10" mains. This side of town here, where Park Street is and Federal Street and Milton Elementary School and the Mariner Middle School, this area of town exhibits low water pressure and it's dead ended and this piece is dead ended, so what this will do, this would link two dead ends in the system and provide improved service for the south side of town and that item is about \$350,000, is what we're pricing it right now. The third item would be the control system integration and this would basically be a 3G communication system for the new well and an overview of the entire system that the town has. The town's doing a lot of maintenance right now. The Town Manager has been working really hard and the Public Works Department has been working really hard on improving the existing system. Whatever our recommendations had been, they have gone after them aggressively, fixing and replacing meters, taking defective hydrants out of service, putting new water sensors in the water towers, replacing the check valves on the existing pumps. The town is really trying to improve the system and what this would do, is this would be a comprehensive overview of the town's entire system to coordinate it all and to update it all. The next item would be the water tower foundation repair. This is a new item that was added. The Shipbuilder's Village tower, if you see on the left, it looks like the concrete there was a Quality Control issue with the concrete. We have not been involved in this. This was something that the town pursued independently, I believe through Baker Ingram and we're just now getting involved with it. When we had the January 24th meeting with the Town Council, this was one of the things where I had reported we did not have firm numbers on and we were still getting estimates on and it was one of the reasons why we were at a loss for words to provide firm numbers. In the time between the January 24th meeting and now, we've looked into it a little more closely, and have a little better estimates. So where we're at with all of this is we have the items to put together on the State Revolving Fund full application. We've made this presentation to the Water Committee. The Water Committee has given us direction as to what they want in the application and as of January 24th when we met at the previous town meeting, direction was given as to what to put in the full application. There were some numbers being kicked around at the meeting and like I said, we didn't have all our figures because it happened within days, the Water Committee meeting and the Town Council Meeting, so there really wasn't enough time to put firm numbers together. We have better estimates now and these are the numbers. We're looking at about \$807,000 for well number five, about \$350,000 for the loop, \$50,000 for the controls, \$100,000 for the foundation repair, that gives us a construction cost; we put a contingency on the cost because of the timing of the State Revolving Fund program and the fluctuation of construction prices; we put a price on the engineering and the inspection to do these projects and we come up with a total figure to put in the State Revolving Fund application. Now, the way these State Revolving Fund applications work, Office of Drinking Water State Revolving Fund now has been combined with the wastewater State Revolving Fund. They don't have an application ready for us to

fill out yet. We have last year's application, which we've been directed recently by Office of Drinking Water State Revolving Fund to not fill out, until a new application can be made, which will be a combined application with wastewater projects. That form, we're being told, is going to become available after March the 20th of this year. The way these programs work, we have been ranked seventh and tenth already, on our pre-applications. Now the municipalities that ranked now will have to be re-ranked as far as readiness, so the funding agencies want shovel ready projects. They want commitments from municipalities that they're going to spend the money, that they're going to be ready to handle the money and that they can get it done. So I think the town has been aggressive so far with the scheduling of the public meetings, but basically what we have to do is we have to determine and communicate to State Revolving Fund how much we want to borrow, what we want to borrow it for, document it, substantiate it, and then demonstrate that we're ready to move forward and that's the next step. In a nutshell, that's about as to the point as I can make it.
Mayor Newlands: Let's go back on microphone so we can see if anybody has any questions. Can you go back over just a little bit for me, the loan applications. They're now combining water and sewer?

Steve McCabe: Yes. I received an email and I forwarded the email to the Town Manager from State Revolving Fund and they said do not fill out the State Revolving Fund full application that they gave us a month ago. They said that it's being combined. The program is being combined.

Mayor Newlands: So the priority where we're at being at number seven on the list, we could advance or go backwards?

Steve McCabe: Depending upon your readiness. Yes.

Mayor Newlands: Let's say we are ready, but the fact that it's being combined with sewer now, does that change their evaluation as to where we are on the list?

Steve McCabe: I can't answer that, because that's an State Revolving Fund question. It's my understanding, what we were told and the Town Manager can confirm this, he was at the same meeting I was at, they said that they municipalities that ranked were eligible. So, we were ranked on two applications and one application we're going to pass on, so somebody's going to move up.

Mayor Newlands: Okay. Right. Right.

Steve McCabe: Ours, now it depends on what we can do, what we can demonstrate we're ready to do next.

Mayor Newlands: Okay, great.

Steve McCabe: What they'll expect is a Resolution and a dollar amount for the project.

Win Abbott: Mr. Mayor, I just want to point out a couple of items. The template for Resolution that you are provided with, there's some revision. At the very top where it says to proposed borrowing of up to... The dollar value of \$1,587,500 is with reference to the January 24th Council Meeting. You'll note that Mr. McCabe's presentation had revised estimates, in particular the foundation repair, which he said we were a little sketchy on before, the amount that we were authorized to borrow on that application was \$1,725,000 million and the revised estimates are more consistent with that. I'm suggesting that the \$1,587,500 number at the top of this page, be revised to \$1,725,000. The second item is number three, about three-quarters of the way down the page, where it references a 30-year period. The Town Engineer and I have confirmed it is a 20-year loan term.

Mayor Newlands: Oh really?

Win Abbott: These are two edits that you might wish to make on the Resolution before

discussing passing it.

Mayor Newlands: Do we have any knowledge of loan forgiveness? Have they expressed any?

Steve McCabe: Yes, they have stated that loan forgiveness is available. There is a fixed dollar amount. I did email Heather Warren at State Revolving Fund and she said that that information is not available yet, but there was a workshop held at Kent County that Mr. Abbott and I attended, where they did give I believe a six figure amount that was set aside for debt forgiveness; however, we don't know who's going to get it, how much is going to be distributed to whom.

Mayor Newlands: Okay, so that's a six figure number for everybody?

Steve McCabe: Yes, for everyone.

Mayor Newlands: That's not much money. Okay. Last year it was a third of the loan. Councilman Booros can you figure on your phone, can you figure out the twenty? Because you had figured out the thirty year loan at about \$63,000.

Steve McCabe: In the presentation on the final page, I calculated it out.

Mayor Newlands: Oh you did already. Okay, so it's \$100,000 a year? So we're going from \$60,000 something thousand to \$100,000 a year and that's at the higher number.

Steve McCabe: You also have to understand too, that the State usually tacks on some fees to that for administration.

Mayor Newlands: Okay, so we approve \$1,587,500 last time, so we now have to approve a new figure and we have to approve the new terms, as well? So that's got to be part of the motion, because...

Seth Thompson: To amend the Resolution.

Mayor Newlands: Right.

Win Abbott: Mr. Mayor, just to be sure, one of the key items here in the Resolution you pass tonight is set a date for a Public Hearing. The date for the Referendum will be determined by the date of the Public Hearing, because after the Public Hearing is when you'll set the date for the referendum. It must be no less than 30 days, no more than 60 days from the date of the Public Hearing. So tonight you will be setting a date for a Public Hearing.

Mayor Newlands: Last year we used two dates that were recommended, because people may not be able to attend one or the other.

Win Abbott: Fine. I just wanted to keep you focused on the target here and the target is to set a date for the Public Hearing. The actual date of the referendum is not a matter that you really have to worry about right now.

Mayor Newlands: But the date of the referendum you said must be no less than 30 days, no more than 60 days from the date of the Public Hearing. So that would be from the second hearing, okay.

Councilwoman Jones: May I say to Mr. McCabe, your presentation was well done and easy to understand. May I ask of Mr. Mayor, is this document available at Town Hall for the public to view?

Mayor Newlands: Ask Mr. Abbott that.

Win Abbott: Yes it is and I tried to upload it to our website today for the public to see it, but the file size is too big.

Councilwoman Jones: I'm sure.

Win Abbott: So I would need to break the presentation down into component parts, 2 or 3 pages each and then have multiple files uploaded. I just wasn't able to accomplish that today.

Mayor Newlands: Okay, so we're talking about \$100,000 a year payback. We haven't

discussed how we're going to fund that, have we? I think we need that for the Public Hearing. We're going to need to know that. The public's going to want to know how we're going to fund this.

Councilwoman Jones: What do you propose for a date? How many... Do we just need a Freedom of Information Act requirement?

Seth Thompson: You do need to put it in the newspaper too.

Mayor Newlands: Right a regular Public Hearing.

Win Abbott: I'm sorry, yes, I'll need to advertise it in the papers two weeks consecutively before the Public Hearing. So I wouldn't recommend setting a date any sooner than three weeks from now.

Mayor Newlands: Right and three weeks is going to be difficult because we all have problems that week.

Councilwoman Jones: On the 25th? Because that's actually the start of three weeks from tonight. It begins Monday the 25th. It's the last week in February.

Mayor Newlands: Do you want to do them back to back, the 25th and 26th?

Win Abbott: Whatever is your pleasure, Mr. Mayor. Perhaps Tuesday the 26th and Thursday the 28th, might work.

Mayor Newlands: That would be fine. The 26th and 28th. And that will depend on whether the library is open or not, whether we get the room in the library and it's too late to ask them. It's too late in the evening. Alright, so we're setting the new value at \$1,725,500; we're setting the term as 20-years at 1.5% and the Public Hearing dates are going to be February 26th and February 28th.

Seth Thompson: At 6:30?

Mayor Newlands: At 6:30 in the library.

Seth Thompson: It would be good to add in the library address, 121 Union Street.

Mayor Newlands: Okay. So at last month's meeting, we approved the money, now we're looking to approve a little bit more money and the terms.

Seth Thompson: And schedule the Public Hearing.

Mayor Newlands: And schedule the Public Hearing. Thank you.

Councilman Booros: Are you entertaining a motion now?

Mayor Newlands: Yes.

Councilman Booros: Then I'll make a motion that the Council approve the Resolution to propose borrowing of up to \$1,725,000 to finance the Public Water System Improvements and to set the dates for two Public Hearings, one on Tuesday the 26th of February at 6:30 p.m. at the Milton Library on Union Street in Milton, Delaware and the other one on Thursday the 28th of February at 6:30 p.m. at the Milton Library; and that it be changed to 20-years, instead of 30-years.

Councilman West: I'll second that, Mr. Mayor.

Mayor Newlands: You have the easy job. I have to repeat what he said now. We have a motion and a second to the Resolution to propose borrowing of up to \$1,725,000 to finance the Public Water System Improvements and to set the dates for two Public Hearings, one on Tuesday the 26th of February at 6:30 p.m. at the Milton Library on Union Street in Milton, Delaware and the other one on Thursday the 28th of February at 6:30 p.m. at the Milton Library; and that it be changed to 20-years, instead of 30-years. Roll call:

Councilman Booros	Yes
Councilman West	Yes

Vice Mayor Betts	Yes
Councilman Lester	Yes
Councilwoman Jones	Yes
Councilwoman Patterson	Yes
Mayor Newlands	Yes

Mayor Newlands: Motion is carried. Thank you guys.

- d. Complaint filing re: Sombar & Associates auditing services
Postponed for another time due to lack of notice.

19. Executive Session

- a. Personnel matter in which the competency and abilities of an individual employee will be discussed

Mayor Newlands: Can we get a motion to go into Executive Session?

Councilman West: Mr. Mayor, I make a motion that we go into Executive Session.

Councilwoman Patterson: Second.

Mayor Newlands: We have a motion and a second to go into Executive Session. All in favor say aye. Opposed. Motion is carried.

Mayor Newlands: Can we have a motion to come out of Executive Session?

Councilman West: I make a motion that we come out of Executive Session.

Councilman Booros: Second it.

Mayor Newlands: We have a motion and a second to come out of Executive Session. All in favor say aye. Opposed. Motion is carried.

Councilman Booros: I make a motion, that for technical reasons, because we eliminated the requirement for having a State water license, that we for a minimal amount of time, to be one week, re-advertise the position for the Public Works Director position, vacated by Allen Atkins.

Seth Thompson: And that the current applicant's don't need to reapply.

Councilman Booros: And that the current applicant's don't need to reapply.

Councilwoman Patterson: I second.

Mayor Newlands: Okay, we have a motion for technical reasons that we re-advertise the job for Public Works Director to no longer require a water license and we keep that open for a week, and that the current applicant's don't need to reapply. Roll call:

Councilman Booros	Yes
Councilman West	Yes
Vice Mayor Betts	Yes
Councilman Lester	Yes
Councilwoman Jones	Yes
Councilwoman Patterson	Yes
Mayor Newlands	Yes

Mayor Newlands: Motion is carried.

20. Adjournment

Mayor Newlands: Motion to adjourn, please.

Councilman West: I'll make a motion that we adjourn at 12:12 a.m. on February 5, 2013.

Vice Mayor Betts: Second.

Mayor Newlands: We have a motion and a second to adjourn. All in favor say aye. Opposed.

Motion is carried. Thank you.