

MILFORD CITY COUNCIL
MINUTES OF MEETING
October 9, 2018

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Tuesday, October 9, 2018.

PRESIDING: Mayor Archie Campbell

IN ATTENDANCE: Councilpersons Christopher Mergner, Mike Boyle, Lisa Ingram Peel, Todd Culotta, Owen Brooks Jr., Douglas Morrow and James Starling Sr.

STAFF: City Manager Eric Norenberg, Police Lieutenant Edward Huey and City Clerk/Recorder Terri Hudson

COUNSEL: City Solicitor David Rutt, Esquire

CALL TO ORDER

Mayor Campbell called the Council Meeting to order at 6:00 p.m.

City Accountant Suzannah Frederick was also present.

INVOCATION AND PLEDGE

The Pledge of Allegiance followed the invocation given by Councilmember Starling.

Adoption/Ordinance 2018-27/Electric Tariff Amendment/Appendix B/Residential Rates

City Manager Norenberg referenced the charter showing corrections to Year Two and Three of the Rate Plan presented to City Council last April. During that time, a rate study was performed that was discussed with Council and the Public Works Committee.

During the final presentation, they provided charts for each of three years for the various rate categories in the City. One of the key goals of the study was to analyze the cost of service for each of the customer classifications for the purpose of balancing the rates in an attempt to hopefully reduce rates.

Unfortunately, about a week before the final presentation, another version of the document was submitted that included a change in a portion of the residential rates. The original version was part of the ordinance introduction and those residential rates were not updated in the ordinance adopted by Council at a later meeting. As a result, the residential rate being charged to customers did not align with those included in the last presentation to City Council.

The City Manager asked that City Council adopt the Ordinance that were presented to City Council in May 2017. Customers will then receive a credit for the difference in those summer rates. With the reduced summer rates, the City would be comparable to what is being charged by Delmarva Power and would end up somewhere in the middle of the other municipalities.

The 6,000 plus residential customers will receive a credit on their bill over the next several weeks. Anyone that is moving and/or who has closed their accounts since June, will be mailed a check to their forwarding address.

It was confirmed the credit would be displayed on the next bill. A PDF version is available of the itemized bill if anyone wants to review them.

Ms. Frederick also explained that should a customer come in to close their account, the meter tech will be sent for a final read. At that time, the bill will be calculated and the credit posted to that account.

All other electric classifications were billed correctly.

Councilman Boyle reported that he met with City Officials last week to discuss the concerns expressed by customers since the Smart Meters were installed. He asked the status of the work being done to gather data to rebut or validate the charges.

The City Manager stated that the City has been working with a vendor and there is no evidence that indicates there is a problem with the meter calculations/readings. They have worked to correct some software communication though that is unrelated to any reading issue.

He explained that a number of solar customers have recently used what was banked and their bill may have increased as a result. However, this is also not related to the smart meters.

Councilman Boyle recalled that the information was going to be gathered and a report generated to address the concerns. A Workshop Session has been scheduled for 6:00 p.m. on October 22nd to include three topics related to electric and specifically, the current rate design and three-year plan. An update of the smart metering project will also be provided. The relationship between the City of Milford and DEMEC will also be explained.

Councilman Brooks said he spoke to the Meter Reader when he changed to the Smart Meter. He explained the process and informed him when it was up and operating. He took his phone out to get a reading at that time so there is a record. As a result, he feels the City is covered.

Ms. Frederick confirmed the City has more than 80% of the electric meters installed, though there are still a number of water meters to be changed out.

Councilman Culotta then referenced his June bill. He feels the amount of kWh usage is very clear. He asked if the City could add the per kilowatt hour price so that the customers can better understand and make a comparison.

Mr. Norenberg noted that he and the customer service managers have discussed providing additional information to our customers and recalled a flyer prepared in 2013 about how to read the bill. However, their intent is to go into more detail and they are continuing those conversations though it may be a month or more before that can be accomplished.

The customer portal will not be available until after the Smart Meter Project is complete. Ms. Frederick explained the process, adding that once the programming piece is in place, the information currently available to the customer service staff will become available to each customer. However, that is presently in the hands of AMP and the company assisting DEMEC, though her staff is anxious to have that in place as well.

Mayor Campbell asked if anyone from the public wished to comment. No one responded.

Councilmember Morrow moved to adopt Ordinance 2018-27, amending the City Electric Tariff, seconded by Councilmember Brooks:

Electric Rules and Regulations Including the Electric Tariff

APPENDIX B

ELECTRIC RULES AND REGULATIONS

WHEREAS, the purpose of Appendix B of the Code of the City of Milford is to establish Rules and Regulations for the distribution and delivery of electric service to the City of Milford's electric system; and

WHEREAS, Appendix B, accompanied by the Tariff, provides the charges and rates for electric services; and

WHEREAS, Appendix B governs all Classes of Service unless otherwise stated as a Service Classification, or as modified by a City's approved rider or other written contract; and

WHEREAS, it is hereby ordered that Residential Electric Rates, in Year Two and Year Three, be modified, by decreasing Summer Rates and increasing Winter Rates, to align with the recommendation contained in the UFS study presented to City Council during a workshop session on May 8, 2017; and

WHEREAS, seasonal provisions remain unchanged with Summer Rates in effect June to September and Winter Rates in effect October to May; and

WHEREAS, residential accounts will reflect credit as a result of the decrease in 2018 Summer Rates.

THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

Section 1. Paragraph 3 MONTHLY RATES shown in Section 24-2(3) RES-RESIDENTIAL SERVICE SCHEDULE is hereby amended by striking language (rates only) indicated by strikethrough and adding language shown as bold and underlined and highlighted:

SERVICE CLASSIFICATIONS

24-2. RES-RESIDENTIAL SERVICE SCHEDULE

3. MONTHLY RATES

RATES	Year 1	Year 2	Year 3
Monthly Facilities Charge: All Customers	\$ 8.00	\$ 12.00	\$ 16.00
Energy Charge:			
Winter*			
Winter Block 1 (0 - 5 kWh)	\$ 0.12251	\$ 0.11164 \$ 0.11825	\$ 0.10351 \$ 0.11587
Winter Block 2 (6 - 2,500 kWh)	\$ 0.12251	\$ 0.11164 \$ 0.11825	\$ 0.10351 \$ 0.11587
Winter Block 3 (Excess)	\$ 0.13451	\$ 0.12364 \$ 0.13025	\$ 0.11551 \$ 0.12787
Summer**			
Summer Block 1 (0 - 5 kWh)	\$ 0.13251	\$ 0.14251 \$ 0.12825	\$ 0.15251 \$ 0.12587
Summer Block 2 (6 - 2,500 kWh)	\$ 0.13251	\$ 0.14251 \$ 0.12825	\$ 0.15251 \$ 0.12587
Summer Block 3 (Excess)	\$ 0.14451	\$ 0.15451 \$ 0.14025	\$ 0.16451 \$ 0.13787

*October through May

**June through September

Section 2. Dates:

Introduced October 8, 2018

Adopted October 9, 2018

Effective October 19, 2018

Motion carried with no one opposed.

ADJOURNMENT

There being no further business, Councilmember Peel moved to adjourn the Council meeting, seconded by Councilmember Boyle. Motion carried.

The Council Meeting adjourned at 6:22 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Terri K. Hudson". The signature is fluid and cursive, with a large initial "T" and "H".

Terri K. Hudson, MMC
City Clerk/Recorder