

City of Milford



CITY COUNCIL AGENDA

Monday, January 13, 2020

Joseph Ronnie Rogers Council Chambers
Milford City Hall, 201 South Walnut Street, Milford, Delaware

Original Agenda posted on January 6, 2020 at 4:55 p.m.

AMENDED on January 13, 2020 at 12:10 p.m. (3)

AMENDED on January 13, 2020 at 8:00 a.m. (2)

AMENDED on January 10, 2020 at 9:14 a.m. (1)

7:00 P.M. ***

COUNCIL MEETING

Call to Order - Mayor Archie Campbell

Invocation

Pledge of Allegiance

Approval of Previous Minutes

Recognition

Proclamation 2020-01/Martin Luther King Day

Proclamation 2020-02/School Choice Week

Police Department Recognition

Introduction of City Employees

Monthly Police Report

Monthly City Manager Report

Monthly City Finance Report

Committee & Ward Reports

Communication & Correspondence

Unfinished Business

Acceptance/City of Milford 2018-2019 Audit

New Business

Carlisle Fire Company Enhancement Fund Withdrawal Request

Introduction/Ordinance 2020-01/TJA LLC/Conditional Use

Introduction/Ordinance 2020-02/TJA LLC/Conditional Use
Introduction/Ordinance 2020-03/200 Front St/Final Major Subdivision
Appointment/Board of Adjustment Member/David W. Wilkinson
Waiver/Water Usage Fees/Thomas Passwaters
Authorization/Contract/Electric Engineering Services/Progressive Engineering Consultants Inc.
Authorization/Electric Division/Equipment Purchase
Authorization/Solid Waste Division/Advance from Water Reserves **
Authorization/Electric Power Cost Adjustment
Adoption/Resolution 2020-04/Solid Waste Rates for 5 years
Adoption/Resolution 2020-05/Wastewater Rates for 5 years
Adoption/Resolution 2020-06/Water Rates for 5 years
Adoption/Resolution 2020-01/Authorization/City Check Signor & Designee
Adoption/Resolution 2020-02/Milford Ponds/Acceptance of Public Improvements
Adoption/Resolution 2020-03/City Holiday Add On
Appointment/City Manager Search Committee
Approval/Interim City Manager Contract

Executive Session *

Motion to Recess into Executive Session Pursuant to 29 Del. C. § 10004 (b)(3) and (4) for the purpose of discussing activities of any law-enforcement agency in its efforts to collect information leading to criminal apprehension and pending or potential litigation.

Return to Open Session

Potential Vote/Law Enforcement Activities and/or Potential Litigation

Adjournment

All items on the Council Meeting Agenda are subject to a potential vote.

**SUPPORTING DOCUMENTS MUST BE SUBMITTED TO THE CITY CLERK IN ELECTRONIC FORMAT
NO LATER THAN ONE WEEK PRIOR TO MEETING; NO PAPER DOCUMENTS WILL BE ACCEPTED OR DISTRIBUTED
AFTER PACKET HAS BEEN POSTED ON THE CITY OF MILFORD WEBSITE.**

® Public Comment, up to three minutes per person, will be accepted.

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In accordance with 29 Del.C. § 10004(e)(2), this Agenda was posted on January 6, 2020 at 4:55 p.m. and at least seven (7) days in advance of the meeting.

This Agenda was prepared by the City Clerk's Office and is subject to change to include the addition or deletion of items, including Executive Sessions, which arise at the time of the Meeting.

Agenda items may be considered out of sequence.

AMENDED on January 13, 2020 at 12:10 p.m. (3)

**Changed to remove 6:30 p.m. Special Council Meeting and begin Council Meeting at 7:00 p.m per Police Chief
Per 29 Del. C. § 10004(e)(5) and Attorney General Opinion No. 13-IB02, this agenda was amended to address matters which arose unexpectedly after the initial posting of the agenda but before the commencement of the City Council meeting due to the special meeting no longer needed.

AMENDED on January 13, 2020 at 8:00 a.m. (2)

**Changed from Electric to Water per Acting City Manager
Per 29 Del. C. § 10004(e)(5) and Attorney General Opinion No. 13-IB02, this agenda was amended to address matters which arose unexpectedly after the initial posting of the agenda but before the commencement of the City Council meeting, requires immediate attention, and must be addressed prior to the City Council's next regularly scheduled meeting.

AMENDED on January 10, 2020 at 9:14 a.m. (1)

*Added per Councilmember request

Per 29 Del. C. § 10004(e)(5) and Attorney General Opinion No. 13-IB02, this agenda was amended to address matters which arose unexpectedly after the initial posting of the agenda but before the commencement of the City Council meeting. An Executive Session has been added to discuss permitted topics in accordance with 29 Del. C. § 10004(b)(3) and (4) which require immediate attention and must be addressed prior to the City Council's next regularly scheduled meeting.

MILFORD CITY COUNCIL
MINUTES OF MEETING
November 12, 2019

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Tuesday, November 12, 2019.

PRESIDING: Mayor Archie Campbell

IN ATTENDANCE: Councilpersons Daniel Marabello, Mike Boyle, Lisa Ingram Peel, Todd Culotta, Owen Brooks Jr., Douglas Morrow, Jason James Sr. and Katrina Wilson

STAFF: City Manager Eric Norenberg, Police Lieutenant Gary Bailey and City Clerk Terri Hudson

COUNSEL: Solicitor David Rutt, Esquire

CALL TO ORDER

Mayor Campbell called the Council Meeting to order at 7:37 p.m.

INVOCATION AND PLEDGE

The Pledge of Allegiance, followed the invocation was given by Councilmember Wilson.

Mayor Campbell expressed his condolences to Councilmember Wilson due to the recent death of her father.

APPROVAL OF PREVIOUS MINUTES

Included in the packet were minutes from the October 14 and October 28, 219 Committee and Council Meetings. Motion to approve made by Councilmember Brooks and seconded by Councilmember James. Motion carried.

RECOGNITION

Proclamation 2019-20/Pancreatic Cancer Day

Mayor acknowledged Pancreatic Cancer Days is November 21st in the City as proclaimed in below document:

PANCREATIC CANCER DAY

WHEREAS, during 2019, an estimated 56,770 people in the United States will be diagnosed with pancreatic cancer, one of the deadliest cancers, and 45,750 will die from the disease; and

WHEREAS, pancreatic cancer surpassed breast cancer in 2016 to become the third leading cause of cancer death in the United States, and is projected to become the second leading cause by 2020; and

WHEREAS, pancreatic cancer is the only major cancer with a five-year relative survival rate in the single digits at just nine percent; and

WHEREAS, when symptoms of pancreatic cancer present themselves, when is generally in its later stages, 71 percent of pancreatic cancer patients die within the first year of their diagnosis; and

WHEREAS, with the lowest survival rate of all major cancers, approximately 180 associated deaths will occur in Delaware in 2019; and

WHEREAS, there will be an estimated 418,451 new pancreatic cancer cases diagnosed worldwide in 2020; and

WHEREAS, the good health and well-being of the residents of the City of Milford are enhanced as a direct result of increased awareness about pancreatic cancer and research into early detection, causes and effective treatments.

NOW, THEREFORE, I, Arthur J. Campbell, Mayor of the City of Milford, by the power vested in me, do hereby proclaim November 21, 2019 as Pancreatic Cancer Day in the City of Milford.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the City of Milford to be affixed this 12th day of November 2019.

MONTHLY POLICE REPORT

Police Committee Chairperson Wilson presented the monthly Police Report, acknowledging the work of our police officers due to increasing dangers in our community.

Councilmember Boyle suggested a minor formatting change in the report, related to written reprimands. In addition, Councilmember Brooks noted the department has 200 more complaints this year in comparison to last year. He also noted the substantial increase in arrests.

It was also shared the increase in traffic arrests may be the results of having five additional officers and a full complement, in comparison to the past two years. Councilmember Brooks then commented on the decrease in fines, though arrests have increased.

When asked the crime rate status, Captain Bailey said it is staying the same. He said the additional complaints entail service calls, because the department documents every call, not just crimes. He further explained that larger departments than Milford do not respond to smaller items though Milford responds to everything. That is why Milford's numbers always look higher when compared to others. He said Milford has its fair share of crime, though the higher numbers do not mean crime is on the rise.

Councilmember Brooks agreed that there are 60 more criminal arrests this year, which means there is a lot more criminal activity, to be honest. Mayor Campbell added that Chief Brown is now calling Council whenever something happens immediately, which Council appreciates.

When asked the main crime related to the increase in felonies, Captain Bailey believes it involves thefts which includes shoplifting and thefts due to the opioid problem throughout the country, though that is his personal opinion.

It was confirmed that the report compares the previous month compared to the previous month the year prior, and then the totals as of the end of that same month each year.

Captain Bailey then reminded Council the crime mapping map that Chief Brown discusses with Council is available for public view on the Police Department's webpage.

Police Committee Chair Wilson moved to accept the report, seconded by Councilmember Culotta. Motion carried.

MONTHLY CITY MANAGER REPORT

Mr. Norenberg requested his City Manager Report, in addition to the number of updates in his Friday emails. There being no questions,

The City Manager also noted that the Public Works Crew completed the holiday lighting at City Hall and Finance for the Lighting Ceremony on Saturday, November 30th at 5:00 p.m.

Councilmember Boyle moved to accept the City Manager Report, seconded by Councilmember Peel. Motion carried.

MONTHLY CITY FINANCE REPORT

Through September 2019, or 25% of the fiscal year, Finance Committee Chairman James reported the total of all funds are up \$4.4 million over August. Major changes a \$2.8 million increase in bank/cash/general fund, \$1.2 million increase in bank/cash/electric though there was a decrease of \$21,600 in water reserves and \$15,000 in electric reserves for a total decrease of \$35,000.

In addition, there was a \$92,000 increase in impact fees, of which \$42,000 came from water, \$25,000 from electric and \$24,000 from sewer.

The operating revenues are outpacing the expenses by \$5.3 million, of which \$4 million is real estate tax. In property taxes, 97.5% of the anticipates taxes have been collected. Currently, the City-wide net position is 11.79%. Removing the general fund (which includes real estate taxes) is 5.48% ahead.

Chairman James also shared that 97% of the overall property taxes have been collected and wonders if will be at a higher percentage of the anticipated property taxes and asked if Council can be updated on the current number of uncollected taxes.

Mayor Campbell said he asked Customer Service Supervisor Suzannah, who informed him that of the \$500,000 owed, we have collected \$416,000.

Chairman James then announced that UFS will be here Monday, December 12th to present the results of the Cost of Living Study. One of the main questions is what reserves are available that can be used for future needs of the City. In addition, do we have a good rate structure for our current customers in order to be solvent, as well as be able to recoup any future expenses that are needed to continue providing quality service to water, electric and sewer customers.

In addition, how this funding can apply to the safety of our community and the construction of new police station.

Chairman James also noted that a draft audit report will be provided in December for review so that questions can be asked before the final report is accepted.

Mr. Norenberg then confirmed the current balance the \$500,000 that was due on delinquent property taxes, the current balance is \$488,000 of which almost \$310,000 is still pending this year, which leaves a balance of \$178,000 from the prior years, though most of those property owners have entered into payment plans.

Chairman James moved to accept the September 2019 Finance Report, seconded by Councilmember Wilson. Motion carried.

COMMITTEE & WARD REPORTS

Code Purple

Councilmember Wilson announced that Code Purple is in effect due to recent and expected freezing temperatures. Avenue Church is again housing man and the Nazarene Church is housing woman and children.

She emphasized the need for volunteers to assist at those shelters in addition to clothing, coats, scarves and hats.

LED Replacement Lighting Project

Councilmember Culotta said he has received emails and texts from residents who are very pleased with the new lighting that has been installed. He then asked Public Works Director Whitfield when Walnut Street is scheduled. Mr. Whitfield explained that purchases have been made, though the equipment has not yet been received for Walnut Street, though it is a priority area and he hopes to have it started by the first of the new year.

COMMUNICATIONS & CORRESPONDENCE

Nothing to report.

UNFINISHED BUSINESS

Authorization/Kent Economic Partnership Annual Agreement

City Manager Norenberg referred to the agreement in the packet that is expiring from last, in addition the proposed agreement for 2020. He and KEP Executive Director Linda Parkowski have worked out some minor communication issues and updates, which he has been providing Council through his Friday email updates.

Ms. Parkowski was in attendance and addressed Council following up from her presentation on October 28th.

She reported that the Retail Coach representative was at one of trade shows she attended. They also hosted a City Manager Meeting approximately 6 weeks ago, at which time Retail Consultant Rick Ferrell, was present and proposed to run gap analysis for each community participating with KEP at a proposed reduced cost, which will be a significant savings.

Ms. Parkowski again mentioned they will be updating the Rockport study next year, which will involve each community, as a countywide project. Rockport will also be providing a reduced rate for each community participating.

She concluded by saying her focus moving forward is healthcare, as she continues to work with the Wellness Center and Bayhealth in Milford.

Councilman James said he appreciates the efforts toward healthcare, but still has concerns adding that somethings will happen organically. Milford is already a healthcare destination to a large degree. When talking with constituents, they are talking about retail, shopping, entertainment, eateries, etc. He wants to satisfy their needs and wants, and hopes that there is a broader view beyond healthcare.

Ms. Parkowski agreed though she explained that when a company comes in today, they want to make sure the whole package. Though 75% of their focus is to obtain high paying jobs in this area, the other 25% is on retail and commercial, which will fill in once the jobs are available.

Councilman Culotta prefers City Council deciding on what direction to take and he feels healthcare is going to happen. Having relationships with particular buyers, that is still important.

Ms. Parkowski asked if organically 100 jobs will be created to fill the Wellness Center; that will not happen without marketing and promotion. She feels a healthcare office like Lessard is developing may come organically. But Milford is not going to get 100 to 150 jobs without any promotion, pitch or effort.

She feels there is a need for national companies in Milford and homework has to be done on the retail side as well.

When asked what KEP has accomplished this past year, Ms. Parkowski said this past year was building. There was no website, no phone calls coming in about economic development. A website had to be built and marketing materials were created. She traveled to nine different trade shows and marketed Kent County outside of the county.

Ms. Parkowski reiterated that Delaware is hard enough to be known, let alone Central Delaware. The phone is now ringing, the contacts are coming in and no, there has not been any interest in Milford yet. However, they continue to pitch Milford. She currently has eight active projects to bring in 355 jobs and \$120 million worth of investment.

She also pointed out an interested company will take about two years to actually land here.

Ms. Parkowski then explained the detailed process discussed at the previous meeting.

In addition, Councilman Boyle added that though once the jobs are here, the other things, including retail, will happen. Though retail is a narrow focus, KEP has a broader focus and specialize in certain areas in different years, but not to the exclusion of anything else that comes along.

Councilman Boyle agrees it is a tough decision on where to spend the money and the results the City wants to get. In terms of business development, he believes it is realistic to expect this will take time.

Councilman James then talked about how some situations come to fruition quickly, while others take much longer. However, he does not believe it is advantageous to focus on only healthcare. There is the ability to do more than one thing at a time. Unfortunately, he does not hear anything except a focus on healthcare. He recalled earlier conversations about the many retail options that were available in Milford many years ago. In spite of that, there is a lot of that development in towns around Milford and he believes there is a reason why.

Ms. Parkowski agrees healthcare is not the only focus and the reason they are getting Rockport to refresh their study. Initially, they came up with three target areas—distribution/logistics/manufacturing, healthcare and business/legal services. She feels Milford could be prone for business and legal services, in addition to healthcare. Should a large number of healthcare jobs come in, the business and legal services will be needed.

She also reminded Council the Maryland's minimum is increasing in 2024. That provides Central Delaware a short window to target small to medium size manufacturers. She assured those present, that those calls are coming in to her office and they are pitching Milford, in addition to the other communities. It could still take two years, but an active project in Milford is more comfortable.

Ms. Parkowski said she is asking City Council to renew the contract at this certain rate. They budgeted for that amount and she promised that she will work as hard as she can. She had no idea up until three weeks ago there was any discontent with City Council so she was unable to overcome that in the past three years.

They plan to work hard and market and promote Milford to try and land something here. She asked that Milford stand with her for one more year to see what can be done together.

When asked what has been landed for Kent County, Ms. Parkowski said of the 8 projects, they are confident they will land 6 projects.

Councilman Culotta pointed out it takes six months to do a site plan. He agrees there needs to be some measurables and at least, we have talked to x amount of people and we have this opportunity. But in the short term, he agrees to renew the contract for one more year. He emphasized it will be reviewed from a business development standpoint to ensure it is working.

Councilman Morrow referred to Retail Coach, stating that he does not believe one person is able to do the work and he agrees we need to support this entity involved, in addition to the Chamber, Sussex County Economic Development, our Planner, etc. In addition, the ease of the planning process which appeals to most businesses especially in the beginning.

He does not think this is a bad investment when you consider a \$45 million budget.

Councilmember Peel suggested they provide updates to Council, just as the other entities the City supports do. Councilmember James agrees there is also a need to communicate to KEP what it is Milford wants.

Ms. Parkowski agreed to provide reports and provide data on inquires and this is what is being done in response, where she has gone to market Milford, etc. She is more than happy to be more communicative so that City Council knows what is going on first hand as it is developing.

Councilmember Peel moved to renew the \$30,000 Kent Economic Partnership contract for the next year, seconded by Councilman Culotta. Motion carried.

NEW BUSINESS

Introduction/Ordinance 2019-38/Chapter 230-Zoning/Sign Regulations

City Manager Norenberg introduced the following ordinance on behalf of Planning Director Pierce:

ORDINANCE 2019-38
CODE OF THE CITY OF MILFORD
PART II-GENERAL LEGISLATION
CHAPTER 230-ZONING
SIGN REGULATIONS

WHEREAS, the regulating of signage throughout the City is necessary to balance the need to protect the public safety and welfare, the need for a well maintained and attractive community, the need for adequate identification, communication, and advertising; and

WHEREAS, Chapter 230 of the Code of Ordinances provides for such regulations; and

WHEREAS, after a review of sign regulations, City Council has determined it is in the best interest of the City to update and further clarify regulations regarding the size, style, location, and maintenance of signage; and

WHEREAS, many of the present sign regulations have been in existence for many years; and

WHEREAS, recent amendments to State statutes regarding the regulation of signs require modification of the current City Code.

Dates:

Planning Commission Review & Public Hearing: November 19, 2019

City Council Introduction: November 12, 2019

City Council Public Hearing: November 25, 2019

(Complete version in Council Packet).

A final determination is scheduled during the Council Meeting on Monday, November 25th.

Introduction/Ordinance 2019-39/Judith Diaz on behalf of The Chaney Center LLC/Conditional Use

City Manager Norenberg introduced the following ordinance on behalf of Planning Director Pierce:

ORDINANCE 2019-39

Judith Diaz on behalf of The Chaney Center LLC for a Conditional Use for a Daycare on 2.09+/- acres
in a C3 (Highway Commercial) Zoning Districts.

Property is located at the southeast corner of N Rehoboth Blvd and NE Front St intersection,
addressed as 600 NE Front Street, Milford, Delaware.

Present Use: Shopping Center;

Proposed Use: Shopping Center with Daycare to be known as Little Bucs Learning Center.

Tax Map MD-16-183.07-01-029.00, -030.00

WHEREAS, the City of Milford Planning Commission will consider the application at a Public Hearing on November 19, 2019; and

WHEREAS, Milford City Council will hold a Public Hearing on November 25, 2019 to allow for public comment and further review of the ordinance; and

WHEREAS, it is deemed in the best interest of the City of Milford to allow a Conditional Use for a Daycare to be known as Little Bucs Learning Center as herein described.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

Section 1. Upon the adoption of this ordinance, Judith Diaz on behalf of The Chaney Center LLC is hereby granted a Conditional Use Permit to allow a Daycare to be known as Little Bucs Learning Center in accordance with the application, approved plans and any conditions set forth at the Public Hearings.

Section 2. Construction or operation shall commence within one year of the date of issuance of the permit otherwise the conditional use becomes void.

Section 3. Dates.

Planning Commission Review & Public Hearing: November 19, 2019

City Council Introduction: November 12, 2019

City Council Public Hearing: November 25, 2019

A final determination is scheduled during the Council Meeting on Monday, November 25th.

Introduction/Ordinance 2019-40/Liborio Watergate LLC/Amended Conditional Use and Amended Final Major Subdivision

City Manager Norenberg introduced the following ordinance on behalf of Planning Director Pierce:

ORDINANCE 2019-40

Liborio Watergate LLC for an Amended Conditional Use and Amended Final Major Subdivision of 47.39 +/- acres into a 276-unit subdivision consisting of 33 single family units, 10 single family units (court), 48 duplex units, 129 townhouse units, 56 apartment units, and 1 daycare center in an R-3 Zoning District.

Property is located along the east side of Marshall Street approximately 650 feet north of the Elks Lodge Road intersection, Milford, Delaware.

Present use: Vacant Land

Proposed Use: Planned Unit Development to be known as Watergate.

Tax Map: 3-30-11.09-030.00 & 031.00

WHEREAS, the owners of the property as above described herein have petitioned the City of Milford for an amended conditional use and for final approval of an amended plat; and

WHEREAS, the City of Milford Planning Commission will consider the application at a Public Hearing on November 19, 2019; and

WHEREAS, Milford City Council will hold a Public Hearing on November 25, 2019 to allow for public comment and further review of the ordinance; and

WHEREAS, it is deemed in the best interest of the City of Milford to approve the amended conditional use and amended plat, as herein described.

NOW, THEREFORE, the City of Milford hereby ordains as follows:

Section 1. Following adoption of Ordinance 2019-40, and upon the effective date, Liborio Watergate LLC is hereby granted an Amended Conditional Use and Amended Final Major Subdivision to allow 33 single family units, 10 single family units (court), 48 duplex units, 129 townhouse units, 56 apartment units, and 1 daycare center, in accordance with the application, approved plans, and any conditions set forth at the Public Hearings.

Section 2. Construction or operation shall commence within one year of the date of issuance of the permit otherwise the conditional use becomes void.

Section 3. Dates.

Planning Commission Review & Public Hearing: November 19, 2019

City Council Introduction: November 12, 2019

City Council Public Hearing: November 25, 2019

A final determination is scheduled during the Council Meeting on Monday, November 25th.

Independence Commons Lot Sale/Minor Subdivision

City Manager Norenberg shared the City has received an offer to purchase one acre of a three-acre Lot 16 at West Liberty Way. A buyer is interested in subdividing the lot into an one-acre and two-acre lot. The one-acre lot would be used for a medical office building and there is another offer for the two-acre portion, that could be a veterinary clinic/animal hospice.

The buyer has offered the standard \$100,000 for the one-acre portion in addition to covering the costs associated with the subdivision of the lot.

The conveyances for the development is prohibited without City (Council) permission.

This was presented to the Community and Economic Development Committee earlier to recommend authorizing the subdivision and proceeding with the sale of the lot.

Both the medical office, as well as the veterinary services are by right uses and would not have to return to City Council for any additional authorizations.

It was confirmed that all lots shown on the north side of West Liberty are one-acre lots established at \$100,000, which this buyer is willing to pay for the one-acre.

The City Manager confirmed that R&R Realty is handling the potential transaction and the potential buyer has already provided a down payment and signed the contract, included in the packet.

Councilmember Culotta moved to authorize the subdivision of Lot 16 on West Liberty Way, into a one and two-acre lot, seconded by Councilmember James. Motion carried.

EXECUTIVE SESSION

Councilmember Wilson moved to go into Executive Session reference the below statutes, seconded by Councilmember Wilson:

Pursuant to 29 Del. C. §10004 (b)(9) for the purpose of discussing personnel matters in which the names, competency and abilities of individual employees are discussed.

Motion carried.

Mayor Campbell recessed the Council Meeting at 8:32 p.m. for the purpose permitted by the Delaware Freedom of Information Act.

Return to Open Session

Council returned to Open Session at 9:07 p.m.

Personnel Matter

Councilmember Wilson moved that subject to changes discussed in Executive Session, Council hereby authorizes Mayor Campbell to execute the agreement and the letter presented to City Council be accepted, seconded by Councilmember James. Motion carried.

ADJOURNMENT

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

The Council Meeting adjourned at 9:11 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder

MILFORD CITY COUNCIL
MINUTES OF MEETING
December 9, 2019

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, December 9, 2019.

PRESIDING: Mayor Archie Campbell

IN ATTENDANCE: Councilmembers Daniel Marabello, Mike Boyle, Todd Culotta, Owen Brooks Jr., Douglas Morrow, Jason James Sr.

STAFF: City Manager Eric Norenberg, Police Chief Kenneth Brown and Deputy City Clerk Christine Crouch

COUNSEL: Solicitor David Rutt, Esquire

ABSENT: Councilmembers Lisa Peel and Katrina Wilson

CALL TO ORDER

Mayor Campbell called the Council Meeting to order at 7:01 p.m.

INVOCATION AND PLEDGE

The Pledge of Allegiance, followed the invocation was given by Councilmember James.

AMENDMENT TO AGENDA

Councilman Culotta moved to amend the agenda and move the Workshop Session to before the Executive Session, seconded by Councilman Brooks. Motion carried.

APPROVAL OF PREVIOUS MINUTES

Included in the packet were partial minutes from the November 4th, and November 12th (partial) and November 25th, 2019 Committee and Council Meetings. With the correction of one typo error, motion to approve made by Councilmember Boyle and seconded by Councilmember James. Motion carried.

RECOGNITION

City Manager Norenberg provided some background on the City awards that have been created for employees. then announced this year's recipients, recognizing those in attendance:

Excellence Award Recipients - While some of the nominations come from coworkers, they also originate with residents, visitors, customers or businesspersons.

- Dale Breeding – recognized for his assistance during a waterline break
- Suzannah Frederick – nominated for her leadership of the Customer Service Office and her ever-present smile, especially during difficult workweeks
- Christine Crouch – saluted by a resident who appreciated her going above and beyond to help solve a property line issue
- Valerie Springer – recommended by her peers for going above and beyond of what is expected of her and makes a true impact on the police services of the City.
- Carol Scott and Tommy Henderson – nominated by a resident who appreciated them going above and beyond to identify a leak and help the homeowner before it became a huge bill.

Reward & Recognition Committee – ... was formed in 2018 to guide and expand on our existing recognition efforts. This year, the Committee has organized a number recognition events and other activities, including:

- Our now Annual Food Bank Volunteer Event,
- An employee appreciation breakfast in March,
- A Donation Drive for the Brandywine Counseling Services,
- The Adopt-A- Family Holiday Program,
- The Fall Service Awards lunch,
- And, the upcoming Holiday Party

Members: Charlie Nordberg, Rob Palladino, Pamela Queen-Perry, RJ Skinner, Katrina White, Howard Willis – Supported by Jamesha Eaddy.

Safety Committee Members: Over three years ago, a safety committee was formed to infuse a culture of safety in our organization. I believe they have achieved great success, as evidenced by our current record of 15 months with no vehicular accidents, that we've had only 1 lost time workers compensation claim this year (and he is back to work), and that our Committee received special recognition by our worker's compensation provider earlier this year.

Other accomplishments this year include:

- *Panic Button were installed at more city facilities,*
- *The Swift 911 Emergency Alert System is being expanded for use in notifying employees of emergencies,*
- *Developed and implemented the Safety Incentive Program,*
- *Planned the purchase and deployment of AEDs for more City facilities, along with training for staff on CPR and AED use,*
- *And, they added an Online Distracted Driving training for new hires*

Members: Lendon CC Dennis (chair), RJ Skinner (vice chair), Jamesha Eaddy (secretary), Dale Breeding, Billy Foxwell, Christie Murphy, Shawn O'Neil, Kenny Perry, Pamela Queen-Perry, Larry Simpkins

UNFINISHED BUSINESS

Introduction/Acceptance/City of Milford 2018-2019 Audit

Assistant Finance Director Sandra Peck introduced Auditor Rob Griffin who is currently with Gold Gerstein Group from Voorhees, New Jersey.

Mr. Griffin provided a brief background of his firm and synopsis of the work they perform.

He provided an overview of the audit process, stating this takes several months and starts during the course of Fiscal Year June 30, 2019, with planning and internal control reviews, including updates to permanent files and documents, contracts, minutes, just to name a few. As auditors of the City, governed by a profession, working and representing the best interest of the public. At the end of their audit process, they attest to the fairness of the financial statements of the City.

Mr. Griffin referenced the various documents, including the government-wide financial statements, fund-financial statements, notes and disclosures meant to lend to an understanding of the financial statements, required supplementary info involving budget and state pension information.

He shared the audit for this period of time is a clean, fair audit in which the statements present the financial position and activities of the City, and can be relied upon by a reasonable third party.

Mr. Griffin also pointed out that over the past number of years, a single audit has been required in more understandable terms, and a compliance audit over federal award programs. During those years, there have been several capital projects through the USDA in the form of revolving loans, that required a single audit meaning assurance of compliance must be tested with the requirements of those agreements, over compliance etc.

That was not required this year because the total was below the threshold of \$750,000. Based on conversations with the Finance Department, it will be needed again next year.

In terms of the audit and results of the process, Mr. Griffin did not have any disagreement with management over accounting policies and there were no uncorrected misstatements that needs to be brought to the attention of the Mayor and Council.

Mr. Griffin then talked about the estimates inherently involved in financial statements and referenced the capital assets, that are depreciated over lives, as best estimated. Therefore, everything is not an exact number though the goal is to get to a fair presentation that can be relied upon by the City's governing body and public.

In addition, the diligence and integrity of management is also part of the audit and the auditors, in certain cases, rely on representations. Mr. Griffin said he cannot speak enough of the diligence, hard work, integrity, attention to internal control that both Finance Director Jeff Portman and Sandra Peck display on a daily basis.

Finance Chair James referenced the integrity of the staff, and asked if there have been any appearances or issues with management override. For example, if a superior of Mr. Portmann or Ms. Peck's ever required them to override the system. Mr. Griffin explained that he would be required to disclose that and is also an inherent part of the annual planning process. They do an audit risk assessment before they conduct the audit, which enables them to put together procedures that permits them to access areas that are required for such conclusions. Management override of controls is an inherent risk, according to Mr. Griffin, which must be addressed and a number of checks are done by way inquiry, by way of corroborating evidence, internal control processes from beginning to end.

When asked if there were any new items that required a change in estimate in this year's audit, Mr. Griffin stated no and no new estimates or accounting policies. He used depreciation, property, lives, etc. and the estimated liability for compensated absences is another example of an estimate. Regardless, nothing changed from last year to this year, including all the pension disclosures are inherently an estimate as well with regard to the liability measured for the State pension fund.

Also asked was there any unusual flux in any of the major account categories this year compared to previous years; Mr. Griffin explained to the best of his memory, and support of the related electronic data, that falls under the analytical procedures categories to ensure those things make sense. If there is a question, they need to corroborate the reasons it happened. Nothing changes this year that did not have a more than adequate reason for why it changed.

Chairman James said he did review the audit report in detail, working with the City Finance Directors, and some minor changes were made. He has been through the numbers, including last year's audit. He recommends that before City Council accepts the audit, adequate time is provided to take any adjustments after June 30th, which is the last monthly finance report received, so he can review them. At that point, walk those amounts forward to the audit report.

Councilmember James moved to postpone the acceptance of the audit until the Council Meeting on January 13th, seconded by Councilmember Boyle. Motion carried.

Funding Authorization/LED Replacement Project

For some time, there has been a need to upgrade our current lighting to LED technology within each City facility.

Two options have been evaluated--1) re-lamping only and 2) completely new LED fixture replacements. The most cost-efficient resolution is to replace the fixtures in the Public Works, Finance and Customer Service Buildings with LED fixtures, and to re-lamp only in the Police Department and City Hall. By completing this project, the payback will be less than three years.

The purchase of LED materials and labor will be made through the Delaware State Contract. Specifications for LED lighting lamps and fixtures are attached. The total project cost, including materials and labor, is \$94,651. The FY2020 Capital Budget included \$30,000 for the project.

Efficiency Smart and DNREC monies have made available for a total of \$22,682 (\$4,105 Efficiency Smart and \$18,577 DNREC Grant). DEMEC also has Green Energy funds, of up to \$64,210, that can be used toward the project.

Labor will be through the awarded Delaware State Contract #GSS17748/Contractor Masten Electric in the amount of \$32,150, of which \$30,000 Capital Funding will be used (line item 222-6120-435-70.20) and \$2,150 from the DEMEC Green Energy Fund. Because the purchase is less than \$50,000, Council action is not required.

Councilmember James moved that City Council authorize a purchase order to United Electric for materials in the amount of \$62,501, in accordance with the State of Delaware Contract GSS17749, funded with \$39,819 from the DEMEC Green Energy fund, \$18,577 from a DNREC Grant and \$4,105 from Efficiency Smart, seconded by Councilmember Boyle. Motion carried.

MONTHLY POLICE REPORT

In the absence of Police Chair Wilson, Chief Brown said the report is in written format in the packet. He noted that the officers' activity numbers are much higher this month, because of the inclusion of the five additional officers, though he expects that number to continue to increase. However, they are still down one officer who was let go because he was not responding to training based on their standards.

Chief Brown said he was away at a conference at the last meeting, though he was informed there was questions about the way the report is written. Councilman Boyle recalled suggesting that the number of written warnings and traffic tickets issued be included in the same paragraph of the report, because they are related items.

The Chief stated that Captain Bailey said there were questions about the fine money and wanted to point out there is no correlation of the fines and tickets because the court process is extremely lengthy and most people do not pay their fines for six months. For that reason, an increase in the number of traffic tickets does not mean there should be higher fines.

He also confirmed the year to date is based on calendar year, not fiscal year.

Chief Brown said the criminal complaints in Milford are much lower and police activity such as traffic tickets have increased because there are more officers. In addition, if crime is lower, the officers have more time to concentrate on traffic related items.

Councilmember James commended Chief Brown noting that he and his staff are very proactive in getting ahead of crimes and when they are contacted, his staff responds keeping it to a minimum.

Councilmember Boyle added that the reports they are now receiving from Chief Brown are very helpful and makes him more appreciative of the work being done by the department, in addition to the good things that are happening community wise.

Mayor Campbell explained to the public that Chief Brown is now sending text messages to every Councilmember whenever there is a crime today or Saturday, and he provides that information to every Councilmember.

Councilmember Boyle moved to accept the report, seconded by Councilmember Culotta. Motion carried.

MONTHLY CITY MANAGER REPORT

Mr. Norenberg reported that the last two pages of the Manager's Report, are being regularly being updated by Public Works and the Planning Department on a variety of ongoing projects.

When asked about the suspension of yard waste collection during the winter months, Public Works Director Mark Whitfield verified that the first Monday collection in January, weekly yard waste will be suspended it will be picked up monthly on the last Monday of each January, February and March.

Planning Director Rob Pierce added that a lot of outstanding cases were closed this month, many based on the grass cutting complaints that have ended for the year. Approximately 95% of rental inspections have been completed and the last 5% of the initial inspections will be completed soon. In addition, his code officials are following up on inspections as needed.

He also noted the number of demolitions that have been addressed, many of whom were handled by the property owners. In addition, there has been an increase in property maintenance, which can be attributed to tax monition sales, code enforcement and the Downtown Development District program.

Mayor Campbell said he has received many compliments on the enhancements of properties Citywide which can be attributed to the work by the Code Enforcement Department.

Councilmember Boyle moved to accept the City Manager Report, seconded by Councilmember Culotta. Motion carried.

MONTHLY CITY FINANCE REPORT

Finance Chairman James reviewed the October 2019 finance report, noting the following:

There was a small change of approximately \$239,000 in all accounts. The changes involved a decrease in general fund reserves of \$159,000, a \$55,000 decrease in water reserves and a \$48,000 decrease in sewer reserves. Electric reserves increased by \$16,000 and impact fees increased by \$25,000 (\$11,000 water, \$6,000 sewer, \$3,000 electric).

The cash balance changed by \$15,000. There was a decrease in sewer balance of \$450,000, and increases in water balance of \$133,000, electric of \$48,000 and general funds of \$250,000.

There was an increase of \$51,000 in municipal street aid and a decrease of \$52,000 in real estate transfer tax. This results in a total change of all cash funds of \$239,000.

Chairman James referenced the new page in the monthly finance report depicting the restricted reserves and the net available. He pointed out that of the \$2.8 million balance shown in the general fund reserves, taking into account three-year capital budget items, there is \$458,000 remaining.

Also noting the water, sewer and electric reserves versus authorized projects, Chairman James emphasized this is before the Cost of Services Study that will be presented this evening in regard to water, sewer and solid waste.

He reminded Council that as this is reported on a regular basis, will provide a better idea of what funds are available.

Chairman James noted that 33% of the budget year has elapsed and revenue is slightly ahead at 37% due to 98.5% of real estate taxes having been collected.

When asked if this means we will exceed the estimate, Ms. Peck said she is not yet familiar with how much is billed in the interim tax cycles, though she will get that answer.

Chairman James also stated there was no change in the budgeted amount for sewer and Kent County sewer did not change at \$4.6 million, though the sewer budget was reduced by \$185,000, the Kent County sewer was increased by \$185,000 and asked why the total flip flop; Ms. Peck said she will follow up with the Finance Director on that matter as well.

He continued his review noting that expenditures are only at 28%.

Revenues over expenses are at 3.9% though \$4 million of that comes from real estate taxes. Excluding the general fund, the City is ahead of budget by \$678,000, though it is still early in the fiscal year.

Mayor Campbell asked Ms. Peck to follow up on the \$500,000 plus in delinquent property taxes and how much they have collected. City Manager Norenberg said the last update he was given was approximately \$428,000 though that was over a month or so ago.

Councilmember Boyle moved to accept the October 2019 Finance Report, seconded by Councilmember Culotta. Motion carried.

COMMITTEE & WARD REPORTS

Fourth Ward

Councilmember James thanked Chief Brown and his officers for the outstanding work they are doing in the Fourth Ward and Citywide.

COMMUNICATIONS & CORRESPONDENCE

Nothing to report.

NEW BUSINESS

Authorization/Perdue/Electric Service Agreement

City Manager Norenberg explained the City, as an economic development and incentive program, is our electric services agreement (ESA) that can be negotiated with major employees or companies making substantial capital investments or new employment opportunities that will add or retain load in the City's Service territory.

The last ESA before Council was when Bayhealth Medical Campus was approved in recognition of their major capital and employment investment in southeast Milford.

In 2010, Perdue submitted a letter to de-activate their ESA in 2011, though the letter was only found in the past few weeks. Perdue Director of Operations Dean Walston and the City Manager have met to discuss Perdue Farm's investment in their Milford facility in recent years, such an ESA is clearly warranted. Site acquisition and major improvements since 2016 include:

November 2016-July 2017	Purchase of Additional Property	\$2,365,225
March 2017-July 2019	Animal Care Initiative Phase I	\$8,733,319
March 2017-July 2019	Animal Care Initiative Phase II	\$9,507,303
March 2018-February 2019	Stormwater Management	\$1,469,954

The current ESA template was developed with the assistance of the Delaware Municipal Electric Corporation, after which it was reviewed and refined by the City Solicitor. The ESA sets out terms for the provision of electric service for five years at the Special Contract Service rate tariff as approved by City Council in 2017. The agreement incorporates future rate changes as may be provided to others on the SCS rate and/or across the board for all customers. It is proposed that the effective date of this ESA be set to seamlessly follow the actual termination of the last ESA.

There are currently ESAs in place with Bayhealth (negotiated and approved for the new hospital), US Cold Storage and SeaWatch. (The last two are very out of date and should be revisited in 2020, as is being done with Perdue.) In addition, an ESA is being explored with Nationwide Healthcare for the previous Milford Memorial Hospital.

Mr. Walston was present and addressed Council stating that in their facility, Perdue has made significant investments and over the past few years, have taken initiatives that make their facility one of a kind in the United States. They are the show place for the 2020 animal care initiative and have invested in excess of \$20 million in that category.

They are very proud of where they facility is going and that positions Perdue to move forward leading the ways with some of the initiatives.

He attributed that to the cooperation with and being part of the City of Milford during that time.

Mr. Walston shared that in the last twelve months to the City of Milford, has spent \$6.5 million, over half of that is in energy. As a food processing facility, they use a lot of electricity and water and both are important components of their business. They also compete with poultry providers across the country and anything they can do as a facility to remain competitive, allows them to continue to invest in this community and the facility moving forward.

It was confirmed that Perdue is paying full taxes on the additional assessments as they continue to invest. The City Manager agreed adding there is not a lot of wiggle room when it comes to property taxes, because the goal is to keep the

rate low and affordable. As a result, there are some wiggle room in impact fees and utility rates. That is why incentives such as this are being made available.

Councilmember Boyle moved to authorize the Electric Service Agreement between the City of Milford and Perdue Farms, Incorporated, included in the Council packet, seconded by Councilmember James. Motion carried.

Funding Request/Downtown Milford, Inc./Ladybug Music Festival

DMI President Peggy Reilly and Executive Director Trish Gerken were present.

President Reilly recalled reporting to Council following the Ladybug Music Festival, at which time Council provided resounding feedback about the festival. At that time, Council asked what the City could do to help for the next festival.

Executive Director Gerken then requested assistance in matching their funds for the upcoming festival. This past year, they had a fundraising goal of \$35,000 which feel short and lowered it to \$25,000. They have a pending Gable contract requesting \$30,000 with a \$25,000 guarantee. A summary of the funding is included in the Council packet.

The request is for \$15,000 with DMI matching the remaining balance of \$15,000.

A subcommittee is willing to work with them if DMI acquires the match, according to President Reilly. Though it is a DMI event, she pointed out it is an economic driver to the City.

Councilman James then reviewed the funding summary. When asked the funding needs for 2020, Ms. Gerken explained that to mirror exactly what was done last year with approximately forty artists with eleven venues, will cost \$30,000. To do the minimum guarantee of \$25,000, they would have to lower the number of artists.

Councilman Boyle then pointed out that Milford's wants to be known for Home Town, River Town, Arts Town, though the City does not fund the arts, as was previously pointed out by Councilmember Marabello. He also emphasized that this may have become one of the biggest draws and feels it is appropriate to fund \$30,000. The goal is to grow the event and bring more people to the City.

When asked if DMI expects the other sources not to participate this year, Ms. Gerken said they do not have a reason to expect that, though it was very difficult to raise the funds in 2019.

President Reilly shared that they would use a grant for \$15,000 to fund the festival. However, if the City agrees to assist with the funding, that would enable them to use the grant for arts or possibly something that would benefit the businesses downtown instead.

Councilmember Culotta is concerned about the in-kind contributions and asked if \$15,000 is sufficient, adding that the printing cost were \$1,500 and \$304 for promotions. In his opinion, it would make better sense to commit \$20,000.

Ms. Gerken agrees the goal is to add an international stage and make it more diverse, which requires more artists and more funding to add another venue.

City Manager Norenberg confirmed that economic development money could be used for this purpose. He also recalled the new lodging tax that was added last year, which is an additional source of funding that goes into the economic development fund that would be a logical connection. This year, the lodging tax and economic development funds will be used to help pay the contribution made to DMI on an annual basis, upgraded signage for parking and a couple other items. In addition, we are still waiting for a new hotel to break ground, which will increase this fund at some point in the future.

City Manager Norenberg agrees that \$15 to \$20,000 is doable, considering the lodging tax was budgeted very conservatively.

Ms. Gerken confirmed that they will need the official down payment in March and the contract must be signed in January 2020.

When asked if it would be more appropriate to instead make a large initial investment so that it can carry over into next year, Councilmember Culotta feels that as they sell advertisements that money will go back into their coffers to pay with future bills.

Councilmember James referenced a similar event in Smyrna in which the town funds the entire event. He heard a previous comment from Councilmember Boyle in regard to providing \$30,000. He recommends Milford fund the entire contract as well.

Councilmember Culotta moved to authorize \$30,000 be paid from the Economic Development Fund, in part to be added to next year's festival budget, seconded by Councilmember Marabello. Motion carried.

Adoption/Resolution 2019-22/Appointing DEMEC Director and Alternate Director

With City Manager Norenberg leaving his post as of December 31, 2019, Council is required to authorize new Directors to the DEMEC Board.

Mayor Campbell opened the floor to public comment, no one responded.

Councilmember James moved to adopt Resolution 2019-22, appointing the Acting City Manager as Milford's DEMEC Board Representative and the Electric Superintendent as the Alternate Director, seconded by Councilmember Boyle:

RESOLUTION 2019-22

Appointment of DEMEC Director & Alternate Director

WHEREAS, the City of Milford is a member of the Delaware Municipal Electric Company ("DEMEC"), a municipal electric company established pursuant to 22 Del. C. Chapter 13;

WHEREAS, the City of Milford is authorized to appoint an individual to serve on the DEMEC Board of Directors pursuant to 22 Del. C. § 1304(3);

WHEREAS, Article V, Section I of the DEMEC Agreement and Articles of Incorporation, grants the Member City the authority to appoint an alternate director to serve in the absence of the director.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Milford:

- (1) The Acting City Manager shall serve as the Director representing the City of Milford on the DEMEC Board of Directors.*
- (2) The Electric Superintendent shall serve as the Alternate Director in the absence of the Director.*
- (3) In the absence of the Director, the Alternate Director shall have full power and authority to act on the City of Milford's behalf.*
- (4) This resolution supersedes all prior resolutions related to the appointment of a DEMEC Director and Alternate Director from the City of Milford.*

This certifies that this is a true and correct copy of the Resolution duly adopted by the City Council of the City of Milford at its meeting on December 9, 2019.

Motion carried.

Authorization/Public Works Department/Electric Division/Vehicle Purchase

Public Works Director Whitfield asked that Council consider a recommendation to replace the existing 2005 Ford F-250 (Unit E-115) used by the Electric Division with a 2020 Ford F-250 4 x 4 utility body with snowplow. The existing vehicle

has approximately 100,000 miles, is 14 years old, is in need of a new transmission, has severe body and frame rust, and has been used beyond its life expectancy. The replacement of the unit was identified in the 2020 Capital Improvement Plan. The truck is used by the Lead Line Technician.

The purchase of this truck will be made through the Delaware State Contract. Specifications for the 2020 Ford F-250 are attached. The Electric Division budgeted \$60,000.00 for the purchase of this unit, and the State of Delaware final cost is \$56,932.

Councilmember James moved to authorize the purchase order to Winner Ford, Cherry Hill, in accordance with the State of Delaware contract GSS17560, to be funded from Electric Operating/Vehicle Capitol, seconded by Councilman Culotta. Motion carried.

Authorization/Public Works Department/Water Division/Vehicle Purchase

Public Works Director Whitfield is requesting that City Council consider a recommendation to replace the existing 1997 GMC Dump Truck with a 2021 HV507 SFA Hook Truck with snow plow and changeable low-profile dumpster body. The existing vehicle has approximately 38,307 miles, is 22 years old, is in need of a new transmission, has severe body and frame rust, and has been used beyond its life expectancy. The replacement of the unit was identified in the 2020 Capital Improvement Plan.

The purchase of this truck will be made through the NJPA/Sourcwell Contract. Specifications for the 2021 HV507 SFA are attached. The Water Division budgeted \$176,000 for the purchase of this unit; the NJPA/Sourcwell final cost is \$151,904.20.

Councilmember Boyle moved to authorize the purchase of a 2021 HV507 SFA Hook Truck in the amount of \$151,904.20 from Beltway Companies, in accordance with the NJPA/Sourcwell Contract 081716-NVS, with funding from Water/Capitol/Vehicle/GL 202-2020-432.70-44, seconded by Councilmember James. Motion carried.

Introduction/Ordinance 2019-41/Coranado Treasures LTD/Change of Zone

Mayor Campbell introduced the Ordinance, after which Planning Director Pierce reported it is on the Planning Commission agenda for December 17, 2019 and is scheduled for a public hearing and final action before City Council on January 27, 2019.

He said it is a 2.8-acre piece of land south of the Seabury Avenue intersection on US Route 113. The current zoning is OB-1 office building and is seeking a C-3 highway commercial designation.

Introduction/Ordinance 2019-42/ Feebs Distilling Co on behalf of S&P Holdings LLC/Conditional Use

Mayor Campbell introduced the Ordinance, after which Planning Director Pierce reported this application is on the Planning Commission agenda for December 17, 2019 and is scheduled for a public hearing and final action by City Council on January 27, 2019

The conditional use application is to allow the operation of a distillery with retail sales at 733 McColley Street and is zoned I-1 limited industrial.

Appointment/Acting City Manager (Interim)

Mayor Campbell recommends that Mark Whitfield be appointed Acting City Manager beginning January 1, 2020, until such time a new City Manager is hired. During that time, he will continue with his duties as the Public Works Director, and has the advantage of having a new City Engineer who is starting on December 15th, in addition to the new Electric Superintendent that was hired this past year.

Councilmember Culotta complained this is the first time this has been discussed. As part of the Council packet, there was nothing to review on this recommendation.

Councilmember Morrow said he agrees with Councilmember Culotta because this is the first time he has heard about this recommendation.

Solicitor Rutt directed Council that any discussion on qualifications and abilities should be done in Executive Session though it is not on the agenda tonight and will need to be done at a later date.

Though Councilmember Culotta understands this is the Interim City Manager who will not be permanent, and though he does not want to draw this out longer than it should be, however, he prefers it be discussed in Executive Session. He recommends it be added to the January 13, 2020 agenda.

It was confirmed the Charter does not address the next person in line to be the Acting City Manager, the Solicitor explained that the Chief Executive Officer is the City Manager and the next City Official identified is the City Clerk. In his opinion, that is the default and who he recommends would run the day-to-day operation.

Councilmember James confirmed the charter does not specify who steps in the absence of the City Manager; Mr. Solicitor explained the default is the City Council has the right to appoint someone, as a City Manager, or an acting City Manager.

Solicitor Rutt then read Section 5.04 of the City Charter regarding Acting City Manager that states the City Manager shall designate, subject to the approval of the City Council, a qualified City Administrative Officer, to exercise the power and perform the duties of the City Manager during his/her temporary absence or disability. In this case, there would be a temporary vacancy and it is really up to the City Council to appoint a qualified City Administrative Officer to exercise the powers and perform the duties of the City Manager.

He further explained that it would be a standing City Administrative Officer and the City Council has the authority to make that designation on a temporary basis.

Councilmember Morrow moved to table action on the matter, seconded by Councilmember Culotta. Motion carried.

Authorization/Proceed/RFP/City Manager Search Firm

According to City Manager Norenberg, Mayor Campbell and the City Clerk worked on this last week. If Council is comfortable with the document, it provides direction on moving ahead. It can be advertised quickly and proposals received by January 24th.

Mr. Norenberg then reviewed the criteria which was modeled after similar documents other Cities have used.

Councilmember Culotta asked if we were to get a candidate from our website that did not come through a firm selected, are we still responsible to the firm financially; Solicitor Rutt explained that would be part of the contract that was agreed to.

Councilmember James then confirmed that if Council approves the RFP, the City is not bound to use a search firm, not saying whether we should employ one or not.

Councilmember Brooks recalled that previously when we needed a new City Manager, the Mayor at the time had the idea to do what we are talking about again. The City spent thousands of dollars and came back with only three people, though they had about forty applications. He means no disrespect to Mr. Norenberg, but one had five jobs in five years and the other one rode through Milford and kept going. He hopes the next firm does a better job of finding three people. When a man has five jobs in five years, he should not be on the top of list nor the guy that drives through Milford and does not stop.

Councilmember Culotta pointed out this contract requires them to narrow it down to five.

A discussion followed regarding several hiring scenarios. Councilmember James pointed out that in this process, Council cannot make someone else responsible for Council's responsibility and due diligence. That is Council's responsibility to say whether or not a person is a good candidate.

Councilmember Brooks asked why we just can't advertise in the Delaware State News; Councilmember Boyle emphasized that one of the advantages of a headhunter is that the City would put the qualifications out and they do the legwork, screening, backgrounds, etc.

Councilman Boyle reiterated that as Councilman James indicated, if the final candidates are unacceptable, none are hired. Councilman Culotta agreed we do not have to hire anyone that Council is not satisfied with. Councilmember Boyle said Council is not locked into those candidates selected by the firm. Councilman Culotta again agreed.

Solicitor Rutt explained that City Council will need to layout the qualifications and criteria and give that to the firm, so they know what the City is looking for specifically as far as qualifications and experience.

Councilmember Culotta feels the value of using an executive search firm is they create a network of those type candidates through cross cities, government or whatever industry is hiring.

According to Councilmember Brooks, Council was given three names without any input.

City Manager Norenberg then reviewed the scope of work and process he included in the contract, adding that based on the qualifications and candidate needs, the firm will help develop the recruiting process, advertising and bring in a pool of qualified candidates.

The City Manager again reviewed the process during the later phases.

Solicitor Rutt then provided a synopsis of how Sussex County searched and hired their last County Administrator. He said that normally, a committee is appointed, who makes the recommendation on how to proceed. Council would then vote on it and go from there.

In the Solicitor's opinion, the RFP is the cart before the horse.

Councilman James then asked Mayor Campbell for his thoughts and experience. Mayor Campbell pointed out that his background is in the corporate world and provided a brief description of how that process was handled, though a headhunter was involved.

It was agreed to postpone action until the next meeting, then discuss the criteria and how to proceed.

Councilmember Boyle moved to postpone any action until the January 13, 2019 meeting, seconded by Councilmember James. Motion carried.

Mayor temporarily recessed the Council Meeting to go into the Workshop Session at 8:55 p.m.

The City Council meeting reconvened at 10:03 p.m.

EXECUTIVE SESSION

Councilmember Boyle moved to go into Executive Session reference the below statutes, seconded by Councilmember Culotta:

Pursuant to 29 Del. C. §10004 (b)(9) for the purpose of discussing personnel matters in which the names, competency and abilities of individual employees are discussed.

Motion carried.

Mayor Campbell recessed the Council Meeting at 10:04 p.m. for the purpose permitted by the Delaware Freedom of Information Act.

Return to Open Session

Council returned to Open Session at 10:21 p.m.

Personnel Matter

Solicitor Rutt directed Council the motion would be to approve the discussion held in Executive Session regarding the Acting City Manager and the Mayor's responsibility.

Councilmember James moved to approve what was discussed in Executive Session and Mayor Campbell's responsibility, regarding the appointment of an Acting City Manager, seconded by Councilmember Culotta. Motion carried.

Mayor Campbell announced that Public Works Director Mark Whitfield has been appointed Acting City Manager effective January 1, 2020.

ADJOURNMENT

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

The Council Meeting adjourned at 10:23 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Transcriber

MILFORD CITY COUNCIL
MINUTES OF MEETING
December 9, 2019

The City Council of the City of Milford met in Workshop Session on Monday, November 25, 2019 in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware at 9:02 p.m.

PRESIDING: Mayor Archie Campbell

IN ATTENDANCE: Councilmembers Daniel Marabello, Mike Boyle, Todd Culotta, Owen Brooks Jr., Douglas Morrow, Jason James Sr.

STAFF: City Manager Eric Norenberg, Police Chief Kenneth Brown and Deputy City Clerk Christine Crouch

COUNSEL: Solicitor David Rutt, Esquire

ABSENT: Councilmembers Lisa Peel and Katrina Wilson

*Cost of Services Study
Water, Wastewater, Solid Waste Services*

City Manager Norenberg introduced Dawn Lund, Vice President of Utility Financial Solutions, LLC (UFS). He recalled when late last fiscal year, UFS was retained to do our Water, Wastewater and Solid Waste Cost of Service and Financial Projection.

Ms. Lund reported that UFS is an International Consulting Firm providing Cost service, financial planning, rate designs for electric, water, wastewater, telecommunications and gas companies. They are also the instructors for American Public Power Association (APPA), speakers for American Water Works Association (AWWA) and the Hometown Connections' preferred vendor for Cost of Service and Financial Planning.

They completed a water and wastewater financial projection, a solid waste cost of service and financial projection and following is the report she provided:

Three key financial targets will be reviewed and why they are important and how they work together will be discussed. Also provided will be the results of the financial analysis and some recommended rate adjustments.

The first one is Debt Coverage Ratio which is simply a measurement of debt affordability. The amount of cash flow in operations in that year to pay debt service payment is being measured. It looks at ensuring the cash flow from operations to pay the debt service payment. Typically, the ratio for a revenue bond is about a 1.25 which means there is enough cash enough from operations to pay the debt payment 1.25 times. If the debt coverage calculation, for example, comes in at .8 it means there is only enough cash flow to pay the debt payment .8 times, which is not enough to pay the debt. For that reason, they look at debt affordability and whether the debit on the system is affordable.

Not talked about is how much cash is needed on hand to pay the debt and instead the question is was your cash flow sufficient from the operations in that year.

The next target are minimum cash reserves. Each utility is an enterprise fund and has its own risks, unique to each utility. She looks at four risk areas of the utility at a minimum. One is operating income, operating expenses because the operating expenses need to be paid and that would be part of the minimum cash that needs to be held.

Next is the historical investment in the system. There are millions of dollars of infrastructure sitting out on the systems. A wind storm, ice storm, main break, equipment failure, funds need to be available to get the system up and running again quickly. That is another reason to have cash on hand.

The third item in a minimum cash reserve policy, is the debt serviced payment. There needs to be enough on hand to pay the debt service payment. There are long term consequences and short-term consequences for not making the debt payment. Funds need to be available to do that.

The four items to determine minimum cash reserve is that five-year capital improvement program. If there is a plan to spend \$1 million next year, \$1 million must be on hand, at the beginning of the construction season so that immediately the process can be started of that capital improvement program.

Next a minimum cash reserve is determined for each of the four areas of each enterprise fund (water, wastewater and solid waste). A minimum cash reserve is a minimum. If approaching the minimum, that is considered cash critical and there is a need to be above that minimum.

The cash will build and decline, mainly with the capital improvement program. That is why it is very important to have a solid capital improvement program. Looking five years into the future or more, the cash today does not mean it will be spent very quickly with a capital improvement program.

The next target is operating income. Taking the revenues, less the expenses, is called operating income. That number needs to be positive. For a municipality utility, it is usually calculated between 4 and 7% rate of return or the operating income is a break-even rate of return. It is not a 'make money' rate of return, but a rate of return that recoups two things. One is interest expense on debt, since that is below the operating income line, that needs to be recouped through the operating income.

Two is the inflationary increase on the assets invested in the system. For example, one asset may be a \$1 million asset with a ten-year useful life. At the end of ten years, that \$1 million asset is going to cost \$1.3 million or more. So that \$300,000 is the inflationary component that needs to be recouped on the assets of the system. In the perfect world, the rate of return would be fully funded to ensure future capital replacement and ensure expenses are being met, and that current rate payers are paying their fair share. If not fully meeting that operating income target, current rate payers are being subsidized by future rate payers. That means the rate adjustments are not being put through that are needed today and instead are being pushed into the future.

One thing about a needed rate adjustment, is they do not go away. They only compound and grow. Whatever is foregoing today, will likely grow into the future.

Those three main key targets will be reviewed and each enterprise fund will be summarized without rate changes, with rate changes and how those three key targets work together. Suggested rates will also be provided.

Water Department

This summary is multiple spreadsheets rolled into a summary.

Water Financial Projection No Increase \$7.0 Debt in 2023

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Operating Income	Operating Cash Balance	Capital Improvements	Bond Issues	Debt Coverage Ratio
2021	0.00%	2,840,968	2,523,114	317,854	5,636,949	645,000	-	2.86
2022	0.00%	2,840,968	2,591,556	249,412	5,587,322	680,000	-	2.73
2023	0.00%	2,840,968	2,766,658	74,310	5,462,798	7,600,000	7,000,000	2.01
2024	0.00%	2,840,968	2,943,001	(102,033)	4,846,179	675,000		1.07
2025	0.00%	2,840,968	3,015,769	(174,801)	4,174,162	675,000		1.00
Recommended Target 2021				\$ 767,285	\$ 2,433,832			1.45
Recommended Target 2025				\$ 993,103	\$ 3,025,401			1.45

They can look at sensitivity analysis with it and reviewed thoroughly with staff, detail behind the numbers, so they know they are starting with a good projection moving forward.

The second column shows no rate adjustments and the table is showing that without rate adjustments, the operating income (fifth column), turns to losses by 2024. The cash balance appears to stabilize. However, two columns, includes the

issuance of a \$7 million bond for the \$7.6 million projected in 2023. If that bond is removed, the cash would be a negative \$1.5 million in 2023.

The last column is the debt coverage ratio. If projected to issue revenue bonds in 2023, the typical debt coverage ratio for a revenue bond is a 1.25, but they prefer to add at least a .2 for periods of declining sales due to weather, general economy or whatever it may be. Water and wastewater sales can be very susceptible to weather and a cold wet summer, will cause water sales to decrease.

The three targets she looks at are operating income, projected cash balance and debt coverage ratio. Without any rate adjustments, none of the three targets would be met. The \$7 million needs to be visually removed to see the effects.

The outcome is without any rate changes, the water department would not be long term financially sustainable.

Looking at how to make the three key targets work together, and at the cash balance and the debt coverage ratio, there is an attempt to put in a rate track that is not fully meeting the operating income. The operating income target is close to \$1 million in 2025. Putting in a rate track, something slightly larger than inflation, to work toward or stabilize the targets.

Recommended is 3.9% rate adjustments over the next five years. A five-year table was added for City Council to understand this is not accomplished with one year. There is a need to follow up with rate changes in order to work toward the targets.

Water Financial Projection With Increase \$7.0 Debt in 2023

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Operating Income	Operating Cash Balance	Capital Improvements	Bond Issues	Debt Coverage Ratio
2021	3.90%	2,950,553	2,523,114	427,439	5,746,534	645,000	-	3.16
2022	3.90%	3,064,412	2,591,556	472,856	5,920,898	680,000	-	3.34
2023	3.90%	3,182,711	2,766,658	416,052	6,139,785	7,600,000	7,000,000	2.74
2024	3.90%	3,305,624	2,943,001	362,623	5,991,206	675,000		1.63
2025	3.90%	3,433,330	3,015,769	417,561	5,917,277	675,000		1.72
Recommended Target 2021				\$ 767,285	\$ 2,433,832			1.45
Recommended Target 2025				\$ 993,103	\$ 3,025,401			1.45

Last increase 03/26/12

The operating cash balance stabilizes, and the \$7 million bond issuance, can be decided in the third year. Sales could be under or over what is projected and there may be a need to borrow a little more or a little under. The importance of the table is to provide information based on what is known today, though hopefully it will be updated in the future.

When asked what the \$7 million would be used for, Ms. Lund explained that would be for a water tower and a major addition to the water plant which can be confirmed in the City's Capital Plan.

After the bond is issued, the debt coverage ratio is 2.74 which is above, the 1.45 minimum target. After the bond bill is issued, that debt coverage ratio does drop to a 1.63. Legal conveyances, most likely, for a revenue bond would be a 1.25. However, for financial planning purposes, it needs to be a 1.45 or above. After the debt of \$7 million is issued, is close to the minimum.

The table shows the City is not fully meeting the operating income, though the operating income target is being balanced with the minimum cash reserve and the debt coverage ratio with a 3.9% rate adjustment.

The advantage of seeing a five-year table, and the rate adjustment was undershot or overshoot in the earlier years, that will simply be adjusted in the later years. If a lower bond was issued at \$6 million, as an example, the debt coverage ratio would increase.

When asked about a \$12 million bond, most likely that would not be done, because the City can borrow for three years of capital improvements. In theory, if the maximum allowed could be borrowed, the \$7.6 million, the \$675,000 and the \$675,000 would be borrowed for a total of \$8.8 million, which is the most that could be borrowed in 2023 based on the current capital plan.

If the \$12 million was borrowed, the debt coverage ratio would greatly drop. If \$8.8 million was borrowed, the debt coverage ratio would drop. Unsure exactly what it would, the 1.0 would be under any revenue bond requirement, which is a 1.25.

The presumed rate of interest on the \$7 million is 3.5%, which is probably the standard rate to a little low presently. Because it is a water plant, which typically has a useful life of 33 years, bonding could be considered for 30 years.

The 3.5% is what is assumed the City would receive on the revenue bond market. Councilman James confirmed that is in consideration of the City's bond rating.

She explained that one thing to be aware of in a highly rate bond utility, is the cash reserves over the last year or so, bond rating agencies are looking at least 200 days plus cash on hand. Typically, minimum cash reserves need to be about 90 to 120 days. The amount of cash on hand for an enterprise fund is actually going up. Having 200 days cash on hand, will not, in isolation, improve the bond rating. However, it is one of the key factors they look at and frequency of rate adjustments, minimum cash reserve policies.

Other type of operating income targets and has the debt coverage ratio in the past been met. They look at a whole package, but cash reserve policies and cash reserve minimums are two very important pieces they look at.

When asked how that fits in with Moody's, they would be one that give the City a bond rating. They would look to ensure things are being done 'right', and all of these things in place and theoretically the more things being done right or are in place, the higher bond rate is achieved.

Councilman James said what he is hearing is the targets named at the beginning of this presentation, are the things the City needs to be sensitive to, not only for solid individual enterprise funds, but those things will impact the City's bond rating, in addition to the ability to even issue bonds reasonably.

He feels there is a need to watch that as he considers the rate increase, with the debt and the operating income is still not meeting the target though we are meeting the target in the operating cash and debt coverage ratio. As a result, all of the key points are not being hit, but two of the three are covered.

Ms. Lund explained that the debt coverage ratio is typically the floor. That has to be met which is the driver of the rate increase that she considers the floor.

The ceiling is the operating income. If the operating income can be fully funded, and the system is being funded fairly by the current rate payers. There is a floor and a ceiling and what needs to be done is a socially and politically acceptable rate adjustment, balancing all of this together. Though the ceiling is not quite met, the floor is definitely being met while trying to work toward or stabilizing and meeting the targets.

Mayor Campbell asked what would cause the increase in the operating income from 2024 to 2025; Ms. Lund explained the depreciation on the \$7.6 million is hitting in the next year. As a result, the operating income is going to decrease and the cumulative effect of having a 3.9% rate adjustment, then another 3.9% rate adjustment on top of that, will swing that operating income back up. The drop is due to the depreciation from the large capital improvement that year.

When asked the percentage of depreciation, Ms. Lund said because that is a plant and a water tower, probably 33 years.

Continuing with the presentation, the rate adjustments recommended of 3.9%, the problem with putting a plan together, Council will need to be very aware, there is a need to stick to the plan. One year is not enough and sticking to the plan provides the cumulative effect of the rate increases to take place.

The following table will show how the 3.9% rate adjustment will impact the average residential customer and includes the current rates to the left, and the rate design to the right, which are the proposed rates. The very bottom line is what Council needs to be most interested in.

Water Rate Design - 3.9%

	Current Rates					Proposed Rate Change			3.90%
Residential	Charge (Minimum)	Consumption Charge (0-4000 Gallons)	Consumption Charge (4001-8000 Gallons)	Sales (over 8000 Gallons)		Charge (Minimum)	Charge (0-4000 Gallons)	Consumption Charge (4001-8000 Gallons)	Sales (over 8000 Gallons)
In Town 5/8	\$ 3.25	\$ 3.25	\$ 3.50	\$ 4.00		\$ 3.38	\$ 3.38	\$ 3.64	\$ 4.16
Out Town 5/8	\$ 4.88	\$ 4.88	\$ 5.25	\$ 6.00		\$ 5.07	\$ 5.07	\$ 5.45	\$ 6.23
Commercial In Town	Customer Charge (Minimum Usage)	First Tier Consumption (Charge/1000 Gallons)	2nd Tier Consumption Charge (/1000 Gallons)			Customer Charge (Minimum Usage)	First Tier Consumption (Charge/1000 Gallons)	2nd Tier Consumption Charge (/1000 Gallons)	
up to 10,000 Gallons	\$ 32.50	\$ 2.60	\$ 3.25			\$ 33.77	\$ 2.70	\$ 3.38	
up to 15,000 Gallons	48.75	2.60	3.25			50.65	2.70	3.38	
up to 25,000 Gallons	81.25	2.60	3.25			84.42	2.70	3.38	
up to 50,000 Gallons	162.50	2.60	3.25			168.84	2.70	3.38	
up to 125,000 Gallons	406.25	2.60	3.25			422.09	2.70	3.38	
up to 300,000 Gallons	975.00	2.60	3.25			1,013.03	2.70	3.38	
up to 800,000 Gallons	2,600.00	2.60	3.25			2,701.40	2.70	3.38	
up to 1.2 M Gallons	3,900.00	2.60	3.25			4,052.10	2.70	3.38	
up to 1.6 M Gallons	5,200.00	2.60	3.25			5,402.80	2.70	3.38	
up to 2 M Gallons	6,500.00	2.60	3.25			6,753.50	2.70	3.38	
Commercial Out Town									
up to 10,000 Gallons	48.75	3.90	4.88			50.65	4.05	5.07	
up to 15,000 Gallons	73.13	3.90	4.88			75.98	4.05	5.07	
up to 25,000 Gallons	121.88	3.90	4.88			126.63	4.05	5.07	
up to 50,000 Gallons	243.75	3.90	4.88			253.26	4.05	5.07	
up to 125,000 Gallons	609.38	3.90	4.88			633.15	4.05	5.07	
up to 300,000 Gallons	1,462.50	3.90	4.88			1,519.54	4.05	5.07	
up to 800,000 Gallons	3,900.00	3.90	4.88			4,052.10	4.05	5.07	
up to 1.2 M Gallons	5,850.00	3.90	4.88			6,078.15	4.05	5.07	
up to 1.6 M Gallons	7,800.00	3.90	4.88			8,104.20	4.05	5.07	
AVERAGE RESIDENTIAL USER 6,000G						\$ 20.00	\$ 20.78	\$ 0.78	

The current average residential uses about 6,000 gallons per month. Using the current rates is approximately \$20.00 per month and the proposed rate would be about \$20.78 a month or a 78-cent impact to the average residential customer for a 3.9% rate adjustment.

There has not been a rate adjustment in the water department since 2012.

When asked if Moody's rates the City at AA+, after which we go out for a \$7 million bond, will that reduce that rating to a AA; Ms. Lund explained she is not a bond rating agent, but in general they look at all the key targets to ensure. She is unable to answer that and if the other key targets remain healthy and other financial targets are in place, she would not expect a bond rating to decrease because debt is issued.

Mayor Campbell said he is asking because the City is looking at a \$18 million police project and there is a need for at least a \$12 million bond. Ms. Lund explained that to ensure the City has a healthy bond rating, she referenced the first table (page two). She would be more concerned about the operating income column, and don't want to be operating at a loss and asking for bond money. In addition, the minimum cash reserve balance should be considered. Looking at the table by 2023, the water department will be spending down to a negative \$1.5 million.

The water department currently holds about \$10 million. In 2020, there is a \$5 million capital improvement project. Three years later, another \$7.6 million capital improvement is needed, which would make the cash go negative at \$1.5 million. Within a four-year period, the \$10 million becomes a negative \$1.5 million for needed capital improvement projects that were identified. The positive side is the City was healthy enough cash-financially to have the funds there for the needed capital improvements.

Today, the water cash balance today that appears to have sufficient funds, when taking into account the capital improvement program, it is spent down very quickly.

It was confirmed that will impact the operating income. Ms. Lund agreed stating that is why there is a project to operate at losses by 2024, without rate adjustment.

The 3.9% works toward the financial targets and is about a 78-cent monthly impact to the average residential customer.

Wastewater Department

The same three targets will be considered. Wastewater is projected to operate at losses. If fully funding properly in the system, would be approximately \$700,000.

Wastewater Financial Projection No Increase

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Bond Issues	Debt Coverage Ratio
2021	0.00%	4,711,092	4,813,886	(102,794)	3,377,524	250,000	-	1.39
2022	0.00%	4,766,585	4,933,527	(166,942)	3,208,328	250,000	-	1.22
2023	0.00%	4,823,548	5,072,426	(248,878)	1,909,215	1,325,000	-	1.07
2024	0.00%	4,882,020	5,214,372	(332,352)	1,612,995	250,000	-	0.87
2025	0.00%	4,942,043	5,343,161	(401,118)	1,258,304	250,000	-	0.71
Recommended Target in 2021				\$ 613,424				
Recommended Target in 2025				\$ 705,816				
Minimum Target 2021					\$ 3,561,637	1.45		
Minimum Target 2025					\$ 3,937,351	1.45		

The cash spends down to about \$1.2 million by 2025. In the perfect world at a minimum, \$4 million should be held. One larger capital improvement project is planned for 2023 that is drawing down some of that cash. However, the most important column is the last column/debt coverage ratio. Without any rate changes, it is dipping below the debt coverage ratio minimum.

Without any rate adjustments, in 2025, the City can only pay 70% of the debt payment from operating cash flow that year. That means the debt on the system is unaffordable.

Projecting to turn this around, and using those three key targets, is a 4.9% rate adjustment over the next five years.

Wastewater Financial Projection With Increase

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Projected Cash Balances	Capital Improvements	Bond Issues	Debt Coverage Ratio
2021	4.90%	4,839,327	4,813,886	25,440	3,505,759	250,000	-	1.74
2022	4.90%	5,029,337	4,933,527	95,810	3,599,957	250,000	-	1.95
2023	4.90%	5,227,410	5,072,426	154,984	2,706,663	1,325,000	-	2.21
2024	4.90%	5,433,906	5,214,372	219,534	2,966,317	250,000	-	2.40
2025	4.90%	5,649,205	5,343,161	306,045	3,325,555	250,000	-	2.69
Recommended Target in 2021				\$ 613,424				
Recommended Target in 2025				\$ 705,816				
Minimum Target 2021					\$ 3,561,637	1.45		
Minimum Target 2025					\$ 3,937,351	1.45		

Last increase 03/11/2013

Because there has not been a rate adjustment since 2013 in the wastewater department, what is being done in all the utilities is trying to catch up. That is why it is important to have a five-year plan that is completed. Once the five-year plan is done, does not mean that no further rate adjustments are needed and going back to our old ways of not having rate

adjustments. Instead, the small incremental inflationary rate adjustment should be done. Once the targets are in a healthier position, it can go down to the 1.9, 2.0 or whatever it may be out in the future. The worse thing that can be done is to delay those increases again. When there has not been a rate adjustment since 2012, there is a need to catch up and the period the City is in now.

The financials need to be turned around and the financial targets stabilized. Once we go beyond the plan, the small inflationary increases still need to be considered. The City's costs are changing every year and every year that is delayed, only compounds, which is shown in these tables.

The 4.9% rate adjustment, each year, over the next five years, brings the operating income target to about half of where it should be. Again, in the perfect world of municipal funds is about a 4-7%. This is a 4% rate of return that has been calculated which puts the City on the lower end, which is only being met about half. By the end of this rate track, the funding rate of return is only about 2%.

When asked why not go to 6%, Ms. Lund explained she is trying to balance the projected cash column. Looking at the next column, the projected cash column can be acquired with the 4.9%, while having a healthy debt coverage ratio. These three key targets do, as the rate track is balanced, to be a socially and politically acceptable level, not meeting the key targets fully, while still working toward them.

It will be important in 2025, even though the City gets through this five-year program, to keep up with the inflationary rate increases. Going down to zero in the next year, the adjusted operating income is going to drop, the cash balance will drop already below the minimum projected. Small incremental rate increases are needed once they get through the catch-up program.

Councilman James agreed that social and political acceptance is important and something our taxpayers can swallow. Hitting with 6 and 7% at once, is a shock to someone's personal finances.

Ms. Lund explained that between 6 and 10%, some of the larger industrial customers will complain, because they are the ones that are closely watching their bills. Double digits and everyone will complain. She has found that if she keeps that rate adjustment under 5%, it is more politically acceptable and the Council will tend to stick to the plan.

Otherwise, in year two or three, during a rate plan, someone is going to say when can we stop having rate adjustments. The plan presented is a minimum five-year plan and then afterwards, if these rate adjustments seem more aggressive than inflation is because the City has not kept up with the changes of inflation in the past.

When asked if people are not going to notice a 4.9% increase over the next five years, Councilmember Culotta said these are inflationary adjustments. Councilmember James said if Council and whoever else was responsible for being good stewards and making these funds were solvent and that the users of the systems were being treated fairly and a rate increase was needed because the City can no longer serve you at these rate levels. Today, Council would not be looking at a 4.9% increase over the next five years. But that work was not done correctly in the past, which is now causing the City to play catchup.

Councilman Culotta stated that if these rates had addressed and increased since 2012, today that would be what number; Ms. Lund said if that had occurred, most likely inflationary increases of 2% would be needed, though that needs to continue. For every year this is delayed, the City's financial picture deteriorates.

Ms. Lund tells board and councils the idea of a rate increase is scary, but what kind of legacy do they want to leave and do they want a system that is operating at a loss where the cash is spending down to critical levels. Without rate adjustments, that is what a utility is looking at and operating at losses and spending the cash down to \$1.2 million or about 25% of what is needed.

When asked if we are stealing from reserves to cover these losses, Ms. Lund said when a utility is operating at a loss, that is what happens and the reason the cash is spending down. The cash projected for 2021 is \$3.3 million, but when operating at losses, that cash will be spending down just to operate.

Trying to turn this around, we are trying to stabilize the targets at 4.9% and the following table shows the impact to the average customer:

Wastewater Rate Design-4.9%				
	Current Rate		Proposed Rate	4.90%
	Monthly Customer Charge	Usage Rate	Monthly Customer Charge	Usage Rate
In City	\$ 10.00	\$ 2.78	\$ 10.50	\$ 2.92
Outside City	15.00	4.17	\$ 15.75	\$ 4.37
Average Customer 5,000G	\$ 23.90		\$ 25.08	\$ 1.18

The average wastewater customer uses about 5,000 gallons a month and currently pay \$23.90. The proposed bill would bring their bill to \$25.08 or an increase of \$1.18 per month, for year one. The following year would be another \$1.25 or so.

Ms. Lund emphasized that the two rate increases for water and wastewater are under \$2 a month to start turning these two systems around.

Councilman James asked how many days of cash are needed for the minimum cash balance; Ms. Lund said wastewater is about 220 days and water could a little over inflated on that minimum. She looks at that five-year capital improvement program, and in this year, 2020, a \$5.5 million capital improvement is needed. In addition, there is a \$7.6 million capital improvement coming in the future though she is looking at the bonding as well. Two large capital improvement projects are sandwiched together in that five-year period.

That inflates that cash balance target, but in general, the goal is to reach something above the 200 days, which is needed for a highly rated bond utility.

She recalled the electric rate study done three years ago. The bond rating movement has been more in the last year to year and a half. The minimum cash reserve for 2017 is not looking toward that 200 days. When refreshing that cost of service study for election, she wants Council to know that minimum cash reserve is going to be much higher than what was recommended at that time.

Councilman James recalls it was about \$4.5 million; Ms. Lund agrees about 75 days. She says to go toward 150 days, versus the 200 mark, and instead slowly work toward that, that \$4.5 million minimum is doubled, which is closer to \$9 million in the electric utility.

That is not the scope tonight, though she wanted to mention that because that target has changed since the report is three years old and the reason it needs to be updated and policies reviewed.

The Mayor pointed out the reserves in the electric is the highest; Ms. Lund said the reserve in the electric is hovering around the 150 days the last time she looked. However, that is without taking into consideration any capital improvements. That is saying the City is right where it should be for electric at a minimum.

Water was being spent from \$10 million to a negative \$1.5 million by 2023, and wastewater would be spending down to \$1.5 million or a quarter of what is recommended, at a minimum.

She said the City is fortunate that they are able to fund some of the capital improvements that are needed. However, the point is the cash balance cannot be considered today and think that will be there in the future with the needed capital improvements that have been identified.

Public Works Director confirmed that currently, the only other future capital improvement that will be needed is the replacement of the seven miles of transient water piping that will need to be done at some point beyond the current five-year time frame. Councilman Marabello pointed out that these rate changes are based on current needs and any additional capital improvements could really compound this.

Mr. Whitfield agreed adding that the City has been fortunate to be able to qualify for a lot of the USDA grants of which many are 50/50 shares. However, a lot of that is based on population and technically, the City is under the 10,000 population though he does not know that in 2023, we will be below that threshold.

Solid Waste Division

Again, the same three targets are being considered with operating income projected to be negative. The operating cash balance is negative projected for 2021, which is due to a purchase of a truck in 2020.

Solid Waste Projection No Increase or New Debt

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Operating Cash Balance	Capital Improvements	Bond Issues	Debt Coverage Ratio
2021	0.00%	1,237,901	1,304,504	(66,603)	(363,518)	123,000	-	N/A
2022	0.00%	1,256,295	1,334,889	(78,594)	(348,073)	50,000	-	N/A
2023	0.00%	1,274,963	1,379,413	(104,451)	(964,084)	670,000	-	N/A
2024	0.00%	1,293,908	1,424,696	(130,788)	(972,032)	50,000	-	N/A
2025	0.00%	1,313,135	1,458,355	(145,220)	(992,413)	50,000	-	N/A
Recommended Target 2021				\$ 79,761	\$ 269,890			1.45
Recommended Target 2025				\$ 107,017	\$ 314,554			1.45

To turn the targets around would involve a recommended 4% rate adjustment in solid waste:

Solid Waste Projection With Increase and New Debt

Fiscal Year	Projected Rate Adjustments	Projected Revenues	Projected Expenses	Adjusted Operating Income	Operating Cash Balance	Capital Improvements	Bond Issues	Debt Coverage Ratio
2021	4.00%	1,287,217	1,304,504	(17,287)	105,545	123,000	500,000	1.57
2022	4.00%	1,358,558	1,334,889	23,669	143,528	50,000	-	2.10
2023	4.00%	1,433,857	1,379,413	54,443	169,336	670,000	670,000	1.14
2024	4.00%	1,513,331	1,424,696	88,636	193,865	50,000	-	1.40
2025	4.00%	1,597,214	1,458,355	138,859	270,741	50,000	-	1.68
Recommended Target 2021				\$ 69,608	\$ 336,501			1.45
Recommended Target 2025				\$ 90,362	\$ 470,421			1.45

In addition, some sort of bond issue or some sort of borrowing would be needed in 2021, due to the truck purchase in 2020. Two trucks are budgeted in 2023 at \$670,000 and some sort of borrowing would be needed for them as well.

Operating income is meeting the target, though the cash balance would still be struggling in this area while meeting the debt cover ratio.

Ms. Lund pointed out the cost of service results by breaking down the residential cost of service results. Concentrating on the \$28.86 on a cost to serve basis for solid waste, which is what the residential monthly charge would be.

She referenced the four services available in the \$28.86 cost of service rate. Not saying that is the proposed rate, but that is the cost to serve basis for a residential customer.

Milford provides residential waste pickup which equates to \$14.63, recycling at \$6.66, yard waste at \$4.59 and bulk waste at \$2.98. Adding that up on a cost to serve basis for a solid waste customer is \$28.86.

Solid Waste Cost of Service Results

Customer Class	Cost of Service		Projected Revenues	
	\$ /Cart		\$ /Cart	% Change
Residential	\$	28.86	\$ 26.00	11.0%
Non-Residential		28.86	26.00	11.0%
Waste Additional Container		5.62	5.00	12.5%
Recycle (Additional Container)		5.62	-	0.0%
Yard Waste (Additional Container)		3.47	3.00	15.6%
Multi-Unit (2 CY x 2 weekly collection)		347.54	300.00	15.8%
Multi-Unit (Single Unit)		31.41	25.00	25.6%
Commercial At Door Collection		11.25	10.00	12.5%
Multi-Unit (2 CY x 1 weekly collection)		188.46	150.00	25.6%
Bulk Waste		2.98	-	0.0%
Bulk Waste Additional Pick up		35.73	50.00	-28.5%
Total Revenue Requirement	\$	1,369,112	\$ 1,232,901	11.0%

A comparison was done to local private area providers compared to the City of Milford:

Residential Rate Survey

This rate survey compares the cost and services offered by the City of Milford to private area providers. Milford provides four services: Weekly Refuse, Weekly Recycling, Seasonal Yard Waste, and two 4CY Bulk pickups under the stated rate. Other providers offer weekly refuse and bi-weekly recycling under the stated rate.

City/Town	Current Monthly Cost	Milford Proposed Compare	Milford	One- Time Setup Charge	Deposit	Recycle	YW	BULK
			Waste and Recycle Only (with Rate Adj)					
City of Milford	\$26.00	\$27.05	\$22.15	\$0	\$100	YES-Weekly	YES	Weekly
Waste Management	\$31.00	-14.6%	-40.0%	\$75	\$25	YES-Bi Weekly	NO	EXTRA \$
Republic/BFI	\$27.45	-1.5%	-23.9%	\$78		YES-Bi Weekly	NO	NO
Blue Hen	\$25.33	6.3%	-14.4%			YES-Bi Weekly	NO	EXTRA \$

This demonstrates that the City of Milford, Waste Management, Republic/BFI and Blue Hen all offer residential waste pickup included in the rate. The City of Milford includes recycling weekly, and the other three private companies offer it biweekly. The City of Milford includes yard waste and the other three companies do not include it. The City of Milford includes two 4-cubic yard bulk pickups under this rate. Two of the private companies charge extra for this service and the Republic/BFI does not offer the service.

Taking the City's proposed rate of \$26.00 to the \$27.05, or a 4% rate adjustment. This still does not meet the cost to serve, though we are trying to build toward that. Looking at just the waste pickup and recycling only, the City of Milford would be at \$22.15 proposed rate (removing the other services), which is 40% under Waste Management, 23% under Republic/BFI and 14% under Blue Hen.

Ms. Lund reiterated the City provides four services in comparison to the other two services that are mainly provided by the other companies and must be considered.

A 4% increase is reflected in the following table:

Solid Waste Rate Design-4%

Rates	Current	Year 1	Year 2	Year 3	Year 4	Year 5
Customer Class						
Residential	\$ 26.00	\$ 27.05	\$ 28.15	\$ 29.30	\$ 30.50	\$ 31.75
Non-Residential	26.00	27.05	28.15	29.30	30.50	31.75
Waste Additional Container	5.00	5.25	5.50	5.75	6.00	6.25
Yard Waste (Additional Container)	3.00	3.50	3.75	4.00	4.25	4.50
Multi-Unit (2 CY x 2 weekly collection)	300.00	320.65	320.65	320.65	320.65	320.65
Multi-Unit (Single Unit)	26.00	27.05	28.15	29.30	30.50	31.75
Commercial At Door Collection	10.00	10.50	11.00	11.50	12.00	12.50
Multi-Unit (2 CY x 1 weekly collection)	150.00	175.00	200.00	200.00	200.00	200.00
Bulk Waste Additional Pick up	50.00	50.00	50.00	50.00	50.00	50.00
Revenue from Rate	\$ 1,232,900	\$ 1,283,275	\$ 1,335,937	\$ 1,390,357	\$ 1,447,134	\$ 1,506,270
Change from Previous		4.0%	4.0%	4.0%	4.0%	4.0%

Ms. Lund also wanted to discuss Pilot Payments, which are hot topics across the country.

PILOT PAYMENTS

- ▶ Viewed as expense under the utilities
- ▶ To pay for services provided by the City (Police, Fire, other)
 - Based on tax rate of City for infrastructure inside the City; also the industry range
 - Fair and reasonable, not arbitrary or excessive
- ▶ Average across country according to APPA 3.9% cash only, 5.9% for cash and free services; we see average 7%
- ▶ It is a 1 for 1 upward pressure on rates
- ▶ **Get a legal opinion first**

This involves transfer of utility funds to the City, should they not and what level should it be at. The City is a municipal utility and enterprise funds are municipal utilities and payments are not required on the infrastructure. What happens, is the utility departments use things like police and fire. If a water main break occurs, the police department will be called to assist with traffic. If something is on fire, the fire department will be called.

As a result, it can be considered a cost of operating municipal utilities. Municipal utilities compensate for that by paying a payment in lieu of tax to the City. It is a legitimate expense under an enterprise fund. However, it should be based on some sort of formula.

For, example, applying the actual tax rate within the City and what would an investor owned utility pay for taxes to the City and base it on something like that. For informational purposes, the average across the country for a cash-only transfer, according to an APPA survey, which is electric, though it can apply to these type enterprise funds, is 3.9% for cash and free services, meaning streetlighting or free electric to municipal buildings, etc., is 5.9%.

In general, UFS has seen a 7% transfer across the country. They see utilities that do not make a transfer and they see utilities that do make a transfer.

Ms. Lund emphasized this is a one for one percentage upward pressures on rates. Right now, there is no transfer. If Council decided to make a transfer of 7%, and a 3.9% in water, that would be on top of the 3.9% and done in that year. Overall, that would be a 10.9% rate increase.

To add a pilot payment to wastewater, it would be an 11.9% rate increase in that year. Transferring from the electric fund would be a 7% upward pressure on rates.

This is something that cities are exploring across the country and the danger zone is when it is arbitrary or excessive. It needs to be based on a formula, should not be arbitrary nor excessive. An excessive guide could be what an investor-owned utility would pay and what utilities are paying across the country, which is the 3.9% to 7% average.

She noted there are laws by State, whether transfers can be made from a utility fund, and UFS always recommends a municipality check with their solicitor before any decision is made. It is a question they are reviewing and when teaching their classes, it is currently a hot topic which is the reason, she felt it should be part of an all-inclusive study.

Reviewing the rate study, they are recommending a 78-cents in water, \$1.18 in wastewater and \$1.05 in solid waste, which is just under \$3 for all rate adjustments presented tonight. Ms. Lundy emphasized the need for the completion of the five-year plan.

When asked if these increases maintain the reserves, she explained this will work towards maintaining the reserves. However, solid waste is still going to be struggling in cash and wastewater is simply maintaining that reserve and water will be impacted and maintaining cash through the \$7 million bond.

Councilman Culotta asked if the pilot payments can be used for the new police station. Solicitor Rutt said he would have to check into that before he is comfortable answering questions.

Councilmember James said if pilot payments could be used to fund the new police station, whatever enterprise funds it is transferred from is an additional 1 for 1 rate increase. For example, we were planning a 3.9% increase, but are now doing a 10.9% increase over the next five years. Councilman Culotta said that when looking at the dollar number, it is not a big impact. Ms. Lund emphasize those rate increases are a cumulative effect.

The City Manager pointed out the \$1 plus is for residential rates, but asked Council consider commercial rates and industrial rate as Perdue indicated earlier tonight, they have paid over \$6 million a year for utilities.

Councilman James expressed concerns and recalled being on a previous economic development committee who was working on incentives and now Council is talking about increasing rates, which is one of the reasons the City has had difficulty attracting businesses.

Councilman Culotta asked if the average 7% UFS is seeing and if that correlates to a higher taxed municipality; Ms. Lund said she does not see that correlation and that is usually in electric only. Usually, there are no transfers in water and wastewater. The trend is moving toward other enterprise funds to help cities balance their budget, but it is not typical. In addition, it needs to be not excessive and based on a formula, it can be justifiable.

The Council Meeting concluded at 10:03 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Transcriber

City of Milford



PROCLAMATION 2020-01

HONORING DR. MARTIN LUTHER KING JR.

Whereas, Dr. Martin Luther King Jr. devoted his life to advancing equality, social justice, and opportunity for all, and challenged all Americans to participate in the never-ending work of building a more perfect union; and

Whereas, Dr. King's teachings can continue to guide and inspire us in addressing challenges in our communities; and

Whereas, the King Holiday and Service Act, enacted in 1994, designated the King Holiday as a national day of volunteer service, and charged the Corporation for National and Community Service with leading this effort; and

Whereas, since 1994 millions of Americans have been inspired by the life and work of Dr. Martin Luther King Jr. to serve their neighbors and communities on the King Holiday; and

Whereas, serving on the King Holiday is an appropriate way to honor Dr. King, meet local and national needs, bring our citizens together, and strengthen our communities and nation; and

Whereas, the King Day of Service is the only federal holiday commemorated as a national day of service, and offers an opportunity for Americans to give back to their communities on the holiday and make an ongoing commitment to service throughout the year; and

Whereas, King Day of Service projects are being organized by a wide range of nonprofit and community organizations, educational institutions, public agencies, private businesses, and other organizations across the nation; and

Whereas, each of us can and must contribute to making our communities better with increased opportunity for all our citizens, and

Whereas, the residents of the City of Milford have the opportunity to participate in events throughout our city on the King Day of Service, January 20, 2020, as well as create and implement community service projects where they identify the need.

NOW, THEREFORE, I, Arthur J. Campbell, Mayor of the City of Milford, Delaware, proclaim the Martin Luther King Jr. Holiday as a Day of Service in our City and call upon the people of Milford, Delaware to pay tribute to the life and works of Dr. Martin Luther King Jr. through participation in community service projects on Martin Luther King Day and throughout the year.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City to be affixed hereto this 13th day of January 2020.

Mayor Arthur J. Campbell

Attest:

City Clerk Teresa K. Hudson

City of Milford



PROCLAMATION 2020-02

SCHOOL CHOICE WEEK

WHEREAS, all children in the City of Milford should have access to the highest-quality education possible; and

WHEREAS, the City of Milford recognizes the important role that an effective education plays in preparing all students in the City of Milford to be successful adults; and

WHEREAS, quality education is critically important to the economic vitality of the City of Milford; and

WHEREAS, the City of Milford is home to a variety of high-quality public and nonpublic schools from which parents can choose for their children, in addition to families who educate their children in the home; and

WHEREAS, educational variety not only helps to diversify our economy, but also enhances the vibrancy of our community; and

WHEREAS, the City of Milford has many high-quality teaching professionals in all types of school settings who are committed to educating our children; and

WHEREAS, School Choice Week is celebrated across the country by millions of students, parents, educators, schools and organizations to raise awareness of the need for effective educational options.

NOW, THEREFORE, I, Arthur J. Campbell, Mayor of the City of Milford, do hereby proclaim January 26, 2020 to February 1, 2020 as School Choice Week in our community and call this observance to the attention of all our citizens.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City to be affixed hereto this 13th day of January 2020.

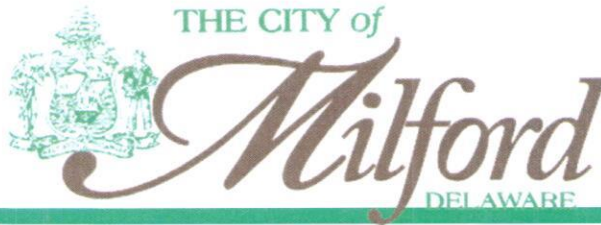
Mayor Arthur J. Campbell

Attest:

City Clerk Teresa K. Hudson



OFFICE OF THE CHIEF OF POLICE
KENNETH L. BROWN
kenneth.brown@cj.state.de.us



400 NE Front Street
Milford Delaware 19963
302.422.8081 Fax 302.424.2330

TO: Mayor and Members of City Council
FROM: Kenneth L. Brown, Chief of Police (KLB)
DATE: January 6, 2020
RE: Activity Report/December 2019

Monthly Stats:

A total of 589 arrests were made by the Milford Police Department during December 2019. Of these arrests, 151 were for criminal offenses and 438 for traffic violations. Criminal offenses consisted of 34 felonies and 117 misdemeanors. Traffic violations consisted of 61 Special Duty Radar, 8 Drunk-Driving charges, 369 other.

Police officers investigated 65 accidents during the month and issued 170 written reprimands. In addition, they responded to 1345 various complaints including city requests and other agency assistance.

Monthly Activities:

Attended the Kent County Chief's Meeting and SLEAF Meeting held at Dover Police Department on December 3, 2019.

Teleconference with the Insurance Company reference the litigation held at City Hall on December 4, 2019.

Attended the Delaware Police Chiefs' Christmas Luncheon held at Dover Downs on December 10, 2019.

Held Annual Senior Patrol Luncheon to honor our volunteers and show our appreciation for all their dedication and support provided to the Milford Police Department. Luncheon was held at Grotto Pizza on December 13, 2019.

Attended the Annual Kids Christmas Toy Drive held at Benvenuto Restaurant on December 15, 2019.

Participated in a Webinar with Admin. Assistant Sessoms for the Power DMS Mobile App Program administered at the Police Department on December 18, 2019.

The Administrative Lieutenant and I participated in a State Core discussion between the Milford Police Department and Smyrna Police Department on December 19, 2019.

Bridgeville Range for range qualification on December 19, 2019.

Training –

One officer attended Crime Scene Investigation 1 training held at the Delaware State Police Academy on December 9, 2019.

SRO –

The Milford Police Department's Community Policing Unit worked with several groups who collected toys for area families. The toys collected were distributed through the Milford School District to families they have identified as being in need. Other toys received were given to the Division of Family Services Foster Care Program to assist families who are given children who are taken into custody in the days leading up to Christmas. Finally, toys were also given to Head Start in Milford to assist them with helping their students in need this holiday season.

Sgt. Masten met with Milford School District officials to discuss the implementation of the Rave Panic Button App. The Rave Panic Button is a product from Rave Mobile Safety that districts throughout Delaware are beginning to utilize to allow staff in the buildings to communicate with 911 personnel in the event of a wide variety of emergency situations.

K9 Unit –

For the month of December 2019 the Milford Police Department K9 unit had the following stats:

• Building searches	1
• Demos	2
• Area Search	1
• Drug sniffs	3

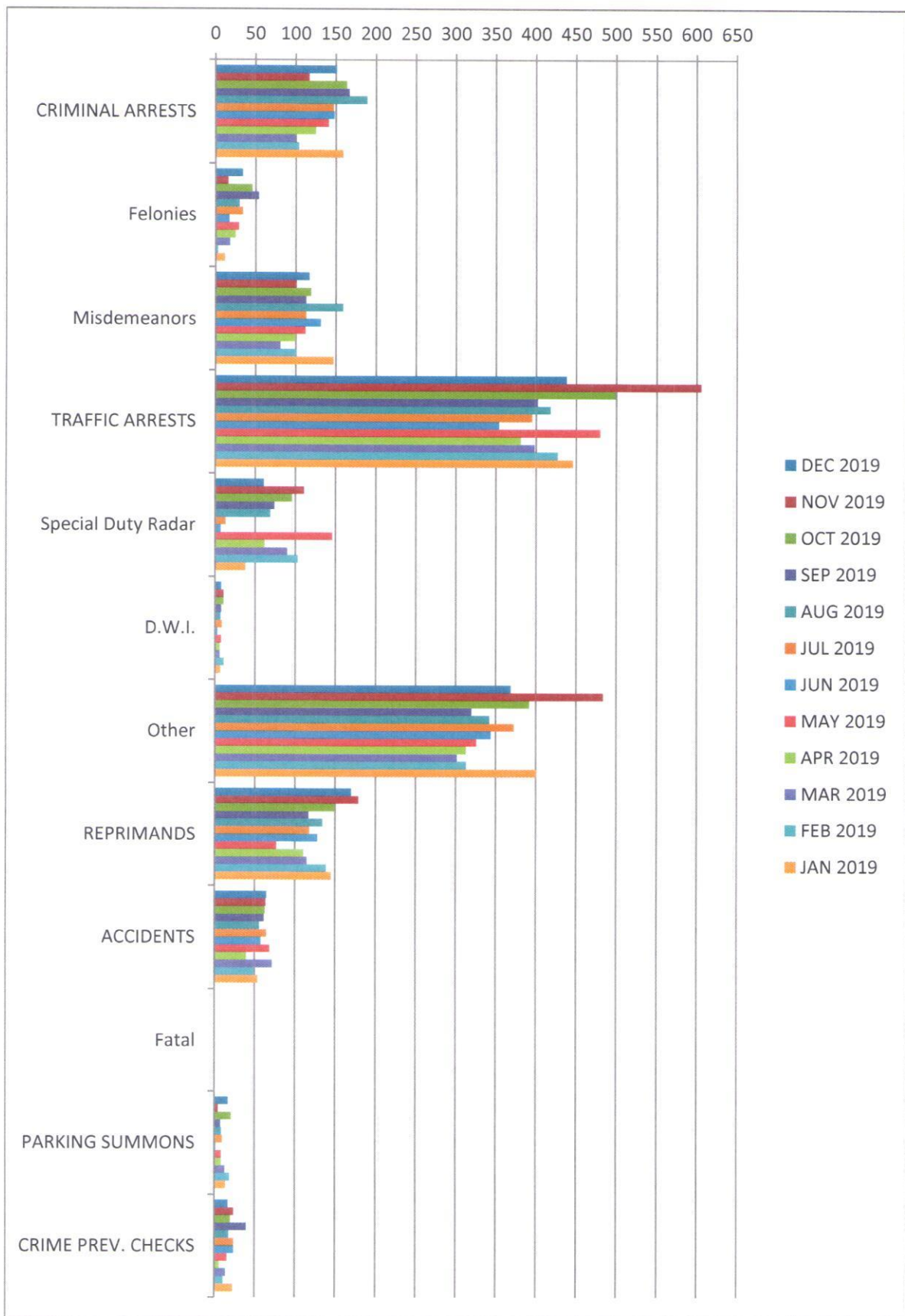
Seized Items

Amount

• Marijuana	5 gram(s)
• Cocaine	1 gram(s)
• Clonazapem Pills	
• Drug Paraphernalia	

DEC 2019 ACTIVITY REPORT

	DEC 2019	TOTAL 2019	DEC 2018	TOTAL 2018
COMPLAINTS	1345	15431	1069	14512
CRIMINAL ARRESTS	151	1711	83	1649
Felonies	34	318	13	303
Misdemeanors	117	1394	70	1344
TRAFFIC ARRESTS	438	5244	320	4632
Special Duty Radar	61	870	33	1354
D.W.I.	8	95	5	92
Other	369	4279	282	3186
REPRIMANDS	170	1583	115	1176
ACCIDENTS	65	718	51	670
Fatal	1	2	1	2
PARKING SUMMONS	17	136	21	197
CRIME PREV. CHECKS	17	237	22	265
FINES RECEIVED	\$8,871.42	\$ 95,540.21	\$6,945.78	\$ 96,783.33



City Manager's Monthly Update Report

Human Resources Office	December 2018	December 2019	FY19 YTD (07/01/18-12/31/18)	FY20 YTD (07/01/19-12/31/19)
Full Time Employees	116	127	116	127
Part Time/Seasonal Employees	7	10	7	10
Vacant Positions	4	4	4	4
Promotions	Unavailable	0	Unavailable	6
Information Technology Office	December 20	December	FY19 YTD	FY20 YTD
IT Assistance Offered		No Information Provided		(07/01/19-12/31/19)
Finance Department	December 2018	December 2019	FY19 YTD (07/01/18-12/31/18)	FY20 YTD (07/01/19-12/31/19)
Utility Accounts Billed		No Information Provided		
Utility Payments Processed				
Parks & Recreation Department	December 2018	December 2019	FY19 YTD (07/01/18-12/31/18)	FY20 YTD (07/01/19-12/31/19)
Program Participants	10	126	1,432	653
Programs Offered	1	1	18	8
Special Events Assisted	1	1	4	4
Planning & Economic Development Department	December 2018	December 2019	FY19 YTD (07/01/18-12/31/18)	FY20 YTD (07/01/19-12/31/19)
<i>Building Inspections & Permitting</i>				
Residential Permits Issued	28	20	203	168
Residential Inspections Performed (By City Staff)	0	108	0	634
Residential Inspections Performed (By Outside Contractor)		Not Being Reported		
Commercial Permits Issued	4	4	37	47
Commercial Inspections Performed (By City Staff)	0	10	0	53
Commercial Inspections Performed (By Outside Contractor)		Not Being Reported		
<i>Code Enforcement & Licensing</i>				
Code Enforcement Cases Initiated	26	11	112	181
Code Enforcement Cases Closed	150	25	243	382
Rental Inspections Performed (By City Staff)	73	16	316	391
Rental Inspections Performed (By Outside Contractor)		Not Being Reported		
Contractor & Vendor Licenses Issued	53	7	153	95
Rental Licenses Issued	158	4	178	30
<i>Economic Development</i>				
Economic Development Incentive Applications Received		Not Being Reported		
Downtown Development District Applications Received	0	0	62	9
-Private Investment	\$ -	\$ -	\$ 21,184,054.00	\$ 8,155,220.00
-State Investment	\$ -	\$ -	\$ 2,477,270.00	\$ 614,000.00
-Milford Waivers	\$ -	\$ -	\$ 240,678.98	\$ 21,581.76
<i>Planning & Zoning</i>				
Outside Contractor Utilized		Not Being Reported		
Land Use Applications Received	4	2	17	32

City Manager's Monthly Update Report

Public Works Department	December 2018	December 2019	FY19 YTD (07/01/18-12/31/18)	FY20 YTD (07/01/19-12/31/19)
<i>Electric Division</i>				
Outages				
Trouble Service Calls				
After Hours Calls				
Work Orders Completed				
Poles Replaced				
Trees Trimmed				
<i>Engineering Division</i>				
Utility Locates Completed				
<i>Operations Division</i>				
Fleet Work Orders Completed				
Fuel Use-Diesel (Gallons)				
Fuel Use-Gas (Gallons)				
<i>Solid Waste & Facilities Division</i>				
Refuse Collected (Tons)				
Recycle Collected (Tons)				
Yard Waste Collected (Tons)				
Leaves Collected (Tons)				
Waste Diversion Rate (Percentage)				
Bulk/Brush Collection Requests Completed				
Containers Delivered				
<i>Streets & Utilities Division</i>				
Trouble Service Calls				
After Hours Calls				
Work Orders Completed				
Street Storm Drains Cleaned				
Street Potholes Filled/Cold Patch				
Street Potholes Filled/Spray Patch (Gallons)				
Street Crack Sealant Used (Pounds)				
Street Curbs Swept (Miles)				
Street Deicing Salt Used (Tons)				
Street Signs Installed/Replaced				
Street Closures/Special Events				
Water Hydrants Flushed				
Fire Hydrants Installed/Replaced				
Water Lines Repaired				
Water Valves Exercised				
Waste Water Lines Flushed (Feet)				
Waste Water Lines Repaired				
<i>Technical Services Division</i>				
After Hours Calls				
Work Orders Completed				
Meters Installed New-Electric				
Meters Replaced-Electric				
Meters Installed New-Water				
Meters Replaced-Water				
Meters Read				
Meters Re-Read				
<i>Water & Waste Water Facilities Division</i>				
Water Treated (Millions of Gallons)				
Waste Water Transferred (Millions of Gallons)				
Work Orders Completed				
Pump Stations Cleaned				
Projects				
	Planning Stage	Bid/PO Award	In Progress	Complete
<i>Electric</i>				
DEL1 Substation Testing (FY19 CIP)				
DEL2 Relay Replacement				
DEL2 Substation Testing (FY19 CIP)				
Air Break Switch (FY19 CIP)				
Traffic Signal Head Refurb-Church/Walnut/Washington (FY19 CIP)				
GIS Mapping-Smart Metering (FY19 CIP)				
Riverwalk Light Pole Powdercoat/Retrofit Phase II (FY19 & FY20 CIP)				
Line Reconductor-Wilber (FY20 CIP)				
Reliable Public Power Provider Certification Application				

City Manager's Monthly Update Report

Equipment Replacement-E-130 (FY19, FY20 CIP)			
Equipment Replacement-WH-001 (FY20 CIP)			
Vehicle Replacement-B-002 (FY20 CIP)			
Vehicle Replacement-E-103 (FY20 CIP)			
Vehicle Replacement-E-106 (FY19 CIP)			
Vehicle Replacement-E-110 (FY19, FY20 CIP)			
Vehicle Replacement-E-115 (FY20 CIP)	No Information Provided		
Vehicle Replacement-E-134 (TS-001) (FY20 CIP)			
Water			
Automated Blow-off Valves Installation (FY19 & FY20 CIP)			
Tower Protection Upgrades-Caulk & Tenth (FY19 CIP)			
Tower Altitude Valve-Caulk (FY19 CIP)			
Tower Painting-Tenth			
Water Treatment Facility Controls Standardized (FY20 CIP)			
Water Treatment Facility Lot Consolidation-Washington			
Water Treatment Facility Test Well- NE Tenth (FY20 CIP)			
Water Treatment Monitoring & Process Control Upgrades (4&5) (FY20 CIP)			
Citywide Valve & Hydrant Replacement/Improvements (FY20 CIP)			
Water Lines-NE Front (CY20 CIP)			
DNREC Water Allocation Permit			
Lead Service Line Replacement-Priority Level 1 (FY19 & FY20 CIP)			
Lead Service Line Replacement-Priority Level 2 (FY19 & FY20 CIP)			
Lead Service Line Replacement-Priority Level 3 (FY19 & FY20 CIP)			
Equipment Purchase-Elec Msg Board			
Vehicle Replacement-W-001 (FY19 CIP)			
Vehicle Replacement-W-004 (FY19 CIP)			
Vehicle Replacement-W-008			
Vehicle Replacement-W-014 (FY20 CIP)			
Vehicle Replacement-W-015			
Waste Water			
Inflow & Infiltration Investigation/Repair (FY20 CIP)			
Pump Station Groundwater Investigation/Repair-Truitt (FY20 CIP)			
Pump Station-Shawnee Acres (FY18 CIP)			
Pump Station Hatch Replacement-N Shore			
Pump Station Grinder Pump Installation-Silicato (FY18 CIP)			
Line Replacement-SE Second (FY20 CIP)			
Equipment Purchase-Elec Msg Board			
Equipment Purchase-Zoom Sewer Camera			
Vehicle Replacement-SE-002 (FY19 CIP)			
Vehicle Replacement-SE-013 (FY20 CIP)			
Solid Waste			
Vehicle Replacement-SW-012			
Streets			
Street Repairs/Resurfacing-Marshall, McColley, Mispillion (FY18 CIP)			
Street Repairs/Resurfacing-Fisher, Roosa, Masten, Plum, Marshall, SE Fifth, McColley, Second, Third, Fourth, Fifth, North, Mill, Kings, Barker, Church (FY20 CIP)			
Curb and Sidewalks SE Second St (FY18 CIP)			
Curb and Sidewalks West St (FY19 CIP)			
Sidewalk Improvements (City-Wide) (FY20 CIP)			
Sidewalk Improvements (Private Owner Financing) (FY20 CIP)			
ADA Compliant Ramps Installed (City-Wide) (FY20 CIP)			
Pedestrian Crossing/Landscaping S Walnut (FY20 CIP)			
Parking Lot Seal/Stripe NE Front/Denney (FY19 CIP)			
Drainage Improvement (Pennsylvania)			
Truck Turning Study			
Welcome Sign Relocation/Replacement (Rt 113)			
Equipment Replacement-S-006			
Equipment Replacement-S-008			
Equipment Replacement-S-022 (FY19 CIP)			
Equipment Replacement-S-030 (FY20 CIP)			
Equipment Replacement-S-049			
Equipment Replacement-S-050			
Vehicle Replacement-S-001 (FY19 CIP)			
Vehicle Replacement-S-004 (FY19 CIP)			
Vehicle Replacement-S-005 (FY19 CIP)			
Vehicle Replacement-S-009 (FY20 CIP)			
Vehicle Replacement-S-016			

City Manager's Monthly Update Report

Vehicle Replacement-S-038 (FY20 CIP)				
Technical Services Division				
Vehicle Replacement B-001 (FY20 CIP)				
Facilities				
City Hall Exterior Doors Replacement (FY19 CIP)				
City Hall Chambers Audio System Upgrade (FY20 CIP)				
City Hall Chambers Video System Installation (FY20 CIP)				
City Hall Security System Replacement (FY20 CIP)				
City Hall IT HVAC Unit and UPS Battery Replacement				
City Hall Basement Waterproofing (FY20 CIP)				
Customer Service Building Basement Waterproofing (FY20 CIP)				
Public Works Electric SCADA/Smart Metering Wall Monitor (FY19 & FY20 CIP)				
Public Works Breakroom/Locker Room Renovations (FY19 CIP)				
Public Works HVAC Replacement (FY19 CIP)				
Public Works Warehouse Door Security				
Public Works Panic Alarms				
Public Works Garage Vehicle Diagnostic Scanners (FY20 CIP)				
Public Works Fuel Pump Replacements (FY19 CIP)				
Public Works Mobil Truck Lifts				
City Wide LED Replacement (FY19 & FY20 CIP)				
Residential Subdivisions				
	Plan Review	In Progress - Utility Installation	In Progress - Utility Inspections	Complete
200 NW Front St/Bond				
Brookstone Trace				
Cypress Hall-Phase I	No Information Provided			
Cypress Hall-Phase II				
Fork Landing Farm				
Hearthstone Manor I				
Hearthstone Manor II				
Hickory Glen				
Knights Crossing				
Lighthouse Estates				
Marina Del				
Milford Ponds-Phase I				
Milford Ponds-Phase II				
Milford Ponds-Phase III				
Mispillion Landing				
Orchard Hill				
Riverwalk Villas				
Simpson's Crossing				
Walnut Village				
Watergate				
West Shores at New Milford				
Wickersham				
Willows (fka Cascades)-Phase II				
Windward on the River				
Commercial Developments				
	Plan Review	Utility Mains Installation	Utility Service Line Inspection	Complete
10th St Medical Office				
Bayhealth Sussex Campus-Nemours				
Beach Babies				
Bright Nest				
DE Rural Water				
Delaware Veterans Home				
DNREC Mosquito Control				
DSWA-Transfer Station				
Gator & Associates				
Growmark FS				
Kidz Ink				
Mavis Discount Tires				
Microtel				
Mid-Delaware Professional				
Milford Ponds-Clubhouse				
Milford Wellness Village				
Mispillion River Brewery				

City Manager's Monthly Update Report

Nutrien Ag (fka Crop Production Svcs)	No Information Provided			
Surf & Turf Steakhouse				
Touch of Italy - Business Park				
Windward on the River				

CITY OF MILFORD
FUND BALANCES REPORT

Date: November 2019

Cash Balance - General Fund Bank Balance	4,249,923
Cash Balance - Electric Fund Bank Balance	5,453,243
Cash Balance - Water Fund Bank Balance	537,013
Cash Balance - Sewer Fund Bank Balance	612,518
Cash Balance - Trash Fund Bank Balance	137,772

	<u>General Improvement</u>	<u>Municipal Street Aid</u>	<u>Real Estate Transfer Tax</u>	<u>Economic Development Fund</u>
Beginning Cash Balance	467,626	517,251	3,106,959	\$235,852
Deposits			168,703	
Interest Earned this Month	553	602	3,804	
Disbursements this Month	(349)	(8,178)	(60,250)	
Investments				
Ending Cash Balance	\$467,830	\$509,675	\$3,219,216	\$235,852

	<u>GF Capital Reserves</u>	<u>Water Capital Reserves</u>	<u>Sewer Capital Reserves</u>	<u>Electric Reserves</u>
Beginning Cash Balance	2,760,906	10,362,923	4,424,900	10,745,305
Deposits				
Interest Earned this Month	1,345	4,891	2,041	4,939
Disbursements this Month	(3,611)	(14,402)	(20,591)	(3,441)
Investments				
Ending Cash Balance	\$2,758,640	\$10,353,412	\$4,406,350	\$10,746,803

	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>	<u>Electric Impact Fee</u>
Beginning Cash Balance	2,664,765	\$1,622,488	\$780,540
Deposits	46,969	\$23,415	\$9,600
Interest Earned this Month			
Disbursements this Month			
Investments			
Ending Cash Balance	\$2,711,734	\$1,645,903	\$790,140

INTEREST THROUGH THE FIFTH MONTH OF THE FISCAL YEAR:

General Fund	22,965	Water Fund	2,877
GF Capital Reserves	24,742	Water Capital Reserves	80,117
Municipal Street Aid	3,803	Sewer Fund	3,904
Real Estate Transfer Tax	24,672	Sewer Capital Reserves	33,757
Electric Fund	32,138	Trash Fund	654
Electric Reserves	84,074		

TOTAL INTEREST EARNED TO DATE	\$313,703

CITY OF MILFORD
RESTRICTED CASH RESERVES REPORT

Date: NOVEMBER 2019

General Fund Reserve Funds

Cash Balance 11/30/19 \$2,758,640

Restricted Funds

FY 18 Approved with Budget	(\$303,936)
FY 18 Capital -Council Approved	(\$23,700)
FY 19 Approved with Budget	(\$128,449)
FY 19 Capital -Council Approved	(\$169,217)
FY 19 Capital -Council Approved	(\$66,121)
FY 20 Approved with Budget	(\$623,775)
Year 2 Funding 5 Police Officers	(\$450,000)
Year 3 Funding 5 Police Officers	(\$537,359)

Cost of Asset Replacement ?????

Available Cash Balance \$456,083

Sewer Reserve Funds

Cash Balance 11/30/19 \$4,406,350

Restricted Funds

FY18-Shawnee Acres Pump St	(\$211,000)
Lighthouse Fencing	(\$20,000)
PW-HVAC & Breakroom	(\$112,500)
UFS-Cost of Service Study	(\$14,250)
F250 Pickup Truck	(\$35,000)
Hook/ Dump Truck W/Plow	(\$211,791)
I&I Engineering Study	(\$50,000)
SE 2ND Street utility,curb,sidewalk	(\$5,000)
SE 2ND Street-Sewer Main	(\$150,000)

Cost Of Service Minimum Cash ?????

Cost of Asset Replacement ?????

Available Cash Balance \$3,596,809

Water Reserve Funds

Cash Balance 11/30/19 \$10,353,412

Restricted Funds

NW & NE Front St Waterline	(\$149,555)
Smart Metering	(\$239,290)
FY 18 Budgeted Capital	(\$45,000)
PW-HVAC & Breakroom	(\$112,500)
UFS-Cost of Service Study	(\$14,250)
FY 19 Budgeted Capital	(\$214,000)
SE 2ND Street-utilities, curb&sidewalk	(\$25,000)
SE Second Lead Gooseneck	(\$814,400)
Front Street water lines	(\$1,500,000)

Cost of Service Minimum Cash ?????

Cost of Asset Replacement ?????

Available Cash Balance \$7,239,417

Electric Reserve Funds

Cash Balance 11/30/19 \$10,746,803

Restricted Funds

FY 17 Smart Meter Project	(\$26,426)
FY 18 Budgeted Capital	(\$380,739)
FY 19 Budgeted Capital	(\$255,000)
FY 19 Budgeted From Res.	(\$318,717)
PW- HVAC & Breakroom	(\$121,324)

Cost of Service Minimum Cash (\$4,816,739)

Cost of Asset Replacement (\$3,000,000)

Available Cash Balance \$1,827,857

REVENUE REPORT

Page Two

42% of Year Expended

Date: November 2019	AMOUNT BUDGETED	MTD	YTD	YTD%
ACCOUNT				
Economic Development Fund	166,360	0	101,560	61.05%
General Fund Reserves	623,775	0	86,064	13.80%
General Fund Reserves-New Police	425,000	35,000	175,000	41.18%
Realty Transfer Tax-Police	723,000	60,250	301,250	41.67%
Real Estate Tax	4,154,385	735	4,087,245	98.38%
Business License	50,000	260	4,675	9.35%
Rental License	95,000	300	9,300	9.79%
Building Permits	200,000	21,311	93,913	46.96%
Planning & Zoning	35,000	29,205	44,176	126.22%
Grasscutting Revenue	16,000	0	8,000	50.00%
Police Revenues	502,750	93,156	339,184	67.47%
Misc. Revenues	388,399	61,109	129,806	33.42%
Transfers From	3,396,842	412,877	1,545,158	45.49%
Total General Fund Revenues	\$10,776,511	\$714,203	\$6,925,331	64.26%
Water Revenues	2,859,500	293,571	1,154,004	40.36%
Sewer Revenues	2,610,000	249,740	964,402	36.95%
Kent County Sewer	2,035,000	186,461	721,872	35.47%
Solid Waste Revenues	1,184,965	122,749	523,281	44.16%
Electric Revenues	25,815,000	2,250,159	10,623,749	41.15%
TOTAL REVENUES	\$45,280,976	\$3,816,883	\$20,912,639	46.18%
YTD Enterprise Expense		(27,665)		
YTD Enterprise Revenue		23,296		
LTD Carlisle Fire Company Building Permit Fund		523,380		

EXPENDITURE REPORT

Page Three

Date: November 2019

42% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
City Manager					
Personnel	651,490	\$64,097	237,940	36.52%	413,550
O&M	168,430	\$11,606	53,961	32.04%	114,469
Capital	0	\$0	0		0
Total City Manager	\$819,920	\$75,703	\$291,901	35.60%	528,019
 Planning & Zoning					
Personnel	150,020	\$16,587	60,468	40.31%	89,552
O&M	64,387	\$706	22,023	34.20%	42,364
Capital	0	\$0	0		0
Total P, C & I	\$214,407	\$17,293	\$82,491	38.47%	131,916
 Code Enforcement & Inspections					
Personnel	286,330	\$31,365	114,808	40.10%	171,522
O&M	85,357	\$4,043	27,163	31.82%	58,194
Capital	32,000	\$0	0	0.00%	32,000
Total P, C & I	\$403,687	\$35,408	\$141,971	35.17%	261,716
 Council					
Personnel	33,380	\$3,875	10,711	32.09%	22,669
Contract Service-ADA Transition Pl	50,000	\$0	0	0.00%	50,000
Legal	45,000	\$0	14,170	31.49%	30,830
City Hall Building Expense	19,250	\$1,604	8,021	41.67%	11,229
Insurance	18,270	\$0	8,820	48.28%	9,450
Christmas Decorations	7,000	\$0	0	0.00%	7,000
Computer Expense	7,400	\$0	0	0.00%	7,400
Council Expense	25,000	\$1,668	14,257	57.03%	10,743
Employee Recognition	21,000	\$602	2,023	0.00%	18,977
Codification	15,000	\$947	7,331	48.87%	7,669
Carlise Fire Company	140,000	\$0	0	0.00%	140,000
Museum	30,500	\$0	30,000	98.36%	500
Downtown Milford Inc.	45,860	\$0	45,860	100.00%	0
Milford Public Library	25,000	\$0	25,000	100.00%	0
Economic Development	2,000	\$0	700	35.00%	1,300
Armory Expenses	10,000	\$514	3,824	38.24%	6,176
Kent Economic Partnership	30,000	\$0	0	0.00%	30,000
Election-Wages	6,000	\$0	0	0.00%	6,000
Election-Supplies	3,000	\$0	0	0.00%	3,000
Capital-Council Chambers Recordi	8,795	\$0	0	0.00%	8,795
Capital-Council Chambers Monitors	25,000	\$0	0	0.00%	25,000
Capital-Video Monitoring system	25,000	\$0	0	0.00%	25,000
Total Council	\$592,455	\$9,210	\$170,717	28.82%	421,738

EXPENDITURE REPORT**Page Four**

Date: November 2019

42% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
Finance					
Personnel	420,713	\$46,386	161,581	38.41%	259,132
O&M	105,875	\$2,650	41,175	38.89%	64,700
Capital	0	\$0	0		0
Total Finance	\$526,588	\$49,036	\$202,756	38.50%	323,832
Information Technology					
Personnel	164,130	\$18,322	65,839	40.11%	98,291
O&M	181,950	\$830	45,716	25.13%	136,234
Capital	48,500	\$0	33,123	68.29%	15,377
Total Information Technology	\$394,580	\$19,152	\$144,678	36.67%	249,902
Police Department					
Personnel	4,972,163	\$528,677	1,926,366	38.74%	3,045,797
O&M	618,970	\$34,351	204,330	33.01%	414,640
Capital	106,165	\$0	12,648	11.91%	93,537
Total Police	\$5,697,318	\$563,028	\$2,143,344	37.62%	3,553,974
Streets & Grounds Division					
Personnel	336,000	\$36,176	135,114	40.21%	200,886
O&M	443,745	\$26,958	147,314	33.20%	296,431
Capital	200,000	\$0	32,223	16.11%	167,777
Total Streets & Grounds	\$979,745	\$63,134	\$314,651	32.12%	665,094
Parks & Recreation					
Personnel	692,200	\$67,493	264,565	38.22%	427,635
O&M	263,610	\$14,518	95,072	36.07%	168,538
Capital	192,000	\$0	7,800	4.06%	184,200
Total Parks & Recreation	\$1,147,810	\$82,011	\$367,437	32.01%	780,373
Total General Fund					
Operating Budget	\$10,776,510	\$913,975	\$3,859,946	35.82%	6,916,564

EXPENDITURE REPORT

Page Five

Date: November 2019

42% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
Water Division					
Personnel	319,798	\$28,293	109,409	34.21%	210,389
O&M	1,498,188	\$157,053	579,660	38.69%	918,528
Capital	657,509	\$0	1,455	0.22%	656,054
Debt Service	384,005	\$0	136,137	35.45%	247,868
Total Water	\$2,859,500	\$185,346	\$826,661	28.91%	2,032,839
Sewer Division					
Personnel	318,498	\$26,791	104,540	32.82%	213,958
O&M	1,796,962	\$142,262	745,194	41.47%	1,051,768
Capital	90,000	\$0	83,260	92.51%	6,740
Debt Service	404,540	\$0	25,470	6.30%	379,070
Sewer Sub Total	\$2,610,000	\$169,053	\$958,464	36.72%	1,651,536
Kent County Sewer	2,035,000	\$152,517	688,035	33.81%	1,346,965
Total Sewer	\$4,645,000	\$321,570	\$1,646,499	35.45%	2,998,501
Solid Waste Division					
Personnel	350,737	\$42,905	134,586	38.37%	216,151
O&M	834,228	\$98,187	365,576	43.82%	468,652
Capital	0	\$0	0		0
Total Solid Waste	\$1,184,965	\$141,092	\$500,162	42.21%	684,803
Total Water, Sewer Solid Waste					
	\$8,689,465	\$648,008	\$2,973,322	34.22%	5,716,143
Electric Division					
Personnel	1,043,591	\$124,724	458,514	43.94%	585,077
O&M	2,712,754	\$255,938	962,292	35.47%	1,750,462
Transfer to General Fund	2,500,000	\$208,334	1,041,667	41.67%	1,458,333
Capital	1,038,040	\$119,035	119,035	11.47%	919,005
Debt Service	320,615	\$0	0	0.00%	320,615
Electric Sub Total	\$7,615,000	\$708,301	\$2,581,778	33.90%	5,033,222
Power Purchased	18,200,000	\$1,280,110	7,200,298	39.56%	10,999,702
Total Electric	\$25,815,000	\$1,988,411	\$9,782,076	37.89%	16,032,924
TOTAL OPERATING BUDGET					
	\$45,280,975	\$3,550,394	\$16,615,344	36.69%	28,665,631

INTERSERVICE DEPARTMENTS REPORT

Page Six

Date: November 2019

Date: November 2019	42% of Year Expended				
ACCOUNT	AMOUNT	MTD	YTD	YTD%	UNEXPENDED
	BUDGETED				BALANCE
Garage					
Personnel	92,725	10,548	38,812	41.86%	53,913
O&M	113,887	9,407	45,878	40.28%	68,009
Capital	0				
Total Garage Expense	\$206,612	\$19,955	\$84,690	40.99%	121,922
Public Works					
Personnel	720,729	58,555	210,600	29.22%	510,129
O&M	208,665	11,112	66,796	32.01%	141,869
Capital	132,000	0	0	0.00%	132,000
Total Public Works Expense	\$1,061,394	\$69,667	\$277,396	26.14%	783,998
Tech Services					
Personnel	230,513	26,131	97,413	42.26%	133,100
O&M	430,711	28,075	120,199	27.91%	310,512
Capital	64,000	0	32,350	50.55%	31,650
Total Tech Services Expense	\$725,224	54,206	\$249,962	34.47%	475,262
Billing & Collections					
Personnel	787,589	73,961	294,663	37.41%	492,926
O&M	234,850	19,426	99,353	42.30%	135,497
Capital	47,000	0	14,205	30.22%	32,795
Total Billing & Collections	\$1,069,439	93,387	\$408,221	38.17%	661,218
City Hall Cost Allocation					
Personnel	0				0
O&M	45,500	3,060	18,357	40.35%	27,143
Capital	102,414	26,945	35,927	35.08%	66,487
Total City Hall Cost Allocation	\$147,914	30,005	\$54,284	36.70%	93,630

ALL COSTS SHOWN ON PAGE 6 ARE ALSO INCLUDED IN THE VARIOUS DEPARTMENTS LISTED ON PAGES 3-5 OF THE EXPENDITURE REPORT WHO UTILIZE THE SERVICES OF THE DEPARTMENTS LISTED ABOVE.
 INTERSERVICE FUNDS ARE ENTIRELY FUNDED BY OTHER CITY DEPARTMENTS.



DELAWARE LEAGUE OF LOCAL GOVERNMENTS

MAPLE DALE COUNTRY CLUB
180 MAPLE DALE CIRCLE
DOVER, DE 19904

THURSDAY, JANUARY 23, 2020

REGISTRATION/SOCIAL HOUR: 5:30 P.M. - 6:15 P.M.

DINNER: 6:30 P.M. - 7:15 P.M.

PROGRAM: 7:15 P.M.

PROGRAM:

The DLLG is pleased to kick off the New Year with a panel discussion on *Making Work-Life Balance a Priority*. This often becomes a struggle. The Mayors of Dover and Bethany Beach and Managers of Lewes and Georgetown will review strategies we can use to create balance in our lives and promote work cultures which share in that balance. In the end, we are more productive, healthier, and happier with proper balance. Members are encouraged to participate in this timely discussion.

The Lt. Governor's Office will also be present to address current updates and reminders on the 2020 Census.

The evening agenda includes the election of DLLG Officers and Executive Committee members for the new term.

The DLLG wishes to thank Belfint, Lyons & Shuman for sponsoring this month's dinner meeting.

PLEASE RSVP TO CHRISTINE NO LATER THAN 01/14/20

For those bringing a guest, please make checks payable to: Delaware League of Local Governments (\$35 each)

Next Meeting: Thursday, February 27, 2020



DELAWARE LEAGUE OF LOCAL GOVERNMENTS

P.O. BOX 484, DOVER, DE 19903-0484
Phone: 302-678-0991 Fax: 302-678-4777 Email: cfluft@udel.edu

President Lew Killmer

Executive Director Carl F. Luft

To: Delaware League of Local Governments
From: Nominating Committee
Subject: Report of Nominating Committee
Date: December 3, 2019

The Nominating Committee presents the following names to be submitted for election at the January 23, 2020 meeting of the Delaware League of Local Governments, as approved by the Executive Committee on October 1, 2019, for two-year terms unless noted. These do not include current Officers in the middle of their terms.

Officers

Vice President

Michael Spencer*

Executive Committee

Matthew Meyer	New Castle County	Term Expired
Michael Purzycki	City of Wilmington	Term Expired
Walter Curran	Town of Ocean View	Term Expired
Archie Campbell	City of Milford	Term Expired
Jerry Clifton*	City of Newark	Replace Michael Spencer
David Genshaw	City of Seaford	Replace Stanley Green

* Unexpired term ending 12/31/20

CITY OF MILFORD

Milford, Delaware

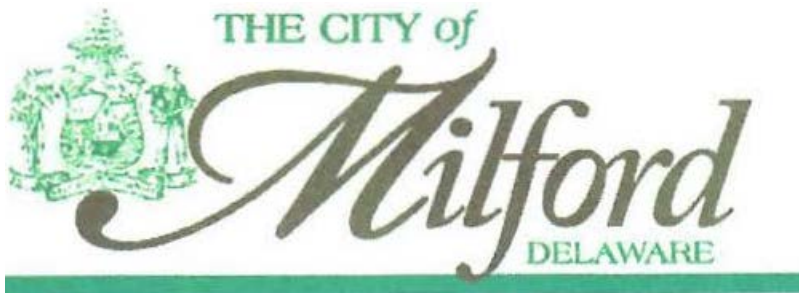
Financial Statements

For The Year Ended June 30, 2019

CITY OF MILFORD, DELAWARE

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TRANSMITTAL LETTER

December 2, 2019

The Honorable Mayor
and Members of the City Council
City of Milford
Milford, Delaware

The Finance Department and City Manager's Office are pleased to submit the Annual Financial Report for the City of Milford, Delaware for the fiscal year ended June 30, 2019.

This report is published to provide the City Council, City staff, our citizens, our bondholders and other interested parties with detailed information concerning the financial condition and activities of the City government. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the City.

To the best of our knowledge and belief the enclosed data is accurate in all material respects, and is organized in a manner designed to fairly present the financial position and results of operations of the City as measured by the financial activity of its various funds. We also believe that all disclosures necessary to enable the reader to gain the maximum understanding of the City's financial affairs have been included.

THE REPORT

The accompanying financial section includes a Management's Discussion and Analysis (MD&A), basic financial statements and combining and individual fund statements, required supplementary information and schedules, and additional information and reports, as well as the independent auditor's report on the basic financial statements. Gold Gerstein Group LLC, Certified Public Accountants, has issued an unmodified ("clean") opinion on the City's financial statements for the year ended June 30, 2019. The independent auditor's report is located at the front of the financial section of this report, pages 1-2.

The MD&A is a narrative introduction, overview, and analysis to accompany the basic financial statements. This letter of transmittal is designed to complement and should be read in conjunction with the MD&A. The City of Milford's MD&A can be found immediately following the report of the independent auditors.

The Financial Section described above is prepared in accordance with generally accepted accounting principles for governments as prescribed by the Governmental Accounting Standards Board (GASB) and other professional associations, as applicable.

CITY PROFILE

Location

The City of Milford is the sixth largest city in population in the State of Delaware, serving over 10,000 residents within a rapidly growing corridor along U.S. Route 113/DE Route 1 in Kent and Sussex Counties. Located on the Mispillion River, within both Kent and Sussex Counties, the City is approximately 95 miles from Philadelphia, Pennsylvania, 85 miles from Baltimore, Maryland, and 100 miles from Washington, D.C. Locally, the City is 19 miles south of Dover, the State Capital.

The City is a home rule city operating under the Council-Manager form of government. The City Council is comprised of the Mayor and eight Council members, who enact local laws, determine policies and adopt the annual budget. The City Manager is appointed by the City Council and is responsible for the daily management of the City. The Basic Financial Statements of the City include all government activities, organizations and functions for which the City is financially accountable as defined by the GASB. Based on these criteria no other governmental organizations are included in this report.

FINANCE

Services Provided

The City provides to its citizens those services that have proven to be necessary and meaningful and which the City at the least cost can provide. Major services provided under general government and enterprise functions are: police protection, water and sewer services, electric services, sanitation services, park and recreational facilities, street improvements and general administrative services.

Accounting System and Budgetary Control

The City's accounting records for general governmental operations are maintained on a modified accrual basis with the revenues being recorded when available and measurable and expenditures being recorded when the services or goods are received and the liabilities are incurred. Accounting records for the City's utilities and other proprietary activities are maintained on the accrual basis.

In developing and maintaining the City's accounting system, consideration is given to the adequacy of the internal control structure. Internal accounting controls are designed to provide reasonable, but not absolute, assurance regarding (1) the safeguarding of assets against loss from unauthorized use or disposition; and (2) the reliability of financial records for preparing financial statements and maintaining accountability for assets. The concept of reasonable assurance recognizes that (1) the cost of a control should not exceed the benefits likely to be derived, and (2) the evaluation of costs and benefits requires estimates and judgments by management.

All internal control evaluations occur within the above framework. We believe that the City's informal accounting controls adequately safeguard assets and provide reasonable assurance of proper recording of financial transactions.

The City charter provides that the City Council shall adopt the annual budget prepared by City Management. This budget is reviewed by the City Council and is formally adopted by the passage of a budget ordinance. The City Manager is authorized to transfer budgeted amounts between the items and departments within any fund; however, any revisions that alter the total expenditures of any fund must be approved by the City Council.

Budgetary control has been established at the general fund level. Financial reports are produced showing budget and actual expenditures by line item, and are distributed monthly to City departmental and divisional management and to others upon request.

Individual line items are reviewed and analyzed for budgetary compliance. Personnel expenditures are monitored and controlled at a position level and capital expenditures are monitored and controlled item by item. Revenue budgets are reviewed monthly.

OTHER INFORMATION

Independent Audit

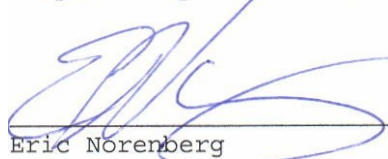
The City Charter requires an annual audit of the accounts, financial records and transactions of the City by independent certified public accountants selected by the City Council. This requirement has been complied with, and the independent auditor's report has been included in this report. Additionally, the City of Milford's Director of Finance hears and reviews all recommendations made by the independent auditors.

Acknowledgments

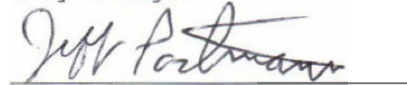
The preparation of this report on a timely basis could not have been accomplished without the efficient and dedicated services of the entire staff of the Finance Department. Appreciation is expressed to City employees throughout the organization, especially those employees who were instrumental in the successful completion of this report.

We would like to thank the members of the City Council for their interest and support in planning and conducting the financial operation of the City in a responsible and progressive manner.

Respectively submitted,

A blue ink signature of Eric Norenberg, consisting of a stylized 'E' and 'N'.

Eric Norenberg
City Manager

A blue ink signature of Jeffrey Portmann, written in a cursive style.

Jeffrey Portmann
Finance Director

INDEPENDENT AUDITOR'S REPORT

To the Mayor and City Council
City of Milford, DE

Report on the Financial Statements

We have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the City of Milford, DE as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Opinions

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, and each major fund of the City of Milford, DE, as of June 30, 2019, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matters

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and required supplementary information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by Government Auditing Standards

In accordance with *Government Auditing Standards*, we have also issued our report dated December 2, 2019, on our consideration of the City of Milford, DE's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering City of Milford, DE's internal control over financial reporting and compliance.

Gold Gerstein Group LLC

Voorhees, NJ

December 2, 2019

CITY OF MILFORD, DELAWARE

Management's Discussion and Analysis

For the Year Ended June 30, 2019

Amounts in Thousands Unless Stated Otherwise

(Unaudited)

As management of the City of Milford, we offer readers of the City's financial statements this narrative overview and analysis of the financial activities and financial position of the City for the fiscal year ended June 30, 2019. In the broadest context, the financial well-being of a government lies in the underlying wealth and willingness of its citizens and property owners to pay adequate taxes combined with the vision of the government's elected and appointed leadership to spend those taxes strategically so that the City's tax base, service levels, City assets and the City's desirability will be maintained not just for the current year but well into the future. Financial reporting is limited in its ability to provide this "big picture" but rather focuses on financial position and changes in financial position. In other words, are revenues and or expenses higher or lower than the previous year? Have net assets (containing both short and long-term assets and liabilities) or fund balances (the current "spendable" assets less current liabilities) of the government been maintained? We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal (pages i-iii of this report) as well as information on the City's annual budget and other community information found in the City's website at www.cityofmilford.com. It should be noted that the Independent Auditor's Report describes the auditor's association with the various sections of this report and that all of the additional information from the website and other City sources is unaudited and has not been updated for events that may have occurred subsequent to the issuance of the respective report.

IN BRIEF

- The assets of the City exceeded its liabilities at the close of the most recent fiscal year by approximately \$90.2 million (net position). This number must be viewed in the context that a significant portion of the City's net position, \$45.6 million (50.6%) are invested in capital assets, net of related debt, and that most capital assets in government do not directly generate revenue nor can they be sold to generate liquid capital. Those net assets restricted for specific purposes total \$9.6 million (10.6%). The remaining \$35 million are unrestricted net assets and may be used to meet the government's ongoing obligations to citizens and creditors in accordance with the City's fund designation and fiscal policies. Unrestricted net position increased by approximately \$1.8 million in fiscal year 2019.

CITY OF MILFORD, DELAWARE

Management's Discussion and Analysis

For the Year Ended June 30, 2019

Amounts in Thousands Unless Stated Otherwise

(Unaudited)

- As of the close of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9.4 million. Within this total \$2.3 million is restricted by specific legal requirements and \$4.4 million has been committed and assigned to specific types of expenditures. The remaining \$2.7 million is unassigned fund balance in the general fund and can be used for any lawful purpose.
- Revenues from the City's governmental activities decreased by approximately \$160 thousand to \$7.6 million (2%).
- The City had total liabilities of approximately \$22.1 million as of June 30, 2019, representing a decrease of approximately \$603 thousand from the prior year.
- The City benefits from strong fund balances and conservative financial practices. The Economic Factors and Next Year's Budget section on the last page of this discussion provide additional information on the subject.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the City's basic financial statements. The City's basic financial statements are comprised of four components: 1) government wide financial statements, 2) fund financial statements 3) notes to the financial statements and 4) required supplementary information which includes this management's discussion and analysis. In addition to the basic financial statements, this report also contains other supplementary information as listed in the Table of Contents.

Government Wide Financial Statements - The government wide financial statements are designed to provide readers with a broad overview of the City's finances, in a manner similar to a private-sector business. The Statement of Net Position presents information on all of the City's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. The Statement of Activities presents information showing how the City's net assets changed during the fiscal year. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused compensated absences.)

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CITY OF MILFORD, DELAWARE

Management's Discussion and Analysis

For the Year Ended June 30, 2019

Amounts in Thousands Unless Stated Otherwise

(Unaudited)

Both of the government-wide financial statements distinguish between functions of the City that are principally supported by taxes and intergovernmental revenues (governmental activities) from functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the City include general government and administration, public safety, public works, and cultural and recreation. The business-type activities of the City include water and sewer, electric and sanitation operations. The government-wide financial statements can be found on pages 13 and 14 of this report.

Fund Financial Statements - A fund is a self-balancing set of accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. All of the funds of the City can be divided into two categories-governmental funds and proprietary funds.

Governmental Funds - Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on current sources and uses of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Non-financial assets such as governmental buildings, roads, drainage ways, park land and long-term liabilities such as bonds payable or long-term liabilities that will not be paid with current assets are excluded. Such information may be useful in evaluating a government's near-term financing requirements. Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and the governmental funds statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

Proprietary Funds - The City maintains two types of proprietary funds. Enterprise funds are presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water, sewer, electric and sanitation operations.

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CITY OF MILFORD, DELAWARE

Management's Discussion and Analysis
For the Year Ended June 30, 2019

Amounts in Thousands Unless Stated Otherwise
(Unaudited)

Internal service funds are an accounting device used to accumulate and allocate costs internally among the City's various functions. The City uses its internal service funds to account for its fleet services, billing services and city hall building maintenance cost allocation programs. Proprietary funds provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Water, Sewer, Electric, and Sanitation funds, since all are considered to be major funds of the City. All internal service funds are combined into a single aggregated presentation in the proprietary fund financial statements. The basic proprietary fund financial statements can be found on pages 20 to 22 of this report.

Notes to the Financial Statements - The notes provide additional information that is essential to a full understanding of the data provided in the government wide and fund financial statements. The notes to the financial statements can be found on pages 23 through 42.

Other Information - In addition to the basic financial statements and accompanying notes, the basic financial statements contain required supplementary information including this discussion and analysis.

GOVERNMENTAL-WIDE FINANCIAL ANALYSIS

As noted earlier, net position and especially net position by category may serve over time as a useful indicator of a government's financial position. In the case of the City, total net position was \$90.2 million as of June 30, 2019.

The largest portion of the City's net position, \$45.6 million (50.6%) reflects its investments in capital assets (e.g., land, building, equipment, improvements and infrastructure), less any debt used to acquire those assets that is still outstanding. The City uses these capital assets to provide service to citizens; consequently these assets are not available for future spending, and with the exception of business type assets, do not generate direct revenue for the City.

They do represent, however, an obligation on the part of the City to maintain these assets into the future. Although the City's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

CITY OF MILFORD, DELAWARE

Management's Discussion and Analysis

For the Year Ended June 30, 2019

Amounts in Thousands Unless Stated Otherwise

(Unaudited)

An additional portion of the City's net position \$9.6 million (10.6%) represents resources that are subject to restriction on how they may be used. The remaining balance of unrestricted net position of \$35 million (38.8%) may be used to meet the government's ongoing obligations to citizens and creditors. The current and other assets increased in the Governmental activities by \$653 thousand and increased in the Business type activities by \$4.3 million. The City's total liabilities decreased by approximately \$603 thousand.

Overall the City had an increase in net position of \$5.7 million (6.8%).

Governmental Activities - Governmental activities net position increased by \$1 million. Net position invested in capital assets, net of related debt, increased by \$383 thousand, or 2.3%. Unrestricted net position decreased by \$983 thousand or 10%.

Excluding transfers from business-type activities and special items, total revenues for governmental activities decreased from the previous year by \$160 thousand. Property taxes decreased by \$123 thousand. Total expenses for governmental activities increased by \$776 thousand, or 9%.

Business-Type Activities - Net position from business-type activities increased by \$4.7 million, or 7.9% from \$59.5 million to \$64.2 million. Net position invested in capital assets, net of related debt, increased by \$560 thousand. Unrestricted net position increased by \$2.7 million, while restricted net position increased by \$1.4 million from the previous year.

CITY OF MILFORD, DELAWARE

Management's Discussion and Analysis

For the Year Ended June 30, 2019

Amounts in Thousands Unless Stated Otherwise

(Unaudited)

CITY OF MILFORD'S NET POSITION (Amounts in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	2018	2019	2018	2019	2018	2019
Current and other assets	\$ 9,650	\$ 10,303	\$ 34,784	\$ 39,056	\$ 44,434	\$ 49,359
Capital assets, net	16,856	17,239	44,470	44,382	61,326	61,621
Total Assets	<u>26,506</u>	<u>27,542</u>	<u>79,254</u>	<u>83,438</u>	<u>105,760</u>	<u>110,980</u>
Deferred outflows of resources	<u>1,355</u>	<u>1,537</u>	<u>356</u>	<u>334</u>	<u>1,711</u>	<u>1,871</u>
Long term liabilities	1,727	1,766	16,222	15,473	17,949	17,239
Other liabilities	823	728	3,905	4,107	4,728	4,835
Total Liabilities	<u>2,550</u>	<u>2,494</u>	<u>20,127</u>	<u>19,580</u>	<u>22,677</u>	<u>22,074</u>
Deferred inflows of resources	<u>370</u>	<u>612</u>	<u>-</u>	<u>-</u>	<u>370</u>	<u>612</u>
Net Position						
Net investment in capital assets	16,856	17,239	27,784	28,344	44,640	45,583
Restricted	693	2,325	5,843	7,247	6,536	9,572
Unrestricted	7,392	6,409	25,856	28,602	33,248	35,011
Total Net Position	<u>\$ 24,941</u>	<u>\$ 25,973</u>	<u>\$ 59,483</u>	<u>\$ 64,193</u>	<u>\$ 84,424</u>	<u>\$ 90,166</u>

As of June 30, 2019, the City has positive balances in all three categories of net position, both for the government as a whole, as well as for its separate governmental and business-type activities. The same situation held true for the prior fiscal year.

CITY OF MILFORD, DELAWARE

Management's Discussion and Analysis

For the Year Ended June 30, 2019

Amounts in Thousands Unless Stated Otherwise

(Unaudited)

The following table provides a summary of the City's operations for the year ended June 30, 2019 with comparative totals for the year ended June 30, 2018.

CITY OF MILFORD'S CHANGES IN NET POSITION (Amounts in Thousands)

	Governmental Activities		Business-Type Activities		Total	
	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>
Revenues						
Program Revenues:						
Fees, fines and charges for services	\$ 97	\$ 76	\$ 34,595	\$ 35,086	\$ 34,692	\$ 35,162
Operating grants and contributions	1,156	1,065	-	-	1,156	1,065
General Revenues:						
Property taxes	4,128	4,005	-	-	4,128	4,005
Real estate transfer taxes	916	1,063	-	-	916	1,063
Franchise taxes	543	683	-	-	543	683
Impact fees	-	-	380	702	380	702
Capital grant	-	-	-	482	-	482
Sale of property	169	(7)	-	-	169	(7)
Investment earnings	89	198	318	608	407	806
Forgiveness of debt	-	-	1,342	-	1,342	-
Miscellaneous	686	541	-	-	686	541
Total revenues	<u>7,784</u>	<u>7,624</u>	<u>36,635</u>	<u>36,878</u>	<u>44,419</u>	<u>44,502</u>
Expenses						
General government	2,078	2,208	-	-	2,078	2,208
Public safety	4,698	5,386	-	-	4,698	5,386
Public works	683	719	-	-	683	719
Culture and recreation	1,133	1,055	-	-	1,133	1,055
Interest on long term debt	-	-	362	346	362	346
Electric	-	-	21,585	21,630	21,585	21,630
Water	-	-	1,808	2,118	1,808	2,118
Sewer	-	-	3,672	4,024	3,672	4,024
Trash	-	-	1,264	1,274	1,264	1,274
Total expenses	<u>8,592</u>	<u>9,368</u>	<u>28,691</u>	<u>29,392</u>	<u>37,283</u>	<u>38,760</u>
Increase (decrease) in net assets before transfers and special items	(808)	(1,744)	7,944	7,486	7,136	5,742
Transfers	2,500	2,776	(2,500)	(2,776)	-	-
Change in net position	1,692	1,032	5,444	4,710	7,136	5,742
Net position, July 1	23,249	24,941	54,039	59,483	77,288	84,424
Net position, June 30	<u>\$ 24,941</u>	<u>\$ 25,973</u>	<u>\$ 59,483</u>	<u>\$ 64,193</u>	<u>\$ 84,424</u>	<u>\$ 90,166</u>

CITY OF MILFORD, DELAWARE

Management's Discussion and Analysis

For the Year Ended June 30, 2019

Amounts in Thousands Unless Stated Otherwise

(Unaudited)

Financial Analysis of the Government's Funds

Governmental Funds - The focus of the City's governmental funds is to provide information on near-term inflows, outflows, and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unreserved fund balances may serve as a useful measure of a government's net resources available for spending in the next fiscal year. At the end of the current fiscal year, the City's governmental funds reported combined ending fund balances of \$9.4 million. Within this total \$2.3 million is restricted by specific legal requirements, for street improvements, and \$4.4 million has been committed and assigned to specific types of expenditures. The remaining \$2.7 million is unassigned fund balance in the general fund and can be used for any lawful purpose. In the general fund, the City budgeted (as amended) a fund balance decrease in the current year of \$625 thousand prior to the use of prior balances and reserves. The actual general fund balance decreased by \$100 thousand less than 2% of the total budget. Actual general fund expenditures were within 3% of total budgeted expenses.

Proprietary Funds - The City's proprietary fund statements provide the same type of information found in the government-wide financial statements, but in more detail. Unrestricted net position of the respective enterprise funds were \$10.1 million for water, \$4.3 million for sewer, \$14.1 million for electric and \$97 thousand for Sanitation. The total of all enterprise funds' net position at the end of the fiscal year was \$64.2 million. Change in net position for enterprise funds in 2019 were an increase of \$1.5 million in the water fund, an increase of \$1.1 million in the sewer fund, an increase of \$2.2 million in the electric fund (net of \$2.7 million in interfund transfers) and a decrease of \$135 thousand in the sanitation fund.

General Fund Budgetary Highlights - The City made revisions to the original appropriations approved by the City Council. Overall these changes resulted in an increase in budgeted expenditures from the original budget of \$766 thousand, which included \$312 thousand of council approved funding for new police officers, as well as \$198 in additional capital expenditures.

CITY OF MILFORD, DELAWARE

Management's Discussion and Analysis

For the Year Ended June 30, 2019

Amounts in Thousands Unless Stated Otherwise

(Unaudited)

DEBT ADMINISTRATION

At the end of the current fiscal year, the City had a total bonded debt and note obligations of \$16 million all backed by the full faith and credit of the government.

Outstanding Debt at Year End Bonds and Notes Payable

	Government Activities		Business-Type Activities		Total	
	2018	2019	2018	2019	2018	2019
General Obligation Bonds	\$ -	\$ -	\$ 7,905	\$ 7,505	\$ 7,905	\$ 7,505
DE Revolving Fund Loans	-	-	3,189	3,060	3,189	3,060
USDA Loan	-	-	4,386	4,292	4,386	4,292
Kent County Note	-	-	1,172	1,147	1,172	1,147
Total	\$ -	\$ -	\$ 16,652	\$ 16,004	\$ 16,652	\$ 16,004

During fiscal 2019, the City's outstanding debt decreased by \$648 as a result of scheduled payments of its debt obligations.

No new debt obligations were incurred in fiscal year 2019.

The City's General Obligation Bond rating is AA- as rated by Standard & Poor's. Additionally, several of the City's bonds are insured.

Additional information on the City's long term debt can be found in footnote 10 on pages 35 to 37 of this report.

CITY OF MILFORD, DELAWARE

Management's Discussion and Analysis
For the Year Ended June 30, 2019
(Unaudited)

CAPITAL ASSETS

The City's investment in capital assets for its governmental and business-type activities as of June 30, 2019 amounts to \$61.6 million (net of accumulated depreciation). This investment in capital assets includes land, building, equipment, improvements, and infrastructure assets. The total increase in the City's investment in capital assets, net of accumulated depreciation, for the current fiscal year was \$295 thousand or less than one-half %. Additional information on the City's capital assets can be found in Note 9 on pages 33 and 34 of this report. Major capital asset events during the current fiscal year included the following:

General Fund

- o \$47 thousand for IT servers and software.
- o \$85 thousand for two public safety vehicles
- o \$116 thousand for street department vehicle and crack sealer.
- o \$91 thousand for parks and recreation vehicles and equipment.

Electric Fund

- o \$165 thousand in building improvements.
- o \$180 thousand for service vehicles and an air brake switch.
- o \$459 thousand to upgrade meters to smart meters.
- o \$1 million for the purchase of land.

Water Fund

- o \$48 thousand for a vehicle and solar messaging board.
- o \$789 thousand to upgrade meters to smart meters.

Sewer Fund

- o \$177 thousand for a loader and solar message board.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS

The fiscal 2020 budget for general fund revenues is up 6% over fiscal 2019. The City's building permit fess increased by 25% this year as the result of a strong housing market. The new Bayhealth campus should assist in keeping this trend going with increased demand for housing and commercial property.

The City was able to maintain water, sewer, solid waste and electric services without increasing rates.

REQUEST FOR INFORMATION

The financial report is designed to provide our citizens, customers, investors and creditors with general overview of the City's finances. If you have questions about this report or need any additional information, contact the Department of Finance, Attention: Finance Director, 10 SE 2nd Street, Milford, DE 19963 or call 302-424-5141 or email: jportmann@milford-de.gov.

**CITY OF MILFORD, DE
STATEMENT OF NET POSITION
June 30, 2019**

	Governmental Activities	Business-type Activities	Total
ASSETS			
Current Assets			
Cash and Equivalents	\$ 6,134,892	\$ 10,613,066	\$ 16,747,958
Investments	3,284,261	24,341,565	27,625,826
Receivables	817,741	2,810,716	3,628,457
Inventories	26,293	1,291,131	1,317,424
Prepaid Expenses	39,869	-	39,869
Total Current Assets	<u>10,303,056</u>	<u>39,056,478</u>	<u>49,359,534</u>
Capital Assets			
Land, Infrastructure and Other Assets not being depreciated	18,512,413	2,516,514	21,028,927
Utility System	-	62,063,406	62,063,406
Buildings and Improvements	4,822,576	7,072,674	11,895,250
Equipment and Vehicles	6,873,133	7,999,462	14,872,595
Construction in Progress	127,546	-	127,546
Less: Accumulated Depreciation	<u>(13,096,594)</u>	<u>(35,269,625)</u>	<u>(48,366,219)</u>
Net Capital Assets	<u>17,239,074</u>	<u>44,382,431</u>	<u>61,621,505</u>
Total Assets	<u>27,542,130</u>	<u>83,438,909</u>	<u>110,981,039</u>
Deferred Outflows of Resources	<u>1,537,346</u>	<u>333,532</u>	<u>1,870,878</u>
LIABILITIES			
Current Liabilities			
Accounts Payable and Accrued Expenses	497,497	2,654,773	3,152,270
Customer Deposits	-	676,212	676,212
Bonds and Notes Payable	-	737,831	737,831
Compensated Absences	230,266	37,722	267,988
Total Current Liabilities	<u>727,763</u>	<u>4,106,538</u>	<u>4,834,301</u>
Noncurrent Liabilities			
Net Pension Liability	845,080	-	845,080
Bonds and Notes Payable	-	15,300,161	15,300,161
Compensated Absences	921,065	172,809	1,093,874
Total Noncurrent Liabilities	<u>1,766,145</u>	<u>15,472,970</u>	<u>17,239,115</u>
Total Liabilities	<u>2,493,908</u>	<u>19,579,508</u>	<u>22,073,416</u>
Deferred Inflows of Resources	<u>612,384</u>	<u>-</u>	<u>612,384</u>
NET POSITION			
Net Investment in Capital Assets	17,239,074	28,344,439	45,583,513
Restricted for Capital Improvements:			
Budgeted by City Council	2,324,949	2,434,255	4,759,204
Impact Fees	-	4,812,435	4,812,435
Unrestricted	<u>6,409,161</u>	<u>28,601,804</u>	<u>35,010,964</u>
Total Net Position	<u>\$ 25,973,184</u>	<u>\$ 64,192,933</u>	<u>\$ 90,166,116</u>

The accompanying notes are an integral part of these financial statements.

Final Draft - for City review & approval

CITY OF MILFORD, DE
STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2019

Functions/Programs	Expenses	Program Revenue			Net (Expense) Revenue and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Primary Government		
					Governmental Activities	Business-Type Activities	Total
Primary Government							
Governmental Activities							
General Government	\$ 2,208,126	\$ -	\$ 40,130	\$ -	\$ (2,167,996)		\$ (2,167,996)
Public Safety	5,385,944	-	62,653	-	(5,323,291)		(5,323,291)
Public Works	719,161	-	651,048	-	(68,113)		(68,113)
Culture and Recreation	1,055,115	75,679	-	-	(979,436)		(979,436)
Total Governmental Activities	9,368,346	75,679	753,831	-	(8,538,836)		(8,538,836)
Business-Type Activities							
Electric Fund	21,746,892	26,324,333	-	-		4,577,441	4,577,441
Water Fund	2,238,236	2,948,220	-	-		709,984	709,984
Sewer Fund	4,133,863	4,675,596	-	482,533		1,024,266	1,024,266
Trash Fund	1,274,139	1,137,870	-	-		(136,269)	(136,269)
Total Business-Type Activities	29,393,130	35,086,019	-	482,533		6,175,422	6,175,422
Total Primary Government	<u>\$ 38,761,476</u>	<u>\$ 35,161,698</u>	<u>\$ 753,831</u>	<u>\$ 482,533</u>	<u>(8,538,836)</u>	<u>6,175,422</u>	<u>(2,363,414)</u>
General Revenues:							
Taxes:							
Property Taxes, Levied for General Purposes					4,005,414	-	4,005,414
Real Estate Transfer Taxes					1,063,273	-	1,063,273
Franchise Taxes					682,960	-	682,960
Loss on Sale of Capital Assets					(7,216)	-	(7,216)
Impact Fees					-	702,412	702,412
Unrestricted Investment Earnings					198,101	607,953	806,054
Miscellaneous					811,710	-	811,710
Change in Net Position in Internal Service Fund					40,895	-	40,895
Transfers					2,775,680	(2,775,680)	-
Total General Revenues, Special Items, and Transfers					9,570,817	(1,465,315)	8,105,502
Change in Net Position					1,031,981	4,710,108	5,742,088
Net Position- Beginning of Year					24,941,203	59,482,825	84,424,028
Net Position - End of Year					<u>\$ 25,973,184</u>	<u>\$ 64,192,933</u>	<u>\$ 90,166,116</u>

The accompanying notes are an integral part of these financial statements.

Final Draft - for City review & approval

CITY OF MILFORD, DE BALANCE SHEET GOVERNMENTAL FUNDS June 30, 2019

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Non-Major Governmental Fund</u>	<u>Total Governmental Funds</u>
ASSETS				
Cash and Cash Equivalents	\$ 2,111,692	\$ 3,791,487	\$ 151,088	\$ 6,054,267
Investments	3,284,261	-	-	3,284,261
Taxes Receivable, net of allowance for doubtful accounts	159,077	281,384	-	440,461
Other Receivables	112,479	185,554	-	298,033
Prepaid Expenses	39,869	-	-	39,869
Total Assets	<u>\$ 5,707,378</u>	<u>\$ 4,258,425</u>	<u>\$ 151,088</u>	<u>\$ 10,116,891</u>
LIABILITIES AND FUND BALANCES				
Liabilities:				
Accounts Payable	\$ 155,033	\$ -	\$ 5,801	\$ 160,834
Compensated Absences - Current	213,669	-	-	213,669
Other Accrued Expenses	141,147	-	-	141,147
Other Payables	155,719	-	3,877	159,596
Total Liabilities	<u>665,568</u>	<u>-</u>	<u>9,678</u>	<u>675,246</u>
Fund Balances:				
Restricted	2,324,949	-	-	2,324,949
Nonspendable	39,869	-	-	39,869
Assigned	-	4,258,425	141,410	4,399,835
Unassigned	2,676,992	-	-	2,676,992
Total Fund Balances	<u>5,041,810</u>	<u>4,258,425</u>	<u>141,410</u>	<u>9,441,645</u>
Total Liabilities and Fund Balances	<u>\$ 5,707,378</u>	<u>\$ 4,258,425</u>	<u>\$ 151,088</u>	<u>\$ 10,116,891</u>

The accompanying notes are an integral part of these financial statements.

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CITY OF MILFORD, DE RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION June 30, 2019

Total Fund Balance, Governmental Funds	\$	9,441,645

Amounts reported for governmental activities in the Statement of Net Assets are different because:

Capital assets used in governmental activities are not current financial resources and therefore are not reported in the fund financial statements, but are reported in the governmental activities of the Statement of Net Position.	17,239,074

Internal Service funds are used by management to charge the costs of centrally managed services to using funds and departments. The assets and liabilities of the internal service fund is included in governmental activities in the Statement of Net Position. The increase is equal to the Internal Service Net Position.	137,353

Some liabilities and other items are not due and payable in the current period and are not included in the fund financial statements, but are included in the governmental activities of the Statement of Net Position. These items include deferred outflows and inflows of resources related to its state pension plan, its net pension liability, and its long-term compensated absences.	(844,888)

Net Position of Governmental Activities	\$	<u>25,973,184</u>

The accompanying notes are an integral part of these financial statements.

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**CITY OF MILFORD, DE
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED JUNE 30, 2019**

	<u>General Fund</u>	<u>Special Revenue Fund</u>	<u>Non-Major Governmental Fund</u>	<u>Total Governmental Funds</u>
REVENUES				
Property Taxes	\$ 4,005,414	\$ -	\$ -	\$ 4,005,414
Real Estate Transfer Taxes	-	1,063,273	-	1,063,273
Fees and Fines	187,669	-	-	187,669
Licenses and Permits	495,291	-	-	495,291
Intergovernmental	40,130	713,701	-	753,831
Charges for Services	-	-	75,679	75,679
Investment Earnings	131,382	66,719	-	198,101
Miscellaneous	721,401	90,309	-	811,710
	<u>5,581,287</u>	<u>1,934,002</u>	<u>75,679</u>	<u>7,590,968</u>
EXPENDITURES				
Current:				
General Government	1,592,854	-	-	1,592,854
Public Safety	5,087,380	295,208	-	5,382,588
Public Works	719,161	-	-	719,161
Culture and Recreation	916,541	-	138,574	1,055,115
Debt Service:				
Principal	-	-	-	-
Interest	-	-	-	-
Capital Outlay	672,762	194,304	-	867,066
	<u>8,988,698</u>	<u>489,512</u>	<u>138,574</u>	<u>9,616,784</u>
Total Expenditures	<u>8,988,698</u>	<u>489,512</u>	<u>138,574</u>	<u>9,616,784</u>
(Deficiency) Excess of Revenues Over Expenditures	<u>(3,407,411)</u>	<u>1,444,490</u>	<u>(62,895)</u>	<u>(2,025,816)</u>
OTHER FINANCING SOURCES (USES)				
Transfers In	3,315,889	-	-	3,315,889
Transfers Out	(8,209)	(532,000)	-	(540,209)
	<u>3,307,680</u>	<u>(532,000)</u>	<u>-</u>	<u>2,775,680</u>
Total Other Financing Sources and Uses	<u>3,307,680</u>	<u>(532,000)</u>	<u>-</u>	<u>2,775,680</u>
Net Change in Fund Balances	(99,731)	912,490	(62,895)	749,864
Fund Balances - Beginning	<u>5,141,541</u>	<u>3,345,935</u>	<u>204,305</u>	<u>8,691,781</u>
Fund Balances - Ending	<u>\$ 5,041,810</u>	<u>\$ 4,258,425</u>	<u>\$ 141,410</u>	<u>\$ 9,441,645</u>

The accompanying notes are an integral part of these financial statements.

Final Draft - for City review & approval

CITY OF MILFORD, DE RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES FOR THE YEAR ENDED JUNE 30, 2019

Net change in fund balances - total governmental funds:	\$ 749,864
Amounts reported for Governmental Activities in the Statement of Activities are different because:	
Some items reported in the statement of activities, including changes in deferred outflows and inflows of resources, pension liability, and compensated absences do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.	99,069
Internal Service funds are used by management to charge the costs of centrally managed services to using funds and departments. The increase is equal to the net change in the Internal Service Net Position.	40,895
Governmental funds report outlays for capital assets as expenditures because such outlays use current financial resources. In contrast, the Statement of Activities reports only a portion of the outlay as expense. The outlay is allocated over the assets' estimated useful lives as depreciation expense for the period. This is the amount by which capital outlays of \$867,066 exceeded depreciation expense of \$717,697 in the current period.	149,369
Government funds report the proceeds from the sale of assets as revenue. In contrast, the Statement of Activities reports the difference between the amount of the proceeds and the net book value of the related assets as a gain or loss.	<u>(7,216)</u>
Change in net position of governmental activities	<u>\$ 1,031,981</u>

The accompanying notes are an integral part of these financial statements.

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CITY OF MILFORD, DE
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
June 30, 2019

	Business Type Activities - Enterprise Funds					Governmental Activities -Internal Service Fund
	Electric	Water	Sewer	Trash	Total	
ASSETS						
Current Assets:						
Cash and Cash Equivalents	\$ 4,505,364	\$ 3,680,568	\$ 2,357,529	\$ 69,605	\$ 10,613,066	\$ 80,625
Investments	10,517,110	9,702,008	4,122,447	-	24,341,565	-
Accounts Receivable, net of allowance for doubtful accounts	2,021,846	225,141	318,958	131,801	2,697,746	79,247
Other Receivables	59,926	750	51,794	500	112,970	-
Inventories	1,272,184	18,947	-	-	1,291,131	26,293
Total Current Assets	18,376,430	13,627,414	6,850,728	201,906	39,056,478	186,165
Non-Current Assets:						
Capital Assets:						
Land and Improvements	2,460,507	27,369	28,638	-	2,516,514	-
Utility System	19,433,098	21,841,981	20,788,327	-	62,063,406	-
Buildings and Improvements	7,005,480	10,853	50,691	5,650	7,072,674	21,340
Equipment and Furniture	3,813,693	1,708,867	1,333,797	1,143,105	7,999,462	149,947
Less Accumulated Depreciation	(16,463,783)	(8,583,395)	(9,540,066)	(682,381)	(35,269,625)	(101,192)
Total Non-Current Assets	16,248,995	15,005,675	12,661,387	466,374	44,382,431	70,095
Total Assets	34,625,425	28,633,089	19,512,115	668,280	83,438,909	256,260
Deferred Outflows of Resources						
Deferred Charges on Refundings	188,396	-	145,136	-	333,532	-
LIABILITIES						
Current Liabilities:						
Accounts Payable	1,567,909	367,779	258,164	34,515	2,228,367	35,920
Salaries Payable	21,563	4,993	4,764	5,059	36,379	-
Other Accrued Expenses	390,027	-	-	-	390,027	-
Customer and Other Deposits	632,462	-	-	43,750	676,212	-
Compensated Absences	29,124	4,299	4,299	-	37,722	16,597
Bonds, Notes and Loans Payable	221,883	251,070	264,878	-	737,831	-
Total Current Liabilities	2,862,968	628,141	532,105	83,324	4,106,538	52,517
Non-Current Liabilities:						
Compensated Absences	116,495	17,196	17,196	21,922	172,809	66,390
Bonds, Notes and Loans Payable	4,534,366	6,455,234	4,310,561	-	15,300,161	-
Total Non-Current Liabilities	4,650,861	6,472,430	4,327,757	21,922	15,472,970	66,390
Total Liabilities	7,513,829	7,100,571	4,859,862	105,246	19,579,508	118,907
NET POSITION						
Net Investment in Capital Assets	11,492,746	8,299,371	8,085,948	466,374	28,344,439	70,095
Restricted for Capital Improvements:						
Budgeted by City Council	925,910	610,595	897,750	-	2,434,255	-
Impact Fees	732,940	2,529,859	1,549,636	-	4,812,435	-
Unrestricted	14,148,396	10,092,693	4,264,055	96,660	28,601,804	67,258
Total Net Position	\$ 27,299,992	\$ 21,532,518	\$ 14,797,389	\$ 563,034	\$ 64,192,933	\$ 137,353

The accompanying notes are an integral part of these financial statements.

Final Draft - for City review & approval

CITY OF MILFORD, DE
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED JUNE 30, 2019

	<u>Business Type Activities - Enterprise Funds</u>					<u>Governmental Activities -Internal Service Fund</u>
	<u>Electric</u>	<u>Water</u>	<u>Sewer</u>	<u>Trash</u>	<u>Total</u>	
REVENUES						
Charges for Services	\$ 25,757,395	\$ 2,891,337	\$ 4,345,462	\$ 1,132,946	\$ 34,127,140	\$ 1,806,949
Miscellaneous	566,938	56,883	330,134	4,924	958,879	139
Total Operating Revenues	<u>26,324,333</u>	<u>2,948,220</u>	<u>4,675,596</u>	<u>1,137,870</u>	<u>35,086,019</u>	<u>1,807,088</u>
OPERATING EXPENSES						
Personal Services	2,278,486	259,004	435,674	440,394	3,413,558	1,243,615
Contractual Services	17,061,234	109,248	2,676,080	278,722	20,125,284	134,780
Utilities	5,363	242,985	275	-	248,623	1,933
Repairs and Maintenance	560,133	98,304	33,441	115,390	807,268	224,332
Other Supplies and Expenses	105,149	805,091	388,139	322,062	1,620,441	196,114
Insurance Claims and Expenses	72,144	14,344	5,087	10,804	102,379	7,045
Depreciation	986,699	489,409	484,981	106,767	2,067,856	17,733
Total Operating Expenses	<u>21,069,208</u>	<u>2,018,385</u>	<u>4,023,677</u>	<u>1,274,139</u>	<u>28,385,409</u>	<u>1,825,552</u>
Operating Income (Loss)	<u>5,255,125</u>	<u>929,835</u>	<u>651,919</u>	<u>(136,269)</u>	<u>6,700,610</u>	<u>(18,464)</u>
NON-OPERATING REVENUES (EXPENSES)						
Interest and Investment Revenues	295,642	217,730	93,353	1,228	607,953	-
Impact Fees	160,125	542,287	-	-	702,412	-
Capital Grant	-	-	482,533	-	482,533	-
Miscellaneous	(561,235)	(100,426)	-	-	(661,661)	-
Interest Expense	(116,449)	(119,425)	(110,186)	-	(346,060)	-
Total Non-Operating (Expenses) Revenues	<u>(221,917)</u>	<u>540,166</u>	<u>465,700</u>	<u>1,228</u>	<u>785,177</u>	<u>-</u>
Income (Loss) Before Transfers	5,033,208	1,470,001	1,117,619	(135,041)	7,485,787	(18,464)
Transfers (Out) In	<u>(2,783,889)</u>	<u>-</u>	<u>8,209</u>	<u>-</u>	<u>(2,775,680)</u>	<u>59,359</u>
Change in Net Position	2,249,320	1,470,001	1,125,828	(135,041)	4,710,108	40,895
Net Position - Beginning of Year,	<u>25,050,672</u>	<u>20,062,517</u>	<u>13,671,561</u>	<u>698,075</u>	<u>59,482,825</u>	<u>96,458</u>
Net Position - End of Year	<u>\$ 27,299,992</u>	<u>\$ 21,532,518</u>	<u>\$ 14,797,389</u>	<u>\$ 563,034</u>	<u>\$ 64,192,933</u>	<u>\$ 137,353</u>

The accompanying notes are an integral part of these financial statements.

Final Draft - for City review & approval

CITY OF MILFORD, DE
STATEMENT OF CASH FLOWS
ALL PROPRIETARY FUND TYPES
FOR THE YEAR ENDED JUNE 30, 2019

	ENTERPRISE FUNDS					Internal Service Fund
	Electric	Water	Sewer	Trash	Total	
Cash Flows from Operations:						
Receipts from Customers	\$ 26,296,738	\$ 2,876,028	\$ 4,351,396	\$ 1,143,442	\$ 34,667,604	\$ 1,759,709
Other Operating Receipts	513,866	56,883	382,013	4,924	957,686	139
Payments to Suppliers	(17,907,019)	(902,164)	(3,193,665)	(791,303)	(22,794,151)	(564,747)
Payments to Employees	(2,306,031)	(257,024)	(433,872)	(438,018)	(3,434,945)	(1,267,658)
Insurance Premiums Paid	(72,144)	(14,344)	(5,087)	(10,804)	(102,379)	(7,045)
Net Cash Provided (Used) by Operating Activities	6,525,410	1,759,379	1,100,785	(91,759)	9,293,815	(79,602)
Cash Flows from Non-Capital Financing Activities:						
Operating Transfers (Out)	(2,783,889)	-	8,209	-	(2,775,680)	59,359
Net Cash Flows Used in Non-Capital Financing Activities	(2,783,889)	-	8,209	-	(2,775,680)	59,359
Cash Flows from Capital and Related Financing Activities:						
Net cash for additions to						
Property, Plant and Equipment	(1,525,829)	(316,740)	(247,202)	-	(2,089,771)	(41,169)
Principal Paid on Debt	(215,000)	(170,726)	(261,774)	-	(647,500)	-
Interest Paid on Debt	(116,449)	(119,425)	(110,186)	-	(346,060)	-
Capital Grant	-	-	482,533	-	482,533	-
Impact Fees Received	160,125	542,287	-	-	702,412	-
Net Cash Flows Provided by (Used in) Capital and Related Financing Activities	(1,697,153)	(64,604)	(136,629)	-	(1,898,386)	(41,169)
Cash Flows from Investing Activities:						
Net Proceeds/(Purchases) from Sales and						
and Maturities of Short-Term Investments	(857,176)	(2,074,810)	(383,055)	-	(3,315,041)	-
Income on Investments	295,642	217,730	93,353	1,228	607,953	-
Net Cash Flows Provided by (Used in) Investing Activities	(561,534)	(1,857,080)	(289,702)	1,228	(2,707,088)	-
Net Increase (Decrease) in Cash and Cash Equivalents	1,482,834	(162,305)	682,663	(90,531)	1,912,661	(61,412)
Cash and Cash Equivalents at Beginning of Year	3,022,530	3,842,873	1,684,952	160,136	8,710,491	142,037
Cash and Cash Equivalents at End of Year	\$ 4,505,364	\$ 3,680,568	\$ 2,367,615	\$ 69,605	\$ 10,623,152	\$ 80,625
Reconciliation of Operating Income to Net Cash Flows from Operating Activities:						
Operating Income	\$ 5,255,125	\$ 929,835	\$ 651,919	\$ (136,269)	\$ 6,700,610	\$ (18,464)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:						
Depreciation and Amortization	986,699	489,409	484,981	106,767	2,067,856	17,733
Effect of Changes in Operating Assets and Liabilities:						
Accounts Receivable, net	465,407	(15,309)	57,813	5,096	513,007	(47,240)
Inventory	(89,584)	2,191	-	-	(87,393)	13,506
Accounts Payable and Accrued Expenses	(85,556)	351,273	(95,730)	(75,129)	94,858	(21,094)
Salaries Payable	(910)	978	800	1,281	2,149	-
Customer Deposits	20,864	-	-	5,400	26,264	-
Liability for Compensated Absences	(26,635)	1,002	1,002	1,095	(23,536)	(24,043)
Net Cash Provided by Operating Activities	\$ 6,525,410	\$ 1,759,379	\$ 1,100,785	\$ (91,759)	\$ 9,293,815	\$ (79,602)

The accompanying notes are an integral part of these financial statements.

**CITY OF MILFORD, DE
STATEMENT OF FIDUCIARY NET POSITION
June 30, 2019**

	<u>AGENCY</u>
ASSETS	
Cash and Cash Equivalents	<u>\$ 748,801</u>
Total Assets	<u><u>\$ 748,801</u></u>
LIABILITIES	
Due to Other Governments	\$ 745,190
Deferred Revenue - Trust Fund	<u>3,611</u>
Total Liabilities	<u><u>\$ 748,801</u></u>

The accompanying notes are an integral part of these financial statements.

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CITY OF MILFORD, DELAWARE **NOTES TO BASIC FINANCIAL STATEMENTS** **JUNE 30, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Introduction

The City of Milford, Delaware (the "City"), operates under a Council-Manager form of government and provides the following services as authorized by its charter adopted on May 24, 1977: public safety (police), highways and streets, sanitation, health and social services, electric, water, parks and recreation, public improvements, planning and zoning, and administrative services.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America (GAAP) applicable to state and local governments. Generally accepted accounting principles for local governments include those principles prescribed by the Governmental Accounting Standards Board (GASB).

The accounting and reporting framework and the more significant accounting policies and practices are discussed in subsequent sections of this Note. The remainder of the notes are organized to provide explanations, including required disclosures, of the City's financial activities for the year ended June 30, 2019.

Financial Reporting Entity

The City's basic financial statements include the accounts of all City operations. The criteria for including organizations as component units within the City's reporting entity, as set forth in Section 2100 of GASB's *Codification of Governmental Accounting and Financial Reporting Standards*, include whether:

- the organization is legally separate (can sue and be sued in their own name)
- the City holds the corporate powers of the organization
- the City appoints a voting majority of the organization's board
- the City is able to impose its will on the organization
- the organization has the potential to impose a financial benefit/burden on the City
- there is fiscal dependency by the organization on the City

Based on the aforementioned criteria, the City has no component units.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Actual results may differ from those estimates.

Encumbrances

Encumbrance accounting, under which purchase orders, contracts and other commitments for the expenditure of funds are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in governmental funds. Encumbrances as of the year end are reported as reservations of fund balance since they do not constitute expenditures or liabilities but serve as authorization for expenditures in the subsequent year. As of the end of the period, the City had no such encumbrances.

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CITY OF MILFORD, DELAWARE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Government-Wide and Fund Financial Statements

The government-wide financial statements (statement of net position and statement of activities) report information on all of the non-fiduciary activities of the primary government and its component units. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and inter-governmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or activity. Program revenues include 1) charges to customers who directly benefit from goods or services provided by a given function or activity and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or activity. Taxes and other items not properly included among program revenues are reported as general revenues.

Separate financial statements are provided by governmental funds and proprietary funds. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

The City reports the following governmental funds:

General Fund - The general fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Fund - The special revenue fund accounts for revenues derived from earmarked revenue sources. Separate self-balancing funds are established to account for each restricted special revenue source.

Parks and Recreation Fund - The parks and recreation fund accounts for revenues derived from activities provided by the City's parks and recreation department, which include youth and adult sports leagues, summer camps and clinics, special events and festivals as well as fund raising activities.

The City reports the following proprietary funds:

Enterprise Funds - The Enterprise Funds of the City include the electric, water, sewer and trash funds. Enterprise funds are used to account for operations (a) which are financed and operated in a manner similar to private business enterprises; where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body had decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, or accountability.

Internal Service Fund - Consists of three internal funds which are used to account for the financing of goods and services provided by one department to other departments of the City on a cost-reimbursement basis.

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CITY OF MILFORD, DELAWARE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Government-Wide and Fund Financial Statements (continued)

The City reports the following fiduciary fund types:

Agency Fund – The agency fund accounts for assets held by the City in a trustee capacity for fees collected on behalf of Kent County and the Carlisle Fire Department. In addition, a trust fund was established by an individual during fiscal 2013 to benefit Kent County residents by offsetting individual tax bills in the future. The balance of the fund as of June 30, 2019 was \$3,611.

Measurement Focus, Basis of Accounting and Financial Statement Presentation

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus.

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Financial resources used to acquire capital assets are capitalized in the government-wide financial statements, rather than reported as expenditures. Proceeds of long-term debt are recorded as a liability in the government-wide financial statements, rather than as another financing source. Amounts paid to reduce long-term debt of the City are reported as a reduction of the related liability, rather than as an expenditure in the government-wide financial statements.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter (within sixty days) to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt-service expenditures are recorded only when payment is due. Also, compensated absences are recorded as expenditures when paid.

Sales taxes, franchise taxes, permits and fees, recreation fees, fines and court fees, other miscellaneous revenues and earned but unreimbursed state and federal grants associated with the current fiscal period are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Property taxes are measurable as of the date levied (assessed) and are recognized as revenues when they become available. Available means when due, or past due, and received within the current period or collected soon enough thereafter to be used to pay liabilities of the current period. All other revenues are considered to be measurable and available only when the City receives cash.

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CITY OF MILFORD, DELAWARE NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Budgets and Budgetary Accounting

Budgetary Process

The City Council follows these procedures in establishing the budgetary data reflected within the financial statements:

- (1) In accordance with the City Charter, prior to June 1, the City Manager submits to the City Council a proposed operating budget for the fiscal year commencing the following July 1. The operating budget includes proposed expenditures and the means of financing them for the upcoming year, along with estimates for the current year. The City Charter requires that the budget be submitted in summary form. In addition, more detailed line item budgets are included and provided for administrative control.
- (2) Public hearings are conducted to obtain taxpayer comment.
- (3) Prior to June 30, the budget is legally enacted through passage of an ordinance.
- (4) The City Manager is required by the City Charter to present a monthly report to City Council explaining any variances from the approved budget.
- (5) Formal budgetary integration is employed as a management control device during the year for the general fund.
- (6) The budget for the general fund is adopted on a basis consistent with GAAP as applicable to governments.
- (7) The budgets for the special revenue fund are approved on a program by program basis by the funding agencies.
- (8) Budgetary amendments are approved by City Council as required throughout the year. If revenues in excess of those estimated in the budget become available, the Council, by ordinance, may make supplemental appropriations for the year up to the amount of such excess.

Cash and Cash Equivalents

Cash and cash equivalents consist of cash, checking and money market accounts generally maturing in three months or less.

Receivables

Receivables are shown net of the allowances for estimated uncollectible accounts. The allowance for uncollectible accounts is based upon historical data established according to experience and other factors which in the judgment of City officials should be recognized in estimating possible losses. Management believes that they have adequately provided for future probable losses.

Interfund Receivables/Payables

Advances between funds are accounted within the appropriate interfund receivable and payable accounts. These advances (reported as "due from/to other funds") are considered "available spendable resources."

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CITY OF MILFORD, DELAWARE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Inventories

Inventories are carried at cost for the water fund, and at replacement cost for the electric fund, and are determined using the first-in, first out (FIFO) method.

Inventory in the general fund consists of gasoline and diesel fuel held for consumption. Inventory in the internal service fund consists of garage and meter supplies held for consumption. The inventory acquisitions are recorded in the inventory accounts initially and charged to expenditures when used. The cost value of such inventories have been presented on an average cost basis.

Capital Assets

Capital assets which include land, buildings, improvements, equipment, vehicles and infrastructure assets, consisting of roads, bridges, curbs and gutters, streets and sidewalks, drainage and lighting systems, are reported on the applicable governmental or business-type activities columns in the government-wide financial statements and the proprietary fund financial statements. Capital assets are recorded at historical cost if purchased, and at fair market value if donated. The capitalization threshold for all capital assets is \$5,000. No dollar threshold is set for land. Capital asset depreciation is recognized using the straight-line method over the estimated lives of the respective assets.

Compensated Absences

A maximum of 30 days of vacation and 130 days of sick leave may be accumulated by each employee except for those hired before 1992, whose carry-over is not limited. The City accrues a liability for compensated absences which meet the following criteria:

- The City's obligation relating to employees' rights to receive compensation for future absences is attributable to employees' services already rendered.
- The obligation relates to rights that vest or accumulate.
- Payment of the compensation is probable.
- The amount can be reasonably estimated.

In accordance with the above criteria, the City has accrued a liability for vacation and sick pay which has been earned but not taken by City employees. For governmental funds, the liability for compensated absences is reported as a long term liability in the government-wide financial statements since it is anticipated that none of the liability will be liquidated with expendable available financial resources. The liability for compensated absences is recorded in proprietary fund types as an accrued liability in accordance with GASBS No. 16 (GASB Cod. Sec. C60), *Accounting for Compensated Absences*.

Pensions

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions and pension expense, information about the fiduciary net position of the Delaware Public Employees' Retirement System (DPERS) and additions to/deductions from DPERS fiduciary net position have been determined on the same basis as they are reported by DPERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value.

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CITY OF MILFORD, DELAWARE NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2019

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Long-Term Liabilities

In the government-wide financial statements, and in the proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business type activities, or proprietary fund type statement of net position. Bond premiums and discounts, as well as issuance costs, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are recorded net of the applicable bond premium or discount. Bond issuance costs are reported as deferred charges and are amortized over the life of the related debt. In the fund financial statements, governmental fund types recognize bond premium and discounts, as well as debt issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Subsequent Events

Subsequent events were evaluated through December 2, 2019, which is the date the financial statements were available to be issued. Management of the City has determined that there were no other such events that warranted adjustment to or disclosure in these financial statements.

Deferred Outflows of Resources

Decreases in net assets that related to future periods are recorded as deferred outflows of resources in a separate section of the City's government-wide statement of net position. Deferred outflows of resources are generally reported in the City's statement of net position for pension contributions made subsequent to the measurement date. Deferred outflows of resources also include the difference in the carrying value of refunded debt and its reacquisition price, which is then amortized over the shorter of the life of the refunded or refunding bond.

Deferred Inflows of Resources

Increases in net assets that apply to future periods are recorded as deferred inflows of resources in a separate section of its government-wide statement of net position. Deferred inflows of resources are reported in the City's statement of net position for actual pension plan investment earnings in excess of projected amounts included in determining pension expense. Deferred inflows of resources are attributed to pension expense over a total of 5 years, including the current year.

Government-Wide and Proprietary Fund Net Position

Net position represents the difference between assets and liabilities. Net investment in capital assets consists of capital assets net of accumulated depreciation and the outstanding balances of any borrowing spent for the acquisition, construction or improvements of those assets. Net position is reported as restricted when there are limitations imposed on their use either through the enabling legislation adopted by the City or through external restrictions imposed by creditors, grantors or laws or regulations of other governments.

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CITY OF MILFORD, DELAWARE **NOTES TO BASIC FINANCIAL STATEMENTS** **JUNE 30, 2019**

NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED):

Governmental Fund Balances

In the governmental fund financial statements, fund balances are classified as follows:

- **Non-spendable** - Amounts that cannot be spent either because they are in a non-spendable form or because they are legally or contractually required to be maintained intact.
- **Restricted** - Amounts that can be spent only for specific purposes because of the City Charter, the City code, state or federal laws, or externally imposed conditions by grantor or creditors.
- **Committed** - Amounts that can be used only for specific purposes determined by a formal action by City Council ordinance or resolution. This included the Budget Reserve Account.
- **Assigned** - Amounts that are designated by the Mayor for a particular purpose but are not spendable until a budget ordinance is passed or there is a majority vote approval (for capital projects or debt service) by City Council.
- **Unassigned** - All amounts not included in other spendable classifications.

Inter-Fund Transactions

During the course of normal operations, the City has transactions between funds to subsidize operations in certain funds, to allocate administrative costs, to construct assets, to distribute grant proceeds, etc. These transactions are generally reflected as operating transfers, which are transfers from a fund authorized to receive certain revenues to the fund through which the resources are to be expended.

Interest Capitalization

Interest costs incurred for the acquisition and/or construction of capital assets are capitalized based on the guidelines established by GASBS No. 62, *Capitalization of Interest Cost*.

The interest capitalization period begins when the following conditions are present:

- Expenditures for the capital asset have been made.
- Activities that are necessary to get the capital asset ready for its intended use are in progress.
- Interest expense is being incurred.

The amount of interest expense to be capitalized is based on the weighted-average amount of accumulated expenditures for the period multiplied by the interest rate for the obligation incurred specifically to finance the construction of capital assets. No capitalizable interest was incurred during the year ended June 30, 2019.

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CITY OF MILFORD, DELAWARE NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2019

NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS:

Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Assets.

The governmental fund balance sheet includes a reconciliation between total governmental fund balances and net assets of governmental activities in the government-wide statement of net assets. This difference primarily results from the long-term economic focus of the statement of net assets versus the current financial resources focus of the governmental fund balance sheets.

Capital Asset Differences

When capital assets (land, building, improvements and equipment) are purchased or constructed for use in governmental fund activities, the costs of those assets are reported as expenditures in the governmental funds. However, these costs are reported as capital assets in the statement of net assets. The details of these differences are presented below:

Land, Infrastructure and Other Assets	\$18,512,413
Buildings and Improvements	4,822,576
Equipment and Furniture	6,873,133
Construction in Progress	127,546
Less: Accumulated Depreciation	(13,096,594)
Net Capital Asset Difference	<u>\$17,239,074</u>

Noncurrent Liability Differences

Noncurrent liabilities are not due and payable in the current period and, therefore, are not reported in the governmental fund balance sheet. All liabilities (both current and long-term) are reported in the statement of net position.

Explanation of Certain Differences between the Governmental Fund Balance Sheet and the Government-Wide Statement of Net Position (Continued).

The details of these noncurrent liability differences are presented below:

Long-Term Portion of Compensated Absences	(\$ 921,065)
Deferred Outflows of Resources-pension	1,537,346
Deferred Inflows of Resources-pension	(612,384)
Net Pension Liability	(845,080)
Other	(3,705)
Total Current and Long-Term Liability Differences	<u>(\$ 844,888)</u>

Explanation of certain differences between the Governmental Fund Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities.

The governmental fund financial statements include a reconciliation between changes in fund balances in the governmental funds and changes in net assets in the government-wide statement of activities. The differences primarily result from the long-term economic focus of the statement of activities versus the current financial resources focus of the governmental fund financial statements.

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CITY OF MILFORD, DELAWARE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 2 - RECONCILIATION OF GOVERNMENT-SIDE AND FUND FINANCIAL STATEMENTS (CONTINUED):

Capital Outlay Differences

Capital Outlays are reported as expenditures in the statement of revenues, expenditures and changes in fund balances. They are reported as capital assets, with the costs allocated over the useful lives of the assets, as depreciation, in the statement of activities. The details of these differences are reported below:

Capital Outlay	\$ 867,066
Depreciation	(717,697)
Net Difference	<u>\$ 149,369</u>

Other Differences

Some items reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds as expenditures. These items include the net changes during the year in the following accounts:

Long-Term Compensated Absences	\$ 102,425
Deferred Outflows-pension	(182,415)
Deferred Inflows-pension	242,098
Net Pension Liability	(63,039)
Net Difference	<u>\$ 99,069</u>

NOTE 3 - FINANCIAL INSTRUMENTS:

The City has a number of financial instruments. The City estimates that the fair value of all financial instruments as of June 30, 2019, does not differ materially from the aggregate carrying values of its financial instruments recorded in the accompanying balance sheet and statement of net assets.

NOTE 4 - REAL ESTATE TAXES

The tax on real estate in the City area for the fiscal year 2019 was [46 mills (\$1,000 of assessed valuation)] as levied by the City Council. The City bills and collects its own real estate taxes. Delinquent taxes are lienied by the City. The schedules of real estate taxes levied for the fiscal year 2019 are:

July 1	- Levy Date (effective date of enforceable lien)
August 1 - September 30	- Face Payment Period
October 1	- 1% Penalty for each subsequent month not paid

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CITY OF MILFORD, DELAWARE **NOTES TO BASIC FINANCIAL STATEMENTS** **JUNE 30, 2019**

NOTE 5 - IMPACT FEES:

All new water, sewage, and electric services within the City of Milford are required to pay a one-time "impact fee." The purpose of the fee is to compensate for the impact of new users to the existing water and sewage systems, in order to provide for future expansion. All impact fees collected are restricted for capital improvements, as specified and approved by City Council that will be required as the result of population growth. The cost of the impact fee for water, sewage, and electric for the year ended June 30, 2019 was \$2,840 (\$2,731 in fiscal year 2018), \$1,501 (\$1,443 in fiscal year 2018), and \$600 per Estimated Discharge Usage (EDU)(\$600 in fiscal year 2018), respectively.

The City has recorded as revenue in the proprietary funds Statement of Revenues, Expenses and Changes in Net Assets and in the government-wide Statement of Activities the impact fee monies, as required by GASB No. 33. Resulting restricted net assets at June 30, 2019 from impact fees is \$4,812,435.

NOTE 6 - INTERFUND TRANSACTIONS:

During the course of normal operations, the City has numerous transactions between funds including expenses or expenditures and transfers of resources primarily to provide services. The financial statements of the governmental and proprietary fund types generally reflect such transactions as transfers. Transfers that are not considered operating or residual equity transfers give rise to individual fund, interfund receivables and payables. As of June 30, 2019, there are no outstanding interfund balances.

NOTE 7 - INTERGOVERNMENTAL RECEIVABLES:

Amounts due from other governmental units represent receivables for revenues earned by the City or collections made by another governmental unit on behalf of the City.

NOTE 8 - CASH AND INVESTMENTS:

Custodial credit risk is the risk that in the event of bank failure, the City's deposits may not be returned to it. The City does not have a formal deposit policy for custodial credit risk. Deposits are classified as *Category 1* if they are fully insured, registered or held by the City's agent in the City's name. Deposits would be classified as *Category 2* for those deposits which are collateralized with securities held by the pledging financial institution's trust department or agent(s) in the City's name, or *Category 3* for those deposits which are not collateralized, including bank balances that are collateralized with securities held by the pledging financial institution, or by its trust department or agent but not in the City's name. As of June 30, 2019, all of the City's bank balances were Category 1 deposits, and the financial institution balances were the same as the carrying amounts.

The City's investments are categorized according to the level of credit risk assumed as of the balance sheet date. *Category 1* includes investments that are insured, registered or are held by the City's agent in the City's name. *Category 2* includes uninsured and unregistered investments held by the counterparty's trust department or agent in the city's name. *Category 3* includes uninsured and unregistered investments held by the counterparty, its trust department or its agent but not in the City's name.

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CITY OF MILFORD, DELAWARE NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2019

NOTE 8 - CASH AND INVESTMENTS (CONTINUED):

As of June 30, 2019, the City's investments consist of the following:

Description	Category	Amount	
		Market	Carrying
Money Market Funds	1		
PFM Asset Management LLC		\$ 9,009,826	\$ 9,009,826
Certificates of Deposit	1		
PFM Asset Management LLC		18,616,000	18,616,000
Total		<u>\$27,625,826</u>	<u>\$27,625,826</u>

NOTE 9 - CAPITAL ASSETS:

The following schedule presents the capital activity of the governmental activities for the year ended June 30, 2019:

Description	Year Ended June 30, 2019				
	Balances 07/01/18	Additions	Deletions	Adjustments & Transfers	Balances 06/30/19
City Department:					
Land	\$ 8,144,966	\$ -	\$ -	\$ 66,246	\$ 8,211,212
Buildings and Improvements	4,280,850	327,839	-	(45,275)	4,563,414
Vehicles and Equipment	5,123,131	232,373	49,454	-	5,306,050
Construction in Progress	20,971	127,546	-	(20,971)	127,546
Total City Depreciation	17,569,918	687,758	49,454	(66,246)	18,208,222
Accumulated Depreciation	(6,645,387)	(328,225)	(49,454)	233,593	(6,690,565)
Total City Department, Net	<u>\$10,924,531</u>	<u>\$ 359,533</u>	<u>\$ -</u>	<u>\$ 167,347</u>	<u>\$11,517,657</u>
Street Department:					
Land Improvements	\$10,301,201	\$ 66,246	\$ -	\$ -	\$10,367,447
Buildings and Improvements	192,916	-	-	-	192,916
Vehicles and Equipment	1,792,326	113,061	338,304	-	1,567,083
Total City Department	12,286,443	179,307	338,304	-	12,127,446
Accumulated Depreciation	(6,354,861)	(389,472)	(338,304)	-	(6,406,029)
Total Street Department, Net	<u>\$ 5,931,582</u>	<u>(\$ 210,165)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 5,721,417</u>

Description	Year Ended June 30, 2019				
	Balances 07/01/18	Additions	Deletions	Adjustments & Transfers	Balances 06/30/19
Total Government					
Capital Assets:					
Land	\$18,446,167	\$ -	\$ -	\$ 66,246	\$18,512,413
Buildings and Improvements	4,473,766	394,085	-	(45,275)	4,822,576
Vehicles and Equipment	6,915,457	345,434	387,758	-	6,873,133
Construction in Progress	20,971	127,546	-	(20,971)	127,546
Total Governmental					
Capital Assets	29,856,361	867,065	387,758	-	30,335,668
Accumulated Depreciation	(13,000,248)	(717,697)	(387,758)	233,593	(13,096,594)
Total Governmental					
Capital Assets, Net	<u>\$16,856,113</u>	<u>\$ 149,368</u>	<u>\$ -</u>	<u>\$ 233,593</u>	<u>\$17,239,074</u>

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CITY OF MILFORD, DELAWARE NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2019

NOTE 9 - CAPITAL ASSETS (CONTINUED):

The following schedule presents the capital activity of the business-type activities for the year ended June 30, 2019:

Year Ended June 30, 2019					
Description	Balances 07/01/18	Additions	Deletions	Adjustments & Transfers	Balances 06/30/19
Electric Fund:					
Land	\$ 1,434,592	\$1,025,915	\$ -	\$ -	\$ 2,460,507
Buildings and Improvements	6,981,196	164,619	-	(140,335)	7,005,480
Electric System	19,885,279	38,712	-	(490,893)	19,433,098
Vehicles and Equipment	3,814,422	296,583	437,648	140,335	3,813,692
Total Capital Assets	32,115,489	1,525,829	437,648	(490,893)	32,712,777
Accumulated Depreciation	(15,914,732)	(986,698)	(437,648)	-	(16,463,782)
Net Book Value	<u>\$16,200,754</u>	<u>\$ 539,131</u>	<u>\$ -</u>	<u>(\$ 490,893)</u>	<u>\$16,248,992</u>
Water Fund:					
Land	\$ 27,369	\$ -	\$ -	\$ -	\$ 27,369
Buildings and Improvements	10,853	-	-	-	10,853
Water System	21,706,509	268,868	404,799	271,403	21,841,981
Vehicles and Equipment	1,596,910	47,872	155,405	219,490	1,708,867
Total Capital Assets	23,341,641	316,740	560,204	490,893	23,589,070
Accumulated Depreciation	(8,545,439)	(489,409)	(560,204)	(108,751)	(8,583,395)
Net Book Value	<u>\$14,796,202</u>	<u>\$(172,669)</u>	<u>\$ -</u>	<u>\$ 382,142</u>	<u>\$15,005,675</u>
Waste Water Fund:					
Land	\$ 28,638	\$ -	\$ -	\$ -	\$ 28,638
Buildings and Improvements	50,691	-	-	-	50,691
Waste Water System	20,718,650	-	-	69,677	20,788,327
Vehicles and Equipment	1,188,545	247,202	32,373	(69,677)	1,333,797
Total Capital Assets	21,986,524	247,202	32,373	-	22,201,453
Accumulated Depreciation	(9,086,862)	(484,981)	(32,373)	(496)	(9,540,066)
Net Book Value	<u>\$12,899,662</u>	<u>\$(237,779)</u>	<u>\$ -</u>	<u>(\$ 496)</u>	<u>\$12,661,387</u>
Trash Fund:					
Buildings and Improvements	\$ 5,650	\$ -	\$ -	\$ -	\$ 5,650
Vehicles and Equipment	1,494,492	-	351,387	-	1,143,105
Total Capital Assets	1,500,142	-	351,387	-	1,148,755
Accumulated Depreciation	(927,001)	(106,767)	(351,387)	-	(682,381)
Net Book Value	<u>\$ 573,141</u>	<u>(\$ 106,767)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 466,374</u>
Description	Balances 07/01/18	Additions	Deletions	Adjustments & Transfers	Balances 06/30/19
Total Enterprise Funds					
Land	\$ 1,490,599	\$1,025,915	\$ -	\$ -	\$ 2,516,514
Buildings and Improvements	7,176,042	164,619	-	(267,987)	7,072,674
Electric System	19,885,279	38,712	-	(490,893)	19,433,098
Water System	21,574,233	268,868	404,799	403,679	21,841,981
Waste Water System	20,718,650	-	-	69,677	20,788,327
Vehicles and Equipment	8,098,993	591,657	976,713	285,524	7,799,461
Total Fixed Assets	78,943,796	2,089,771	1,381,512	-	79,652,055
Accumulated Depreciation	(34,474,035)	(2,067,856)	(1,381,512)	(109,247)	(35,269,625)
Net Book Value	<u>\$44,469,761</u>	<u>\$ 21,915</u>	<u>\$ -</u>	<u>\$(109,247)</u>	<u>\$44,382,431</u>

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CITY OF MILFORD, DELAWARE NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2019

NOTE 10 - LONG-TERM DEBT OBLIGATIONS:

Long-Term liability activity for the year ended June 30, 2019 is summarized as follows:

Governmental Activities:

	Beginning Balance	Additions	Reductions	Ending Balance	Amounts Within One Year
General Obligation Bonds	\$ -	\$ -	\$ -	\$ -	\$ -
Other Liabilities:					
Net Pension Liability	908,119	-	(63,039)	845,080	-
Compensated Absences	1,023,300	128,031	-	1,151,331	230,266
Governmental Activities Long-Term Liabilities	<u>\$ 1,931,419</u>	<u>\$ 128,031</u>	<u>(\$ 63,039)</u>	<u>\$ 1,996,411</u>	<u>\$230,266</u>

Business Activities:

Series of 2016 General Obligation Bonds	\$ 7,905,000	\$ -	(\$ 400,000)	7,505,000	405,000
Add: Bond Premium	33,492	-	(3,555)	29,937	3,373
Total Bonds Payable	7,938,492	-	(403,555)	7,534,937	408,373
Revolving Funds Loans -					
State of Delaware 2010	697,872	-	(52,004)	645,868	53,049
State of Delaware 2011	2,491,369	-	(77,180)	2,414,189	155,519
Note Payable - Kent County	1,172,106	-	(24,777)	1,147,329	25,339
Note Payable - USDA	4,385,658	-	(92,078)	4,293,580	95,551
Total Bonds and Notes Payable	16,685,497	-	(649,654)	16,035,903	651,063
Other Liabilities:					
Compensated Absences	234,067	-	(23,536)	210,531	37,722
Business-Type Activities Long-Term Liabilities	<u>\$16,919,564</u>	<u>\$ -</u>	<u>(\$ 673,190)</u>	<u>\$16,246,434</u>	<u>\$688,785</u>

General Obligation Bonds

The City issues general obligation bonds to provide funds for the acquisition and construction of major capital facilities. General obligation bonds are direct obligations and pledge the full faith and credit of the City. The City is required to compute, at the time taxes are levied, the rate of tax required to provide a fund to pay interest and principal at maturity. The City is in compliance with this requirement.

Series 2016

On December 6, 2016, the City issued General Obligation Bonds, Series of 2016 in the aggregate principal amount of \$8,065,000, with interest rates ranging from 2.0% to 2.55%. The proceeds of the 2016 bond proceeds were utilized to currently refund the Series A of 2011 General Obligation bonds in the outstanding principal amount of \$7,850,000. The 2016 bonds are scheduled to mature January 1, 2037. Semi-annual interest payments commenced July 1, 2017, while annual principal payments commenced January 1, 2018. The bonds had an original issue premium of \$37,171, the unamortized portion of which is included in the balance reflected in the financial statements at June 30, 2019. The current refunding resulted in an economic gain (difference between the present values of the debt service payments on the old and new debt) of approximately \$1.3 million.

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CITY OF MILFORD, DELAWARE NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2019

NOTE 10 - LONG-TERM DEBT OBLIGATIONS (CONTINUED):

USDA

In June 2013, the City issued bonds in the amount of \$5 million in connection with its Southeast Water Expansion project. The funding for the project is being provided by the United States Department of Agriculture (USDA) under the federal direct loan for water and waste disposal systems program. Under the program, the City received proceeds from the loan only after incurring project expenditures. The balance of the loan as of June 30, 2019 is \$4,292,114, which represents total expenditures incurred on the project less principal payments made. Under the terms of the note, the City is making quarterly payments in the amount of \$46,500, which include interest calculated at a rate of 2% on the balance outstanding. The note is scheduled to mature June 28, 2053.

State of Delaware

The City received funds in connection with its Wastewater Collection System Expansion project through financing agreements with the Delaware Water Pollution Control Revolving Fund. Funds received for the first part of the project were repaid in full during fiscal year June 30, 2017. Additional funds were received for the second part of the project under a separate financing agreement. The balance on this obligation as of June 30, 2019 is \$645,868. Semi-annual payments of \$32,852 include interest calculated at an annual rate of 2.0%. The note is scheduled to mature July 1, 2030.

The City has also received funds from the State of Delaware in connection with its Washington Street Water Treatment Facility Replacement Project. The funds were provided by the DE Drinking Water State Revolving Fund only as expenditures were incurred by the City and approved by the State. The total committed loan amount was \$4 million. Interest only payments commenced September 1, 2012 and were due semi-annually at 1% per annum on the balance outstanding as the project progressed. The project was completed during fiscal year June 30, 2018 in the total amount of \$3,832,876. In accordance with the agreement, upon completion of the project, thirty-five percent of the amounts advanced were forgiven, resulting in forgiveness of debt in the amount of \$1,341,507 in fiscal year June 30, 2018. The remaining balance of \$2,491,369 is being amortized over a twenty-year period from the original advance with interest at 1% per annum. The note is scheduled to mature September 1, 2033.

Note Payable - Kent County

In connection with previous sewer problems, Kent County was forced to construct a new sewer line, a significant portion of which runs through the City of Milford. The county issued bonds to cover the cost, and it was agreed that the City would pay for the portion of the line that runs through its jurisdiction. Under the agreement, the City is paying the County in quarterly installments of \$12,735, which include interest at a rate of 2.25% per annum. The balance of the obligation as of June 30, 2019 is \$1,147,329 and is scheduled to mature November 10, 2050.

Long-Term Debt outstanding at June 30, 2019 is summarized as follows:

	Interest Rate %	Issue Date	Maturity Date	Amount Outstanding			
				Electric Fund	Sewer Fund	Water Fund	Total
General Obligation Bonds							
Series of 2016	2.0-2.55	12/6/2016	1/1/2037	\$4,735,000	\$2,770,000	\$ -	\$7,505,000
USDA	2.125	6/28/2013	6/28/2053	-	-	4,292,114	4,292,114
State of DE FAB#120.33	2.0	12/22/2009	7/1/2030	-	645,868	-	645,868
State of DE 2012A-SRF	1.0	3/15/2012	9/1/2033	-	2,414,189	-	2,414,189
Note Payable-Kent County	2.25	11/12/2012	11/10/2050	-	1,147,329	-	1,147,329
Total Long-Term Debt				<u>\$4,735,000</u>	<u>\$6,977,386</u>	<u>\$4,292,114</u>	<u>\$16,004,500</u>

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CITY OF MILFORD, DELAWARE NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2019

NOTE 10 - LONG-TERM DEBT OBLIGATIONS (CONTINUED):

The annual requirements to amortize all debt outstanding as of June 30, 2019 are as follows:

Year Ending June 30,	Principal	Interest	Total
2020	\$ 734,459	\$ 307,712	\$ 1,042,171
2021	749,704	294,356	1,044,060
2022	765,046	280,531	1,045,577
2023	780,486	266,479	1,046,965
2024	687,012	170,208	857,220
2025-2029	4,175,026	1,048,723	5,223,749
2030-2034	3,721,036	659,941	4,380,977
2035-2039	1,796,536	364,117	2,160,653
2040-2044	953,573	231,130	1,184,703
2045-2049	1,061,610	122,794	1,184,404
2050-2054	580,012	18,041	598,053
Total	<u>\$16,004,500</u>	<u>\$3,764,030</u>	<u>\$19,768,530</u>

NOTE 11 - COMMITMENTS AND CONTINGENCIES:

In the normal course of business, there are outstanding various commitments and contingent liabilities in addition to the normal encumbrances for the purchase of goods and services. The City does not anticipate losses as a result of these transactions.

Government Grant/Award Programs

The City participates in a number of federal and state assisted programs. These programs are subject to program compliance audits by the grantors or their representatives. Accordingly, the City's compliance with applicable program requirements will be established at some future date. The amount, if any, of expenditures, not already disclosed, which may be disallowed by the granting agencies cannot be determined at this time although the City expects such amounts, if any, to be immaterial.

NOTE 12 - DEFERRED COMPENSATION PLAN:

The City has a deferred compensation plan under Internal Revenue Code (IRC) 457(b) which is available to substantially all City full-time employees. Participants may make salary deferral contributions from their base salaries to the Plan during a calendar year of up to 100% of their net compensation up to the allowable maximum under IRC 457(b)(2). The City will match 100% of the participant's salary deferral contributions up to a maximum of 6% of the participant's base salary. Total contributions to the Plan by the City for the year ended June 30, 2019 was \$225,911.

CITY OF MILFORD, DELAWARE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 13 - PENSION PLANS:

Defined Contribution Plan

The City has a defined contribution plan under IRC 401(a) which was available to substantially all City full-time employees through December 31, 2004. For plan years beginning January 1, 2005, the City no longer makes contributions to the plan, coinciding with the effective date it elected to participate in the State of Delaware's County and Municipal Pension Plans. All participants in the plan remain in the plan until they separate employment from the City and can continue to invest funds in their respective accounts. The plan is administered by VOYA Financial, and was last amended and restated January 25, 2016 in order to comply with applicable IRS rules and regulations.

State of Delaware's County and Municipal Pension Plans

Effective January 1, 2005, City Council elected, under provisions of the Delaware Code, to participate in the County and Municipal Police/Firefighter and the General Employees Retirement Funds. In connection with this election, the City agreed to fund prior service cost up to a maximum of fifteen (15) years for all eligible employees. Such funding was provided for from the City's reserves in its Water and Sewer Funds, as well as from assets of its existing retirement fund. Below is a description of each of these plans:

Police and Firefighters' Pension Plan

The City contributes to a governmental cost-sharing multiple-employer defined benefit pension plan administered by the Delaware Public Employees' Retirement System and managed by its Board of Pension Trustees (the Board). The plan, which is Delaware's County and Municipal Police and Firefighter Pension Plan, covers City sworn police officers. The State of Delaware General Assembly is responsible for setting benefits and amending plan provisions. The State Board of Pension Trustees determines the contributions required. The board is comprised of five members appointed by the Governor and confirmed by the State Senate, plus two ex officio members.

Service benefits under the plan include 2.5% of final average monthly compensation multiplied by years of credited service up to 20 years, plus 3.5% of final average monthly compensation multiplied by years of service in excess of 20 years. The final monthly compensation is the monthly average of the highest three years of compensation. There are also disability benefits as well as survivor benefits provided by the plan. An employee is vested upon 5 years of credited service.

Employer contributions to the plan are determined annually by the Board of Pension Trustees. The employer contribution policy is set by State law and required contributions by active members and by participating employers. The contributions required by participating employers are based on an actuarial valuation and are expressed as a percentage of annual covered payrolls during the period for which the amount is determined. The employer contribution rate in fiscal year 2019 was 10.14% of payroll. In addition, employees are required to contribute 7% of compensation.

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CITY OF MILFORD, DELAWARE NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2019

NOTE 13 - PENSION PLANS (CONTINUED):

Other Employees' Pension Plan

The City contributes to a governmental cost-sharing multiple-employer defined benefit pension plan administered by the Delaware Public Employees' Retirement System and managed by its Board of Pension Trustees (the Board). The plan, which is Delaware County and Municipal Other Employees Pension Plan, covers all full-time non-uniformed City employees as well as elected officials. The State of Delaware General Assembly is responsible for setting benefits and amending plan provisions. The State Board of Pension Trustees determines the contributions required. The board is comprised of five members appointed by the Governor and confirmed by the State Senate, plus two ex officio members.

Service benefits include 1/60th of final average monthly compensation multiplied by years of credited service, subject to maximum limitations. For this plan, the final average monthly compensation is the monthly average of the highest five years of compensation. There are also disability benefits as well as survivor benefits provided by the plan. An employee is vested upon 5 years of credited service.

Employer contributions to the plan are determined annually by the Board of Pension Trustees. The employer contribution policy is set by State law and required contributions by active members and by participating employers. The contributions required by participating employers are based on an actuarial valuation and are expressed as a percentage of annual covered payrolls during the period for which the amount is determined. The employer contribution rate in fiscal year 2019 was 6.76% of payroll. In addition, employees are required to contribute 3% of compensation in excess of \$6,000.

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions

The components of the total net pension liability of the each plan as of the June 30, 2018 measurement date were as follows:

	Police & Firefighters	Other Employees
Total pension liability	\$390,500,000	\$56,269,000
Plan fiduciary net position	367,470,000	53,122,000
Employer net pension liability	<u>\$ 23,030,000</u>	<u>\$ 3,147,000</u>
Plan fiduciary net position as		
percentage of total pension liability	94.1%	94.4%
Proportionate share of net pension liability	<u>\$ 528,464</u>	<u>\$ 316,616</u>

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CITY OF MILFORD, DELAWARE NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2019

NOTE 13 - PENSION PLANS (CONTINUED):

Pension Liabilities, Pension Expense, and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions (continued):

The net pension liability was measured as of June 30, 2018, and the total pension liability used to calculate the net pension liability was determined by rolling forward the System's total pension liability as of June 30, 2016 to June 30, 2018. The City's proportionate share of the net pension liability was calculated utilizing the employer's one-year reported covered payroll as it relates to the total one-year reported covered payroll. As of June 30, 2018 and 2017, the City's proportion for each plan is as follows:

	June 30, 2018	June 30, 2017	Increase (Decrease)
Police & Firefighters	2.2946%	2.3778%	(0.0832)
Other Employees	10.0609%	10.3161%	(0.2552)

For the year ended June 30, 2019, the City recognized pension expense for the plans as follows:

Police & Firefighters	\$367,184
Other Employees	189,805
Total	<u>\$556,989</u>

At June 30, 2019, the City reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	<u>Police & Firefighters</u> <u>Deferred Outflows/Inflows</u>		<u>Other Employees</u> <u>Deferred Outflows/Inflows</u>	
Difference between expected and actual experience	\$455,061	\$124,631	\$152,296	\$181,688
Change of assumptions	173,602	74,584	180,758	-0-
Net difference between projected and actual investment earnings	-0-	92,089	-0-	57,223
Changes in proportions	-0-	24,890	-0-	57,279
Contributions subsequent to the measurement date	269,023	-0-	306,606	-0-
Total	\$897,686	\$316,194	\$639,660	\$296,190

A total of \$575,629 reported as deferred outflows of resources related to pensions resulting from the City's contributions subsequent to the measurement date were recognized as a reduction of the net pension liability in the year ended June 30, 2019. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized in pension expense over five years.

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CITY OF MILFORD, DELAWARE NOTES TO BASIC FINANCIAL STATEMENTS JUNE 30, 2019

NOTE 13 - PENSION PLANS (CONTINUED)

Actuarial Assumptions

The total pension liability was determined by an actuarial valuation as of June 30, 2017, and update procedures were used to roll forward the total pension liability to June 30, 2018. The following actuarial assumptions were used and applied to all periods included in the measurement:

- Investment return - 7.0%, includes inflation at 2.50%
- Salary increases - Effective average of 2.50%, which reflects an allowance for inflation of 2.50%, plus merit.

The change in the discount rate assumption to 7.0% from 7.2% was due to an adoption by the Board of Trustees in Fiscal Year 2017. Mortality rates were based on the RP-2014 tables with gender adjustments for healthy annuitants and disabled retirees and an adjusted version on MP-2015 mortality improvement scale on a fully generational basis.

The total pension liabilities are measured based on assumptions pertaining to interest rates, inflation rates and employee demographics in future years. It is likely that future experience will not exactly conform to these assumptions. To the extent that actual experience deviates from these assumptions, the emerging liabilities may be higher or lower than anticipated. The more the experience deviates the larger the impact on the future financial statements.

Investments

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by an asset allocation percentage which is based on the nature and mix of current and expected plan investments, and by adding expected inflation.

Best estimates of geometric real rates of return for each major asset class as of June 30, 2018 are summarized in the following table:

<u>Asset Class</u>	<u>Asset Allocation</u>	<u>Long-Term Expected Real Rate of Return</u>
Domestic Equity	30.7%	5.7%
International Equity	13.9%	5.7%
Fixed Income	23.3%	2.0%
Non-Traditional Investments	24.4%	7.8%
Cash & Equivalents	7.7%	0.0%

CITY OF MILFORD, DELAWARE
NOTES TO BASIC FINANCIAL STATEMENTS
JUNE 30, 2019

NOTE 13 - PENSION PLANS (CONTINUED):

Discount Rate

The discount rate used to measure the total pension liability was 7.0%. The projection of cash flows used to determine the discount rate assumed that contributions from plan members will be made at the current contribution rate and that contributions from employers will be made at rates determined by the Board of Pension Trustees, actuarially determined. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments of current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of the City's Proportionate Share of the Net Pension Liability

The following presents the City's net pension liability, calculated using the discount rate of 7.0%, as well as what the net pension liability would be if it were calculated using a discount rate that is 1-percentage lower (6.0%) or 1-percentage higher (8.0%) than the current rate:

	1% Decrease 6.0%	Current Discount Rate 7.0%	1% Increase 8.0%
County and Municipal P&F	<u>\$84,424,000</u>	<u>\$23,030,000</u>	<u>(\$26,664,000)</u>
County and Municipal Other	<u>\$11,893,000</u>	<u>\$3,147,000</u>	<u>(\$3,917,000)</u>

Pension Plan Fiduciary Net Position

Detailed information about DPERS' fiduciary net position is available in DPERS Comprehensive Annual Financial Report which can be found on the System's website at <https://open.omb.delaware.gov>.

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**CITY OF MILFORD, DE
BUDGETARY COMPARISON SCHEDULE
GENERAL FUND
FOR THE YEAR ENDED JUNE 30, 2019**

	Budgeted Amounts		Actual Amounts, Budgetary Basis	Variance with Final Budget - Positive (Negative)
	Original	Final		
REVENUES				
Property Taxes	\$ 3,927,716	\$ 3,927,716	\$ 4,005,414	\$ 77,698
Fees and Fines	110,000	110,000	187,669	77,669
Licenses and Permits	326,000	336,000	495,291	159,291
Sale of Business Park Land	-	-	-	-
Intergovernmental	323,485	323,485	40,130	(283,355)
Investment Earnings	30,000	30,000	131,382	101,382
Miscellaneous	375,065	390,065	721,401	331,336
Total Revenues	5,092,266	5,117,266	5,581,287	464,021
EXPENDITURES				
Current:				
General Government	1,604,538	1,664,749	1,592,854	71,895
Public Safety	4,741,608	5,251,249	5,087,380	163,869
Public Works	838,505	838,505	719,161	119,344
Culture and Recreation	987,615	986,615	916,541	70,074
Debt Service:				
Principal	-	-	-	-
Interest and Other Charges	-	-	-	-
Capital Outlay	545,500	743,199	672,762	70,437
Total Expenditures	8,717,766	9,484,317	8,988,698	495,619
Deficiency of Revenues Over Expenditures	(3,625,500)	(4,367,051)	(3,407,411)	959,640
OTHER FINANCING SOURCES				
Real Estate Transfer Tax (from Special Revenue Fund)	500,000	500,000	500,000	-
Transfers In From Electric Fund	2,500,000	2,500,000	2,500,000	-
Other Transfers In/Out	-	312,641	307,680	(4,961)
Net Change in Fund Balance	(625,500)	(1,054,410)	(99,731)	954,679
DEFICIENCY FUNDED BY				
General Fund Prior Balance and Reserves	625,500	1,054,410	99,731	(954,679)
Net Revenues, Other Financing Sources, Prior Fund Balances and Expenditures	\$ -	\$ -	\$ -	\$ -

See accompanying notes to required supplementary information.

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CITY OF MILFORD, DELAWARE SCHEDULE OF PROPORTIONATE SHARE OF THE NET PENSION LIABILITY FOR THE LAST FOUR FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>County & Municipal Police and Firefighters' Pension Plan</u>				
Proportion of the net pension liability (asset)	2.2946%	2.3779%	2.3824%	2.4964%
Proportionate share of the net pension liability (asset)	\$ 528,464	\$ 239,714	\$ 378,701	\$ (131,558)
Covered-employee payroll	\$ 2,147,178	\$ 1,905,658	\$ 1,944,111	\$ 1,735,698
Proportionate share of the net pension liability as a percentage of covered-employee payroll	24.6%	12.6%	19.5%	-7.6%
Plan's fiduciary net position	\$ 367,470,000	\$ 325,867,000	\$ 284,298,000	\$ 273,109,000
Plan fiduciary net position as a percentage of the total pension liability (asset)	94.1%	97.0%	94.7%	-102.0%
<u>County & Municipal Other Employees' Pension Plan</u>				
Proportion of the net pension liability (asset)	10.0612%	10.3165%	10.8530%	12.1628%
Proportionate share of the net pension liability (asset)	\$ 316,616	\$ 668,405	\$ 672,454	\$ 5,230
Covered-employee payroll	\$ 4,205,852	\$ 3,476,349	\$ 3,628,008	\$ 3,630,778
Proportionate share of the net pension liability as a percentage of covered-employee payroll	7.5%	19.2%	18.5%	0.1%
Plan's fiduciary net position	\$ 53,122,000	\$ 45,874,000	\$ 39,292,000	\$ 37,840,000
Plan fiduciary net position as a percentage of the total pension liability	94.4%	87.6%	86.4%	99.9%

See accompanying notes to required supplementary information.

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CITY OF MILFORD, DELAWARE SCHEDULE OF EMPLOYER CONTRIBUTIONS - PENSION PLAN FOR THE LAST FOUR FISCAL YEARS

	<u>2019</u>	<u>2018</u>	<u>2017</u>	<u>2016</u>
<u>County & Municipal Police and Firefighters' Pension Plan</u>				
Contractually required contribution	\$ 217,625	\$ 269,023	\$ 240,395	\$ 251,302
Contributions in relation to the contractually determined contribution	<u>217,625</u>	<u>269,023</u>	<u>240,395</u>	<u>251,302</u>
Contribution (excess) deficiency	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Covered-employee payroll	<u>\$ 2,147,178</u>	<u>\$ 1,905,658</u>	<u>\$ 1,944,111</u>	<u>\$ 1,735,698</u>
Contributions as a percentage of covered-employee payroll	<u>10.14%</u>	<u>14.12%</u>	<u>12.37%</u>	<u>14.48%</u>
<u>County & Municipal Other Employees' Pension Plan</u>				
Contractually required contribution	\$ 284,307	\$ 259,355	\$ 225,472	\$ 235,458
Contributions in relation to the contractually determined contribution	<u>284,307</u>	<u>259,355</u>	<u>225,472</u>	<u>235,458</u>
Contribution (excess) deficiency	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>	<u>\$ -0-</u>
Covered-employee payroll	<u>\$ 4,205,852</u>	<u>\$ 3,476,349</u>	<u>\$ 3,628,008</u>	<u>\$ 3,630,778</u>
Contributions as a percentage of covered-employee payroll	<u>6.76%</u>	<u>7.46%</u>	<u>6.21%</u>	<u>6.49%</u>

See accompanying notes to required supplementary information.

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CITY OF MILFORD, DELAWARE NOTES TO REQUIRED SUPPLEMENTARY INFORMATION FOR THE YEAR ENDED JUNE 30, 2019

NOTE 1 - GENERAL

Required supplementary information includes financial information and disclosures that are required by the Governmental Accounting Standards Board but are not considered part of the basic financial statements.

NOTE 2 - BUDGETARY BASIS

The budgetary comparison schedule is prepared on a basis that is consistent with generally accepted accounting principles (GAAP).

NOTE 3 - PENSION PLANS

The following notes pertain to both the County and Municipal Police and Firefighters Pension Plan and the County and Municipal Other Employees' Pension Plan.

Changes in Benefit Terms

None

Changes in Assumptions

The changes in assumptions used to determine total pension liability are described in Note 13 to the financial statements.

Method and Assumptions used in calculations of actuarially determined contributions

The actuarially determined contribution rates in the Schedule of Employers' Contributions are calculated as of the June 30 two years prior to the end of the fiscal year in which the contributions are reported. Complete descriptions of the methods and assumptions used to determine the contribution rates for Fiscal Year 2017 can be found in the June 30, 2015 actuarial valuation reports. The following actuarial methods and assumptions were used to determine contribution rates reported in that schedule:

- Actuarial Cost Method - Entry Age Normal
- Amortization Method - Open 10 Year Level Percent of Payroll
- Remaining Amortization Period - 10 Years
- Asset Valuation Method - 5 Year Smoothed Market
- Actuarial Assumptions
 - Discount Rate - 7.0%
 - Amortization Growth Rate 3.0%
 - Price Inflation - 3.0%

10-year Reporting Requirements

The preceding required supplementary schedules, as related to pensions, are intended to show information for 10 years. Additional years will be displayed as they become available.

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND
ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS
PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS**

To the Mayor and City Council
City of Milford
Milford, Delaware

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Milford, Delaware, as of and for the year ended June 30, 2019, and the related notes to the financial statements, which collectively comprise the City of Milford, Delaware's basic financial statements and have issued our report thereon dated December 2, 2019.

Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered the City of Milford, Delaware's internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of, but not for the purpose of expressing an opinion on the effectiveness of the City of Milford, Delaware's internal control. Accordingly, we do not express an opinion on the effectiveness of the City of Milford, Delaware's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or combination of deficiencies, in internal control such that there is reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the City of Milford, Delaware's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

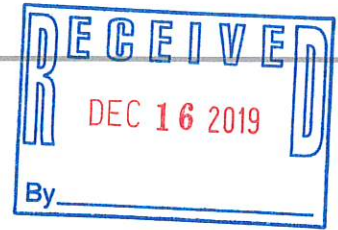
Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Voorhees, New Jersey
December 2, 2019

*Carlisle Fire Company, Inc.
PO Box 292 - 615 NW Front Street
Milford, DE 19963*

Phone: 302-422-8001 Fax: 302-422-2146 Secretary: 302-422-2178



December 09, 2019

Dear Council Members,

This correspondence is to formally notify the City of Milford and City Council that the Carlisle Fire Company is requesting \$104,000.00 from the Enhancement Permit Fund within the City of Milford. These funds being requested are necessary to supplement the anticipated capital purchase of new fire hoses, nozzles, appliances, and accessories to successfully continue fire ground operations.

At the CFC November Company meeting, it was discussed that most of our current fire hoses, nozzles, appliances, and other accessories have failed their routine testing and as a result must be condemned from our operational supply. To ensure that the Carlisle Fire Company can provide adequate fire coverage to the City of Milford and surrounding areas it is necessary for our department to make this capital purchase and ensure that we have sufficient hose and equipment in supply in the event of large scale emergencies.

Currently, the Department is working on a contingency plan to counteract these future mishaps; however, we are in dire need of making this capital purchase and will need the abovementioned funding to make this plan develop.

We appreciate any consideration into this matter, and I ask that if you have any questions or concerns that you contact me at 302-233-8135.

Thank you for your continued support.

Sincerely,


Kevin Donovan, President



DATA SHEET FOR TJA, LLC – PARCEL 03.00

Planning Commission Meeting: January 21, 2020

Application Number / Name	:	19-048 / TJA, LLC – Parcel 03.00
Applicant	:	TJA, LLC 7343 Big Stone Beach Road Milford, DE 19963
Owner	:	Same
Application Type	:	Conditional Use
Present Comprehensive Plan Map Designation	:	Commercial
Present Zoning District	:	C-3 (Highway Commercial District)
Present Use	:	Commercial/Retail
Proposed Use	:	Commercial/Retail with Billboard
Size and Location	:	1.1 +/- acres located along the east side Bay Road (US Route 113/SR1) approximately 225 feet north of the New Wharf Road intersection.
Tax Map & Parcel	:	MD-16-163.00-01-03.00

ENC: Staff Analysis Report
Exhibit A – Location & Zoning Map
Exhibit B - Survey



STAFF REPORT
December 20, 2019

Application Number / Name	:	19-048 / TJA, LLC – Parcel 03.00
Present Comprehensive Plan Designation	:	Commercial
Present Zoning District	:	C-3 (Highway Commercial District)
Present Use	:	Commercial/Retail
Proposed Use	:	Commercial/Retail with Billboard
Tax Map & Parcel	:	MD-16-163.00-01-03.00
Size and Location	:	1.1 +/- acres located along the east side of Bay Road (US Route 113/SR 1) approximately 225 feet north of the New Wharf Road intersection.

I. BACKGROUND INFORMATION:

- The applicant proposes to construct a 12'x48', two-sided 32-foot tall billboard on the above referenced parcel as shown on the provided survey.

II. STAFF ANALYSIS:

Based on the information presented, the City of Milford Code, and the Comprehensive Plan, staff submits the following regarding the request for the Conditional Use:

- Per Chapter 230, the Billboard shall be constructed and maintained in accordance with Delaware Code, Title 17-Highways, Chapter 11-Regulations of Outdoor Advertising, Subchapter 1-General Provisions, a copy of which is provided in the packet.
- The applicant's request is for a traditional billboard with a static message sign face and does not include an electronic message board.

- Evaluation based on the criteria found under Chapter 230-48 Conditional Uses.

A. The presence of adjoining similar uses.

The property to the south is owned by the applicant and is zoned C-3 Highway Commercial and contains an existing convenience store with gas pumps. Beyond this property, south of New Wharf Road, there is a property that contains a single billboard structure facing southbound traffic. The proposed billboard would be 436 feet from the existing billboard. The property to the east is zoned C-3 Highway Commercial and R-1 Single-family Residential and is unimproved and used for agricultural purposes. The property to the north is owned by the applicant and is zoned C-3 Highway Commercial and is improved with a single structure. The property to the north, Parcel 04.00, is the site of another proposed billboard, which would be 346 feet to the north of the subject billboard. The properties to the west, across Bay Road, are located in the unincorporated areas of Kent County and are zoned BG General Business and contain several auto dealerships.

B. An adjoining district in which the use is permitted.

Under the zoning code at the time of the land use application, billboards are only permitted by conditional use within the C-3 Highway Commercial zoning district. The updated version of the City Code prohibits billboards within the City.

C. There is a need for the use in the area proposed as established by the Comprehensive Plan.

The Comprehensive Plan does not discuss a specific need for Billboard signage.

D. There is sufficient area to screen the conditional use from adjacent different uses.

The property to the south contains a convenience store with gas pumps. The billboard would not be screened from adjacent highway commercial uses, primarily due to its overall size and location within the front yard area. The applicant proposes to construct the billboard within 10 feet of the southern side property line, which may create visibility issues with the neighboring business.

E. The use will not detract from permitted uses in the district.

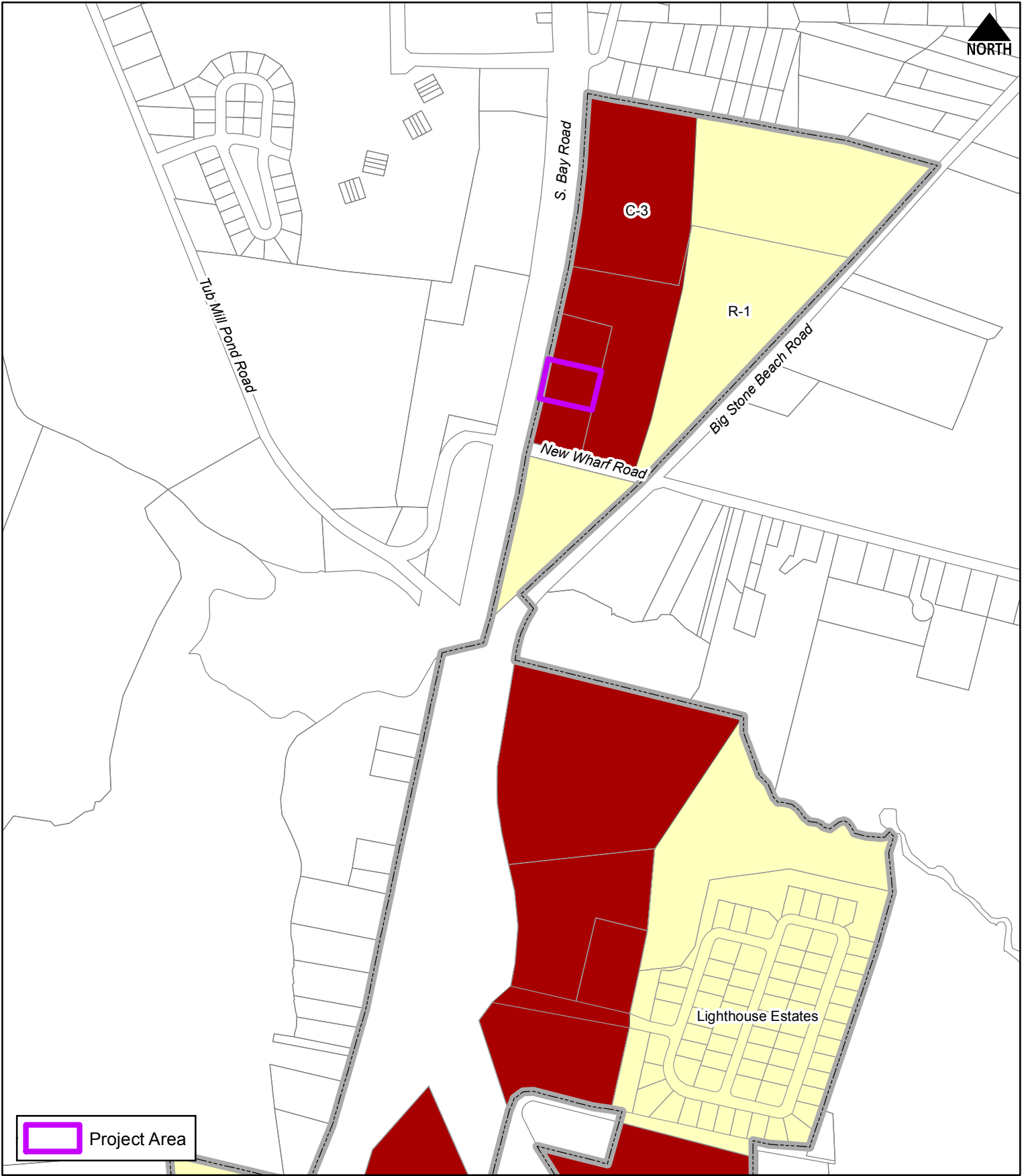
The proposed billboard may negatively affect the visibility of the business on the neighboring property to the south.

F. Sufficient safeguards, such as traffic control, parking, screening and setbacks, can be implemented to remove potential adverse influences on adjoining uses.

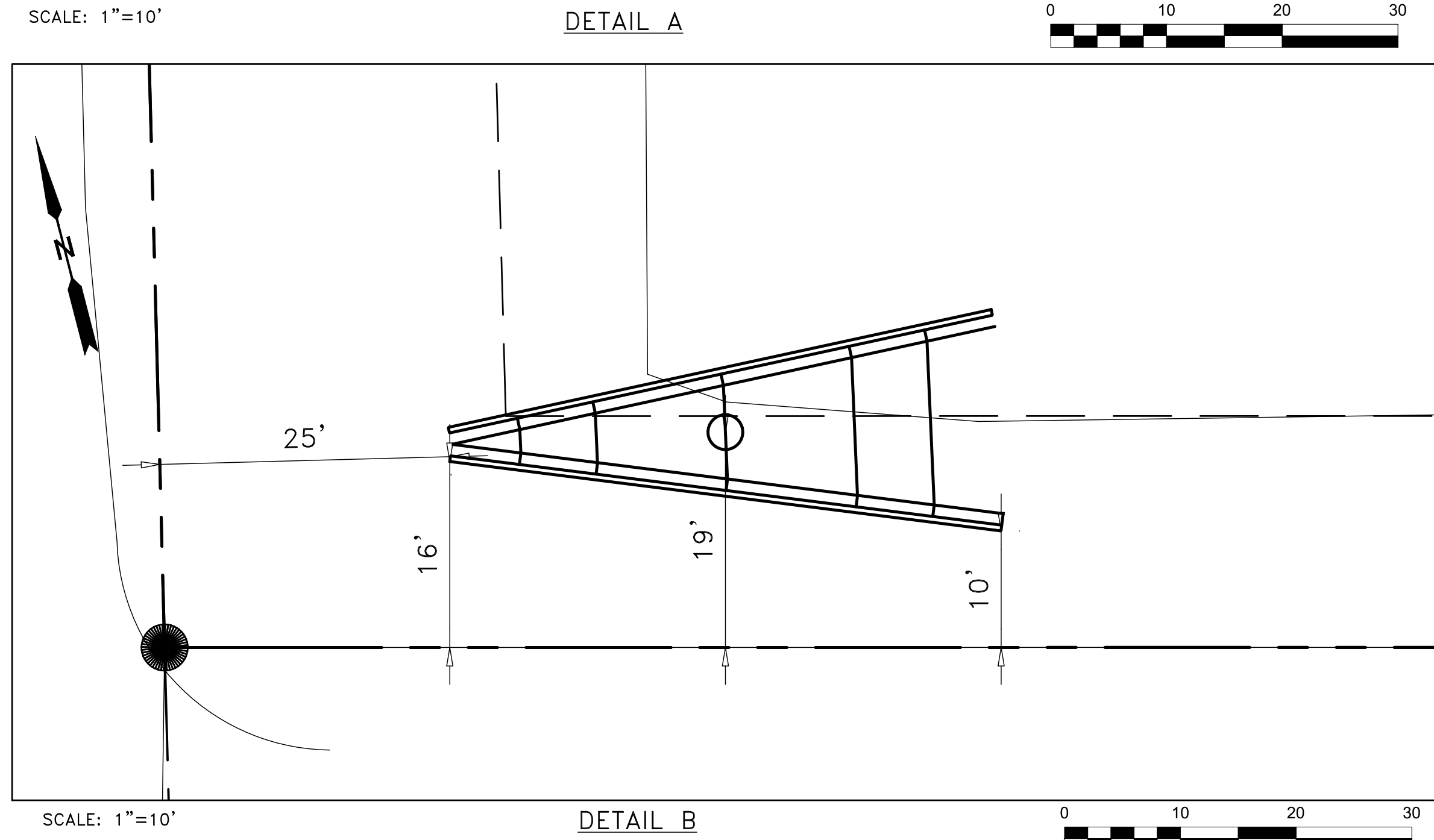
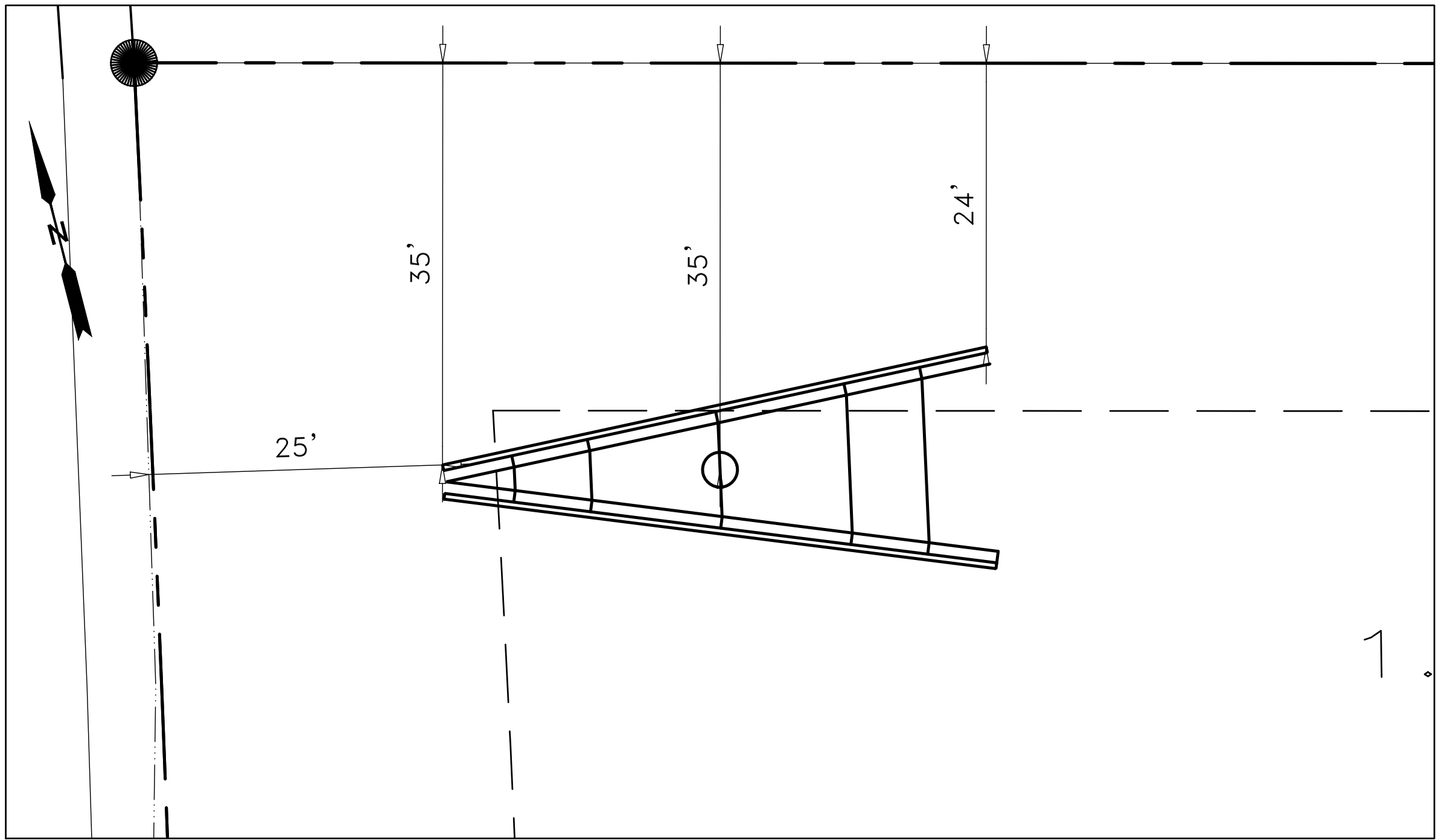
The proposed use does not impact traffic patterns or require parking. Due to the overall size of typical off-premise signage, screening would not be an effective means of removing potential adverse influences on adjoining properties. The applicant proposes to construct the billboard 25 feet from the front property line, which extends into the required 30 foot front yard setback for the principal structure. The applicant also

proposes to construct the billboard 10 feet from the side property line. The City should consider the effects of the billboards location on adjacent lands. The City recently approved two billboards along Route 113 but required a 25 foot side yard setback.

- If the Planning Commission and City Council elect to approve the applicant's request, staff recommends the following minimum conditions of approval:
 - o The applicant must obtain approval from DelDOT per Title 17, Chapter 11-Regulation of Outdoor Advertising.
 - o The applicant must obtain a building permit from the City of Milford for the construction of the sign, which will requires the submission of engineering plans.



P:\TJASR-1 Billboard\Design\TJA Billboard Placement.dwg Dec. 13, 2019 - 2:13pm



DATA COLUMN

PROPERTY LOCATION: 446 BAY ROAD
MILFORD, DE 19963

CURRENT DEED REFERENCE: D 6616 / 311

TAX PARCELS: 5-16-16300-01-0300 &
5-16-16300-01-0400

CURRENT PLAT REFERENCE: 37/77 & 47/76

ZONING: HIGHWAY COMMERCIAL C-3

BILLBOARD REGULATIONS:
ROW SETBACK: 25 FT. MIN.
SPACING BETWEEN STRUCTURES: 100 FT. MIN.
SPACING FROM INTERSECTION: 500 FT. MIN.

TOPOGRAPHICAL SURVEY PERFORMED BY DAVIS, BOWEN, AND
FRIEDEL, INC. ON JULY 1, 2019.

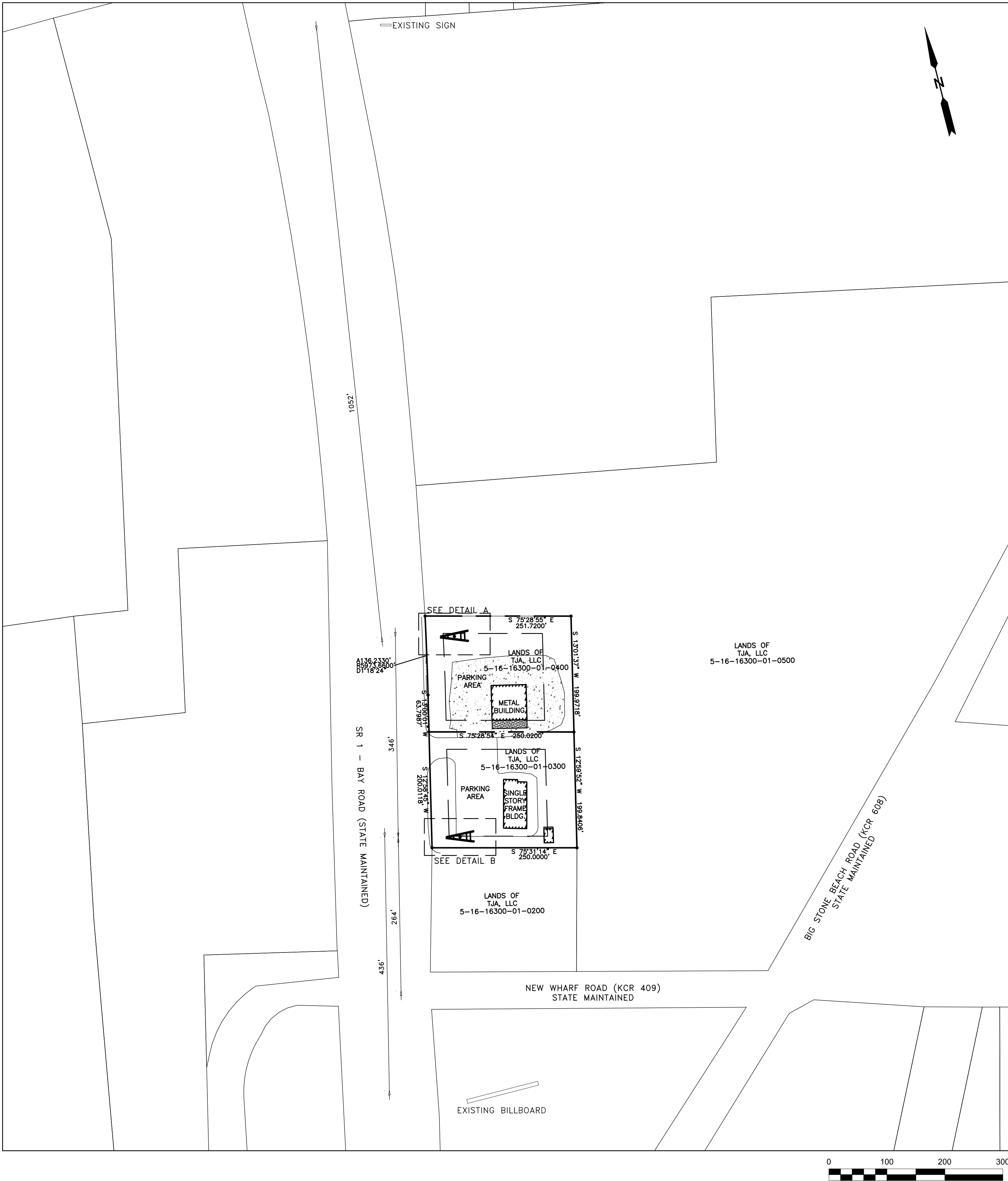
THE LAND SHOWN HEREON DOES NOT LIE WITHIN 100 YR.
FLOOD PLAIN PER F.I.R.M. PANEL 10005C0035K EFF.
03/16/15

OWNER:
TJA, LLC.
7343 BIG STONE BEACH RD.
MILFORD, DE 19963

ENGINEER:
DAVIS, BOWEN, AND FRIEDEL, INC.
1 PARK AVE.
MILFORD, DE 19963

BILLBOARD NOTES:

1. TYPE- STATIC
2. PANEL SIZE- 12'X48' (4- 2 PANELS PER STRUCTURE)
3. HEIGHT TO BOTTOM OF PANEL- 20 FT.
4. HEIGHT OF STRUCTURE- 32 FT.
5. "V" STYLE, BACK TO BACK, SINGLE POLE



TJA, LLC. BILLBOARD CITY OF MILFORD KENT COUNTY, DELAWARE

Date: **NOVEMBER, 2019**

Scale: **1" = 100'**

Dwn.By: **BJM**

Proj.No.:

Dwg.No.:

1

dbf **DAVIS, BOWEN & FRIEDEL, INC.** ARCHITECTS ENGINEERS SURVEYORS

SURVEY: MARYLAND (410) 424-2891
MILFORD, DELAWARE (302) 424-1441
EASTON, MARYLAND (410) 770-4744

BILLBOARD PLACEMENT

§ 230-14. - C-3 Highway Commercial District.

In a C-3 District no building or premises shall be used and no building shall be erected or altered which is arranged, intended or designed to be used except for one or more of the following uses and complying with the requirements so indicated.

- A. Purpose. The purpose of the C-3 District is to provide for larger-scale commercial uses that may require large amounts of parking space or have a high traffic impact. These uses generally require locations on major arterial routes and serve both local and regional customers.
- B. Permitted uses. Permitted uses for the C-3 District shall be as follows:
 - (1) Those uses permitted in the C-2 District.
 - (2) Warehouses.
 - (3) Large retail outlets.
 - (4) Indoor storage accessory building.
 - (5) Fast-food restaurants and drive-in restaurants.
 - (6) Supermarkets.
 - (7) Truck and trailer rentals.
 - (8) Roadside produce market.
 - (9) Memorial stone shop.
 - (10) Outdoor commercial recreational facilities, not motorized vehicles.
 - (11) Swimming club.
 - (12) Indoor facility for amusement or assembly.
 - (13) Bus station.
- C. Conditional uses subject to special requirements. The following uses are permitted subject to receiving a conditional use permit by the City Council as provided in Article IX of this chapter:
 - (1) Motels or hotels with a minimum lot size of three acres.
 - (2) Commercial greenhouse.
 - (3) Wholesale establishment.
 - (4) Newspaper publishing or printing establishment.
 - (5) Contractors', craftsmen's or general service shops, including welding and similar shops.
 - (6) Laboratory, testing and research.
 - (7) Car repair shops.
 - (8) Used car lots.
 - (9) Telephone central office or television cable central office.
 - (10) Service station, automobile sales agency, public garage, parking garage or lot, but not including storage of wrecked cars, subject to the following special requirements:
 - (a) All facilities shall be located and all services shall be conducted on the lot.
 - (b) All repair work shall be conducted within an entirely enclosed building.
 - (c) No equipment for the service of gasoline or oil shall be placed closer to any street or property line than 20 feet.

- (d) No portion of such structure or its equipment shall be located within 500 feet of the premises of any school, hospital, church or public recreation building.
 - (e) No service station shall be located within 800 feet of another service station on the same side of the street within the same block.
 - (f) Any such use shall be permitted only where it is determined that it will not materially interfere with the main pedestrian movement in conjunction with a compact retail area.
- (11) Shopping center, subject to site plan review and the following site requirements:
- (a) The total shall not be less than one acre.
 - (b) The site must be served by public water, sewer and electricity.
 - (c) Stormwater drainage. The facilities shall be provided by the developer to handle the increase in stormwater runoff, and he shall make contributions towards the cost of off-site facilities of the shopping center.
 - (d) Traffic and parking.
 - [1] The internal circulation of traffic shall be separated from the external street system, and pedestrian and vehicular traffic shall be separated through traffic control devices and appropriate site design.
 - [2] Access to state highways shall be controlled by the State Department of Transportation.
 - [3] The minimum distance between accessways and a residential district shall be 50 feet.
 - [4] Spacing of accessway.
 - [a] From adjoining property: 50 feet.
 - [b] From minor intersections: 50 feet.
 - [c] From major intersections: 100 to 150 feet.
 - [5] Five and one-half parking spaces shall be provided per 1,000 feet of leasable area.
 - [6] Parking lots shall be attractively landscaped as shown on the general site plan.
 - (e) Setback.
 - [1] From street right-of-way: 15 feet.
 - [2] From nonresidential districts: 15 feet.
 - [3] From residential districts: 100 feet.
 - (f) Buffering and landscaping.
 - [1] There shall be a minimum of a ten-foot landscaped buffer along all lot lines. The screening shall be six feet high near residential districts.
 - [2] Ten percent of the site shall be landscaped and may include features such as pedestrian walking or rest areas and courtyards.
- (12) Day-care centers, with site plan required.**
- (13) Car wash, all types (staffed, automatic, self-service, etc.).
 - (14) Convenience stores with gas pumps.
 - (15) Community residential treatment program.
 - (16) All dwellings other than single-family with a maximum density of 12 units per acre.
 - (17) Business, commercial or industrial uses that do not adversely affect neighboring properties.

(18) Billboard, subject to the following:

- (a) Shall be constructed and maintained in accordance with the Delaware Code, Title 17-Highways, Chapter 11-Regulations of Outdoor Advertising, Subchapter 1-General Provisions.

(19) Aquarium.

D. Area regulations.

- (1) Minimum lot area shall be one acre.
- (2) Maximum lot coverage shall be 80%.
- (3) Minimum lot width shall be as follows: for an interior lot 150 feet and for a corner lot 170 feet.
- (4) Height of buildings shall not exceed three stories or 35 feet, with the following exception: a motel, hotel, or aquarium may be erected to a height of over three stories, but not over five stories, and not exceeding 60 feet.
- (5) Minimum building setback shall be 30 feet.
- (6) Side yards shall be provided as follows: each lot shall have two side yards a minimum of 20 feet with a minimum aggregate width of two side yards of 50 feet.
- (7) Minimum rear yard shall be 50 feet.
- (8) Parking shall comply with the requirements provided in Article IV of this chapter.
- (9) Landscape screening shall comply with the requirements provided in Article V of this chapter.
- (10) Signs shall comply with the requirements provided in Article VI of this chapter.

§ 230-46. - Purpose.

- A. The intent of the conditional use is to maintain a measure of control over uses that have an impact on the entire community. Generally, conditional uses may be desirable in certain locations for the general convenience and welfare. They must use the property in a manner that assures neither an adverse impact upon adjoining properties nor the creation of a public nuisance. In short, because of the nature of the use, it requires sound planning judgment on its location and site arrangement.
- B. Conditional use permits may be issued for any of the conditional uses for which a use permit is required by the provisions of this chapter, provided that the City Council shall find that the application is in accordance with the provisions of this chapter after duly advertised hearings held in accordance with the provisions of Article XII.

§ 230-47. - Application and approval procedures.

- A. The application for a conditional use shall first be made with the Code Official, who shall then forward the materials to the Planning Commission.
- B. The Planning Commission shall study such information and make recommendations to the City Council within 60 days of the Code Official's referral to the Commission after holding a public hearing.
- C. The Council shall then act within 60 days of the receipt of the Commission's recommendation to either approve with conditions or deny such use after holding a public hearing. The Council's decision shall be based on the determination that the location of the use is appropriate, it is not in conflict with the Comprehensive Plan and it is consistent with the purpose and intent of this chapter.

§ 230-48. - Criteria for evaluation.

The following criteria shall be used as a guide in evaluating a proposed conditional use:

- A. The presence of adjoining similar uses.
- B. An adjoining district in which the use is permitted.
- C. There is a need for the use in the area proposed as established by the Comprehensive Plan.
- D. There is sufficient area to screen the conditional use from adjacent different uses.
- E. The use will not detract from permitted uses in the district.
- F. Sufficient safeguards, such as traffic control, parking, screening and setbacks, can be implemented to remove potential adverse influences on adjoining uses.

§ 230-49. - Conditions for approval; expiration.

- A. In granting any conditional use permit, the City Council may designate such conditions as will, in its opinion, assure that the use will conform to the requirements as stated in § 230-48 and that such use will continue to do so.
- B. Construction or operation shall be commenced within one year of the date of issuance or the use permit becomes void.
- C. A reapplication for a use permit for the same lot or use shall not be considered by the City Council within a period of 365 days from its last consideration. This provision, however, shall not impair the right of the Council to propose a use permit on its own motion.
- D. See fee schedule.
- E. If a conditional use permit is granted under the provisions of this article, the City Council shall direct the Code Official to officially notify the applicant, in writing, of all conditions approved by the Council.
- F. The approval of a conditional use is valid for one year. Unless permits are obtained or construction or use is substantially underway, all provisions of the conditional use are automatically rescinded. Permits may be revoked by the Council for failure to comply with the stated conditions of approval or applicable regulations.



STATE OF DELAWARE
DEPARTMENT OF TRANSPORTATION
800 BAY ROAD
P.O. Box 778
DOVER, DELAWARE 19903

JENNIFER COHAN
SECRETARY

December 23, 2019

TJA, LLC
7343 Big Stone Beach Rd.
Milford, DE 19963
Attn: Mr. Ring Lardner, P. E.

Dear Mr. Lardner,

The Roadside Control Section of the Department of Transportation is charged with the responsibility of enforcing statutory regulations pertaining to Outdoor Advertising as set forth under Title 17, Chapter 11, of the Delaware Code.

The Department has received your outdoor advertising application for a new billboard to be situated on the property belonging to TJA, LLC at 466 Bay Rd, in Kent County (tax parcel #: MD-16-163.00-001-03.00 and MD-16-163.00-01-04.00) advertising.

I have reviewed the proposed site plan that was submitted as well as the application. As long as the sign is constructed per the specifications submitted and the required building permits are obtained by the local authority, the Department has no objection to the proposed sign application noted above. Should there be any revisions to the sign in regards to size, location, or message; the Department must be notified immediately. The sign installer shall provide copies of the local building permit and notify the Department 24 hours prior to the start of construction. Upon completion of the construction of the sign, the installer shall notify the Department within 48 hours for a final field inspection.

Sincerely,

Alyce Doody
Roadside Control Agent

cc: Chris King, Roadside Control Manager

Chapter 11

REGULATION OF OUTDOOR ADVERTISING

Subchapter I

General Provisions

§ 1101 Purpose and policy.

The rapid growth in the use of motor vehicles throughout this State and the concurrent extension of highways built or improved at public expense has lead to great changes in the extent and character of public travel. The investment of this State, municipalities and towns in good roads, parks, parkways, playgrounds and reservations, and the safety, convenience and welfare of the inhabitants have been affected.

The regulation and control of outdoor advertising signs, displays and devices of all kinds is provided for in order to promote the general welfare, especially in the particulars hereinafter recited.

The people of this State would suffer economically if the State failed to participate fully in the allocation and apportionment of federal-aid highway funds since a reduction in federal-aid highway funds would necessitate increased taxation to support and maintain the state road program and system. It is, consequently, the intention of this chapter, among other things, to provide a statutory basis for regulation of outdoor advertising consistent with the public policy relating to areas adjacent to federal-aid interstate and primary systems declared by the Congress of the United States in Title 23, United States Code.

(42 Del. Laws, c. 182, § 1; 17 Del. C. 1953, § 1101; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276.)

§ 1102 Scope and definitions.

(a) The powers and authority granted in this chapter are in derogation of no other powers or authority granted by or created by or exercised under any other statute, or by a planning or zoning board or authority, or other public officer, but shall be construed as in addition to any such power or authority, which shall remain unaffected.

(b) As used in this chapter:

(1) "Commercial or industrial activities for purposes of unzoned commercial and industrial areas" means those activities generally recognized as commercial or industrial by zoning authorities in this State, except that none of the following activities shall be considered commercial or industrial:

- a. Outdoor advertising structures;
- b. Forestry, ranching, grazing and farming including, but not limited to, wayside fresh produce stands;
- c. Transient or temporary activities;
- d. Activities more than 600 feet from the nearest edge of the right-of-way along the interstate and federal-aid primary route;
- e. Activities conducted in buildings principally used as a residence;
- f. Railroad tracks and minor sidings;
- g. Activities not visible from the main traveled way.

(2) "Controlled areas" means and includes any area inside the boundaries of this State which is adjacent to the right-of-way of a highway of the interstate or primary systems, except that areas beyond 660 feet of the right-of-way inside urban areas shall be excluded from this chapter.

(3) "Department" means the Department of Transportation.

(4) "Erect" means to construct, build, raise, assemble, place, affix, attach, create, paint, draw or in any way bring into being or establish, but it shall not include any of the foregoing activities when performed as an incident to the change of advertising message or customary maintenance of a sign or sign structure.

(5) "Gateway sign" means any sign, display, or device intended for its purpose to provide information to the travelling public advising motorists that they are entering the boundaries of a political subdivision or established nonincorporated area of the State. A gateway sign may include a slogan or related graphic, or both, subject to the approval of the Department.

(6) "Information center" means an area or site established and maintained at a rest area for the purpose of informing the public of places of interest within the State and providing such other information as the Department may consider desirable.

(7) "Interstate system" means that portion of the national system of interstate and defense highways located within this State, as officially designated, or as may hereafter be so designated, by the Department and approved by the Secretary of Transportation of the United States, pursuant to Title 23, United States Code, "Highways."

(8) The "laws of this State" shall include a provision of the Constitution or statutes of the State, or an ordinance, rule or regulation enacted or adopted by an agency or political subdivision of this State pursuant to the Constitution or statutes.

(9) "Maintain" means to allow to exist in accordance with state law.

(10) "Outdoor advertising" or "outdoor advertising signs, displays and devices" shall include any outdoor sign, display, device, picture, emblem, trademark, figure, painting, drawing, message, placard, poster, billboard, light or other thing which is designed,

intended or used to advertise, to inform or to attract the attention of the traveling public, which is within 660 feet and visible or beyond 660 feet and visible and erected with the purpose of being read from the main traveled way of any state highway.

(11) "Primary system" means that portion of connected main highways of this State officially designated as such, or as may hereafter be designated as such, by the Department and approved by the Secretary of Transportation of the United States, pursuant to Title 23, United States Code, "Highways."

(12) "Rest area" means an area or site established and maintained within or adjacent to the right-of-way by or under public supervision or control, for the convenience of the traveling public.

(13) "Unzoned commercial or industrial areas" means those areas not zoned by any state, county or local ordinance or regulation on which there are located 1 or more permanent structures devoted to a business or industrial activity or on which a commercial or industrial activity is actually conducted, whether or not a permanent structure is located thereon, and the area along the highway extending outward 800 feet from and beyond the edge of such activity. Each side of the highway will be considered separately in applying this definition. All measurements shall be from the outer edges of the regularly used buildings, parking lots, storage or processing areas of the commercial or industrial activities, not from the property lines of the activities, and shall be along or parallel to the edge of the pavement of the highway.

(14) "Urban areas" means and includes those areas designated as such by the Bureau of the Census and whose boundaries have been approved by the Secretary of the United States Department of Transportation.

(15) "Visible" means capable of being seen (whether or not legible) without visual aid by a person of normal visual acuity.

(16) "Zoned commercial or industrial areas" means those areas which are zoned for business, industry, commerce or trade pursuant to a state or local zoning ordinance or regulation, except that those areas beyond 660 feet outside urban areas shall not be recognized as commercial, industrial, unzoned commercial or unzoned industrial in the application of this chapter.

(42 Del. Laws, c. 182, § 1; 17 Del. C. 1953, § 1102; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, §§ 1, 2; 60 Del. Laws, c. 290, § 1; 61 Del. Laws, c. 262, §§ 1-6; 79 Del. Laws, c. 320, § 1.)

§ 1103 Enforcement of chapter; rules and regulations; examinations; territorial limitations.

(a) The Department shall:

(1) Enforce this chapter; and

(2) Make, publish and enforce such regulations for the proper control and restriction of outdoor advertising signs, displays and devices as may be necessary or advisable to implement the policy and accomplish the purposes of this chapter.

(b) All employees of the Department, or any peace officer of this State, when so directed by the Department or its officers, may enter into and upon any land or building to make any examination or survey which the Department deems necessary to the effective administration of this chapter or to enforce this chapter.

(c) This chapter shall apply only to outdoor advertising signs, displays and devices situate outside the corporate limits of any incorporated city or town in this State and to those outdoor advertising signs, displays and devices situate in controlled areas within such corporate limits.

(42 Del. Laws, c. 182, §§ 2, 14; 17 Del. C. 1953, § 1103; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, § 7; 61 Del. Laws, c. 262, § 7.)

§ 1104 Application and issuance of permits; revocation.

(a) Except as otherwise provided, no person, whether engaged in the business of outdoor advertising or not, shall erect, maintain or display any outdoor advertising sign, display or device, above or upon real property, without first obtaining a permit from the Department.

(b) A separate application for a permit shall be made for each separate outdoor advertising sign, display or device on a form furnished by the Department, which application shall contain such information as it may require. For the purpose of this subsection, each single sign panel or face shall be interpreted as constituting an outdoor advertising sign, display or device. Each application shall be accompanied by the written consent of the owner or tenant of the real property upon which such sign, display or device is to be erected or maintained. No new application shall be made for a permit to maintain any existing outdoor advertising sign, display or device or to renew a permit.

(c) The Department, in accordance with this chapter, shall issue or renew permits for a period of at least 1 year for the erection and maintenance of all types of outdoor advertising signs, displays and devices; provided, however, that all new permits issued shall expire at the next regular renewal period established by the Department. No permit shall be issued for the erection or construction of any sign which would be in violation of local law or ordinance at the time application is filed.

(d) The Department may establish and collect fees for the issuance of permits and renewals thereof. The amount of such charge shall be so fixed as to provide the Department with the funds deemed necessary by it to defray the costs of the administration of this chapter.

(e) When an application for a permit or for a renewal thereof is made by a nonresident or by a foreign corporation engaged in the business of outdoor advertising, the Department, at its discretion, as a condition to the issuance of such permit or renewal, may require such corporation to deposit with the Department a bond, in an amount and with surety to be approved by the Department, to secure such corporation's compliance with this chapter.

(f) All sign permits issued under this section shall terminate and become void if the sign structure for which the permit is issued is not under construction within 6 months and is not fully constructed in full compliance with the terms of this chapter within 1 year after its issuance. Under no circumstances shall there be any refund of a permit fee which has become void.

(42 Del. Laws, c. 182, § 3; 17 Del. C. 1953, § 1104; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, §§ 8, 9; 61 Del. Laws, c. 262, §§ 8-10.)

§ 1105 Advertising identification.

The Department shall require that each outdoor advertising sign, display or device shall bear an identifying tag or plate to be issued by the Department, and, upon erection shall bear the name of the party responsible for the erection and maintenance of the sign and the Department shall make provisions for the details thereof.

(42 Del. Laws, c. 182, § 4; 17 Del. C. 1953, § 1105; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 60 Del. Laws, c. 290, § 3; 61 Del. Laws, c. 262, § 11.)

§ 1106 Removal upon expiration or revocation of permit.

All outdoor advertising signs, displays and devices shall be removed by the outdoor advertiser or other person erecting, owning, maintaining or displaying the same, or, in the event of that person's default, by the owner or tenant of the premises upon which any such sign, display or device is located, within 30 days from the date of the expiration or revocation of the permit for the same.

(42 Del. Laws, c. 182, § 5; 17 Del. C. 1953, § 1106; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 70 Del. Laws, c. 186, § 1.)

§ 1107 Unlawful to remove or damage road markers, etc., or place advertising on highways.

(a) No person shall willfully or maliciously displace, remove, destroy or injure a mileboard, milestone, danger sign or signal, guide sign or guide post or any inscription thereon, lawfully within the right-of-way of a public highway.

(b) No person shall in any manner paint, print, place, put or affix any outdoor advertising, outdoor advertising signs, displays or devices upon or to any rock, stone, tree, fence, stump, pole, milestone, danger signal, guide sign, guide post, building or other object lawfully within the right-of-way of any public highway.

(42 Del. Laws, c. 182, § 7; 17 Del. C. 1953, § 1107; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 61 Del. Laws, c. 262, § 12.)

§ 1108 Location and condition of advertising regulated.

(a) Subject to subsection (c) of this section, no outdoor advertising sign, display or device, except a directional, gateway, or warning sign, official sign or notice erected by or with the approval of the Department, shall be erected subsequent to July 14, 1969, within 25 feet of the right-of-way line of any public highway if visible from any portion of the same.

(b) Subject to subsection (c) and subsection (d) of this section, no outdoor advertising sign, display or device, except a gateway sign or historical marker erected with the approval of the Department, shall be erected or maintained:

(1) On the right-of-way of any public highways;

(2) Within 25 feet of any public playground, school or church if visible from any portion of the same;

(3) Upon the inside curves or at or near a railroad crossing or a highway intersection, if such would obstruct or interfere with the view of a train, locomotive, streetcar or other vehicle at or approaching such crossing or intersection or so as to obstruct the view of such intersection or crossing or of a turn or a sharp change in alignment or in any manner dangerous to the public;

(4) If such sign, display or device is obsolete or is not in good physical condition;

(5) If such sign, display or device is not securely affixed to a substantial structure or in any way endangers traffic on any public highway.

(c) Subsection (a) of this section shall not apply to outdoor advertising signs, displays or devices which advertise the sale or lease of, or activities conducted upon, the real property where they are located, or any outdoor advertising signs displayed on any school bus waiting shelter located and approved by the State Department of Education.

(d) Beautification/landscape planting sponsorship signs located within the right-of-way of any public highway shall be erected or placed as defined below and as such are exempt from this chapter and section:

(1) Signs under the above provision denoting the name of the person or persons or organization sponsoring or donating, planting and/or maintaining beautification/landscape projects shall require an approved right-of-way use agreement issued by the Department of Transportation;

(2) Such signs shall not exceed 6 square feet and shall be constructed, painted and lettered according to standards for material and fabrication as required by the Department of Transportation.

(42 Del. Laws, c. 182, §§ 6, 11; 17 Del. C. 1953, § 1108; 53 Del. Laws, c. 87, § 1; 55 Del. Laws, c. 407; 56 Del. Laws, c. 178; 56 Del. Laws, c. 351, § 1; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, §§ 10, 11; 61 Del. Laws, c. 262, §§ 13-15; 62 Del. Laws, c. 267, §§ 1, 2; 71 Del. Laws, c. 318, § 1; 79 Del. Laws, c. 320, § 1; 80 Del. Laws, c. 23, § 1.)

§ 1109 Forbidden advertising.

No outdoor advertising signs, displays or devices shall display copy which violates any federal or state law, or which is offensive to the moral standards of the community at the time the copy is offered for display, or which is false, misleading or deceptive.

(42 Del. Laws, c. 182, § 10; 17 Del. C. 1953, § 1109; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276.)

§ 1110 Delaware Byways Program.

In order to provide criteria for the size, spacing and lighting of signs which effectively control the erection of outdoor advertising signs, displays and devices erected subsequent to July 14, 1969, other than those advertising the sale or lease of the property on which they are located, or activities conducted thereon, the Department establishes the following criteria for use in making, publishing and enforcing regulations:

(1) In zoned commercial and industrial areas, the Department shall certify to the administrator as notice of effective control that there have been established within such areas regulations which are effective and are enforced with respect to the size, lighting and spacing of outdoor advertising signs, displays and devices. In such areas, the size, lighting and spacing requirements set forth below shall not apply.

(2) In all other zoned and unzoned commercial and industrial areas, the criteria set forth below shall apply:

a. *Construction of signs.* —

1. The maximum area for any 1 sign shall be 1,200 square feet with a maximum height of 25 feet and maximum length of 60 feet, inclusive of any border and trim but excluding ornamental base or apron, supports and other structural members.

2. The area of the sign shall be computed by the sign maker utilizing the most practical method which encompasses the entire sign and this data shall be submitted to the Division of Highways upon application for permit.

3. A sign structure may contain 1 or 2 signs per facing and 2 sign facings may be placed back to back or V-type at 1 location but in no event shall the total area of any facing exceed 1,200 square feet.

4. A sign which exceeds 600 square feet in area may not be on the same sign facing with any other sign.

5. All newly erected, rebuilt or replaced sign structures shall be constructed in accordance with the applicable wind pressure standards of the local building code, or, in the absence of such requirement, shall be constructed to withstand a minimum wind pressure of 25 pounds per square foot.

b. *Spacing of signs.* —

1. *Interstate and federal aid primary highways.* — Signs may not be located in such a manner as to obscure, or otherwise physically interfere with the effectiveness of an official traffic sign, signal or device, or obstruct or physically interfere with the driver's view of approaching, merging or intersecting traffic. Except for roof signs, wall signs and free standing signs against the wall of a building, no ground sign shall be placed within 35 feet of either highway right-of-way at an intersection where they converge, unless the base of such sign shall be at least 8 feet above ground level or road bed, whichever is higher.

2. *Interstate highways and controlled access highways on the federal aid primary system.* —

A. No 2 structures shall be spaced less than 500 feet apart.

B. Outside of incorporated cities and towns, no structure may be located within 500 feet of an interchange, intersection at grade, rest area or information center (measured along the interstate or freeway from the beginning or ending of pavement widening at the exit from or entrance to the main traveled way).

3. *Noncontrolled access federal aid primary highways.* —

A. Outside of incorporated cities and towns, no 2 structures shall be spaced less than 300 feet apart.

B. Within incorporated cities and towns, no 2 structures shall be spaced less than 100 feet apart.

4. The above spacing-between-structures provisions do not apply to structures separated by buildings or other obstructions in such a manner that only 1 sign facing located within the above spacing distances is visible from the highway at any 1 time.

5. Official and "on premise" signs, as defined in subsection (c) of § 131 of Title 23, United States Code, and structures that are not lawfully maintained shall not be counted nor shall measurements be made from them for purposes of determining compliance with spacing requirements.

6. The minimum distance between structures shall be measured along the nearest edge of the pavement between points directly opposite the signs along each side of the highway and shall apply only to structures located on the same side of the highway.

c. *Lighting.* — Signs may be illuminated, subject to the following restrictions.

1. Signs which contain, include, or are illuminated by any flashing, intermittent, or moving light or lights are prohibited, except those giving public service information such as time, date, temperature, weather, or traffic conditions, or as defined in paragraph (2)c.5. of this section.

2. Signs which are not effectively shielded to prevent beams or rays of light from being directed at any portion of the traveled ways of an interstate or federal-aid primary highway and which are of such intensity or brilliance as to cause glare or to impair the vision of a driver of a motor vehicle or which otherwise obscure or interfere with a driver's operation of a motor vehicle are prohibited.

3. A sign may not be illuminated so that it interferes with the effectiveness of, or obscures, an official traffic control device such as a sign or signal.

4. All lighting is subject to any other provisions of law relating to the lighting of signs presently applicable to all highways under the jurisdiction of the State.

5. Notwithstanding the provisions of paragraphs (2)c.1. through (2)c.4. of this section, signs commonly known as variable message signs may be changed at intervals by electronic or mechanical process or remote control, and are permitted within 660 feet of the edge of the right-of-way of any interstate or federal-aid primary highway so designated as of June 1, 1991, and of the National Highway System. These variable message signs are permitted, except as prohibited by local ordinance or zoning regulation or by the Delaware federal-state outdoor advertising agreement of May 1, 1968, and are not considered to be in violation of flashing, intermittent, or moving lights criteria provided that:

A. Each message remains fixed for a minimum of at least 10 seconds.

B. When the message is changed, it must be accomplished in 1 second or less, with all moving parts or illumination changing simultaneously and in unison.

C. A variable message sign along the same roadway and facing in the same direction of travel may not be placed, as measured along the centerline of the roadway, within 2,500 feet of another variable message sign, or within 500 feet of a static billboard sign regulated by this section, or within 1,000 feet of an interchange, interstate junction of merging or diverging traffic, or an at-grade intersection.

D. A variable message sign must contain a default design that will freeze the sign in 1 position if a malfunction occurs or, in the alternative, that will shut down.

E. A variable message sign may not contain or display any lights, effects, or messages that flash, move, appear to be animated or to move, scroll, or change in intensity during the fixed display period. A variable message sign must appropriately adjust display brightness as ambient light levels change.

F. A sign that attempts or appears to attempt to direct the movement of traffic or which contains wording, color, shapes, or likenesses of official traffic control devices is prohibited.

G. A sign may not be placed along designated Delaware byways.

d. The State and local political subdivisions shall have full authority under their own zoning laws to zone areas for commercial or industrial purposes and the action of the State and local political subdivisions in this regard will be accepted for the purposes of this chapter. At any time that a political subdivision adopts regulations which include the size, lighting and spacing of outdoor advertising, the State shall so certify to the administrator and control of outdoor advertising in commercial or industrial areas will transfer to paragraph (1) of this section.

(17 Del. C. 1953, § 1110; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, §§ 3-6; 60 Del. Laws, c. 290, § 2; 61 Del. Laws, c. 262, § 16; 76 Del. Laws, c. 144, § 1; 77 Del. Laws, c. 367, § 1.)

§ 1111 Public nuisance; abatement.

(a) Any outdoor advertising sign, display or device which is erected or maintained in violation of this chapter or any regulations lawfully adopted pursuant to this chapter is declared to be a public nuisance and may be forthwith removed, obliterated or abated by the Department, its employees or any peace officer of this State, when such violation is not corrected after 30 days' written notice of the violation to the owner of the sign, display or device or to the owner, lessee or occupant of the land upon which the sign, display or device is located. All costs incurred by the Department in abating a nuisance pursuant to this section shall be the responsibility of the owner of the sign, display or device and the Department shall have an action at law to recover such costs, as well as the expenses of suit.

When any sign is damaged, or falls into disrepair to the extent that obvious repairs are needed, the owner shall be notified in writing by the Department to make all necessary repairs. If the sign is not repaired, rebuilt or removed within 30 days of the notification, the applicable sign permit shall lapse and become null and void.

(b) Any person, business or company which knowingly paints, builds and erects or maintains an outdoor advertising sign without a permit shall be in violation of the chapter.

(c)(1) Any outdoor advertising sign, display or device which is erected or maintained in violation of § 1108(b)(1) of this title shall be subject to immediate removal and the other enforcement provisions of § 525 of this title, without regard to the clear zone distance limitations of that section.

(2) Paragraph (c)(1) of this section shall not apply during the 30-day period immediately preceding and the 30-day period after an election administered pursuant to Title 15, in those election districts affected by such election or elections.

(42 Del. Laws, c. 182, § 13; 17 Del. C. 1953, § 1111; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, § 12; 60 Del. Laws, c. 290, §§ 4, 5; 75 Del. Laws, c. 98, § 124.)

§ 1112 Injunctive relief.

The Department or any taxpayer may maintain an action for an injunction to restrain any violation or threatened violation of this chapter or of any regulation lawfully adopted pursuant thereto.

(42 Del. Laws, c. 182, § 13; 17 Del. C. 1953, § 1112; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276.)

§ 1113 Penalties.

Whoever violates this chapter or any regulation lawfully adopted pursuant to this chapter shall be fined not less than \$10 nor more than \$50.

Each day that a violation is allowed to continue after 30 days' written notice of its existence shall constitute a separate offense.

(42 Del. Laws, c. 182, § 13; 17 Del. C. 1953, § 1113; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276.)

§ 1114 Signs excepted from provisions of this subchapter.

The classes of signs described below are excepted from all provisions of this subchapter other than the provisions of § 1103(a)(2) insofar as those provisions may be implemented by regulations controlling and restricting outdoor advertising signs, displays and devices in controlled areas:

- (1) Outdoor advertising signs, displays and devices 32 square feet or less erected or maintained upon real property and placed on the premises to identify a business conducted thereon.
- (2) Outdoor advertising signs, displays and devices (containing 12 square feet or less in areas zoned residential or 32 square feet or less in areas zoned otherwise) upon real property stating that the property, or a part thereof, is for sale or for rent.
- (3) A notice or advertisement required by law in any legal proceeding or put upon the property by public authority.
- (4) A danger or precautionary sign containing 2 square feet or less relating to the premises or a sign warning of the condition of or danger of travel on a highway.
- (5) Any notice or sign of any railroad or other transportation or transmission or communication company necessary for the direction or information or safety of the public.
- (6) Any sign containing 6 square feet or less and directing travelers to any town, village, city, historical site or attractions, provided the same is maintained at public expense.
- (7) Nonofficial signs displayed on transit shelters under contracts approved by the Department.

(42 Del. Laws, c. 182, § 8; 17 Del. C. 1953, § 1114; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 60 Del. Laws, c. 290, § 6; 61 Del. Laws, c. 262, §§ 17, 18; 63 Del. Laws, c. 178, §§ 1, 2; 71 Del. Laws, c. 318, §§ 2, 3.)

§§ 1115 -1119. [Reserved.]

§ 1120 Severability.

If any exception, section, part, phrase, or provision of this chapter or the application thereof be held invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the exception, section, part, phrase, provision, or application directly involved in the controversy in which such judgment shall have been rendered, and shall not affect or impair the remainder of this chapter or the application thereof.

(71 Del. Laws, c. 318, § 4.)

Subchapter II

Areas Adjacent to Highways of the Interstate and Primary Systems

§ 1121 Limitations of outdoor advertising in controlled areas.

Subject to § 1122 of this title, no outdoor advertising sign, display or device, any part of the advertising, informative or attention attracting contents of which is visible from the main traveled way of a highway of the interstate system or primary system, shall be erected or maintained within a controlled area, unless it shall come within 1 or more of the following categories:

- (1) Directional and other official signs and notices, which signs and notices shall include, but not be limited to, signs and notices pertaining to natural wonders, scenic and historic attractions as authorized or required by the laws of this State;
- (2) Signs, displays and devices advertising the sale or lease of the real property upon which they are located;
- (3) Signs, displays and devices advertising activities conducted on the real property upon which they are located;
- (4) Signs, displays and devices located either:
 - a. In controlled areas adjacent to the interstate system and within the boundaries of incorporated municipalities, as such boundaries existed on September 21, 1959, wherein the use of real property is subject to municipal regulation and control, which are zoned industrial or commercial; or
 - b. In other controlled areas adjacent to the interstate system zoned industrial or commercial which were zoned industrial or commercial as of September 21, 1959;
- (5) Signs, displays and devices located in controlled areas adjacent to highways of the primary system which are zoned industrial or commercial;
- (6) Signs, displays and devices located in unzoned commercial and industrial controlled areas adjacent to highways of the primary system and defined by regulations to be promulgated by the Department;
- (7) Any school bus waiting shelter displaying a sign provided such sign does not exceed 32 square feet in area and with a limit of 2 signs per shelter. Should the State Department of Education determine that there is no longer a need for a waiting shelter at its present location, the exemption provided by this paragraph shall then terminate.

Such outdoor advertising signs, displays and devices as are permitted in controlled areas under this section shall be erected and maintained only in conformity with such applicable regulations as may be promulgated by the Department under § 1103 of this title.

(17 Del. C. 1953, § 1121; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, § 13; 61 Del. Laws, c. 262, §§ 19-21; 71 Del. Laws, c. 318, § 5.)

§ 1122 Removal of nonconforming advertising; fair compensation.

(a) Just compensation shall be paid upon the removal of the following outdoor advertising signs, displays and devices:

- (1) Those lawfully in existence on July 14, 1969;
- (2) Those lawfully on any highway made a part of the interstate or federal-aid primary system on or after July 14, 1969; and
- (3) Those lawfully erected on or after July 14, 1969.

(b) The Department is authorized to acquire the necessary right in and to property and is directed to pay compensation therefor in the same manner as with other property acquired for state highway purposes with respect to the foregoing outdoor advertising signs, displays and devices. The compensation to be paid shall be for the following:

- (1) The taking from the owner of such sign, display or device of all right, title, leasehold and interest in such sign, display and device; and
- (2) The taking from the owner of the real property on which such sign, display or device is located, of the right to erect and maintain such signs, displays or devices thereon. Notwithstanding these provisions, no rights in and to property shall be acquired with respect to any outdoor advertising sign, display or device except to the extent that federal funds authorized to be appropriated pursuant to the federal Highway Beautification Act of 1965, as amended, to reimburse the State for 75% of the cost thereof, are in fact appropriated and allocated to the State for that purpose.

(17 Del. C. 1953, § 1122; 57 Del. Laws, c. 276.)

§ 1123 Advertising in rest areas.

In order to provide information in the specific interest of the traveling public, the Department is authorized to maintain maps and to permit informational directories and advertising pamphlets to be made available at rest areas and to establish information centers in such areas for the purpose of informing the public of places of interest within the State and providing such other information as may be considered desirable, provided, however, that no such information centers shall be established within controlled areas adjacent to the interstate system without the approval of the Secretary of Transportation of the United States.

(17 Del. C. 1953, § 1123; 57 Del. Laws, c. 276; 61 Del. Laws, c. 262, § 22.)

§ 1124 Signs, displays and devices providing information for the traveling public; location.

Signs, displays and devices giving specific information in the interest of the traveling public may be erected and maintained, pursuant to agreement between the Department and the Secretary of Transportation of the United States, within the right-of-way of highways of the interstate system, at appropriate distances from interchanges on such systems.

(17 Del. C. 1953, § 1124; 57 Del. Laws, c. 276.)

§ 1125 Agreements with federal government or agencies.

The Department may enter into agreements, consistent with this chapter, with the Secretary of Transportation of the United States relating to the control of outdoor advertising in controlled areas and take action in the name of the State to comply with the terms of such agreements.

The Department may accept allotment of funds by the United States, or any department or agency thereof, authorized by the Federal-Aid Highway Act of 1958, or any subsequent legislation supplementary to or amending such Act, in connection with any agreement entered into by the Department and the Secretary of Transportation of the United States relating to the control of outdoor advertising in controlled areas adjacent to the interstate and/or primary system.

(17 Del. C. 1953, § 1125; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 61 Del. Laws, c. 262, § 23.)

§ 1126 Relationship of subchapter to other provisions of chapter.

The provisions of this subchapter relating to the regulation of outdoor advertising in controlled areas are in addition to, and not in lieu of, subchapter I of this chapter.

(61 Del. Laws, c. 262, § 24.)

Subchapter III

Limited Access, State Toll Roads

§ 1131 Limitations of outdoor advertising along limited access, state toll roads.

The provisions of subchapter II of this chapter shall be applicable to any limited access, state toll road in this State.

(68 Del. Laws, c. 417, § 1.)

§ 1132 Sign limitations on state toll highways.

(a) Notwithstanding any other provisions of this Code to the contrary, variable message signs (VMS) may not be erected or placed, facing in the same direction of travel, and directed toward and able to be read by travelers along state toll highways, within 1,000 feet of any toll highway listed in subsection (c) of this section, except for those signs installed within the rights-of-way of a toll highway for official Department use.

(b) As used in this section, "variable message sign" ("VMS") means a sign or portion of a sign on which the message copy includes characters, letters, or illustrations that can be changed or rearranged electronically or mechanically without touching or physically altering the primary surface of the sign. Message copy for a VMS may be changed in the field or from a remote location.

(c) The provisions of this section apply to the following: the portion of State Route 1 running from the point at which it merges with U.S. Route 13 below State Route 71 to the point where it merges with the southbound on-ramp of State Route 9.

(78 Del. Laws, c. 138, § 1.)

The field will also be utilized throughout the year for tournaments and benefits. A Mark Shockley Softball tournament is being planned in the near future.

Mr. Brooks feels it is a waste to have the softball field and baseball field unused the entire summer. The school does not permit the baseball field to be used by outside groups.

In regard to the softball field, Mr. Emory said they will continue to explore some other options, possibly a co-rec league, during the summer months.

Adoption of Resolution/Annexing Webb Properties

Mr. Ellison made a motion to adopt the following resolution annexing the properties of Francis J. Webb and Thomas P. Webb, subject to those conditions previously discussed and agreed to by City Council, into the City of Milford:

RE: ANNEXATION/LAND OF:

Tax Map Number(s) MD-00-163.00-02-76.00, 77.01 (1/2 Interest)/Francis J. Webb Trustee
Tax Map Number(s) MD-00-163.00-02-77.00, 77.01 (1/2 Interest) 77.02, 77.03, 77.04/Thomas P. Webb
Requested Zoning: R-1, C-3*

Whereas, the Milford City Council having considered the advantages and disadvantages of annexing into the City, 49 acres, more or less, fronting on the easterly right-of-way line of the northbound lane of U.S. Route 113, the northerly and southerly right-of-way line of State Route 409, and the westerly right-of-way line of State Route 124, Kent County, Milford, Delaware including sites currently occupied by Shore Stop and Young Lumber, and having considered the recommendation of the Committee appointed to investigate said annexation, and having previously held a public hearing on June 23, 2003 on said annexation, determines as follows:

Now, Therefore, Be It Resolved, that this land is hereby annexed into the municipal boundaries of the City of Milford and the description and plot of said lands are to be recorded in the Office of the Recorder of Deeds in said County where said lands are situate.

I, Joseph R. Rogers, Mayor of the City of Milford, do hereby certify that the foregoing is a true and correct copy of a Resolution passed by the affirmative vote of two-thirds (2/3) of all the elected members of the City Council of the City of Milford at its meeting held on July 14, 2003, at which a quorum was present and voting throughout and that the same is still in full force and effect.

Mayor Joseph R. Rogers

*Zoning: 512 feet deep along U.S. Route 113 designated C3, Highway Commercial;
Residue designated R-1, Residential.

The following conditions will apply:

- 1) The depth of the commercial use for the C-3 zone is 513 feet from the right of way of U.S. Route 113. Residual zoning will be R-1 (residential).
- 2) Parcel 77.1 (triangular piece) contiguous to the First United Pentecostal Church property would remain conservation per the recommendation of the Office of the State Planning.
- 3) Any future use would be restricted by the owner/developer if they opt to proceed with any type of development of that site, and they must first obtain consent from the Office of State Planning.
- 4) Any future development of the property will require City Site plan review and the utilization of municipal water, sewer and electric.
- 5) Any extension of the municipal services will be at the expense of the owner/developer and all county and city impact fees will apply.
- 6) Existing entrances to Parcel 77.2, 77.3 and 77.4 will be utilized to serve Parcel 77.
- 7) Parcel 76, which is a free standing property and owned by Francis J. Webb, will be permitted one entrance to be designed and approved by the Department of Transportation.
- 8 Utility and/or drainage easements will be determined through Site plan review.
- 9) The existing agricultural area will continue to be taxed at the agricultural rate until the property is transferred or developed. If the property is transferred even if it is not developed as commercial, that status will be lost to the new developer and they would be taxed immediately. Any commercial use will be taxed at the commercial rate.
- 10) The existing sale of heavy duty equipment may continue for a period of six months. Owner must apply for a conditional use application during that time and no additional equipment may be brought onto the site until the property owner receives approval for the conditional use permitting the sale of heavy duty equipment. Conditional use applications are reviewed by the Planning Commission with their recommendation going to Council for final review.
- 11) The Mercedes Benz lemon trailer, vehicles and all related items must be removed from the site within 30 days following the annexation approval.
- 12) The existing billboard at the site may be retained because it has been there for approximately 30 years.

- 13) Any modification to the existing billboard will require conditional use approval and will be subject to review by the Planning Commission and City Council.

Motion seconded by Mr. Ambrose. Motion carried the following 7 to 0 roll call vote:

Mr. Ambrose	Yes
Mr. Ellison	Yes
Mr. O'Neill	Aye
Mr. Brooks	Yes
Mr. Morrow	Yes
Mr. Starling	Yes
Mrs. Brown	Yes

Adoption of Resolution/Annexing Isaacs Property

Mr. Ellison asked if a golf course was going to be built on this property as stated in the newspaper. Elmer Fannin was present and replied that is a future possibility for this general area, but not on this specific parcel. He has discussed building a golf course on the Wilkins property at a later date.

Though the commercial zoning was removed and replaced with a residential zone, Council confirmed that Mr. Fannin will still be permitted to apply for a conditional use to allow for a future clubhouse and related uses. Included were previously discussed services including a pro golf shop, swimming pool, professional offices with medical clinic, fitness center, assisted care facilities, speciality shops including barber/beauty shop, tanning salon, weight loss center and restaurant as permitted in the R1, R2 and R3 districts. This was his original plan and the reason for the commercial zone request.

With no further questions or comments, Ms. Brown made a motion to adopt the following resolution:

RE: ANNEXATION/LAND OF: Elmer G. & Mary Ann Fannin
(Previous Owner L.P. Isaacs Family/Lawrence P. Isaacs, President)
Tax Map No. 3-30-15.00-022.00
Approved Zoning: R-2, R-3

Whereas, the Milford City Council having considered the advantages and disadvantages of annexing into the City, 122 acres, more or less, located on the westerly side of Elks Lodge Road (State Route 211) and the easterly side of State Route 225, adjoining lands of Howard E. Wilkins and Sons, Incorporated and lots in the subdivision known as Eastman Heights, said lots fronting on Hammond Drive, and having considered the recommendation of the Committee appointed to investigate said annexation, and having previously held a public hearing on June 30, 2003 on said annexation, determines as follows:

CITY OF MILFORD
NOTICE OF PUBLIC HEARINGS

Planning Commission Hearing: Tuesday, January 21, 2020
City Council Hearing: Monday, January 27, 2020

NOTICE IS HEREBY GIVEN that the Planning Commission and City Council will hold Public Hearings at 7:00 p.m., or as soon thereafter as possible, in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street to allow interested parties to participate in the discussion and consideration of the following zoning matter:

ORDINANCE 2020-01

TJA LLC for a Conditional Use to allow a billboard on 1.1 +/- acres in a C3 Zoning District. Property is located along the east side of Bay Road (US Route 113/SR1) approximately 225 feet north of the New Wharf Road intersection addressed as 466 Bay Road, Milford, Delaware 19963. Present use: Commercial/Retail; Proposed Use: Same with Billboard. Tax Map: MD-16-163.00-01-03.00

WHEREAS, the owners of the property as above described herein have petitioned the City of Milford for a conditional use; and

WHEREAS, the City of Milford Planning Commission will consider the application at a Public Hearing to allow for public comment on January 21, 2020; and

WHEREAS, Milford City Council will hold a Public Hearing on January 27, 2020 to allow for public comment and further review of the ordinance.

Dates.

Planning Commission Review & Public Hearing: January 21, 2020

City Council Introduction: January 13, 2020

City Council Public Hearing: January 27, 2020

Effective: February 6, 2020

For additional information, please contact Rob Pierce in the Planning & Economic Development Department either by e-mail at RPierce@milford-de.gov or by calling 302.424.8396.

Advertised: Beacon 12/18/19



DATA SHEET FOR TJA, LLC – PARCEL 04.00

Planning Commission Meeting: January 21, 2020

Application Number / Name	:	19-049 / TJA, LLC – Parcel 04.00
Applicant	:	TJA, LLC 7343 Big Stone Beach Road Milford, DE 19963
Owner	:	Same
Application Type	:	Conditional Use
Present Comprehensive Plan Map Designation	:	Commercial
Present Zoning District	:	C-3 (Highway Commercial District)
Present Use	:	Commercial/Retail
Proposed Use	:	Commercial/Retail with Billboard
Size and Location	:	1.1 +/- acres located along the east side Bay Road (US Route 113/SR1) approximately 400 feet north of the New Wharf Road intersection.
Tax Map & Parcel	:	MD-16-163.00-01-04.00

ENC: Staff Analysis Report
Exhibit A – Location & Zoning Map
Exhibit B - Survey



STAFF REPORT
December 20, 2019

Application Number / Name	:	19-049 / TJA, LLC – Parcel 04.00
Present Comprehensive Plan Designation	:	Commercial
Present Zoning District	:	C-3 (Highway Commercial District)
Present Use	:	Commercial/Retail
Proposed Use	:	Commercial/Retail with Billboard
Tax Map & Parcel	:	MD-16-163.00-01-04.00
Size and Location	:	1.1 +/- acres located along the east side of Bay Road (US Route 113/SR 1) approximately 400 feet north of the New Wharf Road intersection.

I. BACKGROUND INFORMATION:

- The applicant proposes to construct a 12'x48', two-sided 32-foot tall billboard on the above referenced parcel as shown on the provided survey.

II. STAFF ANALYSIS:

Based on the information presented, the City of Milford Code, and the Comprehensive Plan, staff submits the following regarding the request for the Conditional Use:

- Per Chapter 230, the Billboard shall be constructed and maintained in accordance with Delaware Code, Title 17-Highways, Chapter 11-Regulations of Outdoor Advertising, Subchapter 1-General Provisions, a copy of which is provided in the packet.
- The applicant's request is for a traditional billboard with a static message sign face and does not include an electronic message board.

- Evaluation based on the criteria found under Chapter 230-48 Conditional Uses.

A. The presence of adjoining similar uses.

The property to the south is owned by the applicant and is zoned C-3 Highway Commercial, containing a single commercial structure and is the site of another proposed two-sided billboard. The subject billboard would be 346 feet north of the proposed billboard on Parcel 03.00. Beyond this property, south of New Wharf Road, there is a property that contains an existing single billboard structure facing southbound traffic. The proposed billboard would be 782 feet from the existing billboard that is located south of New Wharf Road. The property to the north and east is zoned C-3 Highway Commercial and R-1 Single-family Residential and is unimproved and used for agricultural purposes. The properties to the west, across Bay Road, are located in the unincorporated areas of Kent County and are zoned BG General Business and contain several auto dealerships.

B. An adjoining district in which the use is permitted.

Under the zoning code at the time of the land use application, billboards are only permitted by conditional use within the C-3 Highway Commercial zoning district. The updated version of the City Code prohibits billboards within the City.

C. There is a need for the use in the area proposed as established by the Comprehensive Plan.

The Comprehensive Plan does not discuss a specific need for Billboard signage.

D. There is sufficient area to screen the conditional use from adjacent different uses.

The billboard would not be screened from adjacent highway commercial uses, primarily due to its overall size and location within the front yard area. The applicant proposes to construct the billboard 24 feet from the northern side property line. It should be noted that the parcel to the north is owned by the applicant.

E. The use will not detract from permitted uses in the district.

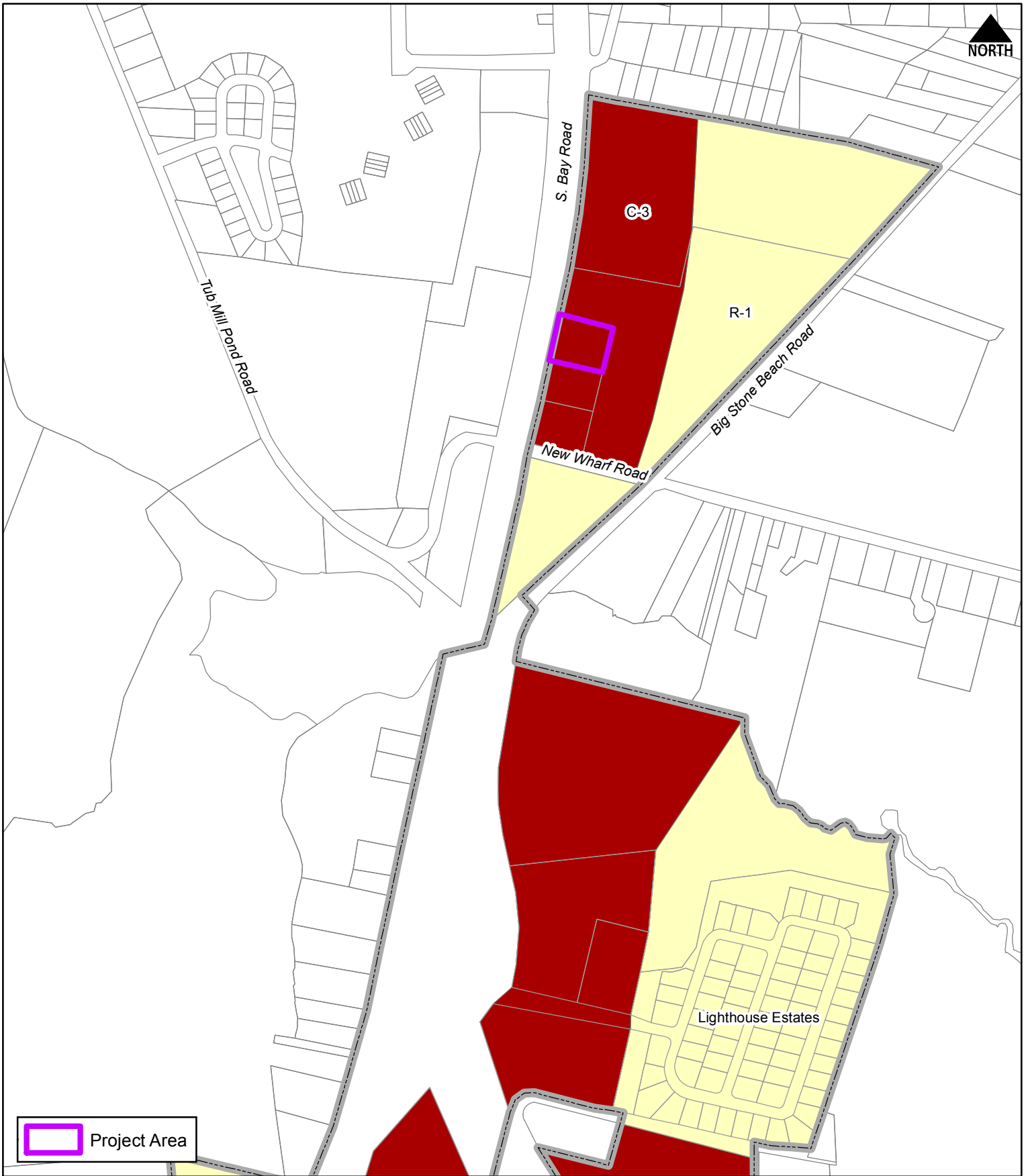
The proposed billboard may negatively affect the visibility of the business to the south and any potential development on the parcel owned by the applicant to the north.

F. Sufficient safeguards, such as traffic control, parking, screening and setbacks, can be implemented to remove potential adverse influences on adjoining uses.

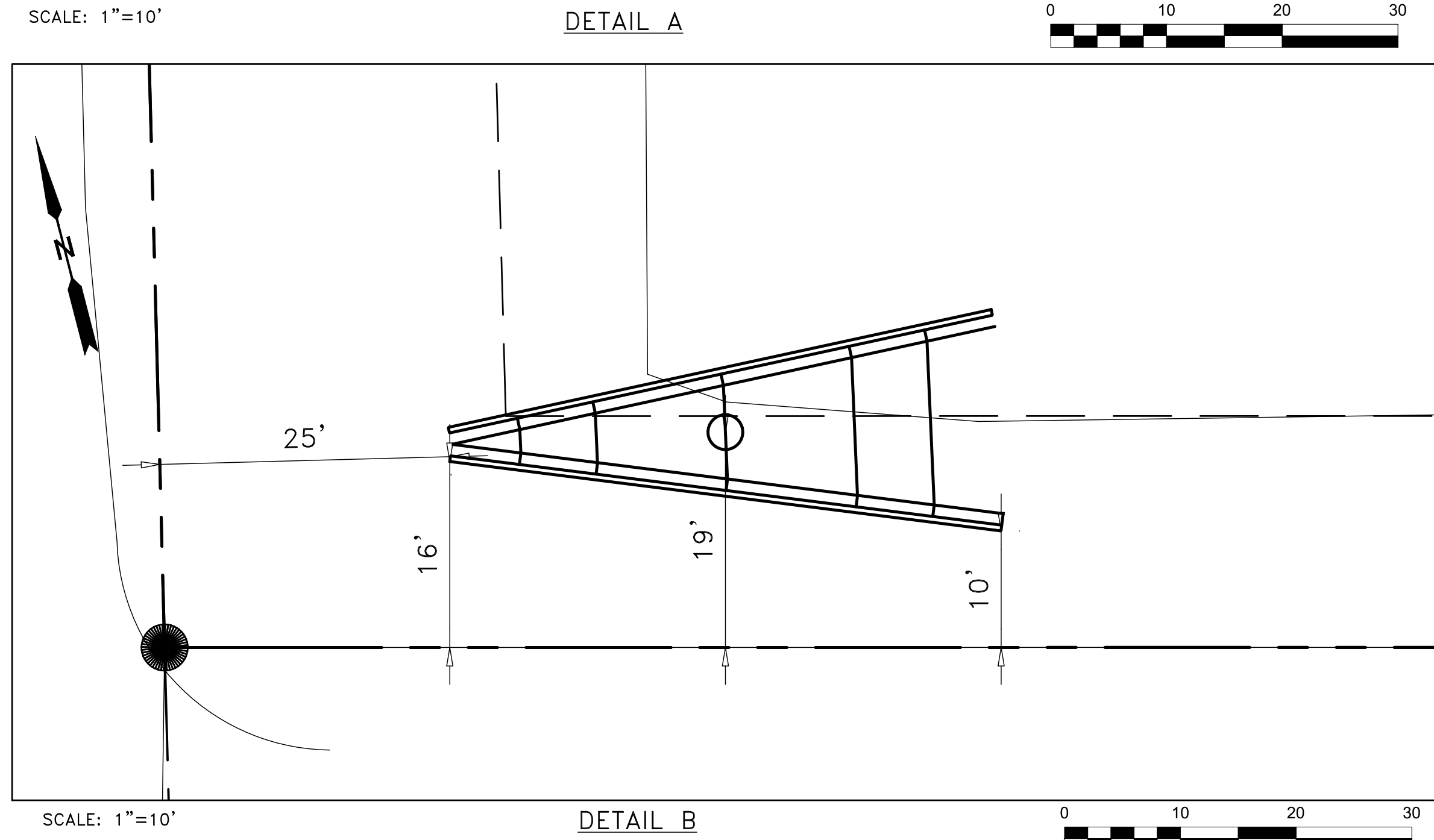
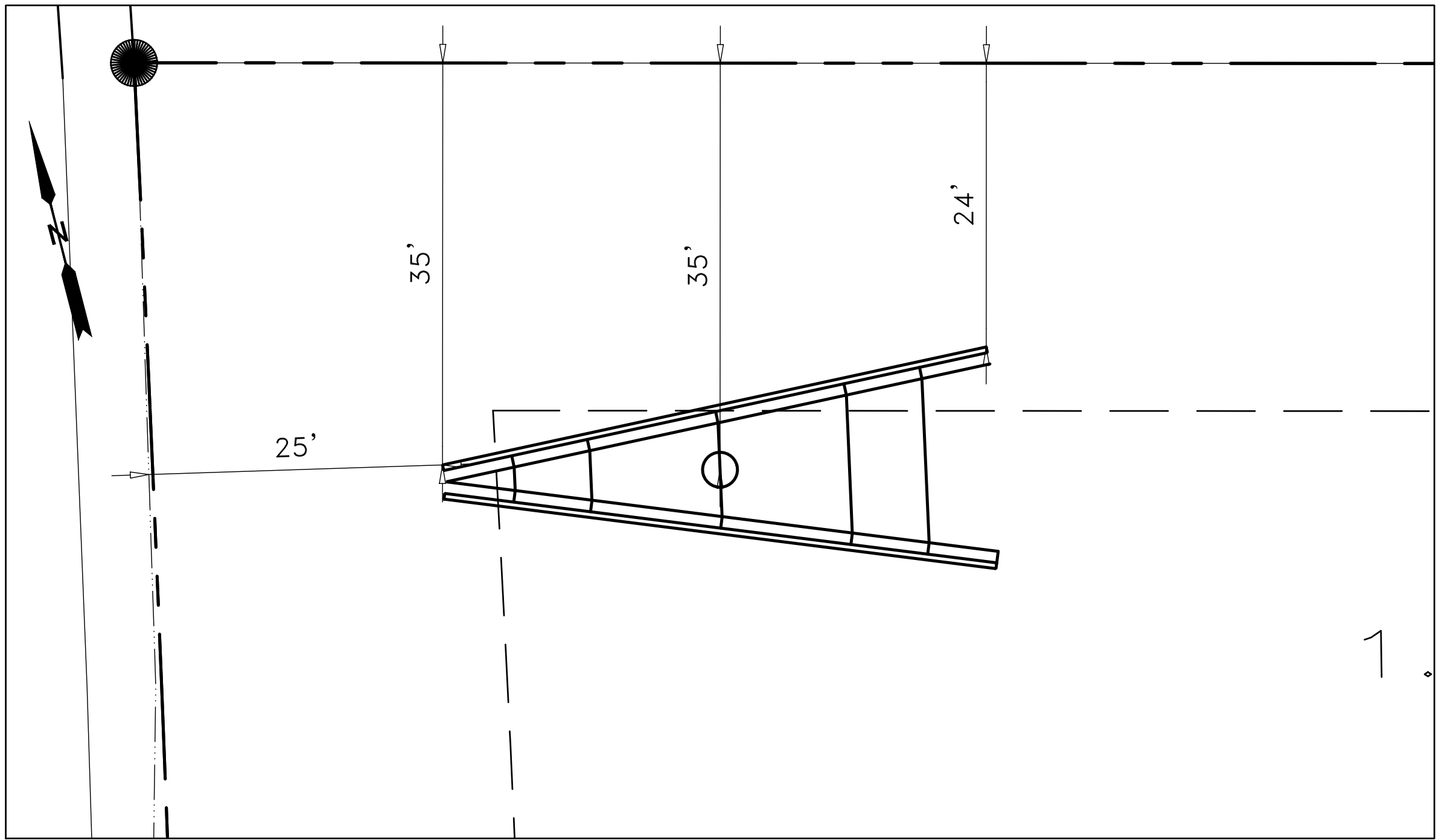
The proposed use does not impact traffic patterns or require parking. Due to the overall size of typical off-premise signage, screening would not be an effective means of removing potential adverse influences on neighboring properties. The applicant proposes to construct the billboard 25 feet from the front property line, which extends into the required 30 foot front yard setback for principal structures. The applicant also proposes to construct the billboard 24 feet from the side property line. The City should consider the effects of the billboards location on the future development of the adjacent

lands to the north, and should consider requiring the billboards be constructed outside the required front and side yard setbacks for the property. The required side yard setback for the C-3 zoning district is 50 foot aggregate, 20 foot minimum.

- If the Planning Commission and City Council elect to approve the applicant's request, staff recommends the following minimum conditions of approval:
 - o The applicant must obtain approval from DelDOT per Title 17, Chapter 11-Regulation of Outdoor Advertising.
 - o The applicant must obtain a building permit from the City of Milford for the construction of the sign, which will requires the submission of engineering plans.



P:\TJASR-1 Billboard\Design\TJA Billboard Placement.dwg Dec. 13, 2019 - 2:13pm



DATA COLUMN

PROPERTY LOCATION: 446 BAY ROAD
MILFORD, DE 19963

CURRENT DEED REFERENCE: D 6616 / 311

TAX PARCELS: 5-16-16300-01-0300 &
5-16-16300-01-0400

CURRENT PLAT REFERENCE: 37/77 & 47/76

ZONING: HIGHWAY COMMERCIAL C-3

BILLBOARD REGULATIONS:
ROW SETBACK: 25 FT. MIN.
SPACING BETWEEN STRUCTURES: 100 FT. MIN.
SPACING FROM INTERSECTION: 500 FT. MIN.

TOPOGRAPHICAL SURVEY PERFORMED BY DAVIS, BOWEN, AND
FRIEDEL, INC. ON JULY 1, 2019.

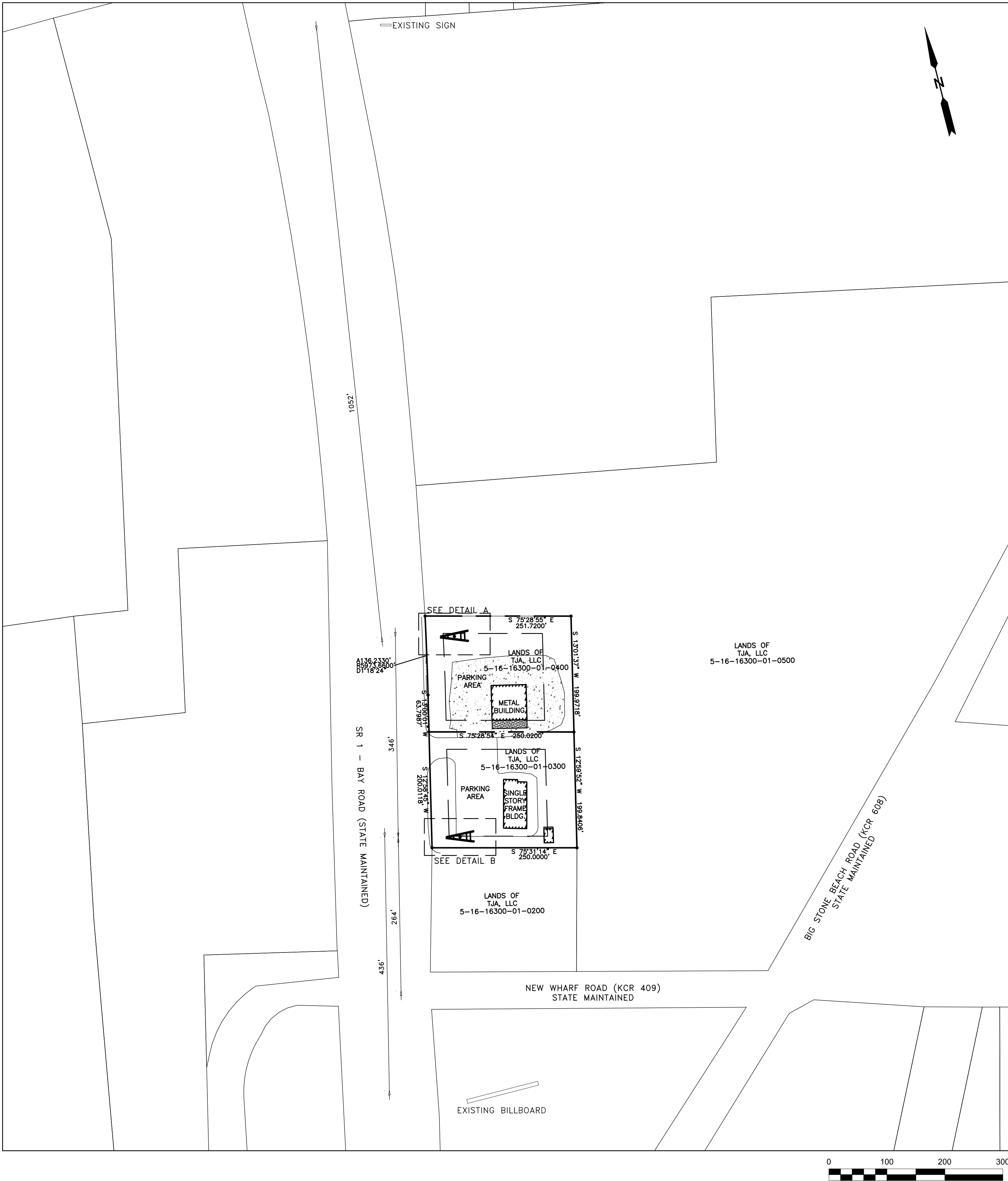
THE LAND SHOWN HEREON DOES NOT LIE WITHIN 100 YR.
FLOOD PLAIN PER F.I.R.M. PANEL 10005C0035K EFF.
03/16/15

OWNER:
TJA, LLC.
7343 BIG STONE BEACH RD.
MILFORD, DE 19963

ENGINEER:
DAVIS, BOWEN, AND FRIEDEL, INC.
1 PARK AVE.
MILFORD, DE 19963

BILLBOARD NOTES:

1. TYPE- STATIC
2. PANEL SIZE- 12'X48' (4- 2 PANELS PER STRUCTURE)
3. HEIGHT TO BOTTOM OF PANEL- 20 FT.
4. HEIGHT OF STRUCTURE- 32 FT.
5. "V" STYLE, BACK TO BACK, SINGLE POLE



TJA, LLC. BILLBOARD CITY OF MILFORD KENT COUNTY, DELAWARE

Date: **NOVEMBER, 2019**

Scale: **1" = 100'**

Dwn.By: **BJM**

Proj.No.:

Dwg.No.:

1

dbf **DAVIS, BOWEN & FRIEDEL, INC.** ARCHITECTS ENGINEERS SURVEYORS

SURVEY: MARYLAND (130) 424-2801
MILFORD, DELAWARE (302) 424-1441
EASTON, MARYLAND (410) 770-4744

BILLBOARD PLACEMENT

§ 230-14. - C-3 Highway Commercial District.

In a C-3 District no building or premises shall be used and no building shall be erected or altered which is arranged, intended or designed to be used except for one or more of the following uses and complying with the requirements so indicated.

- A. Purpose. The purpose of the C-3 District is to provide for larger-scale commercial uses that may require large amounts of parking space or have a high traffic impact. These uses generally require locations on major arterial routes and serve both local and regional customers.
- B. Permitted uses. Permitted uses for the C-3 District shall be as follows:
 - (1) Those uses permitted in the C-2 District.
 - (2) Warehouses.
 - (3) Large retail outlets.
 - (4) Indoor storage accessory building.
 - (5) Fast-food restaurants and drive-in restaurants.
 - (6) Supermarkets.
 - (7) Truck and trailer rentals.
 - (8) Roadside produce market.
 - (9) Memorial stone shop.
 - (10) Outdoor commercial recreational facilities, not motorized vehicles.
 - (11) Swimming club.
 - (12) Indoor facility for amusement or assembly.
 - (13) Bus station.
- C. Conditional uses subject to special requirements. The following uses are permitted subject to receiving a conditional use permit by the City Council as provided in Article IX of this chapter:
 - (1) Motels or hotels with a minimum lot size of three acres.
 - (2) Commercial greenhouse.
 - (3) Wholesale establishment.
 - (4) Newspaper publishing or printing establishment.
 - (5) Contractors', craftsmen's or general service shops, including welding and similar shops.
 - (6) Laboratory, testing and research.
 - (7) Car repair shops.
 - (8) Used car lots.
 - (9) Telephone central office or television cable central office.
 - (10) Service station, automobile sales agency, public garage, parking garage or lot, but not including storage of wrecked cars, subject to the following special requirements:
 - (a) All facilities shall be located and all services shall be conducted on the lot.
 - (b) All repair work shall be conducted within an entirely enclosed building.
 - (c) No equipment for the service of gasoline or oil shall be placed closer to any street or property line than 20 feet.

- (d) No portion of such structure or its equipment shall be located within 500 feet of the premises of any school, hospital, church or public recreation building.
 - (e) No service station shall be located within 800 feet of another service station on the same side of the street within the same block.
 - (f) Any such use shall be permitted only where it is determined that it will not materially interfere with the main pedestrian movement in conjunction with a compact retail area.
- (11) Shopping center, subject to site plan review and the following site requirements:
- (a) The total shall not be less than one acre.
 - (b) The site must be served by public water, sewer and electricity.
 - (c) Stormwater drainage. The facilities shall be provided by the developer to handle the increase in stormwater runoff, and he shall make contributions towards the cost of off-site facilities of the shopping center.
 - (d) Traffic and parking.
 - [1] The internal circulation of traffic shall be separated from the external street system, and pedestrian and vehicular traffic shall be separated through traffic control devices and appropriate site design.
 - [2] Access to state highways shall be controlled by the State Department of Transportation.
 - [3] The minimum distance between accessways and a residential district shall be 50 feet.
 - [4] Spacing of accessway.
 - [a] From adjoining property: 50 feet.
 - [b] From minor intersections: 50 feet.
 - [c] From major intersections: 100 to 150 feet.
 - [5] Five and one-half parking spaces shall be provided per 1,000 feet of leasable area.
 - [6] Parking lots shall be attractively landscaped as shown on the general site plan.
 - (e) Setback.
 - [1] From street right-of-way: 15 feet.
 - [2] From nonresidential districts: 15 feet.
 - [3] From residential districts: 100 feet.
 - (f) Buffering and landscaping.
 - [1] There shall be a minimum of a ten-foot landscaped buffer along all lot lines. The screening shall be six feet high near residential districts.
 - [2] Ten percent of the site shall be landscaped and may include features such as pedestrian walking or rest areas and courtyards.
- (12) Day-care centers, with site plan required.**
- (13) Car wash, all types (staffed, automatic, self-service, etc.).
 - (14) Convenience stores with gas pumps.
 - (15) Community residential treatment program.
 - (16) All dwellings other than single-family with a maximum density of 12 units per acre.
 - (17) Business, commercial or industrial uses that do not adversely affect neighboring properties.

(18) Billboard, subject to the following:

- (a) Shall be constructed and maintained in accordance with the Delaware Code, Title 17-Highways, Chapter 11-Regulations of Outdoor Advertising, Subchapter 1-General Provisions.

(19) Aquarium.

D. Area regulations.

- (1) Minimum lot area shall be one acre.
- (2) Maximum lot coverage shall be 80%.
- (3) Minimum lot width shall be as follows: for an interior lot 150 feet and for a corner lot 170 feet.
- (4) Height of buildings shall not exceed three stories or 35 feet, with the following exception: a motel, hotel, or aquarium may be erected to a height of over three stories, but not over five stories, and not exceeding 60 feet.
- (5) Minimum building setback shall be 30 feet.
- (6) Side yards shall be provided as follows: each lot shall have two side yards a minimum of 20 feet with a minimum aggregate width of two side yards of 50 feet.
- (7) Minimum rear yard shall be 50 feet.
- (8) Parking shall comply with the requirements provided in Article IV of this chapter.
- (9) Landscape screening shall comply with the requirements provided in Article V of this chapter.
- (10) Signs shall comply with the requirements provided in Article VI of this chapter.

§ 230-46. - Purpose.

- A. The intent of the conditional use is to maintain a measure of control over uses that have an impact on the entire community. Generally, conditional uses may be desirable in certain locations for the general convenience and welfare. They must use the property in a manner that assures neither an adverse impact upon adjoining properties nor the creation of a public nuisance. In short, because of the nature of the use, it requires sound planning judgment on its location and site arrangement.
- B. Conditional use permits may be issued for any of the conditional uses for which a use permit is required by the provisions of this chapter, provided that the City Council shall find that the application is in accordance with the provisions of this chapter after duly advertised hearings held in accordance with the provisions of Article XII.

§ 230-47. - Application and approval procedures.

- A. The application for a conditional use shall first be made with the Code Official, who shall then forward the materials to the Planning Commission.
- B. The Planning Commission shall study such information and make recommendations to the City Council within 60 days of the Code Official's referral to the Commission after holding a public hearing.
- C. The Council shall then act within 60 days of the receipt of the Commission's recommendation to either approve with conditions or deny such use after holding a public hearing. The Council's decision shall be based on the determination that the location of the use is appropriate, it is not in conflict with the Comprehensive Plan and it is consistent with the purpose and intent of this chapter.

§ 230-48. - Criteria for evaluation.

The following criteria shall be used as a guide in evaluating a proposed conditional use:

- A. The presence of adjoining similar uses.
- B. An adjoining district in which the use is permitted.
- C. There is a need for the use in the area proposed as established by the Comprehensive Plan.
- D. There is sufficient area to screen the conditional use from adjacent different uses.
- E. The use will not detract from permitted uses in the district.
- F. Sufficient safeguards, such as traffic control, parking, screening and setbacks, can be implemented to remove potential adverse influences on adjoining uses.

§ 230-49. - Conditions for approval; expiration.

- A. In granting any conditional use permit, the City Council may designate such conditions as will, in its opinion, assure that the use will conform to the requirements as stated in § 230-48 and that such use will continue to do so.
- B. Construction or operation shall be commenced within one year of the date of issuance or the use permit becomes void.
- C. A reapplication for a use permit for the same lot or use shall not be considered by the City Council within a period of 365 days from its last consideration. This provision, however, shall not impair the right of the Council to propose a use permit on its own motion.
- D. See fee schedule.
- E. If a conditional use permit is granted under the provisions of this article, the City Council shall direct the Code Official to officially notify the applicant, in writing, of all conditions approved by the Council.
- F. The approval of a conditional use is valid for one year. Unless permits are obtained or construction or use is substantially underway, all provisions of the conditional use are automatically rescinded. Permits may be revoked by the Council for failure to comply with the stated conditions of approval or applicable regulations.



STATE OF DELAWARE
DEPARTMENT OF TRANSPORTATION
800 BAY ROAD
P.O. Box 778
DOVER, DELAWARE 19903

JENNIFER COHAN
SECRETARY

December 23, 2019

TJA, LLC
7343 Big Stone Beach Rd.
Milford, DE 19963
Attn: Mr. Ring Lardner, P. E.

Dear Mr. Lardner,

The Roadside Control Section of the Department of Transportation is charged with the responsibility of enforcing statutory regulations pertaining to Outdoor Advertising as set forth under Title 17, Chapter 11, of the Delaware Code.

The Department has received your outdoor advertising application for a new billboard to be situated on the property belonging to TJA, LLC at 466 Bay Rd, in Kent County (tax parcel #: MD-16-163.00-001-03.00 and MD-16-163.00-01-04.00) advertising.

I have reviewed the proposed site plan that was submitted as well as the application. As long as the sign is constructed per the specifications submitted and the required building permits are obtained by the local authority, the Department has no objection to the proposed sign application noted above. Should there be any revisions to the sign in regards to size, location, or message; the Department must be notified immediately. The sign installer shall provide copies of the local building permit and notify the Department 24 hours prior to the start of construction. Upon completion of the construction of the sign, the installer shall notify the Department within 48 hours for a final field inspection.

Sincerely,

Alyce Doody
Roadside Control Agent

cc: Chris King, Roadside Control Manager

Chapter 11

REGULATION OF OUTDOOR ADVERTISING

Subchapter I

General Provisions

§ 1101 Purpose and policy.

The rapid growth in the use of motor vehicles throughout this State and the concurrent extension of highways built or improved at public expense has lead to great changes in the extent and character of public travel. The investment of this State, municipalities and towns in good roads, parks, parkways, playgrounds and reservations, and the safety, convenience and welfare of the inhabitants have been affected.

The regulation and control of outdoor advertising signs, displays and devices of all kinds is provided for in order to promote the general welfare, especially in the particulars hereinafter recited.

The people of this State would suffer economically if the State failed to participate fully in the allocation and apportionment of federal-aid highway funds since a reduction in federal-aid highway funds would necessitate increased taxation to support and maintain the state road program and system. It is, consequently, the intention of this chapter, among other things, to provide a statutory basis for regulation of outdoor advertising consistent with the public policy relating to areas adjacent to federal-aid interstate and primary systems declared by the Congress of the United States in Title 23, United States Code.

(42 Del. Laws, c. 182, § 1; 17 Del. C. 1953, § 1101; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276.)

§ 1102 Scope and definitions.

(a) The powers and authority granted in this chapter are in derogation of no other powers or authority granted by or created by or exercised under any other statute, or by a planning or zoning board or authority, or other public officer, but shall be construed as in addition to any such power or authority, which shall remain unaffected.

(b) As used in this chapter:

(1) "Commercial or industrial activities for purposes of unzoned commercial and industrial areas" means those activities generally recognized as commercial or industrial by zoning authorities in this State, except that none of the following activities shall be considered commercial or industrial:

- a. Outdoor advertising structures;
- b. Forestry, ranching, grazing and farming including, but not limited to, wayside fresh produce stands;
- c. Transient or temporary activities;
- d. Activities more than 600 feet from the nearest edge of the right-of-way along the interstate and federal-aid primary route;
- e. Activities conducted in buildings principally used as a residence;
- f. Railroad tracks and minor sidings;
- g. Activities not visible from the main traveled way.

(2) "Controlled areas" means and includes any area inside the boundaries of this State which is adjacent to the right-of-way of a highway of the interstate or primary systems, except that areas beyond 660 feet of the right-of-way inside urban areas shall be excluded from this chapter.

(3) "Department" means the Department of Transportation.

(4) "Erect" means to construct, build, raise, assemble, place, affix, attach, create, paint, draw or in any way bring into being or establish, but it shall not include any of the foregoing activities when performed as an incident to the change of advertising message or customary maintenance of a sign or sign structure.

(5) "Gateway sign" means any sign, display, or device intended for its purpose to provide information to the travelling public advising motorists that they are entering the boundaries of a political subdivision or established nonincorporated area of the State. A gateway sign may include a slogan or related graphic, or both, subject to the approval of the Department.

(6) "Information center" means an area or site established and maintained at a rest area for the purpose of informing the public of places of interest within the State and providing such other information as the Department may consider desirable.

(7) "Interstate system" means that portion of the national system of interstate and defense highways located within this State, as officially designated, or as may hereafter be so designated, by the Department and approved by the Secretary of Transportation of the United States, pursuant to Title 23, United States Code, "Highways."

(8) The "laws of this State" shall include a provision of the Constitution or statutes of the State, or an ordinance, rule or regulation enacted or adopted by an agency or political subdivision of this State pursuant to the Constitution or statutes.

(9) "Maintain" means to allow to exist in accordance with state law.

(10) "Outdoor advertising" or "outdoor advertising signs, displays and devices" shall include any outdoor sign, display, device, picture, emblem, trademark, figure, painting, drawing, message, placard, poster, billboard, light or other thing which is designed,

intended or used to advertise, to inform or to attract the attention of the traveling public, which is within 660 feet and visible or beyond 660 feet and visible and erected with the purpose of being read from the main traveled way of any state highway.

(11) "Primary system" means that portion of connected main highways of this State officially designated as such, or as may hereafter be designated as such, by the Department and approved by the Secretary of Transportation of the United States, pursuant to Title 23, United States Code, "Highways."

(12) "Rest area" means an area or site established and maintained within or adjacent to the right-of-way by or under public supervision or control, for the convenience of the traveling public.

(13) "Unzoned commercial or industrial areas" means those areas not zoned by any state, county or local ordinance or regulation on which there are located 1 or more permanent structures devoted to a business or industrial activity or on which a commercial or industrial activity is actually conducted, whether or not a permanent structure is located thereon, and the area along the highway extending outward 800 feet from and beyond the edge of such activity. Each side of the highway will be considered separately in applying this definition. All measurements shall be from the outer edges of the regularly used buildings, parking lots, storage or processing areas of the commercial or industrial activities, not from the property lines of the activities, and shall be along or parallel to the edge of the pavement of the highway.

(14) "Urban areas" means and includes those areas designated as such by the Bureau of the Census and whose boundaries have been approved by the Secretary of the United States Department of Transportation.

(15) "Visible" means capable of being seen (whether or not legible) without visual aid by a person of normal visual acuity.

(16) "Zoned commercial or industrial areas" means those areas which are zoned for business, industry, commerce or trade pursuant to a state or local zoning ordinance or regulation, except that those areas beyond 660 feet outside urban areas shall not be recognized as commercial, industrial, unzoned commercial or unzoned industrial in the application of this chapter.

(42 Del. Laws, c. 182, § 1; 17 Del. C. 1953, § 1102; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, §§ 1, 2; 60 Del. Laws, c. 290, § 1; 61 Del. Laws, c. 262, §§ 1-6; 79 Del. Laws, c. 320, § 1.)

§ 1103 Enforcement of chapter; rules and regulations; examinations; territorial limitations.

(a) The Department shall:

(1) Enforce this chapter; and

(2) Make, publish and enforce such regulations for the proper control and restriction of outdoor advertising signs, displays and devices as may be necessary or advisable to implement the policy and accomplish the purposes of this chapter.

(b) All employees of the Department, or any peace officer of this State, when so directed by the Department or its officers, may enter into and upon any land or building to make any examination or survey which the Department deems necessary to the effective administration of this chapter or to enforce this chapter.

(c) This chapter shall apply only to outdoor advertising signs, displays and devices situate outside the corporate limits of any incorporated city or town in this State and to those outdoor advertising signs, displays and devices situate in controlled areas within such corporate limits.

(42 Del. Laws, c. 182, §§ 2, 14; 17 Del. C. 1953, § 1103; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, § 7; 61 Del. Laws, c. 262, § 7.)

§ 1104 Application and issuance of permits; revocation.

(a) Except as otherwise provided, no person, whether engaged in the business of outdoor advertising or not, shall erect, maintain or display any outdoor advertising sign, display or device, above or upon real property, without first obtaining a permit from the Department.

(b) A separate application for a permit shall be made for each separate outdoor advertising sign, display or device on a form furnished by the Department, which application shall contain such information as it may require. For the purpose of this subsection, each single sign panel or face shall be interpreted as constituting an outdoor advertising sign, display or device. Each application shall be accompanied by the written consent of the owner or tenant of the real property upon which such sign, display or device is to be erected or maintained. No new application shall be made for a permit to maintain any existing outdoor advertising sign, display or device or to renew a permit.

(c) The Department, in accordance with this chapter, shall issue or renew permits for a period of at least 1 year for the erection and maintenance of all types of outdoor advertising signs, displays and devices; provided, however, that all new permits issued shall expire at the next regular renewal period established by the Department. No permit shall be issued for the erection or construction of any sign which would be in violation of local law or ordinance at the time application is filed.

(d) The Department may establish and collect fees for the issuance of permits and renewals thereof. The amount of such charge shall be so fixed as to provide the Department with the funds deemed necessary by it to defray the costs of the administration of this chapter.

(e) When an application for a permit or for a renewal thereof is made by a nonresident or by a foreign corporation engaged in the business of outdoor advertising, the Department, at its discretion, as a condition to the issuance of such permit or renewal, may require such corporation to deposit with the Department a bond, in an amount and with surety to be approved by the Department, to secure such corporation's compliance with this chapter.

(f) All sign permits issued under this section shall terminate and become void if the sign structure for which the permit is issued is not under construction within 6 months and is not fully constructed in full compliance with the terms of this chapter within 1 year after its issuance. Under no circumstances shall there be any refund of a permit fee which has become void.

(42 Del. Laws, c. 182, § 3; 17 Del. C. 1953, § 1104; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, §§ 8, 9; 61 Del. Laws, c. 262, §§ 8-10.)

§ 1105 Advertising identification.

The Department shall require that each outdoor advertising sign, display or device shall bear an identifying tag or plate to be issued by the Department, and, upon erection shall bear the name of the party responsible for the erection and maintenance of the sign and the Department shall make provisions for the details thereof.

(42 Del. Laws, c. 182, § 4; 17 Del. C. 1953, § 1105; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 60 Del. Laws, c. 290, § 3; 61 Del. Laws, c. 262, § 11.)

§ 1106 Removal upon expiration or revocation of permit.

All outdoor advertising signs, displays and devices shall be removed by the outdoor advertiser or other person erecting, owning, maintaining or displaying the same, or, in the event of that person's default, by the owner or tenant of the premises upon which any such sign, display or device is located, within 30 days from the date of the expiration or revocation of the permit for the same.

(42 Del. Laws, c. 182, § 5; 17 Del. C. 1953, § 1106; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 70 Del. Laws, c. 186, § 1.)

§ 1107 Unlawful to remove or damage road markers, etc., or place advertising on highways.

(a) No person shall willfully or maliciously displace, remove, destroy or injure a mileboard, milestone, danger sign or signal, guide sign or guide post or any inscription thereon, lawfully within the right-of-way of a public highway.

(b) No person shall in any manner paint, print, place, put or affix any outdoor advertising, outdoor advertising signs, displays or devices upon or to any rock, stone, tree, fence, stump, pole, milestone, danger signal, guide sign, guide post, building or other object lawfully within the right-of-way of any public highway.

(42 Del. Laws, c. 182, § 7; 17 Del. C. 1953, § 1107; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 61 Del. Laws, c. 262, § 12.)

§ 1108 Location and condition of advertising regulated.

(a) Subject to subsection (c) of this section, no outdoor advertising sign, display or device, except a directional, gateway, or warning sign, official sign or notice erected by or with the approval of the Department, shall be erected subsequent to July 14, 1969, within 25 feet of the right-of-way line of any public highway if visible from any portion of the same.

(b) Subject to subsection (c) and subsection (d) of this section, no outdoor advertising sign, display or device, except a gateway sign or historical marker erected with the approval of the Department, shall be erected or maintained:

(1) On the right-of-way of any public highways;

(2) Within 25 feet of any public playground, school or church if visible from any portion of the same;

(3) Upon the inside curves or at or near a railroad crossing or a highway intersection, if such would obstruct or interfere with the view of a train, locomotive, streetcar or other vehicle at or approaching such crossing or intersection or so as to obstruct the view of such intersection or crossing or of a turn or a sharp change in alignment or in any manner dangerous to the public;

(4) If such sign, display or device is obsolete or is not in good physical condition;

(5) If such sign, display or device is not securely affixed to a substantial structure or in any way endangers traffic on any public highway.

(c) Subsection (a) of this section shall not apply to outdoor advertising signs, displays or devices which advertise the sale or lease of, or activities conducted upon, the real property where they are located, or any outdoor advertising signs displayed on any school bus waiting shelter located and approved by the State Department of Education.

(d) Beautification/landscape planting sponsorship signs located within the right-of-way of any public highway shall be erected or placed as defined below and as such are exempt from this chapter and section:

(1) Signs under the above provision denoting the name of the person or persons or organization sponsoring or donating, planting and/or maintaining beautification/landscape projects shall require an approved right-of-way use agreement issued by the Department of Transportation;

(2) Such signs shall not exceed 6 square feet and shall be constructed, painted and lettered according to standards for material and fabrication as required by the Department of Transportation.

(42 Del. Laws, c. 182, §§ 6, 11; 17 Del. C. 1953, § 1108; 53 Del. Laws, c. 87, § 1; 55 Del. Laws, c. 407; 56 Del. Laws, c. 178; 56 Del. Laws, c. 351, § 1; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, §§ 10, 11; 61 Del. Laws, c. 262, §§ 13-15; 62 Del. Laws, c. 267, §§ 1, 2; 71 Del. Laws, c. 318, § 1; 79 Del. Laws, c. 320, § 1; 80 Del. Laws, c. 23, § 1.)

§ 1109 Forbidden advertising.

No outdoor advertising signs, displays or devices shall display copy which violates any federal or state law, or which is offensive to the moral standards of the community at the time the copy is offered for display, or which is false, misleading or deceptive.

(42 Del. Laws, c. 182, § 10; 17 Del. C. 1953, § 1109; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276.)

§ 1110 Delaware Byways Program.

In order to provide criteria for the size, spacing and lighting of signs which effectively control the erection of outdoor advertising signs, displays and devices erected subsequent to July 14, 1969, other than those advertising the sale or lease of the property on which they are located, or activities conducted thereon, the Department establishes the following criteria for use in making, publishing and enforcing regulations:

(1) In zoned commercial and industrial areas, the Department shall certify to the administrator as notice of effective control that there have been established within such areas regulations which are effective and are enforced with respect to the size, lighting and spacing of outdoor advertising signs, displays and devices. In such areas, the size, lighting and spacing requirements set forth below shall not apply.

(2) In all other zoned and unzoned commercial and industrial areas, the criteria set forth below shall apply:

a. *Construction of signs.* —

1. The maximum area for any 1 sign shall be 1,200 square feet with a maximum height of 25 feet and maximum length of 60 feet, inclusive of any border and trim but excluding ornamental base or apron, supports and other structural members.

2. The area of the sign shall be computed by the sign maker utilizing the most practical method which encompasses the entire sign and this data shall be submitted to the Division of Highways upon application for permit.

3. A sign structure may contain 1 or 2 signs per facing and 2 sign facings may be placed back to back or V-type at 1 location but in no event shall the total area of any facing exceed 1,200 square feet.

4. A sign which exceeds 600 square feet in area may not be on the same sign facing with any other sign.

5. All newly erected, rebuilt or replaced sign structures shall be constructed in accordance with the applicable wind pressure standards of the local building code, or, in the absence of such requirement, shall be constructed to withstand a minimum wind pressure of 25 pounds per square foot.

b. *Spacing of signs.* —

1. *Interstate and federal aid primary highways.* — Signs may not be located in such a manner as to obscure, or otherwise physically interfere with the effectiveness of an official traffic sign, signal or device, or obstruct or physically interfere with the driver's view of approaching, merging or intersecting traffic. Except for roof signs, wall signs and free standing signs against the wall of a building, no ground sign shall be placed within 35 feet of either highway right-of-way at an intersection where they converge, unless the base of such sign shall be at least 8 feet above ground level or road bed, whichever is higher.

2. *Interstate highways and controlled access highways on the federal aid primary system.* —

A. No 2 structures shall be spaced less than 500 feet apart.

B. Outside of incorporated cities and towns, no structure may be located within 500 feet of an interchange, intersection at grade, rest area or information center (measured along the interstate or freeway from the beginning or ending of pavement widening at the exit from or entrance to the main traveled way).

3. *Noncontrolled access federal aid primary highways.* —

A. Outside of incorporated cities and towns, no 2 structures shall be spaced less than 300 feet apart.

B. Within incorporated cities and towns, no 2 structures shall be spaced less than 100 feet apart.

4. The above spacing-between-structures provisions do not apply to structures separated by buildings or other obstructions in such a manner that only 1 sign facing located within the above spacing distances is visible from the highway at any 1 time.

5. Official and "on premise" signs, as defined in subsection (c) of § 131 of Title 23, United States Code, and structures that are not lawfully maintained shall not be counted nor shall measurements be made from them for purposes of determining compliance with spacing requirements.

6. The minimum distance between structures shall be measured along the nearest edge of the pavement between points directly opposite the signs along each side of the highway and shall apply only to structures located on the same side of the highway.

c. *Lighting.* — Signs may be illuminated, subject to the following restrictions.

1. Signs which contain, include, or are illuminated by any flashing, intermittent, or moving light or lights are prohibited, except those giving public service information such as time, date, temperature, weather, or traffic conditions, or as defined in paragraph (2)c.5. of this section.

2. Signs which are not effectively shielded to prevent beams or rays of light from being directed at any portion of the traveled ways of an interstate or federal-aid primary highway and which are of such intensity or brilliance as to cause glare or to impair the vision of a driver of a motor vehicle or which otherwise obscure or interfere with a driver's operation of a motor vehicle are prohibited.

3. A sign may not be illuminated so that it interferes with the effectiveness of, or obscures, an official traffic control device such as a sign or signal.

4. All lighting is subject to any other provisions of law relating to the lighting of signs presently applicable to all highways under the jurisdiction of the State.

5. Notwithstanding the provisions of paragraphs (2)c.1. through (2)c.4. of this section, signs commonly known as variable message signs may be changed at intervals by electronic or mechanical process or remote control, and are permitted within 660 feet of the edge of the right-of-way of any interstate or federal-aid primary highway so designated as of June 1, 1991, and of the National Highway System. These variable message signs are permitted, except as prohibited by local ordinance or zoning regulation or by the Delaware federal-state outdoor advertising agreement of May 1, 1968, and are not considered to be in violation of flashing, intermittent, or moving lights criteria provided that:

A. Each message remains fixed for a minimum of at least 10 seconds.

B. When the message is changed, it must be accomplished in 1 second or less, with all moving parts or illumination changing simultaneously and in unison.

C. A variable message sign along the same roadway and facing in the same direction of travel may not be placed, as measured along the centerline of the roadway, within 2,500 feet of another variable message sign, or within 500 feet of a static billboard sign regulated by this section, or within 1,000 feet of an interchange, interstate junction of merging or diverging traffic, or an at-grade intersection.

D. A variable message sign must contain a default design that will freeze the sign in 1 position if a malfunction occurs or, in the alternative, that will shut down.

E. A variable message sign may not contain or display any lights, effects, or messages that flash, move, appear to be animated or to move, scroll, or change in intensity during the fixed display period. A variable message sign must appropriately adjust display brightness as ambient light levels change.

F. A sign that attempts or appears to attempt to direct the movement of traffic or which contains wording, color, shapes, or likenesses of official traffic control devices is prohibited.

G. A sign may not be placed along designated Delaware byways.

d. The State and local political subdivisions shall have full authority under their own zoning laws to zone areas for commercial or industrial purposes and the action of the State and local political subdivisions in this regard will be accepted for the purposes of this chapter. At any time that a political subdivision adopts regulations which include the size, lighting and spacing of outdoor advertising, the State shall so certify to the administrator and control of outdoor advertising in commercial or industrial areas will transfer to paragraph (1) of this section.

(17 Del. C. 1953, § 1110; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, §§ 3-6; 60 Del. Laws, c. 290, § 2; 61 Del. Laws, c. 262, § 16; 76 Del. Laws, c. 144, § 1; 77 Del. Laws, c. 367, § 1.)

§ 1111 Public nuisance; abatement.

(a) Any outdoor advertising sign, display or device which is erected or maintained in violation of this chapter or any regulations lawfully adopted pursuant to this chapter is declared to be a public nuisance and may be forthwith removed, obliterated or abated by the Department, its employees or any peace officer of this State, when such violation is not corrected after 30 days' written notice of the violation to the owner of the sign, display or device or to the owner, lessee or occupant of the land upon which the sign, display or device is located. All costs incurred by the Department in abating a nuisance pursuant to this section shall be the responsibility of the owner of the sign, display or device and the Department shall have an action at law to recover such costs, as well as the expenses of suit.

When any sign is damaged, or falls into disrepair to the extent that obvious repairs are needed, the owner shall be notified in writing by the Department to make all necessary repairs. If the sign is not repaired, rebuilt or removed within 30 days of the notification, the applicable sign permit shall lapse and become null and void.

(b) Any person, business or company which knowingly paints, builds and erects or maintains an outdoor advertising sign without a permit shall be in violation of the chapter.

(c)(1) Any outdoor advertising sign, display or device which is erected or maintained in violation of § 1108(b)(1) of this title shall be subject to immediate removal and the other enforcement provisions of § 525 of this title, without regard to the clear zone distance limitations of that section.

(2) Paragraph (c)(1) of this section shall not apply during the 30-day period immediately preceding and the 30-day period after an election administered pursuant to Title 15, in those election districts affected by such election or elections.

(42 Del. Laws, c. 182, § 13; 17 Del. C. 1953, § 1111; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, § 12; 60 Del. Laws, c. 290, §§ 4, 5; 75 Del. Laws, c. 98, § 124.)

§ 1112 Injunctive relief.

The Department or any taxpayer may maintain an action for an injunction to restrain any violation or threatened violation of this chapter or of any regulation lawfully adopted pursuant thereto.

(42 Del. Laws, c. 182, § 13; 17 Del. C. 1953, § 1112; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276.)

§ 1113 Penalties.

Whoever violates this chapter or any regulation lawfully adopted pursuant to this chapter shall be fined not less than \$10 nor more than \$50.

Each day that a violation is allowed to continue after 30 days' written notice of its existence shall constitute a separate offense.

(42 Del. Laws, c. 182, § 13; 17 Del. C. 1953, § 1113; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276.)

§ 1114 Signs excepted from provisions of this subchapter.

The classes of signs described below are excepted from all provisions of this subchapter other than the provisions of § 1103(a)(2) insofar as those provisions may be implemented by regulations controlling and restricting outdoor advertising signs, displays and devices in controlled areas:

- (1) Outdoor advertising signs, displays and devices 32 square feet or less erected or maintained upon real property and placed on the premises to identify a business conducted thereon.
- (2) Outdoor advertising signs, displays and devices (containing 12 square feet or less in areas zoned residential or 32 square feet or less in areas zoned otherwise) upon real property stating that the property, or a part thereof, is for sale or for rent.
- (3) A notice or advertisement required by law in any legal proceeding or put upon the property by public authority.
- (4) A danger or precautionary sign containing 2 square feet or less relating to the premises or a sign warning of the condition of or danger of travel on a highway.
- (5) Any notice or sign of any railroad or other transportation or transmission or communication company necessary for the direction or information or safety of the public.
- (6) Any sign containing 6 square feet or less and directing travelers to any town, village, city, historical site or attractions, provided the same is maintained at public expense.
- (7) Nonofficial signs displayed on transit shelters under contracts approved by the Department.

(42 Del. Laws, c. 182, § 8; 17 Del. C. 1953, § 1114; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 60 Del. Laws, c. 290, § 6; 61 Del. Laws, c. 262, §§ 17, 18; 63 Del. Laws, c. 178, §§ 1, 2; 71 Del. Laws, c. 318, §§ 2, 3.)

§§ 1115 -1119. [Reserved.]

§ 1120 Severability.

If any exception, section, part, phrase, or provision of this chapter or the application thereof be held invalid by any court of competent jurisdiction, such judgment shall be confined in its operation to the exception, section, part, phrase, provision, or application directly involved in the controversy in which such judgment shall have been rendered, and shall not affect or impair the remainder of this chapter or the application thereof.

(71 Del. Laws, c. 318, § 4.)

Subchapter II

Areas Adjacent to Highways of the Interstate and Primary Systems

§ 1121 Limitations of outdoor advertising in controlled areas.

Subject to § 1122 of this title, no outdoor advertising sign, display or device, any part of the advertising, informative or attention attracting contents of which is visible from the main traveled way of a highway of the interstate system or primary system, shall be erected or maintained within a controlled area, unless it shall come within 1 or more of the following categories:

- (1) Directional and other official signs and notices, which signs and notices shall include, but not be limited to, signs and notices pertaining to natural wonders, scenic and historic attractions as authorized or required by the laws of this State;
- (2) Signs, displays and devices advertising the sale or lease of the real property upon which they are located;
- (3) Signs, displays and devices advertising activities conducted on the real property upon which they are located;
- (4) Signs, displays and devices located either:
 - a. In controlled areas adjacent to the interstate system and within the boundaries of incorporated municipalities, as such boundaries existed on September 21, 1959, wherein the use of real property is subject to municipal regulation and control, which are zoned industrial or commercial; or
 - b. In other controlled areas adjacent to the interstate system zoned industrial or commercial which were zoned industrial or commercial as of September 21, 1959;
- (5) Signs, displays and devices located in controlled areas adjacent to highways of the primary system which are zoned industrial or commercial;
- (6) Signs, displays and devices located in unzoned commercial and industrial controlled areas adjacent to highways of the primary system and defined by regulations to be promulgated by the Department;
- (7) Any school bus waiting shelter displaying a sign provided such sign does not exceed 32 square feet in area and with a limit of 2 signs per shelter. Should the State Department of Education determine that there is no longer a need for a waiting shelter at its present location, the exemption provided by this paragraph shall then terminate.

Such outdoor advertising signs, displays and devices as are permitted in controlled areas under this section shall be erected and maintained only in conformity with such applicable regulations as may be promulgated by the Department under § 1103 of this title.

(17 Del. C. 1953, § 1121; 57 Del. Laws, c. 276; 57 Del. Laws, c. 633, § 13; 61 Del. Laws, c. 262, §§ 19-21; 71 Del. Laws, c. 318, § 5.)

§ 1122 Removal of nonconforming advertising; fair compensation.

(a) Just compensation shall be paid upon the removal of the following outdoor advertising signs, displays and devices:

- (1) Those lawfully in existence on July 14, 1969;
- (2) Those lawfully on any highway made a part of the interstate or federal-aid primary system on or after July 14, 1969; and
- (3) Those lawfully erected on or after July 14, 1969.

(b) The Department is authorized to acquire the necessary right in and to property and is directed to pay compensation therefor in the same manner as with other property acquired for state highway purposes with respect to the foregoing outdoor advertising signs, displays and devices. The compensation to be paid shall be for the following:

- (1) The taking from the owner of such sign, display or device of all right, title, leasehold and interest in such sign, display and device; and
- (2) The taking from the owner of the real property on which such sign, display or device is located, of the right to erect and maintain such signs, displays or devices thereon. Notwithstanding these provisions, no rights in and to property shall be acquired with respect to any outdoor advertising sign, display or device except to the extent that federal funds authorized to be appropriated pursuant to the federal Highway Beautification Act of 1965, as amended, to reimburse the State for 75% of the cost thereof, are in fact appropriated and allocated to the State for that purpose.

(17 Del. C. 1953, § 1122; 57 Del. Laws, c. 276.)

§ 1123 Advertising in rest areas.

In order to provide information in the specific interest of the traveling public, the Department is authorized to maintain maps and to permit informational directories and advertising pamphlets to be made available at rest areas and to establish information centers in such areas for the purpose of informing the public of places of interest within the State and providing such other information as may be considered desirable, provided, however, that no such information centers shall be established within controlled areas adjacent to the interstate system without the approval of the Secretary of Transportation of the United States.

(17 Del. C. 1953, § 1123; 57 Del. Laws, c. 276; 61 Del. Laws, c. 262, § 22.)

§ 1124 Signs, displays and devices providing information for the traveling public; location.

Signs, displays and devices giving specific information in the interest of the traveling public may be erected and maintained, pursuant to agreement between the Department and the Secretary of Transportation of the United States, within the right-of-way of highways of the interstate system, at appropriate distances from interchanges on such systems.

(17 Del. C. 1953, § 1124; 57 Del. Laws, c. 276.)

§ 1125 Agreements with federal government or agencies.

The Department may enter into agreements, consistent with this chapter, with the Secretary of Transportation of the United States relating to the control of outdoor advertising in controlled areas and take action in the name of the State to comply with the terms of such agreements.

The Department may accept allotment of funds by the United States, or any department or agency thereof, authorized by the Federal-Aid Highway Act of 1958, or any subsequent legislation supplementary to or amending such Act, in connection with any agreement entered into by the Department and the Secretary of Transportation of the United States relating to the control of outdoor advertising in controlled areas adjacent to the interstate and/or primary system.

(17 Del. C. 1953, § 1125; 53 Del. Laws, c. 87, § 1; 57 Del. Laws, c. 276; 61 Del. Laws, c. 262, § 23.)

§ 1126 Relationship of subchapter to other provisions of chapter.

The provisions of this subchapter relating to the regulation of outdoor advertising in controlled areas are in addition to, and not in lieu of, subchapter I of this chapter.

(61 Del. Laws, c. 262, § 24.)

Subchapter III

Limited Access, State Toll Roads

§ 1131 Limitations of outdoor advertising along limited access, state toll roads.

The provisions of subchapter II of this chapter shall be applicable to any limited access, state toll road in this State.

(68 Del. Laws, c. 417, § 1.)

§ 1132 Sign limitations on state toll highways.

(a) Notwithstanding any other provisions of this Code to the contrary, variable message signs (VMS) may not be erected or placed, facing in the same direction of travel, and directed toward and able to be read by travelers along state toll highways, within 1,000 feet of any toll highway listed in subsection (c) of this section, except for those signs installed within the rights-of-way of a toll highway for official Department use.

(b) As used in this section, "variable message sign" ("VMS") means a sign or portion of a sign on which the message copy includes characters, letters, or illustrations that can be changed or rearranged electronically or mechanically without touching or physically altering the primary surface of the sign. Message copy for a VMS may be changed in the field or from a remote location.

(c) The provisions of this section apply to the following: the portion of State Route 1 running from the point at which it merges with U.S. Route 13 below State Route 71 to the point where it merges with the southbound on-ramp of State Route 9.

(78 Del. Laws, c. 138, § 1.)

MILFORD CITY COUNCIL

MINUTES OF MEETING

July 14, 2003

The regular monthly meeting of Milford City Council was held in Council Chambers of Milford City Hall on Monday, July 14, 2003.

PRESIDING: Honorable Mayor Joseph R. Rogers

IN ATTENDANCE: Councilpersons Irvin Ambrose, Abraham Ellison, James O'Neill, Owen Brooks, Jr., Douglas Morrow, James Starling, Sr. and Katrina Brown

Also: City Manager Richard Carmean, Chief Keith Hudson and City Clerk/Recorder Terri Hudson

Mayor Rogers called the monthly meeting to order at 7:31 p.m.

Following the Pledge of Allegiance, Councilman Ellison gave the invocation.

APPROVAL OF MINUTES

Mr. Ellison made a motion to approve the minutes of the June 9, 2003, June 23, 2003 and June 30, 2003 minutes as written. Mr. Morrow seconded the motion. Motion carried.

RECOGNITION

Miss Delaware 2003/Erin Williams

Mayor Rogers recognized newly crowned Miss Delaware, Erin Williams and read the following resolution into record:

RESOLUTION CONGRATULATING MISS EASTERN SHORE, ERIN WILLIAMS, A NATIVE OF LINCOLN, DELAWARE AND 2001 GRADUATE OF MILFORD SENIOR HIGH SCHOOL ON WINNING THE TITLE OF "MISS DELAWARE" IN THE 2003 MISS DELAWARE SCHOLARSHIP PAGEANT.

Whereas, Erin Williams, daughter of Terry Williams and the late Sandra Williams, won the title of "Miss Delaware" in the State Scholarship Pageant held June 7, 2003 at the Rehoboth Beach Convention Center in Rehoboth Beach, Delaware; and

Whereas, Erin Williams, a former Miss Milford, was among sixteen contestants in the scholarship pageant that has maintained a tradition for many decades of empowering women to achieve their personal and professional goals, while providing a forum to express their opinions, talents and intelligence; and

Whereas, Erin Williams will represent the State of Delaware in the 2004 Miss America Scholarship Pageant to be held September 20, 2003 in Atlantic City, New Jersey; and

Whereas, Erin Williams is an outstanding young lady in every way and the City of Milford is very proud of the accomplishments of this lovely, intelligent and gifted individual knowing she will represent the State of Delaware with great distinction.

Now, Therefore, Be It Resolved, the Mayor and City Council of the City of Milford, by this resolution, acknowledge and congratulate Erin Williams for winning the title of Miss Delaware 2003; and

Be It Further Resolved, that in recognition of this great triumph, Erin Williams is presented with a Key to the City of Milford; and

Be It Further Resolved, the Mayor and City Council of Milford, Delaware wish Erin Williams the best of luck and continued success as she competes at the 2004 Miss America Pageant in Atlantic City, New Jersey.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Official Seal of the City of Milford to be affixed this 14th day of July in the Year of our Lord Two Thousand and Three.

Mayor Joseph R. Rogers

Mayor Rogers noted how proud the City of Milford is for Erin's achievement.

In response, Ms. Williams advised that though she is not the first young woman from Milford to become Miss Delaware, she is very honored to represent the Greater Milford area. She then presented Council with her autographed photo which read:

"It is a supreme honor to be representing to be representing not only the state as Miss Delaware, but also the City of Milford. Thank you for making this town an excellent community in which to grow up.

Always, Erin Williams, Miss Delaware 2003"

Will McColley/Eagle Scout Award

Mayor Rogers then recognized Will McColley for achieving the rank of Eagle Scout. Though the actual ceremony took place on May 4th, Mayor Rogers was unable to attend due to another commitment.

Mayor Rogers presented Mr. McColley with a plaque from the Mayor and City Council.

Fire Company Recognition/Downtown Fire

Mayor Rogers then read the following resolution honoring the Carlisle Fire Company and those companies that assisted in the May 30th downtown fire in Milford:

A CITY OF MILFORD RESOLUTION
HONORING THE CARLISLE FIRE COMPANY
AND THOSE WHO ASSISTED ON MAY 30, 2003

WHEREAS, on the 30th day of May, 2003, a fire broke out in the City of Milford quickly spreading to several historic buildings in our downtown area; and

WHEREAS, on the 30th day of May, 2003, members of the Carlisle Fire Company immediately reacted to the 911 call; and

WHEREAS, nineteen other fire companies responded to unite and work together as a team with the Carlisle Fire Company to prevent the immediate and growing threat to other areas of our City; and

WHEREAS, all who responded to the scene served without reservation and with their personal safety on the line; and

WHEREAS, each of you showed courage, professionalism and unselfish devotion to our community under the most extreme circumstances; and

WHEREAS, the Mayor and City Council of Milford, Delaware commends each firefighter for helping to bring the fire under control and for saving the potential loss of lives as well as additional loss of businesses and buildings within our City; and

WHEREAS, your actions and exemplary conduct are a credit to each of your respective communities in the States of Delaware and Maryland; and

NOW, THEREFORE, BE IT RESOLVED, that the Mayor and City Council, along with the Citizens of Milford, Delaware, pay special tribute to the CARLISLE FIRE COMPANY and the following fire departments for their heroic actions on the 30th day of May, 2003:

Houston, Frederica, Harrington, Ellendale, Memorial (Slaughter Beach), Bowers, Greenwood, South Bowers, Farmington, Robbins (Dover), Felton, Magnolia, Citizens (Smyrna), Cheswold, Marydel, Lewes, Goldsboro, Maryland and Greensboro, Maryland.

Mayor Joseph R. Rogers

A resolution was provided for each fire company which Carlisle President Bill Carpenter will present at an upcoming state meeting.

President Carpenter thanked the City for this recognition and their continued support throughout the year.

MONTHLY POLICE REPORT

Mr. Morrow made a motion to accept the monthly police report submitted by Chief Hudson. Mr. Brooks seconded the motion. With no questions or comments, motion carried.

CITY MANAGER REPORT

Mr. Carmean submitted the following monthly report:

ADMINISTRATION

As part of the redesigning of City Hall, we have moved our two billing customer service representatives into the office across from the cashiers. This has worked out extremely well for our employees and customers.

ELECTRIC

The electric department completed 11 work orders in June with 29 in progress at the end of the month.

Crews conducted 482 Miss Utility locates during the month.

A load control switch was installed which now allows us to activate the generator at the Kent County Pump Station #7. This will help reduce our load up to 240 kW during peak times.

SEWER AND WATER

The City Manager is collecting information on the radio read water meters. This program includes the purchase of radio readable meters for new installations as well as retrofit equipment for old meters.

We will be making some repairs on our storm water lines in front of L.D. Caulk Company on Lakeview Avenue. This leak has evidently caused the sinking of the street in that area. We will make repairs as needed and then resurface the street accordingly.

STREETS AND SOLID WASTE

Street crews have been working, when the weather allows, on a number of small street repairs. We have received numerous requests from citizens for these type repairs. Some of the larger jobs have been temporarily postponed because they require hot mix and not

cold patch.

DELDOT will begin extensive resurfacing on Northwest Tenth Street, North Walnut Street and New Wharf Road in approximately one month.

The City Manager is in the process of preparing a list of larger street projects for Council's approval. Once compiled, we will discuss any streets that you have an interest in seeing resurfaced.

Richard D. Carmean
City Manager

Mr. Carmean advised state crews are in the process of performing some annual maintenance on our streets. Many are receiving overlays and Council needs to be aware in case any problems are reported. On days when the weather is extremely hot, the contractor has requested permission to begin at approximately 6:15 or 6:30 a.m. which is earlier than their normal start time. Though this may be a violation of our noise ordinance, the circumstances resulting from the weather should be taken into consideration. The work will only be done during the week and should not involve weekends.

Mr. Brooks asked what has been done on engineering costs. He referred to the costs of the Business Park and Shawnee Acres projects which totaled around \$600,000.

The City Manager stated he has discussed the matter with Chuck Hauser who gave several explanations. The original quote only involved start-up costs for drawings, permitting, etc. Since that time they have provided additional assistance as needed which is the reason for the increase. Mr. Hauser also felt that the percentage of their architectural and engineering costs were in line with the total cost of the project.

Mr. Carmean added that if the Public Works Committee would like to meet with Davis, Bowen and Friedel to review these costs, he would be willing to schedule a meeting.

If Council wishes to bid out future engineering and architectural work, they should keep in mind the number of small issues that are dealt with on a daily basis. In such cases, Mr. Carmean is able to contact DBF with questions or concerns and they normally respond immediately.

Ms. Brown agreed but still feels the estimations were outrageously low when compared to the final figures.

Mayor Rogers suggested Council review the itemized invoices, change orders, etc. on the project to get a better understanding of the fees involved.

Mr. Morrow believes DBF is competitive with regard to their charges, but agrees that

Council needs to understand how this occurred. If the City Manager and other staff members are contacting them on a daily basis, that involves some of those costs.

Mr. Brooks understands but also feels they need to keep in mind that Council needs a more realistic estimate before a project can be approved.

Mr. Ambrose asked if it was possible for the Finance Department to determine whether it would be feasible to hire a full time engineer versus using Davis, Bowen and Friedel for all of our needs. He understands our engineer would not be able to handle everything that comes up. However, we should review this possibility and at least consider having an engineer on hand for those daily issues that arise.

The City Manager agreed that a solid civil engineer with a background in sewer, water and streets could save the City a great deal of money. Mr. Ambrose feels that weighing an engineer's salary and related costs against the hourly rate we are paying could allow the City to come out way ahead in the long run.

When asked when the last time engineering costs were bid, Mr. Carmean said he does not know. Davis, Bowen and Friedel has been the engineering firm for the City for more than twenty years.

Mr. O'Neill said that perhaps we should bid the overall engineering work and consider specific projects as they come in.

Mr. Ambrose said he is unaware of what mechanism could be used, but would like some type of study be done. Mayor Rogers does not believe the Finance Department would be able to supply the information we are looking for. Mr. Ambrose recommended hiring an outside consulting firm to review the matter.

The City Manager explained we have the engineering costs, hourly rates for specific projects. However, depending on each project, we do not know what type of engineer would be needed. Prior to his employment with the county, he discussed the possibility with Hans Medlarz. Mr. Medlarz agreed the City would save at least the costs of his salary. In addition, the convenience of having an engineer on board would be something he highly recommended. However, Mr. Medlarz also pointed out there are a number of things one engineer could not handle and an engineering firm would still be required.

Mr. Carmean advised that the new inspector we will be hiring this year is more cost effective than paying the hourly rate of an inspector through a third party as we are now doing. It will also be advantageous because we can use him/her for other purposes.

The City Manager will review the possibility of hiring an engineer. At the same time, he believes we give Davis, Bowen and Friedel the opportunity to discuss these matters of concern.

Mr. Ambrose stated the City will always need an engineering firm which easily could continue to be Davis, Bowen and Friedel. He did point out the day to day interaction is probably causing the bills to become so high. Mr. Ambrose assumes that as each phone call is made, the clock starts.

The City Manager is not under the impression that every time he speaks with Mr. Hauser we are charged, but when it involves additional time and follow-up, naturally we are billed for those hours.

Mr. Ambrose said those are the issues he is referring to and believes that having an on-site engineer available would be more practical when considering what we would pay their firm or any other firm for the same services.

Mayor Rogers recommended that in the meantime, Mr. Carmean pull the invoices and related change orders and schedule a meeting.

Mr. Morrow added that change orders can also quickly increase cost estimates and can be attributed to the cost increases.

Mr. Brooks understands what Council is saying but would like for the quotes to be more in line than what was estimated in these projects.

Mr. Starling asked if DBF contacted the City when they went over their estimations. Mr. Carmean explained that because they deal with projects of this magnitude on a regular basis, they most likely did not feel their costs were out of line when compared with other large projects. In this particular case, we only had so much money to spend which is why going over in the amount of \$200,000 is extreme.

In the case of the Shawnee Acres project, we required a great deal of major changes which caused that bill to go up. However, Mr. Carmean was made aware of those issues as they took place and were able to bring them before Council.

Mr. Carmean explained we ran into some problems at Shawnee Acres as a result of the stub outs placed on each lot where our lines were run. Many lots were connected immediately which was simple to track. However, three vacant lots now have new homes that hooked into our sewer. Because the county was not required to advise the City that permits were issued, they have no meters though they are connected to our lines.

He now has to go to these homeowners and advise them they owe the City impact fees in the amount of \$2,600. This is after the owners have bought and paid for these homes and were never made aware of these fees.

In addition, existing homes with stubs outs can also have their systems fail. When a plumber is called, they can easily connect to our system also without our knowledge.

This are just a couple examples of the type of situations we run into that create these project estimates to increase.

In the meantime, the City Manager has to determine how to advise Shawnee Acres residents they are unable to connect to our lines without first paying impact fees. Initially he will advise DNREC of this situation because they are the ones that issue the permits for septic.

Mr. Carmean agrees it would be advantageous to have an in-house engineer. We can discuss the matter with Dover and Newark and other towns that have engineers as part of their staff to determine if they feel it is worthwhile. We can also talk to the actual engineers that work for these municipalities and determine what criteria we should look for.

Mr. Ambrose suggested that depending on how busy the engineer may be, perhaps some administrative duties could be assigned to take part of the workload off the City Manager.

Mr. Carmean recalled the electrical engineering firm we used for twenty plus years at a price of \$500,000 to \$600,000 a year. Then Phil Young brought an electrical engineer on line out of North Carolina that provided the same services for approximately \$100,000. He agreed such matters need to be reviewed from time to time.

In the meantime, the City Manager will gather the invoices and change orders and proceed from there. He may need to bring Hans Medlarz back for his opinion, because he was the one that originally submitted the figures.

The Mayor and City Manager feel it would be more appropriate to discuss this matter at a future workshop. The Mayor feels it would be beneficial to address it during a workshop session instead of requiring two or three meetings.

Mr. Brooks said if we determine the costs are justified, he has no problem with that. His point in bringing the matter up is to require a better estimate before a project can be approved. A later overage of \$600,000 is a great deal of money to try to explain.

This issue will be brought before Council this fall.

COMMITTEE REPORTS

Planning and Zoning

Mr. O'Neill stated the minutes of the last meeting were included in the packet.

Skateboard Committee

The City Manager put together a package containing information from skateboard park manufacturing companies that bring the equipment in and set up. Mr. McGee has been

contacted to pick the material up so the Committee and skateboarders can decide what type of equipment they would like to have.

The equipment is being designed for use by in-line skaters and bikers as well.

A Community Redevelopment Grant on behalf of the park in the amount of \$35,000 has been submitted to the Office of Budget and Controller General. Mr. Carmean is confident we will receive the grant and the equipment can be purchased at that time.

Milford Manor Nursing Home

Mr. Ellison advised there is still a parking problem at Milford Manor. The striping has still not been taken care of as of this date. He reported the police department continues to issue parking tickets in the area.

The City Manager explained the striping company is scheduled to do several jobs in town. Unfortunately, the street crew does not have the appropriate striping equipment.

Mr. Carmean will follow-up with Mr. Webb.

Penn Fountain Walkway Dedication

Ms. Brown thanked those that attended the dedication. Mr. and Mrs. Fountain were extremely pleased with the beautiful sign and the turnout for the event.

Mr. Emory noted they will raise the sign to 8 feet to prevent any possible damage.

Ms. Brown asked if we could determine why the sidewalk was not carried completely around. Mayor Rogers said he had discussed the matter with Senator Simpson who agreed to check into it.

Mr. Carmean said it is very costly, but the one section previously owned by the Marvels will be paid for by the apartment building.

Ms. Brown also expressed some concern about the section closer to the bridge where there is no lighting. She recommended that some type of lighting be added for safety. Mr. Carmean confirmed this was on the west end.

Mr. Starling stated there is also an area approximately three feet from the sidewalk in the middle where there is a very deep drop off. He is concerned that children playing or running will not be able to see it. Mr. Carmean suggested that we add some fencing to that area.

Mayor Rogers suggested using from of the fencing when we vacate the city barn site. Mr.

Carmean is unsure if that would work because it is extremely tall. Mr. Brooks said it would match the fencing around the Stevenson Home.

It was determined that approximately 50 feet of fencing would take care of the problem area. Mr. Carmean will check into whether the fencing from the city barn can be used. He asked Mr. Emory evaluate the area and get back with him with suggestions.

Ms. Brown said the pedestrian walkway was an ongoing project for several years and is proud of how well it turned out. She is grateful to those legislators that contributed and those Council Members that voted in favor of the project.

The City Manager feels it will be used even more than originally anticipated with the move of Sav-A-Lot to Milford Plaza, as this now provides a much shorter route for north Milford residents.

Milford Plaza Shopping Center Roadway

Mayor Rogers asked the City Clerk to send a letter to the owners of Milford Plaza advising the roadway behind the center is in very bad condition. A number of residents from the rear apartments complexes use their motorized wheelchairs to access the shopping center and this road has created a dangerous situation.

OLD BUSINESS

Bid Award/Northeast Front Street Boat Ramp

Mayor Rogers referred to the letter from Associate Andrew Welch of Davis, Bowen and Friedel who recommended the bid be awarded to low bidder George and Lynch.

Gary Emory, Parks and Recreation Director, introduced Lacy Nichols who was present from the Division of Fish and Wildlife.

Mr. Emory advised they will be lengthening, widening and straightening the existing boat ramp. The current boat ramp is not customer friendly. The erosion factor and other factors have made it obsolete and it is the only boat ramp within the City limits.

The area behind the police department will be greatly improved with additional parking for the users as well as police personnel and their visitors. It will be enhanced with landscaping. Included will be a handicapped fishing deck along the shoreline.

He advised local legislators contributed \$80,000 with the Division of Fish and Wildlife agreeing to match monies. He is hoping the City will not have to spend any funds with the exception of Mr. Emory's time that has been spent on the project.

Mr. Emory stated the estimates came in somewhat higher than expected, though they believe they have the aid to cover the costs. He is anxious to begin the project and has worked well with George and Lynch in the past. They were the contractor for the Bicentennial Park improvements.

The permits have been obtained and they are ready to move forward. Davis, Bowen and Friedel was the engineering firm who recommended the low bidder, contingent to availability of funding from DNREC, Division of Fish and Wildlife.

Mr. Ellison verified this will cover the entire costs of project including the parking lot, etc. and there will be no unforeseen costs.

Mr. Morrow recalled when the state came in and dredged the river several years ago as a result of a number of problems.

Mr. Emory explained a study was performed before they were able to apply for the funds. The channelization was determined to be deep enough to extend the ramp. There were problems five or six years ago when several bass and recreational fishermen were using the ramp and would leave at high tide and not be able to get back in at low tide. This was attributed to erosion which eventually made the ramp obsolete.

He also advised they will adding a kayak/canoe access which has become very popular in recent years.

Mayor Rogers feels it is appropriate to upgrade the area particularly with the other improvements that have done to the river. He agrees the landscaping will make it even more appealing.

Mr. Emory advised the playground behind the police department (Northeast Front Street Recreation Area) was one of the first parks and recreation areas in the City.

Mayor Rogers thanked Mr. Nichols for their assistance with our projects. Mr. Nichols replied they are looking forward to starting the project and working with Parks and Recreation. He said that originally Mr. Emory applied for a larger grant and was very disappointed when he was denied. However, when they explained the guidelines and offered additional assistance, they were able to solve some problems which is how they got where they are today.

Mr. Nichols advised they recently completed a similar project in Newport. On July 4th weekend, there was an hour wait to launch or retrieve a boat. He added 'if they build them, they will come'.

Mr. Brooks made a motion to award the Northeast Front Street Public Launch Facility Bid to George and Lynch in the amount of \$294,900, contingent upon the availability of funding from DNREC, Division of Fish and Wildlife. Mr. Morrow seconded the motion.

Mr. Lacy advised they modified the current grant request which is one of the reasons official approval had not yet been received. He explained the Division of Fish and Wildlife uses the \$80,000 Suburban Streets Funds match money to get \$3 for every \$1 the City puts up. The funding comes from the United States Fish and Wildlife Service through the Wallop/Breaux or Aquatic Trust Fund. These monies are in the Sports Fish Recreation Account administered by the Treasury Department. These dollars are collected on the 15% excise tax paid by the manufacturer to the federal government. These monies are pro-rated out to the state and annual appropriations are around \$3 billion. This money is then used to match local support monies or in-house state monies.

The grant was modified last week, immediately after bid opening, to bring it up to the total costs. He has not heard of any problems and expects it will be approved. He has never had one turned down yet, though he does not want to say it is a done deal yet.

With no further questions, the motion carried with a 7-0 vote.

Banneker School Basketball Courts

Ms. Brown said she heard when they tear down the basketball courts at Banneker School, which are being relocated to another area, they will fall under the jurisdiction of the Parks and Recreation Department.

Mr. Emory advised he has not heard that though he will definitely check into the matter. The current basketball courts were the result of a partnership with the school district through a Division of Parks and Recreation Land and Water Conservation Grant. They were placed on school property with the City agreeing to maintain it. He believes if that is torn down, they are back to square one and the issue may need to be revisited.

John Marinucci, Director of Operations, would be one to answer any questions. Mr. Emory added that he would not mind partnering with the school again if his department were able to schedule events.

Softball Fields

Mr. Emory advised Parks and Recreation has a huge fall league which will start in another month.

With regard to a summer league, they are unable to start until June 1st due to the high school softball program. Milford High School hosts many of the tournaments during the later season. Generally, all summer leagues begin May 1st. By the time the field is available, most people have committed to other leagues.

However, most people play in the fall league in Milford. They take a maximum of twelve teams so a number of players are turned away because they fill up so quickly. They always have a waiting list of players. The season runs from August to October.

The field will also be utilized throughout the year for tournaments and benefits. A Mark Shockley Softball tournament is being planned in the near future.

Mr. Brooks feels it is a waste to have the softball field and baseball field unused the entire summer. The school does not permit the baseball field to be used by outside groups.

In regard to the softball field, Mr. Emory said they will continue to explore some other options, possibly a co-rec league, during the summer months.

Adoption of Resolution/Annexing Webb Properties

Mr. Ellison made a motion to adopt the following resolution annexing the properties of Francis J. Webb and Thomas P. Webb, subject to those conditions previously discussed and agreed to by City Council, into the City of Milford:

RE: ANNEXATION/LAND OF:

Tax Map Number(s) MD-00-163.00-02-76.00, 77.01 (1/2 Interest)/Francis J. Webb Trustee
Tax Map Number(s) MD-00-163.00-02-77.00, 77.01 (1/2 Interest) 77.02, 77.03, 77.04/Thomas P. Webb
Requested Zoning: R-1, C-3*

Whereas, the Milford City Council having considered the advantages and disadvantages of annexing into the City, 49 acres, more or less, fronting on the easterly right-of-way line of the northbound lane of U.S. Route 113, the northerly and southerly right-of-way line of State Route 409, and the westerly right-of-way line of State Route 124, Kent County, Milford, Delaware including sites currently occupied by Shore Stop and Young Lumber, and having considered the recommendation of the Committee appointed to investigate said annexation, and having previously held a public hearing on June 23, 2003 on said annexation, determines as follows:

Now, Therefore, Be It Resolved, that this land is hereby annexed into the municipal boundaries of the City of Milford and the description and plot of said lands are to be recorded in the Office of the Recorder of Deeds in said County where said lands are situate.

I, Joseph R. Rogers, Mayor of the City of Milford, do hereby certify that the foregoing is a true and correct copy of a Resolution passed by the affirmative vote of two-thirds (2/3) of all the elected members of the City Council of the City of Milford at its meeting held on July 14, 2003, at which a quorum was present and voting throughout and that the same is still in full force and effect.

Mayor Joseph R. Rogers

*Zoning: 512 feet deep along U.S. Route 113 designated C3, Highway Commercial;
Residue designated R-1, Residential.

The following conditions will apply:

- 1) The depth of the commercial use for the C-3 zone is 513 feet from the right of way of U.S. Route 113. Residual zoning will be R-1 (residential).
- 2) Parcel 77.1 (triangular piece) contiguous to the First United Pentecostal Church property would remain conservation per the recommendation of the Office of the State Planning.
- 3) Any future use would be restricted by the owner/developer if they opt to proceed with any type of development of that site, and they must first obtain consent from the Office of State Planning.
- 4) Any future development of the property will require City Site plan review and the utilization of municipal water, sewer and electric.
- 5) Any extension of the municipal services will be at the expense of the owner/developer and all county and city impact fees will apply.
- 6) Existing entrances to Parcel 77.2, 77.3 and 77.4 will be utilized to serve Parcel 77.
- 7) Parcel 76, which is a free standing property and owned by Francis J. Webb, will be permitted one entrance to be designed and approved by the Department of Transportation.
- 8 Utility and/or drainage easements will be determined through Site plan review.
- 9) The existing agricultural area will continue to be taxed at the agricultural rate until the property is transferred or developed. If the property is transferred even if it is not developed as commercial, that status will be lost to the new developer and they would be taxed immediately. Any commercial use will be taxed at the commercial rate.
- 10) The existing sale of heavy duty equipment may continue for a period of six months. Owner must apply for a conditional use application during that time and no additional equipment may be brought onto the site until the property owner receives approval for the conditional use permitting the sale of heavy duty equipment. Conditional use applications are reviewed by the Planning Commission with their recommendation going to Council for final review.
- 11) The Mercedes Benz lemon trailer, vehicles and all related items must be removed from the site within 30 days following the annexation approval.
- 12) The existing billboard at the site may be retained because it has been there for approximately 30 years.

- 13) Any modification to the existing billboard will require conditional use approval and will be subject to review by the Planning Commission and City Council.

Motion seconded by Mr. Ambrose. Motion carried the following 7 to 0 roll call vote:

Mr. Ambrose	Yes
Mr. Ellison	Yes
Mr. O'Neill	Aye
Mr. Brooks	Yes
Mr. Morrow	Yes
Mr. Starling	Yes
Mrs. Brown	Yes

Adoption of Resolution/Annexing Isaacs Property

Mr. Ellison asked if a golf course was going to be built on this property as stated in the newspaper. Elmer Fannin was present and replied that is a future possibility for this general area, but not on this specific parcel. He has discussed building a golf course on the Wilkins property at a later date.

Though the commercial zoning was removed and replaced with a residential zone, Council confirmed that Mr. Fannin will still be permitted to apply for a conditional use to allow for a future clubhouse and related uses. Included were previously discussed services including a pro golf shop, swimming pool, professional offices with medical clinic, fitness center, assisted care facilities, speciality shops including barber/beauty shop, tanning salon, weight loss center and restaurant as permitted in the R1, R2 and R3 districts. This was his original plan and the reason for the commercial zone request.

With no further questions or comments, Ms. Brown made a motion to adopt the following resolution:

RE: ANNEXATION/LAND OF: Elmer G. & Mary Ann Fannin
(Previous Owner L.P. Isaacs Family/Lawrence P. Isaacs, President)
Tax Map No. 3-30-15.00-022.00
Approved Zoning: R-2, R-3

Whereas, the Milford City Council having considered the advantages and disadvantages of annexing into the City, 122 acres, more or less, located on the westerly side of Elks Lodge Road (State Route 211) and the easterly side of State Route 225, adjoining lands of Howard E. Wilkins and Sons, Incorporated and lots in the subdivision known as Eastman Heights, said lots fronting on Hammond Drive, and having considered the recommendation of the Committee appointed to investigate said annexation, and having previously held a public hearing on June 30, 2003 on said annexation, determines as follows:

Now, Therefore, Be It Resolved, that this land is hereby annexed into the municipal boundaries of the City of Milford and the description and plot of said lands are to be recorded in the Office of the Recorder of Deeds in said County where said lands are situate.

I, Joseph R. Rogers, Mayor of the City of Milford, do hereby certify that the foregoing is a true and correct copy of a Resolution passed by the affirmative vote of two-thirds (2/3) of all the elected members of the City Council of the City of Milford at its meeting held on July 14, 2003, at which a quorum was present and voting throughout and that the same is still in full force and effect.

Mayor Joseph R. Rogers

Motion seconded by Mr. Starling. Motion carried the following 7 to 0 roll call vote:

Mr. Ambrose	Yes
Mr. Ellison	Yes
Mr. O'Neill	Aye
Mr. Brooks	Yes
Mr. Morrow	Yes
Mr. Starling	Yes
Mrs. Brown	Yes

Adoption of Resolution/Annexing Matlinds Estates and Scheduling a Special Election

When asked if he has spoken with any more Matlinds Estates residents, Mr. Fannin replied he has discussed the matter with four or five people who spoke in favor of it. However, he has not had any additional meetings.

Ms. Brown said the election will determine whether the majority of the residents are in favor of the annexation.

Mr. Carmean said that publicly what is important to understand is the fact that they approached the City. Many people still do not understand these property owners approach us for annexation. We do not actively go after these properties. The City and Mayor and Council do not want hostile annexations.

Referring to previous problems with tapping into the City water and sewer lines in Shawnee Acres, Mr. Ellison asked how we will control the empty lots in Matlinds Estates. Presently there is no infrastructure at Matlinds for water and sewer. However, if Matlinds annexes, they will have to permit through the City. Shawnee Acres is in the county and goes through Sussex County. As a result, we should not experience that problem.

Mr. Ellison confirmed that at the time of the election, we will know exactly how many undeveloped lots there are. It was noted we already have that information on file. In

addition, Country Life Homes keeps us up to date on new property transfers.

The annexation will be determined by majority vote. The majority vote will be based on the actual number of those who vote. Abstentions will not be considered.

Ms. Brown made a motion to adopt the following resolution scheduling a Special Election for Saturday, August 16, 2003. The annexation is subject to those conditions previously agreed to by City Council and the Matlinds Estates Residents:

RE: ANNEXATION/LAND OF: Matlinds Estates Subdivision
Approved Zoning: R-1, C-3 (Limited to Parcel 405)

TAX MAP NO(s):

3-30-11-6.07	3-30-11-361	3-30-11-372	3-30-11-383	3-30-11-394
3-30-11-351	3-30-11-362	3-30-11-373	3-30-11-384	3-30-11-395
3-30-11-352	3-30-11-363	3-30-11-374	3-30-11-385	3-30-11-396
3-30-11-353	3-30-11-364	3-30-11-375	3-30-11-386	3-30-11-397
3-30-11-354	3-30-11-365	3-30-11-376	3-30-11-387	3-30-11-398
3-30-11-355	3-30-11-366	3-30-11-377	3-30-11-388	3-30-11-399
3-30-11-356	3-30-11-367	3-30-11-378	3-30-11-389	3-30-11-400
3-30-11-357	3-30-11-368	3-30-11-379	3-30-11-390	3-30-11-401
3-30-11-358	3-30-11-369	3-30-11-380	3-30-11-391	3-30-11-402
3-30-11-359	3-30-11-370	3-30-11-381	3-30-11-392	3-30-11-403
3-30-11-360	3-30-11-371	3-30-11-382	3-30-11-393	3-30-11-404
3-30-11-405	3-30-11-406	3-30-11-407	3-30-11-408	3-30-11-409

On the 16th day of August, 2003, at Milford City Hall, 201 South Walnut Street, Milford, Sussex County, Delaware, between the hours of twelve noon, prevailing time, until seven o'clock in the evening, prevailing time, there will be a Special Election to determine whether the City of Milford shall annex lands located contiguous to the present corporate limits of the City of Milford being more particularly described in Exhibit "A" attached hereto and incorporated herein.

Particulars concerning the Special Election are contained in this Resolution of the City Council of the City of Milford which was passed at a meeting held July 14, 2003, a copy of which is as follows:

WHEREAS, pursuant to a Resolution adopted by the City Council of the City of Milford, a committee appointed by the Mayor of the City of Milford according to the requirements of Article I, Section 1.04 of the Code of the City of Milford, as amended, recommended in its report that certain territory located contiguous to the present corporate limits of the City of Milford be annexed.

WHEREAS, after notice duly published according to the requirements of the Annexation requirements of the Code of the City of Milford, as amended, a Public Hearing was held on the 30th day of June, 2003, upon the proposal of the City Council of the City of Milford to annex certain territory located contiguous to the present corporate limits of the City of Milford.

WHEREAS, in the opinion and judgment of the individual members of the City Council, no cause has been shown why the territory located contiguous to the present corporate limits of the City of Milford should not be annexed, and it positively appearing that said territory should be annexed in the event that a majority of the duly qualified electors in the territory proposed to be annexed shall approve the proposed annexation at the Special Election hereinafter provided for.

NOW, THEREFORE, BE IT RESOLVED, by the City Council of the City of Milford, that a Special Election shall be held on the 16th day of August, 2003, at Milford City Hall, 201 South Walnut Street, in the City of Milford, Sussex County, Delaware, from the hours of twelve noon, prevailing time, until seven o'clock in the evening, prevailing time, at which time a Special Election will be held at which time the duly qualified voters in the territory proposed to be annexed shall vote for or against the annexation into the City of Milford of the territory located contiguous to the present corporate limits of the City of Milford, said territory being more particularly described in Exhibit "A" attached hereto and incorporated herein.

AND BE IT FURTHER RESOLVED, that the City Manager of the City of Milford has and is hereby authorized and directed to cause a Notice of the Special Election to be printed in a newspaper published in the City of Milford and having a general circulation both in the City of Milford and in the territory to be annexed, specifically in the July 30, 2003 and August 6, 2003 issues of the Milford Chronicle, in the July 27, 2003 and August 8, 2003 issues of the Delaware State News and in the July 25, 2003 and August 3, 2003 issues of the Wilmington News Journal, all within thirty (30) days immediately preceding the date of the Special Election.

Mayor Joseph R. Rogers

Mr. O'Neill seconded motion. Motion carried the following 7 to 0 roll call vote:

Mr. Ambrose	Yes
Mr. Ellison	Yes
Mr. O'Neill	Aye
Mr. Brooks	Yes
Mr. Morrow	Yes
Mr. Starling	Yes
Mrs. Brown	Yes

NEW BUSINESS

Approval to Sell Alcohol/Riverwalk Festival (Parks and Recreation)

The purpose of this fundraiser is to help offset the costs of the fireworks on Saturday, September 13th. The Rotary Club will help staff the booth which includes Doctor Akana, Dick Pack and Herb Wheatley. He is very confident these gentlemen will be very strict with regard to the age requirement. Chief Hudson and he have also discussed keeping this within a designated area.

This idea came about to coincide with the group from Tampa, Florida and their Caribbean music. Their plan is to sell margaritas to tie into the theme. If this does not work, they will not do it again.

Mr. Emory does not foresee a great deal of problems or the need for a lot of security. At four o'clock the festival is over as far as the vendors. That is the time the attention goes to the band, the stage and the fireworks and when the drinks will be sold. When the fireworks are over, the sales will cease.

Mr. O'Neill does not normally have a problem with such a situation, but in this case he is concerned with the City selling the alcohol. If Council agrees, we could continue with the idea, but not with Parks and Recreation actually selling the alcohol. If we have agreed to partner with Mispillion Rotary, perhaps they should be the group willing to take on the alcohol-related activity. It would then remove the City as the sponsor.

Mayor Rogers said he understands the need for a fundraiser, but the City would be open for a great deal of unnecessary criticism if this was in our name.

Mr. Starling feels that because Parks and Recreation are representing children, having a fundraiser to sell liquor appears to be a conflict.

Mr. Emory has a meeting tomorrow with the Rotary Club. He will run the possibility by them. If they are unwilling, he will withdraw the request.

Mayor Rogers tabled the matter and asked it be put on the July 28th agenda. He also feels the alcohol permit should be in the Rotary's name.

Mr. Ellison said it makes no difference whose name the request is in, Council still has to approve or disapprove the request. He added that he has many comments on the alcohol that is sold at the Oktoberfest, and he will never vote in favor of it.

Approval of Cost of Living Raise/July 1st

Mr. Starling made a motion to approve a 1/2% cost of living raise for all employees effective July 1st. The 1 1/2% merit increase will be given on individual anniversary dates. Ms. Brown

seconded the motion. Motion carried unanimously.

Approval of National League of Cities/Annual Dues

The City has been a member of this organization for a number of years. Mayor Rogers advised they are also very supportive of the Delaware League of Local Governments and assist them in a number of ways throughout the year.

Mr. Brooks also feels it is to our benefit to belong to this organization.

Ms. Brown made a motion to approve the payment of \$918 to the National League of Cities for our annual dues. Mr. Starling seconded the motion. Motion carried unanimously.

Adoption of Resolution/2003-2004 Tax Revisions/Appeals

This is a requirement of our Charter. The Board of Revisions/Appeals will hear those property owners who have not had their assessments addressed to their satisfaction by our current assessor, Randy Westergren. The hearing is scheduled for August 25th at 7:00 p.m.

Council needs to advise those property owners with problems they are required to meet with Mr. Westergren first. He will then schedule a specific time for them to appear on August 25th.

Mr. Ellison made a motion to adopt the following resolution, which was seconded by Mr. O'Neill:

WHEREAS, the provisions of Section 10.05 of the Charter of the City of Milford state that Council shall cause a copy of the General Assessment to be hung in two public places in the City of Milford and there to remain for the space of ten days for public information; and

WHEREAS, attached to said copies shall be notice of the day, hour and place that Council will sit as a Board of Revision and Appeal for said General Assessment;

NOW, THEREFORE, BE IT RESOLVED, and it is resolved, that on Monday, the 25th day of August, 2003, at 7:00 p.m., the City Council of the City of Milford will sit as a Board of Revision and Appeal for the 2003-2004 General Assessment.

Motion carried.

FINANCIAL REPORT

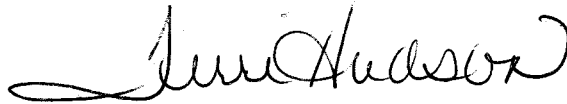
Through May of 2003 with 92% of the fiscal year having passed, 92.33% of revenues have been received and 91.96% of the operating budget expended.

Motion made by Mr. Ellison and seconded by Mr. O'Neill to approve the Financial Statement for May 2003. Motion carried.

ADJOURN

With no further business, the monthly meeting adjourned at 9:48 p.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Terri K. Hudson".

Terri K. Hudson
City Clerk

CITY OF MILFORD
NOTICE OF PUBLIC HEARINGS

Planning Commission Hearing: Tuesday, January 21, 2020
City Council Hearing: Monday, January 27, 2020

NOTICE IS HEREBY GIVEN that the Planning Commission and City Council will hold Public Hearings at 7:00 p.m., or as soon thereafter as possible, in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street to allow interested parties to participate in the discussion and consideration of the following zoning matter:

ORDINANCE 2020-02

TJA LLC for a Conditional Use to allow a billboard on 1.1 +/- acres in a C3 Zoning District. Property is located along the east side of Bay Road (US Route 113/SR1) approximately 400 feet north of the New Wharf Road intersection addressed as 466 Bay Road, Milford, Delaware 19963. Present use: Commercial/Retail; Proposed Use: Same with Billboard. Tax Map: MD-16-163.00-01-04.00

WHEREAS, the owners of the property as above described herein have petitioned the City of Milford for a conditional use; and

WHEREAS, the City of Milford Planning Commission will consider the application at a Public Hearing to allow for public comment on January 21, 2020; and

WHEREAS, Milford City Council will hold a Public Hearing on January 27, 2020 to allow for public comment and further review of the ordinance.

Dates.

Planning Commission Review & Public Hearing: January 21, 2020

City Council Introduction: January 13, 2020

City Council Public Hearing: January 27, 2020

Effective: February 6, 2020

For additional information, please contact Rob Pierce in the Planning & Economic Development Department either by e-mail at RPierce@milford-de.gov or by calling 302.424.8396.

Advertised: Beacon 12/18/19



DATA SHEET FOR 200 NW FRONT STREET, LLC

Planning Commission Meeting: January 21, 2020

Application Number / Name	:	18-008 / 200 NW Front Street, LLC
Applicant	:	200 NW Front Street, LLC 101 NW Front Street Milford, DE 19963
Owner	:	Wavecrest, LLC 8228 Edgehill Lane Ellicott City, MD 21043 Downtown Properties of Milford, LLC 101 NW Front Street Milford, DE 19963 John Ditomasso 121 Tulip Drive Lewes, DE 19958
Application Type	:	Final Major Subdivision
Comprehensive Plan Designation	:	Moderate Density Residential
Zoning District	:	R-3 (Garden Apartment & Townhouse District)
Present Use	:	Single-family & two-family dwelling, vacant land
Proposed Use	:	Townhouse Development
Area and Location	:	0.63 +/- acres of land located along the north side of NW Front Street between N. Church Street and West Street.
Property Identification Numbers	:	MD-16-183.10-02-59.01, 77.00, 79.00, 80.00, 81.00 & 82.00

ENC: Staff Analysis Report
Exhibit A - Location & Zoning Map
Final Major Subdivision Plans



STAFF ANALYSIS REPORT
January 2, 2020

Application Number / Name	:	18-008 / 200 NW Front Street, LLC
Application Type	:	Final Major Subdivision
Comprehensive Plan Designation	:	Moderate Density Residential
Zoning District	:	R-3 (Garden Apartment & Townhouse District)
Present Use	:	Single-family & two-family dwelling, vacant land
Proposed Use	:	Townhouse Development
Property Identification Numbers	:	MD-16-183.10-02-59.01, 77.00, 79.00, 80.00, 81.00 & 82.00
Area and Location	:	0.63 +/- acres of land located along the north side of NW Front Street between N. Church Street and West Street.

I. BACKGROUND INFORMATION:

- The applicant received Preliminary Major Subdivision approval from City Council on December 10, 2018.
- The applicant proposes to demolish two existing dwellings and consolidate the six parcels listed above in order to subdivide the property into eight townhouse lots.
- The proposed development would receive funds from an approved Delaware State Housing Authority Strong Neighborhood Housing Fund grant that was obtained by the Milford Housing Development Corporation in partnership with Mr. Bond and Mr. Ditomasso. The partnership received \$500,000 in grant funds for 10 new homeownership opportunities in the 4th Ward area. This project would provide 8 of the 10 new dwellings, with the 9th being on NW Second Street and the 10th yet to be determined.
- The application required several variance approvals from Chapter 230 which were approved by the Board of Adjustment on August 9, 2018. A copy of the variance approval letter is included in the packet for reference.

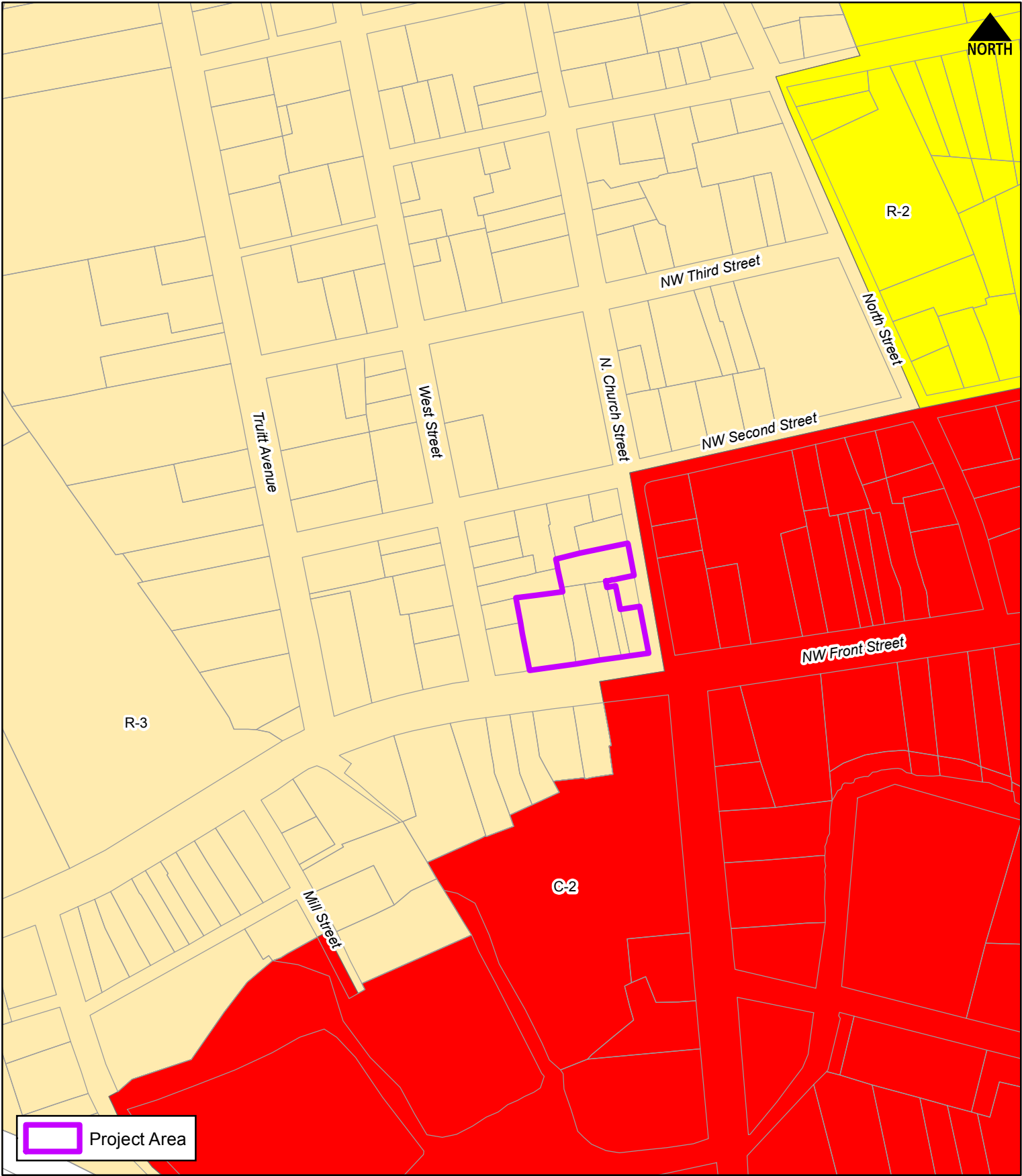
II. STAFF ANALYSIS:

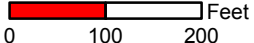
Based on the information presented, the City of Milford Code and the Comprehensive Plan, staff submits the following regarding the request for Final Major Subdivision approval:

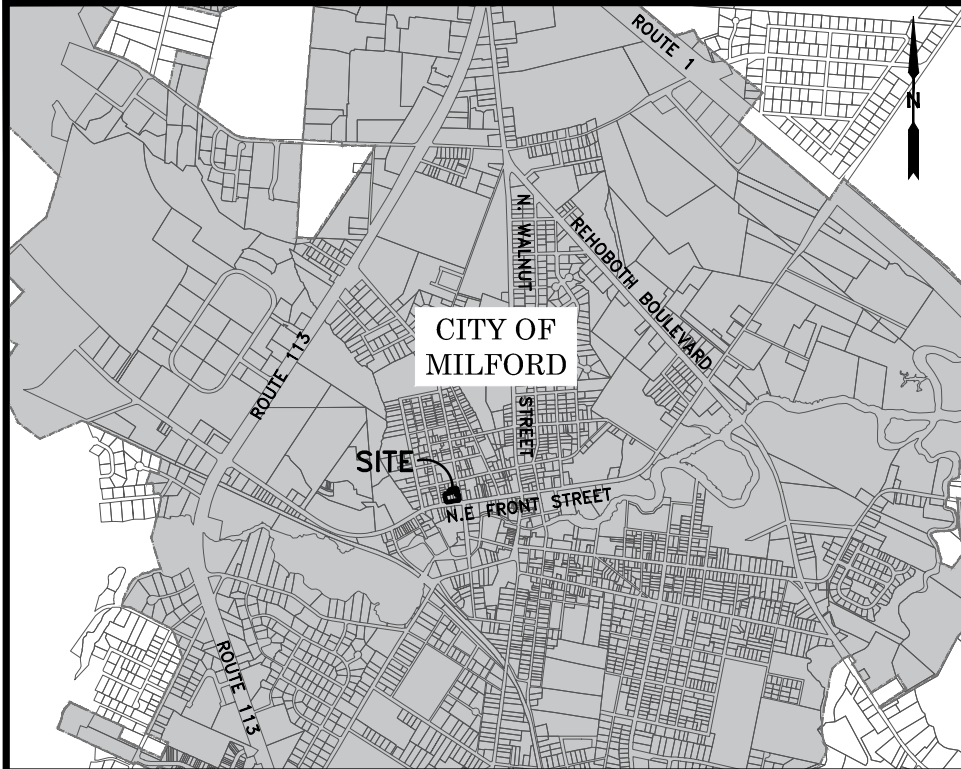
- Other than the above referenced variances, the application is consistent with Chapter 230 Zoning and Chapter 200 Subdivision of Land of the City Code.
- The final major subdivision required a lot consolidation/lot line adjustment plot to be signed by 200 Front LLC, Wavecrest LLC and Latricia Davis-Western. The property to the west of the subdivision owned by Wavecrest is to receive approximately 47.16 square feet of land to fix a building encroachment. The property to the east owned by Latricia Davis-Western exchanged a small piece of land to the northwest of their parcel containing 69.9 square feet of land for approximately 241.19 square feet of land south of their existing house on West Street. Conveyance deeds along with the record plan will need to be recorded with Kent County Recorder of Deeds to formally transfer the property. A copy of the signed record plan is on file in with the Planning Department.

III. AGENCY & DEPARTMENT COMMENTS:

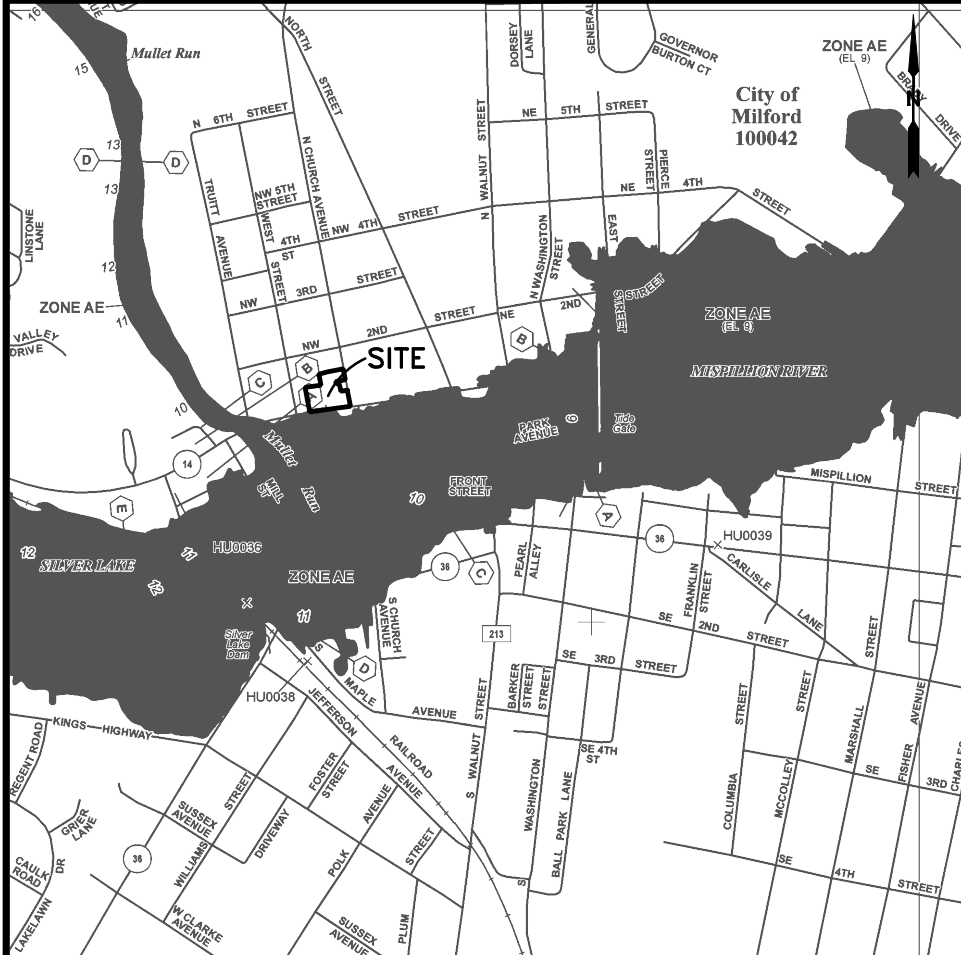
- **DelDOT Planning, Development Coordination**
See attached for “Letter of No-Objection to Recordation” dated June 26, 2019.
- **Kent Conservation District**
See attached for Kent Conservation District letter dated December 30, 2019.
- **State Fire Marshal’s Office**
See attached for “Fire Protection Plan Review Report” dated March 21, 2019.
- **City of Milford Engineer**
See attached for KCI approval letter dated January 2, 2020.



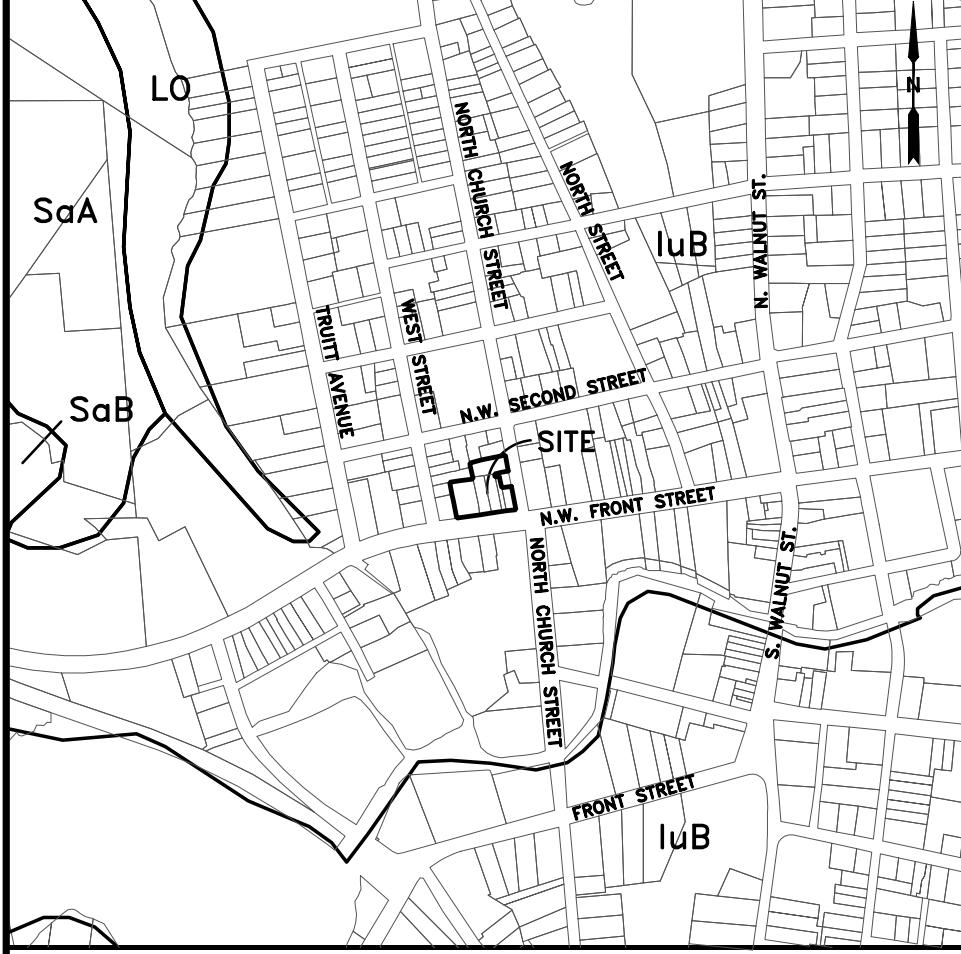
 Filepath: FinalMajor_200Front.mxd	Scale:  0 100 200 Feet	Title: Final Major Subdivision 200 NW Front Location & Zoning Map
	Drawn by: WRP Date: 12/5/19	



LOCATION MAP SCALE: 1" = 1/2-MILE



FLOODPLAIN MAP SCALE: 1" = 1000'



SOILS MAP SCALE: 1" = 600'

DATA COLUMN

(R-3)	(TOWNHOME) ZONING REQUIREMENTS	REQUIRED	PROVIDED
	MINIMUM TOTAL LOT AREA:	1 ACRE	.61 ACRES (VARIANCE APPROVED AUGUST 9, 2018)
	MINIMUM INDIVIDUAL LOT AREA:	2,000 S.F.	2,017 S.F. (VARIANCE APPROVED AUGUST 9, 2018)
	MAXIMUM LOT COVERAGE:	60%	44% (VARIANCE APPROVED AUGUST 9, 2018)
	MAXIMUM BUILDING HEIGHT:	3 STORIES OR 35 FT	3 STORIES
	MINIMUM STREET SIDEYARD:	30 FT	17 FT (VARIANCE APPROVED AUGUST 9, 2018)
	MINIMUM LOT FRONT YARD:	NONE	0 FT
	MINIMUM LOT SIDE YARD:	NONE	8 FT
	MINIMUM LOT REAR YARD:	NONE	10 FT
	PARKING SPACES:	2.5 PER UNIT * 8 UNITS = 20 SPACES	21 SPACES (VARIANCE APPROVED AUGUST 9, 2018)
	MAXIMUM NUMBER OF DWELLING UNITS PER GROUP:	8 UNITS	8 UNITS
	MAXIMUM DWELLING UNITS PER ACRE:	12 UNITS/ACRE	13.1 UNITS/ACRE (VARIANCE APPROVED AUGUST 9, 2018)
	TOWNHOUSE OPENSOURCE:	400 SF/UNIT * 8 UNITS = 3,200 S.F.	9,253 S.F.
	RECREATIONAL OPENSOURCE:	NONE	NONE

* ON AUGUST 9, 2018, THE CITY OF MILFORD BOARD OF ADJUSTMENT APPROVED A VARIANCE ALLOWING A REDUCTION TO 2 PARKING SPACES PER PROPOSED LOT.

LOT NUMBER	LOT AREA	BUILDING COVERAGE
1	2,974 SF	30%
2	2,018 SF	44%
3	2,018 SF	44%
4	2,017 SF	44%
5	2,017 SF	44%
6	2,017 SF	44%
7	2,138 SF	41%
8	2,219 SF	40%

dbf DAVIS, BOWEN & FRIEDEL, INC.
ARCHITECTS, ENGINEERS & SURVEYORS
SAUSBURY, MARYLAND (410) 543-9091
MILFORD, DELAWARE (302) 424-1441

DATA COLUMN

TAX MAP NUMBER: :MD-16-183.10-02-59.01
:MD-16-183.10-02-77.00
:MD-16-183.10-02-79.00
:MD-16-183.10-02-80.00
:MD-16-183.10-02-81.00
:MD-16-183.10-02-82.00

EXISTING ZONING: GARDEN APARTMENT AND TOWNHOUSE DISTRICT (R-3)
PROPOSED ZONING: GARDEN APARTMENT AND TOWNHOUSE DISTRICT (R-3)

EXISTING USE: RESIDENTIAL
PROPOSED USE: RESIDENTIAL

INVESTMENT LEVEL: 1

UTILITIES:
ELECTRIC-CITY OF MILFORD
WATER-CITY OF MILFORD
GAS-CHESAPEAKE UTILITIES
SEWER-CITY OF MILFORD
EDU's = 1 EDU PER HOUSE = 6 EDU's

FIRE DISTRICT: CARLSLE
SCHOOL DISTRICT: MILFORD
CITY WARD: 4TH

VERTICAL DATUM: NAVD 88
HORIZONTAL DATUM: NAV83

BENCHMARK: TOP OF HYDRANT
N:332918.5828
E:652020.5100
ELEV. = 13.81'

TOPOGRAPHICAL SURVEY PERFORMED BY
DAVIS, BOWEN AND FRIEDEL, INC. ON
APRIL 10, 2018.

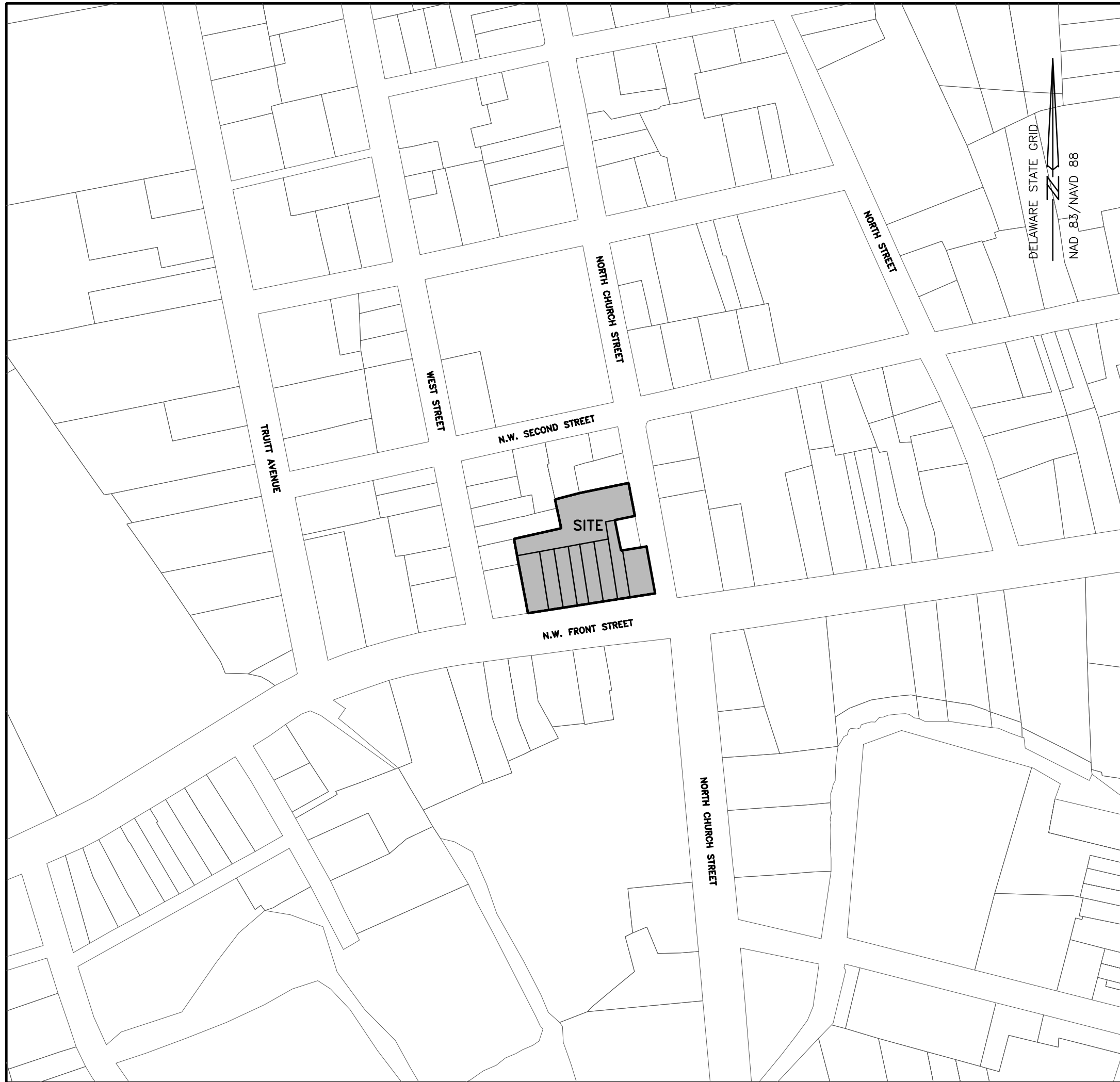
SITE DOES NOT CONTAIN 100-YR FLOOD PLAIN
BASED ON FEMA FLOOD PANEL 10005C0041K,
DATED MARCH 16, 2015.

SITE DOES NOT CONTAIN ANY WELLHEAD PROTECTION AREAS,
SOURCE WATER PROTECTION AREAS OR AREAS OF EXCELLENT
GROUNDWATER RECHARGE.

SITE DOES NOT CONTAIN ANY
WETLAND AREAS PER 2007 STATE
WETLANDS MAP.

OWNER/DEVELOPER:
200 FRONT, LLC
101 NW FRONT STREET
MILFORD, DE 19963
POC: DAN BOND
PHONE: (302)228-6590

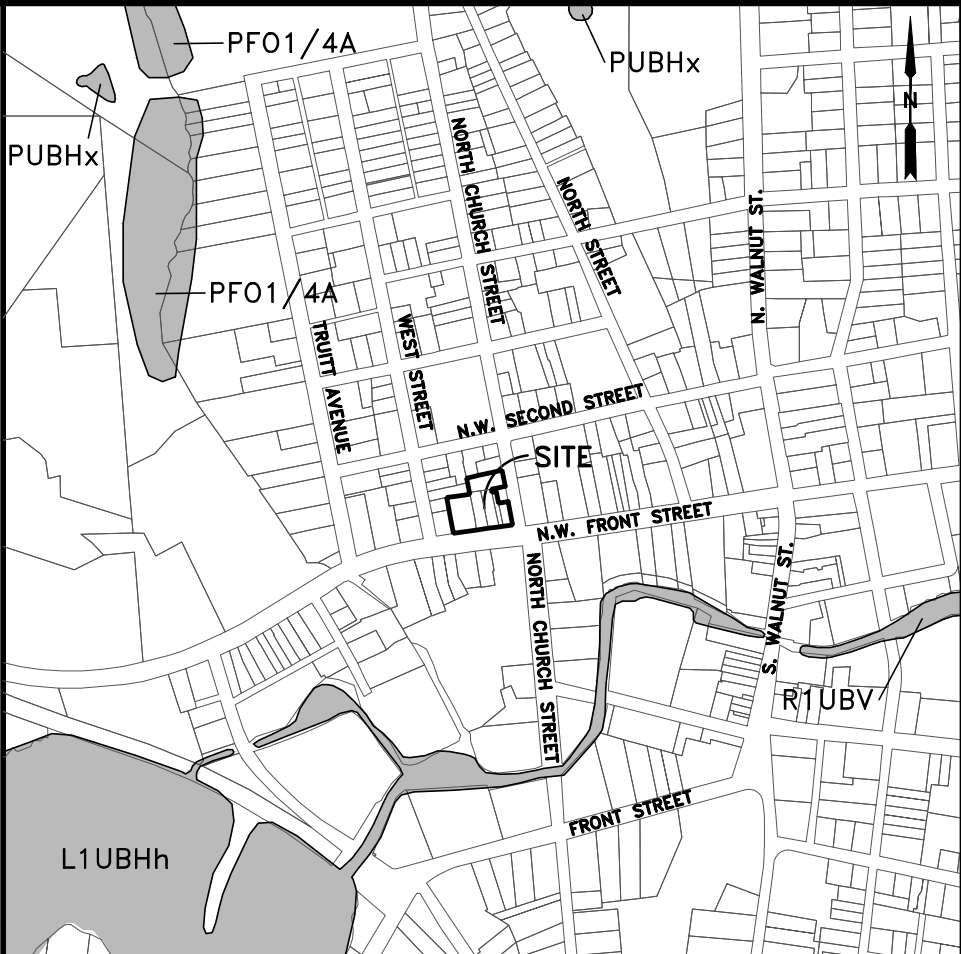
PREPARED BY:
DAVIS, BOWEN, AND FRIEDEL, INC.
1 PARK AVENUE
MILFORD, DE 19963
302-424-1441
CONTACT: RING W. LARDNER, P.E.



0' 150' 300' 450'
SCALE: 1" = 150'

LEGEND

EXISTING	PROPOSED
BOUNDARY LINE	PROPOSED PROPERTY LINE
ADJACENT PROPERTY LINE	PROPOSED SETBACK LINE
PROPOSED EASEMENT LINE	PROPOSED MONUMENT
ROAD CENTERLINE / BASELINE	PROPERTY CORNER TO BE SET
EXISTING SIDEWALK	PROPOSED CONCRETE SIDEWALK
EXISTING ROAD	



NW1 WETLANDS MAP SCALE: 1" = 600'

SHEET INDEX

MAJOR SUBDIVISION PLAN- TITLE SHEET	V-102
MAJOR SUBDIVISION PLAN	V-103
MAJOR SUBDIVISION PLAN	V-104

GENERAL NOTES

- HORIZONTAL DATUM IS BASED ON DELAWARE STATE GRID, NAD83/91, CONTROL MONUMENT BENCHMARK #1, TOP OF HYDRANT, N:332918.5828, E:652020.5100, ELEV. = 13.81'
- IT IS THE CONTRACTOR'S RESPONSIBILITY TO ENSURE THAT PAVING IS INSTALLED TO THE ELEVATIONS SHOWN AND THAT NO PONDING OF WATER WILL OCCUR AFTER PAVING IS COMPLETE.
- DELAWARE REGULATIONS PROHIBIT THE BURIAL OF CONSTRUCTION DEMOLITION DEBRIS, INCLUDING TREES AND STUMPS ON CONSTRUCTION SITES. ANY SOLID WASTE FOUND DURING THE EXCAVATION FOR STRUCTURES AND UTILITY LINES ON AND OFF SITE MUST BE REMOVED AND PROPERLY DISCARDED. ANY REMEDIAL ACTION REQUIRED IS THE RESPONSIBILITY OF THE OWNER.
- A PROFESSIONAL SURVEYOR LICENSED IN THE STATE OF DELAWARE SHALL BE RESPONSIBLE FOR PERMANENTLY RE-ESTABLISHING ANY PROPERTY MARKERS OR MONUMENTS DISTURBED DURING CONSTRUCTION. A SURVEY AND METES AND BOUNDS THAT INCLUDES THE RE-ESTABLISHED MARKER(S) OR MONUMENT(S) SHALL BE PRESENTED TO THE PROPERTY OWNER FOR COMPARISON WITH THE ORIGINAL PLAT, FOR VERIFICATION.
- PRELIMINARY APPROVAL OF A CONDITIONAL USE IS VALID FOR ONE YEAR. UNLESS PERMITS ARE OBTAINED OR CONSTRUCTION OR USE IS SUBSTANTIALLY UNDERWAY, ALL PROVISIONS OF THE CONDITIONAL USE ARE AUTOMATICALLY RESCINDED.
- FINAL APPROVAL FROM THE CITY SHALL BECOME VOID IF THE FINAL RECORD PLAT IS NOT RECORDED WITHIN 90 DAYS OF THE DATE OF PLANNING COMMISSION'S GRANTING OF FINAL APPROVAL. IF CONSTRUCTION OF THE APPROVED IMPROVEMENTS IS NOT SUBSTANTIALLY UNDERTAKEN WITHIN ONE (1) YEAR OF FINAL SITE PLAN APPROVAL, THE SITE PLAN APPROVAL SHALL BE VOID. THE APPLICANT MAY REQUEST A ONE (1) YEAR EXTENSION FROM THE PLANNING COMMISSION FOR GOOD USE.
- ACCESS DRIVE, OPEN SPACE AND ASSOCIATED STORM DRAIN SYSTEM IS PRIVATE AND SHALL BE THE MAINTENANCE RESPONSIBILITY OF THE DEVELOPER UNTIL SUCH TIME AS THEY ARE TURNED OVER TO THE HOMEOWNER'S ASSOCIATION.
- STAIRS AND RELATED APPURTENANCES (INCLUDING BUT NOT LIMITED TO RAILINGS AND COVERED LANDINGS) MAY BE LOCATED WITHIN DELDOT RIGHT-OF-WAY. THE OWNER (OR FUTURE OWNER ONCE INDIVIDUAL LOTS ARE SOLD) WILL BE RESPONSIBLE FOR ANY REPAIRS AND ADJUSTMENTS NECESSITATED BY FUTURE CONSTRUCTION WITHIN THE RIGHT-OF-WAY. DELDOT WILL BEAR NO RESPONSIBILITY.

OWNER'S STATEMENT

I, 200 FRONT, LLC, HEREBY STATE THAT WE ARE THE LEGAL OWNERS OF THE PROPERTY DESCRIBED AND SHOWN ON THIS PLAN, THAT THE PLAN WAS MADE AT OUR DIRECTION, THAT WE ACKNOWLEDGE THE SAME TO BE OUR ACT AND DESIRE THE PLAN TO BE RECORDED ACCORDING TO THE LAW.

200 FRONT, LLC
by DAN BOND

DATE

ENGINEER'S STATEMENT

I, RING W. LARDNER, P.E., HEREBY STATE THAT I AM A REGISTERED ENGINEER IN THE STATE OF DELAWARE, THAT THE INFORMATION SHOWN HEREON HAS BEEN PREPARED UNDER MY SUPERVISION AND TO MY BEST KNOWLEDGE AND BELIEF REPRESENTS GOOD ENGINEERING PRACTICES AS REQUIRED BY THE APPLICABLE LAWS OF THE STATE OF DELAWARE.

DAVIS, BOWEN & FRIEDEL, INC.
by RING W. LARDNER, P.E.

DATE

CITY OF MILFORD APPROVAL

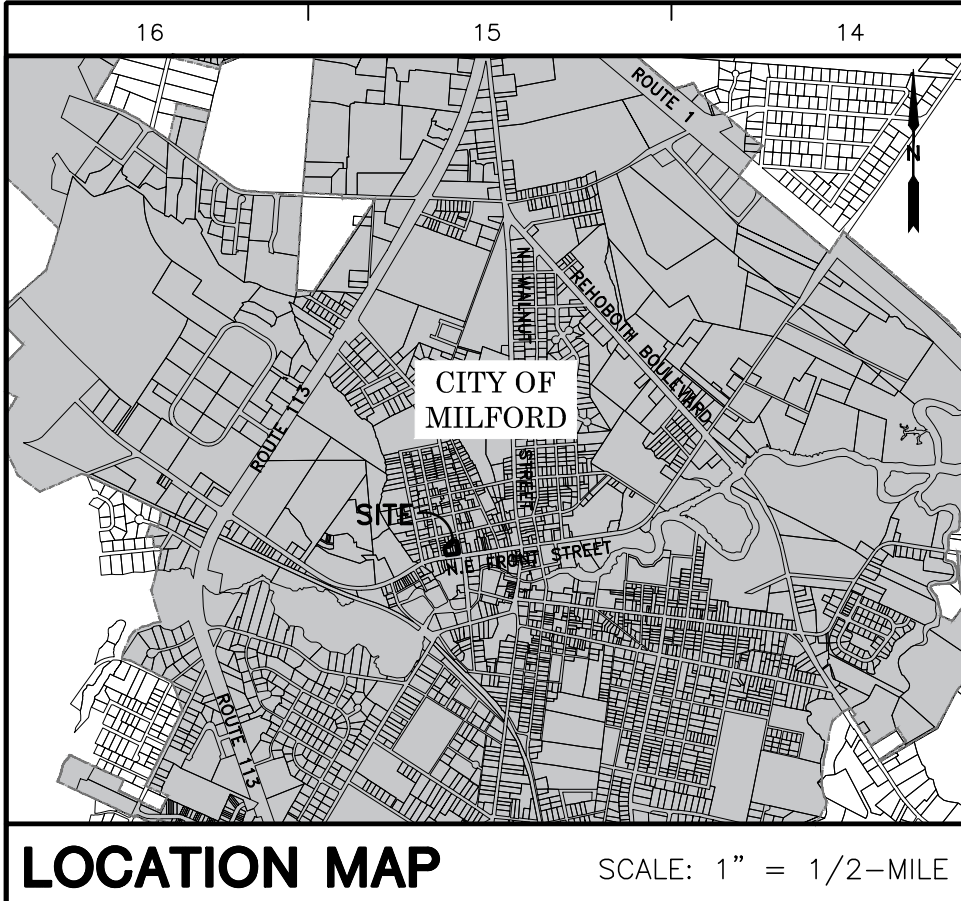
ERIC NORENBURG CITY MANAGER DATE

CITY PLANNING DEPARTMENT APPROVAL

PLANS HAVE BEEN REVIEWED AND ARE FOUND TO BE IN GENERAL CONFORMANCE WITH THE MOST RECENTLY ADOPTED AND/OR CERTIFIED VERSIONS OF THE CITY OF MILFORD'S CODE OF ORDINANCES AND COMPREHENSIVE LAND USE PLAN. THE OWNER AND THEIR ENGINEER AND/OR SURVEYOR ASSUME ALL RESPONSIBILITY FOR THE DESIGN AS CONTEMPLATED HEREIN AND ACCURACY OF ALL INFORMATION SHOWN HEREON.

Revised:
2019-04-04
DELDOT
2019-04-18
CITY OF MILFORD
2019-06-04
DELDOT
2019-08-23
PER OWNER
2019-11-06
CITY OF MILFORD

V-102



LOCATION MAP

SCALE: 1" = 1/2-MILE



PROPERTY LINE TABLE

LINE	BEARING	DISTANCE
PL-1	N 81°08'59" E	34.63'
PL-2	S 08°51'01" E	91.71'
PL-3	S 81°08'35" W	31.26'
PL-4	N 09°43'45" W	56.56'
PL-5	N 14°12'04" W	21.39'
PL-6	N 10°57'21" W	13.87'
PL-7	N 81°08'59" E	22.00'
PL-8	S 08°51'01" E	91.71'
PL-9	S 81°08'35" W	22.00'
PL-10	N 81°08'59" E	22.00'
PL-11	S 08°51'01" E	91.70'
PL-12	S 81°08'35" W	22.00'
PL-13	N 81°08'59" E	22.00'
PL-14	S 08°51'01" E	91.70'
PL-15	S 81°08'35" W	22.00'
PL-16	N 81°08'59" E	22.00'
PL-17	S 08°51'01" E	91.70'
PL-18	S 81°08'35" W	22.00'
PL-19	N 81°08'59" E	22.00'
PL-20	S 08°51'01" E	91.70'
PL-21	S 81°08'35" W	22.00'
PL-22	N 08°51'01" W	20.08'
PL-23	S 11°02'36" E	50.91'
PL-24	S 11°02'36" E	6.00'
PL-25	N 80°36'09" E	4.52'
PL-26	S 08°51'01" E	54.77'
PL-27	S 81°08'35" W	22.00'
PL-28	N 80°36'09" E	39.36'
PL-29	S 10°57'26" E	55.18'
PL-30	S 81°08'35" W	41.39'
PL-31	N 10°57'21" W	24.89'
PL-32	N 81°43'50" E	74.84'
PL-33	N 10°17'02" W	29.98'
PL-34	N 08°32'00" W	14.49'
PL-35	N 80°10'36" E	33.25'
PL-36	N 80°54'53" E	87.44'
PL-37	S 10°45'59" E	50.16'
PL-38	S 81°50'39" W	35.67'
PL-39	N 81°50'39" E	15.31'
PL-40	S 81°08'59" W	144.63'



IF THE ENGINEER'S SEAL IS NOT RED, THE PLAN IS A COPY THAT SHOULD BE ASSUMED TO CONTAIN UNAUTHORIZED ALTERATIONS. THE STATEMENTS CONTAINED ON THIS DOCUMENT SHALL NOT APPLY TO ANY COPIES.

200 FRONT, LLC
NW FRONT STREET (200 BLOCK)
CITY OF MILFORD, KENT COUNTY, DELAWARE

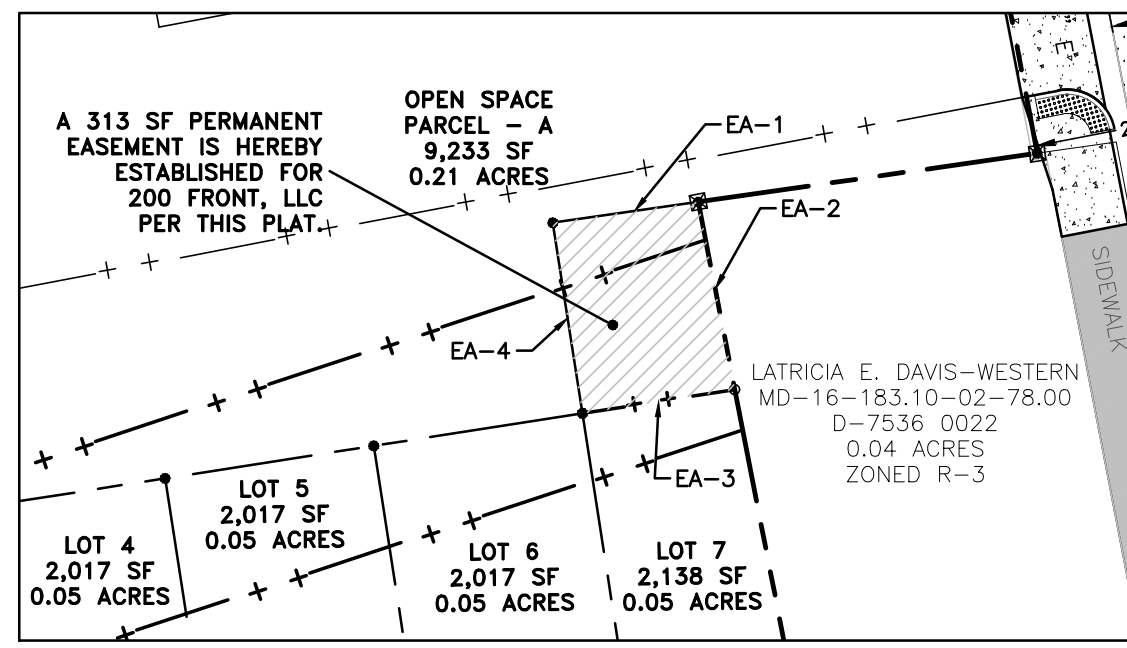
Revisions:
2019-04-04
DELDOT
2019-05-07
DELDOT
2019-06-04
DELDOT
2019-06-28
ARCHITECT
2019-08-23
PER OWNER
2019-11-06
CITY OF MILFORD

Date: FEBRUARY, 2019
Scale: AS NOTED
Dwn.By: ACM
Proj.No.: 1898A002
Dwg.No.:

V-103

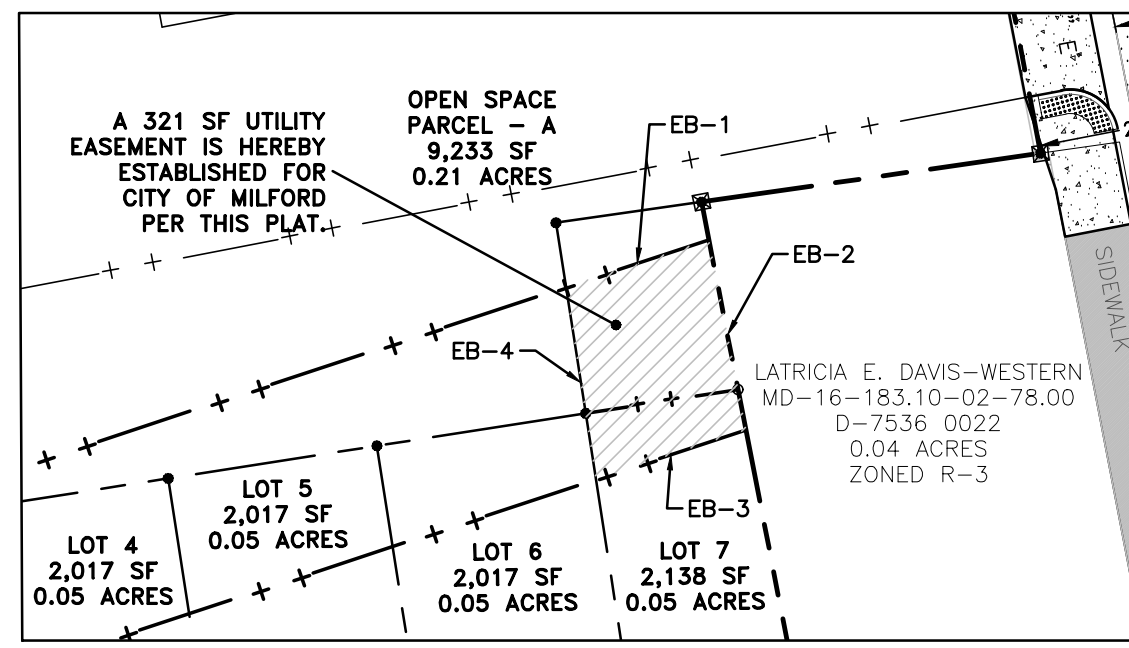
DAVIS, BOWEN & FRIEDEL, INC.
ARCHITECTS ENGINEERS SURVEYORS
CITY OF MILFORD, KENT COUNTY, DELAWARE
(302) 424-1441
(410) 770-4744

MAJOR SUBDIVISION PLAN



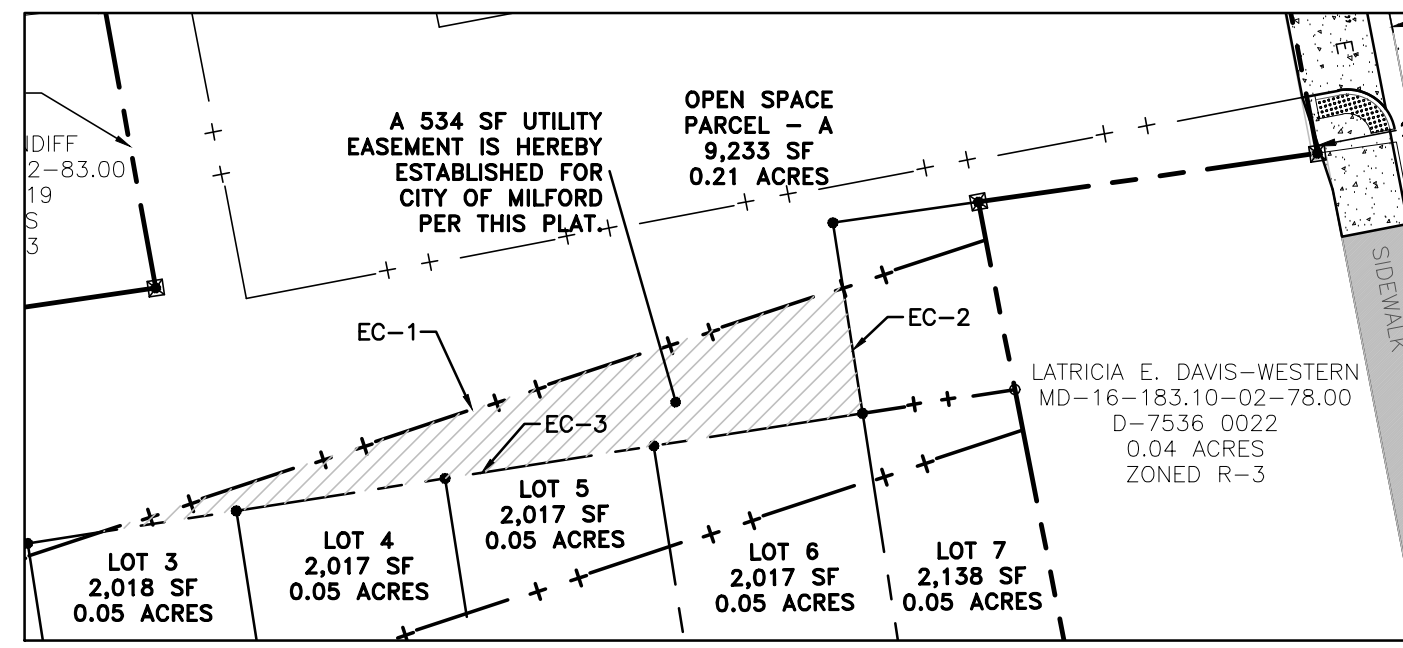
PERMANENT EASEMENT - (A)
313 SF

LINE	BEARING	DISTANCE
EA-1	N 81°50'39" E	18.51'
EA-2	S 11°02'36" E	19.80'
EA-3	S 81°08'59" W	16.07'
EA-4	N 08°51'01" W	20.08'



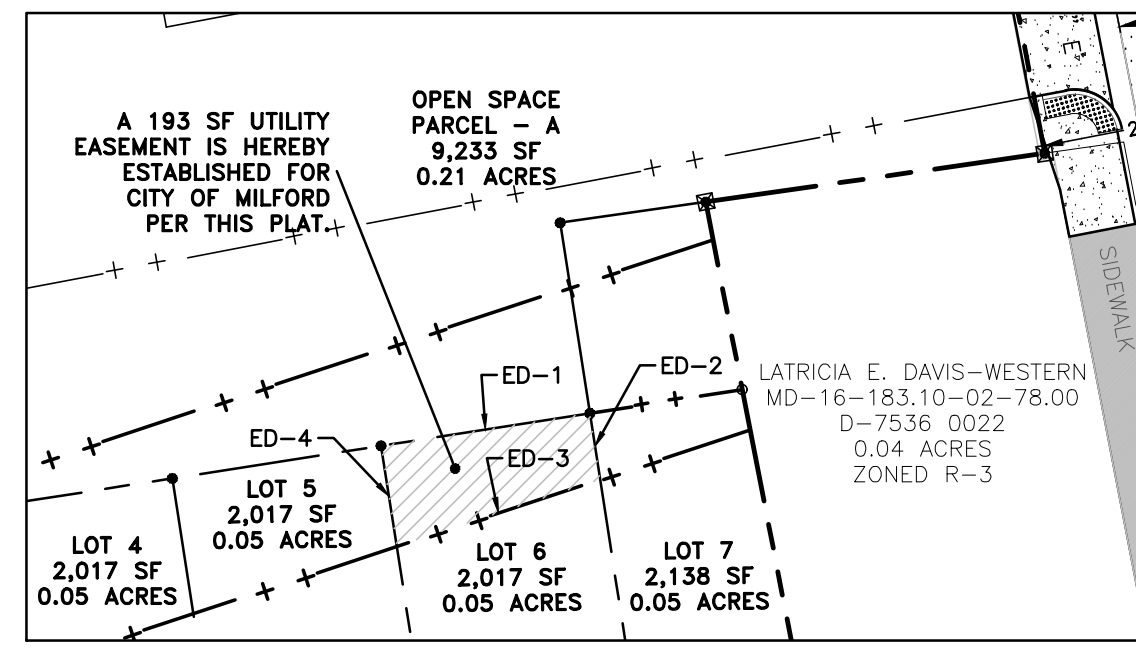
UTILITY EASEMENT - (B)
321 SF

LINE	BEARING	DISTANCE
EB-1	N 71°43'52" E	15.67'
EB-2	S 11°02'36" E	20.16'
EB-3	S 71°43'52" W	16.45'
EB-4	N 08°51'01" W	11.31'



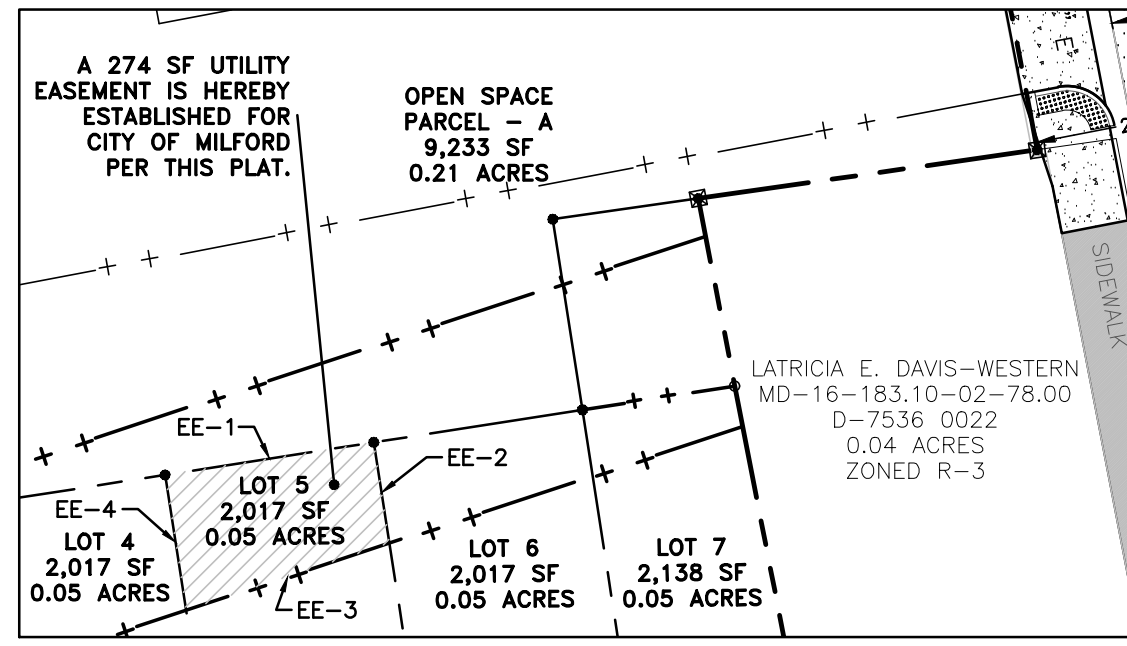
UTILITY EASEMENT - (C)
534 SF

LINE	BEARING	DISTANCE
EC-1	N 71°43'52" E	81.35'
EC-2	S 08°51'01" E	13.31'
EC-3	S 81°08'59" W	80.25'



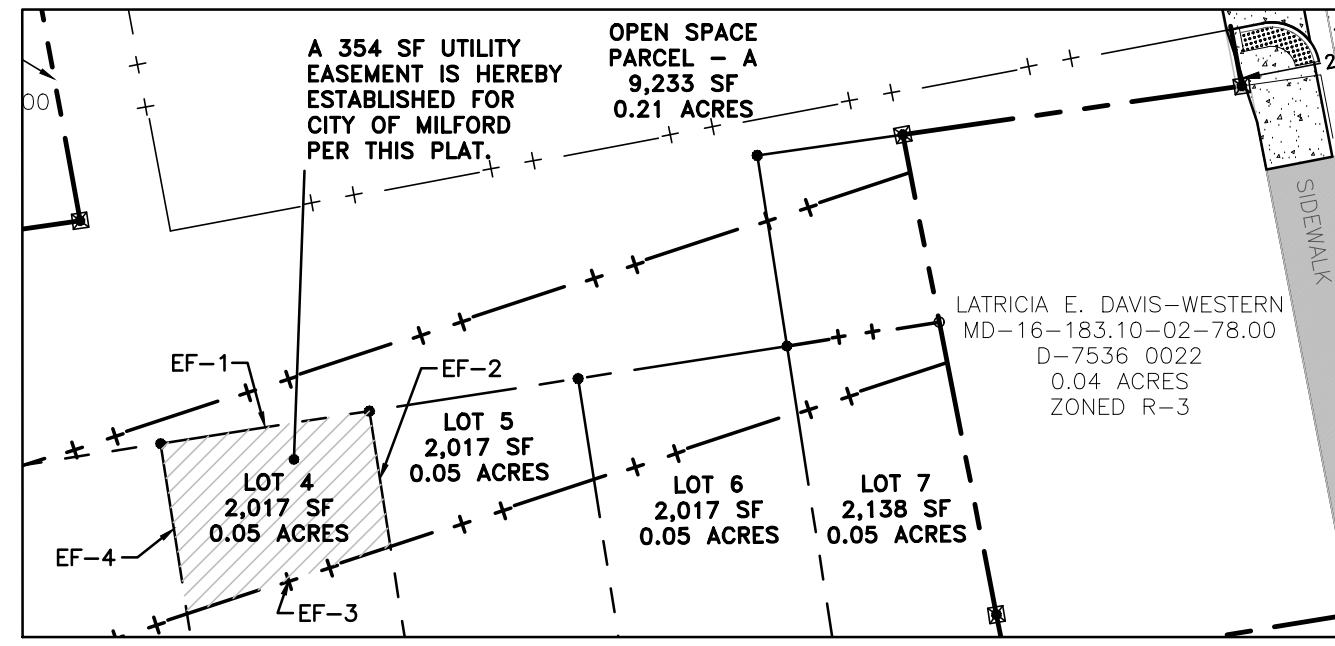
UTILITY EASEMENT - (D)
193 SF

LINE	BEARING	DISTANCE
ED-1	N 81°08'59" E	22.00'
ED-2	S 08°51'01" E	6.98'
ED-3	S 71°43'52" W	22.30'
ED-4	N 08°51'01" W	10.61'



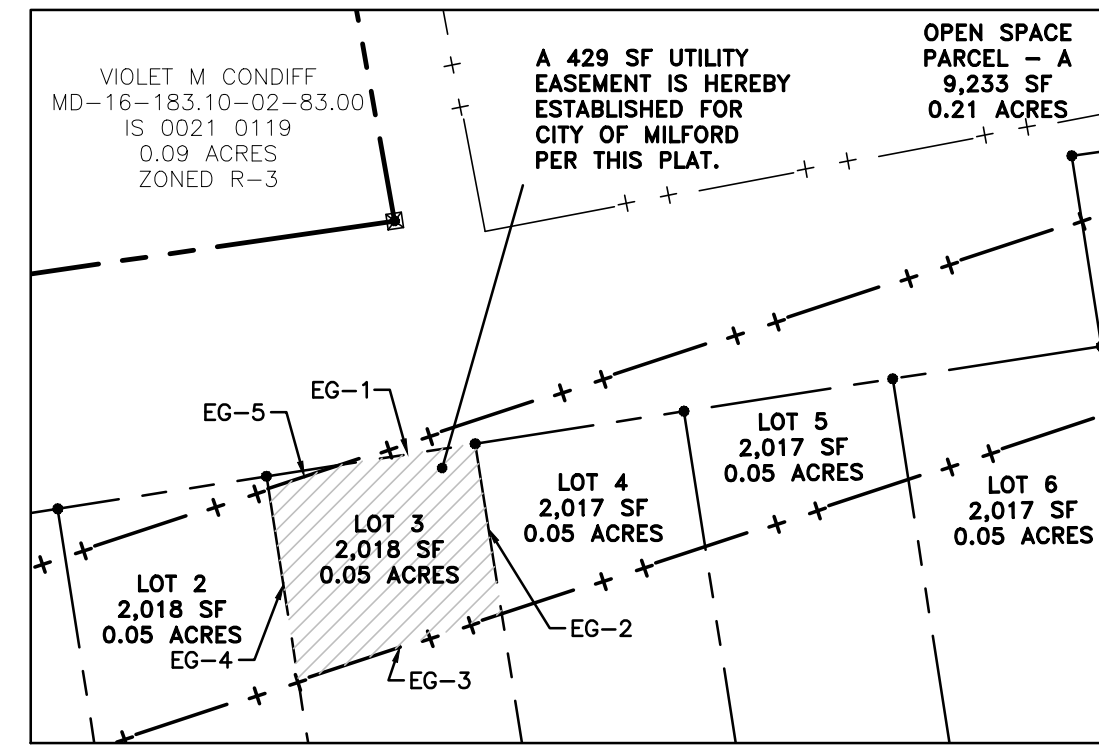
UTILITY EASEMENT - (E)
274 SF

LINE	BEARING	DISTANCE
EE-1	N 81°08'59" E	22.00'
EE-2	S 08°51'01" E	10.61'
EE-3	S 71°43'52" W	22.30'
EE-4	N 08°51'01" W	14.26'



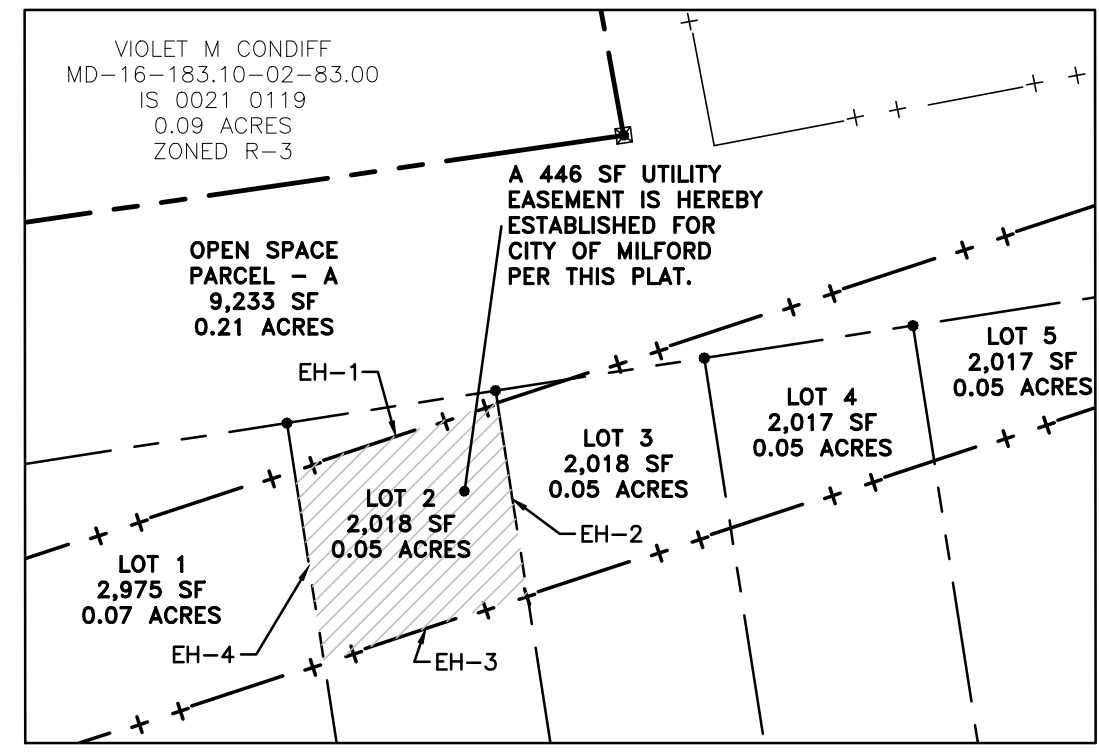
UTILITY EASEMENT - (F)
354 SF

LINE	BEARING	DISTANCE
EF-1	N 81°08'59" E	22.00'
EF-2	S 08°51'01" E	14.26'
EF-3	S 71°43'52" W	22.30'
EF-4	N 08°51'01" W	17.91'



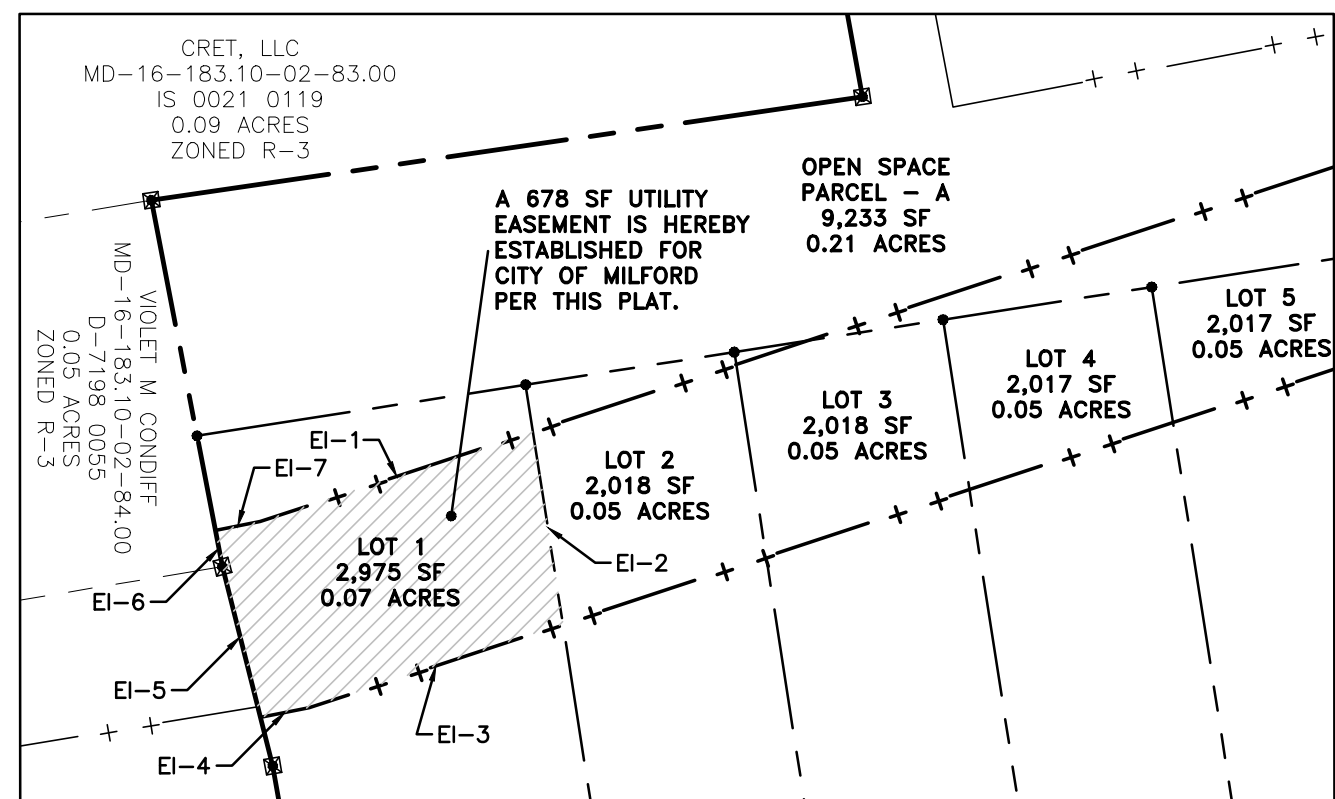
UTILITY EASEMENT - (G)
429 SF

LINE	BEARING	DISTANCE
EG-1	N 81°08'59" E	14.25'
EG-2	S 08°51'01" E	17.91'
EG-3	S 71°43'52" W	22.30'
EG-4	N 08°51'01" W	20.27'
EG-5	N 71°43'52" E	7.86'



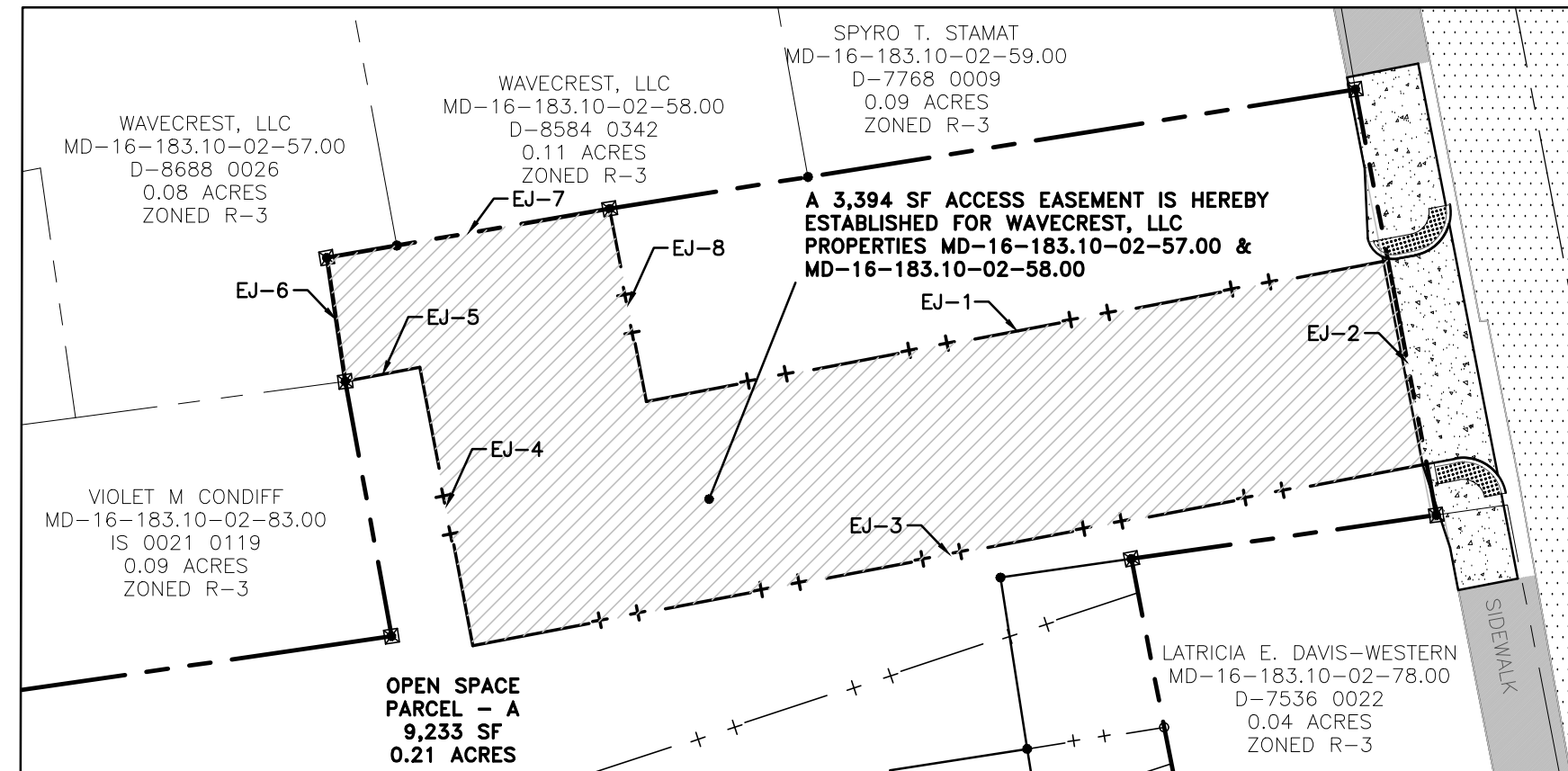
UTILITY EASEMENT - (H)
446 SF

LINE	BEARING	DISTANCE
EH-1	N 71°43'52" E	22.30'
EH-2	S 08°51'01" E	20.27'
EH-3	S 71°43'52" W	22.30'
EH-4	N 08°51'01" W	20.27'



UTILITY EASEMENT - (I)
678 SF

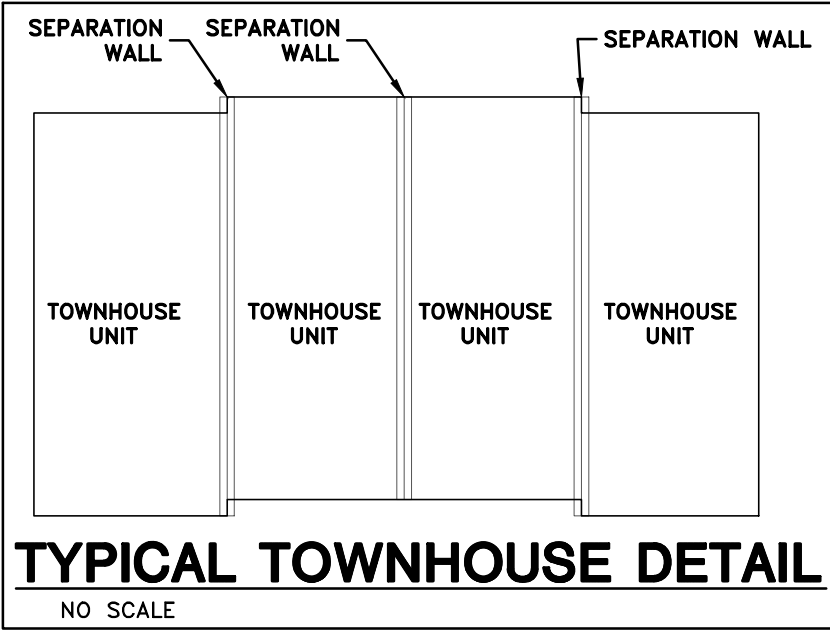
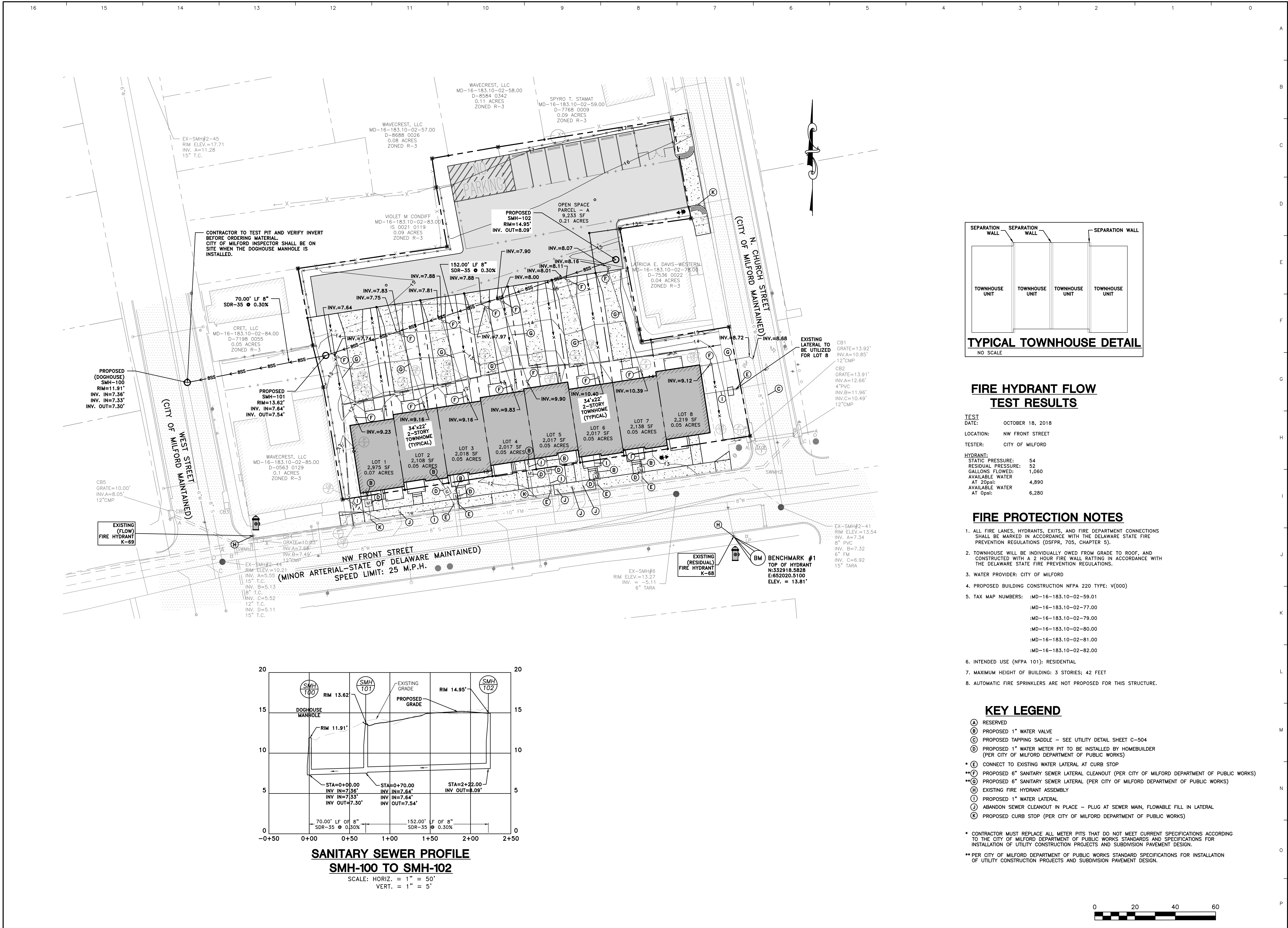
LINE	BEARING	DISTANCE
EI-1	N 71°43'52" E	28.90'
EI-2	S 08°51'01" E	20.27'
EI-3	S 71°43'52" W	27.84'
EI-4	S 78°56'21" W	5.15'
EI-5	N 14°12'04" W	15.05'
EI-6	N 10°57'21" W	3.86'
EI-7	N 78°56'21" E	4.77'



ACCESS EASEMENT - (J)
3,394 SF

LINE	BEARING	DISTANCE
EJ-1	N 79°14'01" E	87.40'
EJ-2	S 10°45'59" E	24.00'
EJ-3	S 79°14'01" W	112.41'
EJ-4	N 10°45'59" W	52.80'
EJ-5	S 79°14'01" W	8.60'
EJ-6	N 08°32'00" W	14.49'
EJ-7	N 80°10'36" E	33.25'
EJ-8	S 10°45'59" E	22.73'

IF THE ENGINEER'S SEAL IS NOT RED, THE PLAN IS A COPY THAT SHOULD BE ASSUMED TO CONTAIN UNAUTHORIZED ALTERATIONS. THE STATEMENTS CONTAINED ON THIS DOCUMENT SHALL NOT APPLY TO ANY COPIES.



FIRE HYDRANT FLOW TEST RESULTS

TEST DATE:	OCTOBER 18, 2018
LOCATION:	NW FRONT STREET
TESTER:	CITY OF MILFORD
HYDRANT:	
STATIC PRESSURE:	54
RESIDUAL PRESSURE:	52
GALLONS FLOWED:	1,060
AVAILABLE WATER AT 20psi:	4,890
AVAILABLE WATER AT 0psi:	6,280

FIRE PROTECTION NOTES

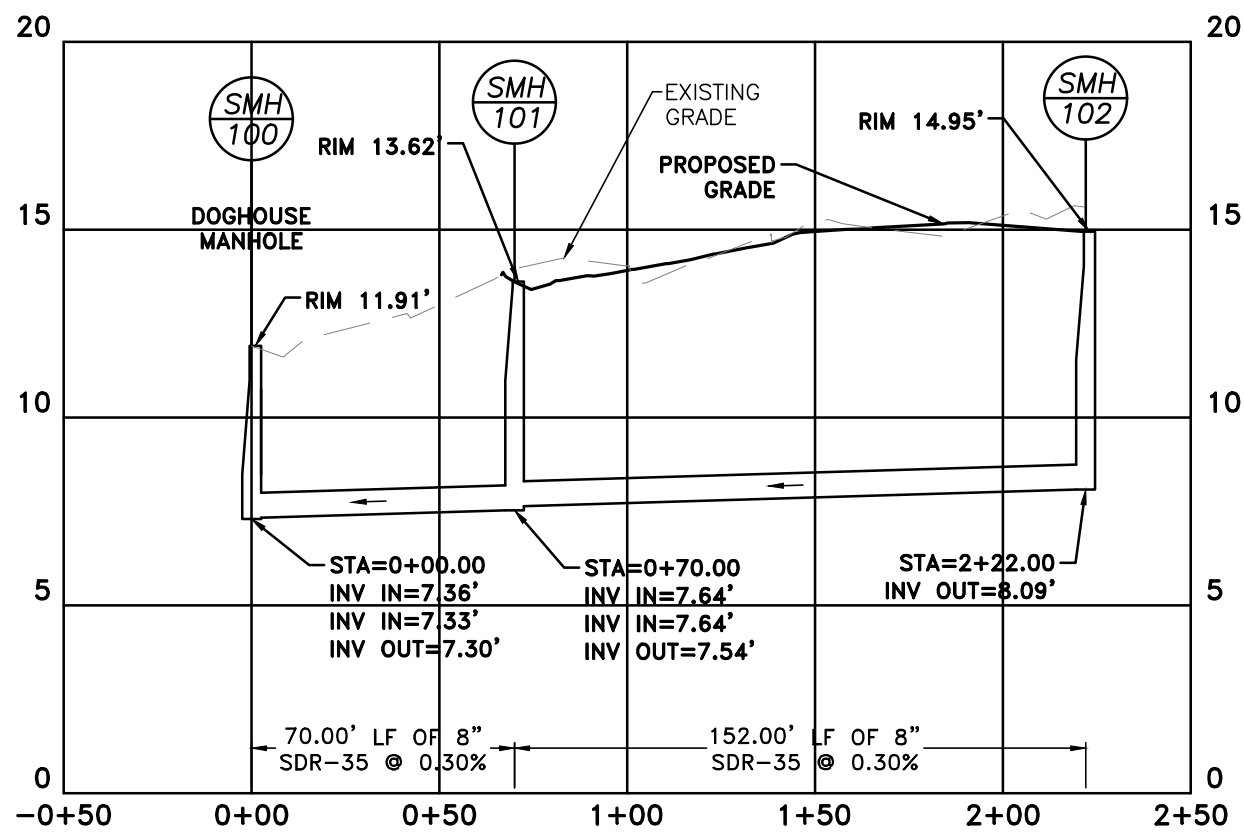
- ALL FIRE LANES, HYDRANTS, EXITS, AND FIRE DEPARTMENT CONNECTIONS SHALL BE MARKED IN ACCORDANCE WITH THE DELAWARE STATE FIRE PREVENTION REGULATIONS (DSFPR, 705, CHAPTER 5).
- TOWNHOUSE WILL BE INDIVIDUALLY OWED FROM GRADE TO ROOF, AND CONSTRUCTED WITH A 2 HOUR FIRE WALL RATING IN ACCORDANCE WITH THE DELAWARE STATE FIRE PREVENTION REGULATIONS.
- WATER PROVIDER: CITY OF MILFORD
- PROPOSED BUILDING CONSTRUCTION NFPA 220 TYPE: V(000)
- TAX MAP NUMBERS:
 - :MD-16-183.10-02-59.01
 - :MD-16-183.10-02-77.00
 - :MD-16-183.10-02-79.00
 - :MD-16-183.10-02-80.00
 - :MD-16-183.10-02-81.00
 - :MD-16-183.10-02-82.00
- INTENDED USE (NFPA 101): RESIDENTIAL
- MAXIMUM HEIGHT OF BUILDING: 3 STORIES; 42 FEET
- AUTOMATIC FIRE SPRINKLERS ARE NOT PROPOSED FOR THIS STRUCTURE.

KEY LEGEND

- (A) RESERVED
- (B) PROPOSED 1" WATER VALVE
- (C) PROPOSED TAPPING SADDLE - SEE UTILITY DETAIL SHEET C-504
- (D) PROPOSED 1" WATER METER PIT TO BE INSTALLED BY HOMEOWNER (PER CITY OF MILFORD DEPARTMENT OF PUBLIC WORKS)
- (E) CONNECT TO EXISTING WATER LATERAL AT CURB STOP
- (F) PROPOSED 6" SANITARY SEWER LATERAL CLEANOUT (PER CITY OF MILFORD DEPARTMENT OF PUBLIC WORKS)
- (G) PROPOSED 6" SANITARY SEWER LATERAL (PER CITY OF MILFORD DEPARTMENT OF PUBLIC WORKS)
- (H) EXISTING FIRE HYDRANT ASSEMBLY
- (I) PROPOSED 1" WATER LATERAL
- (J) ABANDON SEWER CLEANOUT IN PLACE - PLUG AT SEWER MAIN, FLOWABLE FILL IN LATERAL
- (K) PROPOSED CURB STOP (PER CITY OF MILFORD DEPARTMENT OF PUBLIC WORKS)

* CONTRACTOR MUST REPLACE ALL METER PITS THAT DO NOT MEET CURRENT SPECIFICATIONS ACCORDING TO THE CITY OF MILFORD DEPARTMENT OF PUBLIC WORKS STANDARDS AND SPECIFICATIONS FOR INSTALLATION OF UTILITY CONSTRUCTION PROJECTS AND SUBDIVISION PAVEMENT DESIGN.

** PER CITY OF MILFORD DEPARTMENT OF PUBLIC WORKS STANDARD SPECIFICATIONS FOR INSTALLATION OF UTILITY CONSTRUCTION PROJECTS AND SUBDIVISION PAVEMENT DESIGN.



SANITARY SEWER PROFILE
SMH-100 TO SMH-102
SCALE: HORIZ. = 1" = 50'
VERT. = 1" = 5'



STATE OF DELAWARE
DEPARTMENT OF TRANSPORTATION
800 BAY ROAD
P.O. BOX 778
DOVER, DELAWARE 19903

JENNIFER COHAN
SECRETARY

June 26, 2019

Mr. Rob Pierce, Director
City of Milford
201 S Walnut St
Milford, Delaware 19963

**SUBJECT: Letter of No Objection to Recordation
200 Front, LLC**

Tax Parcel # 5-16-18310-02-8200-00001, 5-16-18310-02-8100-00001, 5-16-18310-02-8000-00001, 5-16-18310-02-7900-00001, 5-16-18310-02-7700-00001, 5-16-18310-02-7800-00001, 5-16-18310-02-5901-00001
KCR022-FRONT STREET / Rt.14
Milford, Milford Hundred, Kent County

Dear Mr. Pierce:

The Department of Transportation has reviewed the Site Plan, dated February 2019 (last revised June 4, 2019), for the above referenced site, and has no objection to its recordation as shown on the enclosed drawings. This "No Objection to Recordation" approval shall be valid for a period of **five (5) years**. If the Site Plan is not recorded prior to the expiration of the "No Objection to Recordation", then the plan must be updated to meet current requirements and resubmitted for review and approval.

This letter does not authorize the commencement of entrance construction. Entrance plans shall be developed in accordance with DelDOT's [Development Coordination Manual](#) and submitted to the Development Coordination Section for review and approval.

This "No Objection to Recordation" letter is not a DelDOT endorsement of the project discussed above. Rather, it is a recitation of the transportation improvements, which the applicant may be required to make as a pre-condition to recordation steps and deed restrictions as required by the respective county/municipality in which the project is located. If transportation investments are necessary, they are based on an analysis of the proposed project, its location, and its estimated impact on traffic movements and densities. The required improvements conform to DelDOT's published rules, regulations and standards. Ultimate responsibility for the approval of any project rests with the local government in which the land use decisions are authorized.

200 Front, LLC
Mr. Rob Pierce
Page 2
June 26, 2019

There may be other reasons (environmental, historic, neighborhood composition, etc.) which compel that jurisdiction to modify or reject this proposed plan even though DelDOT has established that these enumerated transportation improvements are acceptable.

If I can be of any further assistance, please call me at (302) 760-2266.

Sincerely,



Susanne K. Laws
Sussex County Review Coordinator,
Development Coordination

cc: Daniel Bond, 200 Front, LLC
Ashton McLaughlin, Davis, Bowen & Friedel, Inc.
Jared Adkins, Kent Conservation District
R. Stephen McCabe, Central District Public Works Engineer
Jennifer Pinkerton, Chief Materials & Research Engineer
Peter Haag, Traffic Studies Manager
Linda Osiecki, Consistency Control Engineer
John Fiori, Bicycle Coordinator
Maria Andaya, Pedestrian Coordinator
Warren Ziegler, Safety Officer Central District
Mark Galipo, Traffic Development Coordination Engineer
Joseph Ellis, Contech Manager
Tremica Cherry, DTC Planner
James Kelley, JMT
Todd Sammons, Subdivision Engineer
Derek Sapp, Milford Reviewer



STATE OF DELAWARE
DEPARTMENT OF TRANSPORTATION
800 BAY ROAD
P.O. BOX 778
DOVER, DELAWARE 19903

JENNIFER COHAN
SECRETARY

June 26, 2019

Mr. Rob Pierce, Director
City of Milford
201 S Walnut St
Milford, Delaware 19963

**SUBJECT: Minor Subdivision - Letter of No Objection to Recordation
200 Front, LLC**

Tax Parcel # 5-16-18310-02-8200-00001, 5-16-18310-02-8100-00001, 5-16-18310-02-8000-00001, 5-16-18310-02-7900-00001, 5-16-18310-02-7700-00001, 5-16-18310-02-7800-00001, 5-16-18310-02-5901-00001
Rt.14 Front Street (KCR022)
Milford, Milford Hundred, Kent County

Dear Mr. Pierce:

The Department of Transportation has reviewed the Minor Subdivision Plan dated June 2018 (last revised May 7, 2019), for the above referenced site, and has no objection to its recordation as shown on the enclosed drawing. This "No Objection to Recordation" approval shall be valid for a period of **five (5) years**. If the Minor Subdivision Plan is not recorded and/or an entrance permit is not issued for the lot(s) prior to the expiration of the "No Objection to Recordation", then the plan must be updated to meet current requirements and resubmitted for review and approval.

Entrances(s) must be installed prior to the sale of the lot(s). All entrances shall conform to DelDOT's [Development Coordination Manual](#) and shall be subject to its approval. **This letter does not authorize the commencement of entrance construction.**

This "No Objection to Recordation" letter is not a DelDOT endorsement of the project discussed above. Rather, it is a recitation of the transportation improvements, which the applicant may be required to make as a pre-condition to recordation steps and deed restrictions as required by the respective county/municipality in which the project is located. If transportation investments are necessary, they are based on an analysis of the proposed project, its location, and its estimated impact on traffic movements and densities. The required improvements conform to DelDOT's published rules, regulations and standards. Ultimate responsibility for the approval of any project rests with the local government in which the land use decisions are authorized.



200 Front, LLC
Mr. Rob Pierce
Page 2
June 26, 2019

There may be other reasons (environmental, historic, neighborhood composition, etc.) which compel that jurisdiction to modify or reject this proposed plan even though DelDOT has established that these enumerated transportation improvements are acceptable.

The owner shall be responsible to submit a copy of the **recorded Minor Subdivision Plan** showing all appropriate signatures, seals, plot book and page number to the Central District Public Works office (302) 760-2433 in order to obtain the entrance permit(s) for the proposed minor subdivision.

Sincerely,



Susanne K. Laws
Sussex County Review Coordinator,
Development Coordination

cc: Ashton McLaughlin, Davis, Bowen & Friedel, Inc.
Jared Adkins, Kent Conservation District
R. Stephen McCabe, Central District Public Works Engineer
Todd Sammons, Subdivision Engineer
Derek Sapp, Milford Reviewer



OFFICE OF STATE FIRE MARSHAL

Technical Services

1537 Chestnut Grove Road
Dover, DE 19904-1544



SFMO PERMIT

Plan Review Number: 2019-03-199719-MJS-01 **Tax Parcel Number:** 5-16-183.10-02-59.01-000

Status: Approved as Submitted

Date: 03/21/2019

Project

200 Front LLC 8 Residential Units--MJS
8 Town homes-200 NW Front
NW Front St (200 Block)

NW Front Street
Milford DE 19963

Scope of Project

Number of Stories: 3
Square Footage: 3200
Construction Class: V (000) Wood Frame
Fire District: 42 - Carlisle Fire Co Inc

Occupant Load Inside:
Occupancy Code: 9602

Applicant

Ashton McLaughlin
1 Park Avenue
Milford, DE 19963

This office has reviewed the plans and specifications of the above described project for compliance with the Delaware State Fire Prevention Regulations, in effect as of the date of this review.

The owner understands that this construction start approval is limited to preliminary site construction and foundation work only. No other construction of any kind shall be permitted until the required building plan review is completed.

A Review Status of "Approved as Submitted" or "Not Approved as Submitted" must comply with the provisions of the attached Plan Review Comments.

Any Conditional Approval does not relieve the Applicant, Owner, Engineer, Contractor, nor their representatives from their responsibility to comply with the plan review comments and the applicable provisions of the Delaware State Fire Prevention Regulations in the construction, installation and/or completion of the project as reviewed by this Agency.

This Plan Review Project was prepared by:


William Kelly

FIRE PROTECTION PLAN REVIEW COMMENTS

Plan Review Number: 2019-03-199719-MJS-01 **Tax Parcel Number:** 5-16-183.10-02-59.01-000

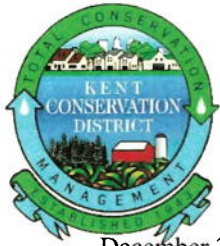
Status: Approved as Submitted

Date: 03/21/2019

PROJECT COMMENTS

- 1002 A** This project has been reviewed under the provisions of the Delaware State Fire Prevention Regulations (DSFPR) UPDATED March 11, 2016. The current Delaware State Fire Prevention Regulations are available on our website at www.statefiremarshal.delaware.gov. These plans were not reviewed for compliance with the Americans with Disabilities Act (ADA). These plans were not reviewed for compliance with any Local, Municipal, nor County Building Codes.
- 1040 A** This site meets Water Flow Table 2, therefore the following water for fire protection requirements apply: Main Sizes: 6" minimum. Minimum Capacity: 1,000 gpm @ 20 psi residual for 1 hour duration. Hydrant Spacing: 800' on center.
- 1180 A** This report reflects site review only. It is the responsibility of the applicant and owner to forward copies of this review to any other agency as required by those agencies.
- 1408 A** All premises where emergency personnel may be called upon to provide emergency services, which are not readily accessible from streets, shall be provided with suitable gates, access roads, and fire lanes so that all buildings on the premises are accessible to emergency apparatus. (DSFPR Regulation 705, Chapter 5, Section 2).
- 1092 A** Perimeter Access is that portion of the building that is accessible by emergency services personnel and is within 100 feet of a street and capable of supporting fire ground operations. (DSFPR Regulation 705, Chapter 5, Section 1.4.1). Perimeter Access minimum width shall be 15 feet measured from the face of the building at grade with a maximum slope of ten percent (10%). Plantings and utility services (includes condenser units, transformers, etc.) shall be permitted within the perimeter access, provided they do not interfere with the emergency services fire ground operations. (DSFPR Regulation 705, Chapter 5, Sections 3.5 and 4.5). If a physical barrier (fence, pond, steep slope, etc) prevents access, that portion of the building perimeter shall not be included in the calculation of Percent of Perimeter Access. (DSFPR Regulation 705, Chapter 5, Sections 3.5.1 and 4.5.1).

1501 A If there are any questions about the above referenced comments please feel free to contact the Fire Protection Specialist who reviewed this project. Please have the plan review number available when calling about a specific project. When changes or revisions to the plans occur, plans are required to be submitted, reviewed, and approved.



KENT CONSERVATION DISTRICT

1679 SOUTH DUPONT HIGHWAY • DOVER, DELAWARE 19901 • (302) 608-5370 • WWW.KENTCD.ORG

December 30, 2019

Mr. Daniel Bond
200 Front Street, LLC
101 NW Front Street
Milford, Delaware 19963

RE: 200 Front Street
Sediment & Stormwater Plan Approval

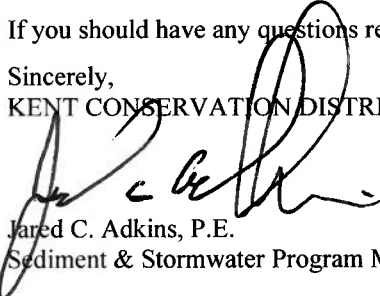
Dear Mr. Bond:

The Kent Conservation District has reviewed and approved the sediment and stormwater management plans for the above referenced project. Two (2) approved plans are enclosed: one (1) is for your use and one (1) is for your contractor. The contractor's copy must remain on site at all times during construction. Kent Conservation District has no objection to recordation of the site plan. Conditions of this approval are as follows:

1. The Kent Conservation District reserves the right to add, modify, or delete any sediment control and stormwater management measures as deemed necessary.
2. The total estimated inspection fees for this project are \$1,550.00. The fee is based on 0.7 acres of disturbance. The construction inspection fee must be submitted to our office prior to any land disturbing activity (clearing, filling, grubbing, grading, etc.) taking place. The inspection fees are valid for the five year life of the plan approval.
3. The total stormwater facility maintenance inspection fee for this project is \$400.00. The stormwater facility maintenance inspection fee for the completed facilities must be submitted to our office prior to final Certificate of Occupancy approval for the first building on site.
4. The conditional approval for this site is valid for five (5) years from the approval date stamped on the plan by Kent Conservation District and will expire on December 30, 2024.
5. A Certified Construction Reviewer (CCR) is required for this project unless waived. The CCR will be responsible for attending the pre-construction meeting and submitting weekly inspection reports to the Kent Conservation District.
6. A pre-construction meeting must take place before any earth disturbing activity begins. The meeting must be attended by an owner's representative, contractor, CCR, and Kent Conservation District inspector. Please contact our office to schedule a pre construction meeting.
7. Approval of a Sediment and Storm Water Plan does not grant or imply a right to discharge storm water runoff. The owner/developer is responsible for acquiring any and all agreements, easements, etc., necessary to comply with State drainage and other applicable laws.

If you should have any questions regarding this matter, please do not hesitate to contact our office.

Sincerely,
KENT CONSERVATION DISTRICT


Jared C. Adkins, P.E.
Sediment & Stormwater Program Manager

Enclosures

cc: Ring Lardner, P.E., Davis, Bowen & Friedel, Inc
Rob Pierce, City of Milford

**We have recently moved! Our new address is:
1679 S. Dupont Highway • Dover, DE 19901 • (302) 608-5370**

Tax Map and Parcel No(s):

MD-16-183.10-02-59.01/000

MD-16-183.10-02-77.00/000

MD-16-183.10-02-79.00/000

MD-16-183.10-02-80.00/000

MD-16-183.10-02-81.00/000

MD-16-183.10-02-82.00/000

Prepared by and Return to:

Adkins Law Firm, P.A.

401 Broadkill Rd.

Milton, DE 19968

**BYLAWS FOR
200 FRONT STREET TOWNHOMES HOMEOWNERS ASSOCIATION**

ARTICLE I

GENERAL

Section 1. Organization

The name of the organization is 200 Front Street Townhomes Homeowners Association, Inc., a Delaware not for profit corporation, or such other name as the Association may amend it to (hereinafter the "HOA"). The registered agent for the HOA shall be the HOA itself, and its principal office is located at 101 NW Front Street, Milford, DE 19963.

Section 2. Definitions

"Declarations" shall refer to the Declaration of Covenants, Conditions and Restrictions of a Small Residential Community to be known as 200 Front Street Townhomes, as is of record in the Recorder's Office in Book _____, Page _____.

Except as may otherwise be defined herein, these Bylaws hereby incorporate by reference the definitions provided in Article I of the Declarations.

Section 3. Applicability of Bylaws.

The provisions of these Bylaws are applicable to 200 Front Street Townhomes and to the use and occupancy thereof. All present and future owners, mortgagees, lessees and occupants of each legally subdivided lot in 200 Front Street Townhomes, as improved or to be improved with a townhome dwelling unit (each, a "Lot") and their employees and any other person who may use the common areas of 200 Front Street Townhomes in any manner, are subject to these Bylaws, and the acceptance of a deed or transfer document, or the act of occupancy of a Lot, shall conclusively establish the acceptance and ratification

of these Bylaws, the Declaration, and the rules and regulations of the Executive Board, as they may be amended from time to time, by the person so acquiring, or occupying a Lot, and shall constitute and evidence an agreement by such person to comply with the same.

ARTICLE II

ASSOCIATION OF OWNERS

Section 1. Composition.

Every natural person, corporation, partnership, trust or other legal entity or any combination thereof that owns title to a Lot, excluding those who hold an interest in a Lot solely as security for the performance of an obligation (individually and collectively, the "Owners"), in accordance the Declaration and the Bylaws, shall be a member of the Association. The Association shall have the responsibility of administering 200 Front Street Townhomes, establishing the means and methods of collecting the contributions to the common expenses, arranging for the management of 200 Front Street Townhomes and performing all of the other acts that may be required to be performed by the Association, and by the Declaration. Except as to those matters which the Declarations specifically require to be performed by the vote of the Owners, the administration of the foregoing responsibilities shall be performed by the Executive Board as more particularly set forth in Article III.

Section 2. Annual Meetings.

The Declarant shall notify the Owners of the Lots after the sale of seven (7) of the Lots from the Developer to third parties (or at such earlier time as the Developer may deem appropriate in its sole discretion), that the first annual meeting of the Association shall be held thereafter on a call issued by the Developer. Thereafter, the annual meetings of the Association shall be held each succeeding year at a time and place determined by the Board. At such annual meetings the Board shall be elected by ballot of the Owners in accordance with the requirements set forth in these Bylaws and the annual budget shall be presented and adopted. The Association Owners may transact such other business at such meetings as may properly come before them. Additional regular or special meetings of the total membership, in addition to the annual meeting, may be held as deemed necessary by the President and Board of Directors of the Association.

Section 3. Place of Meetings.

Meetings of the Association shall be held at such suitable place convenient to the Owners as may be designated by the Executive Board.

Section 4. Special Meetings.

The President of the Association (the “President”) may call a special meeting of the Association at any time. Additionally, it shall be the duty of the President to call a special meeting of the Association if so directed by resolution of the Executive Board or within thirty (30) days after receipt of a petition signed and presented to the Secretary of the Association (the “Secretary”) by Owners owning not less than forty percent (40%) of the percentage interests of all Owners; provided, however, that no special meeting shall be called prior to the first annual meeting of the Association by resolution of the Executive Board. If the Association does not notify Owners of a special meeting within thirty (30) days after the requisite number or percentage of Owners requested the Secretary to do so by a petition, the requesting Owners may directly notify all Owners of that meeting. No business shall be transacted at a special meeting except as stated in the notice.

Section 5. Notice of Meetings and Waiver.

Except in the case of emergency meetings, which may be held without prior notice, it shall be the duty of the Secretary to send notice with the agenda of each annual or special meeting of the Owners or with a statement as to the website address where the agenda is located, at least fourteen (14) but not more than thirty (30) days prior to such meeting to each Owner of record. The notice shall state the time and place of such meeting and the items on the agenda; and shall include the following: (i) a statement of the general nature of any proposed amendment to the Declaration or Bylaws, (ii) a statement that in the absence of objection from any Owner present at the meeting, the President may add items to the agenda, (iii) any budget changes, and (iv) any proposal to remove an officer or member from the Executive Board. The mailing of a notice of a meeting shall comply with the notice provisions under Article VII of the Declarations. Notwithstanding the foregoing, the agenda may be posted on the website of the Association, if any, in lieu of being included in the notice, provided that the Association shall, by any means permitted in the Declarations, furnish to any Owner who so requests a copy of the agenda prior to the meeting. Any Owner may, at any time, waive notice of any meeting of the Owners, in writing, and such waiver shall be deemed equivalent to the giving of such notice.

Section 6. Voting.

Voting at all meetings of the Association shall be on a percentage basis and the percentage of the vote to which each Owner is entitled shall be one vote for each Lot. Where the ownership of a Lot is in the name of more than one person, then the person who shall be entitled to cast the vote of that Lot shall be the person named in a certificate signed by all of the owners of the Lot and filed with the Secretary. Such certificate shall be valid until revoked by a subsequent certificate. Whenever the approval or disapproval of an Owner is required by the Declarations, or these Bylaws, such approval or disapproval shall only be made by the person who would be entitled to cast the vote for the Owner at any meeting of the Association. Except where a greater number is required by the Declaration or these Bylaws, a majority vote of those Owners present at a meeting is required to adopt decisions at any meeting of the Association, provided the Quorum requirements in the

Declarations are met. If the Declarant owns or holds title to one or more Lots, the Declarant shall have the right at any meeting of the Association to cast the vote to which such Lot is entitled. Votes allocated to a Lot or Common Areas owned by the Association may not be cast and shall not be calculated either in a quorum or in any percentage of Lot votes needed for any action by the Owners.

Section 7. Proxies.

A vote may be cast in person or by proxy. If a Lot is owned by more than one person, each owner of the Lot may vote or register protest to the casting of votes by the other owners of the Lot through a duly executed proxy. An Owner may revoke a proxy given only by actual notice of revocation to the person presiding over a meeting of the Association. A proxy is void if it is not dated or purports to be revocable without notice. Proxies shall be valid only for the particular meeting designated therein or for multiple meetings within a time period not to exceed one (1) year designated therein. To be effective, proxies must be filed with the Secretary before the appointed time of the meeting for which they are used.

Section 8. Action by Ballot.

Action may be taken by ballot without a meeting as follows:

- a) Any action that the Association may take at any meeting of Owners may be taken without a meeting if the Association delivers a written or electronic ballot to every Owner entitled to vote on the matter. A ballot shall set forth each proposed action and provide an opportunity to vote for or against each proposed action.
- b) All solicitations for votes by ballot must:
 - 1. Indicate the number of responses needed to meet the quorum requirements;
 - 2. State the percentage of approvals necessary to approve each matter other than election of the Executive Board;
 - 3. Specify the time by which a ballot must be delivered to the Association in order to be counted, which time shall not be less than three (3) days after the date that the Association delivers the ballot; and
 - 4. Describe procedures, including time, size, and manner, by when Owners wishing to deliver information to all Owners regarding the subject of the vote may do so.

- c) Approval by ballot pursuant to this section is only valid if:
 - 1. The number of votes cast by ballot equals or exceeds the quorum required to be present at a meeting authorizing the action; and
 - 2. The number of approvals equals or exceeds the number of votes that would be required to approve the matter at a meeting at which the total number of votes cast was the same as the number of votes by ballot.
- d) A ballot shall not be revoked after delivery to the Association by death, disability, or revocation by the person who cast the vote.

Section 9. Conduct of Meeting.

The President shall preside over all meetings of the Association and the Secretary shall keep the minutes of the meeting and record in a minute book all resolutions adopted at the meeting as well as a record of all transactions occurring thereat. Roberts Rules of Order shall govern the conduct of all meetings of the Association when not in conflict with the Declaration, other specific provisions of these Bylaws.

Section 10. Minutes.

The Association shall maintain minutes of all meetings of its members and Executive Board, a record of all actions taken by the members or Executive Board without a meeting, and a record of all actions taken by a committee of the Executive Board in place of the Executive Board on behalf of the Association.

Section 11. List of Members.

The Association shall maintain a record of its Owners in a form that permits preparation of a list of the names and addresses of all Owners, in alphabetical order by class, showing the number of votes each Owner is entitled to cast.

Section 12. Record Keeping.

The Association shall keep a copy of the following records at its principal office:

- (a) Its original or restated Certificate of Incorporation and Bylaws and all amendments to them currently in effect;
- (b) The minutes of all Association meetings and records of all action taken by members without a meeting for the past three (3) years;
- (c) Any financial statements and tax returns of the Association prepared for the past three (3) years, together with the report of the auditors of the financial records;

- (d) A list of the names and business addresses of its current members of the Executive Board and officers;
- (e) Its most recent annual report delivered to the Secretary of the State;
- (f) The Association's most recent reserve study; and
- (g) Financial and other records sufficiently detailed to enable the Association to comply with Section 81-409 of the Act.

Section 13. Right of Owners to Inspect Records.

(a) Subject to the provisions of this Section, all records kept by the Association, including the Association's Owner list and address, and aggregate salary information of employees of the Association, shall be available for examination and copying by an Owner and the Owner's authorized agent, so long as the request is made in good faith and for a proper purpose related to the Owner's membership in the Association. This right of examination may be exercised: (i) only during reasonable business hours or at a mutually convenient time and location, and (ii) upon five (5) days' written notice reasonably identifying the purpose for the request and the specific records of the Association requested.

(b) Subject to the provisions of this Section, all rules governing the Association and other books, records and financial statements of the Association shall be made available for examination and copying by the lenders and the holders and insurers of the first mortgage of any Lot and any prospective purchaser of a Lot in 200 Front Street Townhomes.

(c) Records kept by an Association may be withheld from inspection and copying to the extent that they concern:

- (1) Personnel matters relating to specific persons or a person's medical records;
- (2) Contracts, leases, and other commercial transactions to purchase or provide goods or services, currently in or under negotiation;
- (3) Pending or threatened litigation, arbitration, mediation or other administrative proceedings;
- (4) Matters involving federal, state or local administrative or other formal proceedings before a government tribunal for enforcement of the Declaration, Bylaws or rules;

- (5) Communications with legal counsel which are otherwise protected by the attorney-client privilege or the attorney work product doctrine;
- (6) Disclosure of information in violation of law;
- (7) Meeting minutes or other confidential records of an executive session of the Executive Board; or
- (8) Individual Owner files other than those of the requesting Owner.

(d) An attorney's files and records relating to the Association are not records of the Association and are not subject to inspection by Owners or production in a legal proceeding for examination by Owners.

(e) The Association may charge a fee for providing copies of any records under Sections 17 and 18 of Article II of these Bylaws but that fee may not exceed the actual cost of the materials and labor incurred by the Association.

(f) The right to copy records under Sections 17 and 18 of Article II of these Bylaws includes the right to receive copies by xerographic or other means, including copies through an electronic transmission if available and so requested by the Owner.

(g) The Association is not obligated to compile or synthesize information.

(h) Information provided pursuant to Sections 17 and 18 of Article II of these Bylaws may not be used for commercial purposes.

Section 14. Litigation.

The Association shall have the authority to commence and pursue litigation involving 200 Front Street Townhomes, subject to the following rules:

(a) Before the Association commences litigation, arbitration or any administrative proceedings against the Declarant or any person employed by or under contract with the Declarant involving any alleged construction defect with respect to 200 Front Street Townhomes, the Association shall provide written notice of its claims to the Declarant and those persons whom the Association seeks to hold responsible for the claimed defects (the "Allegedly Responsible Persons"). The text of the notice may be in any form reasonably calculated to put the Allegedly Responsible Persons on notice of the general nature of the Association's claims including, without limitation, a list of the claimed defects. The notice may be delivered by any method of service and may be addressed to any person provided that the method of service and the person who is actually served either: (i) provides actual notice to the Allegedly Responsible Persons named in the claim; or (ii) the method of service used would be sufficient under local law to confer personal

jurisdiction over the person in connection with commencement of a lawsuit by the Association against that person.

(1) The Association may not commence litigation, arbitration or any administrative proceedings against an Allegedly Responsible Person for a period of ninety (90) days after the Association sends notice of its claim to that Allegedly Responsible Person.

(2) During the ninety (90) day period, the Declarant and any other Allegedly Responsible Person may present to the Association a plan to repair or otherwise remedy the construction defects described in the notice. If the Association does not receive a timely remediation plan from each Allegedly Responsible Person to whom it directed notice, the Association shall be entitled to commence any proceedings against that Allegedly Responsible Person as the Executive Board determines to be appropriate.

(3) If the Association does receive one (1) or more timely plans to repair or otherwise remedy the construction defects described in the notice, then the Executive Board shall promptly consider those plans and then notify the Allegedly Responsible Persons of whether or not each such plan is acceptable as presented, acceptable with stated conditions, or not accepted.

(4) If the Association accepts a repair plan from an Allegedly Responsible Person, or if the Allegedly Responsible Person agrees to stated conditions to an otherwise acceptable plan, then the parties shall agree on a timeframe for implementation of that plan, and the Association shall not commence litigation, arbitration or any administrative proceedings against that Allegedly Responsible Person during the time that the plan is being diligently implemented.

(5) If an Allegedly Responsible Person submits notice submits a timely repair plan but the Association and the Allegedly Responsible Person have not agreed in writing to the terms of the plan or its implementation, then the Association may proceed with requirements under .

(6) Any statute of limitation affecting the Association's right of action against a declarant or other Allegedly Responsible Person under this Section is tolled during the ninety (90) day period described in paragraph (b) of this Section above and during any extension of that time because the Allegedly Responsible Person has commenced and is diligently pursuing the remediation plan.

(7) After the time described in paragraph (c) of this Section expires, whether or not the Association agrees to any repair plan, nothing in this Section bars to the commencement of litigation by:

(i) The Association against an Allegedly Responsible Person who fails to submit a timely repair plan or whose plan is not

acceptable or who fails to diligently pursue implementation of that plan; or

(ii) An Owner with respect to that owner's Lot, regardless of any actions of the Association.

(8) Nothing in this Section precludes the Association from making emergency repairs to correct any defect that poses a significant and immediate health or safety risk.

(b) The Board may commence litigation against any Owner for collection of Assessments in its discretion.

(c) Except for those matters identified in subsection (b), the decision to commence any legal proceedings must be made by a resolution duly adopted at a properly noticed meeting with the affirmative vote of at least Seventy Five Percent (75%) of all Lots and the written consent of at least Fifty One Percent (51%) of the Mortgagee(s) holding a first position lien. Notwithstanding any other provision, no action to commence litigation shall be permitted without the consent of the Declarant so long as the Declarant is the owner of a Lot.

ARTICLE III

EXECUTIVE BOARD

Section 1. Number and Qualifications.

The affairs of 200 Front Street Townhomes shall be governed by a Board of Directors known as the Executive Board (the "Executive Board"). Persons eligible to serve as members of the Executive Board are designees of the Declarant and Owners. The Executive Board shall initially consist of three (3) persons designated by Declarant. At the first annual meeting called by the Developer, the Owners shall elect three (3) members to the Board from the general membership. The term of two (2) Board members elected by the Owners at the first annual meeting of the Association shall be for two (2) years and the term of the other Board member shall be for one (1) year. Thereafter, the term of each Board member shall be two (2) years. The three (3) Board members elected at the first annual meeting of the Association called by the Developer shall comprise the initial Board of the Association, as designated by the general membership.

Section 2. Powers and Duties.

The Executive Board shall have all of the powers and duties necessary for the administration of the affairs of 200 Front Street Townhomes and may do all such acts and things as are allowed by the Declarations or by these Bylaws. The Executive Board shall have the power, from time to time, to adopt any rules and regulations deemed necessary

for the enjoyment of 200 Front Street Townhomes provided such rules and regulations shall not be in conflict with the Declarations, the Record Plan, and these Bylaws. In addition to the duties imposed by these Bylaws or by any resolution of the Association that may hereafter be adopted, the Executive Board shall have the power to, and be responsible for, the following:

(a) Preparation of an annual budget, in which there shall be established the contribution of each Owner to the common expenses related to 200 Front Street Townhomes.

(b) Making assessments against Owners to defray the costs and expenses of 200 Front Street Townhomes, establishing the means and methods of collecting such assessments from the Owners, and establishing the period of the installment payment of the annual assessment for common expenses. .

(c) Providing for the operation, care, upkeep, replacement, maintenance and surveillance of the Common Areas.

(d) Designating, hiring and dismissing the personnel necessary for the maintenance, operation, repair and replacement of the common Areas, and providing services for the property, and, where appropriate, providing for the compensation of such personnel and for the purchase of equipment, supplies and material to be used by such personnel in the performance of their duties, which supplies and equipment shall be deemed the common property of the Owners.

(e) Collecting the assessments against the Owners, depositing the proceeds thereof in a bank depository which it shall approve, and using the proceeds to carry out the administration of 200 Front Street Townhomes.

(f) To impose charges for late payment of assessments;.

(g) Making and amending rules and regulations respecting the use of the Property.

(h) Opening of bank accounts on behalf of 200 Front Street Townhomes and designating the required signatories.

(i) Making, or contracting for the making of, repairs, additions and improvements to, or alterations of, the Common Areas.

(j) Enforcing by legal means the provisions of the Declaration and these Bylaws and the rules and regulations on behalf of the Owners.

(k) Suspending privileges of Owners.

(l) Levying reasonable fines for violations of the Declaration, these Bylaws, and Rules and Regulations of the Association.

(m) Obtaining and carrying insurance against liabilities and paying the premium costs thereof.

(n) Paying the cost of all services rendered to 200 Front Street Townhomes, and not billed to Owners.

(o) Keeping books with detailed accounts in chronological order of the receipts and expenditures affecting the operation of 200 Front Street Townhomes, and the administration of 200 Front Street Townhomes. All books and records shall be kept in accordance with good and accepted accounting practices.

(p) Notifying the mortgagee of any Lot of any default by the Owner whenever requested in writing by such mortgagee to send such notice.

(q) To resolve disputes between and among Owners, the Executive Board and/or the Declarant and to make decisions regarding disputes related to the interpretation and application of the Declaration, Bylaws and rules and regulations promulgated pursuant thereto.

(r) To contract with any third parties, including property management companies, accountants, attorneys, landscapers, engineers, or any other person selected to assist with the administration of 200 Front Street Townhomes and the duties of the Association.

(s) To do such other things and acts not inconsistent with the the Declaration, or these Bylaws which it may be authorized to do by a resolution of the Association.

Section 3. Removal of Members of the Executive Board.

Notwithstanding any provision of the Declaration or these Bylaws to the contrary, the Owners, by a two-thirds (2/3) vote of all persons present, in person, by proxy or by ballot, and entitled to vote at any meeting of the Owners at which a quorum is present, may remove any member of the Executive Board with or without cause, except that a member appointed by the Declarant may not be removed by an Owner vote prior to the Declarant Control Termination Date but may be removed at any time by Declarant with or without reason.

Section 4. Vacancies.

Vacancies in the Executive Board caused by any reason other than the removal of a member by a vote of the Association shall be filled by a vote of a majority of the remaining members of the Executive Board at a special meeting of the Executive Board held for that purpose promptly after the occurrence of any such vacancy, even though the

members present at such meeting may constitute less than a quorum, and each person so elected shall be a member of the Executive Board for the remainder of the term of the member so removed and until a successor shall be elected at the next annual meeting of the Association; provided, however, that the vacancy of any member designated by the Declarant pursuant to a right of the Declarant to make such designation shall be filled by the Declarant.

Section 5. Organization Meeting.

The first meeting of the members of the Executive Board following each annual meeting of the Association shall be held within ten (10) days thereafter at such time and place as shall be fixed by the Executive Board so elected, and no notice shall be necessary to the newly elected members of the Executive Board in order legally to constitute such meeting, providing a majority of the whole Executive Board shall be present thereat.

Section 6. Regular Meetings.

Regular meetings of the Executive Board may be held at such time and place as shall be determined from time to time by a majority of the members and must be held at least annually. Except when a schedule of meetings has been distributed to Owners that identifies the meeting in question, notice of the regular meeting of the Executive Board including the time and place of the meeting and the items on the agenda, including an opportunity for Owners to offer comments to the Executive Board regarding any matter affecting 200 Front Street Townhomes, shall be delivered to each Owner at least fourteen (14) business days but not more than sixty (60) days prior to the day named for such meeting.

Section 7. Special Meetings.

Special meetings of the Executive Board may be called by the President or by a majority of the Executive Board. Notice of the special meeting of the Executive Board including the time and place of the meeting and the items on the agenda, including an opportunity for Owners to offer comments to the Executive Board regarding any matter affecting 200 Front Street Townhomes, shall be delivered to each Owner at least fourteen (14) business days but no more than sixty (60) days prior to the day named for such meeting.

Section 8. Unanimous Consent.

The Executive Board may act by unanimous consent as documented in a record signed by all of its members, but the Executive Board may not act by unanimous consent to: 1) adopt a rule, budget, or special assessment, 2) impose a fine or take action to enforce the Declaration, Bylaws, or rules, 3) buy or sell real property, 4) borrow money, or 5) contract for a sum greater than one percent (1%) of the Association's annual budget. The Secretary shall promptly notify all Owners of any action taken by unanimous consent.

Section 9. Waiver of Notice.

Notwithstanding any provision to the contrary contained herein, any member may, at any time, in writing, waive notice of any meeting of the Executive Board, and such waiver shall be deemed equivalent to the giving of such notice. Attendance by a member at any meeting of the Executive Board shall constitute a waiver of notice by such member of the time and place of such meeting. If all members are present at any meeting of the Executive Board, no notice shall be required and business may be transacted at such meeting, including meetings conducted by telephone conference.

Section 10. Quorum of Executive Board.

At all meetings of the Executive Board, a majority of the total number of members of the Executive Board shall constitute a quorum for the transaction of business, and the votes of a majority of the members present at a meeting at which a quorum is present shall constitute the decision of the Executive Board.

Section 11. Fidelity Bonds.

The Executive Board may obtain adequate fidelity bonds for all officers and employees of the Association handling or responsible for Association funds.

Section 12. Compensation.

No Executive Board member shall receive any compensation from the Association for acting as such, but may be reimbursed for necessary expenses incurred in regard to service as an Executive Board member, as approved by the Executive Board from time to time.

Section 13. Conduct of Meetings.

The President shall preside over all meetings of the Executive Board and the Secretary shall keep a minute book of the Executive Board recording therein all resolutions adopted by the Executive Board and a record of all transactions and proceedings occurring at such meetings. Roberts Rules of Order shall govern the conduct of the meetings of the Executive Board when not in conflict with the Declaration or the Bylaws.

Section 14. Liability of the Members of the Executive Board.

The members of the Executive Board shall not be liable to the Owners for any mistake of judgment, negligence or otherwise except for their own individual willful misconduct or bad faith. The Owners shall indemnify and hold harmless each of the Executive Board members from and against all contractual liability to others arising out of contracts made or action taken by the Executive Board on behalf of the Owners unless any such contract or action shall have been made in bad faith or contrary to the provisions of

the Declaration or of these Bylaws. It is intended that the members of the Executive Board shall have no personal liability with respect to any contract made or action taken by them on behalf of the Owners. Every agreement made or action taken by the Executive Board or by the managing agent on behalf of the Owners shall, if obtainable, provide that the members of the Executive Board, or the managing agent, as the case may be, are acting only as agents for the Owners and shall not have personal liability thereunder, and that each Owner's liability thereunder shall be limited to such proportion of the total liability thereunder as his percentage interest bears to the percentage interests of all Owners. The Owners shall indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of the fact that he is or was a member of the Executive Board, against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement incurred by him in connection with such action, suit or proceeding if he acted in good faith and in a manner he reasonably believes to be in or not opposed to the best interests of the Owners.

ARTICLE IV

OFFICERS

Section 1. Designation.

The principal officers of the Association shall be the President, the Vice President, the Secretary and the Treasurer, all of whom shall be elected by the Executive Board. Except for the person holding the position of President, any qualifying person may hold up to two offices.

Section 2. Election of Officers.

The officers of the Association shall be elected annually by the Executive Board at the organization meeting of each new Executive Board and shall hold office at the pleasure of the Executive Board. Any vacancy in an office shall be filled by appointment by the Executive Board at a regular meeting or special meeting called for such purposes.

Section 3. Removal of Officers.

Upon the affirmative vote of a majority of the members of the Executive Board, any officer may be removed, either with or without cause, and such officer's successor may be elected at any regular meeting of the Executive Board, or at any special meeting of the Executive Board called for such purpose.

Section 4. President.

The President shall be the chief executive of the Association. The President shall preside at all meetings of the Association and of the Executive Board. The President shall have all of the general powers and duties which are incident to the office of the President

of a stock corporation organized under the General Corporation Law of the State of Delaware, including, but not limited to, the power to appoint committees from among the Owners from time to time as the President may in his or her discretion decide is appropriate to assist in the conduct of the affairs of 200 Front Street Townhomes.

Section 5. Vice President.

The Vice President shall take the place of the President and perform his duties whenever the President shall be absent or unable to act. If neither the President nor the Vice President is able to act, the Executive Board shall appoint some other member of the Executive Board to act in the place of the President, on an interim basis. The Vice President shall also perform such other duties as shall from time to time be imposed upon him by the Executive Board or by the President.

Section 6. Secretary.

The Secretary shall keep the minutes of all meetings of the Association and of the Executive Board, he or she shall have charge of such books and papers as the Executive Board may direct; and the Secretary shall, in general, perform all the duties incident to the office of Secretary of a stock corporation organized under the General Corporation Law of the State of Delaware.

Section 7. Treasurer.

The Treasurer shall have the responsibility for Association funds and securities and shall be responsible for keeping full and accurate financial records and books of account showing all receipts and disbursements, and for the preparation of all required financial data; the Treasurer shall be responsible for the deposit of all monies and other valuable effects in the name of the Executive Board, or the managing agent, in such depositories as may from time to time be designated by the Executive Board, and the Treasurer shall, in general, perform all the duties incident to the office of a stock corporation organized under the General Corporation Law of the State of Delaware.

Section 8. Agreements, Contracts, Deeds, Checks, etc.

All agreements, contracts, deeds, leases, checks and other instruments of the Association for expenditures or obligations of over \$1,000.00 shall be executed by any two officers or by such other person or persons as may be designated by the Executive Board. All such instruments for expenditures or obligations of less than \$1,000.00 may be executed by any one officer or by such other persons as may be designated by the Executive Board.

Section 9. Compensation of Officers.

No officer shall receive any compensation from the Association for acting as such, but may be reimbursed for expenses incurred in regard to services rendered to the Association, as approved by the Executive Board from time to time.

ARTICLE V

OPERATION OF THE PROPERTY

Section 1. Determination of Common Expenses and Assessments Against Owners.

(a) Fiscal Year: The fiscal year of the Association shall be the calendar year.

(b) Preparation and Approval of Budget.

(1) Each year on or before December 1, the Executive Board shall adopt a budget containing an estimate of the total amount which it considers necessary to pay the cost of maintenance, management, operation, repair and replacement of the common elements, insurance premiums, services, supplies and other expenses that may be declared to be common expenses by the the Declaration, the Bylaws or a resolution of the Association, and which will be required during the ensuing fiscal year for the administration, operation, maintenance and repair of 200 Front Street Townhomes and the rendering to the Owners of all related services. Such budget shall also include such reasonable amounts as the Executive Board considers necessary to provide working capital for 200 Front Street Townhomes, a general operating reserve and reserves for contingencies and replacements.

(2) The Executive Board shall send to each Owner a copy of the budget, in a reasonably itemized form which sets forth the amount of the common expenses payable by each owner, on or before the commencement of the next ensuing fiscal year to which the budget applies. The said budget shall constitute the basis for determining each Owner's contribution for the common expenses and 200 Front Street Townhomes assessments.

(c) Assessment and Payment of Common Expenses. The total amount of estimated funds required for the operation of 200 Front Street Townhomes set forth in the budget for the fiscal year adopted by the Executive Board shall be assessed against each Owner at a uniform rate for all Lots, and shall be a lien against each Owner's Lot as of the first day of the fiscal year to which such budget applies. Payment of the annual assessment shall be due on the schedule of payments set by the Executive Board. The Executive Board shall supply to all Owners an itemized accounting of the common expenses for the last ensuing fiscal year actually incurred and paid, together with a tabulation of the amounts collected pursuant to the budget adopted by the Executive Board for such fiscal year, and showing the net amount over or short of the actual expenditures plus reserves in conjunction with preparing a new budget for the next ensuing fiscal year. If any common

expense is caused by the misconduct of any Owner or an Owner's guests or invitees, the Association may assess that expense exclusively against the Lot of that Owner. If common expense liabilities are reallocated, common expense assessments and any installment thereof not yet due must be recalculated in accordance with the reallocated common expense liabilities.

(d) Reserves. The Executive Board may build up and maintain reasonable reserves for working capital, operations, contingencies and replacements. Extraordinary expenditures not originally included in the original budget which may become necessary during the year shall be charged first against such reserves. If the reserves are inadequate for any reason, including non-payment of any Owner's assessment, the Executive Board may at any time levy a further assessment, which shall be assessed against the Owners according to their respective percentage interests, and which may be payable in a lump sum or in installments as the Executive Board may determine. The Executive Board shall serve notice of any further assessment on all Owners by a statement in writing giving the amount and reasons therefor, and such further assessment shall, unless otherwise specified in the notice, become effective with the next monthly payment which is due more than ten (10) days after the delivery or mailing of such notice of further assessment. All Owners shall be obligated to pay the adjusted assessment on the dates specified by the Court.

(e) Effect of Failure to Prepare or Adopt Budget. The failure or delay of the Executive Board to prepare or adopt the annual budget for any fiscal year shall not constitute a waiver or release in any manner of an Owner's obligation to pay his allocable share of the common expense as herein provided, whenever the same shall be determined, and in the absence of any annual budget or adjusted budget, each Owner shall continue to pay the assessment charge at the then existing monthly, quarterly or annual rate last established for the previous fiscal period until each new annual or adjusted budget shall have been mailed or delivered.

(f) Accounts. All sums collected by the Executive Board with respect to assessments against the Owners may be commingled into a single fund, but shall be held for each Owner in accordance with the percentage interest attributable to their Lot. Any surplus funds of the Association remaining after payment of or provision of common expenses and any prepayment of reserves must be paid annually to the Owners in proportion to their common expense liabilities or credited to them to reduce their future common expense assessments.

Section 2. Payment of Common Expenses.

All Owners shall be obligated to pay the common expenses assessed by the Executive Board. No Owner may exempt himself or herself from liability for this contribution toward common expenses by waiver of the use or enjoyment of any of the common elements or by the abandonment of the Owner's Lot. No Owner shall be liable for the payment of any part of the common expenses assessed against his Lot subsequent to a sale, transfer or other conveyance by him of such Lot. The purchaser of a Lot shall be jointly and severally liable with the selling owner for all unpaid assessments against the

latter for his proportionate share of the common expenses up to the time of the conveyance, without prejudice to the purchaser's right to recover from the selling owner the amounts paid by the purchaser therefor; provided, however, that any such purchaser shall be entitled to a statement from the Executive Board or managing agent setting forth the amount of the unpaid assessments against the selling owner and such purchaser shall not be liable for, nor shall the Lot conveyed be subject to a lien for, any unpaid assessments in excess of the amount therein set forth; and provided, further, that if a mortgage of a first mortgage of record or other purchaser of a Lot obtains title to the Lot as a result of foreclosure of a first mortgage, such purchaser, its successors and assigns, shall not be liable for, and such Lot shall not be subject to, a lien for the payment of common expenses assessed prior to the acquisition of title to such Lot by such purchaser pursuant to the foreclosure sale. Such unpaid share of common expenses assessed prior to the acquisition of title to such Lot by such purchaser pursuant to the foreclosure sale shall be collectible from all Owners, including the purchaser of the foreclosure sale, in proportion to their respective percentage interests.

Section 3. Collection of Assessments.

The Executive Board shall take prompt action to collect any assessments for common expenses due from any Owner which remains unpaid for more than thirty (30) days from the due date for payment thereof.

Section 4. Effect of Nonpayment of Assessment.

(a) If any assessment is not paid, within thirty (30) days of its due date, the entire fiscal year assessment shall bear interest at the Delaware legal rate on judgments from its due date, and the Executive Board may bring an action against the Owner on behalf of the Association to collect the amount due, including reasonable attorneys' fees incurred by the Association in seeking collection.

(b) The Executive Board, on behalf of the Association, may record a notice of lien against any owner who is delinquent for a period of at least ninety (90) days. Any lien or judgment of the Association against an owner is prior to all other liens and encumbrances on a Lot except (i) liens and encumbrances recorded before the recordation of the Declaration, (ii) any existing first or second mortgage security interest on the Lot, and (iii) liens for real estate taxes and other governmental assessments or charges against the Lot. Upon payment of the amount due, the payer shall be entitled to a recordable termination of lien for the amount paid. The liens recorded pursuant to this paragraph shall expire on the first day of the sixtieth (60

(c) Any lien for unpaid assessments is void and extinguished unless proceedings to enforce the lien are instituted within three (3) years after the full amount of the assessments becomes due; provided, that if an Owner of a Lot subject to a lien files a petition for relief under the United States Bankruptcy Code [11 U.S.C. § 101 et seq.], the period of time for instituting proceedings to enforce the Association's lien shall be tolled

until thirty (30) days after the automatic stay of proceedings under § 362 of the Bankruptcy Code [11 U.S.C. § 362] is lifted.

(d) The Association upon written request shall furnish to an Owner a statement setting forth the amount of unpaid assessments against the Lot. The statement must be furnished within ten (10) business days after receipt of the request and is binding on the Association, the Executive Board, and every Owner.

(e) The Association's lien may be foreclosed or executed upon as follows:

(1) The Association's lien must be foreclosed in like manner as a mortgage on real estate by equitable foreclosure or executed upon by other lawful procedures provided for in the Declaration;

(2) In the case of foreclosure, the Association shall give reasonable notice of its action to all lien holders of the Lot whose interest would be affected and to all other persons as would be required under applicable law for the foreclosure of a mortgage on real estate.

(3) The following restrictions apply to any action by the Association to foreclose its lien under this section:

(i) No foreclosure action may be commenced unless the Executive Board expressly votes to commence a foreclosure action against that specific Lot at a duly noticed meeting provided to all Owners.

(ii) The Association shall apply any sums paid by Owners who are delinquent in paying assessments as follows: (i) first, to unpaid assessments; (ii) then to late charges; (iii) then to attorney's fees and other reasonable collection charges and costs; and (iv) finally, to all other unpaid fees, charges, penalties, interest and late charges.

(iii) If the only sums due with respect to a Lot consist of fines and related sums levied against that Lot, a foreclosure action may not be commenced against that Lot unless the Association has first secured a judgment against the Owner with respect to those fines and has perfected a judgment lien against the Lot under state law.

Section 5. Statement of Common Expenses.

The Executive Board shall promptly provide any Owner so requesting the same in writing, with a written statement of all unpaid assessments for common expenses due from such owner.

Section 6. Maintenance and Repair.

(a) By the Executive Board/Assessed to All Owners. The Executive Board shall be responsible for the maintenance, repair and replacement (unless necessitated by the negligence, misuse or neglect of an Owner, in which case such expense shall be charged to such owner) of the following, the costs of which shall be charged to all Owners as a common expense:

- (1) All of the Common Areas in 200 Front Street Townhomes.
- (2) Utilities and infrastructure in all Common Areas in 200 Front Street Townhomes.
- (3) All incidental damage caused to any Lot by such work as may be done or caused to be done by the Executive Board in accordance therewith.
- (4) Maintenance of landscaping and provisions for landscaping the Common Areas in 200 Front Street Townhomes.

(b) Manner of Repair and Replacement. All repairs and replacements shall be substantially similar to the original construction and installation and be of a quality equivalent to the original construction. The method of approving payment vouchers for all common elements and improvements, repairs and replacements shall be determined by the Executive Board.

Section 7. Restriction on Use of Lots.

Each Lot and the common areas shall be occupied and used in accordance with the provisions of the Declarations.

Section 8. Rules and Regulations.

(a) Rules and regulations concerning the operations and use of the common areas may be promulgated and amended by the Executive Board, provided that such rules and regulations are not contrary to or inconsistent with the Declaration, or these Bylaws. Copies of the rules and regulations shall be furnished by the Executive Board to each Owner prior to the time when the same shall become effective. Rules and regulations are deemed approved unless modified or defeated by a vote of sixty percent (60%) of the Owners. Rules and regulations may not be amended, adopted or revoked so long as the Declarant owns a Lot, without the Declarant's consent.

(b) Before adopting or substantially amending any rule, the Executive Board must notify all Owners of: (i) its intention to adopt the proposed rule and (ii) a date on which the Executive Board will convene a meeting to receive comments on them from the Owners.

(c) The Association may adopt rules to establish and enforce construction and design criteria and aesthetic standards, provided that such rules shall not apply to initial construction by Declarant. If it does so, the Association must also adopt procedures for enforcement of those standards and for approval of applications, including a reasonable time within which the Association must act after an application is submitted. The Association's power under this section is subject to any reserved special declarant right to control any construction or design review process during the period of declarant control.

(d) The Association may adopt rules that affect the use of or behavior in Lots that may be used for residential purposes to:

(1) Prevent any use of a Lot which violates the Declaration;

(2) Regulate any behavior in or occupancy of a Lot which violates the Declaration or adversely affects the use and enjoyment of other Lots or the Common Elements by other Owners; or

(3) Restrict the leasing of residential Lots to the extent those rules are reasonably designed to meet underwriting requirements of institutional lenders who regularly lend money secured by first mortgages on Lots in common interest communities or regularly purchase those mortgages.

(e) All rules adopted by the Association must be reasonable.

(f) The Executive Board must maintain on a current basis for reference by Owners' tenants a complete statement of all rules.

(g) The Owner shall obtain from the Executive Board and deliver to or otherwise make available to each tenant of the Owner's Lot, at the time the lease is executed or, in the absence of a written lease when the tenancy begins, a current copy of the rules for 200 Front Street Townhomes as furnished by the Executive Board and shall deliver to or otherwise make available to the tenant a copy of any additions or revisions to the rules as such additions or revisions are adopted and noticed to the Owners by the Executive Board.

(h) A tenant shall be bound to comply with the noticed rules, and the Owner leasing to the tenant shall take all lawful action against a tenant who materially violates the noticed rules.

(i) By entering into a lease for a Lot, the Owner of that Lot irrevocably appoints the Executive Board as attorney-in-fact coupled with an interest to enforce the noticed rules against the tenant of that lease in the event that the Owner shall fail, within a reasonable time after written demand by the Executive Board, to take what the Executive Board reasonably regards as adequate enforcement action against the tenant in material violation of noticed rules. In the event of enforcement action (including any summary action for possession at law or a petition for injunctive relief in equity) under this subsection, the

tenant shall have no resort to any defense based upon lack of contractual privity with the Executive Board.

ARTICLE VI

INSURANCE

Section 1. Authority to Purchase.

(a) The Association shall maintain general liability insurance, including medical payments insurance, covering all occurrences commonly insured against for death, bodily injury, and property damage arising out of or in connection with the use, ownership, or maintenance of the common areas, to include coverage for the Executive Board, any agents, and all Owners arising out of their interest in the Association in an amount of at least \$1,000,000 per occurrence or \$2,000,000 in the aggregate. The policy shall include an endorsement under which the rights of an insured under the policy shall not be prejudiced with respect to an action against another named insured. The policy shall also recognize that no act or omission by any Owner, unless acting within the scope of the Owner's authority on behalf of the Association, shall void the policy or be a condition to recovery under the policy. It shall be the responsibility of each Owner to maintain its own liability coverage with respect to any Lot it owns.

(b) The Executive Board may obtain such other insurance as it may deem appropriate or as may be required by law.

Section 2. Executive Board as Agent.

The Executive Board is hereby irrevocably appointed the agent for each Owner and for each mortgagee of a Lot and for each owner of any other interest in the Property to adjust all claims arising under insurance policies purchased by the Executive Board and to execute and deliver releases upon the payment of claims.

Section 3. Premiums.

Premiums upon all insurance policies purchased by the Executive Board shall be deemed to be a common expense.

Section 4. Unacceptable Insurance Policies.

Insurance policies are unacceptable where:

(a) Under the terms of the insurance carrier's charter, by-laws, or policy, contributions or assessments may be made against borrowers, Federal National Mortgage

Association (“FNMA”), Federal Home Loan Mortgage Corporation (“FHLMC”), or the designee of FNMA or FHLMC; or

(b) By the terms of the insurance carrier’s charter, by-laws, or policy, loss payments are contingent upon action by the carrier’s board of directors, policyholders, or members; or

(c) The policy includes any limiting clauses (other than insurance conditions) which could prevent FNMA, FHLMC, or the borrowers from collecting insurance proceeds.

(d) The insurance carrier is not licensed to issue insurance in the State of Delaware or has an A.M. Best Company Rating of B- or below.

ARTICLE VII CONDEMNATION

Whenever all or any part of the common areas of 200 Front Street Townhomes shall be taken by condemnation or eminent domain, or is conveyed in lieu thereby the Executive Board acting on the agreement of at least seventy-five percent (75%) of the total vote of the Association, all holders of first mortgages on Lots to which at least fifty-one percent (51%) of the votes of Lots subject to mortgages held are allocated, and of the Declarant (for so long as Declarant owns any Lot primarily for the purpose of sale), then the award or the proceeds collected for such taking or sale in lieu thereof shall be payable to the Association and shall be disbursed or held as follows:

(a) If the taking or sale in lieu thereof involves a portion of the common areas on which improvements have been constructed, then, unless within sixty (60) days after such taking, the Declarant (for so long as Declarant owns any Lot primarily for the purpose of sale), together with at least seventy-five percent (75%) of the total membership of the Association shall otherwise agree, the Association shall restore or replace such improvements so taken to the extent practicable on the remaining lands included in the common areas which are available therefor, in accordance with the plans approved by the Executive Board and by the Declarant. If the award or proceeds are not sufficient to defray the cost of such repair and replacement and such deficiency cannot be appropriated from a reserve fund established for such purpose, the Executive Board may levy a special assessment against all Owners, without the necessity of a vote of the members, such special assessment to be in an amount sufficient to provide funds to pay such excess cost of repair or reconstruction. Such special assessment shall be levied against the Owners equally in the same manner as annual assessments may be made at any time during or following the completion of any repair or reconstruction. If such improvements are not to be repaired or restored, the award or proceeds shall be retained by and for the benefit of the Association.

(b) If the taking or sale in lieu thereof does not involve any improvements to the common areas or if there are funds remaining after such restoration or replacement of

such improvements are completed, then the award, proceeds or net funds shall be retained by and for the benefit of the Association.

(c) If the taking or sale in lieu thereof includes all or any part of a Lot and includes any part of the common areas, then a court of competent jurisdiction shall apportion such award or proceeds and such award or proceeds shall be disbursed to the Association and the owners so affected so as to give just compensation to the owners of any Lot, together with the mortgagees for such Lots; provided, however, such apportionment may instead be resolved by the agreement of: (1) the Executive Board; (2) the owners of all Lots wholly or partially taken or sold, together with the mortgagees for such Lots; (3) the Declarant for so long as the Declarant owns a Lot primarily for the purpose of sale or has the unexpired option to add the additional property or any portion thereof to the development.

ARTICLE VIII

MORTGAGES

Section 1. Notice to the Executive Board.

An Owner who mortgages his Lot shall notify the Executive Board of the name and address of his mortgagee.

Section 2. Notice of Unpaid Assessments for Common Expenses.

The Executive Board, whenever so requested in writing by a mortgagee of a Lot, shall promptly report any then unpaid assessments for common expenses due from, or any other default by, the owner of the mortgaged Lot.

Section 3. Notice of Default.

The Executive Board, when giving notice to an Owner of a default in paying an assessment for common expenses, or any other default, shall send a copy of such notice to each holder of a mortgage covering such owner's Lot whose name and address has been furnished to the Executive Board.

Section 4. First Lien Holder's Rights.

(a) A First Lien Holder shall mean a holder, insurer, or guarantor of a first mortgage on any Lot in 200 Front Street Townhomes.

(b) Notices of Action. A First Lien Holder, upon written request to the Association (such request shall state the name and address of such First Lien Holder and the Lot Number which secures the lien of the First Lien Holder) will be entitled to timely written notice of:

(1) Any proposed amendment of the Declaration, Declaration Plan, and / or Bylaws effecting a change in:

(i) The boundaries of any Lot or the exclusive easement rights appertaining thereto;

(ii) The number of votes in the Association appertaining to any Lot;

(iii) The purposes to which any Lot or the Common Areas are restricted; or

(iv) Any proposed action that requires the consent of a specified percentage of mortgagees.

(2) Any proposed termination in 200 Front Street Townhomes regime;

(3) Any delinquency in the payment of assessments or charges owed by an owner of a Lot subject to the mortgage of such eligible First Lien Holder, where such delinquency has continued for a period of sixty (60) days; or

(4) Any lapse, cancellation, or material modification to any insurance policy maintained by the Association pursuant to these Bylaws and any subsequent amendment thereto.

(c) Other Provisions for First Lien Holders.

(1) Termination of the Association. Any election to terminate the Association after substantial destruction or a substantial taking of the common areas must require the approval of First Lien Holders to which at least fifty-one percent (51%) of the votes of Lots subject to mortgages held by such eligible holders are allocated.

ARTICLE IX COMPLIANCE AND DEFAULT

Section 1. Relief.

Each owner of a Lot shall be governed by and shall comply with, all of the terms of the Declaration, the Bylaws and the rules and regulations of the Executive Board, and any amendments of the same. A default by an Owner shall entitle the Association, acting through its Executive Board or through the managing agent, to the following relief:

(a) Legal Proceedings. Failure to comply with any of the terms of the Declaration, these Bylaws and the rules and regulations of the Executive Board shall be grounds for relief which may include, without limiting the same, an action to recover any

sums due for money damages, injunctive relief, foreclosure of the lien for payment of all assessments, any other relief provided for in these Bylaws or any combination thereof, and any other relief afforded by a court of competent jurisdiction, all of which relief may be sought by the Association, the Executive Board, the managing agent or, if appropriate, by any aggrieved owner.

(b) Arbitration. Except for disputes relating to a default for failure to pay any assessment or monetary obligation, all disputes shall be subject to mandatory arbitration pursuant to the American Arbitration Association or Delaware Superior Court Rule 16 procedures. The initial costs of the Arbitration shall be advanced by the Association, but shall ultimately be paid, or reimbursed by the losing party together with reasonable attorney's fee to the successful party. The Declarant, but not Owners or the Association, may waive arbitration.

(c) Additional Liability. Each Owner shall be liable for the expense of all maintenance, repair or replacement rendered necessary by this act, neglect or carelessness of any member of his family or his employee, agents or licensees, but only to the extent that such expense is not covered by the proceeds of insurance carried by the Executive Board. Nothing contained herein, however, shall be construed as modifying any waiver by any insurance company of its rights of subrogation.

(d) Costs and Attorneys' Fees. In any proceeding arising out of a default by an owner, the Executive Board shall be entitled to recover the costs of the proceeding, and such reasonable attorneys' fees as may be determined by the court, or arbitrator.

(e) No Waiver of Rights. The failure of the Association, the Executive Board or of an Owner to enforce any right, provision, covenant or condition which may be granted by the Declaration, these Bylaws or the rules and regulations of the Executive Board shall not constitute a waiver of the right of the Association, the Executive Board or the Owners to enforce such right, provision, covenant or condition in the future. All rights, remedies and privileges granted to the Association, the Executive Board or any owner pursuant to any term, provision, covenant or condition of the Declaration, these Bylaws or the rules and regulations of the Executive Board shall be deemed to be cumulative, and the exercise of any one or more thereof shall not be deemed to constitute an election of remedies, nor shall it preclude the party exercising the same from exercising such privileges as may be granted to such party by the Declaration, these Bylaws or the rules and regulations of the Executive Board or at law or in equity.

(f) Abatement and Enjoinment of Violations by Owners. The violation of any rule or regulation adopted by the Executive Board, or the breach of any regulation contained herein, or the breach of any provision of the Declaration, entitles the Executive Board to all available rights pursuant to law or set forth in these Bylaws to enjoin, abate or remedy by appropriate legal proceedings, either at law or in equity, the continuance of any such breach.

ARTICLE X
AMENDMENTS TO BYLAWS

Section 1. Amendments.

Except as otherwise provided in this section, these Bylaws may be modified or amended either (1) by a vote of two thirds (2/3) of the Owners at any regular or special meeting, provided that notice of the proposed amendment shall have been given to each Owner at least ten (10) days in advance of such meeting; or (2) pursuant to a written instrument duly executed by a two thirds (2/3) of the Owners; provided that notwithstanding the foregoing, no amendment may be made without the written consent of Declarant so long as Declarant is the owner of a Lot, which consent may be withheld for no reason at all.

Notwithstanding the provisions of Section 1 of this Article, or any law, custom or usage to the contrary, Declarant also shall have the absolute right, power and authority and shall have an irrevocable power of attorney, coupled with an interest, at any time and from time to time, in its sole subjective and absolute discretion, to amend these Bylaws as necessary to (a) correct any clerical or typographical errors, ambiguities, title questions or defects, or conflicts with or to comply with any and all applicable laws and legal requirements, (b) achieve compliance with the requirements of Federal National Mortgage Association, Federal Home Loan Mortgage Corporation, Federal Housing Authority, Veterans Administration or other governmental agencies and successors, or (c) conform the Bylaws to be consistent with any applicable Delaware Law.

Section 2. Recording.

A modification or amendment of these Bylaws shall become effective only if such modification or amendment is recorded in the Office of the Recorder of Deeds in and for Kent County, Delaware.

Section 3. Conflicts.

No modification or amendment of these Bylaws may be adopted which shall be inconsistent with the provisions of the Act. A modification or amendment once adopted and recorded as provided for herein shall then constitute part of the official Bylaws of 200 Front Street Townhomes, and all Owners shall be bound to abide by such modification or amendment.

Section 4. Approval of Mortgagees.

These Bylaws contain provisions concerning various rights, priorities, remedies and interest of the mortgagees of Lots. Such provisions herein are to be construed as covenants for the protection of the mortgagees on which they may rely in making loans secured by mortgages on the Lots. Accordingly, no amendment or modification of these

Bylaws impairing or affecting such rights, priorities, remedies or interests of a mortgagee shall be adopted without the prior written consent of such mortgagee. If there are more than one mortgagee holding mortgages on the Lots, it shall be sufficient to obtain the written consent of the mortgage or mortgagees at least fifty-one percent (51%) of the Lots encumbered by mortgages. Consent of a mortgagee holding a mortgage on a Lot shall be assumed when a mortgage fails to submit a response to any written proposal for an amendment within sixty (60) days after it receives proper notice of the proposal, provided the notice was delivered by certified or registered mail with a “return receipt” requested. No amendment or modification of these Bylaws affecting material rights of the Owners including the following: priority of assessment liens, responsibility for maintenance and repairs, insurance or fidelity bonds, leasing of Lots, impositions of any restriction on an Owner’s right to sell or transfer his or her Lot, or manner or method of restoration or repair after a hazard damage or partial condemnation shall be effective unless approved by at least sixty-seven percent (67%) of the Owners under the other terms and conditions set out in Section 1.

ARTICLE XI MISCELLANEOUS

Section 1. Notices.

All notices shall be provided in accordance with notice provisions provided in the Declarations.

Section 2. Invalidity.

The invalidity of any part of these Bylaws shall not impair or affect in any manner the validity, enforceability or effect of the balance of these Bylaws.

Section 3. Captions.

The captions herein are inserted only as a matter of convenience and for reference, and in no way define, limit or describe the scope of these Bylaws, or the intent of any provision thereof.

Section 4. Gender.

The use of the masculine gender in these Bylaws shall be deemed to include the feminine gender and the use of the singular shall be deemed to include the plural, whenever the context so requires.

IN WITNESS WHEREOF 200FRONT LLC, a Delaware limited liability company, has executed this Declaration of Covenants, Conditions and Restriction of 200 Front Street Townhomes, the day and year first above written.

Signed, Sealed and Delivered
in the presence of:

200FRONT LLC

_____ (SEAL)

Daniel L. Bond, Managing Member

STATE OF DELAWARE, COUNTY OF KENT: to wit

BE IT REMEMBERED, that on this ____ day of September, 2019, personally appeared before me, the subscriber, a Notary Public for the State and County aforesaid, 200FRONT LLC, an authorized signatory of Daniel L. Bond, Managing Member, who acknowledged that the foregoing Declaration is the true act and deed of said limited liability company.

GIVEN under my Hand and Seal of Office the day and year aforesaid.

Notary Public

My Commission Expires _____

CITY OF MILFORD
NOTICE OF PUBLIC HEARINGS

Planning Commission Hearing: Tuesday, January 21, 2020
City Council Hearing: Monday, January 27, 2020

NOTICE IS HEREBY GIVEN that the Planning Commission and City Council will hold Public Hearings at 7:00 p.m., or as soon thereafter as possible, in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street to allow interested parties to participate in the discussion and consideration of the following zoning matter:

ORDINANCE 2020-03

200 NW Front Street LLC on behalf of 200 Front Street LLC for a Final Major Subdivision of 0.63 +/- acres into an eight-unit subdivision consisting of eight townhouse units in an R3 Zoning District. Property is located along the north side of NW Front Street between N Church Street and West Street addressed as 106 North Church Street and 201, 205, 207, 209, and 211 NW Front Street, Milford, Delaware. Present Use: Vacant Land, Single Family, and Duplex; Proposed Use: Townhouses. Tax Map: MD-16-183.10-02-059.01; -077.00; -079.00; -080.00; -081.00; -082.00

WHEREAS, the owners of the property as above described herein have petitioned the City of Milford for a conditional use; and

WHEREAS, the City of Milford Planning Commission will consider the application at a Public Hearing to allow for public comment on January 21, 2020; and

WHEREAS, Milford City Council will hold a Public Hearing on January 27, 2020 to allow for public comment and further review of the ordinance.

Dates.

Planning Commission Review & Public Hearing: January 21, 2020

City Council Introduction: January 13, 2020

City Council Public Hearing: January 27, 2020

Effective: February 6, 2020

For additional information, please contact Rob Pierce in the Planning & Economic Development Department either by e-mail at RPierce@milford-de.gov or by calling 302.424.8396.

Advertised: Beacon 12/26/19

Application for Boards and Commissions

Applications for Boards and Commissions are always accepted. Should a vacancy occur, the City will review all applications on file.

Which Board or Commission are you applying for?	Board of Adjustment

Applicant Name:	David Wilkinson

Street Address:	911 southeast third st

City, State, Zip:	Milford, DE 19963

	3024307659

	302 3441977

How long have you been a resident of Milford?	Most of my life last 4 years

Are you registered to vote in the City of Milford?	Yes

Are you a plot owner in the Milford Community Cemetery?	No

Occupation and Employer:	Retired Deputy Warden, Delaware Department of Correction

Describe any special knowledge, education, experience, qualities or talents you have that are relevant to the Board or Commission on which you are interested in serving:	Retired Deputy Warden after 28 years with Delaware Department of Corrections . I direct Facility operations including over all management and administration of staff, offenders,Equipment, and property of the correctional facility. I direct, coordinate and monitor the security operation of the institution, ensuring policies, procedures, rules and regulations are enforced. I received and resolved employee grievances and complaints following departmental and institutional requirements and regulations. I interacted with a variety of agencies such as Probation and Parole, Courts, law-

enforcement, public officials, lawyers and legislators to resolve issues. I prepared and or Administer the budget. I interpret applicable laws, policies rules regulations operating procedures for employees and inmates.. Prepare directives on policies and operating procedures. I was responsible for the overall security and safety of inmates, employees and Public alike. Since retirement I have Purchased and remodeled Several foreclosures in the town of Milford . I have just completed building four single-family homes in town. I have become aware of most rules and regulations Pertaining to the construction and remodeling of such

Community and/or civic groups of which you are a member:

Elks and Ancient free and accepted Masons

Please describe why you wish to serve on this Board or Commission:

I was born and raised in the town of Milford. I see how it is growing and I would like to be a part of that .I have invested most of my life here. And feel I could be an asset to the City of Milford .

Do you, your spouse or any immediate family members have any potential conflicts of interest (personal or financial) that could require you to recuse yourself from votes of the board/commission for which you are applying?

No

If yes, please describe:

Field not completed.

Thank you for your willingness to serve the City of Milford! Please be aware of the time commitment for the Board or Commission you are interested in serving on by reviewing the below information.

Board of Adjustment

[Additional Information](#)

Board of Appeals

[Additional Information](#)

Parks and Recreation
Advisory Board

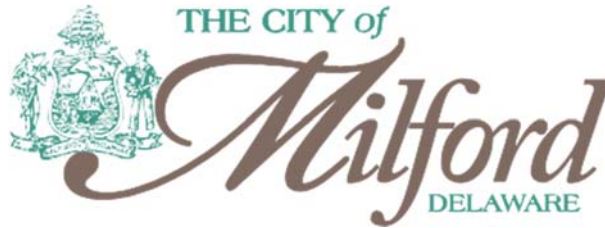
[Additional Information](#)

Planning Commission

[Additional Information](#)

By submitting this form, you certify the information contained is true and correct.

Email not displaying correctly? [View it in your browser.](#)



PUBLIC WORKS DEPARTMENT
180 Vickers Drive
Milford, DE 19963

PHONE 302.422.1110
FAX 302.422.1117
www.cityofmilford.com

To: Mayor and City Council
From: Mark A. Whitfield, Public Works Director/Interim City Manager
Subject: Water Usage Waiver for Thomas Passwaters – 600 NW Front Street
Date: January 8, 2020

City Staff received a request to adjust a water bill for the December invoice for 600 NW Front Street. The resident experienced a leak in the service line between the house and the meter. City Code, Chapter 222-17 - Leaks or waste states: *“All water passing through a meter shall be charged for at the regular rate, and no allowance will be made for excessive consumption due to leaks or waste.”* Therefore, by Ordinance, staff does not have the authority to adjust water usage.

The timeline of events was as follows:

- 10/24/2019 Reading for October bill was done; leak did not show on exception report run by customer service.
- 11/04/2019 October bill date – see attached.
- 11/08/2019 Customer received bill, requested leak check through customer service at 3:09 pm; Meter Tech checked meter at 3:30 pm -work order attached; met with customer at location and verified leak in service line.
- 11/09/2019 Customer repaired leak; at 7:00 pm register read the water use returned to normal.
- 11/22/2019 November read date.
- 11/29/2019 November bill date - see attached.
- 12/29/2019 November bill due; remains unpaid.

Run on meter pings during the time period shows the leak started approximately 10/21/2019 and was repaired on 11/08/2019.

Customer stated that the City should have caught the leak through the AMI meter system and reports. However, most leaks are caught by customer service at the time of monthly reading. While the water usage at the time of the reading on October 24 was more than double the customer's normal bill, the usage was not flagged as excessive. Their normal bill is about \$15/month and the October bill was \$38.73.

Prior to December, customer service was not routinely monitoring exception reports. Presently, exception reports are run a couple of times during the week. Additionally, while exception (leak) reports can be run on a routine basis by customer service, a typical run will show between 700 and 800 meters on the exception report. Manual manipulation of the data is required to identify actual “leaks”, which may be only four or five customers out of the 700-800 properties identified. Therefore, while customer service staff does run exception reports, and some properties are flagged, it does not always identify all the issues. Once the customer portal is rolled out, property owners will have the ability to monitor their own meters.

Recommendation

Given the Ordinance language regarding leaks, staff does not have a recommendation for Council action.

=====

LOCATION:	600 NW FRONT ST	KICL LOC ID:	32560
REQ. DATE:	11/08/19	11/08/19	15:09:46
CUSTOMER:		CUSTOMER ID:	
GEN. LOC.:	NOT APPLICABLE	COMP DATE:	11/08/19
SUBDIVISION:	NOT APPLICABLE	NA	LOC. ZIP: 19963
REQUESTOR:		ORIGIN:	Phone
REQ USER:	BIL	WRK TYPE:	General
AUTH USER:	BIL		

=====

CHECK FOR LEAK

CUSTOMER: () CUSTOMER ID:
CUST. PHONE:
SCHED START: 11/08/19 SCHED COMPLETION: 11/08/19
CATEGORY: Billing BILL
TASK: CHECK FOR LEAK LEAK READY

JOB ORDER INSTRUCTIONS

questioning water usage. usage extremely high and
consistent flow indicated in ucentra

=====

JUR: CITY OF MILFORD	CL: RESIDENTIAL	SEC: GOLD
SERVICE/SEQ	: WA 000 WATER	CYCLE/ROUTE: 04 05
METER NUMBER	: W11513851	
MAKE	: M	MASTER METER
SIZE	: 5/8	5/8"
STYLE	: AMI	AMI WATER METER
MULTIPLIER	: 1.0000	
READING SEQ	: 450	
COMMENTS	:	

PREVIOUS- 10/24/19 CURRENT READING: 7.4 NEW READING:
GALS 65690.00 GALS 11.8
COMPLETION INFORMATION
COMPLETE
DATE: / /
ACTION
TAKEN: COMPLETION METHOD: METER READINGS

Spoke to Tommy 3:30 - he's going out. 8ME



A Public Power Community

119 S. Walnut St
Milford, DE 19963



Office Hours: M-F 8 am- 4:30 pm
Office Phone #: 302-422-6616



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www.cityofmilford.com



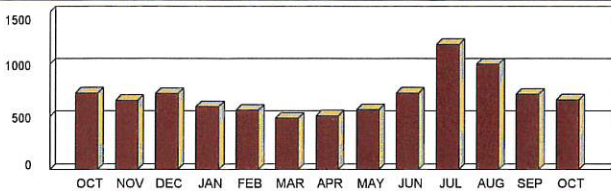
CURRENT METER INFORMATION

Type	Service Period	Days	Meter Number
EL	09/23/19 10/25/19	32	E75515084
WA	09/22/19 10/24/19	32	W11513851

Account History/Electric

PERIOD	DAYS	KWH USED	DAILY AVG KWH
CURRENT	32	666	21
LAST MONTH	31	716	23
YEAR AGO	31	732	24

YOUR MONTHLY ELECTRIC USAGE IN EL-KWH



ACCOUNT STATEMENT

ACCOUNT INFORMATION

CUSTOMER NAME: [REDACTED]
ACCOUNT # [REDACTED] CYCLE-ROUTE: 04-05
SERVICE ADDRESS: 600 NW FRONT ST
BILL DATE: 11/04/19
DUE DATE: 11/25/19

ACCOUNT ACTIVITY

PREVIOUS BILL 145.01
PAYMENTS -145.01

NEW CHARGES

EL ELECTRIC 91.03
TR TRASH 26.00
WA WATER 38.73
TOTAL CURRENT CHARGES 155.76

STATEMENT SUMMARY

BALANCE FORWARD 0.00
CURRENT CHARGES 155.76
TOTAL AMOUNT DUE 155.76

AFTER 11/25/19, PAY 158.10

SPECIAL MESSAGE

Does your electric usage seem higher than usual? Efficiency Smart's free Electric Bill Advice program can help you understand your electric use and offer suggestions to help reduce energy consumption. Call 877-889-3777 or visit <https://www.efficiencysmart.org/milford-delaware> for more info.

City of Milford offices will be closed 11/11/19 for Veteran's Day and 11/28/19 - 11/29/19 for Thanksgiving.

TOTAL AMOUNT DUE

155.76

REMITTANCE INFORMATION

ACCOUNT NUMBER [REDACTED]
CYCLE-ROUTE: 04-05
SERVICE ADDRESS: 600 NW FRONT ST
DUE DATE: 11/25/19
TOTAL AMOUNT DUE 155.76
AFTER 11/25/19, PAY 158.10

AMOUNT ENCLOSED



A Public Power Community
P.O. Box 159 • Milford, DE 19963

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600 NW FRONT ST
MILFORD DE 19963-1033



City of Milford
P.O. Box 159
Milford, DE 19963



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	Service Period	Days	Meter Number	Units	Current	Previous	Multiplier	Usage
EL	09/23/19 10/25/19	32	E75515084	KWH	9100	8434	1	666
						ELECTRIC USAGE FOR 11/18		732
WA	09/22/19 10/24/19	32	W11513851	GALS	65691	54759	1	10932
						WATER USAGE FOR 11/18		648



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Call Miss Utility of Delmarva at
800-282-8555 or 800-441-8355

Service	Consumption	Charge	Total
EL FACILITIES CHARGE		16.00	
EL 0-2500 KWH USAGE	666.00	77.17	
EL GREEN ENERGY FUND	666.00	0.12	
EL POWER COST REDUCTION	666.00	-2.26	
TOTAL ELECTRIC			91.03
WA BASE CHARGE	1000.00	3.25	
WA 1001-4000 GALS	9932.00	35.48	
TOTAL WATER			38.73
TR RESIDENTIAL TRASH	09/23/2019 10/25/2019	26.00	
TOTAL OTHER			26.00

PAYMENT OPTIONS

- Customer Service office at
119 S. Walnut St , Milford DE
- Online
- ACH
- Drop Box at City Hall - 201 S. Walnut St
NO CASH IN DROP BOX
- Mail (envelope enclosed)



Cash - Check - Money Order

CHANGE OF CONTACT INFORMATION

First Name _____ Middle Initial _____ Last Name _____

Street Address _____ City _____ State _____ Zip _____

Home Telephone Number () _____ Business Telephone Number () _____

Cell Telephone Number () _____ E-mail _____

Comments _____



A Public Power Community

119 S. Walnut St
Milford, DE 19963



Office Hours: M-F 8 am- 4:30 pm
Office Phone #: 302-422-6616



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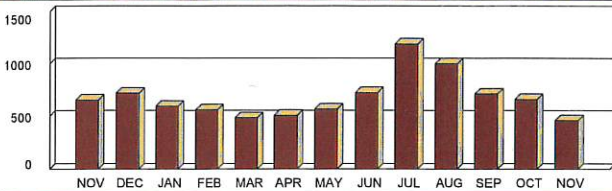
CURRENT METER INFORMATION

Type	Service Period	Days	Meter Number
EL	10/25/19 11/22/19	28	E75515084
WA	10/24/19 11/22/19	29	W11513851

Account History/Electric

PERIOD	DAYS	KWH USED	DAILY AVG KWH
CURRENT	28	465	17
LAST MONTH	32	666	21
YEAR AGO	32	661	21

YOUR MONTHLY ELECTRIC USAGE IN EL-KWH



ACCOUNT STATEMENT

ACCOUNT INFORMATION

CUSTOMER NAME: [REDACTED]
ACCOUNT # [REDACTED] CYCLE-ROUTE: 04-05
SERVICE ADDRESS: 600 NW FRONT ST
BILL DATE: 11/29/19
DUE DATE: 12/23/19

ACCOUNT ACTIVITY

PREVIOUS BILL 155.76
PAYMENTS -155.76

NEW CHARGES

EL ELECTRIC 68.38
TR TRASH 26.00
WA WATER 497.45
TOTAL CURRENT CHARGES 591.83

STATEMENT SUMMARY

BALANCE FORWARD 0.00
CURRENT CHARGES 591.83
TOTAL AMOUNT DUE 591.83

AFTER 12/23/19, PAY 600.71

SPECIAL MESSAGE

NOTICE Any Balance Forward amount on this bill is delinquent and due immediately. Services may be subject for disconnection.

City of Milford Offices will be closed for the Christmas Holiday on Tuesday, December 24th & Wednesday, December 25th. City of Milford Offices will also be closed for New Year's Day, January 1st, 2020.

TOTAL AMOUNT DUE

591.83



A Public Power Community
P.O. Box 159 • Milford, DE 19963

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600 NW FRONT ST
MILFORD DE 19963-1033

REMITTANCE INFORMATION

ACCOUNT NUMBER [REDACTED]
CYCLE-ROUTE: 04-05
SERVICE ADDRESS: 600 NW FRONT ST
DUE DATE: 12/23/19
TOTAL AMOUNT DUE 591.83
AFTER 12/23/19, PAY 600.71

AMOUNT ENCLOSED



City of Milford
P.O. Box 159
Milford, DE 19963



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	Service Period		Days	Meter Number	Units	Current	Previous	Multiplier	Usage
EL	10/25/19	11/22/19	28	E75515084	KWH	9565	9100	1	465
						ELECTRIC USAGE FOR 11/18			661
WA	10/24/19	11/22/19	29	W11513851	GALS	191304	65691	1	12561
						WATER USAGE FOR 11/18			566



**Know what's below.
Call before you dig.**

Call Miss Utility of Delmarva at
800-282-8555 or 800-441-8355

Service	Consumption	Charge	Total
EL FACILITIES CHARGE		16.00	
EL 0-2500 KWH USAGE	465.00	53.88	
EL GREEN ENERGY FUND	465.00	0.08	
EL POWER COST REDUCTION	465.00	-1.58	
TOTAL ELECTRIC			68.38
WA BASE CHARGE	1000.00	3.25	
WA 1001-4000 GALS	124613.00	494.20	
TOTAL WATER			497.45
TR RESIDENTIAL TRASH	10/25/2019 11/22/2019	26.00	
TOTAL OTHER			26.00

PAYMENT OPTIONS

- Customer Service office at
119 S. Walnut St , Milford DE
- Online
- ACH
- Drop Box at City Hall - 201 S. Walnut St
NO CASH IN DROP BOX
- Mail (envelope enclosed)



Cash - Check - Money Order

CHANGE OF CONTACT INFORMATION

First Name _____ Middle Initial _____ Last Name _____

Street Address _____ City _____ State _____ Zip _____

Home Telephone Number () _____ Business Telephone Number () _____

Cell Telephone Number () _____ E-mail _____

Comments _____

69	11/13/2019 1:00	190443.9	2.75 Gallons	W1151385 SSN
70	11/12/2019 19:00	190441.1	20 Gallons	W1151385 SSN
71	11/12/2019 13:00	190421.1	18.62 Gallons	W1151385 SSN
72	11/12/2019 7:00	190402.5	29.03 Gallons	W1151385 SSN
73	11/12/2019 1:00	190373.5	0.02 Gallons	W1151385 SSN
74	11/11/2019 19:00	190373.5	60.61 Gallons	W1151385 SSN
75	11/11/2019 13:00	190312.9	129.58 Gallons	W1151385 SSN
76	11/11/2019 1:00	190183.3	3.67 Gallons	W1151385 SSN
77	11/10/2019 19:00	190179.6	81.24 Gallons	W1151385 SSN
78	11/10/2019 13:00	190098.4	0 Gallons	W1151385 SSN
79	11/10/2019 7:00	190098.4	0 Gallons	W1151385 SSN
80	11/10/2019 1:00	190098.4	0 Gallons	W1151385 SSN
81	11/9/2019 19:00	190098.4	19.9 Gallons	W1151385 SSN
82	11/9/2019 13:00	190078.5	983.54 Gallons	W1151385 SSN
83	11/9/2019 7:00	189094.9	0 Gallons	W1151385 SSN
84	11/9/2019 1:00	189094.9	0 Gallons	W1151385 SSN
85	11/8/2019 19:00	189094.9	2271.58 Gallons	W1151385 SSN
86	11/8/2019 13:00	186823.3	2818.72 Gallons	W1151385 SSN
87	11/8/2019 7:00	184004.6	2923.5 Gallons	W1151385 SSN
88	11/8/2019 1:00	181081.1	2824.43 Gallons	W1151385 SSN
89	11/7/2019 19:00	178256.7	2788.82 Gallons	W1151385 SSN
90	11/7/2019 13:00	175467.9	2737.03 Gallons	W1151385 SSN
91	11/7/2019 7:00	172730.8	2763.93 Gallons	W1151385 SSN
92	11/7/2019 1:00	169966.9	2682.15 Gallons	W1151385 SSN
93	11/6/2019 19:00	167284.8	2671 Gallons	W1151385 SSN
94	11/6/2019 13:00	164613.8	2598.59 Gallons	W1151385 SSN
95	11/6/2019 7:00	162015.2	2613.69 Gallons	W1151385 SSN
96	11/6/2019 1:00	159401.5	2604.43 Gallons	W1151385 SSN
97	11/5/2019 19:00	156797.1	5071.51 Gallons	W1151385 SSN
98	11/5/2019 7:00	151725.5	2487.52 Gallons	W1151385 SSN
99	11/5/2019 1:00	149238	2499.28 Gallons	W1151385 SSN
100	11/4/2019 19:00	146738.7	2430.32 Gallons	W1151385 SSN
101	11/4/2019 13:00	144308.4	2403.53 Gallons	W1151385 SSN
102	11/4/2019 7:00	141904.9	2417.67 Gallons	W1151385 SSN
103	11/4/2019 1:00	139487.2	2365.94 Gallons	W1151385 SSN
104	11/3/2019 19:00	137121.3	2349.41 Gallons	W1151385 SSN
105	11/3/2019 13:00	134771.9	4610.96 Gallons	W1151385 SSN
106	11/3/2019 1:00	130160.9	2222.46 Gallons	W1151385 SSN
107	11/2/2019 20:00	127938.5	2213.47 Gallons	W1151385 SSN
108	11/2/2019 14:00	125725	2185.1 Gallons	W1151385 SSN
109	11/2/2019 8:00	123539.9	2082.95 Gallons	W1151385 SSN
110	11/2/2019 2:00	121456.9	4169.65 Gallons	W1151385 SSN
111	11/1/2019 14:00	117287.3	1970.41 Gallons	W1151385 SSN
112	11/1/2019 8:00	115316.9	2005.31 Gallons	W1151385 SSN
113	11/1/2019 2:00	113311.6	1930.97 Gallons	W1151385 SSN
114	10/31/2019 20:00	111380.6	1929.91 Gallons	W1151385 SSN
115	10/31/2019 14:00	109450.7	1874.75 Gallons	W1151385 SSN

600 NW
Front

← Leak reported

116	10/31/2019 8:00	107575.9	1976.56 Gallons	W1151385 SSN
117	10/31/2019 2:00	105599.4	1905.22 Gallons	W1151385 SSN
118	10/30/2019 20:00	103694.2	1904.92 Gallons	W1151385 SSN
119	10/30/2019 14:00	101789.2	1851.63 Gallons	W1151385 SSN
120	10/30/2019 8:00	99937.6	1879.92 Gallons	W1151385 SSN
121	10/30/2019 2:00	98057.68	1827.95 Gallons	W1151385 SSN
122	10/29/2019 20:00	96229.73	1840.17 Gallons	W1151385 SSN
123	10/29/2019 14:00	94389.56	1825.62 Gallons	W1151385 SSN
124	10/29/2019 8:00	92563.94	1822.67 Gallons	W1151385 SSN
125	10/29/2019 2:00	90741.27	1751.77 Gallons	W1151385 SSN
126	10/28/2019 20:00	88989.5	1769.6 Gallons	W1151385 SSN
127	10/28/2019 14:00	87219.9	1680.87 Gallons	W1151385 SSN
128	10/28/2019 8:00	85539.03	1730.4 Gallons	W1151385 SSN
129	10/28/2019 2:00	83808.63	1675.9 Gallons	W1151385 SSN
130	10/27/2019 20:00	82132.73	1625.64 Gallons	W1151385 SSN
131	10/27/2019 14:00	80507.09	1648.57 Gallons	W1151385 SSN
132	10/27/2019 8:00	78858.52	1544.29 Gallons	W1151385 SSN
133	10/27/2019 2:00	77314.23	2990.24 Gallons	W1151385 SSN
134	10/26/2019 14:00	74323.99	1439.6 Gallons	W1151385 SSN
135	10/26/2019 8:00	72884.39	1398.35 Gallons	W1151385 SSN
136	10/26/2019 2:00	71486.04	1315.23 Gallons	W1151385 SSN
137	10/25/2019 20:00	70170.81	1239.69 Gallons	W1151385 SSN
138	10/25/2019 14:00	68931.12	1111.83 Gallons	W1151385 SSN
139	10/25/2019 8:00	67819.29	1110.35 Gallons	W1151385 SSN
140	10/25/2019 2:00	66708.94	1017.51 Gallons	W1151385 SSN
141	10/24/2019 20:00	65691.43	1075.65 Gallons	W1151385 SSN
142	10/24/2019 14:00	64615.78	851.12 Gallons	W1151385 SSN
143	10/24/2019 8:00	63764.66	827.22 Gallons	W1151385 SSN
144	10/24/2019 2:00	62937.44	731.28 Gallons	W1151385 SSN
145	10/23/2019 20:00	62206.16	671.42 Gallons	W1151385 SSN
146	10/23/2019 14:00	61534.74	564.41 Gallons	W1151385 SSN
147	10/23/2019 8:00	60970.33	871.19 Gallons	W1151385 SSN
148	10/22/2019 20:00	60099.14	333.38 Gallons	W1151385 SSN
149	10/22/2019 14:00	59765.76	255.13 Gallons	W1151385 SSN
150	10/22/2019 8:00	59510.63	230.11 Gallons	W1151385 SSN
151	10/22/2019 2:00	59280.52	371.04 Gallons	W1151385 SSN
152	10/21/2019 14:00	58909.48	188.14 Gallons	W1151385 SSN
153	10/21/2019 8:00	58721.34	116.8 Gallons	W1151385 SSN
154	10/21/2019 2:00	58604.54	59.41 Gallons	W1151385 SSN
155	10/20/2019 20:00	58545.13	34.68 Gallons	W1151385 SSN
156	10/20/2019 14:00	58510.45	75.22 Gallons	W1151385 SSN
157	10/20/2019 8:00	58435.23	33.68 Gallons	W1151385 SSN
158	10/20/2019 2:00	58401.55	23.11 Gallons	W1151385 SSN
159	10/19/2019 20:00	58378.44	52.86 Gallons	W1151385 SSN
160	10/19/2019 14:00	58325.58	42.36 Gallons	W1151385 SSN
161	10/19/2019 8:00	58283.22	31.04 Gallons	W1151385 SSN
162	10/19/2019 2:00	58252.18	9.79 Gallons	W1151385 SSN

— Leak began.

163	10/18/2019 20:00	58242.39	112.26 Gallons	W1151385 SSN
164	10/18/2019 14:00	58130.13	0.06 Gallons	W1151385 SSN
165	10/18/2019 8:00	58130.07	30.87 Gallons	W1151385 SSN



PUBLIC WORKS DEPARTMENT

180 Vickers Drive

Milford, DE 19963

PHONE 302.422.1110

FAX 302.422.1117

www.cityofmilford.com

To: Mark Whitfield, Interim City Manager
From: William Gallagher, Electric Superintendent
Subject: Progressive Engineering Consultants, 2020 Engineering Services Rates
Date: December 30, 2019

Staff requests City Council consider a recommendation to execute the included contract for miscellaneous engineering services provided by Progressive Engineering Consultants. The contract outlines rates for calendar year 2020. Rates remain the same as 2019.

Progressive Engineering Consultants have been working with the City of Milford for over 15 years. They are intimately familiar with the City's electric distribution and substation systems. Because of their past performance, and in-depth knowledge of the City's infrastructure, staff recommends executing the contract for engineering services.

The execution of this contract will provide Public Works – Electric Division a resource in designing and maintaining electric infrastructure in the City of Milford.

RECOMMENDATION: Staff recommends City Council execute Progressive Engineering Consultants' 2020 Contract for Miscellaneous Engineering Services.

Progressive Engineering Consultants, Inc.

P.O. Box 690638, Charlotte, NC 28227-7011

Telephone: (704) 545-7327

Fax: (704) 545-2315

progress@pecinc.net

December 18, 2019

City of Milford
201 S. Walnut Street
Milford, DE 19963
Attn: Mr. Will Gallagher

Subject: 2020 Miscellaneous Engineering Services Contract and Per Diem Rate Schedule

Gentlemen:

Please find attached Progressive Engineering Consultants' 2020 Contract for Miscellaneous Engineering Services. Please note that the 2020 Per Diem Rates remain the same as 2019. If these documents meet with your approval, please execute Pages 1 and 4 and return a fully executed original to our office at your earliest convenience.

If you should have questions or comments, please do not hesitate to call.

Respectfully Submitted,

PROGRESSIVE ENGINEERING CONSULTANTS, INC.



Robert F. Thomas, Jr., P.E.

Attachment(s)

CONTRACT FOR MISCELLANEOUS ENGINEERING SERVICES

STATE OF DELAWARE

COUNTY OF KENT AND SUSSEX

THIS CONTRACT made effective this the _____ day of _____, 20____ by _____ and between the **CITY OF MILFORD, DELAWARE** hereinafter referred to as the "**City**", and **PROGRESSIVE ENGINEERING CONSULTANTS, INC.** of Charlotte, North Carolina, hereinafter referred to as the "**Engineer**".

W I T N E S S E T H:

WHEREAS, the City desires for the Engineer to perform various miscellaneous engineering services (hereinafter referred to as "Services") in conjunction with the operation and maintenance of the City's utility systems on an as needed basis; and

WHEREAS, the Engineer is qualified and prepared to provide such services.

NOW, THEREFORE, in consideration of the promises and the mutual covenants herein contained, the parties hereto agree as follows:

ARTICLE I - COMPENSATION

The City shall pay the Engineer for the performance of the Services in accordance with Attachment I (Per Diem Rate Schedule).

The Engineer shall invoice the City for the Services on a monthly basis and the City agrees to make payment within thirty (30) days after receipt of the Engineer's invoice.

ARTICLE II - GENERAL OBLIGATIONS OF THE ENGINEER

The Services to be performed by the Engineer shall be engineering services relating to the operation and maintenance of the electric utility system of the City which the City has requested the Engineer to perform.

The Engineer shall exercise the care, skill, and diligence customarily provided by a Professional Engineer in the performance of the Services described herein.

ARTICLE III - INDEPENDENT CONTRACTOR

The Engineer undertakes the performance of this Contract as an Independent Contractor and shall be wholly responsible for the methods followed in the performance of the Services. The Engineer shall work closely with the City in performing the Services provided for in this Contract.

ARTICLE IV - COMPLIANCE WITH LAWS

The Engineer will comply with all applicable regulatory requirements including federal, state, and local laws, rules and regulations, codes, criteria and standards.

CONTRACT FOR MISCELLANEOUS ENGINEERING SERVICES

ARTICLE V - INSURANCE

During the performance of the Services under this Contract the Engineer shall maintain the following insurance:

- (1) For the protection of the City, Professional Liability Insurance in the amount of \$250,000.00. If the City requests additional coverage, the Engineer shall be reimbursed by the City for the additional cost associated with such coverage, with such coverage to remain in full force and effect during the term of this contract.
- (2) Comprehensive General Liability Insurance with bodily injury limits of not less than \$1,000,000.00 for each occurrence and not less than \$2,000,000.00 in the aggregate, and with property damage limits of not less than \$1,000,000.00 for each occurrence and not less than \$2,000,000.00 in the aggregate.
- (3) Worker's Compensation Insurance in accordance with statutory requirements and Employers Liability Insurance with limits of not less than \$100,000.00 for each accident.
- (4) Automobile Insurance with bodily injury limits of not less than \$1,000,000.00 and property damage limits of not less than \$250,000.00.

ARTICLE VI - INDEMNIFICATION

The Engineer shall save harmless and indemnify the City from any and all claims occurring as a result of the Engineer's negligent acts, errors or omissions, patent infringement or breach of contract of the Engineer.

ARTICLE VII - CITY'S RESPONSIBILITIES

The City shall supply to the Engineer, either directly or indirectly from others, all available information and data which is reasonable and required by the Engineer. The City shall also be responsible for the following:

- (1) Approving all procedures established to govern the relationships between the City, the Engineer, and third parties.
- (2) Making final planning decisions utilizing information supplied by the Engineer.
- (3) Providing designated personnel to represent the City in matters involving the Engineer.
- (4) Providing general assistance in the performance of the services necessary as a part of this Contract.

ARTICLE VIII - OWNERSHIP OF DOCUMENTS

The City shall own all documents which are deemed to be a work product of the performance of this Contract. Original documents, however, shall remain in the files of the Engineer unless otherwise directed, in writing, by the City.

The City agrees to save harmless and indemnify the Engineer from any and all claims occurring as a result of the re-use of documents created under this Contract on any other project without the Engineer's prior knowledge and consent in writing.

CONTRACT FOR MISCELLANEOUS ENGINEERING SERVICES

ARTICLE IX - TERM

The Term of this contract shall be through December 31, 2020 unless otherwise agreed upon in writing by both parties.

ARTICLE X - ASSIGNMENT

This Contract shall not be assigned in whole or in part, unless approved in writing by both parties.

ARTICLE XI - INTERPRETATION

This Agreement shall be deemed to have been made in the State of Delaware, and its validity, construction and effect shall be governed by the laws of the State of Delaware.

ARTICLE XII - WAIVER

Failure or delay on the part of the Engineer or City to exercise any right, remedy, power or privilege hereunder shall not operate as a waiver on any other default or on the same type default on a future occasion.

ARTICLE XIII - AMENDMENT

No revision to this Contract shall be valid unless made in writing and signed by an officer of the Engineer and an authorized Official of the City.

ARTICLE XIV - TIME

Unless prevented by strikes, accidents, weather or other reasonable cause, Engineer shall deliver the services to be provided hereunder in accordance with the schedule specified by the City.

ARTICLE XV - COUNTERPARTS

This Agreement shall be simultaneously executed in two (2) counterparts, each of which so executed shall be deemed to be original, and such counterparts together shall constitute but one and the same instrument.

CONTRACT FOR MISCELLANEOUS ENGINEERING SERVICES

IN WITNESS, WHEREOF, the parties have executed this Contract by their duly authorized representatives effective the day and year first above written.

**CITY OF MILFORD
MILFORD, DELAWARE**

ATTEST:

Signature

Signature

Print Name

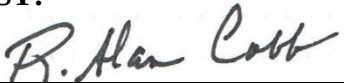
Title

(SEAL)

PROGRESSIVE ENGINEERING CONSULTANTS, INC.

By: 
Robert F. Thomas, Jr., P.E.
President

ATTEST:

By: 
R. Alan Cobb
Vice President



Per Diem Rate Schedule for Engineering Services Effective January 1, 2020

<u>Employee</u>	<u>Job Classification</u>	<u>Hourly Rate</u>	<u>Per Diem Rate</u>
R. Alan Cobb, P.E.	Design Engineer I	\$ 151.50	\$ 1212.00
R. F. Thomas, Jr., P.E.	Design Engineer II	\$ 146.25	\$ 1170.00
M. A. Dawson, P.E.	Design Engineer III	\$ 137.25	\$ 1098.00
	Design Engineer IV	\$ 129.50	\$ 1036.00
	Field Engineer I	\$ 134.75	\$ 1078.00
R. A. Martin	Field Engineer II	\$ 127.00	\$ 1016.00
	Field Engineer III	\$ 106.75	\$ 854.00
	Associate Engineer I	\$ 100.50	\$ 804.00
	CAD Operator	\$ 85.50	\$ 684.00
	Clerical	\$ 85.50	\$ 684.00

Plus, the following charges:

- Mileage @ IRS Recommended Business Mileage Rate
- Additional Travel Expenses at Cost
- Meals & Lodging at Cost
- All Other Out-of-Pocket Expenses at Cost
- Daily Rate is Per Eight (8) Hours Portal-to-Portal
- All Over Eight (8) Hours Per Day to be Billed at the Hourly Rate Multiplied by 1.5
- All Charges will be for a Minimum of two (2) Hours unless Scheduling Allows for Reassignment of Personnel to an Alternate Project
- Invoices for Per Diem Charges will be Submitted Monthly and are Due Upon Receipt

PUBLIC WORKS DEPARTMENT
180 Vickers Drive
Milford, DE 19963



PHONE 302.422.1110
FAX 302.422.1117
www.cityofmilford.com

To: Mark Whitfield, Interim City Manager/Public Works Director
From: William Gallagher, Electric Superintendent
Subject: Electric Division E-103, 2003 International Material Handler Replacement
Date: January 6, 2020

Staff requests City Council consider a recommendation to replace the existing 2003 International Bucket Truck (Material Handler) with a 2021 International MV607 SBA truck with a Terex Material Handler body with insulated over-center aerial device. The existing unit is 17 years old and has been used beyond its life expectancy. The replacement of this unit was identified in the 2020 Capital Improvement Plan.

The purchase of this truck will be made through the Sourcewell Contract. Specifications for the truck are attached. The Electric Division budgeted \$275,000.00 for the purchase of this unit; the Sourcewell final cost is \$235,632.00.

RECOMMENDATION: Staff recommends City Council authorize the purchase in the amount of \$235,632.00 to Terex Utilities, in accordance with Sourcewell contract #012418-TER, with funding coming from Electric Reserves.



TEREX®

CUSTOMER ORDER ACKNOWLEDGEMENT

Terex Utilities, Inc. - 500 Oakwood Road - Watertown, SD 57201 - Phone: 605-882-4000 - Fax: 605-882-5595

Date: **1/3/2020** Sourcewell Contract#:012418-TER
Reference QU10308
Quote Number: QU14005 Unit: OPTIMA-HRX55

City of Milford, DE
180 Vickers Drive
Milford, DE
(302) 542-8388
Attention: Tim Barnett

Sourcewell (QU10308) Baseline Price: \$194,989

QU14005 Open Market Items: \$40,643

Grand Total Each: \$235,632

Prices are subject to change until shipment. Applicable taxes and surcharges will be added. Taxes, shipping & handling and lead times are estimates and subject to change. Quoted prices are based on total quoted package and subject to change if all items not purchased. All prices quoted are in U.S. dollars unless otherwise specified. Payment by cash or certified check only. Chassis payment is due upon chassis receipt at our facility. Quote withdrawn after 30 days.

Please ensure the accuracy of the specifications and drawings you provide. Changes made after receipt of order may incur additional charges. If you are trading equipment in, you warrant that: You have good title to the trade-in; it is free of all liens and encumbrances; all information you have provided related to the trade-in is true and correct.

Terex purchased chassis through Terex preferred International Dealer will include at no additional cost a special tow package for 12 months/unlimited mileage to nearest International Dealership for a warrantable failure. Coverage limited to \$550 per incident. Roadside assistance call 1-800-448-7825

Terex purchased chassis through Terex preferred Freightliner Dealer will include at no additional cost a special tow package for 12 months/unlimited mileage/KM extended towing coverage \$550 cap FEX applies. Roadside assistance call 1-800-FTL-HELP

Notes:

- 1) Delivery Terms are: FCA, Shipping Point
- 2) Terms: Net 30 days.
- 3) Delivery days from receipt of order shall be 270-330

Buyer hereby agrees to purchase the products in this quotation, subject to acceptance by Seller. Buyer has read and agrees to

Terex Utilities Inc.

Jay Meier

Sales Coordinator

Rory Lindner

Account Manager

Accepted By: _____

PO Number: _____

Quantity: _____

Grand Total: _____

Date: _____

⚠ WARNING Cancer and Reproductive Harm
www.P65Warnings.ca.gov

TERMS AND CONDITIONS OF SALE
TEREX SOUTH DAKOTA, INC./TEREX UTILITIES, INC.
U.S. and CANADA (except Quebec)

1. Terms and Conditions. The provision by Seller to Buyer of any Equipment or Parts (collectively referred to as "Products") shall be exclusively governed by these Terms and Conditions of Sale ("Terms and Conditions") and Seller's sales order acknowledgement (collectively referred to as "Agreement"). This Agreement cancels and supersedes any and all terms and conditions previously issued by Seller and shall remain in effect unless and until superseded in writing by Seller. Acceptance of an order for Products by Seller shall be deemed to constitute a binding agreement between the parties pursuant to these Terms and Conditions and Buyer agrees that the order may not thereafter be countermanded or otherwise changed without the explicit prior written consent of Seller. No other terms and conditions shall apply, including the terms of any purchase order submitted to Seller by Buyer, whether or not objected to by Seller or whether or not such terms are inconsistent or conflict with or are in addition to these Terms and Conditions. These Terms and Conditions shall be deemed accepted by Buyer if any of the following occurs: (i) if confirmed by Buyer, (ii) if undisputed by Buyer within ten (10) days after receipt, or (iii) if Seller delivers Products to Buyer. Any communication construed as an offer by Seller and acceptance thereof is expressly limited to these Terms and Conditions. The Products are intended for industrial/commercial use by professional contractors and their trained employees and are not intended for use by consumers.

2. Terms of Payments. Payment for Products purchased by Buyer shall be made in accordance with any of the following terms, provided they have been previously arranged with and expressly approved by Seller in writing: (1) cash in advance; (2) confirmed, irrevocable letter of credit established in such amount and form and at such time and at such bank as shall be approved by Seller in respect of each order; (3) credit account purchases for which payment will be due and payable on net thirty (30) day terms, plus service and other charges applicable to past due amounts in accordance with Seller's written notices; or (4) other payment arrangements expressly approved by Seller in writing prior to or at the time the order is placed. If any Buyer credit account purchase is not paid in accordance with Seller's credit payment terms, in addition to any other remedies allowed in equity or by law, Seller may refuse to make further shipments without advance payment by Buyer. Nothing contained herein shall be construed as requiring Seller to sell any Products to Buyer on credit terms at any time, or prohibiting Seller from making any and all credit decisions which it, in its sole discretion, deems appropriate for Seller. Seller shall have the right, at its option, to charge interest on all amounts not paid when due and Buyer agrees to pay such interest calculated on a daily basis, from the date that payment was due until the Seller receives payment in full, at the rate of 1.5% per month or the maximum rate permitted by applicable law. Unless otherwise agreed in writing between Seller and Buyer, Seller may, in its sole discretion, increase or decrease the price of any Product, as Seller deems reasonably necessary, at any time prior to shipment and invoice Buyer for the same. If Buyer orders the chassis through Seller, the chassis payment is due upon receipt of chassis by Seller and the balance owed for the completed unit is due in accordance with agreed upon payment terms. When supplied by Buyer, Seller will inspect the chassis upon receipt and will notify Buyer of any chassis mounted components (including but not limited to fuel tanks, air tanks, battery boxes and exhaust systems) that require relocation. Buyer will be invoiced for such work upon completion of the finished Equipment.

3. Taxes and Duties. Unless otherwise noted, prices quoted do not include taxes or duties of any kind or nature. Buyer agrees that it will be responsible for filing all tax returns and paying applicable tax, duty, export preparation charge and export documentation charge resulting from the purchase of the Products. In addition, in the event any other similar tax is determined to apply to Buyer's purchase of the Products from Seller, Buyer agrees to indemnify and hold Seller harmless from and against any and all such other similar taxes, duties and fees. All prices quoted are U.S. dollars unless otherwise specified. The amount of any present or future taxes applicable to the sale, transfer, lease or use of the Products shall be paid by Buyer; or in lieu thereof, Buyer shall provide Seller with a tax exemption certificate satisfactory to the applicable taxing authority proving that no such tax is due and payable upon such sale, transfer, lease or use.

4. Title, Property, Risk and Delivery. Unless otherwise stated in writing, for all intra-continental United States shipments, all prices and delivery are FCA, point of manufacture (Incoterms 2010); for all other shipments, all prices and delivery are FAS, named port of shipment (Incoterms 2010). Title and all risk of loss or damage to Products shall pass to Buyer upon delivery, as per Incoterms 2010. Any claims for loss, damage or delay in transit must be entered and prosecuted by the Buyer directly with the carrier, who is hereby declared to be the agent of the Buyer. Seller shall not be liable for any delay in performance of this agreement or delivery of the Products, or for any damages suffered by Buyer by reason of delay, when the delay is caused, directly or indirectly, by a force majeure event described in Section 20 herein or any other cause beyond Seller's control. Claims for shortages in shipments shall be deemed waived and released by Buyer unless made in writing within five (5) days after Buyer's receipt of shipment. Seller's responsibility for shipment shall cease upon delivery of the Products to the place of shipment, and all claims occurring thereafter shall be made to or against the carrier by Buyer. Delivery shall generally be 240 to 270 days after receipt by Seller of a signed Order, provided that, where applicable: (1) Seller receives the chassis a minimum of 90 days prior to scheduled delivery, (2) drawings are timely sent by Buyer and the approved drawings are returned to Seller by Buyer by the requested date, (3) all vendor-supplied components and Buyer-supplied accessories are received by Seller by the date necessary to comply with scheduled delivery. Seller shall not be liable for any delay in performance of this agreement or delivery of the Products, or for any damages suffered by Buyer by reason of delay, when the delay is caused, directly or indirectly, by a force majeure event described in Section 20 herein or any other cause beyond Seller's control. Claims for shortages in shipments shall be deemed waived and released by Buyer unless made in writing

within fifteen (15) days after Buyer's receipt of shipment. Seller's responsibility for shipment shall cease upon delivery of the Parts and or Equipment to the place of shipment, and all claims occurring thereafter shall be made to or against the carrier by Buyer.

5. Delays Caused By Buyer. In the event of a delay in shipment or delivery due to delay by Buyer in furnishing delivery instructions, arranging a method of payment satisfactory to Seller, submitting valid import permits or licenses, or any other delay caused by Buyer or at Buyer's request, if the Products are not shipped or delivered within five (5) days from the first date they are ready to be shipped or delivered, then Seller shall be entitled to charge, as compensation, any additional costs incurred related to such delay. If the Products are not shipped or delivered by the date which is ten (10) days from the first date they are ready to be shipped or delivered, then Buyer's order shall be deemed cancelled and Seller may, in its sole discretion, sell such Products to another buyer without any liability or responsibility to Buyer whatsoever. Seller shall have the right to keep payments on account already received from Buyer, and the difference between the sales price (increased by any other and all further costs, including but not limited to attorney's fees and expenses, storage and other costs, and interest accrued thereon) and the price received from another buyer shall constitute a debt of Buyer and bear interest at the same rate set forth in Section 2 herein. Seller shall be entitled to claim for any further damages suffered as a consequence of Buyer's breach of its obligations hereunder.

6. Cancellation. Prior to delivery to place of shipment, a Product order may be cancelled only with Seller's prior consent and upon terms indemnifying Seller from all resulting losses and damages. Seller shall have the right to cancel and refuse to complete a Product order if any term and/or condition governing this agreement is not complied with by Buyer. In the event of cancellation by Seller, or in the event Seller consents to a request by Buyer to stop work or to cancel the whole or any part of any order, Buyer shall, in the event that Seller asks Buyer to do so, make reimbursement to Seller, as follows: (i) any and all work that can be completed within thirty (30) days from date of notification to stop work on account of cancellation shall be completed, shipped and paid in full; and (ii) for work in progress and any materials and supplies procured or for which definite commitments have been made by Seller in connection with the order, Buyer shall pay such sums as may be required to fully compensate Seller for actual costs incurred, plus fifteen percent (15%). Buyer may not cancel any order after Seller's delivery to place of shipment. Orders for "Special" Equipment may not be cancelled after acceptance, except by Seller. Items of "Special" Equipment are those that differ from standard Seller specifications, have a limited market, or incorporate specifications that have been determined for a specific application. Determination of whether an item of Equipment is "Special" shall be made by Seller in its sole discretion.

7. Inspection and Acceptance. Buyer agrees that it shall inspect the Products immediately after receipt and promptly (in no event later than fifteen (15) days after receipt) notify Seller in writing of any non-conformity or defect. Buyer further agrees that failure to give such prompt notice or the commercial use of the Products shall constitute acceptance. Acceptance shall be final and Buyer waives the right to revoke acceptance for any reason, whether or not known by Buyer at the time of such acceptance. The giving of any such notice by Buyer shall automatically cause the provisions of Seller's warranty to apply and govern the rights, obligations and liabilities of the parties with respect to such nonconformity or defect, provided under no circumstances shall rejection give rise to any liability of Seller for incidental or consequential damages or losses of any kind. Seller shall not be bound by any agent's, employee's or any other representation, promise or inducement not set forth herein. Seller's catalogues, technical circulars, price lists, illustrations, drawings and any other similar literature are for Buyer's general guidance only and the particulars contained in them shall not constitute representations by Seller and Seller shall not be bound by them.

8. Warranty for New Products. Seller warrants its new Equipment and Parts manufactured and sold worldwide, to be free, under normal use and service, of any defects in material or workmanship for a period of twelve (12) months from the date of delivery (as limited by Seller's Limited Product Warranty); provided that Buyer sends Seller written notice of the defect within thirty (30) days of its discovery and establishes that: (i) the Equipment has been operated and maintained in strict compliance with Seller's operating and maintenance manuals ; and (ii) the defect did not result in any manner from the intentional or negligent action or inaction of Buyer, its agents or employees and (2) a new machine registration certificate has been completed, signed and delivered to the Seller within thirty (30) days of the Equipment's "in-service" date. If requested by Seller, Buyer must return any defective Product to Seller's manufacturing facility, or other location designated by Seller, for inspection, and if Buyer cannot establish that conditions (i) and (ii) above have been met, then this warranty shall not cover the alleged defect. Failure to give written notice of defect within such period shall be a waiver of this warranty and any assistance rendered thereafter shall not extend or revive it. Accessories, assemblies and components included in the Products of Seller, which are not manufactured by Seller, are subject to the warranty of their respective manufacturers. This warranty shall not cover any item on which serial numbers have been altered, defaced or removed. Maintenance and wear parts are not covered by this warranty and are the sole maintenance responsibility of Buyer. This warranty is limited to the original purchaser or end-user if sold to a distributor, and is not assignable or otherwise transferable without written agreement of Seller. **THIS WARRANTY IS EXPRESSLY IN LIEU OF AND EXCLUDES ALL OTHER WARRANTIES, EXPRESS OR IMPLIED (INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) AND ALL OTHER OBLIGATIONS OR LIABILITY ON SELLER'S PART. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE LIMITED WARRANTY CONTAINED HEREIN.** Seller neither assumes nor authorizes any other person to assume for Seller any other liability in connection with the sale of Seller's Products. This warranty shall not apply to any of Seller's Products or any part thereof which has been subject to misuse, alteration, abuse, negligence, accident, acts of God or sabotage. No action by either party shall operate to extend or revive this limited warranty without prior written consent of Seller.

9. Warranty for Used Equipment. Used Equipment sold hereunder is sold on an “AS IS, WHERE IS, WITH ALL FAULTS” BASIS WITH NO WARRANTIES WHATSOEVER, EXCEPT AS TO TITLE, UNLESS OTHERWISE SPECIFICALLY AGREED IN WRITING BY BUYER AND SELLER. SELLER ASSUMES NO RESPONSIBILITY FOR THE CONDITION, SAFETY, LEGAL COMPLIANCE, OR USABILITY OF THE USED EQUIPMENT AND MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE USED EQUIPMENT INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SELLER MAKES NO REPRESENTATION OR WARRANTY REGARDING THE CONDITION OF THE USED EQUIPMENT, NOR THE SUFFICIENCY OF ANY WARNINGS, INSTRUCTIONS OR MANUALS PROVIDED WITH THE USED EQUIPMENT. Seller recommends and Buyer acknowledges that Buyer should contact the original manufacturer to obtain all available information for the used Equipment, including but not limited to product manuals, warnings, safety bulletins, recall notices, and instructional placards before using the used Equipment. Seller shall not be responsible for providing such information. Buyer agrees not to assert any claims against Seller with respect to the used Equipment or its use. Buyer agrees that it shall inspect the used Equipment prior to issuance of a purchase order for such Equipment and acknowledges that it is not relying upon any photographs, images, videos, representations, statements or other assertions made by Seller with respect to the used Equipment's condition, but is relying upon its own knowledge and/or inspection of the used Equipment.

10. Remedies for Breach. IN THE EVENT OF ANY BREACH OF THE WARRANTY BY SELLER, THE PARTIES AGREE THAT SELLER'S LIABILITY SHALL BE LIMITED EXCLUSIVELY TO THE REMEDIES OF REPAIR OR REPLACEMENT (AT SELLER'S SOLE DISCRETION) OF ANY DEFECTIVE EQUIPMENT COVERED BY THE WARRANTY. In no event shall any repair or replacement of any defective equipment covered by the Seller's warranty extend the length of the warranty beyond the period specified in Section 8 herein.

11. Limitation of Liability. NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, SELLER AND ITS AFFILIATES SHALL NOT BE LIABLE FOR, AND SPECIFICALLY DISCLAIM, ANY LIABILITY FOR ANY: (A) LOST PROFITS AND/OR BUSINESS INTERRUPTION (WHETHER DIRECT OR INDIRECT); AND (B) INDIRECT, INCIDENTAL, CONSEQUENTIAL (WHETHER DIRECT OR INDIRECT) OR OTHER DAMAGES OR LOSSES OF ANY KIND WHATSOEVER, including, without limitation, labor costs, lost profits, loss of use of other equipment, third party repairs, personal injury, emotional or mental distress, improper performance or work, penalties of any kind, loss of service of personnel, or failure of Products to comply with any federal, state, provincial or local laws, regardless of whether arising from a breach of contract, or warranty, legal claims or otherwise. **Nothing in this Section shall operate to exclude Seller's liability for death or personal injury when directly related to Seller's negligent act or omission.**

12. Limitation of Actions. Any action for breach of this agreement must be commenced within one (1) year after the cause of action has accrued.

13. Specification Changes. In the event Seller incurs additional expense because of changes in specifications or drawings previously approved by Buyer, or in the event Seller is required to modify the ordered Equipment, perform any additional work or supply any additional Products, the additional expense shall be added to the purchase price. Buyer must submit to Seller a revised purchase order specifying any and all requested changes. Upon receipt of Buyer's revised purchase order, Seller shall have the right, in its sole discretion, to accept or reject any changes in specifications requested by Buyer.

14. Trade-in Offers. Trade-in offers are subject to Seller's inspection and acceptance of the equipment, which must have been maintained to U.S. Department of Transportation operating and safety standards. All accessories on the equipment, including without limitation jibs, winches, pintle hooks and trailer connectors, must remain with the equipment unless otherwise agreed by Seller and Buyer in writing. Seller reserves the right to cancel any trade-in offers or agreements if these conditions are not met, or if Buyer has misrepresented any information about the trade-in unit.

15. Insurance. Until the purchase price of any Products is paid in full, the Buyer shall provide and maintain insurance equal to the total value of the Equipment delivered hereunder against customary casualties and risks; including, but not limited to fire and explosion, and shall also insure against liability for accidents and injuries to the public or to employees, in the names of Seller and Buyer as their interest may appear, and in an amount satisfactory to Seller. If the Buyer fails to provide such insurance, it then becomes the Buyer's responsibility to notify the Seller so that the Seller may provide same; and the cost thereof shall be added to the contract price. All loss resulting from the failure to affect such insurance shall be assumed by the Buyer.

16. Patents, Copyrights, Trademarks, Confidentiality. No license or other rights under any patents, copyrights or trademarks owned or controlled by Seller or under which Seller is licensed are granted to Buyer or implied by the sale of Products hereunder. Buyer shall not identify as genuine products of Seller products purchased hereunder which Buyer has treated, modified or altered in any way, nor shall Buyer use Seller's trademarks to identify such products; provided, however, that Buyer may identify such products as utilizing, containing or having been manufactured from genuine products of Seller as treated, modified or altered by Buyer or Buyer's representative, upon prior written approval of Seller. All plans, photographs, designs, drawings, blueprints, manuals, specifications and other documents relating to the business of Seller ("Information") shall be and remain the exclusive property of Seller and shall be treated by Buyer as confidential information and not disclosed, given, loaned, exhibited, sold or transferred to any third party without Seller's prior written approval;

provided, however, that these restrictions shall not apply to Information that Buyer can demonstrate: (a) at the time of disclosure, is generally known to the public other than as a result of a breach of this Agreement by Buyer; or (b) is already in Buyer's possession at the time of disclosure by from a third party having a right to impart such Information.

17. Default and Seller's Remedies. In the event of default by Buyer, all unpaid sums and installments owed to Seller, shall, at Seller's sole option, become immediately due and payable without notice of any kind to Buyer. In addition to its right of acceleration, Seller may pursue any and all remedies allowed by law or in equity, including but not limited to any and all remedies available to it under the Delaware Uniform Commercial Code. In addition to the foregoing, and not in limitation thereof, Seller shall have the right to set off any credits or amounts owed to Buyer against any amounts owed by Buyer to Seller.

18. Indemnification by Buyer. Buyer hereby agrees to indemnify, release, defend and hold harmless Seller, its directors, officers, employees, agents, representatives, successors, and assigns against any and all suits, actions or proceedings at law or in equity (including the costs, expenses and reasonable attorney's fees incurred in connection with the defense of any such matter) and from any and all claims demands, losses, judgments, damages, costs, expenses or liabilities, to any person whatsoever (including Buyer's and Seller's employees or any third party), or damage to any property (including Buyer's property) arising out of or in any way connected with the performance or the furnishing of Products under this agreement, regardless of whether any act, omission, negligence (including any act, omission or negligence, relating to the manufacture, design, repair, erection, service or installation of or warnings made or lack thereof with respect to any Products furnished hereunder) of Seller, its directors, officers, employees, agents, representatives, successors or assigns caused or contributed thereto. If Buyer fails to fulfill any of its obligations under this paragraph or this agreement, Buyer agrees to pay Seller all costs, expenses and attorney's fees incurred by Seller to establish or enforce Seller's rights. The provisions of this paragraph are in addition to any other rights or obligations set forth in this agreement.

19. Installation. Unless otherwise expressly agreed in writing, Buyer shall be solely responsible for the installation and erection of the Products purchased. Although Seller may in some cases provide a serviceman, data and drawings to aid Buyer with installation or start-up, Seller assumes no responsibility for proper installation or support of any Products when installed and disclaims any express or implied warranties with respect to such installation and support. Notwithstanding whether data and drawings are provided or a serviceman aids in the installation, Buyer shall indemnify and hold Seller harmless and at Seller's request, defend Seller from all claims, demands or legal proceedings (including the costs, expenses and reasonable attorney's fees incurred in connection with the defense of any such matter) which may be made or brought against Seller in connection with damage or personal injury arising out of said installation or start-up.

20. Force Majeure. Seller shall not be liable to Buyer or be deemed to be in breach of this agreement by reason of any delay in performing, or any failure to perform, any of Seller's obligations in relation to the Products if the delay or failure was due to any cause beyond the reasonable control of Seller including (without limitation) strike, lockout, riot, civil commotion, fire, accident, explosion, tempest, act of God, war, epidemic, stoppage of transport, terrorist activity, supply shortage or changes in government, governmental agency, laws, regulations or administrative practices.

21. Anti-Corruption; Export Controls; No Boycotts. Buyer agrees that it shall, and that any party retained or paid by the Buyer ("Retained Party") shall, comply with all applicable laws including, but not limited to, laws prohibiting public corruption and commercial bribery. Buyer further agrees that it shall, and that any Retained Party shall, comply with all applicable export controls, economic sanctions, embargoes and regulations regarding the export, re-export, shipment, distribution and/or sale of Products, technology, information or warranty related services. Buyer further agrees that it shall not, and any Retained Party shall not, export or re-export Products, technology, information or warranty related services directly or with its knowledge indirectly into Iran, Cuba, Syria, North Korea, the Crimea Region of the Ukraine or Russia without Buyer first obtaining written approval from Seller. Failure to comply strictly with this section and all applicable laws, regulations and licensing/approval requirements shall be grounds for immediate termination of this agreement by Seller. Notwithstanding anything to the contrary contained in any agreement between the Buyer and Seller or in any other document or agreement relating to the Products sold hereunder, Seller will not comply with requests related to the boycott of any country or other jurisdiction, except to the extent such boycott is required by or otherwise not inconsistent with United States law.

22. Telematics. If a telematics system is included with the Equipment, the telematics system is administered by a third party ("Teleservice Provider") and collects a range of operational data about the Equipment including, but not limited to, usage, performance and reliability. Buyer shall gain any prior explicit consent from its employees and/or any third party, as required by applicable laws, enabling Seller and/or third parties to provide teleservices and data to Buyer. Buyer shall comply with all applicable laws relating to the provision of teleservices, including without limitations any applicable data protection laws. In addition to the foregoing, Buyer consents to Seller's collection, management and reporting of non-personal data about the Equipment including, but not limited to, performance, usage, fuel consumption, up /down times, defects, parts replacement, movement and location. Such information and data may also be used by Seller for warranty, product improvement, marketing, customer support, and research and development purposes, and to monitor, maintain, diagnose, update or repair the Equipment.

23. Construction and Severability. These Terms and Conditions of Sale constitute the entire agreement between the parties regarding the subject matter hereof and shall be construed and enforced in accordance with the laws of Delaware. The United

Nations Convention on Contracts for the International Sale of Goods (1980) (CISG) shall not apply. The invalidity or unenforceability of any provisions of this agreement shall not affect any other provision and this agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

24. Jurisdiction. The parties agree that the proper and exclusive forum and venue in all legal actions brought to enforce or construe any provisions herein shall be in United States District Court, District of Delaware or, if federal jurisdiction is lacking in such action, in New Castle County Superior Court in Delaware.

25. No Assignment. No rights arising under this agreement may be assigned by the Buyer unless expressly agreed to in writing by the Seller.

26. No Set-off. Buyer shall have no right to set-off any amounts it may owe Seller against amounts Seller may owe Buyer under this or any other agreement between Buyer and Seller.

27. Miscellaneous. Buyer represents that: (i) it is solvent and has the financial ability to pay for the Equipment and Parts purchased hereunder and (ii) it has all requisite right, power and authority to perform its obligations under this agreement.

Buyer's Initials: _____



Terex Utilities, Inc.
500 Oakwood Rd, Watertown, SD 57201
Phone: 605-882-4000 Fax: 605-882-1842

01/03/2020

CITY OF MILFORD
180 VICKER DRIVE
MILFORD, DE 19963
Attention: TIM BARNETT

Phone: (302)542-8388

Qty. Description

UNIT

- 1 One (1) new Terex Hi-Ranger Optima HRX55 insulated overcenter aerial device providing a working height of 60.0 ft (18.3 m) and a side reach of 48.2 ft (14.7 m) overcenter and a horizontal reach of 42.8 ft (13.0 m) non-overcenter.

Design Criteria:

* Design criteria is in accordance with current industry and engineering standards applicable and accepted for structural and hydraulic design.

Turntable:

* A self locking worm gear rotation drive is provided and equipped with a bi-directional motor.

Continuous & Unrestricted Rotation:

* A hydraulic rotary manifold provides a rotating oil distribution system for continuous and unrestricted rotation.

* A minimum 6-channel electric collector ring is also provided.

Hydraulic System:

* Full pressure open center hydraulic system.

* Hydraulic hoses are equipped with permanent type hose fittings.

Miscellaneous:

* A load chart stating actual lifting capacity considering all final options, chassis, body, outriggers, and other fixed equipment with final readings based on completed unit stability is standard.

* All metallic components of the complete aerial device are powder coat white.

* The fiberglass upper boom lower boom insert platforms and covers are white.

* Two complete manuals providing operation and maintenance procedures and a replacement parts listing.

* Warning decals are provided with unit.

- 1 The pedestal is designed with access holes for maintenance of hydraulic plumbing.
- 1 Boom with 116 degree lower boom articulation to ground access in the non-overcenter position.

Lower Boom:

* Filament wound high strength fiberglass insert providing an insulation gap.

Qty. Description

Upper Boom:

* Filament wound tapered fiberglass boom providing a clear span insulation gap.

Leveling Chain:

Extended life leveling chain.

- 1 Upper boom rest with a cam type tie down strap.
- 1 Boom Tip with Hydraulic Platform Rotator and Platform Lifter:
Upper Controls: "Control-Plus" single stick controller.
* Enable lever must be actuated before operation.

The platform rotator offering 90 degrees of forward rotation.

The platform lifter provides 24" of vertical platform lift.

Platform Leveling:

* Platform leveling control is located at the top controls for ease of personnel rescue and platform debris clean out.

Hydraulic Platform Tilt is provided at platform and lower controls.

Engine Stop/Start controlled at platform and lower controls.

Engine Throttle Advance:

* An automatic two speed engine throttle control is provided and shall advance the engine to a pre-set speed when the single stick enabling lever is engaged and decrease when it is disengaged.

Dual Hydraulic Tool Outlets At Platform With Flow Control:

- * Installed at the platform to accommodate two open center hydraulic tools.
- * Tools cannot be operated simultaneously.
- * Includes port relief's to limit pressure to 2250 psi.
- * Quick disconnect couplers.

Lower Controls:

- * Individual control levers are provided and located in an accessible location on the turntable.
- * An upper/lower control selector provides override of platform controls.
- * Winch control at the lower controls.

- 1 CATEGORY "C" RATING, SIDE MNT, PLTF LFTR
- 1 Demand Throttle Disable:
* Feature disables the Demand Throttle feature so that aerial device runs at low idle speed at all times.
- 1 Side Mounted Fiberglass Platform 24" x 48" x 42": (Curbside)
* Includes (2) two outside access steps with a slip-resistant surface.
- 1 Two safety harnesses with lanyard is provided for fall arrest.

Qty. Description

- 1 A rigid platform rest provides platform support during road travel.
- 1 Insulated Platform Liner with Step for 24" x 48" x 42" Platform:
 - * Tested at 50 KV AC.
- 1 Scuff Pad with Step to fit inside of a platform liner for a 24" x 48" Platform:
 - * Non-skid standing surface.
- 1 Vinyl Foam Filled Platform Cover For 24" x 48" Platform:
 - * Water resistance with internal elastic cord around edge.
- 1 700# PLATFORM CAPACITY AND LOAD CHART
- 1 Simplified Compact Hydraulic Extend Under Load Jib and Winch:
 - * Infinite positioning through the 120-degree articulation envelope (-20 to +105 degrees)
 - * Load radius of 0 to 65"
 - * Hydraulic Extension to reposition the jib (no re-pinning required).
 - * The jib's compact size barely goes below the bottom of the platform.
 - * Includes a 2000 lb. full drum capacity self-locking worm gear winch complete with 1/2" x 75' load line with swivel hook and latch and a load chart.
- 1 Auxiliary Pump:
 - * Allow the operation of any function for a time period limited by the battery life.
 - * Includes 12 volt electric motor for use on a 12 volt chassis.
 - Note: This includes a switch for activation at pedestal for electric or air function.
- 1 Terex Advanced Chassis Controller:
 - * Multiplexed system to include: Controller, LCD Screen, Manual and Schematics.
 - * Standard Options: Diagnostics, Status Screens, Event Log, Hours Meter, Selectable Button Labels, System Alerts and System Test.
 - * Programmable settings allow installer to customize/select options need for their application.
 - * Back-up Camera ready.
 - * Screw terminal-type connections and enclosure to cover connections.
 - * Recommended on Class 6 and above chassis with multiple outputs
- 1 A 30 gallon hydraulic oil reservoir is provided and includes a 100 mesh filter, a 10u return filter and a ball type shut off valve.
- 1 Subframe constructed with an open center.
- 1 Tie Down Kit.
- 1 Extra Heavy Duty X-Frame Outriggers with swivel type stabilizer pads. (9253)
- 1 Extra Heavy Duty X-Frame Outriggers with swivel type stabilizer pads. (9253)
- 1 Controls For 2-Sets Of Outriggers And Auxiliary Tool Outlets (Open center systems):
 - * Recessed at rear of truck each side for ease of view for outrigger placement.
 - * Includes switches and alarm for outrigger in motion alarm.

Qty. Description

- 1 Adjustable flow divider for auxiliary tool outlets below rotation.
- 1 Outrigger Interlock:
 - * To operate the boom the outriggers must be extended.
- 1 Pump for systems requiring 14 gallons per minute:
 - *Fixed displacement vane pump providing 6 gallons per minute at 700 engine rpm and 12 gallons per minute at 1400 engine rpm with a 95% pto.
- 1 Adjustable flow divider for auxiliary tool outlets below rotation.
- 1 Lower Boom Material Handling Lift Eye:
 - * Maximum capacity of 1000 lbs.

BODY, INSTALLATION**** BODY INFORMATION ****

- 1 174 Line body 46 inches high X 94 inches wide. Body Per attached Specifications.
- 1 Install Aerial Device Over Rear Axle And Install All Associated Components:
 - * Final test and inspect completed unit including stability and dielectric testing per manufacturers requirements and ANSI/SIA A92.2-2015.
- 1 Hose and fittings to connect the hydraulic system from the oil reservoir to the pump and unit.
- 1 Platform rest, bottom base
- 1 Power take off with indicator light for automatic transmission.
- 1 DOT Inspection.
- 1 Set chassis parameters.
- 1 Back-up alarm to sound when the vehicle is shifted into reverse.
- 4 24" x 24" x 1" poly outrigger pads.
 - * Includes outrigger pad storage.
- 4 Rubber wheel chocks with eye bolt.
- 1 Wilton #676 - 6" vise.
Locate at drawing
- 1 Vise bracket that fits vertical in a pocket, removable.
- 1 Cone holder bracket, fold down type.

Qty. Description

Streetside Front Outrigger

- 1 Grab handles as necessary for 3-point contact.
- 1 Two section treadplate bumper steps (LH & RH) tapered for pintle hook, 10" wide.

Streetside and Curbside Rear Bumper

- 1 Rigid stirrup step mounted on side access for ground to body access.
- 1 Access step mounted on floor of the body to access the top of body compartment or access platform.

Curbside Bed Area

- 1 Access steps to platform from top of body or flatbed floor.
- 2 Mud flap with logo 30" tall.
Note: Trim As-Required.
- 1 Under body mounting kit for a pair of mud flaps.
- 1 Bracket for storing grounding cable.

Curbside Rear body above tailshelf

- 1 2/0 Black Electrical Cable used for grounding per ASTM F855-04:
 - * 50' of multi-strand flexible copper cable, three grounding lugs, two ferrules and grounding clamp.
 - * Three point grounding system for grounding vehicle during work operations.
 - * Cable must be fully removed from bracket before use.NOTE! Purchaser to verify this meets their company's requirements for fault current.
- 4 Buyers Products B40, D-ring tie down rated for 6000# safe working.
 - 2 each rear outrigger for transformer tie down.
- 1 Cab guard constructed of tubing and heavy duty expanded metal.
Note: Consists of cab guard, rear module, and gussets.
Note -Must have either a front bumper winch or channel bumper required for mounting.
- 1 Window guard constructed of angle and heavy duty flatten expanded metal mesh.
Note: Attaches to boom rest of cab guard support.
- 1 Boom rest for Aerial, H-frame style weldment used on X-frame outriggers, 42" wide.

Qty. Description

- 1 Peterson LED 7-lamp DOT Lighting Package:
 - * Complies with FMVSS 108.
 - * Includes required lights, junction box and wiring harness.
 - * Note: Back-up lights are incandescent.
- 1 Lighted license plate bracket kit with incandescent light.
- 3 110 volt outlet with GFI.
 - 6 plug power strip - not individual outlets
 - Mounted on 2nd shelf below inverter CurbSide 1st vertical
- 1 Dimensions 3000N inverter, 3000W continuous, 120VAC, Up to 25A.
 - Curbside 1st Vertical (Top)
- 1 Inverter Spacer Tube
- 2 Amber strobe light (LED) with 4" tall & 6" dia. lens, and branch guard.
 - Mounted Each Front Corner of Cab Guard
- 2 Whelen LED 3.5" White Flash Light. (Pair)
 - *3 LED Clusters, 10 flash pattern.
 - 2 in Grill
 - (1) each in each side of body rear wheel well.
- 2 Cab guard strobe mounting.
- 1 Whelen TAM-65 arrow directional LED light stick, 36" long, 6-lamp.
 - Center of Rear Light bar
- 1 Tekonsha Voyager electric brake control.
- 1 Remote engine stop/start OR two speed control from rear of vehicle.
 - Start/Stop
- 1 15 ton pintle hook:
 - * Safety chain eyes.
 - "Pintle hook brackets and attachment methods are designed to meet the associated pintle hook ratings. They are not designed for recovery purposes. If recovery attachments are required, please order the appropriate tow eyes."

Qty. Description

- 1 ICC rear bumper.
- 4 Recovery tow eye, 29,000#.
 - (2) rear Bumper
 - (2) Front Bumper
- 1 6-prong trailer socket.
- 1 Heat shields, as required to protect hydraulic system from exhaust.
- 45 Fill with Hydraulic oil for general purpose use.
 - * Refer to the product maintenance manual for specific type to be used.
- 1 Safety Kit consists of the following:
 - *10-lb ABC fire extinguisher with the use of 0092099 bracket.
 - *James King triangle reflector kit.

Fire Extinguisher Mounted Curbside Front of Body
- 1 Rear view vision square light camera & 7" monitor system.
- 1 Braden PD18C-11DBFEB Hydraulic Single Speed, Front Mounted Bumper Winch Assembly Including:
 - * 20,000-lb rated capacity.
 - * Extended shaft to curb side for take-up reel.
 - * Four way roller assembly.
 - * Tool Box
 - * Tow Angle
 - * Miscellaneous hose and fittings.

NOTE: Requires a larger hydraulic tank on the Unit Model, if internal tank will require external tank.
- 1 Wire rope, 5/8" x 200', 6x19, one eye with thimble.
- 1 Winch control installed at front bumper and in-cab.
- 1 Shackle 1" with 10 ton capacity.
- 1 Paint line body one color over 157".
 - *Note - Paint under carriage black.
- 1 Paint front winch one color.
- 1 Paint body floor with non-skid paint.
- 1 Paint compartment top with non-skid paint.

Qty. Description

3 Paint box/basket one color.

1 Paint cab guard one color.

* Note: specify color

WHITE

CHASSIS

** CHASSIS INFORMATION **

1 International 4x2 MV607 2021 per attached specifications.

SPECIAL CHARGES

1 Delivery to Customer.

1 First Article Inspection, Factory On-Site

OPTIONS:

ADD

1. Federal Excise Tax will be added if certificate is not supplied with order.
2. The following items must be considered by the purchaser if not already included:
Back-up Alarm \$150.00; Strobe Light \$525.00; Wheel Chocks \$110.00;
Outrigger Pads \$200.00 to \$650.00 (based on pad size & type); Truck Grounding Cable \$550.00;
Barricade Kit \$895.00; Hydraulic Over Load Protection (derrick only, price will vary
based on final option selection); Boom / Boom Stow Interlock \$700.00; Engine Stop / Start
\$200.00 to \$795.00 (based on unit model); Auxiliary Let Down \$1500.00; and Platform
Liner \$380.00 to \$625.00 (based on platform size).
3. Terex Utilities, Inc. strongly recommends all installation accessories be located up front in
front in the quote or secondarily on the approved engineering drawing. Any accessories located
or relocated during manufacturing may be subject to additional charges.
4. Terex Utilities, Inc. - Assembly in Watertown, South Dakota is ISO 9001:2000 Certified.

B&G Bodies, Inc.

2925 9th Ave SW
Watertown SD
57201

Quotation Number		10940	
For the attention of	Jay Meier	Name	Chad Noeldner
		Telephone	(605) 884-1023
Customer:		Date	
Terex City of Milford		12/4/2019	

DESCRIPTION

B&G Bodies Inc. 174" Line body 46 inches high X 94 inches wide.

18 Inch compartment depth.

58 Inch bed area.

28 Inch top of floor to top of body.

24 Inch horizontal compartment height.

16 Ga. body materials.

12 Ga. Hot rolled treadplate floor.

12 Ga. Hot rolled treadplate compartment tops.

Stainless Steel Automotive rotary type door latches.

Stainless steel rod and socket type door hinges.

Chain stops on all doors.

Double Panel Body Doors.

Rubber rolled crown type fenders. **(Ship Loose - No Cutouts)**

Master door lock system.

Automotive Bulb Type Weatherstripping. **(Ship Loose)**

Front bulk head - Bolt on

Shelving / Hooks installed on DUAL Uni-Strut for infinite adjustment.

Streetside Compartmentation:

1st Vertical:

30 Inches wide with Two (2) shelves each with adjustable dividers on 4" centers.

2nd Vertical:

30 Inches wide with Three (3) shelves each with adjustable dividers on 4" centers.

3rd Vertical:

30 Inches wide with Two (2) shelves each with adjustable dividers on 4" centers.

Horizontal:

54 Inches wide with One (1) plain shelf.

Adjustable Egg-Crate dividers installed in compartment bottom.

B&G Bodies, Inc.

2925 9th Ave SW
Watertown SD

Rear Vertical:

30 Inches wide with Five (5) fixed material hooks 1-3-1.

Hotstick Shelf:

174 Inches long with rear dropdown access door.

Curbside Compartmentation:

1st Vertical:

30 Inches wide with One (1) Plain shelf at top.

Two (2) shelves each with adjustable dividers on 4" centers.

Compartment to be Vented.

2nd Vertical:

30 Inch wide Lift-up Gripstrut access steps to bed area.

* Access steps include Gas Cylinders and Two (2) Vents

3rd Vertical:

30 Inches wide with Two (2) shelves each with adjustable dividers on 4" centers.

Horizontal:

54 Inches wide with One (1) shelf with adjustable dividers on 6" centers.

Tapered Adjustable dividers installed in compartment bottom on 6" centers.

Rear Vertical:

30 Inches wide with Five (5) fixed material hooks 1-3-1.

Hotstick Shelf:

84 Inches long with rear dropdown access door.

CS Rubber Goods Box: (Ship Loose)

One (1) - 144" long X 12" high X 18" wide with two top opening treadplate access lids.

- * Lift-up handle installed on front edge of box lid.
- * Equipped with Slam-action paddle type door latch and chain stops
- * Automotive Bulb Type weatherstrip installed around top opening - Ship Loose
- * Box to be Plywood lined on bottom and sides.

CS Tool Box: (Ship Loose)

One (1) - 30" long X 12" high X 18" wide with top opening treadplate access lid.

- * Lift-up handle installed on front edge of box lid.
- * Equipped with Slam-action paddle type door latch and chain stops
- * Automotive Bulb Type weatherstrip installed around top opening - Ship Loose

B&G Bodies, Inc.

2925 9th Ave SW
Watertown SD

Punched Metal Guard: (Ship Loose)

One (1) - 25" Tall x 56" Wide Punched metal guard for installing in bed area, braced with 3/4" Tube.

Punched Metal Basket: (Ship Loose)

One (1) - 174" long X 12" high X 18" wide.

Material Rail: (Ship Loose)

One (1) - 72 inches long with Six (6) sliding material hooks for mounting in body bed area.

Subframe Installation:

Install Customer Supplied Subframe, with outriggers attached, to body.

Possum Belly storage

Possum belly storage in Subframe with drop down door at rear

Stop for installing in Possum belly at 132 Inches.

Hose Tunnel Pass Through cutout needed

Tailshelf:

Treadplate tailshelf 24 inches long X Full width of body x 6 inches high with thru and underslung compartments with vertical access doors on streetside and curbside.

7-Lamp light bar installed at rear.

Cut-out in light bar for customer supplied Arrowstick.

Wheel Chock Storage:

Two each side built into body wheelwells.

* Pendulum Retainers.

Outrigger Pad Storage: (Ship Loose)

Two (2) double outrigger pad storage brackets - Specify Pad Size.

* Pendulum Retainers.

Tailgate:

Aluminum drop-in tailgate 2x4" high around perimeter of tailshelf.

Aluminum drop-in 2" x 4" sidegate X full width of step area.

* Includes Pins and Lanyards

Paint:

Prime Paint Gray, Interior and Exterior.

Prepared For:

TERE - 13137-03 OP 583897 CITY OF MILFORD
 OPTIMA HR55
 DAVE WEST
 600 O'Connell Road
 Winthrop, SD 57201-
 605.882 - 4000
 RFP#13137-02

Presented By:

NORTH CENTRAL INTL
 RFP# 13137
 4511 NORTH CLIFF
 SIOUX FALLS SD 57104 -
 605.336-3820

The information on this proposal is based on the information provided by the City of Milford. I am not responsible for the accuracy of the information provided by the City of Milford, and I am not responsible for the accuracy of the information provided by the City of Milford.

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Model Profile
2021 MV607 SBA (MV607)

AXLE CONFIG: 4x2
APPLICATION: Utility Service Vehicle
MISSION: Road GVWR 33000. Curb GVWR 33000
 Curb Speed Grade Adjusted 42.42 mph 1.93 mph 55 MPH
 Curb Grade Speed 78.3 MPH
DIMENSION: Wheelbase 191.00, CA 123.90, Axle to Front 100.00
ENGINE, DIESEL: Curb 6.7 300 EPA 2017, 300HP @ 2600 RPM, 660 lb-ft Torque @ 1600 RPM, 2600 RPM
 Grade Speed, 300 HP (Metric)
TRANSMISSION, AUTOMATIC: Allison 3500 RDS 5-Speed Automatic, Wide Range, 6-Speed Drive Order, 1000
 PTO Proportion, Load Reducer, Load O/L Load Sensor, 80,000 GVW and GCW Max,
 O/O/H
 O/O/H - Curb & Curb
CLUTCH: Manual MFS-14-122A-I-B Torque, 14,000-Curb
AXLE, FRONT NON-DRIVING: Drive Shaft 21060 Drive Shaft Reducer, 20,000-Curb, Drive Curb Load
AXLE, REAR, SINGLE: Drive Shaft, 200 Wheel End Gear Ratio 6.17
CAB: Cab
TIRE, FRONT: 2x315/80R22.5 Load Reducer L HSC 3 CONTINENTAL 481 rpm, 68 MPH, A/P
TIRE, REAR: 4x11R22.5 Load Reducer G G622 RSD GOODYEAR 497 rpm, 75 MPH, Drive
SUSPENSION, REAR, SINGLE: 23,500-Curb, Variable Spring, 4500-Curb Adjusted Rear Spring
PAINT: Curb 100WP
 L 19219, Water Wash Side
 Curb 19219, Water Wash Side

Proposal: 13137 -03

Proposal: 13137 -03

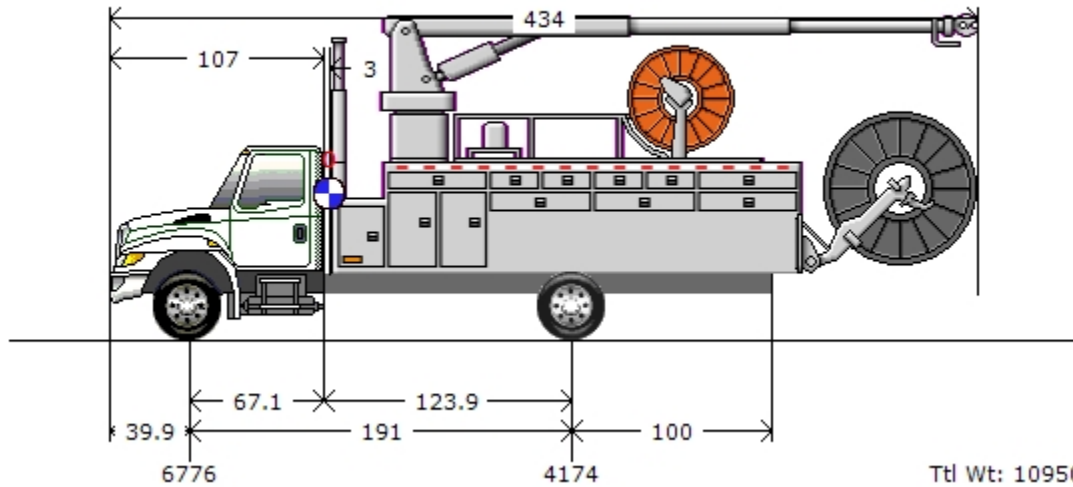
Proposal: 13137 -03

Code	Description	F/R Wt	Tot Wt
12TSY	FAN DRIVE (Belt-Driven SA85V) Taper, Series O 100000 FAN N1000	0.0	0
12UYE	RADIATOR ASSEMBLY 2-Row, Core F, Outer Under Surface, 717 S Lubricated, 313 S Core Air Cleaner. 100000 100000 DEAERATION SYSTEM 1000 Series T HOSE CLAMPS, RADIATOR HOSES Gasket Series Bolt Taper Taper Cylinder Head Cap RADIATOR HOSES Pressure, Rubber	0.0	0
12VBR	AIR CLEANER 1000 Series Pressure E	0.0	0
12VHH	FEDERAL EMISSIONS (Class B6.7 EPA, OBD and GHG Certified for Compliance Year 2020)	0.0	0
12VU	THROTTLE, HAND CONTROL Electric Speed Control PTO Electric, Series Pressure, Taper Speed Series Mounted 1000 Series W	2.0	2
12WPV	OIL PAN 15 1000 Core, For Class B6.7 E	0.0	0
12WB	EMISSION COMPLIANCE Label NO Idle Emission, Cap 1000 1000 Core Cap Air Resistance 100000 "Certified Class Idle" Document Head	0.0	0
12BM	ENGINE CONTROL, REMOTE MOUNTED Pressure and 100000 Wiper 1000 Bolt 100000 PTO Control and Series Lubricated 100000 S Control Cap B6.7 and L9 E	0.0	0
13AVL	TRANSMISSION, AUTOMATIC Assembly 3500 RDS 5 Gear Control, Width Ratio, 6-Speed 1000 Drive, 1000 PTO Pressure, Lubricated, 100000 Oil Lubricated, 80,000-GVW and GCW Max, Oil Oil Head	225.58	283
13WEH	AUTOMATIC NEUTRAL Assembly WT Taper 1000 1000 Neutral Wiper Per Bracket 100000 and Ratio 1000 1000 Neutral Wiper Per Bracket 1000000, 100000 Oil Oil S	0.0	0
13WET	TRANSMISSION SHIFT CONTROL for Class M Mounted Series Series	0.0	0
13WGH	TRANSMISSION DIPSTIC Ratio 100000 1000 Side 1000 Taper	1.0	1
13WLP	TRANSMISSION OIL S 29 1000 42 P	0.0	0
13WUS	ALLISON SPARE INPUT OUTPUT for Ratio Drive Series RDS Gear Pressure Taper Mounted for Series 1000 Assembly Neutral	0.0	0
13VWV	NEUTRAL AT STOP OMIT	0.0	0
13WYU	SHIFT CONTROL PARAMETERS Assembly 3000 or 4000 Series Taper 100000, 5 Gear Control, Pressure 1000 Pressure 1000	0.0	0
13AL	PTO LOCATION Cap 1000 1000 PTO 1000 Side 1000 Taper	0.0	0
14AG	AXLE, REAR, SINGLE Drive Series 21060 Drive Ratio 20,000 Control, Drive Control Lubricated Drive, 200 Wiper End. Gear Ratio 6.17	0.258	258
14VAH	SUSPENSION, REAR, SINGLE 23,500-GVW, Variable Series, 4500- 100000 Assembly Rubber Series	0.66	66
15LMS	FUEL/WATER SEPARATOR 12 VDC Electric Head, Lubricated Pressure Head, Lubricated Wiper-Fuel Separator, Cap 1000 Series 1000 E	-1.0	-1

Code	Description	F/R Wt	Tot Wt
15SRE	FUEL TANK Tank Drums, Non-Pressurized Aluminum, D-Side, 19" Tank Diameter, 50 US Gallons, 189L, Mounted Low Side, Under Cab	21:8	29
15WDG	DEF TANK 7 US Gallons, 26L Capacity, Front Mounted Overhead Low Right, Under Cab	0:0	0
16030	CAB CLOSET, Dressing Cabinet	0:0	0
	Interior CLEARANCE MARKER LIGHTS 5" Front Mounted		
16BAM	AIR CONDITIONER 1000 BTU/Hour and Dehumidifier	56:0	56
16GDC	GAUGE CLUSTER Battery Level/Electrical System, Engine Speedometer and Tachometer, Air Brake Control, Instrument Electrical Control, Tire Pressure, Proximity Sensor, Air Pressure, Fuel DEF Gauge, Oil Pressure Gauge, Instrument 3 LED Mounted on Tank Drum	0:0	0
16HGH	GAUGE, OIL TEMP, AUTO TRANS for Automatic Transmission	1:0	1
16HIT	IP CLUSTER DISPLAY On Board Diagnostic Display and Fuel Control and Gauge Cluster	0:0	0
16INT	SEAT, DRIVER (Non-adjustable) 2000 Air Suspension, High Back and Leather Headrest, Vinyl, Instrument, 1 Control for Low Gear, 2 Pushbutton Front Control Arm, -3 to 14 Degree Adjustable Backrest	-14:4	-18
16SMH	SEAT, TWO-MAN PASSENGER (Non-adjustable) Fixed Back, Leather Headrest, Backrest, Overhead Protection, Vinyl, Under Seat Storage Compartment	41:30	71
16SNM	MIRRORS 2-C-Long, Height, Back Head and Arm, 7.5" x 14" Fixed Glass, Instrument 7.5" x 7" Convex Mirror, for 102" Load Width	0:0	0
	Non-adjustable Mirror Dimensions and Rounded to the Nearest 0.5"		
16VIB	CAB INTERIOR TRIM Carpet, for Dressing Cabinet	0:0	0
	Interior CONSOLE, OVERHEAD Mounted Passenger and Driver Side Panels, Rearview Mirror and CB Radio, Mounted Above Driver and Passenger DOME LIGHT, CAB Door Actuated and Power On-Off Low Light, Tilt and Tachometer Dial, Instrument Overhead Control, Control Mounted SUN VISOR 2-Padded Vinyl 2 Mounted (Front-Side Panel and Vinyl, Driver Side and Tilt/Tachometer Side)		
16VLM	CAB REAR SUSPENSION Rear Suspension, for Low Cab Height	0:0	0
16WU	WINDOW, POWER 2-Power Door Lock, Low Right Door, Instrument Electrical Door Lock	5:0	5
16IN	INSTRUMENT PANEL Fuel Pressure	0:0	0
16BT	ACCESS, CAB Side, Driver & Passenger Side, Top Side for Door, for 1000 BTU/Hour and Electrical Control	0:0	0
27DPN	WHEELS, FRONT (Aircraft) 29039 DISC 22.5x9.00 R, Power Control, 5-Hole Hub, 10-Side, 285.75x BC, High-Pressure, Fuel and Non-Suspension, 5" Tank Drum	62:0	62
28DUW	WHEELS, REAR (Aircraft) 51408 DUAL DISC 22.5x8.25 R, Power Control, 5-Hole Hub, 10-Side, 285.75x BC, High-Pressure, Fuel and Non-Suspension, 5" Tank Drum	0:20	-20

<u>Code</u>	<u>Description</u>	<u>F/R Wt</u>	<u>Tot Wt</u>
7372138102	4TIRE, REAR 11R22.5 Load R G G622 RSD GOODYEAR, 497 r 75 MPH, Dr	0128	128
7792545438	2TIRE, FRONT 31580R22.5 Load R L HSC 3 CONTINENTAL, 481 r r, 68 MPH, AEP	1440	144
Services Section:			
40129	WARRANTY Standard for MV Service, E Vehicle B 1, 2017 or Later, CTS-2020A	00	0
40L	SERVICES, TOWING Non-Scheduled 12-Month and Month Non-National Dealer or National Warehouse Floor Car Detail Included Extra Floor Service Detail Tool Center & ESC Standard or National 550 USA Model B International	00	0
Total Component Weight:		6776/4173	10949
120 DAY TERMS		00	0
Total Goods Purchased:		0/0	0

Tout ce que vous pouvez faire est d'essayer d'être le plus honnête possible. Tout ce que vous pouvez faire est d'essayer d'être le plus honnête possible. Notre but est de vous donner la meilleure information possible. Notre but est de vous donner la meilleure information possible.



Grounding or cradled components and or components in rear components, chassis, or other components (front or rear) components. All components are recommended to be.

Truck		Body/Trailer		Chassis/Empty Weights	
Body for A	BA 39.9	Body L	BL 324	Trailer Front A	6,776
Weight	WB 191.00			Trailer Rear A	4,173
Arm for	AF 100.00				
Arm B C	ABC 67.1				
C for A	CA 123.9				
U for CA	123.9				
CA R d Ad	0.00				
F d D G	0				
DEF G	0				

B for C		C		Payloads		B d		A for B d	
W	CG	W	CG	W	CG	W	CG	W	CG
						1	0		0

Loads		Weight Distribution	
P d W	0	T Fr A	6,776
D r	0	T R A	4,174
F d D L	0	T W	10,950
DEF L	0		

Weight and dimensions of the components are not to be used for the purpose of the weight summary. The weight and dimensions of the components are not to be used for the purpose of the weight summary.

Weight Distribution

Actual weight distribution is as follows:

	<u>Truck</u>		Total
	Front	Rear	
Chassis Weight			
Curb Weight	6,776	4,173	10,949
Front	0	0	0
DEF	0	0	0
Engine Bed	0	1	1
(Curb Weight):	6,776	4,174	10,950

Loads

Payload	0	0	0
Driver	0	0	0
Axle Totals (Gross Weight):	6,776	4,174	10,950

Weight Ratings

	<u>Truck</u>	
	Front	Rear
Actual weight distribution	14,000	20,000
Trailer weight	20,000	24,700
Standard weight distribution	14,000	23,500
Standard	0	
Front Bridge Load (actual weight)	20,000	20,000

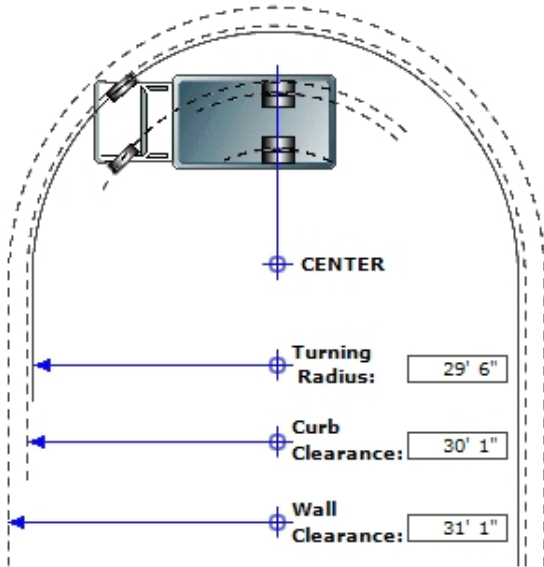
Wheel Combination	Load	Limit
1 - 2	10,950	45,000

Front Trailer Weight Limit 80,000

Maximum Gross Vehicle Weight Rating GVWR 33,000 - Gross Vehicle Weight GVW 10,950 22,050 Rear

Weight Summary

Driver weight distribution is as follows:



Serial MV
Model MV607
Description MV607 SBA
Model Year 2021

Calculation Factors

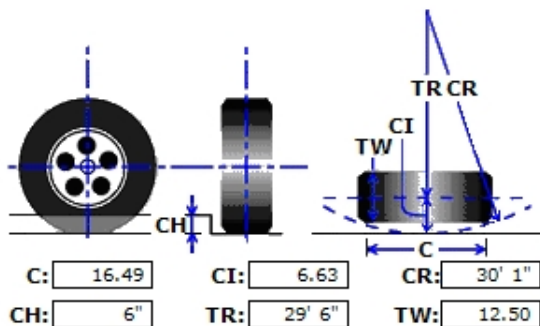
Weight 191
Front Axle 0002AST
Description AXLE, FRONT NON-DRIVING, (Mirror MFS-14-122A)-Bolt Torq, 14,000- lb C
Front Wheel 0027DPN
Description WHEELS, FRONT, (Axle) 29039-DISC 22.5 9.00 R
Padder Cast Steel, 5-Hole H, 10-Spd, 285.75 in BC,
Hot-Poured, Filled Non, 10-Spd H, Non-Standard
Offset, 1.5" Torque D
Front Tire 07792545438
Description TIRES, 315/80R22.5 Load Range L HSC 3
(CONTINENTAL) 481 rpm, 68 MPH, A&P
Steering Gear 0005PSA
Description STEERING GEAR, (Standard M100) Power

Turning Radius Statistics

Ground Clearance 19
Load Tire Axle 43 Description
Road Offset 19
Axle Load 69
P Load 6.25 Description
P C 69

Turning Radius - Curb View

C - Curb Clearance Length 16.49
CI - Curb Clearance Interference 6.63
CR - Curb Clearance Radius 30.1
CH - Curb Height 6
TR - Tire Radius 29.6
TW - Tire Width 12.50



AIM (Automated Inspection Method) is a software tool that can be used to inspect and measure the turning radius of a vehicle.

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(0012EKA)

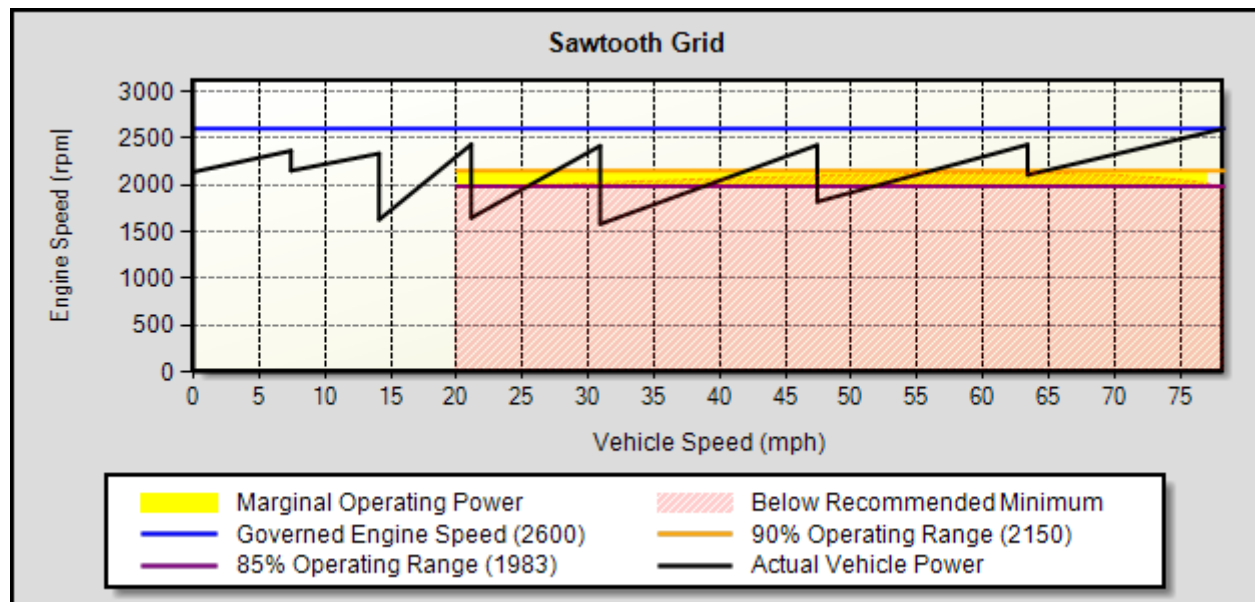
ATTACHMENTS: 0012TSY 0007SCP

Parameter	Value	UOM
M ₀ A ₀ r ₀ V ₀ S ₀	68	MPH
R ₀ d S ₀ d G ₀ r ₀ U ₀ r D ₀	0	MPH
R ₀ d S ₀ d G ₀ r ₀ L ₀ r D ₀	0	MPH
M ₀ E ₀ S ₀ d N ₀ V ₀ S ₀ d S ₀	2226	RPM
Id ₀ S ₀ d Ad ₀ E ₀	Y, ENABLE FEATURE OR FUNCTION	N/A
L ₀ Id ₀ S ₀ d	750	RPM
Id ₀ S ₀ d E ₀	N, DISABLE FEATURE OR FUNCTION	N/A
ISD T ₀ B ₀ r S ₀ d	60.0	MIN
ISD P ₀ r E ₀ L ₀ d	100	
ISD W ₀ PTO	N, DISABLE FEATURE OR FUNCTION	N/A
ISD M ₀ O ₀ r d	N, DISABLE FEATURE OR FUNCTION	N/A
ISD W ₀ P ₀ r Br ₀ S ₀	N, DISABLE FEATURE OR FUNCTION	N/A
ISD A ₀ T ₀ O ₀ r d	N, DISABLE FEATURE OR FUNCTION	N/A
ISD C ₀ d A ₀ A ₀ T ₀ O ₀ r d	30	F
ISD I ₀ d A ₀ A ₀ T ₀ O ₀ r d	40	F
ISD H ₀ A ₀ A ₀ T ₀ O ₀ r d	81	F
ISD M ₀ O ₀ r d I ₀ E ₀	N, DISABLE FEATURE OR FUNCTION	N/A
ISD H ₀ A ₀ A ₀ O ₀ r d	N, DISABLE FEATURE OR FUNCTION	N/A
ISD E ₀ C ₀ T ₀ T ₀ r d	30	F
Cr ₀ C ₀ r E ₀	Y, ENABLE FEATURE OR FUNCTION	N/A
CC M ₀ V ₀ S ₀ d	68	MPH
CC S ₀ S ₀ d	N, DISABLE FEATURE OR FUNCTION	N/A
CC U ₀ r D ₀	0.0	MPH
CC L ₀ r D ₀	0.0	MPH
CC A ₀ R ₀	N, DISABLE FEATURE OR FUNCTION	N/A
CC O ₀ r d R ₀ A ₀ E ₀	N, DISABLE FEATURE OR FUNCTION	N/A
CC O ₀ r d R ₀ M ₀ R ₀ d	0.0	MPH
CC O ₀ r d R ₀ M ₀ R ₀ d	0.0	MPH
R ₀ d r - M ₀ V ₀ S ₀ d	0	MPH
R ₀ d r - D ₀ T ₀	0.5	SEC
R ₀ d r - S ₀ r Br ₀ A ₀	N, DISABLE FEATURE OR FUNCTION	N/A
R ₀ A ₀ r E ₀	N, DISABLE FEATURE OR FUNCTION	N/A
R ₀ A ₀ r Mod ₀	1, REMOTE ACCELERATOR PEDAL OR LEVER WITH TRANS VERIFICATION	N/A
PTO E ₀	Y, ENABLE FEATURE OR FUNCTION	N/A
PTO I ₀ C ₀ Mod ₀	Y, ENABLE FEATURE OR FUNCTION	N/A
R ₀ PTO E ₀	Y, ENABLE FEATURE OR FUNCTION	N/A
R ₀ S ₀ PTO E ₀	N, DISABLE FEATURE OR FUNCTION	N/A
PTO M ₀ E ₀ S ₀ d	2600	RPM
PTO M ₀ E ₀ S ₀ d	750	RPM
PTO M ₀ E ₀ L ₀ d	800	LB-FT
PTO M ₀ V ₀ S ₀ d	2	MPH
PTO A ₀ O ₀ r d	N, DISABLE FEATURE OR FUNCTION	N/A
PTO A ₀ O ₀ r d M ₀ E ₀ S ₀ d	2800	RPM
PTO C ₀ O ₀ r d	N, DISABLE FEATURE OR FUNCTION	N/A
PTO S ₀ r Br ₀ O ₀ r d	Y, ENABLE FEATURE OR FUNCTION	N/A
PTO P ₀ r Br ₀ I ₀ r Mod ₀	0, PTO PR ₀ BR ₀ INT TYPE SET TO NONE	N/A
PTO Tr ₀ N ₀ r d	N, DISABLE FEATURE OR FUNCTION	N/A
PTO E ₀ S ₀ d L ₀ V ₀ S ₀ L ₀	N, DISABLE FEATURE OR FUNCTION	N/A
PTO I ₀ r V ₀ S ₀ d S ₀ r	N, DISABLE FEATURE OR FUNCTION	N/A
PTO R ₀ S ₀ S ₀ d	950	RPM
PTO S ₀ S ₀ S ₀ d	950	RPM
PTO Add ₀ S ₀ S ₀ d	950	RPM
PTO R ₀ R ₀	250	RPM/SEC
R ₀ PTO N ₀ S ₀ d S ₀	1	N/A

RPM PTO Speed Sensor 1	950	RPM
RPM PTO Speed Sensor 2	950	RPM
RPM PTO Speed Sensor 3	950	RPM
RPM PTO Speed Sensor 4	950	RPM
RPM PTO Speed Sensor 5	950	RPM
RPM Sensor PTO Reverse Speed	950	RPM
RPM Sensor PTO Sensor Speed	950	RPM
RPM Sensor PTO Add Speed	950	RPM
Tractor Drive PTO	N, DISABLE FEATURE OR FUNCTION	N/A
Tractor Drive PTO Torque	0, ENGINE DRIVEN STEADY LOAD	N/A
Powertrain Protection Enable	N, DISABLE FEATURE OR FUNCTION	N/A
Maximum Torque A/B/A Drive	23602	LB-FT
Maximum Torque at Top Gear Ratio	2995	LB-FT
Maximum Torque at Low Gear Ratio	2995	LB-FT
Maximum Torque at Low Gear Ratio	2995	LB-FT
Maximum Torque at V-Speed	1475	LB-FT
Lowest Gear at Top Gear Ratio	2.00	N/A
Lowest Gear at Low Gear Ratio	3.00	N/A
Lowest Gear at Low Gear Ratio	6.00	N/A
Engine Protection Speed	N, DISABLE FEATURE OR FUNCTION	N/A
Engine Protection Reverse Idle	N, DISABLE FEATURE OR FUNCTION	N/A
Engine Protection Low Speed	N, DISABLE FEATURE OR FUNCTION	N/A
Tractor V-Speed Override 1	0	MPH
Tractor V-Speed Override 2	0	MPH
Maintenance Monitor Enable	N, DISABLE FEATURE OR FUNCTION	N/A
Maintenance Monitor Override Mode	0, MAINTENANCE MONITOR AUTOMATIC MODE OF OPERATION	N/A
Maintenance Monitor Air Pressure	90	PSI
Maintenance Monitor Distance	15000	MILES
Maintenance Monitor Fuel	2000	GALLONS
Maintenance Monitor Time	500	HOURS
Maintenance Monitor Idle Fuel	1.00	N/A
Maintenance Parameter	000000	N/A
Adaptive Parameter	000000	N/A
Reset Parameter	000000	N/A

Tractor Electronic Parameter List

ENGINE/TRANSMISSION MATCHING



Sawtooth Details

Gear	Trans Ratio	Upshift Power Avail		Govern Power Avail		Peak Power Comparison			Warn Msg
		Veh Spd (MPH)	Eng Spd (RPM)	Veh Spd (MPH)	Eng Spd (RPM)	Gear Step (%)	85% Range (%)	90% Range (%)	
1C	4.59	0.0	2138	7.4	2363	N/A	31	21	
2C	2.26	7.4	2150	14.1	2334	N/A	31	21	
2L	2.26	14.1	1627	21.1	2432	N/A	31	21	
3L	1.53	21.1	1646	30.9	2417	N/A	31	21	
4L	1.00	30.9	1580	47.4	2425	N/A	31	21	
5L	0.75	47.4	1819	63.4	2429	N/A	31	21	
6L	0.65	63.4	2105	78.3	2600	N/A	31	21	

□ - WHEELSLIP CAN OCCUR AT THE GRADE SHOWN. THE VEHICLE IS CAPABLE OF INCREASED GRADEABILITY IF MORE WEIGHT IS PLACED ON THE DRIVE AXLES.

STEADY STATE PERFORMANCE

Performance Results	Gear	Veh Spd (mph)	Eng Spd (rpm)	Fuel Econ (mpg)	Grade (%)	Notes
LEVEL ROAD MAXIMUM SPEED	6L	78.4	2605	5.39	0.00	
HI GEAR SPEED □ RATED RPM	6L	78.3	2600	5.40	0.12	
55.0 MPH STEADY-STATE	6L	55.0	1827	8.90	1.93	
TYPICAL OPERATING SPEED	6L	70.0	2325	6.60	1.02	- C □ □ □ □ □ □ □ □ d Gr □ □ A □ □ □ □ □ F □ □ □ E □ □ □ □ □ □

VEHICLE ORDER CODING ERRORS MAY RESULT IF THE "LEVEL ROAD MAX SPEED" VALUE EXCEEDS THE "HI GEAR SPEED □ RATED RPM" AND IS USED AS THE ENGINE PROGRAMMABLE VEHICLE SPEED LIMIT.

IF THE RESULTS CONTAIN " ---- ", VEHICLE CANNOT ATTAIN THAT SPEED.

IF THE RESULTS CONTAIN " □ □ □ □ ", THE ENGINE USED DOES NOT HAVE A FUEL MAP. FUEL ECONOMY CANNOT BE PREDICTED.

Recommendations / General Information

IDLE FUEL RATE □ 0.61 GALS/HR □ 700.0 RPM
TORQUE CONVERTER □ TC-413 STALL RATIO □ 2.44

Fuel Economy Route: Normal Route - City, Suburban, and Highway

Key Fuel Economy Information	City	Suburban	Highway	Notes
MILES PER GALLON	7.53	9.30	8.46	
AVERAGE MPH	19.0	39.9	54.6	
MISSION MINUTES	29.69	51.89	173.33	

IF THE RESULTS CONTAIN " □ □ □ □ ", THE ENGINE USED DOES NOT HAVE A FUEL MAP. FUEL ECONOMY CANNOT BE PREDICTED.

GRADEABILITY PERFORMANCE

Enroute - Full Throttle Upshift Performance

Gear	Trans Ratio	Veh Spd (mph)	Eng Spd (rpm)	Whl Pwr (hp)	Grade (%)	Warn Notes
1C	4.59	0.0	2138	0.00	42.42	□ STALL
		3.8	2154	133.20	42.42	□ 70□ EFF
		5.1	2207	179.30	42.42	□ 80□ EFF
		7.4	2363	223.89	35.70	
2C	2.26	7.4	2150	165.58	25.45	
		14.1	2334	223.16	17.42	
2L	2.26	14.1	1627	181.22	13.91	
		21.1	2432	257.12	13.04	
3L	1.53	21.1	1646	183.30	8.99	
		30.9	2417	256.76	8.30	
4L	1.00	30.9	1580	174.75	5.27	□□
		31.3	1600	176.93	5.26	
		47.4	2425	253.55	4.36	
5L	0.75	47.4	1819	196.45	2.99	
		63.4	2429	247.10	1.95	
6L	0.65	63.4	2105	219.87	1.47	
		70.2	2331	238.79	1.00	
		74.6	2480	239.00	0.50	
		78.3	2600	241.00	0.12	RATED RPM
		78.4	2606	233.80	0.00	LEVEL ROAD

STARTING / TOP GEAR PERFORMANCE

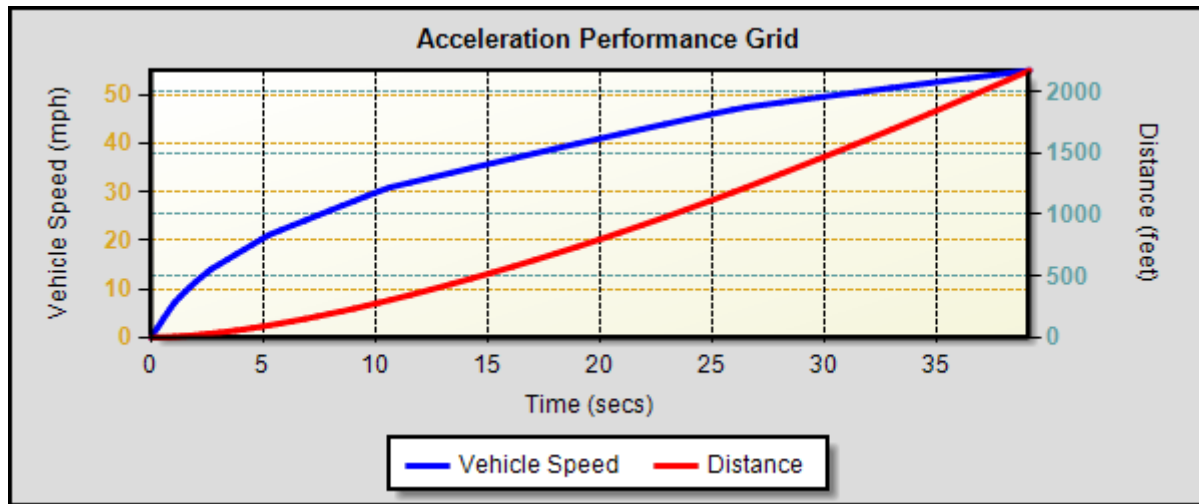
Gear	Trans Ratio	Veh Spd (mph)	Eng Spd (rpm)	Whl Pwr (hp)	Grade (%)	Warn Notes
1C	4.59	0.0		0.00	42.42	□ STALL
		5.1		179.30	42.42	□ 80□ EFF - C□□□□□□□d S□□r□A□□□□□

□ - WHEELSLIP CAN OCCUR AT THE GRADE SHOWN. THE VEHICLE IS CAPABLE OF INCREASED GRADEABILITY IF MORE WEIGHT IS PLACED ON THE DRIVE AXLES.

THE TRANSMISSION WAS SIMULATED IN PERFORMANCE OPERATING MODE.

ACCELERATION PERFORMANCE RESULTS

Acceleration Performance Grid



Acceleration Performance Grid TIME TO ACCELERATE ON A GRADE TO 55.0 MPH IS 39.17 SECS

Acceleration Performance Details

Gear	Time (secs)	Distance (feet)	Speed (mph)	Notes
1C	0.14	0.1	1.0	
	0.30	0.4	2.0	
	0.44	1.0	3.0	
	0.58	1.7	4.0	
	0.73	2.6	5.0	
	0.87	3.8	6.0	
	1.03	5.3	7.0	
2C	1.10	6.0	7.4	
	1.31	8.4	8.4	
	1.52	11.3	9.4	
	1.75	14.6	10.4	
	1.99	18.4	11.4	
	2.24	22.8	12.4	
	2.51	27.9	13.4	
2L	2.70	31.8	14.1	
	3.07	39.5	15.1	
	3.43	47.8	16.1	
	3.79	56.7	17.1	
	4.16	66.1	18.1	
	4.52	76.1	19.1	
	4.89	86.6	20.1	
3L	5.26	97.6	21.1	
	5.79	114.6	22.1	
	6.33	132.5	23.1	
	6.88	151.2	24.1	
	7.42	170.8	25.1	
	7.96	191.2	26.1	
	8.51	212.5	27.1	
4L	9.06	234.7	28.1	
	9.61	257.8	29.1	
	10.17	282.0	30.1	
	10.66	304.1	30.9	

Gear	Time (secs)	Distance (feet)	Speed (mph)	Notes
5L	11.57	345.6	31.9	
	12.47	388.8	32.9	
	13.39	433.5	33.9	
	14.30	479.9	34.9	
	15.23	527.9	35.9	
	16.16	577.6	36.9	
	17.10	629.1	37.9	
	18.04	682.3	38.9	
	19.00	737.4	39.9	
	19.96	794.3	40.9	
	20.92	853.1	41.9	
	21.90	913.8	42.9	
	22.89	976.5	43.9	
	23.88	1041.3	44.9	
	24.89	1108.8	45.9	
	25.94	1180.2	46.9	
	26.52	1219.9	47.4	
	28.10	1331.5	48.4	
	29.71	1447.2	49.4	
	31.35	1567.1	50.4	
	33.02	1691.5	51.4	
	34.71	1820.5	52.4	
	36.43	1954.4	53.4	
	38.19	2093.4	54.4	
	39.17	2172.3	55.0	

REQUIRED TCAPE INFORMATION

TCAPE Factors For Vehicle

Standard Rear Axle Gear Ratio	6.17
Engine Fuel Type	VISCOUS
Power PTO	NO
Electric PTO	NO
ID Wheel Size Code	Y
Rear Gear Ratio Code	N
Rear Suspension Type	TYPICAL
Fuel Economy Rating	Normal Rating - City, Suburban, and Highway
Vehicle Type	GENERAL ON HIGHWAY
Acceleration Grade %	0.0
Frontal Area (FT ²)	96
Standard Load Rating (MPH)	61.0
Rear Drive Capacity	85
Alternator (A)	40
Steering Gear (HP)	2.60
Air Conditioner (HP)	2.20
Vehicle Width (IN)	96
Vehicle Height (IN)	144
Wheelbase Drive Axle (LBF)	20000
Acceleration Vehicle Std (MPH)	55.0
Air Conditioner (HP)	2.20
TIRE, FRONT	2 - RADIAL LOWPROFILE
TIRE, REAR	4 - RADIAL NORMAL

Components

0001ANA	AXLE CONFIGURATION (Non-Drive)
0002AST	AXLE, FRONT NON-DRIVING (Metric MFS-14-122A-B) Tires, 14,000-lb Capacity
0004SPA	AIR COMPRESSOR (Cfm @ 18.7 CFM)
0005PSA	STEERING GEAR (Standard M100 Power)
0008GID	ALTERNATOR (L-Series-N) AVI160P2013 (Brake Torque 12 V @ 160 A) Capacity, Pad Mounting, 1600 RPM, 2600 RPM
0012EIA	ENGINE, DIESEL (Cfm @ B6.7 300 EPA 2017, 300HP @ 2600 RPM, 660 in-Torque @ 1600 RPM, 2600 RPM)
0012TSY	FAN DRIVE (Bore-Washer SA85) Vehicle Type, Series O
0013AVL	TRANSMISSION, AUTOMATIC (A-Series 3500 RDS 5th Gear) Capacity, Width Ratio, 6-Speed (D-Series) Order, 1600 PTO Pressure, Load Rating, Load Capacity, 80,000-lb GVW and GCW Max, Oil Weight
0014AGI	AXLE, REAR, SINGLE (Drive) S-Series 21060D (Standard) Rating, 20,000-lb Capacity, Drive Capacity Load
0016030	DRIVE SHAFT, 200 Wheel End
0016BAM	CAB Configuration, Day Cab
07372138102	AIR CONDITIONER (1-ton) (Metric) and Drive
07792545438	TIRE, REAR 11R22.5 Load Rating G G622 RSD (GOODYEAR, 497 r/min, 75 MPH, Drive 11R22.5 Load Rating G G622 RSD (GOODYEAR, 497 r/min, 75 MPH, Drive)
	TIRE, FRONT 315:80R22.5 Load Rating L HSC 3 (CONTINENTAL, 481 r/min, 68 MPH, A-P 315:80R22.5 Load Rating L HSC 3 (CONTINENTAL, 481 r/min, 68 MPH, A-P)

TCAPE HAS BEEN DESIGNED TO GIVE ECONOMY AND PERFORMANCE PREDICTIONS WHICH HAVE BEEN SHOWN TO BE TYPICAL FOR MOST OPERATIONS. HOWEVER, DUE TO OPERATING CONDITIONS, DRIVER INFLUENCES, AND OTHER FACTORS, YOUR RESULTS MAY VARY FROM THOSE PREDICTED. ALSO, BECAUSE OF FUEL MAPPING PROCEDURES USED BY VARIOUS ENGINE MANUFACTURERS, COMPARISONS OF FUEL ECONOMY RESULTS FOR DIFFERENT BRANDS OF ENGINES MAY VARY FROM THOSE SHOWN.

NAVISTAR, INC. SHALL NOT BE LIABLE FOR ANY LOSS OF PROFITS, LOSS OF USE, INTERRUPTION OF BUSINESS OR INDIRECT, SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES OF ANY KIND THAT ARE INCURRED BY DEALER OR BY DEALER'S CUSTOMERS AS A RESULT OF RELIANCE ON TCAPE, WHETHER THE CLAIM IS IN CONTRACT, TORT (INCLUDING NEGLIGENCE), STRICT LIABILITY OR OTHERWISE.

GVWR Component Rating(s)

Ratings	Primary			Adjusted By			GAWR* (lbf)	GVWR** (lbf)
	ATA Class	Feature	Rating (lbf)	ATA Class	Feature	Rating (lbf)		
Front C... R...	WHEELS, FRONT	0027DPN	20000	TIRE, FRONT	0779254	20000		
	AXLE, FRONT NON-DRIVING	0002AST	14000					
	SUSPENSION, FRONT, SPRING	0003ADD	14000					
Front GAWR							14000	
Rear C... R...	BRAKE SYSTEM, AIR	0004091	23000					
	SUSPENSION, REAR, SINGLE	0014VAH	23500					
	WHEELS, REAR	0028DUW	27780	TIRE, REAR	0737213	23360		
	AXLE, REAR, SINGLE	0014AG	20000					
Rear GAWR							20000	
Optional V... L...	TRANSMISSION, AUTOMATIC	0013AVL	80000					
	ENGINE, DIESEL	0012E	37000					
	FRAME RAILS	0001CEM	33000					
GVWR Based on Axle Ratings								34000
Combined GVWR								33000

* GAWR (Gross Axle Weight Rating) is the rating capacity of an axle system which include wheels, tires, axles, brakes, springs, and suspensions.

** GVWR (Gross Vehicle Weight Rating) is the maximum amount that a loaded vehicle can weight.

*** GVWR Based on Axle Ratings = Front GAWR + Rear GAWR. Overall vehicle weight limitations are not taken into account.

**** GCWR (Gross Combined Weight Rating) is the maximum weight of a tractor and trailer.

Preventive Maintenance and Inspection Program



HRX55

OPTIMA HRX Series Overcenter Articulating Aerial Device

5

= number of years of preventive maintenance service in the quote

1

= quantity of units to include in the quote



Include field service travel time (otherwise units will be serviced at a branch)

Please indicate customer location:

East of Colorado Mountains



Include leveling chain replacement at 5 years

NOTE: The selected unit does not require leveling chain inspection nor replacement at 5 years

Basic	Silver	Gold	Platinum	Custom
- Yearly visual inspection and operational test of all critical components.*	- Yearly visual inspection and operational test of all critical components. - Annual preventive maintenance as defined in maintenance manual, including the following: - Torque checking of rotation bolts, drift test, lubrication, hydraulic oil test, dielectric test - Replacement hydraulic oil filters and lubricant - Qualifies as the required annual inspection under the Terex Limited Product Warranty	- Yearly visual inspection and operational test of all critical components. - Annual preventive maintenance as defined in maintenance manual, including the following: - Torque checking of rotation bolts, drift test, lubrication, hydraulic oil test, dielectric test - Replacement hydraulic oil filters and lubricant - Qualifies as the required annual inspection under the Terex Limited Product Warranty - 90 day, 180 day, and 270 day inspection and preventive maintenance - Replacement hydraulic oil filters and lubricant	- Yearly visual inspection and operational test of all critical components. - Annual preventive maintenance as defined in maintenance manual, including the following: - Torque checking of rotation bolts, drift test, lubrication, hydraulic oil test, dielectric test - Replacement hydraulic oil filters and lubricant - Qualifies as the required annual inspection under the Terex Limited Product Warranty - 90 day, 180 day, and 270 day inspection and preventive maintenance - Replacement hydraulic oil filters and lubricant - 5 years preventive maintenance - Removal and inspection of leveling chains and insulator rods**	Package includes: See custom package configurator
<i>* NOTE- Basic package by itself does not qualify as the required annual inspection under the Terex Limited Product Warranty</i>			<i>** Not required for XT PROs, OPTIMAS, units equipped with Extended Life leveling chains, or units not equipped with leveling chains.</i>	
Standard service price: \$3,800 Your package price: \$3,290	Standard service price: \$10,625 Your package price: \$7,360	Standard service price: \$26,300 Your package price: \$18,219	Standard service price: \$26,300 Your package price: \$18,219	Standard service price: \$17,050 Your package price: \$11,811
You save: \$510	You save: \$3,265	You save: \$8,082	You save: \$8,082	You save: \$5,239

Select your package: ☐ Basic (customer declines, among others, torque check of critical fasteners)

☐ Silver

☐ Gold

☐ Platinum

☐ Custom

Customer confirms selection of the maintenance package indicated for the price and duration specified. Customer accepts and agrees to the attached Terex Terms and Conditions of Sale, which govern this transaction. In the event of early cancellation of this Agreement, Customer agrees that Terex shall be entitled to retain as liquidated damages, and not as a penalty, any fees paid in advance, which the parties agree reasonably approximate Terex's actual damages.

Customer signature: _____

Visit us at TEREX.com

Preventive Maintenance and Inspection Program

Custom Package Configurator

Product Code:

OPTIMA HRX Series Overcenter Articulating Aerial Device



= number of years of service

= quantity of units to include in the quote

Include the following periodic Preventive Maintenance:

- ☐ 90 Days (360 Hours)
- ☒ 180 Days (720 Hours)
- ☐ 270 Days (1,080 Hours)
- ☒ 12 Months (1,050 Hours)
- ☒ Dielectric Test (Yearly)
- ☒ 5 Years (5,250 Hours) ☐ Include leveling chain replacement at 5 years

NOTE: The selected unit does not require leveling chain inspection nor replacement at 5 years

☒ **Include field service travel time**

Please indicate customer location:

Custom

Standard service price:
\$17,050
Your package price:
\$11,811

You save: \$5,239

Visit us at TEREX.com

PREVENTIVE MAINTENANCE AND INSPECTION PROGRAM

A SCOPE OF SERVICES

- 1 For each Terex Utilities equipment unit specified in section C below, Service Provider will provide, annually, for the Basic Package: Visual inspections and operational tests; for the Silver Package: Annual preventive maintenance, dielectric test, lubricant and hydraulic filter; for the Gold Package: 90-Day preventive maintenance, 180-Day preventive maintenance, 270-Day preventive maintenance, Annual preventive maintenance, dielectric test; for the Platinum Package: 90-Day preventive maintenance, 180-Day preventive maintenance, 270-Day preventive maintenance, Annual preventive maintenance, dielectric test, 5 years preventive maintenance ; for the Custom Package: 90-Day preventive maintenance, 180-Day preventive maintenance, 270-Day preventive maintenance, Annual preventive maintenance, dielectric test, lubricant and hydraulic filter, and on the 5th year it will provide: 5 years preventive maintenance; services with be provided for 5 years, provided this Agreement has not expired or been terminated. Such Maintenance will be consistent with the applicable service manual for each Equipment unit. The commencement date for such Maintenance for the Equipment will be the on the equipment delivery date. Service Provider will have no obligation to perform Maintenance on any Equipment after termination or expiration of this Agreement.
- 2 The Maintenance will be conducted at the Designated Service Location specified in section C below. Maintenance outside such location will be performed at an additional fee to be agreed by the parties in advance. Customer shall provide a safe work area for the Maintenance, with electric power, water, waste disposal, and access provisions. Vehicle must be provided free and clear of debris to allow technician safe access to the equipment controls and pedestal area. Service Provider will provide periodic reports to Customer of the Maintenance that has been performed.
- 3 Maintenance and Inspection of the Equipment will be scheduled by Customer at least five (5) business days in advance. The parties will cooperate to ensure advance notice is provided to Service Provider of any additional service that may be requested.
- 4 In the event an Equipment unit does not meet the Inspection criteria because of needed repairs ("Repairs"), Service Provider will provide an estimated cost for such Repairs. Repairs will be performed upon Customer's approval and issuance of a purchase order. The Repairs must be performed prior to Service Provider acknowledging that the Inspection is completed.
- 5 Maintenance, Inspections, and Repairs will be performed by Service Provider on the Equipment within the hours of 7:00 a.m. to 5:00 p.m. on normal business days (excluding weekends and public holidays). In the event Customer schedules Maintenance, Inspections, and/or Repairs outside of such hours, or on weekends or public holidays, the following additional fees will be charged: \$120.00 an hour, or for prorated portions of an hour depending on the time of completion. Fees will be billed from the time the Service Provider reaches the jobsite.
- 6 In the event Customer proposes changes to the Scope of Services stated herein, Service Provider reserves the right to renegotiate the fee agreed between the parties.

B FEE SCHEDULE

For the Basic Package: \$3,290; for the Silver Package: \$7,360; for the Gold Package: \$18,219; for the Platinum Package: \$18,219; for the Custom Package: \$11,811; for 5 years of service, with payment by Customer to Service Provider due upon signing of this Agreement.

C LIST OF EQUIPMENT UNITS TO BE INSPECTED AND MAINTAINED

The following equipment, listed by Serial Number and Model, is included under this Agreement:

Equipment Model: HRX55

Equipment Serial Number(s):

This document will be supplemented with serial numbers for the units once they are available

Designated Service Location:

CUSTOMER'S ADDRESS

TEREX UTILITIES, INC., d/b/a TEREX SERVICES
("Seller")

TERMS AND CONDITIONS OF SALE

1. Terms and Conditions. The provision by Seller to Buyer of any Equipment or Parts (collectively referred to as "Products") and field labor, reconditioning, repair, maintenance and inspection services (collectively referred to herein as "Services") shall be exclusively governed by these Terms and Conditions of Sale ("Terms and Conditions") and Seller's sales order (collectively referred to as "Agreement"). This Agreement cancels and supersedes any and all terms and conditions previously issued by Seller and shall remain in effect unless and until superseded in writing by Seller. Acceptance of an order for Products or Services by Seller shall be deemed to constitute a binding agreement between the parties pursuant to these Terms and Conditions and Buyer agrees that the order may not thereafter be countermanded or otherwise changed without the explicit prior written consent of Seller. No other terms and conditions shall apply, including the terms of any purchase order submitted to Seller by Buyer, whether or not objected to by Seller or whether or not such terms are inconsistent or conflict with or are in addition to these Terms and Conditions. These Terms and Conditions shall be deemed accepted by Buyer if any of the following occurs: (i) if confirmed by Buyer, (ii) if undisputed by Buyer within ten (10) days after receipt, or (iii) if Seller delivers Products or Services to Buyer. Any communication construed as an offer by Seller and acceptance thereof is expressly limited to these Terms and Conditions. The Products are intended for industrial/commercial use by professional contractors and their trained employees and are not intended for use by consumers.

2. Terms of Payments. Payment for Products or Services purchased by Buyer shall be made in accordance with any of the following terms, provided they have been previously arranged with and expressly approved by Seller in writing: (1) cash in advance; (2) confirmed, irrevocable letter of credit established in such amount and form and at such time and at such bank as shall be approved by Seller in respect of each order; (3) credit account purchases for which payment will be due and payable on net thirty (30) day terms, plus service and other charges applicable to past due amounts in accordance with Seller's written notices; or (4) other payment arrangements expressly approved by Seller in writing prior to or at the time the order is placed. If any Buyer credit account purchase is not paid in accordance with Seller's credit payment terms, in addition to any other remedies allowed in equity or by law, Seller may refuse to make further shipments without advance payment by Buyer. Nothing contained herein shall be construed as requiring Seller to sell any Products or Services to Buyer on credit terms at any time, or prohibiting Seller from making any and all credit decisions which it, in its sole discretion, deems appropriate for Seller. Seller may charge interest on all amounts not paid when due and Buyer agrees to pay such interest calculated on a daily basis, from the date that payment was due until the Seller receives payment in full, at the rate of 1.5% per month or the maximum rate permitted by applicable law. Seller shall be entitled to an equitable adjustment in the price of Products or Services in order to account for increases in the cost to Seller of labor or materials, or in the event of unanticipated or unforeseen circumstances.

3. Taxes and Duties. Unless otherwise specified, prices quoted do not include taxes or duties of any kind or nature. Buyer agrees that it will be responsible for filing all tax returns and paying applicable tax, duty, export preparation charge and export documentation charge resulting from the purchase of any Products or Services. In addition, in the event any other similar tax is determined to apply to Buyer's purchase of any Products or Services from Seller, Buyer agrees to indemnify and hold Seller harmless from and against any and all such other similar taxes, duties and fees. All prices quoted are U.S. DOLLARS unless otherwise specified. The amount of any present or future taxes applicable to the sale, transfer, lease or use of any Products shall be paid by Buyer; or in lieu thereof, Buyer shall provide Seller with a tax exemption certificate satisfactory to the applicable taxing authority proving that no such tax is due and payable upon such sale, transfer, lease or use.

4. Title, Risk, Transportation and Delivery. Unless otherwise stated in writing, all prices and delivery are FCA, Seller's Premises (Incoterms 2010). Title and all risk of loss or damage to Products shall pass to Buyer upon delivery, as per Incoterms 2010. Any claims for loss, damage or delay in transit must be entered and prosecuted by the Buyer directly with the carrier, who is hereby declared to be the agent of the Buyer. In the event delay in shipment of Products is caused by Buyer's failure to furnish necessary information with respect to data and details for Buyer's specifications, Seller, may, in its sole discretion, extend the date of shipment for a reasonable time. In the event delay in shipment is caused by Buyer or at Buyer's request, and there are Products that are not shipped within ten (10) days from the first date they are ready to be shipped, Seller may, in its sole discretion, sell such Products to another buyer without any liability or responsibility to Buyer whatsoever. All payments shall be made in accordance with the terms of the applicable invoice. In addition, storage charges due to delay in furnishing delivery instructions, arranging and establishing a method of payment satisfactory to Seller, or submitting valid import permits or licenses, or any other delay caused by Buyer or at Buyer's request, will be for the account of Buyer. **SELLER SHALL NOT BE LIABLE FOR ANY LOSS OF USE OR FOR ANY OTHER INDIRECT, CONSEQUENTIAL, INCIDENTAL OR OTHER DAMAGES OR LOSSES DUE TO DELAY IN SCHEDULED DELIVERY.** Claims for shortages in shipments shall be deemed waived and released by Buyer unless made in writing within five (5) days after Buyer's receipt of shipment. Seller's responsibility for shipment shall cease upon delivery of the Products to the place of shipment, and all claims occurring thereafter shall be made to or against the carrier by Buyer.

5. Cancellation. Prior to delivery to place of shipment, a Products order may be cancelled only with Seller's prior written consent and upon terms indemnifying Seller from all resulting losses and damages. Seller shall have the right to cancel and refuse to complete a Products or Services order if any term and/or condition governing this agreement is not complied with by Buyer. In the event of cancellation by Seller, or in the event Seller consents to a request by Buyer to stop work or to cancel the whole or any part of any order, Buyer shall make reimbursement to Seller, as follows: (i) any and all work that can be completed within (30) days from date of notification to stop work on account of cancellation shall be completed, shipped and paid in full; and (ii) for work in progress and any materials and supplies procured or for which definite commitments have been made by Seller in connection with the order, Buyer shall pay such sums as may be required to fully compensate Seller for actual costs incurred, plus fifteen percent (15%). Buyer may not cancel any order after Seller's delivery to place of shipment. Orders for "Special" Equipment may not be cancelled after acceptance, except by Seller. Items of "Special" Equipment are those that differ from standard Seller specifications, have a limited market, or incorporate specifications that have been determined for a specific application. Determination of whether an item of Equipment is "Special" shall be made by Seller in its sole discretion.

6. Inspection and Acceptance. Buyer agrees that it shall inspect the Products or Services immediately after receipt of Products or completion of Services and promptly notify Seller in writing of any non-conformity or defect within 10 days after the Products are put into service or the Services are completed, but not more than thirty (30) days after delivery or completion. Buyer further agrees that confirmation that the Products or Services comply with the order, its commercial use of the Products or its failure to give prompt notice of non-conformity or defect shall constitute acceptance. Acceptance shall be final and Buyer waives the right to revoke acceptance for any reason, whether or not known by Buyer at the time of such acceptance. Acceptance shall automatically cause the provisions of Seller's warranty to apply and govern the rights, obligations and liabilities of the parties with respect to such nonconformity or defect, provided under no circumstances shall rejection give rise to any liability of Seller for incidental or consequential damages or losses of any kind.

7. Warranty for Products and Services.

(a) For Equipment: Seller warrants its new Equipment manufactured and sold worldwide to be free, under normal use and service, from defects in material or workmanship for the time period designated in the warranty applicable to the particular type, make and model of Equipment or, in the event no specific warranty exists for such Equipment, for a period of twelve (12) months from the date of delivery.

(b) For Parts:

(i) Seller warrants that Parts supplied by Seller will be free, under normal use and service, from defects in material or workmanship for a period of twelve (12) months from the date of delivery, where Seller is the OEM of such Parts;

(ii) Seller warrants that that Parts supplied in connection with a warranty repair on Equipment sold by Seller will be free, under normal use and service, from defects in material or workmanship for a period of time equal to the OEM warranty provided by the manufacturer of such Parts, but if there is no OEM warranty on such Parts, then such warranty period shall terminate upon the expiration of the warranty for the Equipment originally sold by Seller; and

(iii) Seller warrants that Parts supplied in connection with Services performed by Seller on equipment not originally sold by Seller will be free, under normal use and service, from defects in material or workmanship for a period of time equal to the OEM warranty provided by the manufacturer of such Parts.

(c) For Services:

(i) Seller warrants that its field and shop labor services will be free from defects in workmanship for a period of ninety (90) days from the date of completion of such services;

(ii) Seller warrants that its labor supplied in connection with its reconditioning services on mobile equipment will be free from defects in workmanship for a period of six (6) months from the date of completion of such services; and

(iii) Seller provides no warranty, express or implied, on its inspection services.

The foregoing warranties shall only be valid if Buyer sends Seller written notice of the defect within thirty (30) days of its discovery and establishes that: (i) the Equipment or Parts, or any equipment subject to any Service, has been maintained and operated within the limits of rated and normal usage; and (ii) the defect did not result in any manner from the intentional or negligent action or inaction by Buyer, its agents or employees. If requested by Seller, Buyer must return the defective Equipment or Parts to Seller's facility for inspection, and if Buyer cannot establish that conditions (i) and (ii) above have been met, then the foregoing warranties shall not cover the alleged defect. Failure to give written notice of defect within such period shall be a waiver of the foregoing warranties and any assistance rendered thereafter shall not extend or revive it. Equipment, accessories, assemblies, components and Parts which are not manufactured by Seller are subject to the warranty of their respective manufacturers. The foregoing warranties shall be void in the event Buyer has carried out modifications or reconditioning work on the Equipment or Parts without the prior written consent of Seller. The foregoing warranties shall not cover any item on which serial numbers have been altered, defaced or removed.

Maintenance and wear parts are not covered by the foregoing warranties and are the sole maintenance responsibility of Buyer. The foregoing warranties are limited to the first retail purchaser and are not assignable or otherwise transferable without the written agreement of Seller. **THE FOREGOING WARRANTIES ARE EXPRESSLY IN LIEU OF AND EXCLUDE ALL OTHER WARRANTIES, EXPRESS OR IMPLIED (INCLUDING THE WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE) AND ALL OTHER OBLIGATIONS OR LIABILITY ON SELLER'S PART. THERE ARE NO WARRANTIES THAT EXTEND BEYOND THE LIMITED WARRANTIES CONTAINED HEREIN.** Seller neither assumes nor authorizes any other person to assume for Seller any other liability in connection with the sale of Seller's Equipment, Parts or Services. The foregoing warranties shall not apply to any Equipment or Parts or any part thereof purchased from Seller, or any equipment which was the subject of any Service performed by Seller, which has been subject to misuse, alteration, abuse, negligence, accident, acts of God or sabotage. No action by either party shall operate to extend or revive the foregoing limited warranties without the prior written consent of Seller.

8. Remedies for Breach. IN THE EVENT OF ANY BREACH OF WARRANTY BY SELLER, THE PARTIES AGREE THAT SELLER'S LIABILITY SHALL BE LIMITED EXCLUSIVELY TO THE REMEDIES OF REPAIR OR REPLACEMENT (AT SELLER'S SOLE DISCRETION) OF ANY DEFECTIVE PRODUCT OR THE RE-PERFORMANCE OF ANY DEFECTIVE SERVICES COVERED BY THE WARRANTY. In no event shall any repair or replacement of any defective Equipment or Parts, or the re-performance of any defective Services covered by the Seller's warranties in Section 7 extend the length of such warranties beyond the applicable periods specified in Section 7 above.

9. Limitation of Liability. NOTWITHSTANDING ANYTHING CONTAINED IN THIS AGREEMENT TO THE CONTRARY, SELLER AND ITS AFFILIATES SHALL NOT BE LIABLE FOR, AND SPECIFICALLY DISCLAIM, ANY LIABILITY FOR ANY: (A) LOST PROFITS AND/OR BUSINESS INTERRUPTION (WHETHER DIRECT OR INDIRECT); AND (B) INCIDENTAL, INDIRECT, CONSEQUENTIAL (WHETHER DIRECT OR INDIRECT) OR OTHER DAMAGES OR LOSSES OF ANY KIND, including without limitation, labor costs, loss of use, equipment rental, third party repairs, investigation costs, personal injury, emotional or mental distress, penalties, loss of service of personnel, or failure of Products to comply with any applicable laws; whether or not arising from breach of contract, warranty, negligence, product liability or otherwise. Notwithstanding anything contained herein to the contrary, in no event shall Seller's liability exceed the total order value.

10. Limitation of Actions. Any action for breach of this agreement must be commenced within one (1) year after the cause of action has accrued.

11. Specification Changes. In the event Seller incurs additional expense because of changes in specifications or drawings previously approved by Buyer, or in the event Seller is required to modify the ordered Products, perform any additional Services, perform any additional work or supply any additional Products, the additional expense shall be added to the purchase price. Seller shall have the right, in its sole discretion, to accept or reject any changes in specifications requested by Buyer. In no event shall any changes in specifications be made or accepted thirty (30) days prior to launch date or thereafter.

12. Security Interest. Buyer grants Seller a security interest in the Products purchased and the proceeds thereof. The security interest shall continue until payment in full of the purchase price and payment and performance by Buyer of all of its other obligations hereunder. Seller is entitled to all remedies of a secured party after default under the Ohio Uniform Commercial Code or other applicable law, including but not limited to the applicable Personal Property Security Act in Canada, in addition to all other rights provided by contract and by operation of law. Buyer agrees to pay to Seller, in addition to the interest on overdue sums due, reasonable attorney fees, court costs and other expenses of Seller incurred in enforcing Seller's rights. The Products purchased shall remain personal property and shall not become or be deemed a fixture or a part of any real estate on which it may be located. Buyer agrees to execute any instrument or document considered necessary by Seller to perfect its security interest in the Products including, but not limited to, financing statements, chattel mortgages, deeds of trust, deeds to secure debt, mortgages or other security instruments.

13. Insurance. Until the purchase price of any Product is paid in full or the Service is completed, the Buyer shall provide and maintain insurance equal to the total value of any such Product delivered hereunder against customary casualties and risks; including, but not limited to fire and explosion, and shall also insure against liability for accidents and injuries to the public or to employees, by adding Seller as additional insured with waiver of subrogation, and in an amount satisfactory to Seller. If the Buyer fails to provide such insurance, it then becomes the Buyer's responsibility to notify the Seller so that the Seller may provide same; and the cost thereof shall be added to the contract price. All loss resulting from the failure to affect such insurance shall be assumed by the Buyer.

14. Return of Products. Products may be returned only with Seller's prior written consent and upon the following conditions: (i) such Products must be new, unused and undamaged (and not obsolete), in good working order and in first class marketable condition; (ii) such Products must have been originally purchased by Buyer from Seller within the previous twelve (12) month period; and (iii) such Products shall be returned in the same condition as that in which they were sold by Seller to Buyer, and in the original packaging. Notwithstanding the foregoing, wire rope, cut chain, electrical components, special orders of Products or any Products which are altered or manufactured pursuant to Buyer's requirements and specifications are not returnable. The price for the repurchase of such Products shall be the invoice price previously received by Seller from Buyer for the Products in question, net of freight and taxes, and less a restocking fee to be determined by Seller at the time of the return.

15. Patents, Copyrights, Trademarks, Confidentiality. No license or other rights under any patents, copyrights or trademarks owned or controlled by Seller or under which Seller is licensed are granted to Buyer or implied by the sale of Products or the provision of Services. Buyer shall not identify as genuine products of Seller Products purchased hereunder which Buyer has treated, modified or altered in any way, nor shall Buyer use Seller's trademarks to identify such products; provided, however, that Buyer may identify such products as utilizing, containing or having been manufactured from genuine products of Seller as treated, modified or altered by Buyer or Buyer's representative, upon written prior approval of Seller. All plans, photographs, designs, drawings, blueprints, manuals, specifications and other documents relating to the business of Seller ("Information") shall be and remain the exclusive property of Seller and shall be treated by Buyer as confidential information and not disclosed, given, loaned, exhibited, sold or transferred to any third party without Seller's prior written approval; provided, however, that these restrictions shall not apply to Information that Buyer can demonstrate: (a) at the time of disclosure, is generally known to the public other than as a result of a breach of this agreement by Buyer; or (b) is already in Buyer's possession at the time of disclosure by from a third party having a right to impart such Information.

16. Default and Seller's Remedies. In the event of default by Buyer, all unpaid sums and installments owed to Seller, shall, at the Seller's sole option, become immediately due and payable without notice of any kind to Buyer. In addition to its right of acceleration, Seller may pursue any and all remedies allowed by law or in equity, including but not limited to any and all remedies available to it under the Ohio Uniform Commercial Code. In addition to the foregoing, and not in limitation thereof, Seller shall have the right to set off any credits or amounts owed to Buyer against any amounts owed by Buyer to Seller.

17. Indemnification by Buyer. Buyer hereby agrees to indemnify, release, defend and hold harmless Seller, its directors, officers, employees, agents, representatives, successors, and assigns against any and all suits, actions or proceedings at law or in equity (including the costs, expenses and reasonable attorney's fees incurred in connection with the defense of any such matter) and from any and all claims demands, losses, judgments, damages, costs, expenses or liabilities, to any person whatsoever (including Buyer's and Seller's employees or any third party), or damage to any property (including Buyer's property) arising out of or in any way connected with any act, omission, negligence or willful misconduct of Buyer, its directors, officers, employees, agents, representatives, successors or assigns with respect to its purchase, use, operation, maintenance or installation of any Services or any Parts or Equipment furnished hereunder, or any breach by Buyer of these Terms and Conditions of Sale. If Buyer fails to fulfill any of its obligations under this paragraph or this agreement, Buyer agrees to pay Seller all costs, expenses and attorney's fees incurred by Seller to establish or enforce Seller's rights under this paragraph or this agreement. The provisions of this paragraph are in addition to any other rights or obligations set forth in this agreement.

18. Installation. Unless otherwise expressly agreed in writing, Buyer shall be solely responsible for the installation and erection of the Products purchased. Although Seller may in some cases provide a serviceman, data and drawings to aid Buyer with installation or start-up, Seller assumes no responsibility for proper installation or support of any Product when installed and disclaims any express or implied warranties with respect to such installation and support. Notwithstanding whether data and drawings are provided or a serviceman aids in the installation, Buyer shall indemnify and hold Seller harmless and at Seller's request, defend Seller from all claims, demands or legal proceedings (including the costs, expenses and reasonable attorney's fees incurred in connection with the defense of any such matter) which may be made or brought against Seller in connection with damage or personal injury arising out of said installation or start-up.

19. On-Site Services. In the event that Seller is providing Services at Buyer's worksite (or at a location designated by Buyer), Buyer shall provide Seller free and clear access and an adequate power supply in order to perform the Services. Buyer shall maintain safe working conditions at the worksite, including, without limitation, implementing appropriate procedures regarding hazardous materials and energization and de-energization of power systems. Buyer shall immediately remedy any unsafe working condition at the worksite. Seller shall be entitled to suspend or terminate the Services in the event it determines that the worksite is unsafe. Seller shall have no responsibility or liability for any pre-existing condition of the worksite including, without limitation, violations of safety rules, building codes, zoning ordinances or other laws or regulations ("Regulations"). In the event that any unsafe working condition or failure of the worksite to comply with a Regulation results in an increase in the Seller's cost of, or the time required for, performance of the Services, Seller may make an equitable adjustment in price and schedule. Buyer authorizes Seller to perform the disassembly and inspection of any equipment necessary to provide the Services, including provision of all necessary Parts and labor, and agrees that Seller is not responsible for any damage or loss due to causes beyond Seller's control. Unless expressly agreed in writing, Services do not include architectural/engineering services or structural changes to Buyer's premises.

20. Additional Terms of Equipment Services. In the event Seller performs Services on Equipment for Buyer, Buyer hereby authorizes Seller to inspect and disassemble the Equipment provided, and authorizes Seller to perform the Services indicated in the applicable estimate, quote or work order (including provision of all necessary parts and labor). Buyer agrees that Seller is not responsible for: (i) damage or loss to the Equipment, or loss of personal property, caused by fire, theft, or causes beyond Seller's control, or (ii) delays in completion of Services caused by unavailability of parts or other causes. Buyer authorizes Seller and its employees to operate the Equipment on streets, highways or elsewhere for the purpose of testing and/or inspection. Buyer will be subject to a storage fee of \$20 per day for any Equipment left on Seller's premises more than fifteen (15) days after completion of the Services. Buyer grants Seller a security interest and lien in the Equipment and any parts supplied until payment in full of any amounts owed by Buyer to Seller. Seller is entitled to all remedies of a secured party after default under the Uniform Commercial Code in addition to all other rights provided under law or equity. Buyer agrees to pay to Seller, in addition to interest at the rate of 18% annually on overdue sums (or the maximum rate permitted by law), reasonable attorney fees, court costs and other expenses incurred by Seller in enforcing Seller's rights. Buyer agrees to execute any instrument or document considered necessary by Seller to perfect its security interest in the Equipment. In the event Buyer fails to retrieve the Equipment within ninety (90) days after completion of the Services, Buyer grants Seller a power of attorney to sell, or otherwise dispose of, such Equipment and to convey title to a purchaser of such Equipment, and to apply any sale proceeds against any amount owed by Buyer to Seller. In the event of default by Buyer, all unpaid sums owed to Seller shall, at Seller's sole option, become immediately due and payable without notice of any kind to Buyer.

21. Force Majeure. The Seller shall not be liable to the Buyer or be deemed to be in breach of this agreement by reason of any delay in performing, or any failure to perform, any of the Seller's obligations in relation to the Products or Services if the delay or failure was due to any cause beyond the reasonable control of the Seller including (without limitation) strike, lockout, riot, civil commotion, fire, accident, explosion, tempest, act of God, war, epidemic, stoppage of transport, terrorist activity, supply shortage or changes in government, governmental agency, laws, regulations or administrative practices.

22. Anti-Corruption; Export Controls; No Boycotts. Buyer agrees that it shall, and that any party retained or paid by the Buyer ("Retained Party") shall, comply with all applicable laws including, but not limited to, laws prohibiting public corruption and commercial bribery. Buyer further agrees that it shall, and that any Retained Party shall, comply with all applicable export controls, economic sanctions, embargoes and regulations regarding the export, re-export, shipment, distribution and/or sale of Products, technology, information or warranty related services. Buyer further agrees that it shall not, and any Retained Party shall not, export or re-export Products, technology, information or warranty related services directly or with its knowledge indirectly into Iran, Cuba, Syria, North Korea, the Crimea Region of the Ukraine or Russia without Buyer first obtaining written approval from Seller. Failure to comply strictly with this section and all applicable laws, regulations and licensing/approval requirements shall be grounds for immediate termination of this agreement by Seller. Notwithstanding anything to the contrary contained in any agreement between the Buyer and Seller or in any other document or agreement relating to the Products sold hereunder, Seller will not comply with requests related to the boycott of any country or other jurisdiction, except to the extent such boycott is required by or otherwise not inconsistent with United States law.

23. Telematics. If a telematics system is included with the Equipment, the telematics system is administered by a third party ("Teleservice Provider") and collects a range of operational data about the Equipment including, but not limited to, usage, performance and reliability. Buyer consents to Seller's obtaining such data from the Teleservice Provider for warranty, product improvement, marketing and customer support purposes. In addition to the foregoing, Buyer consents to Seller's collection, management and reporting of data (personal and non-personal) about the Equipment including, but not limited to, fuel consumption, up/down times, operation, defects, parts replacement, movement and location. Buyer shall gain any prior explicit consent from its customers and/or any third party, as required by applicable laws, enabling Seller and/or third parties to provide teleservices and data to Buyer. Buyer shall comply with all applicable laws relating to the provision of teleservices, including without limitations any applicable data protection laws.

24. Construction and Severability. This agreement constitutes the entire agreement between the parties regarding the subject matter hereto and shall be construed and enforced in accordance with the laws of the State of Ohio. Seller shall not be bound by any agent's, employees or any other representation, promise or inducement not set forth herein. The invalidity or unenforceability of any provisions of this agreement shall not affect any other provision and this agreement shall be construed in all respects as if such invalid or unenforceable provision were omitted.

25. Jurisdiction. The parties agree that the proper and exclusive forum and venue in all legal actions brought to enforce or construe any of the provisions of this sales order agreement shall be in the United States District Court, Northern District of Ohio or, if federal jurisdiction is lacking in such legal action, in the state courts in Cleveland, Ohio.

26. No Assignment. No rights arising under this agreement may be assigned by the Buyer unless expressly agreed to in writing by the Seller.

27. Miscellaneous. Buyer represents that: (i) it is solvent and has the financial ability to pay for the Products or Services; and (ii) it has all requisite right, power and authority to perform its obligations under this agreement.



PUBLIC WORKS DEPARTMENT
180 Vickers Drive
Milford, DE 19963

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www.cityofmilford.com

To: City Council and Mayor
From: Mark A. Whitfield, Interim City Manager/Public Works Director
Subject: Cost of Services Study for Water, Sewer, and Solid Waste
Power Cost Adjustment for Electric
Loan of Funds for Solid Waste from Electric
Resolution for Water Rates
Resolution for Sewer Rates
Resolution for Solid Waste Rates

Date: January 8, 2020

At the December 9, 2019 Council Meeting, Dawn Lund from Utility Financial Solutions briefed Council on the results of the Cost of Service Study for Water, Sewer, and Solid Waste. Based on the study, recommendation for rate adjusts for the next five years have been prepared for Council's consideration. Additionally, DEMEC informed the City in December that there would be a slight rate adjustment which could be passed onto electric customers in the form of a Power Cost Adjustment (PCA). Lastly, due to the inadequate fund balances in the Solid Waste Fund, UFS recommends funds be borrowed and repaid over a 7-year period, in order to adequately fund the needed capital purchases as well as maintaining an adequate operating balance.

As noted in the study, the rates proposed do not consider an annual Payment In Lieu of Taxes (PILOT) to the General Fund. Additionally, the present and future reserve funds in each utility is necessary for future capital improvement projects necessary for that utility. It is important to note that any utility reserve funds used to fund other projects (outside the utility), would need to be paid back to the utility in order to adequately fund future projects.

Staff recommends the initial rate adjustment be effective on March 1, 2020. This will provide adequate time to notify customers of the pending rate changes through an insert in the February 2020 utility bills. All other future rate adjustments will be effective on January 1 of the proceeding years.

1. Authorization of an Electric Power Cost Adjustment

The Delaware Municipal Electric Corporation purchases electricity for the City, and then passes on those charges. Effective January 1, 2020, the purchase price of electricity was set at \$0.06879/kwh. In 2019, the purchase price was \$0.06942/kwh. This will result in a decrease of \$0.00063/kwh that can be passed onto City customers.

Recommendation

Staff recommends City Council authorize an additional -\$0.00063/kwh power cost adjustment for City electric customers effective March 1, 2020.

2. Authorization of Loan of Funds from Electric Reserves to Solid Waste Operating

Based on the Cost of Service study for Solid Waste, UFS recommended \$500,000 be borrowed to adequately fund the Solid Waste Operating Fund as well as used for the purchase of a replacement refuse truck. In lieu of borrowing funds through commercial lending, staff recommends the funds be borrowed from the Electric Reserve Account, to be paid back over the next seven (7) years at no interest.

Recommendation

Staff recommends Council authorize the transfer of \$500,000 from Electric Reserves to Solid Waste Operating. Funds to be paid back over the next seven (7) years at no interest.

3. Adoption of Resolution 2020-06 Setting Water Usage Rates for Five (5) Years

Based on the Cost of Service study for Water, UFS recommended Water Usage Rates be increased 3.9% annually over the next five (5) years. Staff recommends the first year rate be set for March 1, 2020, with remaining years set to be effective on January 1 each year thereafter.

Recommendation

Staff recommend Council adopt Resolution 2020-05 setting water usage rates for the years 2020, 2021, 2022, 2023, and 2024.

4. Adoption of Resolution 2020-05 Setting Sewer Usage Rates for Five (5) Years

Based on the Cost of Service study for Water, UFS recommended Sewer Usage Rates be increased 4.9% annually over the next five (5) years. Staff recommends the first year rate be set for March 1, 2020, with remaining years set to be effective on January 1 each year thereafter.

Recommendation

Staff recommend Council adopt Resolution ___-2020 setting sewer usage rates for the years 2020, 2021, 2022, 2023, and 2024.

5. Adoption of Resolution 2020-04 Setting Solid Waste Rates for Five (5) Years

Based on the Cost of Service study for Water, UFS recommended Residential Solid Waste Rates be increased 4.0% annually over the next five (5) years. Other rates will be adjusted based on the study. Staff recommends the first year rate be set for March 1, 2020, with remaining years set to be effective on January 1 each year thereafter.

Recommendation

Staff recommend Council adopt Resolution 2020-04 setting solid waste rates for the years 2020, 2021, 2022, 2023, and 2024.

**CITY OF MILFORD
RESOLUTION 2020-04
SOLID WASTE FEE SCHEDULE**

Now, Therefore, be it Resolved by the City of Milford:

BILLING FEES							
Description		Fee Per Month	Fee Per Month effective 03/01/2020	Fee Per Month effective 01/01/2021	Fee Per Month effective 01/01/2022	Fee Per Month effective 01/01/2023	Fee Per Month effective 01/01/2024
Trash, Recycle, Yard Waste Collection	Residential, per unit	\$26.00	\$27.05	\$28.15	\$29.30	\$30.50	\$31.75
	Non-Residential, per unit	\$26.00	\$27.05	\$28.15	\$29.30	\$30.50	\$31.75
	Multi-Unit Rental Complex, 95 gallon, Weekly Collection, per unit	\$25.00	\$27.05	\$28.15	\$29.30	\$30.50	\$31.75
	Multi-Unit Rental Complex, 3 CY, Weekly Collection, per unit	\$150.00	\$175.00	\$200.00	\$200.00	\$200.00	\$200.00
	Multi-Unit Rental Complex, 3 CY, Twice Weekly Collection, per unit	\$300.00	\$320.65	\$370.65	\$370.65	\$370.65	\$370.65
Bulk/Brush Collection	First & Second Request in 12 Months	\$0	\$0	\$0	\$0	\$0	\$0
	Third & After Request in 12 Months, each	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00	\$50.00
Additional Container	Trash, each	\$5.00	\$5.25	\$5.50	\$5.75	\$6.00	\$6.25
	Recycle, each	\$0	\$3.00	\$3.75	\$4.50	\$5.25	\$6.00
	Yard Waste, each	\$3.00	\$3.50	\$3.75	\$4.00	\$4.25	\$4.50
Description					Fee		
Deposit, Rental Unit					\$100		
At-Door Collection	Commercial, per month				\$10		
	Special Assistance, per month				\$0		
Missed Collection	First Request				\$0		
	After First Request Through 12 Months, per collection				\$25		
Special Collection Request, per collection					\$25		
Container Left Curbside After Collection Day, per day					\$5		
Temporary Suspension of Collection	Container Removal				\$35		
	Container Return				\$35		
	Account Reconciliation				\$100		
PERMITTING FEES							
Description					Fee		
Private Hauler	License				\$150 per year		
	Vehicle Registration				\$250 per truck, per year		

Resolution 2020-04 replaces Resolution 2019-09 in its entirety.

Adopted and Effective: January 13, 2020

Mayor Arthur J. Campbell

Attest:

City Clerk Teresa K. Hudson

**CITY OF MILFORD
RESOLUTION 2020-05
SEWER FEE SCHEDULE**

Now, Therefore, be it Resolved by the City of Milford:

BILLING FEES							
Description		Fee Per Month	Fee Per Month effective 03/01/2020	Fee Per Month effective 01/01/2021	Fee Per Month effective 01/01/2022	Fee Per Month effective 01/01/2023	Fee Per Month effective 01/01/2024
Usage Fee; In-City Users	0-1,000 gallons of metered water consumption	\$10.00	\$10.49	\$11.00	\$11.54	\$12.11	\$12.70
	Over 1,000 gallons of metered water consumption, per 1,000 gallons	\$2.78	\$2.92	\$3.06	\$3.21	\$3.37	\$3.53
	Kent County Sewer Treatment	As determined by Kent County	As determined by Kent County	As determined by Kent County	As determined by Kent County	As determined by Kent County	As determined by Kent County
Usage Fee; Out-of-City Users	0-1,000 gallons of metered water consumption	\$15.00	\$15.74	\$16.51	\$17.31	\$18.16	\$19.05
	Over 1,000 gallons of metered water consumption, per 1,000 gallons	\$4.17	\$4.37	\$4.59	\$4.81	\$5.05	\$5.30
	Kent County Sewer Treatment	As determined by Kent County	As determined by Kent County	As determined by Kent County	As determined by Kent County	As determined by Kent County	As determined by Kent County
Late Utility Payment		1.50%	1.50%	1.50%	1.50%	1.50%	1.50%
PERMITTING FEES							
Description		Fee					
Sewer Utility Permit		\$10.00					
Sewer Tap/Connection		Actual City cost					
Sewer Inspection		\$35 per inspection					
Sewer Re-inspection		\$50.00 per inspection					
Impact Fee, Kent County		As determined by Kent County, per EDU					
Impact Fee, City	\$1,561 per EDU			Effective July 1, 2019			
	\$1,623 per EDU			Effective July 1, 2020			
	\$1,688 per EDU			Effective July 1, 2021			
	\$1,756 per EDU			Effective July 1, 2022			
	\$1,826 per EDU			Effective July 1, 2023			
	\$1,899 per EDU			Effective July 1, 2024			
	\$1,975 per EDU			Effective July 1, 2025			
	\$2,054 per EDU			Effective July 1, 2026			
	\$2,136 per EDU			Effective July 1, 2027			
MISC FEES							
Description		Fee					
Penalties & Fines		Not less than \$100 nor more than \$1,000 plus cost of prosecution					

Resolution 2020-05 replaces Resolution 2019-02 in its entirety.

Adopted and Effective: January 13, 2020

Mayor Arthur J. Campbell

Attest:

City Clerk Teresa K. Hudson

**CITY OF MILFORD
RESOLUTION 2020-06
WATER FEE SCHEDULE**

Now, Therefore, be it Resolved by the City of Milford:

BILLING FEES								
Description			Fee Per Month	Fee Per Month effective 03/01/2020	Fee Per Month effective 01/01/2021	Fee Per Month effective 01/01/2022	Fee Per Month effective 01/01/2023	Fee Per Month effective 01/01/2024
Usage Fee; Residential; In-City Users	0 gallons of metered water		\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	1-4,000 gallons of metered water consumption, per 1,000 gallons		\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	4,001-8,000 gallons of metered water consumption, per 1,000 gallons		\$3.50	\$3.64	\$3.79	\$3.94	\$4.09	\$4.26
	Over 8,000 gallons of metered water consumption, per 1,000 gallons		\$4.00	\$4.16	\$4.33	\$4.50	\$4.68	\$4.87
Usage Fee; Residential Out-of-City Users	0 gallons of metered water		\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	1-4,000 gallons of metered water consumption, per 1,000 gallons		\$4.88	\$5.08	\$5.28	\$5.49	\$5.71	\$5.94
	4,001-8,000 gallons of metered water consumption, per 1,000 gallons		\$5.25	\$5.46	\$5.68	\$5.91	\$6.14	\$6.39
	Over 8,000 gallons of metered water consumption, per 1,000 gallons		\$6.00	\$6.24	\$6.49	\$6.75	\$7.02	\$7.30
Usage Fee; Commercial	1” meter	Up to 10,000 gallons	\$32.50	\$33.80	\$35.15	\$36.56	\$38.02	\$39.54
		10,001-31M gallons, per 1,000 gallons	\$2.60	\$2.70	\$2.81	\$2.92	\$3.04	\$3.16
		Over 31M gallons, per 1,000 gallons	\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	1.25” meter	Up to 15,000 gallons	\$48.75	\$50.70	\$52.73	\$54.84	\$57.03	\$59.31
		15,001-31M gallons, per 1,000 gallons	\$2.60	\$2.70	\$2.81	\$2.92	\$3.04	\$3.16
		Over 31M gallons, per 1,000 gallons	\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	1.5” meter	Up to 25,000 gallons	\$81.25	\$84.50	\$87.88	\$91.40	\$95.05	\$98.85
		25,001-31M gallons, per 1,000 gallons	\$2.60	\$2.70	\$2.81	\$2.92	\$3.04	\$3.16
		Over 31M gallons, per 1,000 gallons	\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	2” meter	Up to 50,000 gallons	\$162.50	\$169.00	\$175.76	\$182.79	\$190.10	\$197.71
		50,001-31M gallons, per 1,000 gallons	\$2.60	\$2.70	\$2.81	\$2.92	\$3.04	\$3.16
		Over 31M gallons, per 1,000 gallons	\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	3” meter	Up to 125,000 gallons	\$406.25	\$422.50	\$439.40	\$456.98	\$475.26	\$494.27
		125,001-31M gallons, per 1,000 gallons	\$2.60	\$2.70	\$2.81	\$2.92	\$3.04	\$3.16
		Over 31M gallons, per 1,000 gallons	\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	4” meter	Up to 300,000 gallons	\$975.00	\$1,014.00	\$1,054.56	\$1,096.74	\$1,140.61	\$1,186.24
		300,001-31M gallons, per 1,000 gallons	\$2.60	\$2.70	\$2.81	\$2.92	\$3.04	\$3.16
		Over 31M gallons, per 1,000 gallons	\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	6” meter	Up to 800,000 gallons	\$2,600.00	\$2,704.00	\$2,812.16	\$2,924.65	\$3,041.63	\$3,163.30
		800,001-31M gallons, per 1,000 gallons	\$2.60	\$2.70	\$2.81	\$2.92	\$3.04	\$3.16
		Over 31M gallons, per 1,000 gallons	\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	8” meter	Up to 1.2M gallons	\$3,900.00	\$4,056.00	\$4,218.24	\$4,386.97	\$4,562.45	\$4,744.95
		1.21M-31M gallons, per 1,000 gallons	\$2.60	\$2.70	\$2.81	\$2.92	\$3.04	\$3.16
		Over 31M gallons, per 1,000 gallons	\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	10” meter	Up to 1.6M gallons	\$5,200.00	\$5,408.00	\$5,624.32	\$5,849.29	\$6,083.26	\$6,326.60
		1.61M-31M gallons	\$2.60	\$2.70	\$2.81	\$2.92	\$3.04	\$3.16
		Over 31M gallons, per 1,000 gallons	\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
	12” meter	Up to 2M gallons	\$6,500.00	\$6,760.00	\$7,030.40	\$7,311.62	\$7,604.08	\$7,908.24
		2.1M-31M gallons, per 1,000 gallons	\$2.60	\$2.70	\$2.81	\$2.92	\$3.04	\$3.16
		Over 31M gallons, per 1,000 gallons	\$3.25	\$3.38	\$3.52	\$3.66	\$3.80	\$3.95
Description				Fee				
Temporary Water Usage				\$50.00 per day, plus \$4.00 per 1,000 gallons, per month				
Fire Line/Hydrant, Private Availability				\$15.00 per month				
Late Utility Payment				1.50% per month				
Water Tampering				\$250.00 per occurrence				
Water Account Set Up				\$50.00 each				
Water Service Re-connection				\$50.00 per occurrence				
Service Call; during normal business hours				\$50.00 per occurrence				
Service Call; after normal business hours				\$100.00 per occurrence				
Water Meter Testing				\$100.00 per occurrence				

PERMITTING FEES		
Description		Fee
Water Tap/Connection Permit		\$10.00
Water Tap/Connection		Actual City cost
Water Line Installation		Actual City cost, plus 10%
Water Line Inspection		\$35.00
Water Line Re-inspection		\$50.00
Water Meter	Residential, 1"	\$200.00
	Commercial, 1"	\$350.00
	Over 1"	Calculated on individual basis
Water Meter Installation		\$35.00
Fire Line	2" line size	\$2,500
	4" line size	\$3,000
	6" line size	\$3,500
	8" line size	\$4,000
	10" line size	\$6,000
Impact Fee, Irrigation		Equal to current City Impact Fee
Impact Fee, City	\$2,954 per EDU	Effective July 1, 2019
	\$3,072 per EDU	Effective July 1, 2020
	\$3,195 per EDU	Effective July 1, 2021
	\$3,323 per EDU	Effective July 1, 2022
	\$3,456 per EDU	Effective July 1, 2023
	\$3,594 per EDU	Effective July 1, 2024
	\$3,738 per EDU	Effective July 1, 2025
	\$3,887 per EDU	Effective July 1, 2026
	\$4,043 per EDU	Effective July 1, 2027
MISC FEES		
Description		Fee
Penalties & Fines		Not less than \$50 nor more than \$1,000 plus cost of prosecution

Resolution 2020-06 replaces Resolution 2019-11 in its entirety.

Adopted and Effective: January 13, 2020

Attest:

Mayor Arthur J. Campbell

City Clerk Teresa K. Hudson

City of Milford



RESOLUTION 2020-01

AUTHORIZING SIGNATURES, INCLUDING FACSIMILE SIGNATURES, FOR CITY OF MILFORD CHECKS

WHEREAS, The City of Milford Charter states that the Mayor or his/her designee shall countersign all orders, checks and warrants authorized by Council; and

WHEREAS, The City of Milford Charter further states that the Finance Director shall pay out monies upon check signed by two members of either Mayor or City Council or their designee; and

WHEREAS, A resolution is required to designate certain positions be authorized to sign checks on behalf of the City of Milford accounts.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILFORD, DELAWARE, AS FOLLOWS:

Section 1. Checks issued for less than the amount of \$10,000 qualify for facsimile signatures.

Section 2. Checks issued in the amount of \$10,000 or more, require the live signature of two sanctioned officials.

Section 3. The live signatures shall be those persons in the positions of the Mayor, Vice Mayor, and/or the Chairman of the Finance Committee.

Section 4. In the absence of any official(s) listed in Section 3, the City Manager shall be granted the authority to countersign checks.

Section 5. Such authority shall remain in force until revoked by a future Resolution adopted by City Council.

Section 6. Any prior authorizations not consistent with the positions, as stated in this Resolution, are hereby rescinded.

Section 7. Duly adopted this 13th day of January, 2020, by the City of Milford, in lawful session duly assembled.

BE IT FURTHER RESOLVED, that a copy of this resolution be kept on file at the City of Milford Finance Department.

Mayor Arthur J. Campbell

Attest:

City Clerk Teresa K. Hudson

Michael R. Wigley, AIA, LEED AP
W. Zachary Crouch, P.E.
Michael E. Wheelleton, AIA
Jason P. Loar, P.E.
Ring W. Lardner, P.E.
Jamie L. Sechler, P.E.

January 6, 2020

City of Milford
Department of Public Works
180 Vickers Drive
Milford, DE 19963

Attn: Mark Whitfield, Public Works Director

RE: **Milford Ponds – Phase 1.1, 1.2, and 1.3**
DBF #2875A001

Dear Mr. Whitfield:

On behalf of our client Milford Ponds, LLC, we are respectfully requesting that the City of Milford grant acceptance of the water distribution system and sewer systems in Phases 1.1, 1.2, and 1.3 of Milford Ponds. The Developer emplaced a one-year maintenance bond on Phase 1.1 in October 2018 and Phases 1.2 and 1.3 in December 2018.

If you have any questions or need additional information, please do not hesitate to contact me at (302) 424-1441 or rwl@dbfinc.com.

Respectfully Submitted,
Davis, Bowen & Friedel, Inc.

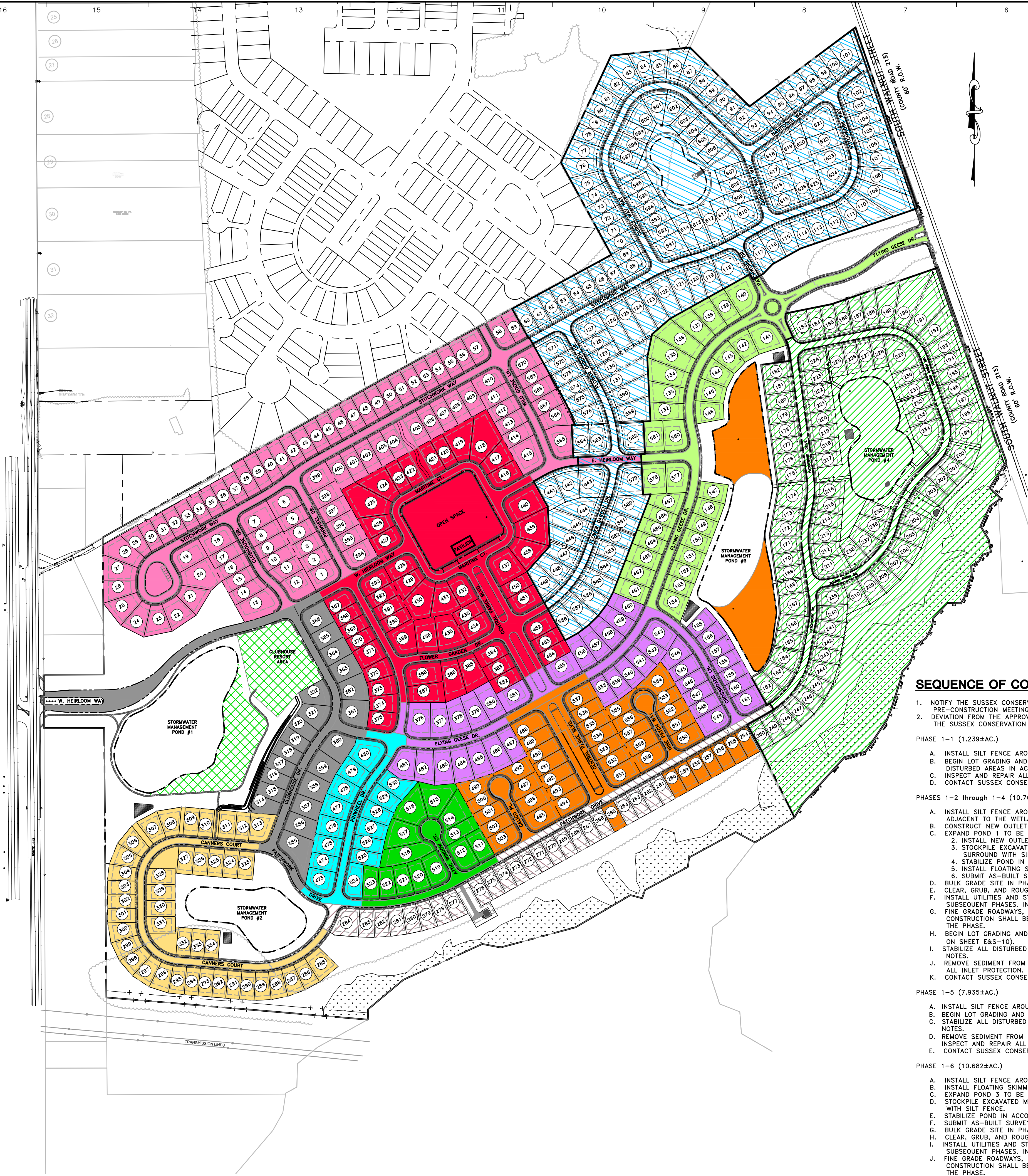


Ring W. Lardner, P.E.
Principal

P:\Joel Sens\Milford Ponds\Documents\City of Milford\2020-01-06 Phase 1-1 to 1-3 Water and Sewer Acceptance Request\Cover Letter.doc

P:\2575\2575A001\current\working\folder\dwgs\PHASE PLAN.dwg Apr 05, 2019 - 12:13pm micka

DUPONT BLVD.
U.S. ROUTE 113
STATE MAINTAINED



SEQUENCE OF CONSTRUCTION

1. NOTIFY THE SUSSEX CONSERVATION DISTRICT OF INTENT TO BEGIN CONSTRUCTION AND SCHEDULE A PRE-CONSTRUCTION MEETING.
2. DEVIATION FROM THE APPROVED SEQUENCE OF CONSTRUCTION REQUIRES WRITTEN APPROVAL FROM THE SUSSEX CONSERVATION DISTRICT.

PHASE 1-1 (1,239±AC.)

- A. INSTALL SILT FENCE AROUND ENTIRE PHASE PERIMETER.
- B. BEGIN LOT GRADING AND HOME CONSTRUCTION. (SEE DETAIL ON SHEET E&S-10). STABILIZE ALL DISTURBED AREAS IN ACCORDANCE WITH THE EROSION AND SEDIMENT CONTROL NOTES.
- C. INSPECT AND REPAIR ALL INLET PROTECTION.
- D. CONTACT SUSSEX CONSERVATION DISTRICT FOR INSPECTION.

PHASES 1-2 THROUGH 1-4 (10,765±AC.)

- A. INSTALL SILT FENCE AROUND EACH PHASE PERIMETER. SUPER SILT FENCE SHALL BE USED ADJACENT TO THE WETLANDS.
- B. CONSTRUCT NEW OUTLET FOR POND 1.
- C. EXPAND POND 1 TO BE USED AS SEDIMENT TRAP DURING CONSTRUCTION.
- D. INSTALL NEW OUTLET PIPE FOR POND 1.
- E. STOCKPILE EXCAVATED MATERIAL IN DESIGNATED STOCKPILE AREAS. STABILIZE AND SURROUND WITH SILT FENCE.
- F. STABILIZE POND IN ACCORDANCE WITH THE EROSION AND SEDIMENT CONTROL NOTES.
- G. SUBMIT AS-BUILT SURVEY OF PONDS 2 TO SUSSEX CONSERVATION DISTRICT.
- H. BULK GRADE SITE IN PHASE 1-2 AREA.
- I. CLEAR, GRUB, AND ROUGH GRADE ROADWAYS IN PHASE 1-2 AREA.
- J. INSTALL UTILITIES AND STORM DRAIN SYSTEM IN PHASE 1-2. CAP ENDS WHICH CONNECT TO SUBSEQUENT PHASES. INSTALL INLET PROTECTION ON ALL STORM INLETS.
- K. FINE GRADE ROADWAYS, INSTALL CURBING AND ROADWAY AGGREGATE BASE COURSE. NO HOME CONSTRUCTION SHALL BEGIN UNTIL THE STONE BASE AND CURBING HAS BEEN INSTALLED FOR THE PHASE.
- L. BEGIN LOT GRADING AND HOME CONSTRUCTION FOR PHASES 1-2 THROUGH 1-4. (SEE DETAIL ON SHEET E&S-10).
- M. STABILIZE ALL DISTURBED AREAS IN ACCORDANCE WITH THE EROSION AND SEDIMENT CONTROL NOTES.
- N. REMOVE SEDIMENT FROM SEDIMENT TRAP, AND STABILIZE AS NECESSARY. INSPECT AND REPAIR ALL INLET PROTECTION.
- O. CONTACT SUSSEX CONSERVATION DISTRICT FOR INSPECTION.

PHASE 1-5 (7,935±AC.)

- A. INSTALL SILT FENCE AROUND ENTIRE PHASE PERIMETER.
- B. BEGIN LOT GRADING AND HOME CONSTRUCTION. (SEE DETAIL ON SHEET E&S-10).
- C. STABILIZE ALL DISTURBED AREAS IN ACCORDANCE WITH THE EROSION AND SEDIMENT CONTROL NOTES.
- D. REMOVE SEDIMENT FROM SEDIMENT TRAP (PONDS 1 & 2), AND STABILIZE AS NECESSARY. INSPECT AND REPAIR ALL INLET PROTECTION.
- E. CONTACT SUSSEX CONSERVATION DISTRICT FOR INSPECTION.

PHASE 1-6 (10,682±AC.)

- A. INSTALL SILT FENCE AROUND EACH PHASE PERIMETER.
- B. INSTALL FLOATING SKIMMER DEWATERING ON EXISTING POND 3.
- C. EXPAND POND 3 TO BE USED AS SEDIMENT TRAP DURING CONSTRUCTION.
- D. STOCKPILE EXCAVATED MATERIAL IN DESIGNATED STOCKPILE AREAS. STABILIZE AND SURROUND WITH SILT FENCE.
- E. STABILIZE POND IN ACCORDANCE WITH THE EROSION AND SEDIMENT CONTROL NOTES.
- F. SUBMIT AS-BUILT SURVEY OF POND 3 TO SUSSEX CONSERVATION DISTRICT.
- G. BULK GRADE SITE IN PHASE 1-6 AREA.
- H. CLEAR, GRUB, AND ROUGH GRADE ROADWAYS IN PHASE 1-6 AREA.
- I. INSTALL UTILITIES AND STORM DRAIN SYSTEM IN PHASE 1-6. CAP ENDS WHICH CONNECT TO SUBSEQUENT PHASES. INSTALL INLET PROTECTION ON ALL STORM INLETS.
- J. FINE GRADE ROADWAYS, INSTALL CURBING AND ROADWAY AGGREGATE BASE COURSE. NO HOME CONSTRUCTION SHALL BEGIN UNTIL THE STONE BASE AND CURBING HAS BEEN INSTALLED FOR THE PHASE.
- K. BEGIN LOT GRADING AND HOME CONSTRUCTION FOR PHASE 1-6. (SEE DETAIL ON SHEET E&S-10).
- L. STABILIZE ALL DISTURBED AREAS IN ACCORDANCE WITH THE EROSION AND SEDIMENT CONTROL NOTES.
- M. REMOVE SEDIMENT FROM SEDIMENT TRAP, AND STABILIZE AS NECESSARY. INSPECT AND REPAIR ALL INLET PROTECTION.
- N. CONTACT SUSSEX CONSERVATION DISTRICT FOR INSPECTION.

SEQUENCE OF CONSTRUCTION (CONTINUED)

PHASES 1-7 THROUGH 1-8 (16,881±AC.)

- A. ESTABLISH STABILIZED CONSTRUCTION ENTRANCES.
- B. INSTALL SILT FENCE AROUND EACH PHASE PERIMETER.
- C. BULK GRADE SITE IN PHASES 1-7 & 1-8 AREA.
- D. STOCKPILE EXCAVATED MATERIAL IN DESIGNATED STOCKPILE AREAS. STABILIZE AND SURROUND WITH SILT FENCE.
- E. CLEAR, GRUB, AND ROUGH GRADE ROADWAYS IN PHASES 1-7 & 1-8 AREAS.
- F. INSTALL UTILITIES AND STORM DRAIN SYSTEM IN PHASE 1-7 & 1-8. CAP ENDS WHICH CONNECT TO SUBSEQUENT PHASES. INSTALL INLET PROTECTION ON ALL STORM INLETS.
- G. FINE GRADE ROADWAYS, INSTALL CURBING AND ROADWAY AGGREGATE BASE COURSE. NO HOME CONSTRUCTION SHALL BEGIN UNTIL THE STONE BASE AND CURBING HAS BEEN INSTALLED FOR THE PHASE.
- H. BEGIN LOT GRADING AND HOME CONSTRUCTION FOR PHASES 1-7 THROUGH 1-8. (SEE DETAIL ON SHEET E&S-10).
- I. STABILIZE ALL DISTURBED AREAS IN ACCORDANCE WITH THE EROSION AND SEDIMENT CONTROL NOTES.
- J. REMOVE SEDIMENT FROM SEDIMENT TRAP, AND STABILIZE AS NECESSARY. INSPECT AND REPAIR ALL INLET PROTECTION.
- K. CONTACT SUSSEX CONSERVATION DISTRICT FOR INSPECTION.

PHASE 1-9 (15,436±AC.)

- A. ESTABLISH STABILIZED CONSTRUCTION ENTRANCES.
- B. INSTALL SILT FENCE AROUND EACH PHASE PERIMETER.
- C. STOCKPILE EXCAVATED MATERIAL IN DESIGNATED STOCKPILE AREAS. STABILIZE AND SURROUND WITH SILT FENCE.
- D. BULK GRADE SITE IN PHASE 1-9 AREA.
- E. CLEAR, GRUB, AND ROUGH GRADE ROADWAYS IN PHASE 1-9 AREA.
- F. INSTALL UTILITIES AND STORM DRAIN SYSTEM IN PHASE 1-9. CAP ENDS WHICH CONNECT TO SUBSEQUENT PHASES. INSTALL INLET PROTECTION ON ALL STORM INLETS.
- G. FINE GRADE ROADWAYS, INSTALL CURBING AND ROADWAY AGGREGATE BASE COURSE. NO HOME CONSTRUCTION SHALL BEGIN UNTIL THE STONE BASE AND CURBING HAS BEEN INSTALLED FOR THE PHASE.
- H. BEGIN LOT GRADING AND HOME CONSTRUCTION FOR PHASE 1-9. (SEE DETAIL ON SHEET E&S-10).
- I. STABILIZE ALL DISTURBED AREAS IN ACCORDANCE WITH THE EROSION AND SEDIMENT CONTROL NOTES.
- J. REMOVE SEDIMENT FROM SEDIMENT TRAP, AND STABILIZE AS NECESSARY. INSPECT AND REPAIR ALL INLET PROTECTION.
- K. CONTACT SUSSEX CONSERVATION DISTRICT FOR INSPECTION.

PHASE 1-10 (17,968±AC.)

- A. ESTABLISH STABILIZED CONSTRUCTION ENTRANCES.
- B. INSTALL SILT FENCE AROUND EACH PHASE PERIMETER.
- C. STOCKPILE EXCAVATED MATERIAL IN DESIGNATED STOCKPILE AREAS. STABILIZE AND SURROUND WITH SILT FENCE.
- D. BULK GRADE SITE IN PHASE 1-10 AREA.
- E. CLEAR, GRUB, AND ROUGH GRADE ROADWAYS IN PHASE 1-10 AREA.
- F. INSTALL UTILITIES AND STORM DRAIN SYSTEM IN PHASE 1-10. CAP ENDS WHICH CONNECT TO SUBSEQUENT PHASES. INSTALL INLET PROTECTION ON ALL STORM INLETS.
- G. FINE GRADE ROADWAYS, INSTALL CURBING AND ROADWAY AGGREGATE BASE COURSE. NO HOME CONSTRUCTION SHALL BEGIN UNTIL THE STONE BASE AND CURBING HAS BEEN INSTALLED FOR THE PHASE.
- H. BEGIN LOT GRADING AND HOME CONSTRUCTION FOR PHASE 1-10. (SEE DETAIL ON SHEET E&S-10).
- I. STABILIZE ALL DISTURBED AREAS IN ACCORDANCE WITH THE EROSION AND SEDIMENT CONTROL NOTES.
- J. REMOVE SEDIMENT FROM SEDIMENT TRAP, AND STABILIZE AS NECESSARY. INSPECT AND REPAIR ALL INLET PROTECTION.
- K. CONVERT SEDIMENT TRAP TO PONDS 1, 2, 3 & 4.
- L. REMOVE SEDIMENT FROM SEDIMENT TRAP AND STABILIZE AS NECESSARY.
- M. REMOVE CHECK DAM FROM POND OUTLET PIPE.
- N. REMOVE DEWATERING DEVICE.
- O. CONTACT SUSSEX CONSERVATION DISTRICT FOR INSPECTION. REMOVE REMAINING TEMPORARY EROSION CONTROL MEASURES (I.E.-SILT FENCE, INLET PROTECTION, ETC.).

- PHASE 1-1 = 21 LOTS, 5.704 AC.
(314-322, 355-366)
- PHASE 1-2 = 15 LOTS, 3.408 AC.
(473-480, 524-530)
- PHASE 1-3 = 13 LOTS, 3.336 AC.
(511-523)
- PHASE 1-4a = 5 LOTS, 0.874 AC.
(280-284)
- PHASE 1-4b = 18 LOTS, 3.014 AC.
(261-264, 266-279)
- PHASE 1-5 = 41 LOTS, 7.325 AC.
(285-313, 323-334)
- PHASE 1-6 = 41 LOTS, 10.682 AC.
(254-260, 488-503, 531-537, 550-559, 265)
- PHASE 1-7 = 38 LOTS, 8.226 AC.
(155-161, 376-381, 455-460, 481-487, 538-549)
- PHASE 1-8 = 34 LOTS, 8.655 AC.
(132-154, 461-467, 560-561, 577-578)
- PHASE 1-9 = 51 LOTS, 15.303 AC.
(367-375, 382-393, 416-440, 450-454)
- PHASE 1-10 = 87 LOTS, 17.968 AC.
(1-59, 394-415, 565-570)
- TOTAL = 364 LOTS

- FUTURE CLUBHOUSE AREA, 3.053 AC.
- PHASE 2, 28.063 AC.
- PHASE 3, 30.780 AC.

ARCHITECTS ENGINEERS SURVEYORS
DAVIS, BOWEN & FRIEDEL, INC.
SUSSEX, MARYLAND (410) 543-2883
MILFORD, DELAWARE (302) 424-1441
EASTON, MARYLAND (410) 770-1744

PHASING PLAN

MILFORD PONDS - PHASE 1
CEDAR CREEK HUNDRED, CITY OF MILFORD
SUSSEX COUNTY, DELAWARE

Revisions:

Date: APRIL 2019
Scale: 1"=200'
Dwn.By: ADM
Proj.No.: 2875A001
Dwg.No.:

PHASE

City of Milford



RESOLUTION 2020-02

Acceptance of Milford Ponds Subdivision, Phases 1.1, 1.2, 1.3 Water System, Sewer System and Easements

WHEREAS, Chapter 200 provides that public roads and public utilities shall be accepted into the City of Milford's street system and public utility system by Resolution of City Council; and

WHEREAS, the Public Works Director and City Engineer have determined the water distribution system, sewer system, and easements included in a portion of Phase 1 of Milford Ponds Subdivision have been completed in accordance to City standards and requirements; and

WHEREAS, the portion of Phase 1 to be accepted includes the utilities within the right-of-way and public utilities within associated open spaces adjacent to, but within the phases, as depicted on the phasing plan sealed, dated April 8, 2019 and recorded with the Sussex County Recorder of Deeds on Book 0271, Page 9. The phases to be accepted are phases 1.1, 1.2, and 1.3 which encompass lots 314 through 322; 355 through 366; 473 through 480, and 511 through 530; and

WHEREAS, the utilities within the following rights-of-way are to be included: West Heirloom Way from Route 13 heading east to the intersection with Clubhouse Drive up to the eastern most property line for lot 366; from the intersection of West Heirloom Way and Clubhouse Drive along Clubhouse Drive heading south including the intersection with Patchwork Drive; beginning at the intersection of Patchwork Drive and Clubhouse Drive heading east until the eastern most property line of lot 511 to include Attic Window Court; Pinwheel Drive from the intersection of Pinwheel Drive and Patchwork Drive heading north including the intersection with Flying Geese Drive; that portion of Flying Geese Drive between Pinwheel Drive and Clubhouse Drive; off-site water main from Route 13 to the tie-in point at intersection of West Heirloom Way and Clubhouse Drive as depicted on Sheet U-9; and off-site gravity sewer main from Route 13 to the terminus points behind lots fronting Route 13; and

WHEREAS, this Resolution does not include acceptance of the sidewalks or public streets within these phases; and

WHEREAS, approval to operate those utilities has been obtained from the applicable State agencies; and

WHEREAS, Milford Ponds LLC has provided the City of Milford with a maintenance bond for 10% of the value of public improvements and public utilities warranting said improvements for one year from the date of acceptance; and

WHEREAS, said developer has provided as-built drawings of the utilities to the City of Milford.

NOW, THEREFORE BE IT RESOLVED that the City Council of the City of Milford, during a lawful session duly assembled on the 13th day of January, 2020, by a favorable majority vote, accepts the water distribution system, sewer system, and easements in the Milford Ponds Subdivision, Phases 1.1, 1.2 and 1.3, that are being dedicated for public use into the City of Milford's public utility system.

BE IT FURTHER RESOLVED, that the City of Milford shall assume responsibility for the future maintenance and repair of the water distribution system, sewer system, and easements in Milford Ponds Subdivision, Phases 1.1, 1.2, and 1.3 as noted in this Resolution.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Official Seal of the City of Milford to be affixed this 13th day of January 2020.

Mayor Arthur J. Campbell

Attest:

City Clerk Teresa K. Hudson



PUBLIC WORKS DEPARTMENT
180 Vickers Drive
Milford, DE 19963

PHONE 302.422.1110
FAX 302.422.1117
www.cityofmilford.com

To: Mayor and City Council
From: Mark A. Whitfield, Interim City Manager/Public Works Director
Subject: 2020 Holiday Schedule
Date: January 3, 2020

Chapter 55 (the Personnel Ordinance) of the Code of Ordinances was adopted on April 9, 2018. In the Chapter, Section 7.3 states: *The City will grant holiday time off to all employees on all legal holidays officially adopted and approved by the Milford City Council each calendar year.*

This language was changed from the previous Ordinance which read: *The City will grant holiday time off to all employees on legal holidays officially adopted by the State of Delaware.*

The change in language was necessitated since it became a practice to grant all non-union employees the same holidays as listed in the various collective bargaining agreements, which were different than those adopted by the State of Delaware. The City Clerk simply listed the holidays each year in October, and posted. The ordinance language change adopted 04/19/18, as well as the collective bargaining agreements, necessitates Council approve holidays each year.

The current Teamster Agreement (2018-2021) states the following:

11.1 Holidays The following days and such other days as City Council may designate are holidays with pay for all officers covered under this Agreement.

*New Year's Day
Martin Luther King's Birthday
President's Day
Good Friday
Memorial Day
Independence Day
Labor Day
National Election Day
Return Day (four hours)
Veterans Day
Thanksgiving Day and Friday Following
Christmas Eve
Christmas Day*

The current IBEW Agreement (2017-2020) states the following:

ARTICLE XII Holidays The City will grant holiday time off to all employees on all legal holidays officially adopted and approved by the City of Milford Council each calendar year.

Pursuant to conformance with Chapter 55, the Teamster Agreement, and the IBEW Agreement, the attached Resolution has been prepared for Council's consideration.

The Holidays outlined in the Resolution are the same as those posted by the City Clerk in October of 2019, with the exception of December 31, 2019 and December 31, 2020, New Year's Eve. These dates have been added for Council's consideration.

Prior to 2012, it was a tradition for the Mayor to authorize a ½ day holiday on New Year's Eve. Mayor Campbell has expressed interest in continuing the tradition, however, by Code and contracts, only City Council can approve holidays. Mayor Campbell did authorize a ½ day holiday on December 31, 2019, therefore Council's authorization for that day is requested as a retroactive approval. Council's consideration on continuing the tradition into 2020 is also requested.

Council may also consider changing the Code as follows:

1. Listing all holidays within the Code to eliminate annual authorization, or;
2. Specifying in the Code that Holidays listed in the Teamsters Agreement shall also be the annual Holidays for the City, thereby eliminating the need for the annual authorization, and/or;
3. Authorizing the Mayor to designate "special" holidays.

Recommendation: Staff recommends Council authorize the attached Resolution designating holidays from December 31, 2019 through January 1, 2021.



March 22, 2018

TO: Mayor and City Council

FROM: Eric Norenberg
Lisa Carmean

SUBJECT: Ord. 2018-08 – Revisions to Part 1 – Administration Legislation Chapter 55 – Personnel

Purpose and Background

The City's personnel ordinance (policies and regulations contained in Chapter 55 of the Milford Code) has had minimal updates since 1992. A review and update began in 2009 but was not completed. The purpose of this memo is to outline the recent review of the City's personnel policies and regulations and recommended changes.

Discussion

City administration began review of the current personnel ordinance in 2016. By 2017, a first draft was ready for review by the management team that includes the all Department Directors, the Chief of Police, the City Clerk, the Human Resources Administrator and the City Manager. During several meetings over many hours, this team reviewed the old document and the new document, section by section, to assess needed updates and additions for the updated document. The draft Employee Policy Manual was then reviewed and edited by labor attorney Molly DiBianco, a partner at the firm of Smith, Katzenstein & Jenkins LLP, for compliance and inclusions of all policies required under federal and state laws.

Following is a review of the key updates and changes from the existing City of Milford Personnel Ordinance to the new Employee Policy Manual:

- Rename to Employee Policy Manual for a better connection with employees. The final, approved document will be provided to all employees in whatever form they prefer (hard copy or electronic) and will be available online. Training will also be provided and each employee will be asked to sign an acknowledgement of receipt of the Manual.
- Simplify or define topics for a clearer understanding by employees.
- Update to include processes, rules or other practices that have been followed over the years, but never formally documented in the personnel ordinance.
- Document the change from Probationary Period to Introductory Period. (Defines the first six months of employment in a more positive perspective.)
- Authorize and document the use of Flex Time, which can be beneficial in controlling overtime costs and work needs of the City, while creating flexibility for employees.
- Clearly define the existing practices for Lunch and Break Periods.

- Emergency Conditions was slightly modified in making the decision of City closings, to address the best interest of the citizens of Milford, while maintaining the concerns for safety of City employees.
- Vacation Sell Back was previously approved. Now the program is now incorporated into the manual for a clear explanation of when and how it can be used.
- Sick Leave has been updated to help administer for abuse of sick leave, but also to reward employees that use their sick leave only when absolutely needed, by increasing the at time of termination compensation from 156 hours to 240 hours.
- Update to include all current benefits with description highlights.
- Bereavement Leave is clearly defined as to who are immediate family members and who are extended family members.
- Family and Medical Leave is updated and includes the designation of tracking on a rolling year, instead of a calendar year.
- Jury Duty/Court Appearance was updated to clarify policy for situations when an employee must appear in court vs. actually serving jury duty.
- Harassment and Discrimination was updated to reflect current Federal and State laws and practices.
- Participation in Political Activity was condensed for a simpler explanation.
- Gifts and Gratuities is updated to indicate compliance with the Delaware Code of Conduct (ethics laws and related statutes/opinions).
- Volunteer Fire Response was added to clarify approval of an employees' volunteer fire service, during work hours, to help support Carlisle Fire Company's needs to respond to fire calls during regular business hours.
- Internet & Email Policy and the Telephone, Cellular Phone and Data Service Policy were updated to make clear the responsibility that employees have using the City's devices and systems safely and responsibly.
- Employee Recognition was added to help develop a practice of recognizing employees who uniquely distinguish themselves through outstanding performance or innovation that exemplifies dedication, creativity and personal integrity.
- Grievance Policy was changed to more clearly define the steps that an employee must follow when they have a grievance.
- Smoke-Free/Tobacco-Free Environment was updated to reinforce the State law and to remind employees that they may smoke during approved break times and only at approved locations. It also includes contacting HR to obtain information about quitting.
- Glossary of Definitions and Terms was added for helping employees to understand terms that they may not be familiar with and need defined.

Please contact either Lisa or me if you have questions prior to the City Council meeting. Otherwise, we will both be on hand during the City Council meeting for a presentation and questions.

City of Milford



RESOLUTION 2020-03

PROPOSES NEW YEARS EVE AS A CITY HOLIDAY

WHEREAS, Chapter 55 of the City of Milford Code governs personnel policies for all City of Milford employees; and

WHEREAS, the Code is intended to inform employees with important information about the City's rules, policies, practices, and procedures, as well as educate them on their own privileges and responsibilities; and

WHEREAS, Chapter 55 has been modified and supplemented on many occasions since its enactment, and on April 9, 2018, following a review of notable amendments, it was recommended that City Council rescind Chapter 55, in its entirety, and replace with a new Chapter 55; and

WHEREAS, Section 7.3 of the City Code, entitled Holidays, states the City will grant holiday time off to all employees on all legal holidays, officially adopted and approved by the Milford City Council each calendar year; and

WHEREAS, not included in the presentation, the revision that City Council begin to adopt legal holidays on an annual basis in 2018, never reached fruition; and

WHEREAS, in conjunction with other designated Holidays, past practices permitted the Mayor to close City offices on partial days as a sign of gratitude of City employees and their work throughout the year, as is done on County and State Government levels; and

WHEREAS, all City offices shall be closed during designated City holidays; and;

WHEREAS, City employees shall be granted Holiday pay in accordance with Chapter 55, or their respective collective bargaining agreements.

NOW, THEREFORE BE IT RESOLVED, that the City Council of the City of Milford, during a lawful session duly assembled on the 13th day of January, 2020, by a favorable majority vote, authorizes the following holidays be observed from December 31, 2019 – January 1, 2021:

<i>Holiday</i>			<i>Holiday</i>	
New Year's Eve (Four Hours)	12/31/2019		Return Day	11/05/2020
New Year Day 2020	01/01/2020		Veterans Day	11/11/2020
MLK Jr. Birthday	01/20/2020		Thanksgiving	11/26/2020
Presidents Day	02/17/2020		Day After Thanksgiving	11/27/2020
Good Friday	04/10/2020		Christmas Eve	12/24/2020
Memorial Day	05/25/2020		Christmas	12/25/2020
Independence Day	07/03/2020		New Year's Eve (Four Hours)	12/31/2020
Labor Day	09/07/2020		New Year Day 2021	01/01/2021
Election Day	11/03/2020			

Mayor Archie Campbell

Attest: _____
City Clerk Teresa K. Hudson

**CITY OF MILFORD
NOTICE OF ADOPTION**

NOTICE IS HEREBY GIVEN that during a Meeting of Milford City Council on April 9, 2018, the following ordinance was adopted:

**ORDINANCE 2018-08
CODE OF THE CITY OF MILFORD
PART I-ADMINISTRATION LEGISLATION
CHAPTER 55
PERSONNEL**

WHEREAS, Chapter 55 of the City of Milford Code governs personnel practices for all City of Milford employees; and

WHEREAS, the City Council for the City of Milford desires to update Chapter 55 in its entirety to conform to and comply with Federal and State law and current personnel practices as set forth herein.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

Section 1. Chapter 55 is hereby repealed and replaced.

Section 2. Dates.

Introduction: March 12, 2018

Adopted: April 9, 2018

Effective: April 19, 2018

A full version of this ordinance in its entirety is available to interested persons during regular business hours in the Office of the City Clerk, Milford City Hall, 201 South Walnut Street, Milford, Delaware or by calling 302-422-1111. The ordinance is also available for viewing online at www.cityofmilford.com.

By: Terri K. Hudson, MMC
City Clerk