

City of Milford



CITY COUNCIL AGENDA Monday, February 10, 2020

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

Original Agenda posted on February 3, 2020 at 4:57 p.m.

6:30 P.M.

WORKSHOP SESSION

Cost of Services Study/Water, Wastewater, Solid Waste Services
Resolution 2020-04, 2020-05, 2020-06

7:00 P.M.

COUNCIL MEETING

Call to Order - Mayor Archie Campbell

Invocation

Pledge of Allegiance

Approval of Previous Minutes

Recognition

Proclamation 2020-03/Mike Fleishman-Kitsch in Synch

Proclamation 2020-04/Michele Xiques-Arnold/Established Professional Award

New Employee Introductions

Monthly Police Report

Monthly City Manager Report

Monthly City Finance Report

Committee & Ward Reports

Communication & Correspondence

Unfinished Business

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 ☉

New Business

- Authorization/FY19-20 Budget Adjustment/Administration Department/City Hall Building Maintenance Funding Appropriation/Residential Inspection Services
- Authorization/Enterprise Resource Planning Process/New Financial System Software
- Authorization/Information Technology Office/Functions Assessment
- Authorization/Surface Water Study Matching DNREC Grant/NE Fourth Street and N Walnut Street
- Proposed Police Department Building Funding Options

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 February 3, 2020 at 4:57 p.m. and at least seven (7) days in advance of the meeting.

*02.06.2020 Items removed:

(Annexation Committee Report to City Council) Postponed for Future Meeting (City Planner)

(Resolution 2020-11/Public Works Department Billable Rates) Unresolved Issues Noted After Agenda Posted (City Clerk/Interim City Manager)



PUBLIC WORKS DEPARTMENT
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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.

MILFORD CITY COUNCIL
MINUTES OF MEETING
January 13, 2020

A Meeting of the City of Milford Community and Economic Development Committee was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware on Monday, January 13, 2020.

PRESIDING: Chairperson Mike Boyle

IN ATTENDANCE: Mayor Arthur Campbell

Committee Members: Lisa Peel, Todd Culotta, Owen Brooks Jr.
and Katrina Wilson

City Council: Jason James Sr.

Interim City Manager Mark Whitfield and City Clerk Terri Hudson

CALL TO ORDER

Chairperson Boyle called the Committee Meeting to order at 5:35 p.m.

Planning Director Rob Pierce was also present as well as Kent County Economic Partnership Executive Director Linda Parkowski.

UNFINISHED BUSINESS

Kent Economic Partnership/Delaware Prosperity Partnership/Greater Kent Committee Update

Ready in 6

Mr. Pierce explained that Delaware Business Round Table (DBR) engaged KPMG to assist in the preparation of an independent evaluation of the states' permitting process, including county level permits. The Ready In 6 Coalition is comprised of the Delaware Business Roundtable, Delaware State Chamber of Commerce, Kent Economic Partnership, Greater Kent Committee, Sussex County Economic Development Action Team, ACEC Delaware, Committee of 100, Central Delaware Chamber of Commerce, New Castle County Chamber of Commerce, Delaware Contractors Association, Delaware Chapter of Associated Builders and Contractors, and Home Builders Association of Delaware. DBR's goal was to identify state and local improvements that enable economic development investors to achieve permit approvals in six months or less, resulting in "Ready in 6."

Ms. Parkowski was involved in the process and provided some background. She explained that from an economic development perspective, the lack of a timely and cohesive permitting process is believed to have led to missed opportunities resulting in a negative economic impact to the State of Delaware.

Delaware's permitting process can take 24 months, placing it at a distinct disadvantage to Maryland, Pennsylvania, and at least three southern competitors, which can guarantee companies substantially faster permit approvals. Streamlining the process to a consistent six months or less could overcome Delaware having less money for incentives to lure companies to the state, said members of the Ready in 6 Coalition in response to the analysis by professional services firm KPMG.

The report recommends state and county leaders improve in three key areas to streamline the permitting process in Delaware: Enhance communication, increase efficiency and reduce paperwork, and track and use data more effectively.

Enhanced communication

- Create a state project concierge to help streamline communication among state agencies. This office would coordinate efforts among agencies to identify opportunities to improve the process and performance of the permitting process.
- Create a permitting action committee to assist with the implementation of permit improvements, made up of key state and county stakeholders.
- Evaluate the integration of statewide information technology solutions to better integrate the permitting process between agencies and allow visibility to counties, improving communication among government agencies, counties and cities.
- Implement permit-focused economic development training for state and county permit stakeholders. This is designed to educate stakeholders on processes and to help them work together seamlessly.

Increase efficiency and reduce paperwork

- Create a prioritization program for significant economic development projects to fast track approvals.
- Streamline and strengthen the Department of Transportation's review process to ensure all departments review and provide comments on construction plans during the initial review cycle, providing investors with predictability on issues and costs for proposed projects.
- Implement Transportation Improvement Districts (TIDs) in areas experiencing or targeted for significant development to provide investors with greater visibility into the process and cost predictability. The state should expand on existing TIDs and expedite permit review and approval in these districts.
- Implement an initiative to prepackage approvals for targeted investment sites, reducing the permitting timeline as issues are known and solved prior to investors making project decisions.

Track and use data

- State and county agencies should generate data that measures permit process timelines, allowing regulators to develop key performance indicators once historical data is available. Data currently is inconsistently collected by state and county agencies. By collecting and publishing metrics, it would drive increased transparency and accountability among permitting agencies.
- Delaware needs to capture more and better economic development data to better understand new, missed and lost opportunities. Historical data needs to be generated to better understand out the state's permitting process is impacting economic development.

It was agreed that together, these recommendations will provide efficiency, clarity, transparency and predictability to the permitting process in Delaware – all of which are crucial to helping the state attract and grow businesses.

Ms. Parkowski anticipates the Governor will discuss these findings during the State of the State address, along with some recommendations in moving forward.

Mr. Pierce recalled some changes that had been made in Milford's regulations and his goal is to bring the zoning ordinance to the Planning Commission in the near future in order to align with some the recommendations between Smyrna, Dover, Harrington and Milford, thus reducing any unnecessary steps on Milford's end. This will also ensure that business is conducted in a consistent manner throughout Kent County.

The Committee then discussed Milford's process and possible ways of speeding that process up. He recalled amending the subdivision code which allows him to approve administratively minor subdivisions. However, that requires signatures from the Planning Director, City Manager and City Engineer.

Mr. Pierce noted that he believes the Planning Commission often only rubber stamps the approval, because they have already received DelDOT, Fire Marshall and Conservation District approval and the plan is the same they initially reviewed six months ago. That often delays the project three to five weeks.

Referring to the current Royal Farms project that has had some delays caused by approvals, the Planning Director feels it can be done parallel, but the applicant is running a risk and they want confirmation that nothing will be changed in the plan.

Councilman Culotta said the applicant simply needs to be told that the City is not responsible for something not being done properly ahead of the projected time. However, the City has a process and initially receives preliminary approval, gets all the other approvals and prefers the Planning Director say to move on and there is no need for it come back through.

When asked where the bottleneck is and if that involves outside agencies, Councilman Culotta said his experience is always DelDOT. The fire marshal is not too bad, but DelDOT is always the hold up.

Councilperson Peel said because this has always been the way of doing business, and there will be a cultures shift needed and asked if anyone has talked about these entities operating with a sense of urgency, which will be tied to that person's job security. Ms. Parkowski said that has been discussed in depth and the report talks about how senior leadership in these agencies buy into this, though the culture is so engrained by the middle level who actually oversee the approval and write the comments, that is the larger issue. She agrees the Governor need to state this is the way we will do business and everyone needs to get on board.

Ms. Parkowski said they also talked about contracting those duties out to a third party/private professionals and holding them accountable to timeline.

Councilmember Culotta said older developers had relationships with many of these approval authorities, and the developer knew the five people at DelDOT they needed to speak to. If that still occurs, he has no problem with knowing someone at the State of Delaware who can help with the project, but it also puts it on the up and up with the fluid process that is very transparent and says, who cares if those five people are in that department anymore. For example, he has a good relationship with restaurants and the Board of Health, but those people change, which changes his ability to deliver to his customer in a timely manner.

He recommends that Milford takes care of our house and do everything at our level to shrink that process down. The first thing is the final site approval. Then backup from that and what Milford can allow businesses to do and take their own risk while saving time in getting any approvals they still need.

Noting that Rehoboth is the only municipality that requires in hand, the submitted and approved floor/kitchen plan and menu before any permit to build is issued. Any business wanting to open a restaurant there needs to have this approval, which takes at least 70 days. Thereby, a restaurant in Rehoboth needs to submit approvals no later than January in order to be open by summer.

Mr. Pierce confirmed that most of Milford's procedures are in alignment with other municipalities. However, Smyrna, Dover and Harrington do not require a final site plan, which is an additional three to four weeks.

He also added that creating the Transportation Districts speed up the DelDOT reviews, as has already been done in Milford. In addition, there is a need to stick to the land use plan, because a traffic impact study has been completed which shaves approximately six months off the process.

Councilmember Peel questioned pre-packaged projects, such as a second business moving into an existing site with the same use; Mr. Pierce explained that applies more to a shovel-ready site. He added that our current business park has stormwater and roads. Any developer on a new site would only be required to connect in which only takes a couple months for the site plan approval.

However, starting from scratch for a large industrial use will require significantly more planning work.

Councilmember Peel recommends advertising our business park lots as pre-packaged approvals which provides a substantial head start.

Mr. Piece said another scenario is if the City would to design a spec building, and all approvals had been acquired. In that situation, the City would be looking for someone to building. The downside is the approvals expire after a certain time frame, both at a local and state level. In that situation, it can be risky.

Other options discussed were sharing approvals for the same use and footprint from other jurisdictions. Mr. Pierce explained that as long as Fire Marshal and State Plumbing Office approval has been obtained, such plans only require approximately one to two weeks.

Ms. Parkowski reiterated that the problem is not at the municipal level, but instead at the State level and in the Counties, in some regards. In addition, the County is not as proficient in the industrial/commercial side, as they are in residential area.

When asked why Councilman Culotta always referred to Milford as not being business-friendly because of Milford's slow process, he explained that he has to wait for the approvals before he is able to get his building permit. He is unable to do anything on that site until he has all the permits in place. Then the Planning Office issues his building permit. However, if the Planning Director told him to go ahead and start, but because the approvals have not been received and something changes, that is at the risk and cost of the developer.

Councilman Culotta also noted that if an application is not on the Board of Adjustment's agenda by a certain date in January for the February meeting, he feels the application should be added to the January meeting, but certain things need to be in place before it is discussed. If not, the application is postponed until the following agenda.

Mr. Pierce explained the concern is the City sends out notices of the public meeting, a number of residents show up and it is removed from the agenda, added to the next agenda and the residents continue to come out to the meetings until it is finally heard. There could be a perception that a hearing is canceled because of the number of people in attendance.

He also noted that he and the City Clerk's office have worked it out that receiving an application up until the middle of the month, is added to the following month for the Planning Commission and two meetings of City Council. In addition, there is a 15-day publishing requirement which computes back to about four weeks. It is introduced to City Council on the second Monday of the month, the Planning Commission hearing is held the third Tuesday and the final public hearing before City Council is on the fourth Monday of the month.

A final site plan only requires three weeks before the meeting, so that the agenda and packet can be finalized. The packets are mailed out two weeks before the meeting to allow sufficient review time.

Councilman Culotta reiterated he does not understand why final approval is needed, when preliminary approval has been granted. Mr. Pierce agrees that may be a possible way to reduce the last three weeks, though he would like to make sure it is being done in other communities and working. That can be discussed at the Planning Commission level.

Ms. Parkowski also suggests Milford invite Middletown's Mayor Kenneth Branner to provide a presentation on how they have been handling applications which works well and was provided to the Greater Kent Committee several months ago. However, they have several shovel-ready sites ready to go. They also have a fee from every residential home that goes into an economic development fund which is used to get the sites ready.

Councilman Culotta believes Milford is not that far off. However, there is an internal process that needs to be refined as a for-profit organization does on a regular basis.

Mr. Pierce said his intent is to review the zoning ordinance because there are some requirements that create some undue hardships to certain applicants, such as a daycare in a commercial zone that requires a conditional use approval and wonders if they should simply be issued a building permit into an existing commercial site. He has a signed proposal with KCI, the City's Planning Consultant, to help facilitate some meetings just as was done with the comprehensive plan with the public.

When asked who is responsible for enforcing any correction required by DelDOT, or another State agency, Mr. Pierce said he would still want the approvals prior to signing off on a permit. However, Bayhealth had Conservation District approval for stormwater and the building layout was completed. They were issued at-risk foundation only permits which allowed concrete (only) to be poured.

He added that once the C of O is issued, a court order will be needed to get the developer to comply in most cases.

Councilman Culotta asked for a workshop that teaches City Council the development process, including all the authorizations. In that way, Council can understand it and then be able to provide recommendations for more economic investments. However, he suggests that wait until after the upcoming election in case something happens, though he hopes not.

Councilman James agrees there are a number of educational sessions needed for this, but other items as well that should be considered. He agrees that will allow Council to hopefully make a more informed decision though anyone that served on the Planning Commission are much more familiar with the terms and process.

Mr. Pierce recommended that the Committee members send either Interim City Manager Whitfield or him an email and he will provide that answer.

Economic Development Goals-Strategic Plan Economic Development Goals

Chapter 19 – Economic Development and Redevelopment

The Planning Director then read the goals, objectives and status included on the attached documents.

The City initially developed the Economic Development and Redevelopment Code in preparation for the Downtown Development District (DDD) application to the State of Delaware in the Spring of 2016. The ordinance outlines three separate Specific Economic Development Incentive Programs (SEDIPs): one for the Greater Milford Business Complex (GMBC), one for the DDD area, and a City-wide Job Creation and Capital Investment Program.

The GMBC Program pertains to the City business park located on the south side of Airport Road. Incentives include impact fee and permit fee waivers based on job creation levels. There is also an option for a land installment contract for the purchase of City land which would be negotiated between the incentive beneficiary and the City.

The City-wide Job Creation and Capital Investment Program only includes sewer and water impact fee waivers based on job creation and capital investment levels.

The DDD program pertains to 185 +/- acres of land located in downtown Milford. Incentives include impact fee and permit fee waivers, an option for a land installment contract for City owned property, and full or partial tax abatements based on the value of improvements. The DDD local incentives were part of the criteria used by the State of Delaware when scoring DDD applications. The City proposed aggressive local incentives in order to obtain an edge over competing municipalities. Keep in mind, the State provides a 20% rebate on hard costs for investments in the DDD area and both County's provide a cash match.

Tax abatements are not offered in the other two SEDIPs.

Incentive beneficiaries of the GMBC and City-wide Programs must enter into an economic development incentive agreement with the City Manager. The terms of each agreement depend on the program as the City ordinance. Anything outside the City ordinance would require specific approval from City Council.

Mr. Pierce said he missed the last meeting, though he understood the Committee was interested in the economic goals as a City. He then talked about the creation of a new industrial park in the City, noting we have business parks, that are primarily used for office-type uses.

He also noted that a private corporation has made available 206 acres is available in Smyrna for use as an industrial park. Milford does not have anything similar though there are a couple lots left in the Milford Industrial Park off Masten Circle.

In working with Kent Economic Partnership (KEP), the City is targeting healthcare, in addition to industrial and manufacturing/distribution centers.

Though there are not shovel-ready sites, the City also does not have a lot of empty, vacant industrial businesses. Ms. Parkowski said as they send in responses to these leads, there are no industrial spaces that need to be redeveloped, nor does Milford have industrial lots for new construction.

When she provides her next presentation to KEP/Levy Court, she plans to talk about land banking throughout the County. She feels there is a need to start planning for ten years from now. Currently, there is the industrial park in Smyrna and what is left in Garrison, a couple small lots in the business park in Milford and some industrial land in Harrington only.

Mr. Pierce said that needs to be considered though that requires additional funding.

He again referenced the two-page document available on the Economic Development site entitled 'How to Start a Business in Milford' in relation to permitting.

Mr. Pierce concluded by talking about the Implementing the River Town Rebirth Plan and what the Steering Committee had accomplished. Again, he noted there is a need to find implementation funds.

Economic Development Goals-Comprehensive Plan

2018 Comprehensive Plan Economic Development Goals

The goals from the 2018 Comprehensive Plan, Chapter 7 entitled Economic Development and Redevelopment for discussion. To date, the City has completed or initiated the following;

- Adopted language to create the Transfer of Development Rights (TDR) Program,
- Initiated the Southeast Neighborhood Transportation Improvement District (TID) with DelDOT,
- Initiated the review and update of Chapter 230 Zoning, Chapter 200 Subdivision of Land and the City's general construction standards,
- Continue to encourage infill development of vacant and underutilized properties, particularly in the DDD area,
- Adopted a freeboard requirement for new construction or substantial improvements within the FEMA 100-year floodplain to improve economic resiliency from storm events,
- Continue to work to achieve goals from the SE Master Plan and the Downtown Master Plan.

*Downtown Development District (DDD) Statistics

- 62 Total DDD projects: 7 Large and 55 Small
 - \$21,184,054 committed investment by private developers and property owners.
 - \$2,477,270 committed State Grant Funds
 - \$240,679 in City fee waivers and tax abatements
- *NE Front Street Parking Lot Enhancements
*NE Front Street TAP Project – Semi-final Design – N. Washington Street to NE Fourth Street.
*Tentatively begin Spring 2021.
- Permit Valuations (Money invested per Building Permits) Since 2013 – Citywide
 - * 2013 - \$8.8 million
 - * 2014 – \$6.0 million
 - * 2015 – \$3.6 million
 - * 2016 - \$43.7 million
 - * 2017 - \$14.7 million
 - * 2018 - \$120.6 million
 - * 2019 – \$40.9 million

When asked what incentives the new hospital received, Mr. Pierce stated that based on Chapter 19, they received impact fee waivers but still had to pay the County Impact Fee and Carlisle Fire Company Enhancement Fee. They were also given breaks on their building permit fees, though there was a need to ensure the City's cost of outsourcing the building inspections were covered. Approximately \$50,000 was returned to them once the work was completed.

Councilman Culotta asked if they paid the water line; Mr. Pierce confirmed they installed the water line and though the City built the water tower and infrastructure for that area, the hospital paid to connect from the onramp of Route 1, under Route 30 to their site. The pump station/force main was a four-party agreement, with Bayhealth paying the larger percentage, with Wickersham and Wilson properties contributing funds, and the City paying 10%.

There was no subsidy for the water, sewer or electric. It was necessary for the City to run the electric to get to the water tower though they paid for all the utilities. However, they did qualify for an Economic Electric Service Agreement. The new Nemours building also applied for an Economic Development Incentive Agreement under Chapter 19 and received impact fee breaks as a result, though they did not qualify for a special electric rate.

In addition, their land will be taxable because it is being leased by a for-profit entity.

Councilman Culotta noted the development in excess of \$20 million in the Downtown Development District since 2016. Of that, the City has provided incentives and abatements of \$200,000 or 1%. Mr. Pierce said he willing to break out those numbers relative to fee waiver versus an abatement.

Chapter 19 – Economic Development and Redevelopment

Mr. Pierce noted this was initially developed to accompany the DDD application for the State of Delaware in 2016. It outlines three specific economic development incentive programs. One IS for the business park on the south side of Airport Road, one for the DDD and the last one is citywide, based on job creation and capital investment levels.

The structure of the code was then reviewed and incentive programs reviewed in Article III:

§ 19-8. - Greater Milford Business Complex Incentive Program.

- A. Eligibility. Eligible projects shall include any new construction on City-owned, undeveloped land within the Greater Milford Business Complex. Eligibility shall be based on the creation of full-time equivalent

jobs as outlined in Table 1 under this section. The incentive beneficiary shall enter into an agreement with the City of Milford to ensure the eligibility criteria are met and maintained.

- B. Target area — Greater Milford Business Complex. The Greater Milford Business Complex refers to the business park created by the City of Milford, as located on the south side of Airport Road in Milford, Kent County, Delaware, as further depicted in a Revised Record Plan of record in the Recorder of Deeds in and for Kent County, Delaware under Plot Book 68, Page 44.
- C. Development incentives.
 - (1) Impact fee waivers.
 - (a) Incentive beneficiaries may qualify to select a waiver of any of the following impact fees according to the tiers provided in Table 1 below: Water, sewer or electric.
 - (b) The City will audit the incentive beneficiary three years after the issuance of the first certificate of occupancy to verify the job creation levels are achieved. If the required full-time equivalent job levels are not met or maintained, the incentive beneficiary is responsible for payment of all fees and costs not otherwise waived or reduced under this program, including any fees and costs assessed by Kent County or other governmental agencies.
 - (2) Permit and other fee waivers.
 - (a) The City will provide a one-time reduction of all permits and fees identified under section 19-6(b) in accordance with Table 1 below.
 - (b) The City will audit the incentive beneficiary three years after the issuance of the first certificate of occupancy to verify the job creation levels are achieved. If the required full-time equivalent job levels are not met, the incentive beneficiary is responsible for payment of any waived or reduced fees.
 - (c) The incentive beneficiary is responsible for obtaining all required local, state, county, and federal permits and approvals as may be required to complete the project.
 - (d) The incentive beneficiary shall be responsible for the Carlisle Enhancement Fee as outlined in the City of Milford Code.
 - (3) Installment land contract.
 - (a) The incentive beneficiary may apply to purchase the City-owned property through an installment land contract at a price and upon such terms and conditions as may be determined by the City Manager. The acceptance of the contract is subject to the express approval of City Council, which approval may be withheld in its complete discretion.
 - (b) The City will audit the incentive beneficiary annually to verify that the incentive beneficiary has created and maintained the required number of full-time equivalent jobs as identified in the installment land contract. Audits shall begin 36 months from the date of contract signing and continue until full payment is made to the City. If the full-time equivalent job level averages below the required number for a period of three consecutive years, excluding the first three years, the City Manager may determine that the incentive beneficiary is in default and provide notice as required.
 - (c) In the event the default is not cured, in addition to such other remedies as may be available, the incentive beneficiary shall be required to choose between the following two options:
 - i. Surrender all improvements and the property to the City; or
 - ii. Pay the entire remaining principal balance to the City within 45 days following the date the default notice was issued.
- D. Greater Milford Business Complex Economic Incentive Program tier incentives.

(1) Table 1.

Tier	Full-Time Equivalent Jobs Created	Impact Fee Waivers	Waiver of Permits and Other Fees
1	5—9	1	20%
2	10—14	2	40%
3	15—19	3	60%
4	20—24	4	80%

5	25—29	5	All
6	30+	All	All

When asked why a tax abatement was not included, Mr. Pierce explained the initial hit of the impact fees has the most significant impact. A property tax bill of \$1,500 or \$2,000 does not compare when considering \$60,000 of impact fees. He also noted that general fund revenues balance the budget and pays for a lot of services.

Mr. Pierce explained that was added to the following program, because of the competition with other municipalities who also wanted the 20% rebate our investors/property owners would receive. As a result, this program had to be somewhat aggressive.

§ 19-9. - Downtown Development District Incentive Program.

A. Eligibility.

- (1) Eligible Projects shall include any new residential or commercial construction, redevelopment, or expansion within the Downtown Development District and meet the following criteria:
 - (a) Is located within the target area; and
 - (b) The fair market value of the materials to be used and the labor to be performed on the project exceeds the sum of \$0.00; and
 - (c) Is for commercial, office, and/or residential use; and
 - (d) Conforms to the intent of this ordinance.
- (2) In order for a residential use to be an eligible project, the object of the construction or renovation must be a dwelling unit as defined in the City of Milford zoning ordinance. Construction or renovation of an accessory building as defined in the City of Milford zoning ordinance shall not be eligible for development incentives.

B. Target Area—Downtown Development District. The Downtown Development District refers to the area defined by Resolution/Ordinance of City Council. A copy of the district map shall be on file at City Hall, 201 S. Walnut Street, Milford, Delaware.

C. Development Incentives.

- (1) Impact Fee Waivers
 - (a) Incentive Beneficiaries shall qualify for a full waiver of impact fees.
- (2) Permit and Other Fee Waivers.
 - (a) The City shall provide a one-time waiver of permits and fees identified under §19-6(b)(1), (5) and (6) for all eligible projects.
 - (b) The Incentive Beneficiary is responsible for obtaining all required local, State, County, and Federal permits and approvals as may be required to complete the project.
 - (c) The Incentive Beneficiary shall be responsible for the Carlisle Enhancement Fee as outlined in the City of Milford Code.
- (3) Installment Land Contract.
 - (a) The Incentive Beneficiary may apply to purchase City owned property through an installment land contract at a price and upon such terms and conditions as may be determined by the City Manager. The acceptance of the contract is subject to the express approval of City Council, which approval may be withheld in its complete discretion.
 - (b) In the event the conditions outlined in the contract are not met, the City Manager may determine that the Incentive Beneficiary is in default and provide notice as required.
 - (c) In the event the default is not cured, in addition to such other remedies as may be available, the Incentive Beneficiary shall be required to choose between the following two options;
 - i. Surrender all improvements and the property to the City; or
 - ii. Pay the entire remaining principal balance to the City within 45 days following the date the default notice was issued.
- (4) Abatement of Property Taxes.

- (a) Incentive Beneficiaries shall qualify to receive City of Milford property tax abatements for a period not to exceed ten (10) years. The abatement period shall commence from the date of final certificate of occupancy.
 - (b) Rehabilitation Projects.
 - i. If the incentive beneficiary improves the assessed value, as determined by the City Tax Assessor, by more than 50% of the original assessed value, the incentive beneficiary shall receive a full abatement of City property taxes for ten (10) years.
 - ii. If the incentive beneficiary improves the assessed value, as determined by the City tax assessor, by less than 50% of the original assessed value, the incentive beneficiary shall receive a partial abatement of City property taxes on the value of the improvements for ten (10) years.
 - (c) New residential or commercial construction shall receive a full tax abatement for five (5) years.
 - (d) Properties converted from rental units to owner occupied housing shall receive a full tax abatement for ten (10) years, subject to continued occupancy by the property owner. In order to be eligible for the tax abatement, properties must have been registered as a rental property with the City of Milford at the time of Downtown Development District Designation by the State of Delaware, which was August 10, 2016.
- (5) Realty Transfer Tax Waiver.
- (a) There shall be no realty transfer tax imposed on those transfers where the buyer qualifies as a first-time homebuyer. See Chapter § 178-2(D).

19-10. - Citywide Job Creation and Capital Investment Program.

- A. Eligibility. Eligible projects shall include any new business or expansion of any existing business within the City. Eligibility shall be based on the creation of full-time equivalent jobs and/or capital investment as outlined Section 19-10.D. The incentive beneficiary shall enter into an agreement with the City of Milford to ensure the eligibility criteria are met and maintained.
- B. Target Area—Citywide. The corporate limits of the City of Milford. A copy of the municipal boundary map shall be on file at City Hall, 201 S. Walnut Street, Milford, Delaware.
- C. Development Incentives.
 - (1) Impact Fee Waivers.
 - (a) Job Creation Impact Fee Waivers.
 - i. To encourage new businesses and the expansion of existing businesses, an employer creating new full-time equivalent jobs in accordance with Table A is eligible to receive impact fee waivers. Jobs must be new to the community.
 - (b) Capital Investment Impact Fee Waiver.
 - i. An employer expanding a facility and/or a developer constructing an employment facility with significant capital investment is eligible to receive impact fee waivers in accordance with Table B.
 - (c) An agreement shall be executed by the incentive beneficiary and the City Manager to document the terms of the creation of jobs and the terms of impact fee waiver.
 - i. Documentation sufficient to satisfy the City Manager or designee that full-time equivalent jobs are being created in accordance with the incentives described in this SEDIP, and that said full-time equivalent jobs are retained for a minimum of three years shall be provided as requested.
 - ii. Annual reports and certification shall be provided to ensure the commercial customer remains compliant with the written agreement and the terms of the impact fee waiver.
 - iii. If the criteria are not met, the incentive beneficiary shall be required to repay the incentives in full, or in part, as provided in the written agreement.
 - (d) To qualify for impact fee waivers, the commercial construction of projects;
 - i. Costing \$1,000,000 or less must be completed and a certificate of occupancy received within a twelve-month period;

- ii. Costing between \$1,000,001 and \$5,000,000 must be completed in twenty-four months; and
- iii. Projects costing more than \$5,000,000 must be completed within thirty-six months.
- (e) Upon written request to the City Manager at least 30 days prior to the deadline for completion of the project, as outlined in Section 19-10.C.(1)(d), the deadline may be extended by the City Manager for delays beyond the control of the incentive beneficiary. Such an extension will not be unreasonably withheld. If an extension is denied, the incentive beneficiary may appeal the City Manager's decision to the City Council.

D. Economic Incentive Program Tier Incentives.

(1) Job Creation Impact Fee Waivers.

Table A - Job Creation		
Tier	Full-time Equivalent Jobs Created or Retained	Impact Fee Waivers (EDUs)
1	25—29	5
2	30—34	6
3	35—39	7
4	40—44	8
5	45—49	9
6	50+	10

(2) Capital Investment Impact Fee Waiver.

Table B - Capital Investment		
Tier	Capital Investment	Impact Fee Waivers (EDUs)
1	\$1,000,000 to \$4,999,999	10
2	\$5,000,000 to \$9,999,999	20
3	\$10,000,000 to \$49,999,999	30
4	\$50,000,000 to \$99,999,999	40
5	\$100,000,000 or more	50

Councilman James then spoke about tax abatements for a commercial entity when planning a large project and their importance and impact. He explained that in his business, they often look for tax waivers on the property improvements from one to three years, while building up the investment.

He suggested that be considered during related negotiations which could end up sealing the deal.

Mr. Pierce explained that because the City is already using reserve funds to balance the general fund, any additional removal of general fund revenues has an even bigger impact. There are additional revenues with growth, but that comes with the need to spend money expanding services, roadways, etc.

Adjournment

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

The meeting was adjourned at 6:49 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder

Attachment:
ED Goals and Objectives Tables

Economic Health and Development Attracting and retaining businesses, fostering a vibrant downtown and beyond, communicating DDD and other incentives, and encouraging job opportunities							
Goal	Objectives	Strategies	Action Item(s)	Success Metric/Measure	Timeline	Current Status	Lead or Partners
Meet the commercial needs of residents, businesses, and visitors	Develop a more vibrant downtown, in order to bring more visitors to Milford and promote community pride.	Implement the Rivertown Rebirth Plan.	Use and advertise Downtown Development District subsidies, fee waivers, possible grants, and available properties.	Number of qualified improvements to residential, commercial, or industrial properties in Milford's District Area. Quarterly update on Code Enforcement efforts and available properties.	2018-2023	3/25/19: A City property has received a large project DDD reservation, bringing Milford to a total of 5 large projects in Milford since September 2016, totaling over \$7.6 million in private investments and over \$1.1 million in State grants. 10/1/19: As of August 2019, there are seven large projects with DDD reservation within the City limits with a private investment totaling \$16.4 million and over \$2.0 million in State grant reservations	Downtown Milford Inc., Planning and Development Director, City Council, Code Enforcement Officer, City Manager, and Rivertown Rebirth Steering Committee.
			Fund high priority projects as determined by the Rivertown Rebirth Steering Committee and City Council.	Phased approach to implementing projects identified in CIP and approve funding in Capital Budgets for projects.	2018-2023	3/25/19: NE Front Street streetscape project slated for 2020-2021 construction from N. Washington Street to NE Fourth Street. The City has submitted a TAP application with DelDOT for improvements from NE Fourth Street to N. Rehoboth Boulevard.	

Economic Health and Development Attracting and retaining businesses, fostering a vibrant downtown and beyond, communicating DDD and other incentives, and encouraging job opportunities							
<u>Goal</u>	<u>Objectives</u>	<u>Strategies</u>	<u>Action Item(s)</u>	<u>Success Metric/Measure</u>	<u>Timeline</u>	<u>Current Status</u>	<u>Lead or Partners</u>
Enable growth of existing businesses	Foster economic activity that will grow the local employment by 4% over the next 5 years.	Partner to provide and advertise job training opportunities so the Milford workforce is ready for the future.	Work with partners to identify and market job training opportunities available in the community.	Number of job training opportunities marketed each year. Number of participants.	2018-2023		Delaware Technical Community College, Polytech, and Milford School District.
			Work with partners to host, organize or participate in job fairs.	Number of events participated in each year.	2018-2023	03/27/19: City Staff will be attending a job fair at Delaware Technical Community College. 04/18/19: City Staff will be attending a job fair at the Milford High School hosted by the Chamber of Commerce.	Delaware Technical Community College, Polytech, and Milford School District and Chamber of Commerce.
	Work with the existing business community in order to develop strategies which foster economic growth for the employers, residents, and visitors.	Conduct needs assessments of current businesses to identify growth opportunities.	Work with Downtown Milford Inc. and Chamber of Commerce to develop a survey for current businesses.	Number of participating businesses and completed surveys.	2018-2020	10/1/19: The City Manager meets regularly with the Chamber of Commerce for Greater Milford and Downtown Milford, Inc. to share information and receive feedback on City operations. He and other City staff participate on other local, regional or state committees working collaboratively to grow our economy. 10/1/19: Efficiency Smart has been a valuable outreach tool and has assisted small and large businesses to become more efficient, enabling rebates and savings to be pumped into other aspects of operations. 10/1/19: BRE (business retention / expansion) visits by the City Manager and the Planning and Development Director help to identify opportunities to resolve issues that can lead to business growth.	Downtown Milford Inc. (Entrepreneur Network), Chamber of Commerce, City Manager, and Planning and Development Director.
			Develop resources for marketing and promoting businesses.	Conduct a satisfaction survey of current businesses and produce a business "fact sheet" for web and print highlighting business environment and incentives.	Fact sheet placed on the City's website and hard copies available in the planning office. Complete USDA-funded marketing materials	2018-2021	

Economic Health and Development Attracting and retaining businesses, fostering a vibrant downtown and beyond, communicating DDD and other incentives, and encouraging job opportunities							
Goal	Objectives	Strategies	Action Item(s)	Success Metric/Measure	Timeline	Current Status	Lead or Partners
Foster the establishment of new business	Identify opportunities for growth and development of new businesses in Milford by promoting advantages and opportunities in Milford, and leveraging State assistance.	Create a new industrial park in the City.	Set aside land or zone land for larger industrial sites.	Fund land acquisition for industrial purposes in CIP.	2019-2020		Property owners, Planning and Development Director, City Council, Public Works Director, and City Engineer.
			Put City resources towards supporting a new industrial park.	Amount of additional land available and zoned for industrial use.	2019-2022		Property owners, Planning Director, City Council, Public Works, and City Engineer.
	Continue to provide current incentives for businesses of all sizes.	Annually review the process by which new businesses move to Milford, in order to develop more user-friendly services.	Ensure there is no duplication of steps by City staff.	Number of City-wide Customer Service trainings.	2018-2023	01/14/19: City Staff created a 2 page document providing information and links on how to start a business in a new building and/or an existing building. 03/25/19: Departments have been meeting on a regular basis to begin reviewing procedures that affect departments across the board in an effort to improve efficiency and customer service.	City Manager, Planning and Development Director, Customer Service, and Department Administrators
		Continuously monitor State funding opportunities and work with local organizations to help provide incentives.	Continuation of DDD program, Small Business Loans, 5 for free, Entrepreneur Network Meetings, Economic Development Commission.	2018-2023	03/11/2019: City Council reviewed possible DDD expansion locations and will be provided with more data to determine which expansion could be more successful. 10/1/19: The Economic Development section of our website includes a mapping tool that helps developers and investors navigate the Downtown Development District (DDD) and Opportunity Zone, as well as explore properties across Milford. In addition, the City has added all available City properties to the Delaware Prosperity Partnership Zoom Prospecter site of	City Manager, Downtown Milford Inc., Chamber of Commerce, and Planning and Development Director.	
	Ensure City ordinances and procedures support new and expanding businesses in order to promote business success in the City of Milford.	Conduct a business satisfaction survey following completion of interactions with the City.	Create a brief survey monkey that could be used to gauge satisfaction with business related interactions with the City (new or continued developments and construction projects, expansion/creation of business)	Number of completed surveys. Results of survey used to make any necessary changes in operation.	2018-2023		City Manager, Planning Department, and Customer Service.
			Train City employees in related departments about the process for starting a new business and how they will need to provide assistance.	Number of employees trained.	2018-2021	3/25/19: The City has developed a guide on "How to Start a Business in Milford" which is available on the Economic Development website. Copies are available at the Planning Department.	City Manager, Customer Service, and Planning Department.
		Ensure that all business-related organizations and City departments are knowledgeable about development processes for new or expanding businesses through communication and training of City Staff and coordination with partner organizations.	Create a check list (web and print) of what to do and who to speak with in order to start a new business in Milford	Check list available on website and in planning office.	2018-2020	3/25/19: The City has developed a guide on "How to Start a Business in Milford" which is available on the Economic Development website. Copies are available at the Planning Department.	City Manager, Customer Service, and Planning Department.

MILFORD CITY COUNCIL
MINUTES OF MEETING
January 13, 2020

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, January 13, 2020.

PRESIDING: Mayor Archie Campbell

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

STAFF: Interim City Manager Mark Whitfield, Police Chief Kenneth Brown and City Clerk Terri Hudson

COUNSEL: J. Everett Moore, Esquire

CALL TO ORDER

Mayor Campbell called the Council Meeting to order at 7:03 p.m.

INVOCATION AND PLEDGE

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

APPROVAL OF PREVIOUS MINUTES

Included in the packet were minutes from the November 12, 2019 Council Meeting and the December 9th Council Meeting and Workshop Session. Motion to approve made by Councilmember Brooks, seconded by Councilmember Boyle. Motion carried.

RECOGNITION

Proclamation 2020-01/Martin Luther King Day

Mayor Campbell read the following proclamations into record:

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.

Proclamation 2020-02/School Choice Week

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.

Police Department Recognition

Chief Brown recognized Larry Simpkins, who was hired by Milford after he retired as Dover Police Department's Evidence Technician. Chief Brown stated that Mr. Simpkins has solved many crimes as a result of his criminalistic work and most likely would not have been solved without his involvement. He also handles evidence and warrant records.

Chief Brown presented a plaque stating the following:

Civilian of the Year for 2019
Larry Simpkins

With great honor and recognition for your commendable and dedicated service to the City of Milford, Milford Police Department and the Community.
You are truly Milford's finest.

His picture will be hung at the department.

Chief Brown then commended Officer Jonathan Ricketts for being 2019 Officer of the Year. Officer Ricketts does a great job, interacts with the public and have never had any complaints. He was exceptional as a field training officer to the newest five officers.

Chief Brown presented a plaque stating the following:

Officer of the Year for 2019
Jonathan Ricketts
With great honor and recognition for your commendable and dedicated service to the City of Milford Police Department and Community.
You are truly Milford's finest.

Chief Brown said a plaque with his picture will also be hung in the lobby for one year.

Introduction of City Employees

Interim City Manager Mark Whitfield introduced four new Public Works employees:

James Puddicombe was hired as the City's Engineer last month. He previously worked for New Castle County Government as a Civil Engineer I and recently obtained his Delaware Professional Engineer license.

Cammerin Norwood was hired as a member of the Solid Waste Team. He is originally from Dover and now lives in Milton, DE and is the new father a two-week-old daughter.

Brian Boyle was hired as the City's new Warehouse Coordinator after the former coordinator retired after seventeen years of service. Brian graduated from Milford High School in 2002 and previously worked at Fastenal for fourteen years.

Curtis Sharp is also a new member of the City's Solid Waste team. He graduated from Milford High School and resides in Milford.

MONTHLY POLICE REPORT

Police Committee Chairperson Wilson presented the monthly Police Report on behalf of Chief Brown. The report includes all the activity's Chief Brown was involved in during December.

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

MONTHLY CITY MANAGER REPORT

Interim City Manager Whitfield presented the City Manager report, commending Deputy City Clerk Crouch for putting the report together.

Mr. Whitfield reported that he received an announcement from the American Public Power Association that the City will be recognized as a reliable public power community. Milford is one of approximately one hundred communities that have achieved that designation which speaks volumes of the reliability of our system and dependable and knowledgeable employees we have on staff.

MONTHLY FINANCE REPORT

Finance Committee Chairman James said he is always pleased to report the City is in good, financial condition sharing that the fund balances are healthy. The changes are more related to the cash balances and an uptick in the reserve balances of approximately \$90,000.

He referenced the newly added document entitled Restricted Cash Reserves Report, which includes the balance after the monies are designated as authorized. The general fund reserve balance is at \$2.7 million after which the available balance is \$456,083. Total reserves in the water fund is \$10,353,412 with an available cash balance of \$7,239,417.

Chairman James recalled the recent Cost of Water Service Study that was done resulting in a target for 2021 of \$2.4 million, which needs to be deducted from the current available cash balance or \$4.8 million.

Sewer Reserve Funds currently have \$4,406,350, and an available cash balance, based on authorized expenditures, of \$3,596,809. The Cost of Sewer Service Study targets a minimum cash balance of \$3.5 million, resulting in an overall balance of \$35,000.

The current balance in the Electric Reserve Funds is \$10,746,803. After designated projects and asset replacement purchases are made, the available balance will be \$1,827,857.

He has asked the Finance Officials to include those figures in the monthly report.

Chairman James also shared the update on the Cost of Electric Service Study is currently underway.

Also referenced was the increase in the Real Estate Tax Budget of \$6,000 and expenditures increased by \$6,000 to cover electric expense, which were approved, but the number was omitted in error. In addition, there was a change of \$100,000 in electric expenditures for the purchase of power.

As a result, the total budget only changed by \$6,000.

Councilmember Wilson moved to accept the November 2019 Finance Report, seconded by Councilmember Culotta. Motion carried.

COMMITTEE & WARD REPORTS

None to report.

COMMUNICATION & CORRESPONDENCE

Non-Committee Councilmembers Participation

Mayor Campbell then introduced Everett Moore of Moore and Rutt, who is filling in for Solicitor David Rutt, who is out on medical leave.

Councilmember Boyle asked Mr. Moore to review the law and procedures in regard to Committee Meetings and whether or not non-committee members are able to participate with the concern being that a quorum of Council is often present.

Attorney Moore said he will be happy to discuss that with Solicitor Rutt. He added that it is a concern and should be considered, agreeing that is a FOIA issue. He explained that all committee meetings are noticed as committee meetings and not City Council meetings. Once five Councilmembers are in attendance, that becomes a potential issue for City Council. He or Mr. Rutt will report on that matter at the next meeting.

Also asked if any non-committee Councilmembers are able to sit in the audience and only observe. Same applies to Board of Adjustment or the Planning Commission meetings.

Attorney Moore stress that FOIA is a constant moving target and there are new Attorney General opinions coming out on a regular basis. He serves as counsel to Sussex County Council who have to deal with FOIA complaints and opinions and there is a need to keep current to prevent any legal issues.

Martin Luther King Observation Day

Councilmember Wilson reported and all present to the Community Martin Luther King Event will be held again this year at Benjamin Banneker Elementary School beginning at 12 noon.

Greater Milford Chamber of Commerce Clean Up Day

Interim City Manager Whitfield reported the Chamber is planning a Community Clean Up day on Saturday, April 4th with more information to follow. The City will be assisting with the endeavor by providing collection materials and assistance.

UNFINISHED BUSINESS

Acceptance/City of Milford 2018-2019 Audit

Chairman James said the audit will be presented for its acceptance on January 27th following a Finance Committee Meeting at 5:30 p.m. All questions related to the audit will be answered at that time.

NEW BUSINESS

Carlisle Fire Company Enhancement Fund Withdrawal Request

Carlisle Past President Kevin Donovan was in attendance to present the following request:

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.

Councilmember Culotta moved to authorize the request for \$104,000 as submitted, seconded by Councilmember Brooks. Motion carried.

Mr. Donovan then announced that Marvin Sharp has again been elected the new President of the Fire Company.

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

Mayor Campbell introduced the following ordinance, as presented by Planning Director Rob Pierce:

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

When asked about the effective date of the new sign ordinance, Mr. Pierce explained the application came in within the day period following its adoption and before its effective date. As a result, it falls under the previously adopted code and is being processed accordingly.

Mr. Pierce commented the matter is scheduled for a hearing at the Planning Commission meeting on January 21st and will be back before Council on January 27th for a public hearing and determination.

Introduction/Ordinance 2020-02/TJA LLC/Conditional Use

Mayor Campbell introduced the following ordinance, as presented by Planning Director Pierce:

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

Mr. Pierce stated that the matter is scheduled at the Planning Commission agenda January 21st and will be back before Council on January 27th for a public hearing.

Introduction/Ordinance 2020-03/200 Front St/Final Major Subdivision

Mayor Campbell introduced the following ordinance, as presented by Planning Director Pierce:

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

Mr. Pierce further reported this is a Downtown Development District project and Strong Neighborhood State Housing Authority project. This application is also scheduled at the Planning Commission on January 21st and for City Council at their January 27th meeting.

Appointment/Board of Adjustment Member/David W. Wilkinson

Councilmember Brooks moved to appoint David Wilkinson of 911 Southeast Third Street to the City's Board of Adjustment, seconded by Councilmember Culotta. Motion carried.

Waiver/Water Usage Fees/Thomas Passwaters

Interim City Manager Whitfield referenced the request from Mr. Passwaters to adjust his water bill at 600 Northwest Front Street. He explained that, by ordinance, City Staff does not have the authority to adjust water usage based on leakage or waste, which is the reason this is before City Council and why Staff does not have a recommendation.

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 24th 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.

Councilmember Culotta said the customer came to him with the complaint. He explained this is a unique situation because typically the water meter is on the house. This home is next to Silver Lake and his water meter is on the other side of the railroad track. The water line runs beneath the railroad tracks to his house. That leak happened between the meter and the home.

He further explained that while his code says he is responsible for the water use, in spirit he did not know it was happening.

Councilman Culotta also pointed out the smart meter did catch it or did not catch and no one saw it. He feels a lot needs to be considered as far as how the smart meters work and how they need to throw alerts and let City Staff know so they can inform a resident they have water running and a problem.

The Councilman also recalled this happened two other times when Milford Little League had a problem with a frozen pipe, as a result of a mistake they made. Also, the Community Cemetery had a leak. In both cases, the City agreed to waive the overage on behalf of both organizations.

Councilman Culotta recommends that Mr. Passwaters bill is also waived for the overage because his bill is more than \$400 and his typical water bill is \$20 or below.

It was noted that Little League is a nonprofit and the cemetery is owned and maintained by the City and that Mr. Passwaters’ plumber told him to continue running his water.

Mayor Campbell recommended splitting the bill and waive \$200 of Mr. Passwaters’ bill.

Councilmember Brooks feels he should pay his average bill.

When asked if there was an actual leak, Councilman Culotta feels our smart meters should have caught it and asked why there was no alert. He hopes this does not involve someone looking at a computer screen for inconsistencies. He hopes the smart meters throw an alert, similar to a computer alert if there is a problem with a website.

Councilman Culotta feels it is important to talk about that further and why that did not happen.

He then reiterated that Council agreed to waive Little League's complete fee and though they are a nonprofit, the problem was created by them. In this situation, Mr. Passwaters had no idea and until he received the bill, did he observe the problem. The intent must always be considered and the intent is not to say I consciously used this water.

Councilman Culotta is confident if Mr. Passwaters knew, he would have done the right thing and not wait for a \$400 bill.

Councilmember James questioned the plumber's direction.

Councilmember Culotta then moved to waive the complete amount, minus the average monthly use.

Councilmember Wilson pointed out that there is always more than just authorizing the waiver, and there is a need to consider how other customers' situations have been handled. She feels there is a need to make sure that what has been done for one customer is consistent for everyone else. That is a concern and asked if there are records where other customers have had to pay for leaks in the past. She knows it was waived for the Little League and the Cemetery.

Councilman Culotta said that is a case of do as I say, not as do.

Councilman Brooks said he does not understand smart meters and why they wouldn't catch the problem.

Several Councilmembers were talking at the same time. Councilman Brooks said he did not know he had a problem until he received his \$400 bill.

Councilman Culotta said this is a unique situation and the only house in Milford with a line underneath the railroad track and they keep running over it and it breaks. When asked if he would be out of water as a result, Councilman Morrow said apparently, he was not out of water and still had water.

Councilman Morrow then seconded the motion made by Councilmember Culotta.

A discussion followed regarding parliamentary procedure and it was determined that a vote is needed on the motion on the floor.

Councilman Morrow said we need to be fair to all our customers. Councilmember Peel pointed out that to Councilmember's Wilson view, Council had previously decided that Council should not be a body that is deciding if a customer should receive a break. Councilman Morrow argued that Mr. Whitfield had already said he does not have any authority. He said if it has happened in the past, they would have brought it to Council.

Councilman Brooks again asked what is a smart meter adding that we paid big bucks for them and they are supposed to tell us when there is a problem in water and electric with water and electric.

Interim City Manager Whitfield explained the smart meter pings and the water meter has to talk to an electric meter. Whenever it decides to ping or if information is requested, it will ping the meter. There are so many pings a day that come thru.

Mr. Whitfield referenced the printout in the packet which provided a summary of the pings.

He further explained that the issue with leakage is when you run an exceptions reports, you do not get only two or three accounts, you get a list of several hundred. The employee then needs to go thru and evaluate each account which takes a great deal of time to find two or three houses that actually may qualify for a leak.

Once the customer portal is put in place, each customer will have the ability to watch their meter and it becomes their responsibility at their time. The only reason it reflects back on the City is they do not have the portal access, though our employees have access to the portal, but for all customers.

Councilmember Culotta feels the code should be written so the reports are able to alert homeowners they have an anomaly in that customer's water use they do not normally see.

When asked if that should be the City's responsibility for every customer, Councilmember Culotta reported that smart meters have a functionality and we expect that technology. Councilmember Peel said her understand was that the consumer could monitor the usage. Councilmember Culotta said they can do that too.

Councilmember Boyle asked if the smart meter program does not send a message to the consumer's email address; Mr. Whitfield said he is unsure of that answer and is willing to do some research. He hopes the customer is able to sign up for something whereby their water usage is over a certain amount, they would receive some type of email or text alert, though he cannot say they have that functionality.

Councilmember James pointed out the code states 'The City shall not be liable for any damage resulting from leaks or broken pipes or from any other cause occurring to or within any house or building, and it is expressly stipulated by and between the City and the customer that no claims shall be made against the City on account of the bursting or breaking of any main or service pipe or any attachment to said waterworks'.

He noted that it also 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'.

Though Councilmember James is saying he should be charged or not, this is what the Water Code says and Council needs to make a decision on those facts.

Councilmember Culotta said that is fine if the meter is on the house, but in this case, this line was designed with the meter on one side of the railroad tracks and the house on the other. It was just a matter of time before the vibration caused a leak or fail. Because of the unique situation and what has been done in the past as a precedence, he recommends Mr. Passwaters' account be credited, minus an average monthly water usage, which can be calculated from past years usage.

Councilmember Marabello confirmed that what was read is the legal language and added that any customer with a leak in their lines could come back and request the same thing, if we set this precedence and consistency is needed. Councilmember Culotta reiterated that twice we have credited accounts, once to ourselves and to a nonprofit that caused the problem.

Councilman Brooks again asked what we have smart meters for.

It was confirmed the meter is one side of the railroad track, near the highway, and the house is on the other side, probably fifty feet away.

Mr. Whitfield clarified that everyone's meter is within the City right-of-way and usually in the sidewalk. The length of the service line depends on the location of the home. For example, there may be service lines in Lakelawn or Meadows at Shawnee that are fairly long if the home is set back on the lot. In this particular case, it is extremely long because for whatever reason, it is below the railroad track. However, all meters are set within the City's right-of-way.

Councilmember Brooks said when they sold smart meters for water and electric, they said it would take care of any problems that pop up and someone uses more electricity than normal, or water than normal and the customer would be told quickly. This was not quickly and the smart meters did not do their job. If they had, Mr. Passwaters would not have a big bill.

Mr. Whitfield said it did do their job, but the problem is the hundreds of meters that are flagged on the report.

Councilmember Culotta said the City needs a separate analysis of when the report pops up, then each customer needs to be notified, adding it is not hard to send 1,000 emails at one time.

A roll call vote of Council resulted in the following 4-4 vote:

Marabello-yes to go along with the waiving. It is an unusual amount and if it were \$100, but this is over \$400 difference.

Boyle-no and agrees with Councilwoman Wilson

Peel-no for the same reason essentially of how many people have not come and asked for a waiver because they did not feel compelled to speak to their Councilmember.

Culotta-yes, he reviewed it and set a precedence with Little League and the Cemetery and as much as he likes everyone on this Council, he hopes the public understands this is an elected board and which ones are looking out for customers and who is not.

Brooks-yes, and goes back to electric and water smart meters and they sold it to Council was that they would catch a problem anytime and it did not catch this and it is the City's responsibility to say yes.

Morrow-yes and there are a couple unusual circumstances in this case and where the meter was and the system not being implemented by the City to notified our customers and the biggest thing is that we already set a precedence when we allowed the other waivers. We are elected to represent the citizens and this is a customer that comes up with a water bill that is sixteen times more than normal and it is the right thing to do.

James-no, the onus could be partially on the City, but the code says the City is not responsible. If there was a compromise, that would have been a good approach, but that is not the motion on the floor. To cover the entire bill is setting a precedence for every customer in the City of Milford and he does not think the City should be put in that situation unless the code is change.

Wilson-no based on why we have code. We have to try our best to run our City based on the rules and regulations that are before Council. I, too, would have supported reducing the bill and allowing the City to take care of half of the bill. It makes life so much easier if we manage everything based on the code as much as we can.

Mayor Campbell then cast the tie-breaking dissenting vote, adding he would also support splitting the vote. Motion failed.

Councilmember Wilson then moved that we work with the customer and that the City pays half of the bill of \$400, seconded by Councilmember James. Motion carried by the following unanimous roll vote:

Marabello-yes.

Boyle-yes.

Peel-yes

Culotta-yes, but Council just said they are going with what the code says and this is not what the code says. Now the rules are being changed because the City is meeting him in the middle.

Brooks-yes but agrees with Councilman Culotta.

Morrow-yes but the next time Little League or Carlisle Fire Company or someone else comes in with a bigger water bill, this needs to be considered and is not right.

James-yes, it is a fair compromise.

Wilson-yes.

Authorization/Contract/Electric Engineering Services/Progressive Engineering Consultants Inc.

Electric Superintendent Will Gallagher was in attendance to request that 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.

Councilman Morrow confirmed it is included in budget, adding it is included in the Consulting Services line item.

Councilmember Peel moved to authorize the Progressive Engineering Consultants' 2020 Contract for Miscellaneous Engineering Services, seconded by Councilmember Wilson. Motion carried.

Authorization/Electric Division/Equipment Purchase

Electric Superintendent Gallagher then asked Council's consideration 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 included in the Council packet. The Electric Division budgeted \$275,000.00 for the purchase of this unit; the Sourcewell final cost is \$235,632.00.

Councilmember Peel moved to authorize the purchase in the amount of \$235,632.00 to Terex Utilities, in accordance with Sourcewell Contract #012418-TER, to be funded from Electric Reserves, seconded by Councilmember Wilson. Motion carried.

Authorization/Loan of Funds/Water Reserves to Solid Waste Operating

Interim City Manager Whitfield recalled that at the December 9, 2019 Council meeting, Dawn Lund from Utility Financial Solutions (USF) briefed Council on the results of the Cost of Service Study for Water, Sewer, and Solid Waste. Based on the study, recommendations for rate adjustments over the next five years, have been prepared for Council's consideration.

Initially DEMEC informed the City there would be a slight rate adjustment, which could be passed onto electric customers in the form of a power cost adjustment.

Due to the inadequate fund balances in the solid waste fund, UFS recommends funds be borrowed and repaid and over a seven-year period to 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 for that utility. It is important to note that any utility reserve funds used for 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 impending rate changes through an insert in the February 2020 utility bills. All other future rate adjustments will be effective on January 1st of the succeeding years.

The increase, in all rates combined, including the negative PCA for electric, will result in less than a \$3 monthly increase overall to customers in their City utility bills.

Based on the Cost of Service study for Solid Waste, UFS recommends \$500,000 be borrowed to adequately fund the Solid Waste Operating Fund, to also be 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 Water Reserve Account, to be paid back over the next seven years at no interest.

Staff recommends Council authorize the transfer of \$500,000 from Water Reserves to Solid Waste Operating. Funds to be paid back over the next seven years at no interest.

Based on Councilman Brooks recollection, Council approved the purchase of another trash truck a couple months ago and he asked Mr. Whitfield why he needed on. Mr. Whitfield told him the sidewinders can't be replaced so one was ordered. Mr. Whitfield does not call that conversation, adding that no refuse truck has been purchased this fiscal year.

Councilman James recalled discussing it during the budget hearings.

It was confirmed it was not in the budget. Councilman James explained that the recommendation is the funds be borrowed from the water reserve account at zero interest at seven years.

Councilman Boyle moved to authorize the transfer of \$500,000 from Water Reserves to Solid Waste Operating, to be paid back over the next seven years at no interest, seconded by Councilmember James. Motion carried.

Authorization/Electric Power Cost Adjustment

The Delaware Municipal Electric Corporation (DEMEC) purchases electricity for the City, and 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.

When asked the impact, Interim City Manager Whitfield said this will only result in about a 43-cent decrease per customer. However, bigger customers such as Seawatch and Perdue will see a much greater return and will much appreciate it.

Councilmember Peel moved to authorize an additional -\$0.00063/kwh power cost adjustment for City electric customers effective March 1, 2020, seconded by Councilmember James. Motion carried.

Adoption/Resolution 2020-04/Solid Waste Rates for 5 Years

Adoption/Resolution 2020-05/Wastewater Rates for 5 Years

Adoption/Resolution 2020-06/Solid Waste Rates for 5 Years

Based on the Cost of Service study for Water, UFS recognizes the need to increase Water Rates by 3.9% annually over the next five years. Staff recommends the first-year rate be set for March 1, 2020, with remaining years set to be effective on January 1st.

Staff recommends Council adopt Resolution 2020-05 setting water usage rates for the years 2020, 2021, 2022, 2023, and 2024.

Councilmember James recalled that because the rates have not been increased since March 2012, this needed increase will result in a 75-78 cents increase per month.

Councilmember Morrow prefers it be discussed at the committee level. He recalled the presentation made by UFS at the last meeting and now four other utility increases have been recommended though he is not against them. He thinks more input from Council is needed before we can rely on the consultant who did the study.

Councilmember James, said as Chairman of the Finance Committee, because of the very detailed and in-depth presentation and discussion with the Cost of Service Study Specialist, in addition to very comprehensive conversation that involved detailed backup information, Council did question her and she was always able to provide more than adequate responses. He recalled inquiries were made about operating income, cost of replacement, inflation and several other matters.

Councilman James that Council vetted her study and the results thoroughly and he was satisfied with the recommendation.

Councilman Morrow said that maybe Councilmember James had a conversation with her, but he did not, nor did the committee. Councilman James recalled the hour plus presentation during which she provided an extremely detailed report, in addition to a very complete PowerPoint, was included in the packet to be reviewed in advance.

Councilmember Culotta argued Council also discussed things like the PILOT program, where Council does not agree on the increase over five years, but can add to the PILOT to take money for other projects like the new police station.

Councilmember James recalled that every dollar the City uses as a PILOT, is a dollar for dollar rate increase that would need to be added. Councilmember Culotta agreed but at least it can be discussed at the committee level before Council votes on, as Councilmember Morrow pointed out. He said the Council only had a presentation and now Council is being asked to make a decision.

Councilmember James disagreed and recalled a very thorough discussion that was held. Councilmember Culotta and Councilmember Morrow agreed that Council never made any decision. Councilmember Culotta agreed she did a great job and it was very informative and it gave Council everything they need to know.

Councilmember Morrow is concerned about raising rates for water, sewer and electric, that Council should discuss it more. That's all he is saying. Councilmember James disagrees and again recalled the very thorough discussion.

Councilmember Culotta said though we are raising our customer's rates on a very small scale, on the grand scheme of things, he asked if the public can comment. He thinks it needs to be discussed at committee level. Councilmember Morrow pointed out that Councilmember Culotta has the floor.

Mayor Campbell asked if there were any public comments. Councilmember Culotta said there are no asterisk on the agenda so no one can speak. Councilmember Wilson recalled that the public is permitted on all resolutions. Councilman Morrow reiterated there is no public comment period here and added that our customers do not have an opportunity to talk about it.

Councilman Brooks said the public did not know there was any discussion. Councilmember Morrow said the public has not been given the chance to talk about it and its not on the agenda. It was reiterated that the public can comment on any resolution as was previously approved by City Council. Councilman Morrow said they cannot because its not on the agenda and they don't have a chance to talk about it.

The City Clerk explained that the agenda will be changed to allow public comment before the Council meetings which is why there is no 'P' on the agenda. Councilman Morrow argued it has to be on the paper. He then asked if our customers know that and the rules have to be communicated so customers can comment on the increase in rates. He said it was talked about December 6th and its only January 13th and Council is being asked to approve it.

Mayor Campbell said that the consultant did an excellent presentation and unsure what more information could be offered. Councilman Culotta said that is not what they are debating.

When asked if the Councilman Morrow and Culotta want to bring her back for another presentation, because no one else can answer questions because she is the expert. Councilmember Culotta said it can be discussed among themselves. Councilman James again said that the entire Council knew that is why she was here and she asked several times if there were more questions.

Councilman Morrow said one thing that needs to be discussed is the level of the reserves that she used in her presentation. Though she may have gotten some information from the books on that, but are the amounts she said were targeted reserve levels, Council needs to talk about them. He asked if they are budgeted or unbudgeted or just something she used.

Mayor Campbell recalled talking about 4.5% to 6% based on the concern about the lack of increases and what is needed to keep in future reserves based on utility expenditures and she recommended 4%.

Councilman James recalled that she was here at the podium, she walked Council thru how she calculated this, which was based on the number of days of cash that were needed as a minimum. He said the presentation is probably still on line for viewing and it was available to Council prior to the presentation. She then went through the entire presentation and the purpose was for Council to any questions.

He said if Councilman Morrow and Culotta want the presentation, he will not vote to support that. But if that is what they want, they can request it.

Councilman Culotta agrees her presentation was spot on and very informative and very thorough, but Council has never discussed what should be considered in the way of an increase. Councilmember James disagreed stating it was discussed when the consultant was here. Councilmember Culotta said Council never agreed or commit that maybe 5% would be better for Milford or not.

When asked why the 4% was recommended, versus another percentage, Councilmember James said she went through the entire presentation.

Councilman James pointed out her remarks are in the minutes and Council's questions are included, that were approved tonight. Councilmember Culotta said Council minutes that no one can see until two months after the meeting.

Councilman Culotta said so they were approved tonight, but now we are going to increase our customer's rates and tell them how we are going to do it. He suggests they may want to have some say in this decision.

Councilmember James pointed out that is how that is how Mr. Whitfield started with, when he announced how much and there was an opportunity.

Councilmember Peel confirmed that there is an opportunity for the public to speak on the resolution that is before Council; Mr. Everett stated yes.

Councilmember Morrow is concerned about the increase and because there is no 'P' on the agenda and no one knew it and that is the reason no one is here. If we are going to raise all our customer's water, electric and sewer rates, we would need to have this meeting at the Carlisle Fire Company.

Councilmember James said that may or may not be true. There have been other items that have needed an increase and Council thought the room would have been packed, but it was not. Councilman Morrow said this should have been advertised as a public hearing.

Mayor Campbell asked if Council wants to postpone this matter and have the consultant return from Michigan.

Mr. Everett explained that it would be appropriate for Council to make a motion, one way or another, then vote on the motion or discussion the motion on the floor.

Councilmember Brooks said there is no need for her to come back and feels that someone in this City should be able to explain it. Councilmember Morrow wants it discussed at a workshop.

Councilmember Morrow moved to discuss the rate increases at the next workshop and then put it on the following meeting's agenda, seconded by Councilmember Culotta. Motion carried by a unanimous roll call vote. Councilmember Peel added that she likes the idea of the public being able to comment. Councilmember Culotta agrees to have the workshop and it may be a touchy subject for most people but that is the reason City Council is here, good or bad.

Councilmember Brooks said it will give the residents a chance to come here if they want so they understand why the increase is needed. Councilmember James votes yes even though he believes the topic has been thoroughly discussed but he would never vote against providing the public an opportunity to speak or listen to the related conversation. Councilmember Marabello, Boyle, Morrow and Wilson voted yes.

It was agreed it would be on the February workshop and following meeting.

Councilmember Peel asked who will be presenting this to the public; Councilmember Wilson agreed the City is going to have to pay to have the consultant to return.

Council then debated about how many questions were asked. Councilman James said there were a number of questions asked, but even after she left, Council had the information and if anyone had additional questions, they can have been sent to her by our Interim City Manager or someone in the Finance Department. He disagrees with tonight's agenda or that the public is not being allowed to comment tonight. If additional time is needed because some Councilmembers have questions, and want more public input, that is fine. However, in his opinion there was nothing wrong with the process.

Councilmember Brooks said this if the first meeting since December. Councilmember Morrow said that was nine o'clock at night.

Councilmember Culotta said the only way this was communicated was through Milford Live and that article did not say when it would be voted on at the next Council meeting. He feels that as an elected body, there is a need to be overcommunicating. Councilman Brooks said we need to tell the public what is going on. Councilmember James agreed there is a need to communicate on every topic. If Council feels the Council is not getting adequate information or notice of the agenda, then there is a need to talk about how the public is informed and how the agenda is being presented because nothing has changed and there has not been a problem in the past.

Councilman Brooks said we used to have the Chronicle come out every week. Now it's only once a month.

Councilman Morrow said we get the agenda on Friday and then tonight it's been changed.

Adoption/Resolution 2020-01/Authorization/City Check Signor & Designee

Mayor Campbell noted that this resolution will now allow the Acting City Manager to sign checks in the absence of the any official authorized by Council.

Councilmember Morrow said currently the Mayor and him as the Vice Mayor are permitted to sign checks. This will add Councilman James as Chairman of the Finance Committee.

Councilmember Brooks asked why all checks are no longer signed, because Council years ago voted to have all checks signed and it has never been changed by a vote to not have checks signed.

Councilmember Wilson recalled that when she was Vice Mayor, there was a change in the electronic signing process and the amount actually increased.

Councilman Brooks said when he was Vice Mayor for seventeen years, he, the Finance Chairman and Dick Carmean signed every check whether it was a dollar or a quarter. Councilmember Wilson recalled it has been changed.

It was noted there have been several related resolutions have been passed relating to facsimile signatures. Councilman Morrow agreed. Councilman Brooks does not remember that noting that he still has his rubber stamp at home.

The Finance Department is asking for the resolution which is required by the bank. Councilman Brooks said the Council runs this City not the employees.

Councilmember Peel moved to adopt Resolution 2020-01, seconded by Councilmember Wilson:

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.

BE IT FURTHER RESOLVED, that a copy of this resolution be kept on file at the City of Milford Finance Department.

Motion carried with no one opposed.

Adoption/Resolution 2020-02/Milford Ponds/Acceptance of Public Improvements

City Engineer James Puddicombe reviewed the following resolution, noting it is his recommendation to accept the Water System, Sewer System and Easements in Milford Ponds Subdivision Phases 1.1, 1.2 and 1.3. He noted it does not include the roadways or sidewalks, because they have not yet been completed.

Councilman Boyle moved to adopt Resolution 2020-02, as presented, Accepting the Water and Sewer System and Easements of the Phases so noted, seconded by Councilmember Culotta:

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.

Motion carried.

Adoption/Resolution 2020-03/City Holiday Add On

Interim City Manager Whitfield explained that Chapter 55, Personnel Code of the City, 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.

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.

Councilman Brooks said the police officers get double time and a half when they work. When they don’t work, they still get eight hours added. Councilman Morrow was concerned about that long-term effect.

Councilmember Peel moved to adopt Resolution 2020-03, seconded by Councilman Boyle:

**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			

Motion carried.

Appointment/City Manager Search Committee

Mayor Campbell announced the five persons he is recommending be appointed to the City Manager Search Committee:

He explained the candidates will be screened and brought to City Council.

When asked for comments, Councilman Culotta said everyone should be on the committee. The was nothing would be accomplished and take a much longer time than needed.

Councilmember Wilson moved to authorize the following persons be assigned to the City Manager Search Committee, seconded by Councilmember Morrow:

- Mayor Campbell
- Councilman Boyle
- Councilman Morrow
- Councilman James
- City Clerk Hudson

Interim City Manager Contract

Mayor Campbell announced this has been postponed because it is still being reviewed by City Solicitor Rutt.

EXECUTIVE SESSION

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

Pursuant to 29 Del. C. §10004(b)(3) Activities of any law-enforcement agency in its efforts to collect information leading to criminal apprehension;

Pursuant to 29 Del. C. §10004(b)(4) Strategy sessions, including those involving legal advice or opinion from an attorney-at-law, with respect to collective bargaining or pending or potential litigation, but only when an open meeting would have an adverse effect on the bargaining or litigation position of the public body

Motion carried.

Mayor Campbell recessed the Council Meeting at 8:50 p.m. for the purpose as is permitted by the Delaware Freedom of Information Act.

Return to Open Session

Councilmember Wilson moved to go back into open session, seconded by Councilmember Boyle. Motion carried. Council returned to Open Session at 9:25 p.m.

Potential Vote/Law Enforcement Activities and/or Potential Litigation

Mayor Campbell announced that no action was needed as a result of the Executive Session discussion.

ADJOURNMENT

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

The Council Meeting adjourned at 9:26 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder

City of Milford



PROCLAMATION 2020-04

“Commending Michele Xiques-Arnold”

Whereas, Michele Xiques-Arnold, Owner and Director of First State Dance Academy, in Milford, Delaware, was recently awarded an Individual Artist Fellowship from the Delaware Division of the Arts; and

Whereas, Xiques-Arnold was recognized with an Established Professional Award in the area of Dance and Choreography; and

Whereas, Trained at Point Park University, the Joffrey Ballet, North Carolina School of the Arts and the Atlanta Ballet Centre for Dance Education, Xiques-Arnold acquired the newly named First State Dance Academy in Milford, Delaware, nineteen years ago; and

Whereas, Xiques-Arnold has an established resume of dance and choreography and has performed in Annie, My Fair Lady, Hansel and Gretel, 42nd Street, Fiddler on the Roof and Funny Girl with the Empire State Ballet, Atlanta Ballet, Delaware Ballet and Diamond Dance Company.

Whereas, Xiques-Arnold’s belief is that dance helps children with their self-confidence, social and mental skills, teamwork, coordination and a feeling of accomplishment and teaches them to take on a challenge and work through it with determination and patience.

Whereas, This award ensures Milford possesses a professional, cutting edge dance studio that has been recognized by the State of Delaware on two occasions with a director, dancer, teacher and choreographer whose work has contributed to the rich culture this City has become known for, by providing a studio that offers proper training and performance experiences.

NOW, THEREFORE, BE IT RESOLVED that, I, Arthur J. Campbell, Mayor of the City of Milford, by virtue of the authority vested in me, do hereby publicly proclaim appreciation and gratitude to Michele Xiques-Arnold for making dance a viable and vital passion within our City and for her contribution and support of the City’s adopted moniker “River Town, Art Town, Home Town”.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City to be affixed hereto this 10th day of February 2020.

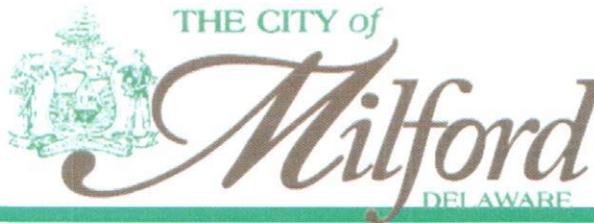
Mayor Arthur J. Campbell

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 
DATE: February 4, 2020
RE: Activity Report/January 2020

Monthly Stats:

A total of 810 arrests were made by the Milford Police Department during January 2020. Of these arrests, 204 were for criminal offenses and 606 for traffic violations. Criminal offenses consisted of 50 felonies and 154 misdemeanors. Traffic violations consisted of 66 Special Duty Radar, 7 Drunk-Driving charges, 533 other.

Police officers investigated 41 accidents during the month and issued 162 written reprimands. In addition, they responded to 1393 various complaints including city requests and other agency assistance.

Monthly Activities:

Attended the Kent County Chiefs meeting held in Wyoming on January 7, 2020.

Met with the Mayor & Becker Morgan in reference to new Police Department building on January 8, 2020.

Met with a citizen in reference to a criminal complaint on January 8, 2020.

Attended the DE Police Chief's Foundation Meeting held at Grotto Pizza in Dover on January 9, 2020.

Participated in the Cities Volunteer Event at the Food Bank on January 11, 2020.

Attended the State Chief's Board Meeting held at the Dover Police Department on January 14, 2019.

Attended the Delaware Police Chief's Council Meeting held at the Dover Police Department on January 14, 2020.

Attended the SALLE/EIDE Grant meeting held at the Dover Police Department on January 14, 2020.

Attended OSEC Grant Training for the new SALLE/EIDE SmartSimple Grant Program with Admin. Assistant Sessoms held in the DELJIS Training Room on January 15, 2020.

Attended Police Appreciation Day at Legislative Hall in Dover on January 16, 2020.

Met with Delaware State Police in reference to the Homicide on January 17, 2020.

Attended the Martin Luther King, Jr. Celebration with Mayor Campbell held at Banneker School on January 18, 2020.

Attended the Sussex Chief's Meeting held at the new DSP Troop 7 facility on January 21, 2020. Meeting was held at this location to allow agencies to tour the new facility after the meeting.

Attended the Brandy Wine Counseling Board Meeting held in Wilmington on January 21, 2020.

Attend a meeting at City hall on January 28, 2020, with Attorney in preparation for dispatcher's contract negotiations.

Attended a Community Meeting at My Fathers Hand Ministries held at 20 N. Church Street on January 28, 2020

Training –

All training for January 2020 was performed at the Milford Police Department.

SRO –

Sgt. Masten conducted an intruder training for staff at the Milford Library. The Run, Hide, Fight was the technique that was discussed with the group.

Lt. Wells, Sgt. Lord, and Sgt. Masten toured the new Nutrien Ag Solutions (Formerly Crop Production Services) plant on Holly Hill Road. Management there explained to the three how there operation has changed since the move from the Rehoboth Boulevard location, as well as provided information about chemicals on site.

K9 Unit –

For the month of January 2020 the Milford Police Department K9 unit had the following stats:

- Demo's 2
- Building Searches 5
- Drug Sniff 6

Seized Items

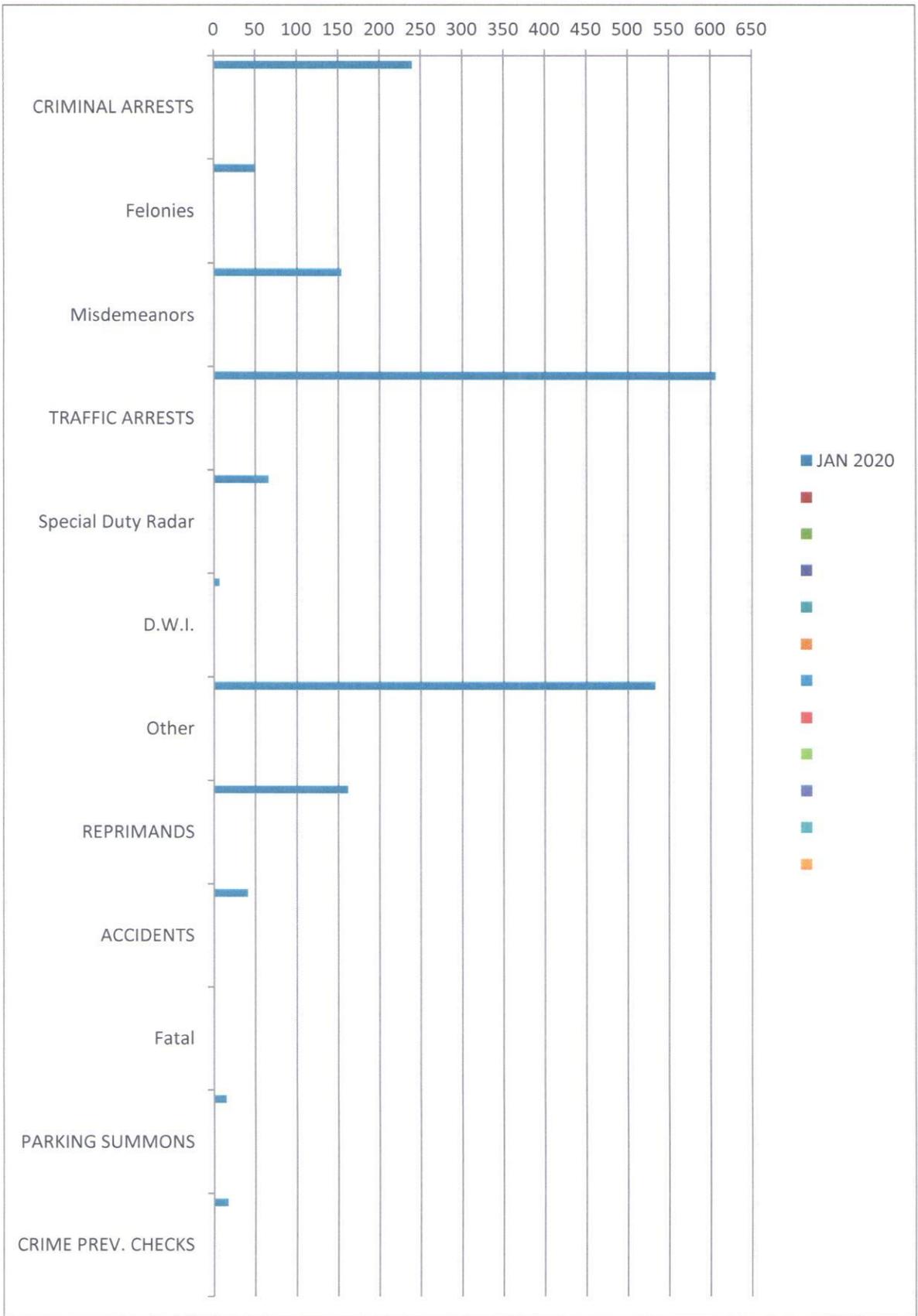
Amount

Value

- Marijuana 61.89 grams
- Crack Cocaine 2.53 grams
- Heroin .14 grams
- Other Drug Paraphernalia

JAN 2020 ACTIVITY REPORT

	JAN 2020	TOTAL 2019	JAN 2019	TOTAL 2019
COMPLAINTS	1393	1393	1190	1190
CRIMINAL ARRESTS	240	240	159	159
Felonies	50	50	12	12
Misdemeanors	154	154	147	147
TRAFFIC ARRESTS	606	606	446	446
Special Duty Radar	66	66	38	38
D.W.I.	7	7	7	7
Other	533	533	401	401
REPRIMANDS	162	162	145	145
ACCIDENTS	41	41	54	54
Fatal	0	0	0	0
PARKING SUMMONS	15	15	14	14
CRIME PREV. CHECKS	17	17	23	23
FINES RECEIVED	\$8,475.63	\$ 8,475.63	\$6,444.59	\$ 6,444.59



City Manager's Monthly Update Report

Human Resources Office	January 2019	January 2020	FY19 YTD (07/01/18-01/31/19)	FY20 YTD (07/01/19-01/31/21)
Full Time Employees	115	124	115	124
Part Time/Seasonal Employees	7	10	7	10
Vacant Positions	0	1	0	1
Promotions				
Information Technology Office	January 2019	January	FY19 YTD	FY20 YTD (07/01/19-01/31/21)
IT Assistance Offered		No Information Provided		
Finance Department	January 2019	January 2020	FY19 YTD (07/01/18-01/31/19)	FY20 YTD (07/01/19-01/31/21)
Utility Accounts Billed		No Information Provided		
Utility Payments Processed		No Information Provided		
Parks & Recreation Department	January 2019	January 2020	FY19 YTD (07/01/18-01/31/19)	FY20 YTD (07/01/19-01/31/21)
Program Participants	214	137	1,432	790
Programs Offered	2	2	18	10
Special Events Assisted	0	0	4	4
Planning & Economic Development Department	January 2019	January 2020	FY19 YTD (07/01/18-01/31/19)	FY20 YTD (07/01/19-01/31/21)
<i>Building Inspections & Permitting</i>				
Residential Permits Issued	12	34	215	202
Residential Inspections Performed (By City Staff)	0	58	0	692
Residential Inspections Performed (By Outside Contractor)			Not Being Reported	
Commercial Permits Issued	3	9	40	56
Commercial Inspections Performed (By City Staff)	0	17	0	70
Commercial Inspections Performed (By Outside Contractor)			Not Being Reported	
<i>Code Enforcement & Licensing</i>				
Code Enforcement Cases Initiated	10	11	122	192
Code Enforcement Cases Closed	43	9	286	391
Rental Inspections Performed (By City Staff)	187	17	503	408
Rental Inspections Performed (By Outside Contractor)			Not Being Reported	
Contractor & Vendor Licenses Issued	236	149	389	244
Rental Licenses Issued	1,241	515	1,419	545
<i>Economic Development</i>				
Economic Development Incentive Applications Received			Not Being Reported	
Downtown Development District Applications Received	0	0	62	10
-Private Investment			\$ 21,309,822.00	\$ 8,265,220.00
-State Investment			\$ 2,505,444.00	\$ 614,000.00
-Milford Waivers			\$ 247,939.78	\$ 27,471.76
<i>Planning & Zoning</i>				
Outside Contractor Utilized			Not Being Reported	
Land Use Applications Received	1	5	18	37

City Manager's Monthly Update Report

Public Works Department	January 2019	January 2020	FY19 YTD (07/01/18-01/31/19)	FY20 YTD (07/01/19-01/31/21)
<i>Electric Division</i>				
Outages		10		53
Trouble Service Calls		27		66
After Hours Calls		11		72
Work Orders Completed		38		195
Poles Replaced		13		43
Trees Trimmed		3		20
<i>Engineering Division</i>				
Utility Locates Completed		312		1,816
<i>Operations Division</i>				
Fleet Work Orders Completed		31		249
Fuel Use-Diesel (Gallons)		2,139		17,624
Fuel Use-Gas (Gallons)		4,216		27,018
<i>Solid Waste & Facilities Division</i>				
Refuse Collected (Tons)	239	264	1,598	1,648
Recycle Collected (Tons)	61	73	369	377
Yard Waste Collected (Tons)	54	71	309	357
Leaves Collected (Tons)		7		73
Waste Diversion Rate (Percentage)	33	35	31	31
Bulk/Brush Collection Requests Completed	50	63	273	412
Containers Delivered	48	74	253	372
<i>Streets & Utilities Division</i>				
Trouble Service Calls		12		37
After Hours Calls		5		42
Work Orders Completed		5		73
Street Storm Drains Cleaned		10		102
Street Potholes Filled/Cold Patch		16		141
Street Potholes Filled/Spray Patch (Gallons)		0		11
Street Crack Sealant Used (Pounds)		0		120
Street Curbs Swept (Miles)		78		862
Street Deicing Salt Used (Tons)		0		0
Street Signs Installed/Replaced		46		100
Street Closures/Special Events		0		10
Water Hydrants Flushed		6		144
Fire Hydrants Installed/Replaced		0		2
Water Lines Repaired		0		8
Water Valves Exercised		9		42
Waste Water Lines Flushed (Feet)		8,480		118,214
Waste Water Lines Repaired		0		1
<i>Technical Services Division</i>				
After Hours Calls		5		53
Work Orders Completed		773		5,326
Meters Installed New-Electric		6		110
Meters Replaced-Electric		19		22
Meters Installed New-Water		5		91
Meters Replaced-Water		29		234
Meters Read				
Meters Re-Read				
<i>Water & Waste Water Facilities Division</i>				
Water Treated (Millions of Gallons)	81,220,700	85,414,300	81,220,700	85,414,300
Waste Water Transferred (Millions of Gallons)				
Work Orders Completed		0		2
Pump Stations Cleaned		0		1
Projects				
	Planning Stage	Bid/PO Award	In Progress	Complete
<i>Electric</i>				
DEL1 Substation Testing (FY19 CIP)	X			
DEL2 Relay Replacement	X			
DEL2 Substation Testing (FY19 CIP)	X			
Air Break Switch (FY19 CIP)				
Traffic Signal Head Refurb-Church/Walnut/Washington (FY19 CIP)	X			
GIS Mapping-Smart Metering (FY19 CIP)			X	
Riverwalk Light Pole Powdercoat/Retrofit Phase II (FY19 & FY20 CIP)			X	
Line Reconductor-Wilber (FY20 CIP)	X			

City Manager's Monthly Update Report

Reliable Public Power Provider Certification Application			X
Equipment Replacement-E-130 (FY19, FY20 CIP)			X
Equipment Replacement-WH-001 (FY20 CIP)			
Vehicle Replacement-B-002 (FY20 CIP)			X
Vehicle Replacement-E-103 (FY20 CIP)			
Vehicle Replacement-E-106 (FY19 CIP)			X
Vehicle Replacement-E-110 (FY19, FY20 CIP)			
Vehicle Replacement-E-115 (FY20 CIP)			
Vehicle Replacement-E-134 (TS-001) (FY20 CIP)			X
<i>Water</i>			
Automated Blow-off Valves Installation (FY19 & FY20 CIP)			
Tower Protection Upgrades-Caulk & Tenth (FY19 CIP)			
Tower Altitude Valve-Caulk (FY19 CIP)		X	
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)		X	
Water Treatment Monitoring & Process Control Upgrades (4&5) (FY20 CIP)		X	
Citywide Valve & Hydrant Replacement/Improvements (FY20 CIP)			
Water Lines-NE Front (CY20 CIP)	X		
DNREC Water Allocation Permit		X	
Lead Service Line Replacement-Priority Level 1 (FY19 & FY20 CIP)		X	
Lead Service Line Replacement-Priority Level 2 (FY19 & FY20 CIP)		X	
Lead Service Line Replacement-Priority Level 3 (FY19 & FY20 CIP)		X	
Equipment Purchase-Elec Msg Board			X
Vehicle Replacement-W-001 (FY19 CIP)		X	
Vehicle Replacement-W-004 (FY19 CIP)			X
Vehicle Replacement-W-008			
Vehicle Replacement-W-014 (FY20 CIP)			X
Vehicle Replacement-W-015			
<i>Waste Water</i>			
Inflow & Infiltration Investigation/Repair (FY20 CIP)		X	
Pump Station Groundwater Investigation/Repair-Truitt (FY20 CIP)		X	
Pump Station-Shawnee Acres (FY18 CIP)			X
Pump Station Hatch Replacement-N Shore		X	
Pump Station Grinder Pump Installation-Silicato (FY18 CIP)			X
Line Replacement-SE Second (FY20 CIP)		X	
Equipment Purchase-Elec Msg Board			X
Equipment Purchase-Zoom Sewer Camera			X
Vehicle Replacement-SE-002 (FY19 CIP)			
Vehicle Replacement-SE-013 (FY20 CIP)			
<i>Solid Waste</i>			
Vehicle Replacement-SW-012			
<i>Streets</i>			
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)	X		
Curb and Sidewalks SE Second St (FY18 CIP)	X		
Curb and Sidewalks West St (FY19 CIP)	X		
Sidewalk Improvements (City-Wide) (FY20 CIP)		X	
Sidewalk Improvements (Private Owner Financing) (FY20 CIP)		X	
ADA Compliant Ramps Installed (City-Wide) (FY20 CIP)			
Pedestrian Crossing/Landscaping S Walnut (FY20 CIP)	X		
Parking Lot Seal/Stripe NE Front/Denney (FY19 CIP)			
Drainage Improvement (Pennsylvania)	X		
Truck Turning Study		X	
Welcome Sign Relocation/Replacement (Rt 113)	X		
Equipment Replacement-S-006			
Equipment Replacement-S-008			X
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)			X
Vehicle Replacement-S-004 (FY19 CIP)			
Vehicle Replacement-S-005 (FY19 CIP)		X	

City Manager's Monthly Update Report

Vehicle Replacement-S-009 (FY20 CIP)				
Vehicle Replacement-S-016			X	
Vehicle Replacement-S-038 (FY20 CIP)				
<i>Technical Services Division</i>				
Vehicle Replacement B-001 (FY20 CIP)				X
<i>Facilities</i>				
City Hall Exterior Doors Replacement (FY19 CIP)				
City Hall Chambers Audio System Upgrade (FY20 CIP)	X			
City Hall Chambers Video System Installation (FY20 CIP)				
City Hall Security System Replacement (FY20 CIP)	X			
City Hall IT HVAC Unit and UPS Battery Replacement				
City Hall Basement Waterproofing (FY20 CIP)				X
Customer Service Building Basement Waterproofing (FY20 CIP)				
Public Works Electric SCADA/Smart Metering Wall Monitor (FY19 & FY20 CIP)			X	
Public Works Breakroom/Locker Room Renovations (FY19 CIP)			X	
Public Works HVAC Replacement (FY19 CIP)				
Public Works Warehouse Door Security	X			
Public Works Panic Alarms	X			
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)	X			
Residential Subdivisons				
	Plan Review	In Progress - Utility Installation	In Progress - Utility Inspections	Complete
200 NW Front St/Bond				
Brookstone Trace				
Cypress Hall-Phase I				
Cypress Hall-Phase II				
Fork Landing Farm				
Hearthstone Manor I				
Hearthstone Manor II				
Hickory Glen				
Knights Crossing	X			
Lighthouse Estates			X	
Marina Del				
Milford Ponds-Phase I			X	
Milford Ponds-Phase II				
Milford Ponds-Phase III				
Mispillion Landing				
Orchard Hill			X	
Riverwalk Villas				
Simpson's Crossing				
Walnut Village	X	X	X	
Watergate				
West Shores at New Milford			X	
Wickersham				
Willows (fka Cascades)-Phase II				
Windward on the River	X			
Commercial Developments				
	Plan Review	Utility Mains Installation	Utility Service Line Inspection	Complete
10th St Medical Office	X			
Bayhealth Sussex Campus-Nemours				
Beach Babies	X	X	X	
Bright Nest				
DE Rural Water	X	X	X	
Delaware Veterans Home				
DNREC Mosquito Control				
DSWA-Transfer Station				
Gator & Associates				
Growmark FS				
Kidz Ink	X			
Mavis Discount Tires				
Microtel				

City Manager's Monthly Update Report

Mid-Delaware Professional				
Milford Ponds-Clubhouse	X	X		
Milford Wellness Village	X			
Mispillion River Brewery				
Nutrien Ag (fka Crop Production Svcs)	X	X	X	
Surf & Turf Steakhouse				
Touch of Italy - Business Park				
Windward on the River	X			

**CITY OF MILFORD
FUND BALANCES REPORT**

Date: December 2019

Cash Balance - General Fund Bank Balance	4,034,602
Cash Balance - Electric Fund Bank Balance	4,664,253
Cash Balance - Water Fund Bank Balance	559,250
Cash Balance - Sewer Fund Bank Balance	423,211
Cash Balance - Trash Fund Bank Balance	129,137

	<u>General Improvement</u>	<u>Municipal Street Aid</u>	<u>Real Estate Transfer Tax</u>	<u>Economic Development Fund</u>
Beginning Cash Balance	467,830	509,675	3,219,216	\$235,852
Deposits			62,060	
Interest Earned this Month	579	628	3,985	
Disbursements this Month		(1,772)	(60,250)	(\$131,560)
Investments				
Ending Cash Balance	\$468,409	\$508,531	\$3,225,011	\$104,292

	<u>GF Capital Reserves</u>	<u>Water Capital Reserves</u>	<u>Sewer Capital Reserves</u>	<u>Electric Reserves</u>
Beginning Cash Balance	2,758,640	10,353,412	4,406,350	10,746,803
Deposits		41,787		
Interest Earned this Month	8,066	29,338	12,241	29,627
Disbursements this Month	(1,339)	(40,340)	(42,460)	(59,339)
Investments				
Ending Cash Balance	\$2,765,367	\$10,384,197	\$4,376,131	\$10,717,091

	<u>Water Impact Fee</u>	<u>Sewer Impact Fee</u>	<u>Electric Impact Fee</u>	<u>Police & General Government Facilities</u>
Beginning Cash Balance	2,711,734	\$1,645,903	\$790,140	\$72,087
Deposits	25,699	\$13,580	\$4,800	\$7,266
Interest Earned this Month				
Disbursements this Month				
Investments				
Ending Cash Balance	\$2,737,433	\$1,659,483	\$794,940	\$79,353

INTEREST THROUGH THE SIXTH MONTH OF THE FISCAL YEAR:

General Fund	27,568	Water Fund	3,568
GF Capital Reserves	32,808	Water Capital Reserves	109,455
Municipal Street Aid	4,431	Sewer Fund	4,427
Real Estate Transfer Tax	28,657	Sewer Capital Reserves	45,998
Electric Fund	37,900	Trash Fund	814
Electric Reserves	113,701		

TOTAL INTEREST EARNED TO DATE \$409,327

CITY OF MILFORD
RESTRICTED CASH RESERVES REPORT

Date: DECEMBER 2019

General Fund Reserve Funds

Cash Balance 12/31/19 \$2,765,367

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)
 FY 20 Approved after Budget (76,121)
 Year 2 Funding 5 Police Officers (\$450,000)
 Year 3 Funding 5 Police Officers (\$537,359)

Cost of Asset Replacement ?????

Available Cash Balance \$386,689

Sewer Reserve Funds

Cash Balance 12/31/19 \$4,376,131

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)
 25% Mobile Lift System (\$15,115)

Cost Of Service Minimum Cash (\$3,562,637)

Cost of Asset Replacement ?????

Available Cash Balance (\$11,162)

Water Reserve Funds

Cash Balance 12/31/19 \$10,384,197

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)
 25% Mobile Lift System (\$15,115)

Front Street water lines (\$1,500,000)

Cost of Service Minimum Cash (\$2,433,832)

Cost of Asset Replacement ?????

Available Cash Balance \$4,821,255

Electric Reserve Funds

Cash Balance 12/31/19 \$10,717,091

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)
 50% Mobile Lift System (\$30,231)

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

Cost of Asset Replacement ?????

Available Cash Balance \$4,767,914

REVENUE REPORT

Page Two

Date: December 2019	AMOUNT BUDGETED	MTD	YTD	50% of Year Expended YTD%
ACCOUNT				
Economic Development Fund	166,360	30,000	131,560	79.08%
General Fund Reserves	623,775	28,777	114,841	18.41%
General Fund Reserves-New Police	425,000	35,000	210,000	49.41%
Realty Transfer Tax-Police	723,000	60,250	361,500	50.00%
Real Estate Tax	4,154,385	7,746	4,094,991	98.57%
Business License	50,000	950	5,625	11.25%
Rental License	95,000	175	9,475	9.97%
Building Permits	200,000	33,701	127,614	63.81%
Planning & Zoning	35,000	5,590	49,766	142.19%
Grasscutting Revenue	16,000	0	8,000	50.00%
Police Revenues	502,750	10,882	350,066	69.63%
Misc. Revenues	388,399	19,020	148,826	38.32%
Transfers From	3,396,842	153,264	1,698,422	50.00%
Total General Fund Revenues	\$10,776,511	\$385,355	\$7,310,686	67.84%
Water Revenues	2,859,500	375,989	1,529,993	53.51%
Sewer Revenues	2,610,000	313,644	1,278,046	48.97%
Kent County Sewer	2,035,000	256,773	978,645	48.09%
Solid Waste Revenues	1,184,965	89,014	612,295	51.67%
Electric Revenues	25,815,000	2,790,417	13,414,166	51.96%
TOTAL REVENUES	\$45,280,976	\$4,211,192	\$25,123,831	55.48%
YTD Enterprise Expense		(28,534)		
YTD Enterprise Revenue		30,841		
LTD Carlisle Fire Company Building Permit Fund		538,540		

EXPENDITURE REPORT

Page Three

Date: December 2019

50% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
City Manager					
Personnel	651,490	\$47,802	285,742	43.86%	365,748
O&M	168,430	\$8,788	62,749	37.26%	105,681
Capital	0	\$0	0		0
Total City Manager	\$819,920	\$56,590	\$348,491	42.50%	471,429
Planning & Zoning					
Personnel	150,020	\$11,801	72,269	48.17%	77,751
O&M	64,387	\$7,564	29,587	45.95%	34,800
Capital	0	\$0	0		0
Total P, C & I	\$214,407	\$19,365	\$101,856	47.51%	112,551
Code Enforcement & Inspections					
Personnel	286,330	\$22,453	137,261	47.94%	149,069
O&M	85,357	\$5,603	32,766	38.39%	52,591
Capital	32,000	\$28,777	28,777	89.93%	3,223
Total P, C & I	\$403,687	\$56,833	\$198,804	49.25%	204,883
Council					
Personnel	33,380	\$2,530	13,241	39.67%	20,139
Contract Service-ADA Transition PI	50,000	\$0	0	0.00%	50,000
Legal	45,000	\$7,204	21,374	47.50%	23,626
City Hall Building Expense	19,250	\$1,604	9,625	50.00%	9,625
Insurance	18,270	\$4,410	13,230	72.41%	5,040
Christmas Decorations	7,000	\$0	0	0.00%	7,000
Computer Expense	7,400	\$0	0	0.00%	7,400
Council Expense	25,000	\$423	14,680	58.72%	10,320
Employee Recognition	21,000	\$16,369	18,392	0.00%	2,608
Codification	15,000	\$0	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	\$1,753	5,577	55.77%	4,423
Kent Economic Partnership	30,000	\$30,000	30,000	100.00%	0
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	\$64,293	\$235,010	39.67%	357,445

EXPENDITURE REPORT

Page Four

Date: December 2019

50% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
Finance					
Personnel	420,713	\$33,781	195,362	46.44%	225,351
O&M	105,875	\$6,382	47,557	44.92%	58,318
Capital	0	\$0	0		0
Total Finance	\$526,588	\$40,163	\$242,919	46.13%	283,669
Information Technology					
Personnel	164,130	\$14,493	80,332	48.94%	83,798
O&M	181,950	\$2,206	47,922	26.34%	134,028
Capital	48,500	\$0	33,123	68.29%	15,377
Total Information Technology	\$394,580	\$16,699	\$161,377	40.90%	233,203
Police Department					
Personnel	4,972,163	\$416,471	2,342,837	47.12%	2,629,326
O&M	618,970	\$69,978	274,308	44.32%	344,662
Capital	106,185	\$0	12,648	11.91%	93,537
Total Police	\$5,697,318	\$486,449	\$2,629,793	46.16%	3,067,525
Streets & Grounds Division					
Personnel	336,000	\$26,101	161,215	47.98%	174,785
O&M	443,745	\$29,365	176,679	39.82%	267,066
Capital	200,000	\$0	32,223	16.11%	167,777
Total Streets & Grounds	\$979,745	\$55,466	\$370,117	37.78%	609,628
Parks & Recreation					
Personnel	692,200	\$46,180	310,745	44.89%	381,455
O&M	263,610	\$23,912	118,984	45.14%	144,626
Capital	192,000	\$0	7,800	4.06%	184,200
Total Parks & Recreation	\$1,147,810	\$70,092	\$437,529	38.12%	710,281
Total General Fund					
Operating Budget	\$10,776,510	\$865,950	\$4,725,896	43.85%	6,050,614

EXPENDITURE REPORT

Page Five

Date: December 2019

50% of Year Expended

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	YTD%	UNEXPENDED BALANCE
Water Division					
Personnel	317,548	\$20,795	130,204	41.00%	187,344
O&M	1,500,438	\$117,221	696,881	46.45%	803,557
Capital	657,509	\$0	1,455	0.22%	656,054
Debt Service	384,005	\$46,500	182,637	47.56%	201,368
Total Water	\$2,859,500	\$184,516	\$1,011,177	35.36%	1,848,323
Sewer Division					
Personnel	316,248	\$19,997	124,537	39.38%	191,711
O&M	1,799,212	\$153,678	898,872	49.96%	900,340
Capital	90,000	\$0	83,260	92.51%	6,740
Debt Service	404,540	\$246,096	271,566	67.13%	132,974
Sewer Sub Total	\$2,610,000	\$419,771	\$1,378,235	52.81%	1,231,765
Kent County Sewer	2,035,000	\$153,532	841,567	41.35%	1,193,433
Total Sewer	\$4,645,000	\$573,303	\$2,219,802	47.79%	2,425,198
Solid Waste Division					
Personnel	350,737	\$37,014	171,600	48.93%	179,137
O&M	834,228	\$75,097	440,673	52.82%	393,555
Capital	0	\$0	0		0
Total Solid Waste	\$1,184,965	\$112,111	\$612,273	51.67%	572,692
Total Water, Sewer Solid Waste					
	\$8,689,465	\$869,930	\$3,843,252	44.23%	4,846,213
Electric Division					
Personnel	1,039,091	\$92,934	551,448	53.07%	487,643
O&M	2,717,254	\$310,323	1,272,615	46.83%	1,444,639
Transfer to General Fund	2,500,000	\$208,333	1,250,000	50.00%	1,250,000
Capital	1,038,040	\$3,870	122,905	11.84%	915,135
Debt Service	320,615	\$271,408	271,408	84.65%	49,207
Electric Sub Total	\$7,615,000	\$886,598	\$3,468,376	45.55%	4,146,624
Power Purchased	18,200,000	\$1,412,085	8,612,383	47.32%	9,587,617
Total Electric	\$25,815,000	\$2,298,683	\$12,080,759	46.80%	13,734,241
TOTAL OPERATING BUDGET					
	\$45,280,975	\$4,034,563	\$20,649,907	45.60%	24,631,068

INTERSERVICE DEPARTMENTS REPORT

Page Six

Date: December 2019

ACCOUNT	AMOUNT BUDGETED	MTD	YTD	50% of Year Expended	UNEXPENDED BALANCE
				YTD%	
Garage					
Personnel	92,725	7,339	46,151	49.77%	46,574
O&M	113,887	7,426	53,304	46.80%	60,583
Capital	0				
Total Garage Expense	\$206,612	\$14,765	\$99,455	48.14%	107,157
Public Works					
Personnel	720,729	46,500	257,100	35.67%	463,629
O&M	208,665	23,570	90,366	43.31%	118,299
Capital	132,000	0	0	0.00%	132,000
Total Public Works Expense	\$1,061,394	\$70,070	\$347,466	32.74%	713,928
Tech Services					
Personnel	239,513	19,221	116,634	48.70%	122,879
O&M	430,711	23,659	143,858	33.40%	286,853
Capital	64,000	29,195	61,545	96.16%	2,455
Total Tech Services Expense	\$734,224	72,075	\$322,037	43.86%	412,187
Billing & Collections					
Personnel	776,589	50,561	345,224	44.45%	431,365
O&M	245,850	17,167	116,520	47.39%	129,330
Capital	47,000	0	14,205	30.22%	32,795
Total Billing & Collections	\$1,069,439	67,728	\$475,949	44.50%	593,490
City Hall Cost Allocation					
Personnel	0				0
O&M	45,500	6,334	24,691	54.27%	20,809
Capital	102,414	22,630	58,557	57.18%	43,857
Total City Hall Cost Allocation	\$147,914	28,964	\$83,248	56.28%	64,666

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.

From: Larry Anderson <landerson@accutrench.com>

Sent: Wednesday, February 5, 2020 8:55 AM

To: Whitfield, Mark <mwhitfield@milford-de.gov>

Subject: Water and Electric Crews.

Mr. Whitfield,

I would like you to know what great crews you have working for the City Of Milford. We are a drilling company and once in a while we have some utilities that may have been missed. In Milford one call will always get your crews involved. I wish all Towns were as easy to get and be as helpful as your crews. Thanks so much, Larry

Accutrench Contracting LLC

305 N. University Ave

Federalsburg, Md. 21632

Larry Anderson

landerson@accutrench.com

410-310-9168



DELAWARE LEAGUE OF LOCAL GOVERNMENTS
MAPLE DALE COUNTRY CLUB
180 MAPLE DALE CIRCLE
DOVER, DE 19904

THURSDAY, FEBRUARY 27, 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:

There will be two presenters at the February meeting:

- Jennifer Cohan, DelDOT Secretary and Nicole Majeski, Deputy Secretary – The Governor’s Recommended FY 2021 Bond and Capital Budget includes a \$4 million increase in Municipal Street Aid. Ms. Cohan and Ms. Majeski will review details of the MSA budget and answer questions from the membership.
- Joe Hughes, DLLG Homeland Security Consultant – Mr. Hughes will review current activities in the League program, including member opportunities for grants and services provided by the DLLG to improve municipal and county security.

PLEASE RSVP TO CHRISTINE NO LATER THAN 02/12/20

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

Next Meeting: Thursday, March 26, 2020

Date: February 7, 2020

To: City of Milford Commission of Planning and Zoning

Subject: Commissioner Resignation

Dear Commission,

After extensive thought and consideration, I regret to inform you of my resignation as Commissioner with the Planning and Zoning Commission, Milford, Delaware effective today, February 7, 2020.

It has been an honor and privilege to serve the citizens of Milford over many years to bring updates to the overall comprehensive plan, update city planning and zoning codes as well as recently implementing new billboard/signage codes for the city. We have made great progress in the effort to manage city growth while at the same trying to maintain the "small, hometown appeal" our city has enjoyed over the years since its' beginnings.

My last comment is directed to the current commissioners and those who follow. It is to be mindful that these codes and guidelines are the governing rules which should be reviewed before reaching any decision that is presented before you for consideration. Remember, the rules are to be followed as strictly as possible and that variance(s) from the rules should not be commonplace, but instead, made only in the rarest of situations.

May God bless all who have served the city of Milford in the past, those who currently serve, and those who will step up in the future to serve.

Respectfully,

A handwritten signature in black ink, appearing to read "Ed Holloway". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Ed Holloway, Commissioner

Planning and Zoning Commission

City of Milford, Delaware 19963



PUBLIC WORKS DEPARTMENT
180 Vickers Drive
Milford, DE 19963

PHONE 302.422.1110
FAX 302.422.1117
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							
<i>Description</i>		<i>Fee Per Month</i>	<i>Fee Per Month effective 06/01/2020</i>	<i>Fee Per Month effective 06/01/2021</i>	<i>Fee Per Month effective 06/01/2022</i>	<i>Fee Per Month effective 06/01/2023</i>	<i>Fee Per Month effective 06/01/2024</i>
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
<i>Description</i>					<i>Fee</i>		
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							
<i>Description</i>					<i>Fee</i>		
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: July 1, 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							
<i>Description</i>		<i>Fee Per Month</i>	<i>Fee Per Month effective 06/01/2020</i>	<i>Fee Per Month effective 06/01/2021</i>	<i>Fee Per Month effective 06/01/2022</i>	<i>Fee Per Month effective 06/01/2023</i>	<i>Fee Per Month effective 06/01/2024</i>
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							
<i>Description</i>		<i>Fee</i>					
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							
<i>Description</i>		<i>Fee</i>					
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: July 1, 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								
<i>Description</i>		<i>Fee Per Month</i>	<i>Fee Per Month effective 06/01/2020</i>	<i>Fee Per Month effective 06/01/2021</i>	<i>Fee Per Month effective 06/01/2022</i>	<i>Fee Per Month effective 06/01/2023</i>	<i>Fee Per Month effective 06/01/2024</i>	
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	
<i>Description</i>		<i>Fee</i>						
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		
<i>Description</i>		<i>Fee</i>
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		
<i>Description</i>		<i>Fee</i>
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: July 1, 2020

Mayor Arthur J. Campbell

Attest:

City Clerk Teresa K. Hudson



Date: February 3, 2020

To: Mayor and City Council

Through: Mark A. Whitfield, Public Works Director/Interim City Manager
Jeff Portmann, Finance Director

From: Christine Crouch, MMC, Deputy City Clerk

Re: Budget Adjustment for City Hall Building Maintenance Expenses

The City budgeted \$3,000 for City Hall Building Maintenance for FY20 and has been invoiced \$2834 thus far in the fiscal year, leaving a balance of \$166.

Additional unexpected repairs that require payment include those to the boiler and the server room fire line compressor totaling \$6732.

Recommendation: I respectfully request a budget adjustment from General Fund Reserves to City Hall Building Maintenance (225-6320-481.40-31) in the amount of \$7566 to cover the current unexpected building maintenance costs and leave a \$1000 balance for the remainder of FY20.



TO: Mayor and City Council

FROM: Rob Pierce, Planning & Development Director

DATE: February 10, 2020

RE: Residential Rental Inspections

On January 22, 2018, City Council appropriated \$131,200 from General Fund Reserves and authorized the Mayor to execute a contract with First State Inspection Agency, Inc. for residential rental inspection services through the end of the 2019 calendar year. To date, the City has \$59,950 remaining from the original appropriation.

It is anticipated that one of the code enforcement officials will need a leave of absence during the upcoming months which will put an unexpected burden on the Department to complete the 2020 residential rental inspections and fulfill other property maintenance and code enforcement responsibilities. Staff is seeking approval from City Council to utilize the remaining funds originally appropriated in 2018 and continue the contract with FSIA for rental inspection services through the 2020 calendar year. The fee schedule for the FSIA contract will remain the same, with a cost of \$50 per inspection.

Staff recommends City Council authorize the use of the remaining \$59,950 originally appropriated in 2018 to continue the residential rental inspection contract with First State Inspection Agency, Inc. through the remainder of the 2020 calendar year.

MILFORD CITY COUNCIL
MINUTES OF MEETING
January 22, 2018

A Meeting of Milford City Council was held in the Joseph Ronnie Rogers Council Chambers at Milford City Hall on Monday, January 22, 2018.

PRESIDING: Mayor Bryan Shupe

IN ATTENDANCE: Councilmembers Christopher Mergner, Arthur Campbell, Lisa Peel, James Burk, Owen Brooks Jr. and Katrina Wilson

City Manager Eric Norenberg, Police Chief Kenneth Brown and City Clerk Terri Hudson

COUNSEL: City Solicitor David Rutt, Esquire

ABSENT: Councilmembers Douglas Morrow and James Starling Sr.

CALL TO ORDER

Mayor Shupe called the Council Meeting to order at 8:09 p.m.

INVOCATION AND PLEDGE

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

RECOGNITION

Milford Cub Scouts

Mayor Shupe announced that he met and was interviewed by a group of Cub Scouts earlier this evening who are working on their Arrow of Light Rank.

COMMUNICATIONS & CORRESPONDENCE

Councilman Burk reported that he received some correspondence which were forwarded to the City Clerk to add to the packet (see packet). Several other Councilmembers also received them the emails from Roberts, Lebright and Davis.

UNFINISHED BUSINESS

Residential Rental Inspection Program/Inspection Agency Approval and Funding Appropriation Authorization

Planning Director Rob Pierce informed Council that he is presenting a culmination of items that have been discussed on numerous occasions over the past two plus months. He recalled that during September and October 2017, the Planning Department solicited proposals from qualified firms for Residential Rental Inspection Services. The Department received one proposal in response to the Request for Qualifications from First State Inspection Agency, Incorporated (FSIA). The Council Packet includes a copy of the submission.

Staff reviewed the submission and found the firm qualified to perform the work as outlined in the RFQ documents. The City met with the firm and negotiated a unit price of fifty dollars per inspection (initial or follow up) as is outlined in the draft contract/agreement.

Staff recommends utilizing a third-party inspection agency to perform all rental unit inspections over a two-year period. The Department will use the county boundaries to divide the rental inspections into two geographic areas. Sussex County has approximately 600 rental units, while Kent County has approximately 1,040.

Due to the delay in implementation during the 2018 calendar year, staff recommends performing Sussex County inspections in year one and Kent County inspections in year two. Upon completion of the two-year program, Mr. Pierce's

recommendation is to transition into a four-year inspection cycle based on Ward boundaries beginning with Ward 1 and ending with Ward 4. The two-year inspection contract is a one-time expense that can be paid by general fund reserves using the excess FY2018 building permit revenues. Staff estimates the cost to be approximately \$131,200.00.

Mr. Pierce reported that the hiring of an additional Code Official was also discussed to assist with the inspections. It has been recommended a second Code Official be hired to assist the Department with property maintenance, rental inspection, and zoning enforcement. At the end of the two-year period, the two full-time Code Officials would take on the responsibility of the four-year inspection approach. He also recommends accepting the HUD inspections for those subsidized housing units that receive either state or federal inspections. As a result, the rental inspections required in the Rental Inspection Services Contract and in-house inspections would be reduced.

A second Code Official would cost approximately \$75,000 in salary and benefits annually. Since this is not a one-time expense, staff recommends reviewing the financial impact of this position during the upcoming FY2019 budget review. If Council wishes to hire an additional Code Official before the end of the fiscal year, the approximate cost will be \$6,300 per month. It is estimated it will take several months before the position can be filled. If approved this evening, the anticipated start date would be May 1, 2018.

Mr. Pierce noted that the Department has been performing rental inspections internally since 2008, but has not had sufficient staffing levels to proactively complete all inspections as was intended under the adoption of the amendments to Chapter 180 approximately ten years ago.

Each rental inspection includes general exterior, general interior, structural, plumbing, electrical and fire inspections as outlined in the International Property Maintenance Code (IPMC) 2015.

The City will provide landlords with information related to the inspection guidelines and scheduling procedures in advance of any scheduled inspection. The same information will be provided on the Department's website.

During the initial two-year period, the majority of the administrative functions of the rental inspection program will be performed by the inspection agency, including the scheduling of initial and subsequent reinspections. Properties that do not comply after reinspection will be forwarded to the City's Code Officials for formal issuance of violations. The City will issue violation notices to those property owners who fail to respond, register or remedy infractions after their reinspection is completed. Said violations would be subject to the fines and penalties outlined in Chapters 174 and 180 of the City Code.

He recommends Council authorize Mayor Shupe to execute the contract for residential rental inspection services with First State Inspection Agency for a period of twenty-three months, terminating on December 31, 2019 and a motion to appropriate \$131,200 from the general fund reserves from additional permit revenues collected during FY2018 to fund this program through the end of 2019.

He would also evaluate the impact of an additional City Code Official when preparing for the budget. Mr. Pierce feels it is very important to look at all the components in the City when that decision is made.

Councilwoman Peel asked if there was more thought put into how the checklist would be adapted to include a point system.

Mr. Pierce said he met with Kathy Stetson, retired Code Official from Tukwila, Washington, after the last meeting. He felt the suggestions would include some items that made it more difficult. A hybrid could be done though the Planner felt it would become even more complicated. Most of the items on the checklist are safety and health related and his department is already proactively reporting back and sending violations on exterior concerns. This will provide the Code Officials in the field an extra set of eyes for exterior problems as well.

He noted that the Department is already regularly enforcing grass and weed violations included on the checklist.

Councilman Burk stressed that he prefers life safety issues be the main focus of the inspection. Historically, that is the purpose of rental inspections and not items like flaking paint, unless it involves lead paint inside the house.

The Councilman felt that Ms. Stetson's emphasis was more on life safety issues versus aesthetics. He asked the goal of the program and whether it is aesthetics or safe houses; Mr. Pierce responded by stating the only difference between the rental

inspections and a regular property maintenance inspection would be the interior items. He thought Council's intent was to be more proactive with exterior violations on all properties in Milford. As a result, properties have been written up regardless of if they are owner-occupied or rentals, and involve items such as flaking paint, rotting wood, overhangs or accessory buildings that are falling apart, etc. However, if that is not Council's intent, he would ask for more clarification on their direction.

Councilman Burk felt the feedback from the property owners was that a missing screen should not be the reason to fail a rental inspection. He agrees that life safety issues are priority versus aesthetics or flaking paint when it comes to the occupants of rentals.

The Councilman recalled that the intent when this ordinance was implemented was to ensure our residents lived in safe rentals versus a beautiful home. In his position, he does not weigh chipping exterior paint in comparison to a structural problem. He emphasized that an accessory structure like a shed does not impact what is happening inside the rental.

Planner Pierce feels that is no different than the City's Code Official riding down the street and writing a property up and issuing an official violation. Working with the consulting firm or even an in-house inspector would allow safety issues to be remedied much more quickly and without going through a formal process. For example, the inspection is done and the landlord agrees to a time frame to remedy those issues.

He stressed that unless it is a life safety issue, the City is not going to force anyone out of a home. Instead, they will be given 30 days or 90 days to comply as would be agreed to by the landlord. If they do not comply, at that point a formal violation on the exterior would be issued, as is the everyday practice in the City of Milford.

Councilman Mergner asked if the City is charged for a second inspection if the property fails; Mr. Pierce explained that inspections will not be done over and over and instead his Department will eventually issue an official violation.

Councilman Burk recommends indicating the issues on the checklist that are life safety issues though he agrees we don't need to go to a full point system. However, it is important that everyone understands what is expected.

The Planner stressed that the intent is not to make pristine houses. Instead, the intent is that the home meets minimum housing standards which are outlined in the Property Maintenance Book.

Mr. Pierce then discussed the process on handling various problems, which are typically outlined in the Property Maintenance Code, and often involves some type of mediation with the landlords and tenants.

Councilman Brooks asked if a gatekeeper is required; Mr. Pierce stated that caretakers are listed on the initial rental application and any changes must be reported. He added that an average inspection in a normal situation is approximately twenty minutes.

Councilwoman Peel noted the target date established to complete all the rental inspections in an expedited manner. She asked if the City is targeting landlords and renters over owner-occupied properties. Solicitor Rutt noted there is a completely different obligation between a landlord and tenant versus a person who owns their own home. Landlords have obligations under the Landlord-Tenant Code of the State of Delaware to ensure they have a safe, livable and habitable unit. The City then ensures it meets those requirements. If an individual who owns a house, wants to live in a hovel, that is their decision.

The Planner then reviewed exterior life safety issues. He said that structural members could be life safety issues such as a significant failure in the foundation walls. He said that locked doors and egress may not be life safety, but may be considered urgent depending on the situation. For example, if the rear door or even an interior door will not open could create potential fire safety hazards. A severe infestation could cause a unit to be unfit for human occupancy. If a building has no heat that could be an issue depending on the weather. Electric equipment improperly installed; clothes dryer exhaust and smoke detectors can also be potential issues.

Councilman Burk agrees that smoke detectors are always a life safety issue.

Mr. Pierce noted that several items are mentioned more than once in the list. If trimmed down to the main item, it would most

likely involve a page to a page and a half. Councilman Mergner still believes the information is vague and could be misconceived.

Mr. Pierce pointed out that it appears to be vague on the checklist, but is clarified in the actual code book. Councilman Mergner feels that three different inspectors may have three opinions. He sees that everyday and many things are left up to interpretation which is his concern.

Mr. Pierce said that most of the problems are very obvious and there is very little argument.

When asked if Mr. Pierce is recommending two outside inspectors and one in-house, he responded by stating that he prefers to start with the contracted inspectors in an effort to catch up with the backlog of inspections. That is because it has not been handled proactively since the adoption of the ordinance in 2008. The four-year cycle would begin once all the inspections were completed.

Councilwoman Wilson recalled that after hours of yet another conversation, she thought there was a consensus the last time this was discussed to move forward with the contractor for either one or two years and at some point, hire a full-time inspector to provide two City Code Officials who would be able to take over the inspections once they were caught up.

Mr. Pierce agreed stating that is what has been presented.

Councilwoman Wilson though Council was in agreement with that.

Mr. Pierce said he considered fairness and believes that three years will make it difficult. Instead, Kent County will be inspected one year and Sussex County the next year. That will take the City to the four-year ward approach which is something recommended by Kathy Stetson from her past experience. That provides a predictable four-year cycle and fair span for inspections. However, the goal at this point is to catch up with the help of a consultant until we can get to that point. If someone is hired in the meantime, that inspector can also assist with the inspections.

The Planner emphasized that the First State Contract is not a guaranteed amount and instead is based on a per inspection cost. If we are able to get through these inspections, and are able to start handling internally, that ability will be available as well.

Councilman Burk stated that if he understands this correctly, a new City Inspector will not be considered until the budget hearings began. Mr. Pierce explained that is a decision that City Council will need to make.

City Manager Norenberg said the option in the memo is to fund out of this year's budget for May and June, which is as early as we would be able to hire a new employee. The recruitment could be started and about the time we are going through the budget process, the financial impact on FY2018-19 will be known.

When asked if the contract can be terminated during the time frame, Mr. Pierce explained that his Department would simply stop requesting inspections though he prefers they be given a notice out of professional courtesy.

It was confirmed the consensus at the last Council meeting was to proceed with both plans. Start the First State Inspection Agency contract as soon as possible and if Council wishes to hire an in-house employee, begin the recruitment process with an approximate hire date of May 2018 while reporting on the fiscal impact of the second Code Enforcement Official.

Mayor Shupe asked if we should wait until we are in the budget process to make a decision to hire a second Code Official versus hiring someone now and finding out two months from now it will not work out, as was done a few years ago. Councilwoman Wilson feels there is enough support to hire the additional Code Official and to continue their financial support into the next budget. Councilman Burk agrees adding that he received feedback from a number of constituents who want the rental inspections done by an in-house employee.

Councilman Burk said his hangup at this point are the items that would cause an inspection to fail. The main items in his opinion are an inoperable heating system, electrical and smoke detectors and no water and/or no hot water. Items such as exterior chipped paint or a dilapidated shed he feels is only aesthetics.

Mr. Pierce asked if Council recommends overlooking those items; Councilman Burk feels the issues simply need to be

prioritized.

The City Manager understands that message considering it has been mentioned numerous times by Council and members of the public. He noted that Mr. Pierce stated at a number of meetings that the City's intent is not to fail a property to force a tenant and family onto the streets. There is no intent to disrupt people's lives but we do want to make sure our residents are living in safe conditions.

Mr. Norenberg agrees there are definite life safety issues that should fail as Councilman Burk alluded to. Those aesthetic issues can be worked on over a period of time without a person being forced out of their home. In addition, the City will work with the owner on that time frame. The City's goal is to have everyone on the same page and be consistent and fair with the process. Any inconsistency that is found will definitely need to be corrected.

Councilwoman Wilson moved to authorize Mayor Shupe to execute the provided contract for Residential Rental Inspection Services with First State Inspection Agency, Inc. for a period of two years and that we begin the process to hire a second in-house Code Official, who along with the current Code Official, will be able to takeover the annual inspections once completed, seconded by Councilman Campbell. Motion carried by the following 4-2 roll call vote:

Councilman Mergner votes no and does not approve of outsourcing the inspection duties because there will be too many inconsistencies. He feels there will be a big gap in communications between an outsourced company and our in-house staff, in addition to the landlords who are making a living through these rentals and need to provide for their families, plus the tenants. He knows there has been a lot of people involved who think this could work. However, does not have enough confidence. He has a big question on the overall process procedure and whether it has been tested, and have we received referrals on the company that we are hiring, etc. He also feels there are gaps in the checklist and is also concerned about how many times a third-party inspector will be needed before a property is approved, and whether it involves three or four times and the impact of that \$50 fee each time. He concluded by saying there could be a communication problem which could cause more work for our City Staff. However, he does approve of handling it in house adding that it is important that a dwelling is safe and reiterated that outsourcing seems inappropriate. He agrees we need more inspectors and prefers to keep it in house.

Councilman Campbell votes yes especially because the City is already very far behind and this has been occurring since 2008 and prior to that. And that these inspections need to be done. He also feels a lot of this has to do with the new hospital coming in and the need to focus on upgrading the appearance of some homes, including both owner occupied and rented homes. He feels the only way this can be accomplished is by hiring outside help but he agrees we should also consider adding another in-house Code Official.

Councilwoman Peel votes yes though she feels we should prioritize hiring an in-house Code Official and based on the information she has received and her conversations, that seems to be the preference. With that said, the City has been charging people for a long time and has not conducted these inspections. If this opens the door to getting this program started, and then provides a standard procedure where the landlord becomes familiar with the City Inspector, will be more streamlined in her opinion.

Councilman Burk votes yes and mirrors Councilwoman Peel's sentiments. He is very concerned about the checklist and he thinks we need to have an established procedure and not just say we will adapt down the road, which he feels is only fair to the people that own properties so that they fully understand what they are getting into. He would also prefer feedback from the property owners when the inspections begin so the process can be adjusted if needed. He also believes we need to have a good procedure in place as Councilman Mergner stated. He, too, prefers this be done in house 100% and that is the goal and the direction the City needs to go. But he also agrees we need to catch up at this point.

Councilman Brooks votes no and feels it should be done in-house and he does not want mass production or anything similar. He said the City caused all these problems and they took this money for years that was in the budget and never hired anyone.

Councilwoman Wilson votes yes for the many reasons that have been stated. She feels there has been a lot of work put into this program and a lot of input from the property owners. She felt good at the last meeting with what was proposed and she feels there is a great need to play catch up. If the City was fully staffed and we had two to three Code Officials, then we would not need to be asking for outside help. Going forward, she is convinced we will need additional help to get this accomplished.

Councilwoman Wilson then moved to appropriate \$131,200 from General Fund Reserves to fund the Rental Inspection

Services Contract through December 31, 2019, seconded by Councilman Campbell. Motion carried by the following 4-2 vote:

Councilman Mergner does not approve based on his previous comments about outsourcing the inspection services. However, he does believe we need some type of inspection process but not through a third party.

Councilman Campbell votes yes based on his previous comments.

Councilwoman Peel votes yes based on what was just discussed on the previous approval.

Councilman Burk votes yes and prefers to see an internal Code Official hired before May 1st or as soon as possible.

Councilwoman Wilson votes yes for the all the reasons previously discussed.

Adoption/Resolution 2018-01/City Council Rules and Procedures

Mr. Norenberg recalled at the last meeting, the City Solicitor recommended incorporating language regarding the Executive Session process. Some recommended language was provided but has not yet been added to Exhibit A-Rules of Procedure for City Council. As a result, he recommends the matter be postponed to allow the City Clerk and himself time to update the document.

Councilman Burk moved to postpone taking action on this matter until February 12th, seconded by Councilman Campbell. Motion carried.

NEW BUSINESS

Councilman Mergner asked to be excused from the balance of the meeting due to a work commitment. Councilman Mergner left at this time.

*Morris & Ritchie Associates Inc on behalf of Dunn Development LLC; Project 13-196
Hickory Glen /Extension 4/Preliminary Major Subdivision
Milford-Harrington Highway
Tax Map MD-16-173.00-01-21.00; -22.00
Zoning: R8 (Garden Apartment and Townhouse District)*

PE Phillip Tolliver presented the following memo to be considered by City Council:

Dear Mr. Pierce:

On behalf of our client, Mr. Eric Dunn of Dunn Development, LLC, and in regards to the above referenced plan, we hereby formally request a twelve month extension for the previously approved Preliminary Plan. The Preliminary Site Plan was previously granted extension approval by the Milford Planning Commission on January 17, 2017, and in the near future is scheduled to expire in accordance with Section 200-4.A.(5) of the City Subdivision Ordinance. The Preliminary Major Subdivision Plan was previously granted extension approval by the Milford City Council on January 23, 2017, and is also scheduled to expire in accordance with Section 200-4.A.(5) of the City Subdivision Ordinance.

We have been diligently working on developing the construction plans related to this project and this 12 month extension is necessary in order to obtain all approvals related to the final engineering plans. To facilitate the extension request we would like Hickory Glen to be placed on the Planning Commission and City Council agendas.

City Planner Pierce reported that this project originally received Preliminary Approval on February 18, 2014 and subsequent extension approvals in February 2015, February 2016 and January 2017. He noted that the first rendition of the full final construction plans were received earlier in the month and as a result, staff has begun reviewing the Final Major Subdivision construction plans.

The Planning Commission recommended approval of a twelve-month extension at their January 16, 2018 Meeting by a unanimous vote.

Plan Review/Inspection Agreement

THIS AGREEMENT, made this 17th day of Jan. 2020, by and between the **CITY OF MILFORD**, a political subdivision of the State of Delaware, (Hereinafter referred to as "City") and **FIRST STATE INSPECTION AGENCY, INC.** (Hereinafter referred to as "FSIA").

WHEREAS, the parties desire to enter into a contract with respect to residential rental inspections of properties within the City of Milford;

NOW THEREFORE, in consideration of the mutual promises contained herein, and other good and valuable consideration, the parties agree as follows:

1. FSIA shall conduct residential rental inspection services as requested by the City of Milford Planning Department.
2. FSIA shall conduct rental inspections based on the requirements of Chapter 180 Residential Rental Operating Licenses, Chapter 174 Property Maintenance, the 2015 International Property Maintenance Code (IPMC), and other City Code requirements as may be adopted, including any amendments thereto.
3. FSIA shall maintain written records of on-site inspections and provide a copy of all inspection records to the City. FSIA shall provide written documentation and pictures of all violations cited during on-site inspections. Inspections shall be performed based on the checklist provided by the City.
4. FSIA will provide the landlord a copy of all completed inspection reports and determine the necessary corrective actions and timing.
5. Outstanding violations from rental inspections will be forwarded to the City Code Official for further enforcement and legal action.
6. The City will notify landlords in writing of pending rental inspections approximately three (3) weeks in advance and all inspection requests shall be to the FSIA office.
7. FSIA shall provide technical advice and information, as requested by the City.
8. The City agrees to pay FSIA fifty (\$50.00) dollars for each inspection, including both the initial and any follow-up inspection performed and approved by the City of Milford. FSIA shall bill the City upon performance of each inspection. Payment is due thirty (30) days after receipt of invoice.
9. FSIA shall, during the entire term hereof, and any extension thereof, keep in full force and effect, a policy of general liability insurance with respect to its obligations under this agreement, which is approved by the City and in which the limits of liability shall not be less than one million (\$1,000,000.00) for each accident or occurrence. FSIA also agrees to maintain an Errors and Omissions Policy approved by the City, and in which the limits of liability shall be not less than one million (\$1,000,000.00). FSIA shall furnish the City with the certificate or certificates of insurance or other acceptable evidence that such insurance is in full force at all times during the term hereof.

10. This agreement shall remain in effect for a period of Twenty-four (24) Months, with the option of an additional Two (2) Years with a review of the services provided and the fee schedule at that time, to determine the necessity of a possible increase of fees. This agreement will commence January 1, 2020, and end December 31, 2021, provided, however, that the City shall have the sole option to terminate this contract after Twenty-four (24) Months, by providing FSIA written notice at least 30 days prior to termination.

IN WITNESS THEREOF:

Signed, sealed and delivered in the presence of:

FIRST STATE INSPECTION AGENCY, INC.

Melinda Trice
Attest

Earle C. Dempsey Pres (SEAL)
Printed Name: Earle C. Dempsey
Title: Pres

Sworn to and subscribed before me this 7 day of Jan, 2020.

Katrina White
Notary Public

KATRINA L. WHITE
NOTARY PUBLIC
State of Delaware
My Commission Expires on Aug. 5, 2021

August 5, 2021
Date Commission Expires

CITY OF MILFORD

Yeresa St. Thomas
Attest/City Clerk

Arthur J. Campbell (SEAL)
By: Mayor Arthur J. Campbell

Sworn to and subscribed before me this 17th day of Jan, 2020.

Christine R. Crouch
Notary Public

CHRISTINE R. CROUCH
NOTARY PUBLIC
State of Delaware
My Commission expires on Aug. 1, 2021

Date Commission Expires



OFFICE OF THE CITY MANAGER
201 South Walnut Street
Milford, DE 19963
www.cityofmilford.com

MARK A. WHITFIELD, INTERIM
City Hall 302.422.1111
Direct 302.424.8394
MWhitfield@milford-de.gov

Date: February 4, 2020
To: Mayor and City Council
From: Mark A. Whitfield, Public Works Director/Interim City Manager
Re: Financial Software and Information Technology

Over the next 12 to 18 months, the City staff recommends changing and implementing to a new financial software system. Additionally, the two persons that make up our IT Department have indicated their interest in retiring within the same 12 to 18 months.

Financial System: The present financial system (NaviLine CentralSquare – formerly HTE Superior) was purchased in the early 2000s. While the software works, CentralSquare’s main focus is on Public Safety software, and has decided there would be no further development and enhancements to the financial software package. The City spends about \$120,000 annually on CentralSquare software support. The system presently is installed on City owned AS400 servers. An analysis of moving to an Edmunds cloud-based software system would result in a significant annual savings (approximately \$80,000 per year). The present CentralSquare system also lacks the ability to create various reports, specifically requested by members of the public and Council. CentralSquare requires the use of Cognos (a separate report righting software) to do reports, which requires assistance from CentralSquare support to build.

Other Systems: The City has numerous other systems, some of which are integrated, others which are stand-alone systems. Some of the larger systems are the AMI metering system, SCADA (supervisory control and data acquisition) system, GIS (geographical information system), warehouse inventory and control, fleet management, fuel monitoring system, refuse monitoring system, and others. An evaluation of the compatibility and integration of these systems is warranted.

For the reasons stated above, as well as others, staff recommends consideration be made for investing in a new ERP (enterprise resources planning) software system.

ERP Process: Many municipalities and companies, prior to investing in a financial software package, go through an ERP process. ERP is an acronym for Enterprise Resource Planning; a term that is used for business management systems which are designed to integrate the data sources and processes of an entire organization into a unified system. In short, a consultant typically spends time analyzing the municipalities business processes, then makes a recommendation on systems that meet the needs of the municipality. Typically, the consultant will provide the municipality with the bid specifications, as well as overseeing the bids and evaluation of the bids, to ensure the municipalities needs are being met with the proposed system. Depending on the needs and requirements of the municipality, in-house hosting or cloud-based hosting would be determined. The ERP consultant, in general, ensures the streamlining

of business practices and the integration of all the City's software systems are met. The rough cost of an ERP process is between \$50,000 to \$65,000.

IT Assessment: Late last year, the City Manager recommended the hiring of an IT Director. While the position may be needed, the skills and abilities of the Director were somewhat vague. I recommend an overall assessment of all IT functions across the City need be identified, along with specific skills and abilities to operate those systems. Additionally, moving to cloud-based computing could reduce the need for future staff. For those reasons, the abilities and responsibilities of the present IT staff need to be evaluated, and decisions made on what IT support staff is needed for the future. Lastly, certain IT functions scattered throughout various jobs within the City, that could be handled more efficiently through an IT department. Just one example of this is the GIS Technician. The IT Assessment is estimated to cost between \$25,000 and \$30,000.

Recommendation: Staff recommends City Council consider having a consultant complete an IT Assessment and consider using an ERP System consultant for the evaluation of the City's business processes and recommendation on an ERP software system.

**City of Milford - IT Assessment
Plante Moran Involvement**

IT Assessment			
Project Activity	Deliverable(s)	P&M Hours	Quote
Phase 0: Project Management			
1. Conduct Project Initiation Activities	Kick-Off Meeting Material	4	\$940
2. Define Project Organizational Structure		2	\$470
3. Develop Project Charter		2	\$470
4. Develop Detailed Project Plan		2	\$470
5. Establish Project Collaboration Center		1	\$235
6. Schedule and Moderate Project Status Meetings	Project Status Reports	8	\$1,880
	Phase 0: Sub-Total	19	\$4,465
Phase 1 : Information Technology Assessment			
1. Conduct Project Kick-Off Meeting	Kickoff Meeting	4	\$940
2. Collect and Review Documentation	Supporting Documents	8	\$1,880
3. Conduct IT Staff Interviews	IT Staff Questionnaire IT Staff Interview Results	8	\$1,880
4. Conduct Stakeholder Interviews	Departmental Questionnaire Departmental Interview Results	16	\$3,760
5. Review and Assess Technical Environment	IT Assessment Findings	8	\$1,880
6. Review and Assess Key City Enterprise Applications	ERP Evaluation Findings (High Level)	16	\$3,760
7. Compile Preliminary IT Assessment	IT Assessment Draft	32	\$7,520
8. Present IT Assessment Report Findings	IT Assessment Presentation	8	\$1,880
9. Finalize IT Assessment Report	IT Assessment Report	8	\$1,880
	Phase 2: Sub-Total:	108	\$25,380
	Project Total:	127	\$29,845

Blended Rate	\$235
Total Hours	127
Total Fees	\$29,845

**City of Milford, DE - ERP System Consulting Services
Plante Moran Involvement**

Activity	Deliverable(s)	Hours	Fees
Phase 0: Project Management			
1. Project Initiation		4	\$940
2. Define Project Organizational Structure	Project Organizational Structure	2	\$470
3. Develop Project Charter	Project Charter (Selection Phase)	2	\$470
4. Develop Project Plan	Project Plan	2	\$470
5. Establish Project Collaboration Center	Project Collaboration Center	1	\$235
6. Schedule and Moderate Project Status Meetings	Meeting Agenda	8	\$1,880
	Phase 0 Totals:	19	\$4,465
Phase 1: ERP Needs Assessment			
1. Review Documents	Supporting Documents	2	\$470
2. Assess City's Information Technology Infrastructure	Infrastructure Assessment Technical Information for the RFP	4	\$940
3. Conduct Interviews	Supporting Departmental Documentation	28	\$6,580
4. Optional Business Process Review/Mapping	<i>TBD</i>	<i>TBD</i>	<i>TBD</i>
5. Finalize Software Procurement Strategy	Software Procurement Strategy	4	\$940
6. Develop ERP Software Specifications and Software Procurement Strategy	Software Specifications	32	\$7,520
	Phase 1 Totals:	70	\$16,450
Phase 2: ERP RFP Preparation			
1. Develop Solution Selection Criteria and Define Decision-Making Process	Vendor Evaluation and Demonstration Strategy Vendor Selection Criteria Decision-Making Process	2	\$470
2. Develop Request for Proposal (RFP) Document	Request for Proposal (RFP)	20	\$4,700
3. RFP Distribution		-	\$0
	Phase 2 Totals:	22	\$5,170
Phase 3: ERP Solution Selection			
1. Manage ERP Vendor Q&A During Pre-Proposal Due Date Timeframe	RFP Addendum	6	\$1,410
2. Analyze Proposals and Select Semi-Finalists	Proposal Analysis Vendor Follow-Up Questions Semi-Finalist Vendors	40	\$9,400
3. Assist in Developing Vendor Demonstration Scripts and Other Due Diligence Templates	Demonstration Scripts Due Diligence Guide Scoring Matrices Demonstration Agenda	8	\$1,880
4. Vendor Demonstrations	Compiled Vendor Demonstration Results	32	\$7,520
5. Conduct Additional Due Diligence Activities	Site Visit Template Reference Checking Template Vendor Response to Submitted Questions	2	\$470

**City of Milford, DE - ERP System Consulting Services
Plante Moran Involvement**

Activity	Deliverable(s)	Hours	Fees
6. Assist in the Selection of a Preferred Vendor	Selected ERP Vendor Selection Process Synopsis	2	\$470
7. Conduct Contract Negotiations including Developing Statement of Work (SOW)	Statement of Work Negotiated Vendor Contracts and Pricing	28	\$6,580
	Phase 3 Totals:	118	\$27,730
Phase 4: Installation and Implementation Assistance (OPTIONAL)			
1. Conduct Project Initiation and Planning Activities	Project Risk Listing Projected Project Cash Flow Other Project Supporting Tools Project Management Procedures	TBD	TBD
2. Conduct On-Going Project Activities	Meeting Minutes Change Orders Invoice Reviews Budget Status Report Project Deliverables Others	TBD	TBD
3. Conduct Project Close-Out Activities	Project Close-Out Report	TBD	TBD
	Phase 4 Total:	TBD	TBD
Phase	Grand Total	229	\$53,815

ERP Project Estimates	Low Estimate	Medium Estimate	High Estimate
External Project Costs			
Hardware/Software	\$ 143,750	\$ 300,000	\$ 437,500
Hardware & Supporting Software	18,750	50,000	87,500
Software License Fees	125,000	250,000	350,000
Vendor Services	\$ 82,500	\$ 137,500	\$ 275,000
Implementation & Vendor Proj. Mgmt. Services	75,000	125,000	250,000
Training Services	7,500	12,500	25,000
Travel and Other Expenses	\$ 10,725	\$ 20,625	\$ 46,750
Additional 3rd Party Services	\$ 105,000	\$ 175,000	\$ 250,000
Implementation Proj. Mgmt. Services	80,000	100,000	150,000
3rd Party Vendor Integration Services	25,000	75,000	100,000
Project Contingency	\$ 34,198	\$ 63,313	\$ 100,925
Total External Costs	\$ 376,173	\$ 696,438	\$ 1,110,175

Notes / Assumptions

15 to 25% of license fees
Based on past proposals of similar size organizations
Tier 2 services estimates range from just over 1:1 services. Tier 1 estimate closer to 3:1
Approximately 10% of implementation services.
Ranges from 13 - 17% of implementation services.
Vendor Contract Compliance services a.k.a. Independent Verification & Validation
Service fees from legacy vendors to integrate new ERP to legacy systems
10% contingency



VILLAGE OF GLENCOE REQUEST FOR PROPOSALS: INFORMATION TECHNOLOGY ASSESSMENT

Village of Glencoe
675 Village Court
Glencoe, IL 60022
Attn: Ron Dussard

DUE DATE: November 23, 2015
TIME: 4:30 P.M. CST

SUBMIT PROPOSAL BY EMAIL TO: rond@villageofglencoe.org

REQUEST FOR PROPOSAL RESPONSE

Company Name: _____

Address: _____

City, State, Zip Code: _____

PROPOSAL ON: Information Technology Assessment, per the specifications herein.

Total Not-To-Exceed Price

*Any and all exceptions to these specifications MUST be clearly and completely stated in writing on the proposal sheet. Attach additional pages if necessary. **NOTE TO PROPOSERS:** Please be advised that any exceptions to these specifications may cause your proposal to be disqualified.*

GENERAL TERMS AND CONDITIONS

Section 1: Intent

It is the intent of the Village of Glencoe ("Village") to contract with a consultant ("Consultant") for all necessary labor, expenses and materials to complete an information technology (IT) assessment for the Village of Glencoe.

Section 2: Proposal Price

Proposer shall offer pricing on the Village's pricing sheet (page 1 of this document). Proposers must note any items which the Proposer cannot perform or intends to subcontract. Proposal pricing must remain firm for the term of the agreement, and Proposers must propose a not-to-exceed price. The not-to-exceed price shall be all-inclusive of all meetings, telephone calls, transportation, materials, supplies, labor, equipment and any other costs required to fulfill the scope of work as identified herein.

Section 3: Additional Information and Technical Questions

Should the Proposer require additional information about this request for proposals, please submit questions via email to Ron Dussard, IT Coordinator, via email (rond@villageofglencoe.org). Questions are due no later than 4:30 p.m. on Wednesday, November 16, 2015. Any and all changes to these specifications are valid only if they are included by written addendum from the Village to all Proposers.

Section 4: Silence of Specifications

The apparent silence of specifications as to any detail or apparent omission from a detailed description concerning any portion of this document shall be interpreted as meaning that only the best commercial material or practice shall prevail.

Section 5: Insurance, Hold Harmless and Indemnification

In addition to other standard contractual terms the Village needs, the Village will require the selected consultant to comply with indemnification, hold harmless and insurance requirements as outlined below:

Consultant shall defend, indemnify and hold the Village, its officers, officials, employees and volunteers harmless from any and all claims, injuries, damages, losses or suits including attorney fees arising out of or resulting from the acts, errors or omissions of the Consultant in performance of this Agreement, except for injuries and damages caused by the sole negligence of the Village.

The Consultant shall procure and maintain, for the duration of this agreement, insurance against claims for injuries to persons or damages to property which may arise from or in connection with the performance of the work hereunder by the contractor, his agents, representatives, employees or subcontractors. The cost of such insurance shall be paid by the contractor. Insurance shall meet or exceed the following unless otherwise approved by the Village.

A. Minimum Levels of Insurance

1. Comprehensive or Commercial General Liability: \$1,000,000 combined single limit per occurrence for bodily injury, personal injury and property damage.
2. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.
3. Worker's Compensation coverage as required by the Industrial Insurance Laws of the State of Illinois.

B. Other Provisions

The policies are to contain, or be endorsed to contain, the following provisions:

1. General or Commercial Liability and Automobile Liability Coverages

- a. The Village, its officials, employees and volunteers are to be covered as additional insureds with respect to: liability arising out of activities performed by or on behalf of the contractor; products and completed operations of the contractor; premises owned, leased or used by the contractor; or automobiles owned, leased, hired or borrowed by the contractor. The coverage shall contain no special limitations on the scope of protection afforded to the Village, its officials, employees or volunteers.
 - b. The contractor's insurance shall be primary insurance with respect to the Village, its officials, employees and volunteers. Any insurance or self-insurance maintained by the Village, its employees or volunteers shall be excess of the contractor's insurance and shall not contribute with it.
 - c. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Village, its officials, employees or volunteers.
 - d. Coverage shall state that the contractor's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability.
2. All Coverages
 - a. Each insurance policy required by this clause shall state that coverage shall not be canceled by either party except after thirty (30) days prior written notice has been given to the Village.
 3. Acceptability of Insurers
 - a. Insurance is to be placed with insurers with a current Bests' rating of A- or better, or with an insurer acceptable to the Village.
 4. Verification of Coverage
 - a. Contractor shall furnish the Village with certificates of insurance and copies of actual insured endorsements affecting coverage required by this clause. The certificates and endorsements for each insurance policy are to be signed by a person authorized by that insurer to bind coverage on its behalf and shall name the Village, its officials, employees and agents as "additional insureds" except for coverages identified above. The certificates are to be received and approved by the Village before work commences. The Village reserves the right to require complete, certified copies of all required insurance policies at any time.
 5. Subcontractors
 - a. Contractor shall include all subcontractors as insured under its policies or shall require subcontractors to provide their own coverage. All coverages for subcontractors shall be subject to all of the requirements stated herein.

Section 6: Evaluation/Acceptance of Proposals

The Village intends to select a Consultant that furnishes satisfactory evidence that it has the requisite experience, ability, resources and staffing to enable it to perform the scope of work successfully. In making the determination as to whether to select a Consultant Village will consider the following factors (listed in no particular order):

1. Prior experience performing similar work.
2. Ability, capacity and skill to fulfill the services as specified.
3. References from prior or current clients.
4. Village's prior experience with Consultant, if applicable.

Proposals submitted are offers only and the decision to accept or reject is a function of quality, reliability, capability, reputation, and expertise of the Proposer.

The Village may accept the proposal that is, in its judgment, the best and most favorable to the interests of the Village and to the public; reject the low price proposal; accept any item of any proposal; reject any and all proposals; or waive irregularities and informalities in any proposal submitted or in the request for proposals process. The waiver of any prior defect or informality shall not be considered a waiver of any future or similar defect or informality. Proposers should not rely on, or anticipate, any waivers in submitting their proposals.

Section 7: Other Terms

No Collusion

In submitting this proposal, the Proposer declares that the only person or party interested in the proposal as principals are those named herein, and that the proposal is made without collusion with any other person, firm or corporation.

Engagement

The Proposer further understands and agrees that if their proposal is accepted, the individual will enter into an engagement with the Village to provide the services with fifteen (15) days of receiving notice of the selection.

Payment

All payments for the Services will be made by the Village in conformance with the requirements of the Local Government Prompt Payment Act (50 ILCS 505).

Information Technology Infrastructure Assessment

Section 1: Background

The Village of Glencoe is a mature community with a population of approximately 8,800. It is located in the North Shore region of northern Cook County along Lake Michigan, approximately 24 miles north of downtown Chicago. The Village is bounded by the City of Highland Park to the north, the Village of Winnetka to the south, the Cook County Forest Preserve District and Village of Northbrook to the west, and Lake Michigan to the east. The Village is a non-home rule, special charter municipality which operates under the council-manager form of government. The Village is a full-service community, with a consolidated Public Safety Department (police, fire and EMS); Public Works Department that includes all public infrastructure management as well as building, zoning and planning functions; Finance; Golf operations; as well as the functions of the office of the Village Manager/Clerk.

The Village's IT staff consists of one full-time IT Coordinator. This individual is responsible for overseeing the Village's entire Information Technology environment including equipment, functionality of systems and strategic planning for future needs as well as daily technology operations. In addition to the departments located at Village Hall, this individual is responsible for supporting five off-site locations, including the water treatment plant, elevated water tower, Public Works garage and two lift stations.

The Village had historically managed IT in a fairly decentralized fashion until 2008, when the Village hired an IT Coordinator, its first full time technology professional. The Information Technology Coordinator worked to consolidate and standardize the Village's IT environment in order to improve efficiencies.

While working to consolidate and build efficiencies, the IT Coordinator has also been tasked with providing extended support to large-scale projects and adapting to new standards such as the wireless network, cloud computing, a more mobile work force and extended cyber security presence with the need for 24x7 web access.

Infrastructure services became critical in 2008 with a focus on consolidating management and operations of networks, data systems, e-mails, telecommunications, hardware, software and overall technical support. Due to the economic downturn of 2008-2009, the IT Coordinator was tasked with providing a uniform level of improved IT services in a cost-effective manner. This goal was attained by simplifying the environment, building cohesive support from each department, adhering to well-planned architecture and strategy, engineering complete solutions to avoid short-term gains and instituting industry best practices. Significant achievements over the past several years include:

Consolidations

- Migration of Novell NDS system to Microsoft ADS
- Merging of Active Directory Forest and Domains into a single domain for central authentication management
- Consolidation of tape backup systems into a disk-based backup system
- Introduction of virtual servers to eliminate physical servers in a Microsoft Hyper-V virtual server environment (70% complete)
- VPN access systems in an enterprise Cisco system
- Wireless networks (private and public) through one secure centrally managed LAN controller
- Multiple unstructured filing system to a centralized document management system (in progress)

Implementations

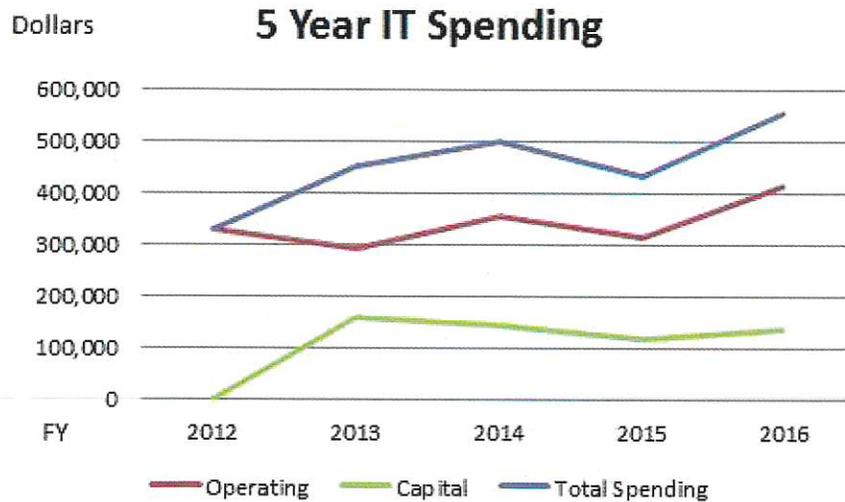
- Enterprise server and client patch management system
- Enterprise Helpdesk application
- Enterprise Storage area network (SAN)
- Enterprise E-mail antivirus, antispam and malware management
- Enterprise Cyber security and content filtering
- Server virtualization via Microsoft Hypervisor
- Capital replacement programs for data, network, and voice and client device equipment
- Cisco VoIP Telephony system
- Dual core switch network architecture to serve Business Continuity and Disaster recovery
- Secondary data center to extend Business Continuity capabilities
- Metro-E network to provide stability for future cloud service initiative

Standardization

- Network endpoint security and administration
- Servers and client devices to reduce resource intensive variants
- Server and client device operating systems for manageability
- Network infrastructure equipment under the Cisco product set

IT Budget

Over the past few years, the Village has focused on adopting emerging technologies. In 2012, a five-year technology strategic master plan was developed. The master plan allowed for the streamlining of annual technology initiatives and planning for needed capital investments. Since the development of the strategic master plan there has been a consistent effort to improve technology in the Village as reflected in the spending plan below.



Through a combination of policies and the IT strategic plan, the Village has optimized IT spending to save taxpayers money by driving value and cost savings in IT investments and improving service delivery to the residents of Glencoe, such as implementing a Village e-pay service allowing residents to pay their utility bills, annual vehicle/pet/alarm renewals and parking tickets online and view their property information through the Village's Geographic Information System (GIS) Community Portal. The Village's achieved a significant goal by virtualizing the core data center, consolidating the data center and equipment storage, standardizing applications and establishing an IT Steering Committee that frequently interacts with users of technology.

While there have been real successes achieved and the Strategic Master Plan has been helpful in providing a plan for capital purchases and some technology initiatives, the Village still finds itself lagging in the implementation of technology best practices in a uniform manner across all departments. The new service delivery standard set by Village administration represents an important commitment to future e-Government services in Glencoe. As a part of the budget creation process, the Village assesses the current IT environment and considers any capital purchases that would improve the Village's overall IT system and infrastructure. For example, the FY 2016 Budget includes funding that will continue to modernize digital delivery practices in addition to establishing more effective shared services with neighboring municipalities in an effort to provide a new level of service quality and timeliness to residents. This IT Needs Assessment project is one of the capital IT items that was approved in this fiscal year's budget. The total amount allocated this project is approximately \$40,000.

Enterprise Resource Planning (ERP) and IT Systems Assessment

ERP Systems

The Village currently operates two ERP systems: SunGard Public Sector and Innoprise Software, a division of Harris Computers incorporated.

SunGard Public Sector

The SunGard system runs the payroll application which is hosted on a SCO Unix server with an Informix standard engine as its database platform. This application was developed in the early 1990s and lacks major functionalities, including applicant tracking, automated time and attendance and benefit tracking and employee training. As such, provisions are currently being made to replace this application with the Innoprise payroll application which is expected to occur in January 2016. Ultimately, the Village desires a comprehensive human resource management information system that integrates seamlessly into an ERP system.

Innoprise Software

The Innoprise Software system contains a suite of application modules including Financials, Citizen Information System (CIS), Community Development, Citizen Access and Human Resources.

Financials

The Financials module includes accounts payable, miscellaneous receivables, inventory, purchasing, budgeting and fixed assets. The Financial module is a multiple-entity system that can accommodate individualized accounting structures. Currently, the Village uses the Financials module for daily processing of accounts payable, accounts receivable, purchasing, budgeting and fixed assets but does not utilize the Inventory function. The module is also currently used by the Village Golf Club and Public Library, which are component units of the Village and separate entities in Innoprise. However, all three entities are utilizing a different accounting structure.

Citizen Information System (CIS)

The CIS module includes utility billing (water and miscellaneous bills) and centralize cash receipting. The module is used for processing daily water bills, miscellaneous bills and delinquent notices. The billing system is updated regularly and works in conjunction with a third party meter reading system for water meter readings and the production of monthly bills.

Citizen Access

The Citizen Access module is fully integrated with the Village's other Innoprise Software modules. Citizen Access delivers Innoprise functionality to citizens via the web, extending access to the back office applications. Citizens have 24/7 access to their accounts and can view and make payments, submit permits and schedule and view inspection schedules. This module also allows Village employees to have access to real-time data from the field.

Community Development

The Community Development module automates the creation, issuance and tracking of community development activities in a parcel-based system. The solution encompasses planning, zoning, permitting, building plan review, building inspections, licensing, alarm permits and code enforcement. The Community Development module is currently linked to the Village's Geographic Information Systems (GIS) supplying data for mapping in a single interface. Currently, this module is not fully implemented as it requires further buildout and staff training. Additionally, data is not currently collected and documented electronically from the field. The Village's goal is to have a fully integrated system that will electronically organize and store information such as building permits, inspections and other parcel information that will improve the overall efficiency of the Village's work processes and data

organization. Further, this module should allow the Village to provide a higher level of service to community as well as 24/7 access to account payment and inquiry, permit and license tracking, permit submission and inspection scheduling and viewing. This module should also provide inspectors with access to real-time data from the field.

Ongoing Implementations

The Village is currently implementing the Innoprise Software payroll system to replace SunGard’s legacy system and is expected to complete this implementation in 2016. Additionally, the Village is implementing the Innoprise Citizen Access module and anticipates going live with this module by the end of 2015.

Cardinal Ticket System

The Village also operates a Cardinal Ticket System that is independent of the Village’s two ERP systems. The Public Safety department utilizes the Cardinal’s ticket track system for parking enforcement and permitting. This is a standalone system and facilitates the management, issuance and tracking of parking tickets and permits. The system does not have any built-in web functionality that allows citizen interaction or back office remote connectivity and has no integration with either of the Village’s current ERP systems. The Village seeks a product that has full integration to the ERP system and provides web access to the citizens and extends back office access from the field. As such, the Village seeks either a single, consolidated ERP system or a hybrid system that will allow for a ticketing system to be fully integrated, improving the efficiency and overall effectiveness.

Information Technology Infrastructure

In addition to these implementation efforts, the Village has invested in hardware and software platforms as detailed in the current infrastructure environment.

Environment Metrics

5 Departments	25 Print Devices
~100 Full-Time Employees	10 Physical Servers/ 16 Virtual Servers
5 WAN Locations – Comcast Metro-E	100 Telephones
3 VPN Gateways	Microsoft Platform
70 Personal Computers	37 – switches, routers, firewalls
40 Laptops	2 ERP Systems

Network

The Village’s network consists of 37 switches, routers and firewalls, over 300 physical network ports, and a hybrid mix of category 6 copper and multimode fiber optic cables. The City’s WAN architecture recently added Comcast Metro-E private network connecting network locations to the main hub at Village Hall. Two data center facilities are geographically adjacent to one another by approximately 100 yards and connected via fiber optics. The other four remote locations are connected via the metro-E Ethernet virtual private line (EVPL), with a 10Mbps fiber link to the water plant and 2Mbps links to each of the water tower and two lift stations. The internet connection is a 30Mbps symmetric Ethernet dedicated interface (EDI) fiber optic connection at Village Hall. Additionally, a 10Gbps dedicated fiber optic interface supports core switch redundancy for the network. The core switches are linked via Cisco 10Gbps switch interfaces to consolidated SAN and Emc’s data domain supports hierarchical data backup systems.

Infrastructure

The Village's infrastructure provides Internet connectivity and bandwidth management; data, voice and video systems; wired and wireless solutions development; Security management including firewalls, VPN, policies and intrusion detection and prevention; WAN/LAN security specifications; internal support and integration of departmental applications; network architecture, design and engineering; strategic capacity planning and provisioning; and asset acquisition, management and replacement.

Voice

The Village's voice system consists of Cisco VoIP UCS 6000 that was recently upgraded from an earlier MCS7800 integrated phone system. This system is installed on a VMware virtual machine to provide redundancy and currently has 105 Cisco 7900 series telephones provisioned with the capacity for 1000 telephones. Cisco provides maintenance of the Village's telephone communication systems from a customer Call Center for both hardware and software through a maintenance contract subscription.

Email

The Village's email system is an internally managed Microsoft Outlook 2010 system. Email infrastructure includes technical resources for the maintenance and operation of an enterprise email system of approximately 120 user accounts including systems management resources, account administration, e-mail spam and content filtering, web access and 24/7 end-user support.

Data Management

The data management system consists of HP high-end servers, Emc's area network (Vnxe) data storage equipment and security management systems. The Village's technology-based services, such as the Innoprise Software suite of applications, document management system and computer aided dispatch (CAD) are data file systems built on this platform and 70% all servers are virtualized. Data management infrastructure provides equipment asset management; maintenance of organization-wide data storage and backup systems; and data security management including e-mail spam, content and antivirus filtering via Symantec endpoint security and barracuda firewalls.

Client Services

The Village's client services includes the Village's IT Helpdesk that provides on-site, technical desktop support, software license management, technology equipment asset management and computer and server patch management and replacement operations.

Section 2: Scope of Work

The Village seeks a Consultant to deliver a comprehensive IT assessment. The Consultant should comprehensively review and evaluate the Village's existing IT and ERP systems, including both hardware and software (current equipment inventory listed in 'Environment Metrics'), and provide the Village with an objective analysis of the current system's strengths and weaknesses. Additionally, the assessment should determine the effectiveness and efficiency of the current systems, identify ways to improve them or suggest alternatives that would better suit the Village's needs and goal of further integrating technology into its business processes and field operations, and best or emerging practices in integrating municipal operations with ERP systems. Suggestions for alternatives should be made recognizing the Village's typical IT budget, as described above. The services will be supervised by the Village's IT Coordinator and representatives from the Village Manager's Office, including the Assistant Village Manager.

The Consultant's scope of work includes the following:

- 1. Equipment Assessment:** The Consultant will develop a detailed inventory of equipment currently utilized by the Village for all IT and ERP systems. The Consultant will also provide

recommendations for purchasing any new equipment necessary for the implementation of improvements to the Village's IT and ERP systems.

2. **Information Technology (IT) and Enterprise Resource Planning (ERP) Systems Evaluation:** The Consultant will conduct a comprehensive evaluation of the Village's current IT and ERP systems and identify strengths and weaknesses of them. This evaluation should include both software and hardware components as well as the overall use of the systems. The Consultant will assess the functions of the ERP and Cardinal Ticket systems and the Village's overall use of the systems including how they are integrated into each department's business processes.
3. **IT and ERP Systems Recommendation:** The Consultant shall recommend solutions for increased use and functionality of IT and ERP systems to maximize the efficiency of Village processes. The Consultant should develop this recommendation based on the Village's goal of developing a Village-wide IT and ERP system that will allow all departments to access and input information efficiently. It is important to note that the Village prefers a consolidated, single ERP system but will consider two systems that are integrated together including integration of the Cardinal Ticketing System. This recommendation should also include a list of hardware and software to be purchased, the budgetary implications and preliminary cost estimates of these purchases, the average life cycle of the equipment for long-term capital budgeting planning and the identification of potential training required for staff to utilize any new hardware and/or software. Additionally, the Consultant shall produce a preliminary project timeline for the completion of the recommended work.
4. **Meetings with Staff:** The Consultant shall conduct at least one (1) project kick-off meeting at the start of the project to meet with representatives from the Village Manager's Office regarding the project scope, goals, expectations and questions. Additionally, the Consultant shall schedule as many discovery meetings as necessary (as determined by both the Consultant and the Village) to complete an inventory of the Village's IT equipment (which may be scheduled on multiple days, if needed) and at least one (1) separate meeting to receive a general overview and tutorial of the Village's ERP systems. Further, because the success of this project relies heavily upon the input and advice from key staff in the organization, the Consultant shall schedule as many meetings (either in person or via teleconference) with department managers and employees as needed (as determined by both the Consultant and the Village), including a staff committee that will evaluate the Consultant's recommendations, to clarify and understand the current IT and ERP environment and each department's competencies in them, as well as to ascertain technology needs and deficiencies that currently exist. The consultant will conduct telephone calls and/or meetings with the IT Coordinator as needed throughout the project to successfully complete the project, including reviewing the draft final report. Finally, the Consultant shall participate in one (1) meeting at the conclusion of the project to present findings and recommendations to the Village Manager's Office.

Section 3: Deliverables

The Consultant shall provide the following project deliverables:

1. Written report summarizing findings related to the work undertaken in the Scope of Work and recommendations based on these findings that will enable the Village to construct a project plan to increase the use of IT and ERP systems to improve work processes of the organization. Such report should include an inventory of the Village's current IT equipment, assessment of the Village's current IT and ERP systems including the functionality and use of the systems and at least one (1) recommendation for next steps based on these assessments regarding what steps the Village should take to increase the use and effectiveness of its ERP systems. This report should consider the Village's annual budget for ongoing IT maintenance and projects but recommendations should be based on the Village's technology needs and should not be restricted based solely on budgetary factors (the Village may be able to use one-time funds in excess of the typical IT maintenance budget for purchase of a new system). This report should

also include preliminary budget estimates and a project timeline for the implementation of the various recommendations, identification of potential training needs for staff based on the recommendations and the average life-cycle of the equipment in the recommendation. While specific training needs for staff may not be able to be made at this time, the report should identify where training will need to occur in order for staff to successfully implement the Consultant's recommendations. The Consultant will provide a preliminary overview of the draft findings before finalizing the report.

2. Oral presentation summarizing findings to senior management staff.

Section 4: RFP Schedule and Response Instructions

The Village anticipates following the schedule described below to issue the request for issuing and reviewing this request for quotations, and completing the project:

Phase	Anticipated Date
Issue public notice of request for proposals	November 2, 2015
Issue request for proposals	November 2, 2015
Deadline for questions	November 16, 2015
Proposals due	November 23, 2015
Award	December 14-18, 2015
Project completed	No later than March 14, 2016

Each proposal response must include the following:

1. Request for proposal response form (page 1 of this document).
2. Narrative document which describes the Proposer's interest in performing the work, including qualifications to perform such work.
3. The names and related work experience of each individual who will perform the work, including the project manager.
4. If a firm, a summary describing the firm and nature of the firm's previous and current experience performing similar work for units of local government (preferably in Illinois). If an individual, a summary describing the nature of the individual's previous and current experience performing similar work for units of local government (preferably in Illinois).
5. A list of at least three references for local government clients for which the Proposer has or is performing similar work, including client names, telephone number, and brief statement describing the scope of work performed.
6. A statement describing any existing or potential conflicts of interest that might affect the individual or firm's ability to perform the work.
7. Any exceptions taken to this request for proposals must be clearly identified.

Proposals may be submitted by email to rond@villageofglencoe.org and are due by 4:30 p.m. on November 23, 2015. Alternatively, proposals may be mailed and addressed to:

Village of Glencoe
 Attention: Ron Dussard, Information Technology Coordinator
 Village Manager's Office
 675 Village Court, Glencoe, IL 60022



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**City of Kirkwood
Office of Procurement
212 South Taylor Avenue
Kirkwood, Missouri 63122
(314) 822-5850**

Request for Proposal

For

ERP Project Management Consulting Services

RFP No: 12251

Date: August 2, 2017

Proposal Due: August 29, 2017



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SECTION 1. SUMMARY

The City of Kirkwood (City) is seeking proposals from qualified Enterprise Resource Planning (ERP) Project Management Consultants (Firm) to assess the City's current computer information and accounting systems, identify the computing needs of its users, develop a Request for Proposal (RFP) for a new ERP system, evaluate the vendor's proposals, recommend a solution, and manage the implementation.

SECTION 2. BACKGROUND

The City desires to replace its core computer information and accounting systems with a new suite of integrated systems. The City's current financial software is more than eighteen years old and is in need of updating to better utilize the technological advancements made within the Enterprise Resource Planning (ERP) software segment. The overall goal is to implement a new system that will improve service to the City's residents, businesses, customers and increase employee productivity.

Currently, the City has some separate systems/modules/software that it depends on for special purposes and also for mobile access for residents. The goal of a City-wide evaluation would be to consolidate as many of the systems (as possible) into one central easy to use system.

The consolidation offers many benefits, examples include: information consolidation, workflow improvements, streamlined business processes, reduction in custom systems and more inclusive reporting/information for management.

The new computer information system must improve service to residents, customers, businesses and increase employee productivity. Moreover, it must be secure, and reliable. The City anticipates enhancing its process efficiencies by implementing a system that takes advantage of the most current system technology and network services. The new system must maintain its current capabilities while easily linking to third party applications for providing additional functionality not inherent in the base software.

SECTION 3. PROPOSAL REQUIREMENTS

Discuss the qualifications of your Firm's project team and its ability to provide services as presented in **Section 4**. Particularly discuss the following elements.

A. General Firm Information

List the general information of your firm including name, mailing address, location, phone number, fax number and email address of firm/person submitting the proposal.



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Consultants eligible for Request for Proposal must not have affiliation or be a reseller of any software or enterprise system proposed. The Consultant's proposal shall be organized so that the outline generally follows the format of this Request for Proposals. For each of the following items, proposals should cite examples of the previous work and provide details of the project, scope of work performed, deliverables, and roles and responsibilities:

1. Company Background including:
 - a. Experience and first-hand knowledge of software selection of Enterprise Resource Planning (ERP) products and modules.
 - b. Experience in Needs Assessments.
 - c. Experience in conveying industry best practices and gathering/ articulating functional requirements across City Departments.
 - d. Experience in Request for Proposal development.
 - e. Experience determining RFP evaluation criteria.
 - f. Experience in software selection.
 - g. Experience in analysis and risks of business process change and change management in relation to the implementation of an ERP system.
 - h. Experience negotiating contracts for the procurement, installation, customization and implementation of ERP software products.
 - i. Experience with all phases of ERP implementation including installation, customization, go-live and change management.
2. References: Provide at least three (3) references of previous projects similar in scope to that described in this RFP for an organization similar in size, scope and function to the City of Kirkwood. Include: name of organization, contact information, brief description of project and product selected.

B. Personnel Availability and Work Load

Indicate each key person(s) and/or specialist(s) to be assigned to this project and indicate their current work load and availability to complete project in a timely and professional manner. Please provide bio information for the individuals.



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C. Proposed Sub-Contractors, Joint Ventures or Partnership Agreements

Identify any sub-contractors you may use to augment your efforts. Include their personnel qualifications, experience and anticipated tasks.

D. Schedule of Fees

Provide a schedule of fees itemized by each step of the proposed process and include a schedule of the billable rates for each type of professional services to be utilized during the project for the services as described in **Section 5. Project Scope of Services**.

The firm should provide a not-to-exceed fee to complete the phases of the entire project. Fee structure shall also be composed to assume a not to exceed figure with a separate not to exceed figure for travel expenses. All fees shall be kept as proposed for term of the agreement. Additional charges such as copying charges and deliverables should be noted if practical.

E. Description of Services

Submit a description of the services you will provide, project approach and other relevant information as it pertains to the information provided in **Section 5. Project Scope of Services**. Provide a projected detailed timeline that corresponds to the functions listed in the project approach. Include any information that explains why your firm should be selected for this project.

F. Additional Information

Provide any additional information you think will assist the City in the evaluation of your firm's qualifications.

SECTION 4. PROJECT OBJECTIVES

There are **Five (5) Main Objectives** to be accomplished with this project.

- 1) The replacement the City's current software. The modules include General Ledger, Budgeting, Financial Reporting, Capital Asset Planning, Cash Receipts/Register, Accounts Receivable and Payable, Utility Billing (electric, water and sanitation), Payroll and Human Resources, Fleet Management, Work Orders, FAS software, PFX Engagement, Wallace Forms, and Purchase Orders. We will continue to use our ESRI GIS system and would hope to have the new ERP system completely integrated with the GIS. We also have ExecuTime Time & Attendance Software that does not need to be replaced, but could be if there are enough benefits shown.



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- 2) Provide an integrated yet open suite of business applications that will enable appropriate information to be shared among City departments as well as streamline linkages to third party applications. A modern, integrated public administration information system will streamline business processes, reduce duplicate data entry, increase employee data accuracy, allow for faster management decisions, improve workflow, and enhance business efficiencies, which will all provide improved results and better customer service.
- 3) Reduce our dependency on custom developed applications required to run the organization.
- 4) Ensure that the City's software systems and data are maintained safely and securely.
- 5) Ensure ease of use; both from a learning perspective and operationally.

SECTION 5. PROJECT SCOPE OF SERVICES

The Project has been divided into **Four** phases:

1. **City Software – Needs Assessment**
2. **Request for Proposal Development**
3. **Vendor Evaluation and Selection**
4. **Installation and Implementation (optional)**

This request for proposals is for providing project management services for **all Four phases**:

1. City Software – Needs Assessment

This phase will include a detailed function-by-function review of current operations. The focus of this phase is to gather functional requirements needed to run and streamline our business processes. City Departments will be interviewed to gather requirements and discuss industry best practices. The outcome of this phase will be a needs assessment document with requirements and specifications (Feature/Functions) to be approved by the end users of the software.

2. Request for Proposal Development

Assist in the creation and distribution of a Request for Proposal (RFP) for the ERP Project. Identify modules which must be included in the ERP and those which would be optional. The Request for Proposal shall include the following elements:

- Comprehensive list of functions identified, with appropriate prioritization.



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- Cost – including onsite and hosted or a combination.
- Technical specifications required (Feature/Functions).
- Implementation costs.
- Migration from old system to new including pricing for data conversion.
- Training cost and project implementation timeline.
- Hardware specifications and estimated configuration for server platform as well as network requirements for onsite and hosted options.

3. Vendor Evaluation and Selection

This phase will include the following elements:

Solicitation Tasks

- Identify qualified vendors for required systems and services.
- Assist in the formulation of responses to vendor questions during the solicitation process.
- Work with City Staff in preparing RFP addenda if required.

Vendor Evaluation

- Review vendor responses and provide an independent recommendation of non-responsive proposals.
- Perform a comparative review of all responsive proposals for initial evaluation by selection committee.
- Propose evaluation matrix for use by selection committee.
- Compile selection committee matrix scores and create a summary report for presentation at a selection committee meeting.
- Provide input upon request at selection committee meeting to assist in the selection committee's determination of the vendor semi-finalists.

Vendor Demonstration

- Assist in scheduling and conducting vendor demonstrations and site visits.
- Draft proposed agenda for use in vendor demonstrations.
- Provide sample demonstration outlines and scripts as necessary.
- Prepare vendor demo evaluation forms for use by selection committee.

Reference Checking

- Provide templates for selection committee phone interviews of semi-finalists.
- Assist in due diligence review of vendor finalist to confirm vendor qualifications.



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Finalist Selection

- Attend selection committee meeting to provide recommendation of vendor finalist.

Contract Negotiations

- Participate in meeting to discuss contract negotiating strategy.
- Review finalist vendor's contract and recommend changes.
- Assist in negotiation of final contract.

4. Installation and Implementation

The installation and implementation phase will include the following:

- Prepare an activity-level implementation plan.
- Meet with vendor and City representatives to communicate timetables and expectations.
- Monitor vendor compliance to the negotiated contract.
- Identify and address ways to minimize project risks.
- Monitor data conversion/migration.
- Review project change orders initiated either by the Client or software vendor.
- Establish standards/metrics for evaluating the software vendor's performance.
- Provide guidance in conducting user acceptance testing.
- Review and comment, as requested, on progress towards achieving activities and milestones defined in the project timeline.
- Identify areas where additional user training is required.
- Certify system acceptance for project closeout.

SECTION 6. SUBMISSION OF PROPOSALS

One (1) original and five (5) copies shall be submitted, in a sealed envelope or package to David Weidler, Director of Procurement, at 212 South Taylor Avenue, Kirkwood, Missouri 63122 by **August 29, 2017, no later than 2:00 p.m. local time.**

After the proposal due date, the Director of Procurement may require an electronic version of proposal be sent to gattidf@kirkwoodmo.org.

Please label envelope or package with the following information:

Name of Company, RFP #12251 – ERP Project Management Consulting Services



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In submitting the Proposal ("Proposal") as herein described, Firm represents warrants and covenants that:

- (A) Firm has carefully examined the specifications and all provisions contained in the Request for Proposal relating to items to be furnished or the work to be done, and understands the meaning, content and requirements of and agrees to the same.
- (B) Firm will enter into a written contract (the "Contract") with the City with the terms and conditions set forth herein and furnish the items and complete the work in the time specified for the rates provided in the accepted Proposal.

SECTION 7. GENERAL PROVISIONS & DISCLAIMERS

This Request for Proposal (RFP) is not a commitment or contract of any kind. The City reserves the right to pursue any and/or all ideas generated by this request. Costs for developing submissions are entirely the responsibility of the respondents and shall not be reimbursed. The City reserves the right to reject any and all submissions. The City reserves the right to waive any requirements of this RFP when it determines that waiving a requirement is in the best interest of the City. Submittals are public records subject to disclosure under the Freedom of Information Act (FOIA). The City cannot guarantee that any information submitted in response to the RFP will remain confidential.

SECTION 8. EVALUATION/SELECTION CRITERIA

Criteria used to select Firms include the following factors:

- A. Specialized experience and technical competence of Firm with respect to the type of services required.
- B. Capacity and capability of Firm to perform the work in question, including specialized services, within the time limitations fixed for the completion of the project;
- C. Past record of performance of Firm with respect to such factors as control of costs, quality of work, and ability to meet schedules.
- D. Firm's proximity to and familiarity with the area in which the projects are located.
- E. Proposed schedule of fees.

SECTION 9. MISCELLANEOUS

1. Incurring Costs

This Request for Proposal does not commit the City to award a Contract or to pay for any cost incurred by successful or unsuccessful submittal in the preparation for this request.

2. Confidentiality



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The City shall follow the Missouri Sunshine Law, section 610, therefore all documentation, proposals, bids, contracts and other documentation submitted to the City in response to this Request for Proposal is subject to this law. In the event any Firm submitting a proposal shall include any information deemed "proprietary or confidential" such information shall be clearly marked. The City as a public entity cannot and does not warrant that information will not be disclosed.

3. Logo

The City's logo is trademarked and should not be used in responding to this proposal.

4. Conflict of Interest

Firm will disclose all business interests or family relationships with any city officer or employee who was, is, or will be involved in Firm's selection, negotiation, drafting, signing, administration, or evaluating Firm's performance. As used in this section, the term "Firm" shall include any employee of Firm who was, is, or will be involved in the negotiation, drafting, signing, administration, or performance of the Agreement. As used in this section, the term "family relationship" refers to the following: spouse or domestic partner; any dependent parent, parent-in-law, child, son-in-law, or daughter-in-law; or any parent, parent-in-law, sibling, uncle, aunt, cousin, niece or nephew residing in the household of a civic leader, elected official, city officer or employee described above.

Through submittal Firm certifies, to the best of their knowledge, that they have no conflict of interest regarding provision of the services as detailed herein. Firm will inform the City if a potential conflict of interest arises during the period in which services are rendered.

5. Non-Discrimination

The Firm shall not discriminate against any employee or applicant for employment because of race, color, religion, sex, national origin, or disability. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment; advertising; layoff or termination; rates of pay or other forms of compensation; and selection of training, including apprenticeship. Firm shall state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, national origin, or disability. Firm shall incorporate the foregoing requirements of this paragraph in all of its subcontracts for work performed under the terms and conditions of this anticipated contract. A breach of this provision may be grounds for Contract termination.



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6. Firm's Declaration

Firm will not be permitted to use, to its advantage, any omission or error in the Request for Proposal, the specifications, requirements, or the contract documents and the City reserves the right to issue new instructions for such error or omission if originally specified. Through submittal Firm states that they have examined the information and conditions surrounding the operation of the service contemplated by the Proposal, and is familiar with the requirements as to equipment, supplies and labor of such undertaking; and that Firm has carefully prepared, examined and checked the Proposal to ascertain that no mistake or error is contained the Proposal; and that Firm will make no claim for correction or modification after the closing time for the receipt of the proposals.

7. Binding Effect

The anticipated agreement for services contained in this Request for Proposal shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns.

8. Award of Contract

The award of the contract, if it be awarded, will be made to the most qualified Firm. The award of the anticipated contract will not be determined solely on price, but as a review of the proposed Firm in its entirety. The City will notify the Firm(s) after proposal receipt what information, if any, is required. The City reserves the right to reject any or all proposals and to waive any irregularities therein. The successful Firm will be notified that their proposal has been accepted and that they have been awarded the Contract.

9. Termination of Contract by Convenience

The City may terminate the anticipated contract at any time prior to commencing construction period services for each phase by giving 30 days written notice of such intention to terminate this contract and setting forth a specific termination date. The City shall compensate Firm for all approved services rendered at the point of termination.

10. Laws to be Observed

The successful Firm shall have a valid business license, hold all applicable certifications, and agree to maintain them throughout the terms of the anticipated agreement. Firm shall at all times observe and comply with all Federal and State laws, all local laws, ordinances, and regulations existing at the time of or enacted subsequent to the execution of the contract which, if in any manner, affect the prosecution of the contract. Firm shall indemnify and save harmless the City and all of its representatives, and employees against any claim or liability arising from or based on the violation of any such law,



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ordinance, regulation, order, or decree, whether by himself, his employees, or his subcontractors.

11. Insurance Requirements

Provide the value of professional liability, general, and automotive liability insurance that your firm can provide. Also provide the form of insurance program that your firm is under.

12. Questions and Clarifications

All questions shall be submitted in writing via email to Dan Gatti, Buyer/Supply Management Analyst at gattidf@kirkwoodmo.org by close of business Thursday, August 17, 2017.

13. Amendment Issuance

If Firm has any questions which arise concerning the true meaning or intent of the specifications or any other requirements stated herein, Firm shall request that an interpretation be made in an Addendum. Failure to request an Addendum governing any such question shall not relieve Firm from delivery in accordance with the intent of the specifications. If it becomes evident that the material contained within this Request for Proposal requires amendment, the Director of Procurement shall issue a formal written amendment to these documents for distribution to all known prospective respondents. The issuance of an amendment may be released until the stated date and time of proposal receipt. If it is deemed necessary by the City, the amendment may extend the current proposal receipt deadline.

14. Proposal Acceptance

- a) The City of Kirkwood reserves the right to accept proposals in whole or in part, and to reject any and all proposals, and to negotiate separately as necessary to serve the best interests of the City.
- b) Notifications of award will be made by the Director of Procurement following approval from the Kirkwood City Council accepting the proposal.
- c) The proposal must remain valid for at least ninety (90) days after submittal date.
- d) It is the intent of the City of Kirkwood to contract for this service as soon as possible.



Proposal Presented to:

Milford City, DE

4/25/2019

Expires: 7/6/2019

Bob Edmunds, Jr., Regional Account Executive

bobe20@edmundsassoc.com

301 Tilton Road | Northfield, NJ 08225

Phone: 888.336.6999

www.EdmundsAssoc.com

Proposal Summary

Section	Fees/Costs	Maintenance Fees
Application License Fees	\$126,600.00	\$32,939.00
Travel & Training Costs	\$ 0.00	
Services & Other Application Fees	\$5,000.00	
Hosting Service Fees	\$7,500.00	
Conversion Fees	\$51,500.00	
Total Proposed Cost	\$190,600.00	

Initial training, implementation, and travel costs are included with the license fees. Training is a combination of on-site and remote sessions. If more hours are desired for a specific application, the hours from another may be allocated to additional training in that area.

The first year of support and maintenance are included with the license fees. The fees listed are for year two support and maintenance. The annual maintenance fees include all federal and state mandated changes, annual upgrades and enhancements, unlimited phone, email, and web based support, and user group membership. All software applications are warranted for one year from the date of installation. A purchase order must be sent prior to initiating a work order for installation and training to be scheduled.

**Additional notes are on the last page of this proposal.*

Please forward all Purchase Orders to:

Edmunds & Associates, Inc.
 c/o Jessica Jensen
 301 Tilton Road | Northfield, NJ 08225
 P: 888.336.6999 | F: 609.645.3111
 Email: JessicaJ@EdmundsAssoc.com
www.EdmundsAssoc.com

Application	List Price	Extended Price	Training Hours
Finance Super Suite I	\$15,000.00	\$15,000.00	24
Electronic Requisitions I	\$4,500.00	\$4,500.00	12
Payroll I	\$10,500.00	\$10,500.00	20
Human Resources I	\$10,500.00	\$7,500.00	20
Employee Self-Service I	\$7,500.00	\$4,500.00	8
Real Property Tax Billing I	\$10,000.00	\$10,000.00	20
WIPP Tax (On-line Inquiry and Payments)	\$1,200.00	\$600.00	2
Utility Billing II (includes electric)	\$30,000.00	\$20,000.00	40
WIPP Utility (On-line Inquiry and Payments)	\$1,200.00	\$600.00	2
Work Orders I	\$10,500.00	\$10,500.00	16
Resident Self-Service I	\$7,500.00	\$5,000.00	8
Inventory Control I	\$10,000.00	\$7,500.00	20
Parks & Recreation I	\$7,500.00	\$7,500.00	6
Accounts Receivable & Business Licensing I	\$4,500.00	\$3,500.00	8
Permitting & Code Enforcement I	\$10,500.00	\$10,500.00	20
Permitting Self-Service I	\$7,500.00	\$4,000.00	8
WIPP IVR Tax (Phone Payments)	\$3,500.00	\$2,450.00	2
WIPP IVR Utility (Phone Payments)	\$3,500.00	\$2,450.00	2
Sub Total:		\$126,600.00	

With an Edmunds & Associates solution, a true Windows application with a graphical user interface is delivered. All applications are ODBC compliant and utilize a SQL database which allows for seamless integration with products such as MS Excel™, MS Word™ and many GIS packages, to name a few.

Smart Phone Apps – All applicable Smart Phone Apps are included with the associated mcsj module at no additional cost.

Security - The software features a single sign-on approach that allows for user-based security. This provides access to modules based on the employee's security profile. The security is module and task specific.

Integration - All modules are fully integrated. A single source of entry minimizes data entry errors and streamlines organizational processes. The system dynamically posts all related entries to the appropriate modules.

Reporting - Along with standard system reports, customized reporting is also provided. Through built-in custom reporting tools, users can create and save personalized reports that can be exported directly into MS Excel™. Reporting flexibility allows users to create unlimited custom reports that are accessible at any time.

PDF Forms - All required forms can be generated within the application. This reduces the need to have pre-printed forms, such as pre-printed checks or utility bills. Create customized letters by merging in any field from the system. Letters can be created, printed, and documented in the corresponding record.

Attachments - The ability to attach any type of file to records, accounts, and employees along with scanning images directly into the software is provided. There is no limitation with the amount or size of those items you wish to attach.

Services & Other Applications	Cost
Project Management II	\$5,000.00
Sub Total:	\$5,000.00

Hosting Fees	Cost
Year 1 Hosting Fees - Level II (up to 100 concurrent users)	\$7,500.00

Future years fees based on contract. See attached document for details.

Sub Total:	\$7,500.00
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MCSJ Solutions can be a self-hosted or hosted software solution. This proposal is for a hosted solution. Contact your sales representative if you would like a cost proposal for a self-hosted software solution.

Hosting

The fees proposed represent the first year's cost for hosting services. Each additional year is defined in the contract. There is a three (3) year minimum contract for hosting services. The hosting fees are in an addition to the application license fees and annual maintenance costs as represented in this proposal (see page 2, "Proposal Summary"). MCSJ hosted solutions include a redundant backup to multiple locations.

SQL Database

MS SQL may be used. If MS SQL is desired, the client must procure the solution from a third-party vendor. The implementation of our software in hosted environments is supported, and a third-party vendor can be recommended for this application.

Project Management

Edmunds & Associates, Inc. has a goal to make the transition from a legacy system as painless as possible. Project management includes planning, monitoring, and reporting of progress to ensure the success of the software implementation. The Client's Project manager and an Edmunds & Associates Project Manager will work in concert to identify the scope of the project, estimate the work involved, and create a project schedule with appropriate resources. The project plan is then developed to describe the tasks that will lead to a successful implementation. The project is carefully planned, implemented, monitored and controlled. Problem resolution, risk management, opportunity management, change management, software configuration management, and data management are included, identified, and documented throughout the project. Project Managers and Training and Implementation employees have been involved in hundreds of similar successful projects.

Maintenance	Fees
Finance Super Suite I	\$3,308.00
Electronic Requisitions I	\$945.00
Payroll I	\$2,316.00
Human Resources I	\$2,205.00
Employee Self-Service I	\$1,575.00
Real Property Tax Billing I	\$2,205.00
WIPP Tax (On-line Inquiry and Payments)	\$600.00
Utility Billing II	\$6,300.00
WIPP Utility (On-line Inquiry and Payments)	\$600.00
Work Orders I	\$2,205.00
Resident Self-Service I	\$1,575.00
Inventory Control I	\$2,205.00
Parks & Recreation I	\$1,575.00
Accounts Receivable & Business Licensing I	\$945.00
Permitting & Code Enforcement I	\$2,205.00
Permitting Self-Service I	\$975.00
WIPP IVR Tax (Phone Payments)	\$600.00
WIPP IVR Utility (Phone Payments)	\$600.00
Sub Total:	\$32,939.00

Edmunds & Associates has a dedicated support team that is available Monday through Friday, 8am to 5pm. During training, an "active training client" status puts customer calls to the top of the queue.

The training of the support team builds an understanding of the processes required to run local and county government as well as authorities. The technical support team continuously receives outstanding evaluations from our current customer base; therefore, the client retention rate is 98%. Success is measured by tracking our response time to customer issue. We closely monitor our performance adding additional staff when needed.

Edmunds & Associates provides the most comprehensive support and maintenance program in our industry and it contains many unique features no competitor can match. Our annual software support includes under 2-hour call response, free application upgrades and enhancements, customer support portal, educational webinars and seminars, and user group membership and conferences.

Conversion Services	Cost
Finance - Chart of Accounts	\$0.00
Finance - Vendor Master File	\$0.00
Finance - Fixed Assets	\$1,500.00
Finance - COA Transaction History (Detail)	\$7,500.00
Payroll - Employee Pay History (Detail)	\$7,500.00
Payroll - Employee Master File	\$2,500.00
Tax - Real Property Master File	\$2,000.00
Tax - Transaction History (Detail)	\$4,500.00
Utility - Transaction History (Detail)	\$12,000.00
Utility - Master File	\$3,500.00
Inventory - Item Master File	\$3,500.00
Accounts Receivable - Customer Master File	\$1,500.00
Permitting - Open Permits/Violations	\$4,000.00
Permitting - Contractor Master File	\$1,500.00
Sub Total	\$51,500.00

Edmunds & Associates, Inc. has experience converting data from numerous legacy systems. Once an initial copy of data is extracted, data mapping takes place. Once tested by Edmunds, a test database is installed for the client; it is the responsibility of the client and Edmunds to verify that data is mapped properly. If needed, changes are made and data is verified and approved by the client. A final conversion is completed and tested with mock processing and report verification prior to going live.

The conversion may be modified based on client needs. Please notify the account executive of any changes to be made to the cost proposal. If an updated proposal is not desired, simply remove the line item from the total price and include those necessary on the purchase order.

Summary Conversions – Unless otherwise stated, summary conversions include all standard information plus three years of summarized history, including opening and closing balances on accounts.

Detailed Conversions - Unless otherwise stated, detail conversions include all standard information plus three years of detailed history, including opening and closing balances with transactions.

Optional Hardware	Quantity	Unit Price	Cost
Motorola Bar Code Scanner	2	\$480.00	\$960.00
Epson Receipt / Validator	2	\$760.00	\$1,520.00
Credit Card Swipe Device	2	\$125.00	\$250.00
Sub Total			\$2,730.00

Edmunds & Associates, Inc. is a reseller of the hardware components listed, the cost of these items are **NOT** included in the proposal total. *Please include the quantity of each item desired with the cost on the purchase order to ensure accurate purchasing.*

Proposal Notes:

Multi year SaaS payment of \$ 80,107. per annum for 5 years

Hosted Software Information



Never pay for a fileserver upgrade!

Hosting Facts:

- Daily cloud backup is included
- Multiple redundant backup sites
- Enhanced security and performance
- Fee is based on concurrent users
- Minimum contract of 3 years
- MCSJ License fees, support and maintenance charges are not included
- AWS Relational Database Services

Hosting Fees:

Level I (10 concurrent users or less)

Year 1	Year 2	Year 3	Year 4	Year 5
\$ 4,800.00	\$ 3,750.00	\$ 3,950.00	\$ 4,150.00	\$ 4,360.00

Level II (30 concurrent users or less)

Year 1	Year 2	Year 3	Year 4	Year 5
\$ 7,500.00	\$ 6,000.00	\$ 6,300.00	\$ 6,650.00	\$ 6,985.00

Level III (100 concurrent users or less)*

Year 1	Year 2	Year 3	Year 4	Year 5
\$ 11,250.00	\$ 9,850.00	\$ 10,345.00	\$ 10,860.00	\$ 11,400.00

** Over 100 concurrent users contact Edmunds & Associates for pricing options.*



OFFICE OF THE CITY MANAGER
201 South Walnut Street
Milford, DE 19963
www.cityofmilford.com

MARK A. WHITFIELD, INTERIM
City Hall 302.422.1111
Direct 302.424.8394
MWhitfield@milford-de.gov

Date: February 3, 2020
To: Mayor and City Council
From: Mark A. Whitfield, Public Works Director/Interim City Manager
Re: DNREC Surface Water Matching Planning Grant

In August 2019, ICMA Fellow Christine Hoh prepared a Surface Water Matching Planning Grant application to DNREC to address the ongoing issue of flooding on North Walnut Street, just south of NE 4th Street. The flooding is believed to be caused by increased storm water run-off to the north and west, inadequate drain inlets in the area, and inadequate pipe capacity to the east and south. Flooding in the area includes structural flooding of several houses, property flooding, and has resulted in damage to property, structures, vehicles, and personal property. The flooding also causes significant issues with inflow and infiltration of the sanitary sewer system, which increases our Kent County sewage treatment costs. Many times, the only relief to the flood conditions is through the sanitary sewer system.

The planning grant is for \$100,000, ½ of which comes from DNREC and the other ½ is to be paid for by the City. Most of the cost of the planning grant will be for an engineering consultant. The engineering consultant will be responsible for surveying the existing infrastructure, define and analyze the limits of the watershed, complete a watershed and drainage analysis and model, make a recommendation for drainage improvements to alleviate structural flooding, make recommendations on methods to improve storm water quality, and develop a plan of action of how to implement the recommendations. The planning process is expected to take about 18 months.

Recommendation: Staff recommends City Council authorize the Interim City Manager to execute the DNREC Surface Water Matching Grant Agreement.

Recommendation: Staff recommends City Council approve the use of \$50,000 from Sanitary Sewer Reserves for the City's portion of the DNREC Surface Water Matching Grant.



STATE OF DELAWARE
**DEPARTMENT OF NATURAL RESOURCES AND
ENVIRONMENTAL CONTROL**

DIVISION OF WATERSHED STEWARDSHIP
ENTERPRISE BUSINESS PARK
285 BEISER BOULEVARD, SUITE 102
DOVER, DELAWARE 19904

**DIRECTOR'S
OFFICE**

PHONE: (302) 739-9921
FAX: (302) 739-6724

January 27, 2020

City of Milford
Mr. Mark Whitfield
Public Works Director / Interim City Manager
180 Vickers Drive
Milford, DE 19963

RE: Surface Water Matching Planning Grant Recommendation
Watershed Study of Fourth Street and Walnut Street

Dear Mr. Whitfield,

Congratulations. The Delaware Water Infrastructure Advisory Council (DWIAC) has recommended approval for the City of Milford's request for a Surface Water Matching Planning Grant. The following lists the amount of the grant award, purpose, and grant requirements. I have attached a copy of the Grant Agreement. **I will need a current Certificate of Liability Insurance and 2 live signed hard copies of the Grant Agreement returned to me in order to complete the Grant Agreement and submit for a Purchase Order. Please note that work done prior to the issuance of a Purchase Order is not reimbursable.**

<u>Applicant:</u>	City of Milford
<u>General Surface Water Plan:</u>	Watershed Study of Fourth Street and Walnut Street
<u>Estimated Total Project Costs:</u>	\$100,000
<u>Grant Award Amount:</u>	\$50,000
<u>DWS SWMPG Grant Number:</u>	SWMPG 20-04

Project Description:

The City of Milford will utilize the Surface Water Matching Planning Grant to assist in their conducting a Watershed Study of Fourth Street and Walnut Street at an estimated cost of One Hundred Thousand Dollars (\$100,000).

Scope of Work:

The City of Milford will hire an engineering consultant to conduct a small watershed study of the areas of Fourth Street and Walnut Street to see if the current drainage pipes are equipped with the capability to move the storm water out of the area, and to analyze the impacts of the flooding of streets and properties on the quality of the stormwater that is being drained into the Mispillion Watershed. A completed watershed study that will inform the Grantee if it is the pipes that are causing the flooding, and what the impacts of the flooding have been on the stormwater quality. This completed watershed study will also deliver recommendations on actions to be taken in the future to alleviate these problems.

Special Grant Conditions:

- 1) This grant is subject to the Surface Water Matching Planning Grant Guidelines and Application dated June 2019.
- 2) Work shall be completed according to the application and work plan submitted.
- 3) The grant is for up to fifty percent (50%) of the total estimated project costs not to exceed \$50,000.
- 4) Work shall be completed and the final request for payment submitted to the Division of Watershed Stewardship no later than two years from the executed date of the Purchase Order.
- 5) Two (2) copies of the final report shall be provided to the Division of Watershed Stewardship (1 hard copy, 1 digital copy). Ten percent of the grant amount will be retained until the final reports are delivered.
- 6) All map data shall be provided in "shape file" format registered to the State data plan.

If you should have any questions or concerns, please contact me at (302) 739-9922 or by e-mail at James.Sullivan@Delaware.gov.

Sincerely,



Jim Sullivan
Planner

APPENDIX A

City of Milford Watershed Study of Fourth Street and Walnut Street Proposal

City of Milford

Point of Contact: Mark Whitfield

Public Works Director

mwhitfield@milford-de.gov

302-422-1125

Proposed Time: 12-18 Months

Project Cost: \$100,000

Amount of Funding Requested: \$50,000

CWSRF Non-Federal Administrative Account

Application Guidelines for Surface Water Matching Planning Grants

Application Cover Sheet and Check List

Applicant Name

City of Milford

Date of Application ___/___/___ Date Received ___/___/___

Check List for Application Materials

- Application Cover Sheet and Check List
- County/Municipal Information Sheet
- Scope of Work Document

CWSRF Non-Federal Administrative Account

Application Guidelines for Surface Water Matching Planning Grants

Information Sheet

Applicant Name: City of Milford
 Contact Name: Mark Whitfield
 Mailing Address: 180 Vickers Dr
Milford, DE 19963.

Telephone: **302-422-1125** FAX: **N/A**

Date of current or previous comprehensive plan (if any)? **2018**

Type of grant application: Surface Water Matching Planning Grant (maximum \$50,000)

Project Description: Watershed Study of Fourth Street and Walnut Street

Who will complete the project (staff or consultant)? Engineering Consultant

Project Start Date: Jan, 2020 Project Completion Date: May 31, 2021

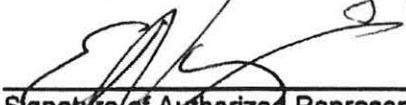
Cost Summary:

Estimated Total Project	Assistance Request	Amount of Local Funds Cost Available (match)
\$ <u>100,000</u>	\$ <u>50,000</u>	\$ <u>50,000</u>

Does your current insurance coverage meet the grant requirements? **Yes**

Name of Authorized Representative

Eric Norenberg, City Manager


 Signature of Authorized Representative

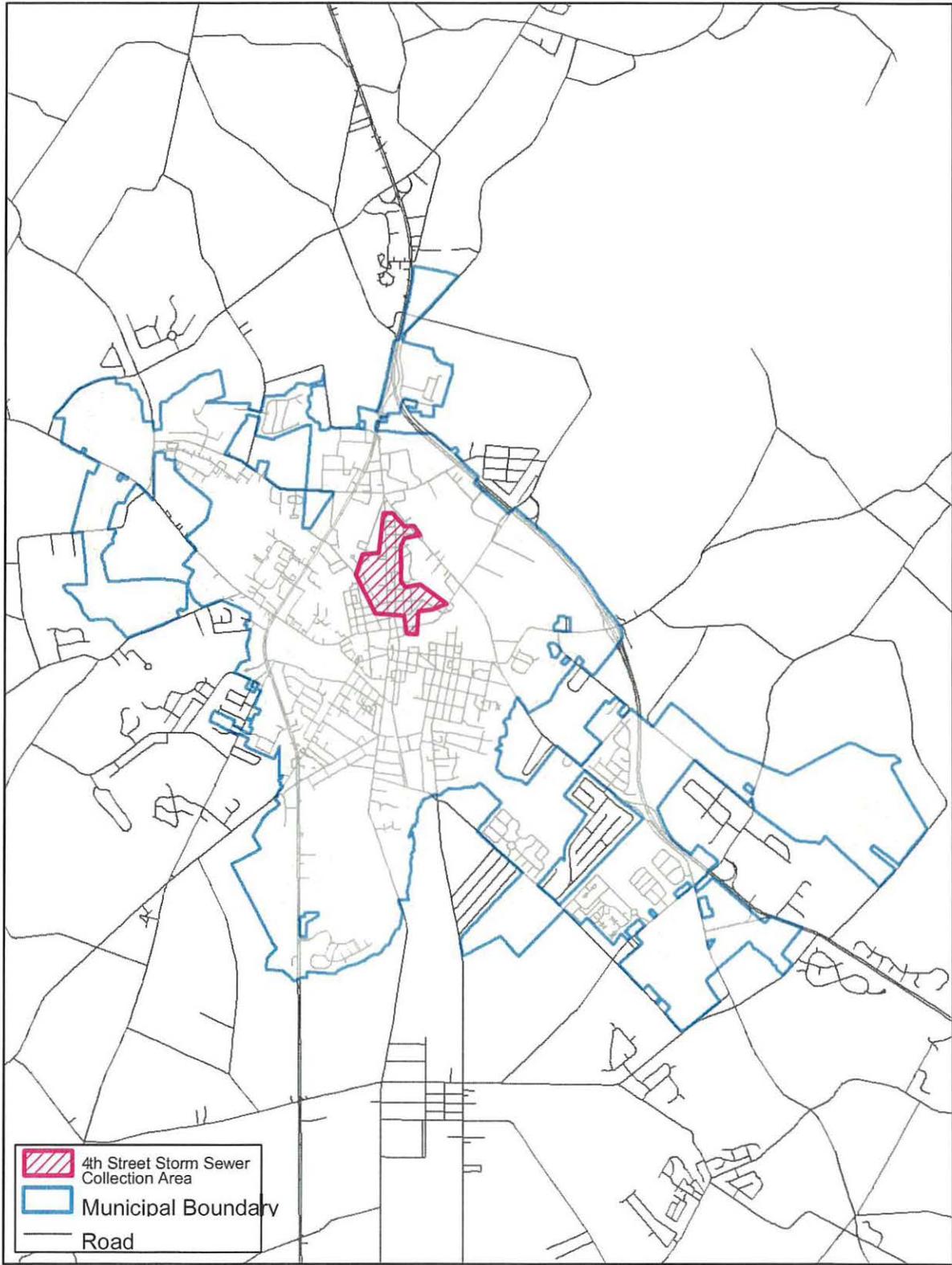
8/25/19
 Date

Background and Justification

Map 1



Map 2



Background and Justification: The typical flood area is on North Walnut Street between Second and Fourth Street and includes private properties on both sides of the street. Additionally, the area on the south side of Fourth Street between Walnut and North Street. The flooding can be attributed to development to the north of the flooded area, the lack of upstream storm water detention, and inadequate infrastructure south and east of the flood area. The study of the drainage area will allow the City to plan for improved infrastructure, additional upstream detention basins, and best management practices to reduce storm water pollutants. Map 1 shows the drainage pipes, in orange, within the area of Fourth Street and Walnut Street. Map 2 depicts where the Fourth Street Storm Sewer Collection Area is within the City of Milford's boundaries.

Scope of Work

Problem Statement

Within the City of Milford, flooding is known to occur after rain events. This flooding has impacted the areas of Northeast and Northwest Fourth Street, as well as Walnut Street. Not only have these streets been flooding after rain events, but the flooding has gone past the streets, and has begun to flood onto residents' properties and homes. Structural and property damage has subsequently occurred for residents in this area.

The concern is that this problem stems from the current drainage pipes in this area now being inefficient in draining the volume of water. There is an additional concern that the stormwater quality is being affected after the flooding, which could be causing pollutants to be drained into the Mispillion Watershed.

Goals of the Agreement

The goal of this project is to complete a watershed study that will give insight on how to address this problem, and what impacts this flooding is having on the watershed. This information will allow for the City of Milford to make informed decisions going forward on infrastructure solutions, and how to best ensure the watershed and the residents of this area are being protected from flooding and pollutants.

Objective of the Agreement/Deliverables

Task: Hire an engineering consultant to conduct a small watershed study of the areas of Fourth Street and Walnut Street to see if the current drainage pipes are equipped with the capability to move the storm water out of the area, and to analyze the impacts of the flooding of streets and properties on the quality of the stormwater that is being drained into the Mispillion Watershed.

Deliverable: A completed watershed study that will inform the City of Milford if it is the pipes that are causing the flooding, and what the impacts of the flooding have been on the stormwater quality. This completed watershed study will also deliver recommendations on actions to be taken in the future to alleviate these problems.

Time Schedule and Benchmarks

This project is expected to have a timeline of 12 to 18 months to completion.

Activity	Timeframe
Write Request for Proposal for Engineering Consultants Who Will Complete the Watershed Study	Months 1-2
Identify Potential Consultants and Distribute the Request for Proposal	Month 2
Close Request for Proposal and Begin Reviewing Proposals	Month 3
Select Engineering Consultant from the Candidates Obtained through the Request for Proposal Cycle	Month 3
Develop and Agree on Contract for the Consultant	Month 4
Consultant Surveys Existing Infrastructure	Months 5-6
Limits of Watershed are Defined and Analyzed	Month 7
Consultant Completes a Watershed and Drainage Analysis and Model	Months 7-16
Consultant Distributes Report and Makes Recommendations for Drainage Improvements to Alleviate Structural Flooding and How to Improve Stormwater Quality	Month 17
City of Milford Begins to Develop Plan of Action and How to Implement Recommendations Going Forward	Month 18

Project Budget

The City anticipates the majority of the time needed by a consultant will be the survey analysis of the existing infrastructure. Once survey data has been collected, and the drainage area defined, the consultant can model the stormwater runoff for various storm intensities to identify failures with the existing infrastructure, and make recommendations for upstream detention possibilities and downstream infrastructure improvements along with best management practices to remove pollutants from the storm water.

Total Project Cost		\$100,000
Grant Request	\$ 50,000	
Organizational Match	<u>\$ 50,000</u>	
Total	<u>\$100,000</u>	
Administrative Costs		\$ 5,000 (=<10% of Grant)
Salaries	\$ 4,500	
Travel	\$ 0	
Contractual	\$ 0	
Indirect Cost	<u>\$ 500</u>	
Total	<u>\$ 5,000</u>	
Project Planning Costs		\$95,000 (=>90% of Grant)
Project Engineering	\$ 65,000	
Project Design	<u>\$ 30,000</u>	
Total	<u>\$ 95,000</u>	

Qualifications

The City of Milford will be sending out a Request for Proposal for this project to establish a contract with a professional engineer with expertise in stormwater management and improving stormwater quality to complete this Watershed Study.

The City of Milford has been awarded grants through DNREC in the past, and has successfully managed these funds to complete projects. The following are the awarded grants:

- The Parks and Recreation Department has received 22 Outdoor Recreation, Parks and Trails(ORPT) grants from DNREC since 1988. 21 of the projects have received reimbursement, with the 22nd just being completed and awaiting reimbursement. These grant projects include:
 - ORPT 17-235 Removal and replacement of decking on the Riverwalk
 - ORPT 15-230T Construction of a pavilion and observation platforms along the Gary L. Emory Trail
 - ORPT 14-224T The City agrees to maintain the Goat Island Natural Area for outdoor recreation uses for the public's enjoyment in perpetuity
 - ORPT 12-145 Installation of a universally accessible playground equipment in Tony Silicato Memorial Park in partnership with area Rotary Clubs
 - ORPT 11-217GW Construction of a concrete pathway connecting Memorial Park with the completed section of the Riverwalk near Marshall Street and installation of a floating dock for canoe/kayak access and landscaping
 - ORPT 09-214GW Completion of a ped/bike master plan identifying existing pathway conditions and needs, development of an implementation strategy and solicit public input
 - ORPT 07-205GW Design and construction of a pathway linking Goat Island with the completed sections of the Riverwalk, benches and landscaping
 - ORPT 06-004 Installation of new playground equipment and development of a new youth sports complex including 6 soccer fields, 1 multipurpose field, and parking
 - ORPT 05-005GW Construction of a trailhead including a brick walkway, parking lot, fencing, lighting, entrance gate, and landscaping
 - ORPT 02-003GW The planning of a network of blueway trails including trail interpretation and signage
 - ORPT 02-004GW Acquisition of 0.4 acres along the southern bank of river near Marshall Street to complete access to Goat Island
 - ORPT 01-001GW Acquisition of a 30 foot strip of land along the southern bank (east of Columbia Street) to continue the Riverwalk to Goat Island
 - ORPT 00-006 Installation of new playground equipment, sand volleyball court, concrete walkways, and parking facilities in Marvel Square Park
 - ORPT 99-005GW Construction of Phases 10 and 11 for the Riverwalk, including a raised boardwalk along the north bank

- ORPT 00-009 Development of a BMX course including track, lighting, restrooms, concession stand, bleachers, fencing, and landscaping
- ORPT 98-009 Phase 1 site preparation including grading, drainage, and landscaping
- ORPT 97-008GW Construction of Phase 5 of the Mispillion Riverwalk extending the pedestrian/bike path westbound to Front Street including safety railings, lighting, park benches, trash receptacles, and irrigation system
- ORPT 96-005GW Construction of Phase 6 of the Mispillion Riverwalk including paved pedestrian trail between Walnut Street and Washington Street, as well as a segment west of Walnut Street
- ORPT 94-099 Construction of Phase 3 of the Mispillion Riverwalk including installation of Victorian lights with poles, park benches, trash receptacles, steel railing, post and chain fence, concrete, and reseeding of disturbed areas
- ORPT 93-059 Purchase of 1.05 acres for open space/parkland (known as the Collins property)
- ORPT 92-032GW Plan, engineer, and construct a pathway for the Riverwalk, including landscaping located southeast of the Walnut Street bridge
- ORPT 92-038 Acquisition of 0.3 acres adjacent to the Mispillion River located at 11 South Walnut Street
- Surface Water Planning Grant for a living shorelines project along the Mispillion River in Downtown Milford
- Wastewater Asset Management Incentive Program Grant for the Development of an Asset Management Plan
- 2016 Recycling Grant and Low Interest Loan Program Grant
- 2017 Recycling Grant and Low Interest Loan Program Grant

Grant Proposal

Program Goals and Priorities

In the City of Milford, the streets of Fourth and Walnut flood after rain events. The flooding not only affects streets, but has flooded residents' properties, structures, and vehicles. The flooding also compromises storm water quality since surface pollutants are being drained into the Mispillion River.

The project aims to conduct a Watershed Study that will make recommendations on not only the stormwater infrastructure, but will also aim to make recommendations on how to improve the stormwater quality. The recommendations will then be used to assist the City's in future budgeting on how to address the flooding and the stormwater quality issues. Presently it is unknown what potential contaminants are being mixed into the stormwater and drained into the river. The information from the study will be paramount in understanding how to decrease the flooding, as well as decreasing the amount of potential pollutants being drained into larger bodies of water.

This proposal seeks to complete a Watershed Study of the areas both draining to and from the Fourth Street and Walnut Street area. The project will include a survey of existing infrastructure, will seek to define the limits of the watershed, the completion of a watershed and drainage analysis and model, identify deficiencies in existing infrastructure, identify areas of potential stormwater detention, and identify potential areas where storm water quality improvements can be made. The City of Milford will contract an engineer to complete the Watershed Study, and expect to have the outlined study completed within 12 to 18 months.

The goal of this study and project is to obtain recommendations for drainage improvements to alleviate structural flooding and ways to identify measures to improve stormwater quality. The recommendations will give the City the tools to make an informed decision on how to move forward in addressing the flooding and improve the stormwater quality. The study will also be useful in obtaining buy-in from stakeholders and funders as well as providing a plan on solving the issues found in the study, hence providing a justification in addressing the flooding issue sooner rather than later.

As stated in 10 DE Reg. 1038 and The Mispillion and Cedar Creek River Watershed Pollution Control Strategy, the waters of the Mispillion River, and surrounding bodies of water that drain into it, have high levels of bacteria and elevated levels of nitrogen and phosphorous. a goal of the Regulation and the Pollution Control Strategy is to reduce the percent of the bacteria and the nitrogen and phosphorous significantly.

Currently, the flooding that occurs on the two identified streets does not just flood the street, but floods private properties as well. The flooding of properties can increase the number of pollutants in the stormwater from pet waste, lawn treatments, antifreeze, oils, etc. Additionally, the yard flooding can increase the amount of phosphorous and nitrogen being washed into the watershed. The project will have an engineer study the quality of the stormwater and the ability of existing infrastructure to properly drain the stormwater. It will make recommendations on how

to improve stormwater quality, and ensure that stormwater is able to drain from these areas without flooding properties. The attention to increasing stormwater quality aligns with the Pollution Control Strategy's and the Regulation's goal of reducing the amount of nitrogen and phosphorous in the watershed, and the goal of gathering recommendations on reducing flooding works towards ensuring that additional pollutants are not being drained into a watershed that already contains elevated pollutant levels.

Assessing what the stormwater quality currently is will help the City determine which of the Best Management Practices for stormwater will work best for addressing the needs of this area, and which will be the most feasible. This information will be crucial in determining if and how the Pollution Control Strategy's recommendation on identifying areas where stormwater retrofits would effectively reduce sediments and nutrients could be applicable in this area.

The proposal is consistent with EPA's "2010 Clean Water and Drinking Water State Revolving Fund 20% Green Project Reserve Guidance" under Section 1, Green Infrastructure. The Categorical Project that this proposal falls under within this section is 1.2-9. The project is described as being a water quality portion of a project that employs "development and redevelopment practices that preserve or restore site hydrologic processes through sustainable landscaping and site design"¹. The Watershed Study of this proposal will have one goal of creating recommendations that will inform how to efficiently move water out of the flooding areas in a way that assures that the flooding does not occur again. Sustainable landscaping and design may play a crucial role in the proposed recommendations of this study in making sure hydrologic processes are able to resume in this flooded area.

The flooding indicates an abundance of impervious area within the Mispillion Watershed, and as the Guidance suggests, practices should be sought out to reduce this imperviousness and maintain and restore the natural hydrology. The flooding of the area after wet weather events described in the Guidance will be addressed with this Watershed Study.

The category that is applicable to this proposal is the planning/preliminary engineering/feasibility analysis of community stormwater management inventory, improvements and/or retrofits in existing developments and municipalities. In the areas of Fourth Street and Walnut Street they flood after a storm event. It is believed that these areas are flooding because the drainage pipes are not currently equipped to drain the capacity of stormwater that is moving through that area as well as a lack of adequate stormwater detention above the flooded area. The Watershed Study will identify problem infrastructure as well as upstream detention potential. In order to do this, an inventory of the existing infrastructure, including pipe slopes and capacity is needed to identify what drainage tools are already in place. This will also equip the engineer to better pinpoint where the infrastructure may be inadequate or failing.

Next, the limits of the watershed will be defined to see how much stormwater is drained at one time into the watershed for different storm intensities and frequencies. This will help in determining the rate at which water can be drained out of the area without causing flooding in

¹ http://www.dnrec.delaware.gov/wr/SiteCollectionDocuments/ATTACHMENT%20_GPR%20Guidance_4-21-2010.pdf

other areas within the watershed system. A watershed and drainage analysis and model will also be completed to supplement the information of the limits of the watershed. There are many areas within the City of Milford that drain into the Mispillion Watershed, so the information obtained from the watershed analysis and drainage model will be vitally important in future stormwater management planning throughout the City. This analysis could also be used to inform the planning of future land developments in the area to ensure that they are built in ways that will not inundate the drainage capacity of the watershed.

Finally, the study will culminate with the recommendations for drainage improvements to alleviate structural flooding of surrounding properties and streets, and will also provide recommendations on identifying measures to improve quality. These recommendations will allow the City to determine which items may be feasible to address given the current infrastructure and current funding, and will also allow the City to begin developing project plans and budget proposals.

Geographic Scope

The targeted watershed of this Watershed Study is the Mispillion Watershed. The study will be using The Mispillion and Cedar Creek River Watershed Pollution Control Strategy. With one of the main goals of this proposal being gathering recommendations on improving stormwater quality, the study will be seeking recommendations for Best Stormwater Practices, and will be seeking pollution control strategies that fit into the category of “reducing from a developed land(existing or future)”². Within this main category outlined in the Pollution Control Strategy, the Watershed Study the city will be conducting will be exploring the potential of recommendations for the high priority recommendation category of identifying areas where stormwater retrofits would effectively reduce sediments and nutrients.

The City of Milford’s most recent comprehensive plan was passed in 2018. This proposal corresponds with this comprehensive plan because within the plan there is a focus on the importance of stormwater management and flood risk mitigation. The plan states that these efforts “will be critically important processes for Milford as it seeks resilient growth and redevelopment of its core downtown area on the river. Some resilient stormwater management options include rain gardens, vegetated swales, tree boxes, green roofs, and rainwater barrels”³. This shows that it is already a goal of the City to have more efficient stormwater management and flood mitigation practices, and are open to the green infrastructure methods that were described within the Green Project Reserve Guidance.

The project area is located within Investment Level 1 of the 2015 Delaware Strategies for State Policies and Spending (SSPS), which has been identified as an area where State policies and spending should support growth and economic development. According to the 2015 SSPS, agency specific initiatives include “mitigate damaging and costly flooding by promoting smart

² Ibid.

³ <https://www.cityofmilford.com/DocumentCenter/View/2884/2018-Comp-Plan?bidId=>

stormwater practices” and “assist state agencies and local governments with data and planning to prevent disasters and avoidable taxpayer expense.”

Without a watershed study, inventory of current infrastructure and inefficiencies, and defined limits of the infrastructure, there will not be proper information on how to alleviate the flooding of the area, nor will there be information on improving stormwater quality. Therefore, solutions to fixing these problems, without the proper studies completed, may result in solutions that are not sustainable, and may need to be fixed more often in the future. Information from the study will allow the City to explore solutions that will be more sustainable, such as the proper size of drainage pipes and green infrastructure to help alleviate flooding. Knowing how to accurately fix the problem will lead to solutions that will require less maintenance overtime, and therefore reduce maintenance costs for this particular area.

Costs to residents will also decrease. If flooding is able to be addressed with informed recommendations, the chance of properties flooding in this area will decrease, which will decrease the amount of property damage.

The cost of this project is \$100,000. The damage cost that is associated with this problem is consist of damage to vehicles, damage to crawl spaces, damage to sump pumps and dehumidification equipment, loss of personal property stored in garages and sheds, damage to wooden structures, susceptibility of mold within structures, etc.

Technical Merit and Project Feasibility

The City of Milford will be working in conjunction with a contracted certified engineer on this project. The engineer will be selected through a competitive Request for Proposal process to ensure the City is getting the most qualified engineer for this project. The City also has resources, technology, and knowledge of the area to assist the engineer in the completion of the study when necessary from the Public Works and Planning Department. Examples of this include GIS maps that have already been prepared relating to this project, such as the map shown in the Background and Justification section of this proposal.

Additionally, the proposed timeline is realistic for the completion of a watershed study. Watershed studies of this size usually take around nine months, such as the Christiansburg, Virginia Watershed Study⁴. The proposed timeline gives the engineer ample time based on this estimate to complete the study. The fact that this proposal is to complete a watershed study under contract with an engineer adds to the certainty that this project will be completed.

The benefits this proposal is that it aims to obtain recommendations on how to alleviate flooding in the area, learn more about the watershed and its limits, reduce the amount of chemicals and pollutants in this area’s stormwater, and improve the overall stormwater quality. The stormwater that floods these roads and properties is currently being drained into the Mispillion Watershed. By studying what is being washed into the watershed we can better understand potential impacts this is having on the watershed. Additionally, recommendations on

⁴ <http://www.christiansburg.org/DocumentCenter/View/9189/Downtown-Study---June-2018>

improving water drainage in this area will also reduce the amount of harmful chemicals in residential yards from being washed into the watershed, such as chemicals from fertilizers, yard treatments, and pet waste.

Flooding of properties is known to negatively affect the value of a home. The First Street Foundation estimates that the flooding of property with nearby roads being flooded at only 4% can lead to a loss in \$355 in relative appreciation in value per year for the average 2,400 square foot home⁵. This estimate does not even include the loss in value when the property itself is flooded. One benefit of this proposal is that it will provide recommendations on how to aid in preventing this loss due to flooding.

There are potentially health benefits for residents living in this area as well. Structures that have flooded have begun to have mold issues within habitable structures that compromise the health and well being of residents within those structures.

Programmatic Capability

The City of Milford has been awarded many grants in previous years through DNREC. These grants include 22 Outdoor Recreation, Parks and Trails(ORPT) grants, a Surface Water Planning Grant for a living shorelines project along the Mispillion River in Downtown Milford, a Wastewater Asset Management Incentive Program Grant for the Development of an Asset Management Plan, and 2 Recycling Grant and Low Interest Loan Program Grants. A list with detailed descriptions can be found in the “Qualifications” section of this proposal.

The City of Milford Administration, Public Works and Planning staff will work together for the timely delivery of the project by the selected professional. The professional will need assistance from City staff from time-to-time for historical data, City codes, access to infrastructure, and other information. Additionally, City staff has had numerous experiences with different grant programs and the delivery of the project funded through those grants.

⁵ <https://firststreet.org/updates/understanding-the-effect-of-road-flooding/>



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To: Finance and Public Works Committee
From: Mark Whitfield, Interim City Manager/Public Works Director
Jeffery Portmann, Finance Director
Subject: Bond Issuance for Police Station
Date: February 5, 2020

Several decisions need to be made with regard to the financing of the new police station.

Referendum

A General City Election will be held on Saturday April 25, 2020. If Council chooses to place a Bond Referendum on the ballot, the City Clerk needs two months for advertising and completing all the necessary preparation work for the Referendum. Therefore, a decision on the bond amounts need to be made no later than the April 24, 2020 Council Meeting.

Bond Issuance

Council must decide on the amount of the issue. There are three scenarios: 1) an issue of \$14 million; 2) an issue of \$17 million or 3) an issue of \$19.6 million. Given the historic low interest rate, Council may want to take advantage of the maximum borrowing. The \$14 million would necessitate using \$3 million of operating cash to fund the police station. The \$17 million would fund the entire police station. The \$19.6 million would fund the entire police station with the remaining \$2.6 million for street paving.

In order to obtain the lowest interest rates, the bonds will need to be sold over two years as bank qualified bonds, therefore each issue needs to be below \$10 million. It is proposed there would be an issue in June 2020 and a second issue in January 2021.

Effect on Budget and Tax Increase

All three scenarios would be a borrowing for 30 years with an average interest rate of 2.41%. A \$0.01 tax increase results in \$89,000 in revenue. Each \$0.01 tax increase equals \$20/year to a home owner with an assessed property value of \$200,000

Scenario 1 – Borrow \$14 million

The \$14 million would result in \$713,555 per year in debt payments; Borrowing \$14 million would result in a \$0.08 tax increase, or a \$13.33/month increase/average property owner or \$160/year).

Scenario 2 – Borrow \$17 million

\$17 million would result in \$861,000 per year in debt payments. The \$17 million would require a \$0.097 real estate tax increase resulting in a \$16.67/month increase/average property owner (or \$194/year).

Scenario 3 Borrow \$19.6 million

\$19.6 million will result in \$992,000 in debt payments. Borrowing \$19.6 million would require a \$0.1115 real estate tax increase resulting in \$18.58/month increase/average property owner (or \$223 per year).

Street Paving

Attached are a list of streets proposed to be addressed over the next five (5) years. A bond issuance of \$19.6 million would enable the City to “catch up” on the planned paving by accelerating the projects. It was originally proposed to use Street Aid and Real Estate Transfer Tax to fund the street paving projects over the next five years.

Recommendation: Staff recommends either Scenario #2 or Scenario #3 for several reasons. 1) Interest rates are at historical lows; 2) provides sufficient funds in case of project overruns; and 3) provides additional cash reserves for emergencies and other projects. Additionally, staff recommends Council decide on which scenario prior no later than February 24, 2020.