

## REGULAR COUNCIL MEETING

December 3, 2007

7:00 P.M. meeting called to order in the Council Chambers, Mayor Larry Gum presiding. Present were Vice-Mayor Robert Bryan, Secretary Tim Hodges, Treasurer Michelle Truitt, Councilperson John (Jack) Wilkins, John Thoroughgood, Irene Keenan, Town Manager Faye Lingo, Town Solicitor Tempe B. Steen, Development Coordinator Linda Johnson, Finance Director William Sauer. Guests see attached.

PUBLIC HEARING/Peninsula Crossing - Mayor Larry Gum opened a public hearing to receive comments on the annexation request from Millsboro Towne Center, LLC. They are requesting that 57.89 acres, located on the west side of Handy Road, part of map and parcel no. 2-33-5.00 parcel 11 5.01 be annexed into the town limits and zoning be set as medium density residential. Hearing was left open for additional comments.

PUBLIC HEARING/Vacate Alley- Mayor Larry Gum opened a second public hearing to receive comments on changing the street structure of the Town relating to that part of an unnamed, unvacated alley/street extending parallel to an on the east side of U.S. Route 113 in front of Baker's Hardware, map number 1-33-17.17 parcel number 60.00. Hearing was left open for additional comments.

DELAWARE FOUNDER'S INSURANCE TRUST INDEMNITY PLAN (DFIT) - Program Administrator's Theresa DeSanto and Joseph Buonano came before Council to answer questions and explain the workman's compensation insurance pool being formed with the towns in Delaware through the Delaware League of Local Governments. Millsboro has been included since the beginning to help determine the rates and any savings. This is a self funded municipal insurance group which will offer municipalities in Delaware an alternative to the spiraling workers compensation insurance costs. As part of the insurance group, each DFIT member will have the ability to better control its workers compensation costs on a year-to-year-basis, which will enable more consistent budget planning for each municipality. This plan has been approved by the Delaware State Insurance Commission and the U.S. Labor Board approval is still pending but is expected. Millsboro's Finance Director, William Sauer, reported that after studying this plan and using the rates given, The Town of Millsboro would see a 20% savings from the Workman's Compensation plan we currently have. The initial and subsequent membership in DFIT will be for a three year period. There will be no penalty to get out of the plan but in years two and three a buy in will be required to join or rejoin. The plan will be run by a Board of Trustees chosen from among members participating and will be for a two year term. Council is to discuss and look into before making a decision.

SECRETARY'S REPORT - Secretary Tim Hodges presented the minutes from the November 5, 2007 council meeting for Council's approval. Bryan motioned, Wilkins second to approve the minutes from the November 5, 2007 council meeting as written. Motion carried.

TREASURER'S REPORT - Treasurer Michelle Truitt presented the bills and bank balances to Council for approval. Bryan motioned, Thoroughgood second to pay the bills from the designated accounts as presented. Motion carried.

Audit Report - Sheldon Forney, CPA, from Jefferson, Urian, Doane & Sterner, P.A., presented the yearly audit for the year ending June 30, 2007. As of June 30, 2007, assets exceeded liabilities by \$17,439,753. Of this amount, the Town had negative unrestricted assets of \$319,020. The Town's total net assets increased by \$1,749,832 during the year. The net increase was mainly generated from realty transfer taxes, annexation and building fund fees and impact fees. As of June 30, 2007, Millsboro's governmental funds reported an ending fund balance of \$4,096,342. This increased \$1,605,585 from the preceding year, and increased the fund balance by 64%. Mr. Forney informed Council that the Town was in a strong position at the end of June 2007. The revenues, expenses, restricted and unrestricted accounts were explained to Council from page 6 of the Audit Report. After hearing Mr. Forney's report Bryan motioned and Wilkins second to accept the audit for the year ending June 30, 2007 as presented. Motion carried.

MILLSBORO FIRE COMPANY - No report CHAMBER OF COMMERCE - No report

POLICE REPORT - Lt. Calloway attended the CALEA conference in Colorado Springs.

Ptm. Ober attended a class on drug investigations at the DSP Academy.

The sidewalk repair and repaving on Main Street has been completed. There are a couple of areas at US 113 and SR 24 that need to be repaired. Those repairs should not impact traffic.

We had a DUI Checkpoint Saturday, November 24th, from 10:00 P.M. until 2:00 A.M. 518 vehicles passed through the checkpoint. We made 4 DUI arrests and a drug arrest.

There were no issues associated with the Christmas Parade.

Our final checkpoint will be on New Years Eve from 11 P.M. until 3 A.M.

The Department will be working Pedestrian Safety Enforcement and DUI Saturation Patrols through September of 2008. These projects are funded by the Office of Highway Safety.

Chief Murphy informed Council that the letter to DELDOT with reference to the traffic pattern at RT. 113 and 24 has been sent. No response as of this date.

Council was informed that within the special development district funding there was \$60,000 allocated for police cars. Chief Murphy is requesting permission to purchase two new vehicles. One of the new vehicles will replace one that was totaled and is out of service. Thoroughgood motioned, Bryan second to give Chief Murphy permission to purchase two new vehicles using the \$60,000 funded from the special development district with Solicitor Tempe Steen to check the language as to what is to be purchased. Motion carried.

STREET REPORT - Council was informed the Town has a contract with the state for funding to do the storm water repairs on Wilson Highway between town hall and Brandywine Apartments. The next step is to advertise and schedule the repairs.

PARKS AND RECREATION - No report

WATER/SEWER REPORT - The PNC loan closing documents for the borrowing of \$10,000,000 were signed on Friday, November 30, 2007. The funds are now available for use.

MAYOR'S REPORT -

Peninsula Crossing PH - No further comments were heard. Thoroughgood motioned, Hodges second to close the public hearing. Motion carried Wilkins motioned, Thoroughgood motioned to approve the resolution and annexation request of Millsboro Towne Center, LLC for territory contiguous to the present westerly limits of the Town of Millsboro, fronting on the west side of Handy Road (C.R. 337), tax map # 2-33-5.00115.01 (FKA part of #122, 57.78 acres and part of Handy Road (C.R.) 337, from the northwesterly boundary of tax parcel 115.01, approximately 972.33 feet to the southeasterly boundary of said parcel and to amend the zoning map and zoning ordinance of The Town of Millsboro to include said territory in the Medium Density Residential (MR) District. Motion carried.

Vacate unnamed alley PH - No further comments were heard. Thoroughgood motioned, Bryan second to close the public hearing. Motion carried. Bryan motioned, Thoroughgood second to approve the resolution to vacate the unnamed alley/street extending parallel to and on the east side of U. S. Route 113 from a point at the corner of lands now or formerly of Idetta E. Lynch, tax map number 1-33-17.17 parcel 60.00, and lands now or formerly of Baker's Hardware Co., Inc., tax map number 1-33-17.17 parcel 61.0, in a southerly direction a distance of 225 feet to a point at the corner of lands now or formerly of Baker's Hardware Co., Inc., and lands now or formerly of Thompson & Thompson, tax map number 1-33-17.17 parcel 62.00 with the town retaining an easement over the parcel. Motion carried.

Self Storage - The committee has met with the applicant and has completed their report. Since then, however, the applicant has withdrawn his request.

Christmas Bonus - Council was informed that each year employees have received a Christmas bonus from the town. Last year's amount for each employee was \$150.00. Bryan motioned, Thoroughgood second to give town employees a Christmas bonus in the amount of \$150.00 again this year. Motion carried.

Employee Holiday - Town employees receive New Years Day as a paid holiday each year. Question has been asked if the town would consider including December 31" as a paid holiday this year, as it falls on a Monday. This would be for this year only. Bryan motioned, Keenan second to give employees December 31 st, New Years Eve day, as a paid holiday for this year only. Motion carried.

Impact Fee Increase - The ordinance regulating impact fees states that the fees will be increased automatically beginning in January of each year unless a resolution is adopted by council saying not to increase the fee. This impact fee increase was written into the ordinance to allow for inflation costs each year. No action needs to be taken by council if they want the impact fees to increase as stated in the ordinance. No action taken. Impact fees will increase as stated in the ordinance.

Louis Garver questioned council about the unpaid \$3400 grass cutting fee owed by a property owner that has been on the delinquent bill list for several years. He asked why it had not been turned over to the courts for legal collection. Town Manager, Faye Lingo, explained it was too costly to pursue in the court system at this time but that the town is pursuing the collection of this delinquent amount.

Hodges motioned, Thoroughgood second to recess the Regular Council meeting at 7:50 P.M., and to enter into an Executive Session at 8:00 P.M. to discuss legal and personnel issues.

Respectfully submitted,

Tim P. Hodges Secretary