

Town of Milton

115 Federal Street
Milton, DE 19968



www.milton.delaware.gov

Phone: 302-684-4110

Fax: 302-684-8999

Milton Town Council Meeting
Milton Library, 121 Union Street
Monday, July 22, 2019

5:00 PM Executive Session: 6:30 PM Regular Meeting

1. Call to Order
2. Roll Call
 - Councilman M. Cote'
 - Councilman S. Garde
 - Vice Mayor K. Kelly
 - Mayor T. Kanakos
 - Councilman R. Baty
 - Councilman E. West
3. Addition or Corrections to the Agenda - none
4. Agenda Approval – motion by Councilman Garde to approve the agenda, second by ViceMayor Kelly. Motion unanimously carried.
5. Executive Session - motion by Councilman West to enter into Executive Session, second by ViceMayor Kelly. Motion unanimously carried.
 - a. Discussion of the content of documents, excluded from the definition of “public record” in SS 10002 of this title where such discussion would disclose the contents of such documents
 - b. Strategy sessions, involving legal advice or opinion from a attorney-at-law, with respect to collective bargaining or pending or potential litigation, when an open meeting would have an adverse effect on the bargaining or litigation position of the public body
 - c. Personnel matters in which the names and abilities of an individual employee are discussed
 - d. Preliminary Land Acquisition

Motion by Councilman Garde to come out of Executive Session and move into Regular Session. Second by Councilman West. All approved. Motion carried unanimously.

6. Discussion and possible vote on Executive Session items
7. Moment of Silence
8. Pledge of Allegiance to the Flag
9. Public Participation
10. Presentation and discussion of the Fiscal Year 2020 Annual Budget
Town Manager K. Rogers explained the budget process and presented the Fiscal Year 2020 Annual Budget. This must occur in July according to the charter and include the amount of debt and the repayment schedule. The budget is divided into two funds – General and Proprietary. Discussed the General Fund first. 52% of the fund is derived from property taxes and realty transfer tax. Fees are another large source of revenue. 23% of the revenues based on fees based on applications, permits, sewer inspections and impact fees. Also included are franchise fees and easement fees from Comcast and Chesapeake. This upcoming fiscal year anticipate 35 new homes.

Another source of revenue are grants-in-aid that affect Streets Department, Police and Code and Planning. Town receives \$87,000 from Delaware Transportation Trust Fund which is a restricted source of funding for street improvement or capital projects. The Police are funded by several grants-in-aid for such as items as overtime, violent crime, drug enforcement, pension fund, Sussex County local law enforcement, etc. totaling \$195,000.

Other is classified as interest, fines, donations provide revenue to the town. Such donations received for community night that goes toward K9 and donations for the summer concerts.

Breakdown is 63% tax, 52% property tax and 11% general fund from transfer tax used for operation and public safety. Fees are 23%, grand-in-aid 9% and the other category is 5%.

General fund expenditures described. This year's expenditures are basically insurance, operation and maintenance, salaries. Not a great deal of capital. For each department there are salaries and benefits of employees, insurance, maintenance of automobiles, engineering and legal fees all to conduct business. Administration is 22% of the budget, Streets and Parks were combined for a total of 21%, Police is 44%, and Code & Planning 13%.

The other fund for the Town of Milton is the Proprietary Fund which is utility, our drinking water and trash services. Contract out for waste, recycle and yard waste services. This will be the third year of the current contract and will have to be bid out next year. Revenues anticipated are \$1,142,850 expenditures \$1,025,365 for a

net surplus of \$117,485. However, \$70,000 of that number is water impact fees that are restricted for capital infrastructure projects. There are no infrastructure projects in the budget at this time, so the actual surplus is approximately \$47,000.

Until last year we only had one loan that went back to 2006. The Town makes two annual payments that total \$48,615. July 2023 is the projected payoff. Last year the Town borrowed \$895,000 for water main project for Wagamon's water main extension and the Shipbuilders Well and Treatment facility. Annual payments are projected to be \$56,000 with an estimated payoff June 2039.

Capital improvements will be to continue working on Rails to Trails. Construction was funded by grants. No part of this year's budget is for lighting. The Town is waiting on a grant and, depending on the amount of the grant, may have to come back to Council to decide how to move forward. Appearing in this year's budget is the installation of lights in Memorial Park.

Under Streets, Capital Improvements, suggest the Town start investing in the upgrading of the streets in Shipbuilders. An item that has not been worked on this year is Front Street to increase the ADA crosswalks and ramps. Waiting on the fire department to be done their project. Last item is Magnolia Street project. This has been on agenda a few times this past fiscal year. Town was successful in getting the project partially funded in the amount of \$300,000 which is about 50%. There is no match in the budget currently. There is more deterioration in the bulkhead than originally thought. Once there is a final picture of the cost of the project, it will be returned to the Council for discussion.

Regarding the water infrastructure in this year's budget, there is construction design and engineering fees for two projects. Work will continue on Atlantic Avenue and the Chestnut Street water main upgrade that were funded by a grant from USDA. For Atlantic Street a task order to begin was voted on at the last Council meeting. In the budget is the continuation of services through construction.

There are four capital purchases funded, a sweeper attachment to help clean up the streets, lawn mower, police patrol vehicle funded by the Sussex County grant, and 2 lights in Memorial Park.

Municipal Street Aid (\$87,000) is to be used annually based on mileage that the municipality maintains within town limits. This fund under Delaware Code is for street improvements, lighting, and payment on the principal interest on street improvements. A proposed change was recommended. The fund is typically used now for monthly streetlight costs. K. Rogers feels that this grant-in-aid revenue should not be used for operational expense but for capital improvements or to invest in street improvements. Proposed changes are for street lighting to be

moved back to operational expenses and used for street improvements in Shipbuilders Village.

Transfer taxes is another restricted fund. 1 ½ % received from the value of real property that is transferred within the town is used for operating costs and public safety services and also for infrastructure projects. Proposed in this budget is \$255,000 for FY2020. FY 2019 it was \$320,000. No one wants to hear about tax increases, but if we want to diminish the amount of transfer tax used for operations, you may want to consider a small increase.

That would create less budgeted transfer tax and increase the balance to invest a larger portion into larger projects. The proposed budget does not have a tax increase, but we may want to consider if you want to minimize the amount of transfer tax the Town uses.

At the end of 2018 auditors presented the Town's financial position. Prior surplus has created a reserve of 13 months and the Town is performing very well and able to survive in the event there is a need to use the reserve for operation. For FY 2020 no tax rate or fee changes and no change to the pay scale. It is primarily an operation and maintenance budget. There are a few capital purchases in the budget and many more requests by department heads not included in this budget.

We are continuing to grow and provide services and invest in our infrastructure. A budget binder with presentation, spreadsheet, cover letter with recommendations, also each department head's detail was provided to Mayor and Council. Documents will be uploaded to the website tomorrow.

No questions.

11. Workshop style discussion on the 2018 Certified Comprehensive Plan

K. Rogers stated that the Plan was adopted and certified by the Governor and work began on zoning changes. Introduced Dorothy Morris who will help guide us through questions and what we should be working on next. Zoning changes consume a lot of time by the staff. There are requirements that must be done in 18 months. However, the council are free to ask any questions.

Councilman Garde: Each chapter of the plan makes several suggestions and goals and he was uncertain what the plan is to implement all of them. Someone should do a cut and paste job of all the goals and enumerated them. In addition to goals, there are implementation plans at the end of each chapter that someone should also cut and paste into an implementation plan. His suggestion was to develop a plan to make a plan. The detailed plan would come out at the end by taking each line item and assigning responsibilities either to a human being or a task force or an existing commission or committee so that there is a game plan for who is accountable for the action. Asked Ms. Morris for ideas to help.

Ms. Morris: There are 109 individual items in the plan. She prepared a chart for the first 3-4 chapters using arrows. She realized very quickly there were things that intermingled. One is design guidelines which is 1/3 of the goals in first couple chapters. It is important to come up with a plan for large chunks and assign that task and decide what goes with that. Most important are any new zoning districts in annexation. There are three new zoning districts. If someone comes in tomorrow to annex and you do not have that zoning plan ready for them, they are going to go to the County, and you will miss that opportunity. In my opinion, that is where to start whether with a task force or individual. That is going to be where you will lose the development in your plan.

K Rogers asked if the process must be completed in 18 months to include any map adjustments.

Dorothy: Yes. As far as the zoning districts, you need to get them done as soon as possible. Get the zoning ordinances in place listing the uses for those new annexation areas and what requirements are in those areas because you don't know who is out there ready to develop that piece of property.

K. Rogers asked Mr. Collier what zoning drafts are being reviewed for the Comprehensive Plan.

Mr. Collier: currently working on mixed use residential/commercial type zoning. Probably 75 % of the way through the limited light industrial and the third one we haven't picked up yet. Things are moving along well with the mixed use which is the most complex of all of them. Do not see any problems meeting deadlines. Will come before the council and there will be public hearings. Tasked Engineering with some of the larger items that will come out of that. Already 6 months in.

Councilman Cote' asked Mr. Collier if he could estimate when process would reach a point where could be distributed or adopted.

Mr. Collier replied that the review process is 60-90 days. State agency will be available to comment on it.

Councilman Garde asked if the design guide was assigned to anyone.

Mr. Collier responded that is has not been assigned. The design guide needs an engineer's point of view. Everyone on the P&Z are laymen. We do not have the expertise to really develop.

TM K. Rogers: There is already a signed work order in the current fiscal year and a purchase order that will continue to drawdown as we progress through the process.

There will be a meeting at Town Hall to discuss how we will approach certain sections.

Councilman Garde: Have any of the other implementation actions been assigned to any person or committee? Not at this time per TM K. Rogers. We have not gone through any other chapters and sourced them out to any person. We need to show cause and report to the State that we are actively working on a Comp Plan. Annual report required. Only one with deadline is the zoning which needs to be done by June 2020. December to June is 18 months. There should be an ad hoc committee to begin working on other topics like the river and town preservation to provide recommendations.

Councilman Garde would like to receive some recommendations from Town Hall. Obligated the Town to do something about the 109 line items. The purpose of this meeting is to get a head start on that cut-and-paste job by chapter with thoughts from Town Hall, outside assistance and from some of the citizens who worked on the Comp Plan.

Ms. Morris is the person who reads the reports for all seven towns and advised the Town not be overwhelmed. Milton is already ahead of some of the other towns. It is a 10-year plan. Some of the 109 items are way more important to do than others. The Town must understand that we are not expecting that next July you have them all done.

Councilman Garde: A draft should originate from Town Hall. K. Rogers will work on it. Any comments from the residents or Council on the workshop?

Vice Mayor Kelly: For the 109 items to be done over a 10-yr period, would the scheduling be done by us?

Ms. Morris: Many towns tackle all items at once or prioritize them whatever way the Town is comfortable doing it. What we ask for is how you are doing on your implementation plan. A form is filled out that states what is happening and the accomplishments. These forms go right to the Governor.

Vice Mayor Kelly: Will there be self-assessment on a regular basis and if we need help, we can ask for it?

Ms. Morris: Some years you may accomplish a lot and other years not so much. That is okay. We will not come back to you and say you didn't do enough this year. Will only ask how you are doing to make sure if there is a problem, we can

come in and help. The goal is to complete the plan in 10 years and items can be carried over into the next year.

Any comments? TM K. Rogers will develop a plan and make suggestions on assignments and recommendations on adding ad hoc committees.

Vice Mayor Kelly thought it would be helpful to see things that can be done quickly and larger items that will take a lot of time. Differentiate between the two in the recommendations and the path we should follow.

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

- a. Implementation of 2018 Certified Comprehensive Plan
Item a was on agenda in case Mayor and Council wanted to take a vote after the discussion. After the discussion, TM K. Rogers now has a clear action on how to proceed.
- b. Designation of Milton Transportation Improvement District (TID)
TM K. Rogers introduced Ms. Coakley from DelDOT. Council received a lot of information and a few had questions on how to move forward to designate a TID or not proceed at this time. TID's are mentioned in the Comp Plan under Transportation section.

Ms. Coakley speaking off the microphone. Could not hear her.

TM K. Rogers: The only TID that would work is the annex parcel. There is not a large parcel available currently within the town limits.

Ms. Coakley speaking off the microphone. Could not hear her.

Mayor Kanakos could not see how this would work with the Comp Plan and thought it was a little confusing. Milton does not have industry. Route 16 is backbone containing some industrial or light industrial.

VM Kelly asked if the State could provide guidance specifically if the State is planning for some substantial improvement. This information would be helpful if we knew about it. That kind of guidance would be beneficial to any town. Is that something your department provides?

Ms. Coakley speaking off the microphone. Could not hear her.

Councilman Garde: To your knowledge what is the smallest TID? The reason I am asking is there are a lot of benefits to TID. But does not think Milton meets the requirements at this time. The main streets are county streets and the town is very small today. Nobody knows where we are going

at the end of the Comp Plan. Are there any TID's in a town as small as Milton which has about 3,500 residents?

Mayor Kanakos thinks an Ad Hoc committee may be needed.

VM Kelly: We don't fit the typical TID but impacted by towns all around us. Does your department provide for neighboring towns? Can the Town have access to that information, so we are at least aware of what is going on?

Ms. Coakley speaking off the microphone. Could not hear her.

Mayor Kanakos: Is the purpose of the TID is to increase the flow of traffic in a developed area or for developers needing access to the roads?

Ms. Coakley speaking off the microphone. Could not hear her.

VM Kelly it should also be taken into consideration the impact on neighboring communities as roads are divided. What is the impact and how do we plan for it as population grows?

Ms. Coakley speaking off the microphone. Could not hear her.

George Cardwell, TIDs also gives an applicant a better understanding of what they are paying for and not getting hit blindsided halfway through the subdivision or rezoning process where costs are higher than anticipated. I had a situation where the first developer picked up tab for whole party. At least how you assign or create a district is a better understanding that everyone is paying into it as opposed to someone showing up late and picking up the tab for everyone else. There is also a need to set up a land use and transportation plan and what the land use is going to be and what projects are to be constructed. All the literature points out that intergovernmental agreement is biggest thing. These are some details to consider.

Mayor Kanakos thought that Implementing a TID makes Milton a more attractive area of annexation especially Route 16.

G. Cardwell: When you consider all the annex areas or parcels along Route 16, the character will change from what it is now. If you are going to urbanize this area, you do not want to get stuck with suburban to rural as an outcome. You want that design to fit the land use. He was proposing to have in the comp plan.

Mayor Kanakos: Need to have someone who knows what they are doing to oversee an ad hoc committee.

TM K Rogers suggested Planning and Zoning. She thinks it would be a good idea to move forward with a TID but manage where and what time it is appropriate. P&Z meets two times per month. It is part of the implementation part of the infrastructure chapter.

- c. Request from Milton Theatre relating to a waiver of Chapter 183-47, Use of Streets, for four food trucks parked on Union Street during a fundraiser to benefit Veterans

Ms. Teri Clifton, Gold Star Mother, Director Chad Clifton Foundation, presented the background about the Chad Clifton Foundation. It started in memory of her son Chad who was killed by a mortar in Iraq at age 19. Chad was a graduate of Cape Henlopen and attended HO Brittingham in Milton. In the past a Concert for a Random Soldier was held on Memorial Day and this year the Milton Theater has offered to bring it back on August 18, 2019. Over \$50,000 was raised over 12 years and donated to Guitars for Vets organization to help with 10-weeks of lessons. Each guitar costs \$200. Income from the food trucks and vendors is needed to continue donating to Guitars for Vets. The concert will be free.

Mayor Kanakos: This has been discussed at several meetings and the concern is the safety on the street. Food trucks narrow the street and would have an effect on traffic especially on a Sunday evening in the summer when street is crowded with people coming and going home with RV's, trailers, boats, etc. One of the suggestions was to put the food trucks in the municipal parking lot.

Ms. Clifton understood the concern and reported that they had to leave out the trailer from Veterans Outreach because it could not fit in.

Mayor Kanakos proposed the following options: put the food trucks in the parking lot facing Magnolia Street and/or lowering the number of food trucks. Understands that the revenue from the food trucks benefit the foundation but now the only problem is how many food trucks can fit there. He personally wouldn't mind seeing four, but they would all have to fit along the parking lot. Asked Ms. Clifton if she wouldn't mind moving the food trucks which will leave the street open for parking as well as people walking.

Ms. Clifton asked if anyone have any idea where to fit the Veterans Outreach van?

VM Kelly suggested contacting Mary, the director of the Historical Society, to use their parking lot. Councilman Garde will provide the contact information to Ms. Clifton and stated that the Town wants to support the Chad Clifton Foundation.

Councilman West: Will the concert be in the theater?

Ms. Clifton: One band will be inside, but the rest of the bands will be outside on the patio on a stage. Looking for sponsors for the stage if any business is interested. This is the first year we have asked for sponsors. We have always funded it completely on our own. Selling t-shirts is another source of income.

Councilman Kelly asked for information to forward to the VFW where is a member to see what they can do and will volunteer to be there that day to help.

Motion by Councilman West to allow the Chad Clifton Foundation to have the food trucks with the stipulation that they must be in the parking lot and make arrangements with the Historical Society to allow parking for the Veterans Outreach trailer. Second by Councilman Garde. All in favor. Motion carried unanimously.

Motion to adjourn by Councilman West. Second by Councilman Garde. All in favor.

Meeting adjourned: 7:39 pm