

City of Milford
COUNCIL WORKSHOP MINUTES
May 10, 2021

The City Council of the City of Milford convened in a Workshop Session by way of video conferencing on Monday, May 10, 2021 at 7:08 p.m.

PRESIDING: Mayor Archie Campbell

IN ATTENDANCE: Councilpersons Daniel Marabello, Mike Boyle, Andrew Fulton, Todd Culotta, Brian Baer, Douglas Morrow, Jason James Sr. and Katrina Wilson

STAFF: City Manager Mark Whitfield and Police Chief Kenneth Brown

COUNSEL: Solicitor David Rutt, Esquire

In an effort to adhere to social distancing protocols and best practices imposed by Governor John Carney's State of Emergency Declaration effective March 13, 2020, the City of Milford has canceled all public gatherings until further notice. See May 10, 2021 Council Workshop agenda and packet for additional information.

DEMEC Rate Stability Measures/Chief Operating Officer Kimberly Schlichting

City Manager Whitfield said he has been asked some questions about DEMEC and the most recent was what measures we have in place as a municipality, to prevent a situation like occurred in Texas this past February when millions lost power and more than one hundred people died after a winter storm.

DEMEC just put together a presentation that was shared with all the members of DEMEC that highlights a lot of what is in place to prevent such a similar situation from occurring in Milford.

He then deferred to Ms. Schlichting for the presentation.

Ms. Schlichting thanked Mayor and Council for inviting her to talk about what is being done and preventing what went wrong in Texas and ways to protect DEMEC and the ratepayers. She then provided the following report:

A host of things went wrong and it ended up being the perfect storm for them, and they were greatly impacted by this unexpected storm that hit them. Texas was hit with extremely cold temperatures and it was referred to as a historic and generational storm. It was not really one generator type that we can point a finger at, though a lot of people wanted to say it was renewables. They also had natural gas fire generation that was having problems and the freezing of equipment.

Texas as a southern state, was not prepared for the type of cold temperatures they experienced over the extended period of time that they did see them down there. The weatherization and insulation requirements are just not the same for Delaware and northern states.

A storm occurred back in Texas back in 2011 and Electric Reliability Council of Texas (ERCOT) was directed at that time to make those type of weatherization improvements. Unfortunately, they did not heed the direction given to them and did not make those improvements. Leadership knew this was bound to happen again and sure enough it did.

In the electric utility, there is never 100% of reliability even though the leadership of NERC and PJM agreed they had to get close.

The other thing that went wrong is gray skies. Cloud coverage impacts solar output and it will not perform as much and instead result in a degradation in the output of solar. They tried to de-ice the wind power and related equipment that was freezing up.

Natural gas was a big player and many of their utilities were frustrated because they had power plants with natural gas generators that were ready to run and supply electricity. Unfortunately, that did not happen because of the problem

getting the gas to those generators, as well as timing of the gas, and the high price fluctuations due to the extreme demand that was occurring.

As a result, discussions have been made a priority to direct how we could maybe prioritize natural gas to go to those power plants first in the time of need. All generation was suffering and not just one type of generation.

She also does not believe the media was helpful and instead were a little bit biased and there was a lot of finger-pointing which did not help the message of what was going on and what needed to be done to improve things going forward.

ERCOT is an island grid, meaning they are not interconnected with other states such as PJM. DEMEC in Delaware is part of the PJM regional transmission owner who coordinates the generation and where it should be in time of need. PJM is interconnected to 13 states and the District of Columbia. Because of that, DEMEC is not a lone island and instead has other resources that we can connect into in other states.

That provides greater access to a greater number of generators for added reliability and stability.

If we are hit by a catastrophic tour, DEMEC, as an active participant in making sure the reliability of our electric is always there.

The DEMEC board, which consists of a representative and alternate for each member, got together and laid out the path forward by approving the strategic plan going forward. During the discussion, one item was how to our member fixed electric rates. They wanted to make sure there are no variable rates for wholesale to our member. That means is that we can provide members with stable fixed electric rates that do not fluctuate on a monthly basis. The annual calendar year is taken to level out the expected rates for the twelve-month period equally over that year.

They also maintain a rate stabilization reserve fund that members have been funding to cover those rainy-day events that could happen and that might cost a little bit more money. In return, this allows the municipals to provide fixed electric rates to Milford's retail customers.

The other is there are no third-party electric suppliers in DEMEC's municipal service territories. They come in and offer an attract rate by saving a penny. But in the real crux of time, they don't have the financial backing or the stability to be able to back up those promises of long term reliable electric rates to their customers. This has happened over time and occurred in DP&L at one time.

This is really what occurred with customers in Texas when they talk about \$1,800 electric rate. They actually had those third-party suppliers calling them and begging them to find another electric supplier to service them because they knew they were going to go bankrupt once the prices started going sky high. They did not have the financial backing to pay the contracts they entered into with the customers.

DEMEC maintains a strong balance sheet and prudent financial policies. In 2020 alone, they have been able to give \$7.5 million back to our members and that included the board recommended and approved quarter million dollars in Covid-relief assistance for electric utility customers. Milford was able to get some money back to help its customers.

DEMEC has been able to lower the wholesale electric rate to members by 26% over the past ten years. They were able to fund that rate stabilization reserve policy to those rainy-day situations. That has been done because the board has, over the years, stated they do not want negative surprises to their communities and their rate payers. As a result, they focused to make sure that we're looking ahead far enough to make sure that we're providing rate stability with no surprises.

DEMEC has a diverse generation and power supply. It consists of natural gas, solar wind, fuel cells and energy efficiency. This is done because the diversity limits the risk from any single asset non-performance.

With the generation owned, DEMEC is fully weatherize to prevent those freeze outs that Texas experienced. The Beasley power station located in Smyrna, leading up to winter, has cold weather operation procedures and includes making sure and testing that the space heaters are functional and are put in place. All DEMEC-owned generation assets are fully winterized to prevent freeze-outs. Heaters are placed in the fuel oil heaters to make sure that fuel oil is warm and can flow and doesn't get cold and sludgy and hamper operations.

Ownership of power generation assets provides certainty and control and covers about 50% of DEMEC's generation. The other 50% is through market supply purchases, which are hedging the rest of the load. It is split amongst multiple suppliers at contracted for and known costs. That prevents any exposure to the market of higher prices as occurred in Texas.

Competitive markets necessitate prudent fuel and power hedging practices. That ensures overseeing and controlling any type of price volatility that could be experienced in gas, fuel, transmission, and supply.

DEMEC is Milford is works for its members to ensure those it remains successful as a utility. The City of Milford plays an active role by ensuring its rates are stable and that the electric is stable for its customers.

Milford has responsibilities as well. Prudent tree trimming to minimizes downed power lines due to tree damage from a storm. Regular inspections of the grid and related equipment helps identify potential issues before they cause an outage. Timely and scheduled maintenance and infrastructure upgrades to replace equipment before it fails. Testing of systems and substations ensures substations operate as expected.

When Milford approves capital improvements for its utilities, all plays into how well your infrastructure is going to handle things. Keeping it up to date and current helps in time of need or when a customer needs it. Another issue is how fast Milford can get their electric back on if there is an outage. Being part of a joint action agency like DMAC provides collaboration with like-minded utilities in Delaware for access to economies of scale, not only for power purchases, but for other services and programs.

Training is provided on best practices and innovative technologies. DMEC represents the communities on the legislative arena for the State and Federal level to protect that your pricing is in place and not seeing prices increase arbitrarily. DEMEC handles financing and development of projects to ensure that infrastructure is current if a member is unable to fund it themselves.

DEMEC information shares and there is technical development and program evaluations can help. DEMEC and its members all play a role to make sure that electric is reliable and cost effective. It is partnership of all members and now just Milford and its City Council.

Like mentioned earlier, nothing is 100% reliable. Things can happen and Mother Nature has a mind of her own. Milford is on the east coast and has been very fortunate by dodging from some pretty big hurricanes. It is not if it happens, but when it will happen and there is a need to be prepared beyond that. When Mother Nature cannot be controlled, Ms. Schlichting has been working with mutual aid through DEMEC since she started in 2003. In 2005, DEMC entered into the FEMA mutual aid agreement. Those agreements are very important, because when Milford sends a crew to help others in a mutual aid response, it shows that if declared a natural disaster or emergency area eligible for FEMA funding, this agreement being executed shows that you have not only sent your crews out on a philanthropic good nature endeavor, but you hope to be paid back and reimbursed for the cost that the City is incurring to send that mutual aid help out.

Though originally signed in 2005, they have been updated through the years to show FEMA that we have that long standing commitment to help, but the expectation to be reimbursed for those costs.

On the State level, all DEMEC members have long standing commitments to support and help each other and time of need. This really became evident during Sandy in 2012 the City of Lewes and asked if its members would be available to assist, they quickly realized they did not have to depend on each other, but look outside of the State and consider more the regional and national level to bring in resources to assist.

DEMEC is a member of the APPA (American Public Power Association), which is the national association for public power and Ms. Schlichting sits on their board of directors and also as the network coordinator for mutual aid for the State of Delaware. She has actually worked with them when Milford had responded to the call for help to send crews down to New Smyrna Beach in Florida in 2019. DEMEC coordinated recruits from out of State to help the City of Dover when hit this past summer with a tornado that was a result of a hurricane that came through here.

DEMEC remains very active in making sure that we participate in national and regional exercises, to ensure that we can not only help shuffle members within Delaware, but to bring resources in from out of State to help if needed.

She concluded by thanking Council for providing crews over the years to help other communities who are need and are really grateful and appreciative when they see those trucks entering their towns.

The Council Workshop concluded at 7:29 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder

Milford City Council
MEETING MINUTES
May 10, 2021

The City Council of the City of Milford convened their regular meeting by way of video conferencing on Monday, May 10, 2021. The meeting was available for public view and participation as permitted.

PRESIDING: Mayor Archie Campbell

IN ATTENDANCE: Councilmembers Daniel Marabello, Mike Boyle, Andrew Fulton, Todd Culotta, Brian Baer, Douglas Morrow, Jason James Sr. and Katrina Wilson

ALSO: City Manager Mark Whitfield and Police Chief Kenneth Brown

COUNSEL: Solicitor David Rutt, Esquire

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CALL TO ORDER

Mayor Campbell called the meeting to order at 7:31 p.m.

INVOCATION AND PLEDGE

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

APPROVAL OF PREVIOUS MINUTES

Included in the packet were minutes from the January 8, 2021 and January 22, 2021 Council Workshops and Meetings. Motion made to approve by Councilmember Boyle, seconded by Councilmember Fulton. Motion carried.

RECOGNITION

City Employee Introduction

City Manager Whitfield introduced Sara Pletcher who was hired as the City's Economic and Community Engagement Administrator. She has an extensive marketing background and he is happy to have her on board.

She started her second week and during her first week spent a great deal of time working and consolidating several social media sites and cleaning up a number of website issues.

Ms. Pletcher then thanked Mayor and Council for their foresight in funding the position and she sees a great deal of potential this position can bring the city and the community at large.

Proclamation 2021-05/National Public Works Week/May 17-21, 2021

Public Works Director Mike Svaby presented the proclamation and acknowledged High School Co-Op Student Jose Perez who took great effort over the over the past few weeks putting together a video to recognize the terms of

service of all Public Works employees. Included were captions about their time and what their particular contribution is to the overall department and this city government.

National Public Works Week

WHEREAS, Public Works projects, facilities, and infrastructure are vital to the City of Milford's continued growth and economic success, supporting job creation across the City and promoting development in transportation, education, public safety and other sectors that are essential to building livable neighborhoods and communities; and

WHEREAS, the City of Milford's dedicated Public Works professionals are responsible for planning, designing, building, and operating Public Works facilities and services including water treatment and supply, solid waste collection and disposal, electricity distribution, drivable and safe road conditions and other essential Public Works activities that are critical to residents and visitors of this City; and

WHEREAS, the history of the City of Milford has been shaped in profound ways by Public Works projects in its infrastructure; and

WHEREAS, this year marks the 61st annual commemoration of National Public Works Week sponsored by the American Public Works Association, which continues to promote an understanding of and appreciation for the role Public Works projects play in sustaining economic growth and vitality; and

WHEREAS, the Mayor and City Council of the City of Milford Delaware recognize the contributions of Public Works professionals in the City and extends sincere appreciation for their commitment to excellence in their efforts to improve and enhance the health, safety, welfare, and prosperity of the City's residents.

NOW, THEREFORE, I, Arthur J. Campbell, Mayor of the City of Milford, Delaware, do hereby proclaim the week of May 16-23, 2021, to be

NATIONAL PUBLIC WORKS WEEK

in the City of Milford, Delaware and urge all citizens to pay tribute to our public works professionals, engineers, managers and employees by recognizing the substantial contributions they make to protecting our national health, safety, and quality of life.

He hopes it will be posted on the City website tomorrow for everyone to check out.

Proclamation 2021-07/National Kids to Parks Day/May 15, 2021

City Manager Whitfield presented the following proclamation after which P&R Director Brad Dennehy commented it is great to see kids back in the parks, particularly with the spring programs that have been a tremendous success this year. He looks forward to more events as the year progresses.

National Kids to Parks Day

WHEREAS, May 15, 2021, is the eleventh Kids to Parks Day organized and launched by the National Park Trust held annually on the third Saturday of May; and

WHEREAS, Kids to Parks Day empowers kids and encourages families to get outdoors and visit local parks, public lands, and waters; and

WHEREAS, we should encourage children to lead a more active lifestyle to combat issues of childhood obesity, diabetes, hypertension, and hypercholesterolemia; and

WHEREAS, Kids to Parks Day will broaden children's appreciation for nature and outdoors; and

WHEREAS, Kids to Parks Day will recognize the importance of recreating responsibly while enjoying the benefits of the outdoors; and

NOW, THEREFORE, I, Arthur J. Campbell, Mayor of the City of Milford, Delaware, do hereby proclaim May 15, 2021 to be

KIDS TO PARKS DAY

in the City of Milford, Delaware and encourage all citizens to acknowledge and celebrate the valuable contributions local parks make to our quality of life.

Proclamation 2021-09/Economic Development Week/May 9-14, 2021

City Manager again acknowledged the new Economic Development Coordinator adding he is very excited to see the results of her employment over the next few months. He then presented the related proclamation:

Economic Development Week

WHEREAS, economic developers promote economic well-being and quality of life for their communities by creating, retaining, and expanding jobs that facilitate growth, enhance wealth, and provide a stable tax base; and

WHEREAS, economic developers stimulate and incubate entrepreneurship in order to help establish the next generation of new businesses, which is the hallmark of the American economy; and

WHEREAS, economic developers are engaged in a wide variety of settings including rural and urban, local, state, provincial, and federal governments, public-private partnerships, chambers of commerce, universities, and a variety of other institutions; and

WHEREAS, economic developers attract and retain high-quality jobs, develop vibrant communities, and improve the quality of life in their regions; and

WHEREAS, economic developers work with passion and dedication here in the City of Milford, Delaware; and

NOW, THEREFORE, I, Arthur J. Campbell, Mayor of the City of Milford, Delaware, do hereby proclaim May 9 to 15, 2021 as "National Economic Development Week" and recognize the contributions of our community economic development staff and partners, including Downtown Milford, Inc. and the Chamber of Commerce for Greater Milford, and remind community members and business persons of the importance of this community celebration that supports expanding career opportunities and improving quality of life.

STAFF REPORTS

Monthly Police Chief Report

On behalf of Chief Brown, Police Chair Boyle read the report into the record. Report was included in the packet.

Monthly City Manager Report

City Manager Whitfield referenced his monthly reporting and spoke on a couple of items:

- Lou and I have been working with DEMEC on the refinancing of DEMEC bonds. The City owns 17% of DEMEC, and is one of the top 3 electric consumers.
- Staff submitted budget requests for the 2022 Operating Budget. I continue to work with Lou and Sandra in finalizing the budget for Council's review.
- Rob, David Rutt and I have been dealing with a landlocked piece of property off of Masten Circle that is up for monitions sale. The owners have agreed to deed the property over to the City as long as it does not cost anything

to them. The City paid the delinquent County Real Estate Taxes to avoid the monitions sale. The property is adjacent to a storm water pond we maintain, and is also adjacent to the solar farm property.

- We expect to receive information on spending criteria for the City's allocation of the American Rescue Plan by May 10. We are projected to receive about \$5.98 million.
- Another electric lineman resigned this month, bringing the total loss to 4 linemen over the past 7 months as well as our electric superintendent. Obviously, we are concerned about staffing moving forward. Mike Svaby has contacted private electric distribution companies to assist us if necessary. All new infrastructure work within new developments has been contracted out.
- Dale Matthews began this month as the City's IT Director.
- Rob, David Rutt and I met with Sussex County Conservation District and the developers of West Shores to devise a plan for storm water pond remediation as well as provide a means for the building to close on homes.
- We met with the Little League to provide additional lighting at the Little League field.
- Jamesha, Lou and I did extensive research and cost analysis of take-home police vehicles.
- The Chief, Jamesha and I continue to negotiate with the Police union for a new contract.
- Mike Svaby and I met with DBF on various communication issues.
- We interviewed 2 candidates for the ICMA Fellowship Program. We will partner with Lewes for the program.
- Rob and I met with the Milford Museum Board regarding a few needs they have moving forward.

Public Works Department

Director Public Works Svaby reviewed highlights of his monthly report:

Director's Office

- Worked with Human Resources to interview an Electric Superintendent candidate
- Closed RFP for Construction Management/Agency Advisor Services on the PD Building Project
- Closed all ADA survey activity toward beginning of a draft Transition Plan.
- Represented the City of Milford at Kent County Sewer Advisory Committee meeting.
- Began work on Key Accounts management survey to be used as talking points when visits to key account holders begin later this month
- Worked with HR to conduct research on staffing and compensation levels of our DEMEC peers for Electric Section.

Electrical/Technical Services Division

- Successfully installed 4-inch mag-meter in the Windward on the River Development
- Built and installed new SCADA RTU for the Windward on the River pump station
- Installed 4-inch meter with 4-20 mA output on Well 4 to show flow on SCADA
- Replaced voltage regulator on 150 circuit C phase and programmed regulator controller
- Installed instrument rated metering at new United Church.

Public Services Division

Streets/Utilities Section

- Completed Ward 4 - line flushing;
- Policed, and swept parking lots at Park Place, Arenas, Bicentennial, Peninsula, Franklin, City Hall, and Goat Island Dog Park;
- Parallel parking painted on N. Walnut and North side of NE Front;
- Repaired separate water leaks at 707 N. Washington and 703 N. Washington;
- Replace and rebuild fire hydrant on rt 14 that was hit by vehicle on 4/14/21;
- Replace and rebuild fire hydrant at Mispillion Apartments;
- Cleaned trees and vines away from 6 manholes in Brookstone Trace to Old Shawnee Rd

Water/Sewer Section

- Pulled and cleared AmericInn pump on Monday, 4/19, clogged with rags.
- Replaced the Tenth Street Pump Station flow valve.
- Treated all Water Treatment and Sanitary Pump Stations with seasonal herbicide.
- Replaced Chlorine pump at Kenton's Treatment plant – (Wells 4 & 5)

Facilities and Solid Waste Section

- Yard Waste tonnage has begun increasing up over the last few weeks, from 5 tons in February to 35 tons in March.
- The section conducted a field audit of containers for replacements and new RFID tags.
- Waterproofing Project for Customer Service is completed.
- City Hall Basement Fit-out Phase 2 bid has been awarded to several different trade contractors through EdiS.
- LED project for interior buildings almost complete with the exception of a final installations.

Engineering Division

- Completed preconstruction requirements and received first two-week construction schedule for Mispillion Group
- Put out the boys and Girls Club Parking Lot seal coating to bid and held the pre-bid meeting
- Put out the 2020 Streets Utilities for construction bid.
- Reviewed as-builts and field conditions for Windward on the River Pump Station and cleared the first CO for issuance
- Completed first draft revisions to the general section of the Standard Construction Specifications

Operations Division

- Updated vehicle replacement schedule to include details from Parks and Rec.
- Set up installs for addition GIS terminal stations at PW
- Posted numerous captions on the City website regarding procurement solicitations, project updates and hearing notices and removed them down in a timely manner.
- Began exploration of next generation GIS vehicle tracking software that will integrate with the City's fuel system.

Planning Department

Director Pierce drew attention to a couple items that have occurred through the first four months of 2021:

- Through the first quarter of the 2021 calendar year, the City issued 72 new residential construction permits. The total construction investment in Milford from January through the end of April based on issued building permits was \$16,397,201.
- The City of Milford has seen 83 projects with a committed investment of over \$22.8 million within the Downtown Development District (DDD) area since September 2016 (based on permit valuations from submitted applications). The State of Delaware has committed or awarded over \$2.67 million in grant funds for both large and small commercial and residential projects in Milford. The City has waived over \$370,000 in permit fees and taxes associated with these projects in accordance with Chapter 19 Economic Development and Redevelopment and DDD program guidelines.
- The Planning Commission and City Council will review three land use applications, one final site plan extension request and a zoning code amendment during the month of May. The land use applications include a change of zone for K&G Associates along Polk Avenue, a conditional use application for Avery Properties, LLC at the corner of SE Front Street and S. Walnut Street and a conditional use preliminary site plan for the Food Bank within the Independence Commons Business Park.
- The Planning Commission has begun reviewing Chapter 230 Zoning and Chapter 200 Subdivision of Land in an effort to address the goals and recommendations from the 2018 Comprehensive Plan, reduce the number of potential Board of Adjustment applications, provide clarity on ambiguous language and modernize portions of the ordinances. The Planning Commission began reviewing the uses of each zoning district at the March meeting and will continue to review the Use and Area Regulations and Open Space requirements at the May meeting. Additional workshops will be needed in the upcoming months to review definitions and Chapter 200 Subdivision of Land general design requirements. The workshops will be held prior to each Planning Commission regular meeting over the next few months with the intent of having final edits for consideration by the end of the Summer.
- The Board of Adjustment will review five variance applications. These include an oversized commercial accessory building on Route 14, an oversized residential accessory building on S. Walnut Street, a density variance associated with the conditional use application for Avery Properties, LLC at the corner of SE Front

Street and S. Walnut Street, a side yard setback variance for a residential dwelling and a lot width variance for a residential minor subdivision on Lakeview Avenue.

- During the month of April, the City completed the preliminary site plan review for the Food Bank, preliminary major subdivision review for revised plans for Wickersham, final major subdivision review for Knight Crossing – Phase I, final major subdivision review for Knight Crossing – Phase 2A, a Utility Feasibility Study for Hall Distributors, LLC on Route 14, and final site plan review for Mispillion Landing.
- Century Engineering, DeIDOT and Planning Staff continue to work on updating the Bicycle Master Plan. A list of projects has been developed by the team and DeIDOT has completed the project prioritization using State bicycle plan criteria. A third public workshop will be held on May 11th from 6:30 pm to 8:00 pm to review the project prioritization process with the public.
- Staff attended the Downtown Milford, Inc. Economic Vitality committee meeting, Dover/Kent MPO TAC Committee meeting, and DPP Economic Development Partnership meeting.
- Met with representatives from DeIDOT, University of Delaware and Century Engineering regarding a proposed bike pop-up project that would temporarily install bi-directional bike lanes along Marshall Street this summer. The team is still working out the details but this would provide a temporary alignment for the public to utilize for a few weeks and provide feedback to the City and State. Marshall Street was identified as a preferred bicycle route in the City's Bicycle Master Plan update.
- Met with the Museum board to discuss the historic landmarks commission and historic preservation initiatives.
- Staff continues to work towards implementing the goals and objects of the 2018 Comprehensive Plan, SE Master Plan, Downtown Development District (DDD) application, Rivertown Rebirth Master Plan and Strategic Plan.

Parks & Recreation Department

P&R Director Brad Dennehy provided a brief synopsis of his monthly report:

- All City owned flower beds were mulched for the season.
- Tree limbs and brush were removed out of the Farmers market area. New natural mulch was installed at the Farmers market and Library locations. A plaque was installed for a longtime supporter of the Farmers market (Walter Hepford) on a park bench.
- Meeting was held with an irrigation contractor and a local plumbing firm to discuss replacing a large field hydrant at the TSM memorial park, and adding an additional section of irrigation at the Dog Park.
- A new tandem axle trailer was purchased for the Park maintenance crews, replacing a worn out larger 3 axle trailer.
- April 7th park crews began mowing grass for the season at City owned property.
- Sports fields at TSM Park were prepared for the season, including the cutting of grass, lining of field and placement of goals.
- The bathrooms at TSM were prepared and opened up for the season.
- A new small Kubota tractor was purchased which includes a rotary cutting deck and hydraulic bucket. This was to replace a very old Ford Tractor and will be used for cutting large areas of grass and moving mulch, soil, etc.
- A number of tree limbs were removed from the little league fields. All fields were prepped and cut for the opening day of Little League.
- A number of tree limbs and debris was removed from the area located beside Banneker Elementary school.
- Staff planned for the Milford Community Clean-up day, which included creating "zones", maps, meeting with elected officials, coordinating with other departments, agencies and other organizations. 130 people volunteered and 2,280 pounds of trash was collected on a Saturday morning.
- Park Superintendent attended the DFIT monthly safety meeting with other municipalities within the State.
- We have been running a very busy spring season with Outdoor Soccer, Field Hockey and Tennis each week.
- There is over 100 soccer players in our Saturday league, and 26 under 6 players who are in are Wednesday instructional clinic.
- We have a record high 26 field hockey players ages 7-14 every Sunday.
- For the first time in years- we are holding a 5-week tennis clinic that far surpasses our goal, with 16 players ranging from 7-14 and also 2 adults.
- Our head coaches, Ed Evans for Soccer, Heather Desiderio for Field Hockey, and Marty Godwin for Tennis are doing an excellent job of instructing. Various volunteers are also assisting, many are high school players who are giving back to the community as well as learning valuable lessons in leadership and coaching.

- We have finally obtained permits and permissions to hold our Summer Fun Club and are actively interviewing our summer staff. We are scheduling our camp and planning activities and trips. Summer fun club will be held June 28-July 30th for 5 successive weeks.
- Director and Park Superintendent attended two Chamber of Commerce meetings for the annual spring clean-up.
- Director worked with Rhiannon at Public works to update the vehicle and equipment list for Parks and Rec. in order to be in align with vehicle and equipment replacement needs.
- Director met with the Local Government Management fellowship candidate and participated in the wrap-up discussion.
- Director attended a weekly WIIN meeting, and a monthly WIIN meeting.
- Director met with more representatives of the Milford Rotary on sight at Marshall Pond and their monthly meeting was held at the pond. A brief update was given and a tour of the pond and surrounding area was conducted.

Human Resources Office

HR Administrator Jamesha Eaddy presented her monthly review:

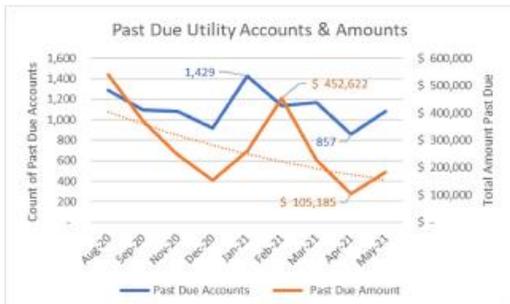
- Interviews were conducted for the positions of Engineering Intern, Milford School Based Learning (high school student), Electric Superintendent, Network Technician and ICMA Local Government Management Fellow.
- Phone screens were conducted for the position of Technical Support Specialist.
- Job offers were extended for the positions of Engineering Intern (2) and ICMA Local Government Management Fellow.
- Onboarded new hires for the position of Information Technology Director and Public Works Equipment Operator.
- Kick off began with Evergreen Solutions for the 2021 Job and Classification and Compensation Study.
- COVID-19: As of April 30, 2021, the City has 1 positive employee case.
- National Public Works Week: May 16-22, 2021. The City will celebrate National Public Works Week with Vanderwende's Ice Cream Truck on Friday, May 21, 2021 outside the Public Works Facility.
- Employee Recognition:
 1. Joan Swain, Customer Service Clerk: received the Rooster for her hard work and positive attitude in the workplace.
 2. Howard Willis, Code Enforcement Official II: Winner of the Where Am I Challenge.
 3. Katrina White, Deputy City Clerk: Received her Certified Municipal Clerks (CMC) Certification.
 4. Ralph Skinner, Parks Superintendent, Brad Dennehy, Parks and Recreation Director and Doreen Wrightsman, Administrative Assistant: Worked hard to ensure the 2021 Annual Community Cleanup event was a success. 2,880 pounds of trash was collected.
 5. Timothy Lord, Sergeant-Officer of the Quarter.

Finance Department

Finance Director Lou Vitola provided the following staff report:

- Monthly Financial Reporting
 - The March 2021 Month-to-Date (MTD) and Fiscal Year-to-Date (YTD) Financial Reporting Package was distributed to Council with a narrative addressing financial results.
 - One significant change made in February (p. 3: P&L-style statement of revenue and expense) is highlighted again this month.
 - One change was made to the Restricted Cash Reserves Report (p. 2) in March: the enterprise fund Minimum Cash Reserve (MCR) and Equipment Replacement Reserve (ERR) target balances, while remaining the same in total, were reallocated to reflect the anticipated needs in the City's FY22-26 draft CIP plan. The ERR requirement was reduced, and the MCR requirement was increased by the offsetting amount. The change in proposed methodology is reflected in the revised draft of the Cash Reserve Policy, which is scheduled for review by the Finance and Public Works Committee on Monday, May 10.
- Capital Improvement Planning
 - The Fiscal Year 2022-2026 Capital Improvement Plan (CIP) development process concluded with Council workshops on April 12 and April 26, 2021, followed by a period of Council input through May 3, 2021.

- The input from Council was highly valued by staff in terms of our ability to finalize the CIP with confidence in its scope and project prioritization. The final draft of the document, which features a new ‘Part III’ section to capture City Council’s questions with staff comment, is published in the City Council Packet for the May 10, 2021 meeting.
- Operating Budget
 - The Fiscal Year 2022 Operating Budget process kicked off on Monday, March 1 with the distribution of spreadsheet templates, internal projections and guidance to department heads; we will work according to the following schedule, as modified:
 - □ March 24, 2021 – All worksheets and supporting documentation due to Sandra Peck
 - □ April – Review and update spreadsheets (Sandra/Lou/Mark)
 - □ April 12-16, 2021 – Supervisor meetings/questions (Mark/Lou/Sandra)
 - □ April 19 – May 10, 2021 – Finalize and prepare budget for presentation (Sandra/Lou/Mark)
 - □ May 11, 2021 – Draft FY22 Operating Budget to Clerk for distribution to City Council
 - □ May 17-20, 2021 – Evening budget workshops with City Council (two evenings)
 - □ June 7, 2021 – Final FY22 Budget distributed to City Council
 - □ June 14, 2021 – FY22 Budget adoption by City Council
 - Enterprise Resource Planning (ERP) Selection Process
 - The ERP Team and staff participated in software demonstrations in late February / early March
 - The project team compiled staff evaluations and incorporated reviews into the scoring model
 - The project team conducted five reference calls at the end of March and the first week of April
 - The evaluations and reference calls were reviewed in April; discussions related to the selection were expanded due to mixed / split scoring A final meeting was held the first week of May to generate a final schedule of questions and clarifications with each of the final two vendors to assist in the development of a software platform recommendation, though a clear selection has yet to emerge
- Billing & Customer Service Department
 - After suspending utility service interruptions from December 10, 2020 through January 28, 2021 due to reduced staffing levels and weather conditions, past due volumes approached levels consistent with the spike observed last spring resulting from statewide restrictions on utility disconnections. Staffing and conditions returned to normal in February and remained consistent through March, though staff was reduced by two full-time employees due to a lateral transition and a resignation. The graph at left exhibits past due accounts and balances since August 2020. We continue to monitor past due accounts carefully, offering extended payment plans, COVID-19 relief funds, and referrals to charitable resources



The 2020 tax levy was due September 30, 2020. The table below highlights past due property tax data since then. The formal monitions process kicked off in February and continued through April with assistance from Solicitor Rutt. Several properties against which the monitions proceedings began have paid in full, while several have initiated payment arrangements and at least one other sold at Kent County sheriff sale. We will continue to review the Department’s collection processes to encourage payment, improve the property tax collection rate and signal a standardized set of regular tax collection procedures. Note interim tax bills totaling \$34,189 generated in March are excluded from the table (see packet) to show balances and collections on a comparable basis.

MONTHLY FINANCE REPORT

Finance Director Vitola continues with his financial summary through March 2021:

The March 2021 Month-to-Date and Fiscal Year-to-Date (YTD) Financial Reporting Package is enclosed for your review. The following executive summary highlights this month’s notable developments. One significant change was made to the report layout last month: a new page (p. 3) was inserted between pages 2 and 3 in the legacy report to summarize the YTD performance of the four enterprise funds in a “profit and loss” (P&L) or traditional income statement format.

- Pages 1-2: Cash and Reserve Balances
 - Cash and investment balances (page 1) remain strong through the first three quarters of the year, but the standard caution is that reserve requirements and funding commitments (page 2) encumber a significant portion of the balance in each fund, most notably the general fund, sewer fund, the Municipal Street Aid (MSA) fund and Realty Transfer Tax (RTT) fund.
 - The entirety of the disbursements made from the four major reserve accounts (page 2, lines 18-21) during March constitute investment management fees, though project activity picked up in March resulting in net operating cash outflows. The March and April project expenditures were reimbursed from reserve funds in April and will be reflected in the next Financial Report.
 - Impact fee collections and permit charges were strong for the second month in a row, representing a continuation of the above-average activity in residential and commercial construction. RTT receipts were higher than expected in March based on the levelized annual budget, though not as strong as February.
 - The draft Equipment Replacement Reserve (ERR) targets in the enterprise funds (p. 2, rows 14 & 26) were adjusted downward to reflect only the vehicle and equipment components of the draft FY22 CIP plan as opposed to the entire CIP. The difference in the ERR was shifted back to the draft Minimum Cash Requirement (MCR) targets in the enterprise funds (p. 2, rows 13 & 25) such that the sum of the MCR and ERR continue to match the total minimum cash requirement as established in the most recent Cost of Service (COS) studies. The adjustments made this month are encapsulated in the revised draft of the Cash Reserve Policies, which will be presented to the Finance and Public Works Committee on Monday, May 10.
 - New Page 3: Enterprise Funds – Statement of Revenue & Expenditures (P&L Style Statement)
 - The new presentation features a consolidated view of the YTD performance of the City’s four major enterprise funds using a “P&L” or income statement format readers may recognize more readily than the detailed revenue (p. 4) and expenditure (p. 5-9) reports that follow.
 - The statement was modeled after the presentation of the Proprietary Funds Statement of Revenues, Expenses and Changes in Net Position found in the City’s annual audited financial statements, though this monthly version excludes the internal service fund, certain non-operating revenue (such as impact fees and grants) and expense (such as depreciation expense), and consolidates operating expenses into two categories.
 - The presentation will be modified as needed based on feedback and the Finance Department’s plans to incorporate comparative data and non-financial operating data into the monthly report.
 - The City’s enterprise fund gross and operating margins through the first three quarters are slightly ahead of the YTD February margins, though net margin dipped by about -0.9% reflecting the progress made on the Front Street Sewer Line project.
- Page 4-9: Revenue & Expenditures
 - YTD general fund revenue as a percentage of the annual budget is more than 85%, but as always, the figure is skewed by the annual tax billing and the monthly recognition of reserves and transfers to match the budget. Adjusted for property tax billing, incoming transfers and reserve-funded initiatives, YTD general fund revenue is still a healthy 75.8% of the annual budget, while expenditures are being monitored closely.
 - Enterprise fund revenues likewise remain strong through March. After December’s light results, revenue rebounded in the third quarter to exceed the budget in all funds, pushing the YTD revenue variance ahead of the levelized revenue budget by 4.3%.
 - Total enterprise fund expenses were lower in March than February due almost entirely to lower wholesale power costs, which were partially offset by minor increases in sewer and electric fund O&M and capital expenditures. On a YTD basis, enterprise fund expenditures continue to track below the levelized budget.
 - The narrative through fiscal year 2021 continues to hold through the third quarter; the City’s controllable operating expenses and capital spending funded by current operations have been held deliberately low as long as possible. Necessary operating and capital expenditures deferred to the seasonal, project-friendly weather of the fourth quarter of the fiscal year have the potential to contribute to a reversal of the positive budget variance experienced throughout the first three quarters. n measuring under the levelized budgeted expenditures through the end of fiscal quarter three.

COMMITTEE & WARD REPORTS

Annexation Committee

Annexation/Lands belonging to Walter G. & Sharon A. Feindt, Trustees East side of South Rehoboth Boulevard, approximately .4 mile south/southeast of Delaware Route 36 Milford, DE 19963 Sussex County Tax Map 330 -

11.00-44.05, 330 -11.00-44.06 & 330 -11.00- 44.07 1.994 +/- Acres Current Zone: Agricultural Residential (AR-1)
Proposed Zone: Community Neighborhood Commercial (C-1)

Chairman Marabello provided a brief synopsis of the request from Mr. and Mrs. Feindt for annexation of their property into the City. The committee, by a vote of 2-1, agreed that the annexation petition should proceed with the R-1 (low density residential) zoning instead of the C-1 (community neighborhood commercial) originally proposed.

Councilman Culotta expressed concerns about the removal of the commercial zoning, though Solicitor Rutt explained the final zoning category for the property will be determined by City Council following a public hearing at which time comment will be taken.

COMMUNICATIONS & CORRESPONDENCE

Mayor Campbell recognized HR Administrator Jamesha Eaddy for her participation at Milford High School's recent job fair.

UNFINISHED BUSINESS

CIP Discussion/Adoption

City Manager Whitfield reported that a number of changes were incorporated into the CIP based on recent comments from City Council. He reiterated this is only a planning document and not a budget item though it will be used to apply for grants and other funding through the State and Federal governments, and to formulate the City's operating budget. Though there is a large list of projects, not all will necessarily happen and changes will be made as projects are completed and/or removed.

Finance Director Vitola referenced part three of the CIP document which includes all of Councils' questions and answers, for additional clarification.

Councilman Fulton moved to adopt the Capital Improvement Plan as submitted, seconded by Councilman James. Motion carried with no one opposed.

NEW BUSINESS

Mayor Campbell introduced the following ordinances, followed by a generic summary of each by Director Pierce:

Ordinance 2021-05

Chapter 230/Zoning Code/District OC-1/Prohibitions Removed

Ordinance 2021-06

K&G Associates LLC for a Change of Zone from OB-1 (Office Building) to R-1 (Single Family Residential) on .29 +/- acres of land addressed as 302 Polk Avenue and located between Sussex Avenue and Kings Highway; the Owner/Applicant proposes to convert the former medical office into a single-family detached dwelling. Tax Map & Parcel 1-30-3.08-067.00

Ordinance 2021-07

Owners/Applicant Avery Properties, LLC submitted a Conditional Use petition to convert an existing commercial two-story structure at 27 South Walnut Street into four commercial tenant spaces and three residential apartments in a C-2 District (Central Business Zoning). Tax Parcel: 3-30-6.20-002.00

Ordinance 2021-08

Property Owner City of Milford on behalf of Applicant/Equitable Owner Food Bank of Delaware for a Conditional Use petition to allow non-profit operations that include a new 60,000 square-foot facility, educational outdoor garden space, and 3,000 square foot resource center on an 11.5 +/- acre site on Lot 4 in Independence Commons. Address: 102 Delaware Veterans Boulevard; Kent County Tax Parcel: MD-16-173.00-01-02.08-000

EXECUTIVE SESSION

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

Pursuant to 29 Del. C. §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed

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

Motion carried.

Mayor Campbell recessed the Council Meeting at 8:09 p.m. for the purpose as is permitted by the Delaware Freedom of Information Act.

Return to Open Session

Council returned to Open Session at 8:48 p.m.

Police Personnel Matter

Legal Matter

Councilmember Fulton moved to allow the City Manager to take action as was discussed in the Executive Session. Councilman James seconded motion that carried with no one opposed.

ADJOURNMENT

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

The Council Meeting adjourned at 8:51 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Transcriptionist