

Milford City Council
MEETING MINUTES
June 14, 2021

The City Council of the City of Milford convened their regular meeting by way of video conferencing on Monday, June 14, 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, Police Chief Kenneth Brown and City Clerk Terri Hudson

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 June 14, 2021 Council Meeting agenda and packet for additional information.

CALL TO ORDER

Mayor Campbell called the meeting to order at 7:33 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 March 8, 2021 Public Works Committee and City Council Meeting. Motion made to approve by Councilmember Fulton, seconded by Councilmember Marabello. Motion carried.

RECOGNITION

City Employee Introductions

IT Director Dale Matthews was in attendance to introduce two new employees in his Department.

Denham Dodd addressed Council, stating he is from Jamaica and was hired as the City's Network Technician. Alexander Kalafut, Technical Support Specialist, was also introduced.

Both stated they have received a very warm welcome and look forward to working with everyone and providing the best computing environment for the City.

STAFF REPORTS

Monthly Police Chief Report

On behalf of Chief Brown, Police Chairman Boyle read portions of the report into the record (see associated packet).

Chief Brown reported that the Department is down several officers. The newest officer who is currently testing at another department has been offered another position within the Department in hopes he will remain at Milford. He is awaiting his response.

They tested this past weekend and had eleven candidates compared to 100 to 130 over the past several years.

Monthly City Manager Report

City Manager Whitfield submitted the following report:

- Rob Pierce and I met with First State Manufacturing regarding the culmination of a possible land exchange that was agreed upon several years ago.
- Lou, Sandra and I met numerous times over the last month on the 2022 Operating Budget.
- Our consultant AARC is putting the finishing touches on our Emergency Operations Plan update.
- I conducted a grievance hearing for disciplinary action that was taken.
- Sara and I met with several perspective business proprietors over the past month interested in locating their business in Milford.
- Rob and I met with a developer in the southeast portion of the City concerning the Transportation Improvement District and the possible need for a sewer pump station for development.
- Jamesha, Chief Brown, and I have been in several police negotiation sessions.
- Rob, Mayor, Councilman Baer, and I met with a developer looking at the property east of Route 1 on Route 14 (Lynch property).
- Mike, Chief Brown, and I met with the Police Station architects and engineers regarding site improvements, including improvements along Front Street and 4th Street.
- Rob and I met attended a town hall meeting with Perdue.
- Mike Svaby and James Puddicombe are working with a property owner on Marshall Street regarding a driveway curb cut, and how it may be impacted by the project we are doing in that area.
- We have shortlisted the number of firms applying for the Construction Manager for the Police Station to three, and we interviewed the top three.
- Rob has been working with DELDOT on a trial bike lane configuration for Marshall Street that will be put into place for three weeks this summer.
- We interviewed a candidate for the Electric Superintendent position.
- I met with Jennifer Jurczak and Todd Hilliker from the Department of Labor on several initiatives.
- Lou, Sandra and I have been keeping up to date with the various ARPA funding requirements and seminars.

Public Works Department

In addition to the monthly stats, Director Public Works Svaby reviewed highlights of his monthly report:

Director's Office

- Led advertisement and procurement process to identify potential candidates for Construction Manager on the Police Headquarters Building Construction. Began negotiation of terms and conditions with highest-scored shortlisted candidate firm. Supported Citizen's Advisory Committee meeting to provide the public with updates on this project.
- Attended Kent County Sewer Advisory Board (KSAB) meeting.
- Continued work with Disability Access Consultants (DAC) on results - from the City's ADA survey channels – working toward publishing the draft ADA Transition Plan for public comment.
- Finalized and fine-tuned all CIP and operating budget input for FY 22, presented budget drafts to Mayor and Council, and answered follow-up questions initiated by the Group.

- Held Public Meeting at Goat Island Dog Park regarding scope and schedule of Mispillion, McColley and Marshall Streets Pavement rehab Project. Had multiple individual follow ups with members of the Public/adjacent property owners.
- Interviewed two Electric Superintendent candidates.
- Worked with DelDOT to establish interim traffic signal maintenance procedures.
- Secured four additional free Automated Electronic Defibrillators (AED's) under the State's First State/First Shock Program maintained by DHSS' Office of Emergency Medical Services.
- Participated jointly with City Engineer in the initial roll-out of the City's first residential community preconstruction checklist.
- Met with Harold Stafford of the First State Community Action Agency (FSAA) to establish an energy-efficient equipment storage hub in Milford.
- Met with HOA Official from Meadows of Shawnee regarding addition street lighting at entrance Public Services Division Solid Waste and Facilities Management Section.

Public Services Division

Solid Waste and Facilities Management Section

- City Hall basement fit-out reno will begin construction on June 14. Completion is projected for the end of August.
- Final retrofit materials for the LED project are still being received. Masten Electric will complete the City-Wide LED project in the next few weeks.
- Chelsea Robinson, a new hire for Solid Waste Collection, starts work on Monday, June 21.
- Planning for paint refresh and selective floor covering replacement at the Vickers Building has begun. The project will be rolled out in early Fall and take approximately 30 days.

Streets and Utility Section

- Repair Water Leak
- Conducted ROW maintenance/mowing at PD, new PD Property, Boys & Girls Club, Airport Rd swale.
- Supported water line replacement on Marshal Street paving rehab including valve shutoff and return of service. Prepared new water lines for pressure and bacteria testing.
- Assisted Solid Waste staffing multiple times.
- All sidewalks were sprayed with weed killer.

Water/Sewer Section

- Site/service road clearing on the approach road to wells 4 & 5 (Kenton's Treatment Plant) – has been completed.
- SE Regional, Watergate, Milford Crossing, and Wendy's Pump Stations have been broken down, tuned up, and cleared all residual obstruction material.

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
- Finalized ERP selection and began negotiations with the apparent awardee, Edmonds.
- Assisted with residential community preconstruction checklist design
- Scheduled GPS console upgrades
- Initiated escrow tracking system for developer payments
- Disbursed new AEDs to four (4) PW vehicles
- Continued working on PD vehicle and equipment replacement schedule
- Met with Finance to discuss key account management program

Planning and Zoning Department

In additional to the monthly stats, Director Pierce provided the following report:

- Through the first five months of the 2021 calendar year, the City has issued 75 new residential construction permits and five permits for 120 apartment units. The total construction investment in Milford from January through the end of May based on issued building permits was \$27,278,695.
- The City of Milford has seen 88 projects with a committed investment of over \$23.0 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 \$2.70 million in grant funds for both large and small commercial and residential projects in Milford. The City has waived over \$377,000 in permit fees and taxes associated with these projects in accordance with Chapter 19 Economic Development and Redevelopment and DDD program guidelines.
- Staff presented at a Downtown Development District workshop hosted by Downtown Milford, Inc. on May 25.
- The Planning Commission and City Council will review two land use applications in June: one for a final major subdivision for Knight Crossing Phase I and one for a comprehensive signage plan for the Milford Plaza Shopping Center.
- The Planning Commission has been reviewing Chapter 230 Zoning and Chapter 200 Subdivision of Land since February 2021 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 code. The Planning Commission reviewed the use and area regulations at the May meeting and will review an updated draft of this section along with zoning definitions at the June meeting. Additional workshops will be needed in the upcoming months to review Chapter 200 Subdivision of Land. The workshops will be held before each Planning Commission regular meeting over the next few months to have final edits for consideration by the end of the Summer.
- The Board of Adjustment will review one variance application in June related to an oversized detached garage.
- During the month of April, the City completed a preliminary major subdivision review for the Wickersham subdivision, a preliminary site plan for Milford Fast Food Restaurant, final construction plan review for Lot 8 Independence Commons, and final construction plan review for Knight Crossing.
- Staff submitted a Comprehensive Plan amendment request to the State of Delaware Office of State Planning Coordination to change the designation of areas in our future land use plan from Residential/Commercial to Industrial. The amendment request also included a request from a private developer to change the future land use of an area east of Route 1 along New Wharf Road from Open Space to Low Density Residential. Public hearings are anticipated to be scheduled to review the comprehensive plan amendments later this Summer.
- Staff submitted the 2021 annual Comprehensive Plan report to the State of Delaware Office of State Planning Coordination, as mandated by the Delaware Code.
- Century Engineering, DelDOT and Planning Staff are finishing up the Bicycle Master Plan update to bring a final draft for the City to review in the upcoming months.
- The City is working with DelDOT, the University of Delaware and Century Engineering on a pop-up bicycle infrastructure project along Marshall Street from the Watergate subdivision to SE Second Street. The pop-up project would temporarily demonstrate a two-way 12-foot-wide bicycle lane along the east side of Marshall Street from June 11 to July 2. The path will be delineated using temporary paint and quick curb sections within the existing paved area. A temporary pedestrian crossing of Marshall Street is also proposed at SE Third Street as part of the demonstration. During this time, parking will be restricted on the east side of Marshall Street. Notices were mailed and delivered to property owners along Marshall Street in the beginning of May and an informational meeting was held on May 28 via zoom to answer any questions from the public. The purpose of the pop-up project is to show a possible bike path alignment that would improve bicycle mobility through Milford and solicit feedback from residents and cyclists. Marshall Street was identified as a preferred bicycle route in the City's Bicycle Master Plan update and has ample right-of-way to accommodate improvements.
- Staff attended the Chamber of Commerce for Greater Milford Economic Development Taskforce meeting.
- Staff attended the monthly Milford homebuilder association meeting representing City planning and building division functions.
- Met with First State Manufacturing to continue the discussion of a land swap between FSM and the City. City Council authorized the land swap in 2014 to exchange land for the use of the Little League with portions of a lot in Independence Commons.
- Met with developers in the SE Area in an effort to coordinate the construction of regional sewage infrastructure east of Route 1.
- Met with DelDOT and property owners regarding easement acquisitions for the NE Front Street Transportation Alternatives Program project slated to begin this Fall.

- Staff attended FEMA Substantial Damage/Substantial Improvement floodplain training hosted by the State of Delaware and FEMA.
- 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:

A successful spring season was concluded in May with soccer, field hockey and tennis. We had many positive comments about the programs from parents and players. Our coaches and recreation staff were highly praised for their efforts. After the whole disruption due to COVID, everyone was happy to have some productive activities and a healthy outlet for their children.

- "Summer Fun Club" preparations continue with approvals at the state level for permits, hiring of the seasonal staff, and solidifying the schedule. Registrations are currently open and numbers look good for the 5 week camp.
- A college intern was hired by the Department for a couple of months. Dylan is a James Madison University student studying sports and recreation. He is helping the recreation coordinator with helping to develop and run some new programs.
- Park staff continued weekly trash runs of the downtown.
- Grass cutting continued throughout the City at all city owned facilities and parkland.
- Tulip bulbs and winter greenery were removed in preparation of spring planting at City owned flower beds.
- All of the hanging flower baskets were prepped with installing new coconut liners, water reservoirs and potting soil.
- On Sunday May 16 Parks staff worked with DMI volunteers to plant the hanging baskets on the light poles and bridges and wine barrels throughout the downtown.
- Sidewalks along Walnut Street and Front Street in the downtown were weed whacked by City crews.
- Joey Philips a local resident was hired via the temporary employment agency to work on a seasonal part-time basis to assist with planting and watering of flowers in the downtown. He and some other volunteer's planted two new trees at the Finance building and he laid out all the new shrubs at the Finance building.
- Two park techs assisted the Rotary club with helping to install 350 American flags for "Flags for Hero's" in Bicentennial Park.
- A new Kubota tractor with a bucket and 6' rotary mowing deck was purchased. This will be of great benefit to the Parks Department in park maintenance.
- A Rubberized patch was made to the playground surface at the Can-Do Playground.
- Irrigation reels were transported out to Tony Silicato Memorial Park and set up for the season.
- Maintenance was performed at the Dog Park including getting the irrigation up and running and additional stones installed around the water hydrant.
- Parks Superintendent attended both the DFIT safety meeting with other municipalities and an award and recognition meeting with fellow employees.
- Director met with the new IT director and new Technical Support Specialist in regards to needs for the MP&R.
- Director met with the Economic Development and Community Engagement Administrator regarding social media needs for MP&R.
- Director attended a meeting for the next round of ORPT funding.
- Director attended a weekly WIIN meeting, and a monthly WIIN meeting.
- Director prepared budget information and attended the budget workshop.
- Director was appointed to the Delaware Sea Grant Advisory Council and attended their quarterly meeting.

Human Resources Office

HR Administrator Jamesha Eaddy presented her monthly review:

- Interviews were conducted for the positions Technical Support Specialist, Billing Clerk, Solid Waste Operator/Collector, Electric Superintendent and Electric Ground Technician.
- Onboarded new hires for the positions of Network Technician, Technical Support Specialist and Sports and Recreation Intern.

- Job offers were extended for the positions of Solid Waste Operator/Collector, Billing Clerk, Customer Service Clerk and Electric Ground Technician.
- Onsite tour scheduled for June 4, 2021 for the position of Electric Superintendent.
- The City completed the Job Assessment Tool (JAT) phase of the 2021 Job and Classification and Compensation Study on May 21, 2021. The next phase will include the firm conducting a market survey for benchmarks.
- The City celebrated National Public Works Week with Vanderwende's Ice Cream Truck on Friday, May 21, 2021 outside the Public Works Facility.
- Attended a job fair at Milford High School on May 4, 2021 hosted by the Department of Labor.
- Employee Recognition:
 1. Rooster: Mimi Velazquez, Billing Clerk. Recognized for being an awesome team player at the Customer Service Division.
 2. Promotions:
 - LeRoy Lahman: Water & Wastewater Technician
 - Howard Willis: Code Enforcement Official I
 - John Tweed: Electric Line Technician, Second Class
 - Brian Medley: Patrolman First Class
 3. Going Above and Beyond at Work: LeRoy Lahman, Water & Wastewater Technician Eric Luciano, Public Works Equipment Operator and Billy Foxwell, Public Works Equipment Operator.
 4. Where Am I Challenge Winner: Ralph Skinner, Parks Superintendent

Informational Technology Department

IT Director Dale Matthews presented the following report:

- We engaged the Cyber and Infrastructure Security Agency (Department of Homeland Security) to scan our public facing domains. Their initial findings indicate some risks and vulnerabilities exist, and we are developing plans to eliminate them.
- We interviewed and hired the following team members:
 - Network Technician (Denham Dodd)
 - Support Specialist (Alex Kalafut)
- Through assessment of the Department, I identified security and operational concerns that we will address as high / immediate priorities:

Security:

- Cybersecurity strategy and practices
- End-user operating system patching and antivirus protection
- Controls for software downloads or hardware purchases
- Mobile device management
- Physical security for critical hardware
- Password standards
- Tape backups

Operations:

- Monitoring system and network performance
- Backup restore exercises
- Disaster Recovery planning
- Central management of hardware and software
- Standard IT policies or procedures exist.
- Use of the existing licensed Help Desk ticketing system
- Shifting to an enterprise approach for software purchases
- We began developing a plan to move our infrastructure to a secure government cloud.
- We are addressing technical requirements for council chambers to support both in-person and remote meeting attendance in July.
- I have begun meeting with all vendors and reviewing contractual agreements.
- We are aligning resources to support the new ERP implementation (technical oversight, data migration, etc.)

Economic Development & Community Engagement Administrator

Administrator Sara Pletcher provided a monthly review of her activities:

Social Media

- Created a City of Milford Instagram account
- Created a City of Milford YouTube Channel and posted the Public Works Week slideshow
- Met with Brad Dennehy, Parks & Recreation Director, about the P&R Facebook page. We ultimately decided to keep this separate from the City's Facebook page, but add the City page as an admin
- Met with Rhiannon Slater, Public Works Operations Supervisor, to start the process of combining the Public Works and City of Milford Facebook pages
- Met with Sgt. Robbie Masten to review Milford Police Dept. 's social media practices, so our messages align
- Created Google Business pages for all city buildings (City Hall, Customer Service, Finance, Public Works, P&R, and MPD)
- May 2021 Insights:
 - o Facebook: 64 new likes (total: 1,998); 12,314 reached; 3,125 post engagement
 - o Instagram: 312 new likes (total: 312); 339 impressions
 - o Twitter: 7 tweets, 1,629 impressions, 390 profile visits, 7 mentions, 1,285 followers (-9)

Website

- Posted Public Works Week video
- Posted Bike Demo on Marshall St.
- Updated all job postings to pdfs from Word documents
- Posted P&R event flyers (Summer Fun Camp & Abbott's partnership paddles)
- May 2021 Insights: 13,691 visits; 29,247 pageviews

Meetings

- Nationwide: took a tour and provided business ideas for their vacant spaces, including turning their conference center into a co-working space
- Key Account Program: Met with Mike Svaby and Lou Vitola regarding the Key Account Program to establish a plan of action for the City's top 6 key accounts
- Chamber of Commerce of Greater Milford's Economic Development Task Force
- Greater Kent Committee year-end meeting
- Kent County Tourism Board
- Met with Suzannah Frederick to review customer service procedures and systems
- Met with James Puddicome to discuss and tour all current PW projects
- Confirmed orientation session with new Bayhealth residents and MSD, Dover, and Capital School District representatives
- Met with Pete Bradley of Kent County Tourism for new board member orientation

Economic Development

- Chef Bill Clifton: His Counting House Restaurant will be closed in August due to the DOJ moving into the Brick Hotel building in Georgetown. He is interested in opening a small 40-50 person restaurant in Milford. Administrator connected him with Zack King (old Penny Square Building) and Parker Group, both in Downtown Milford.
- Henlopen Sea Salt is looking for 1000 sq ft operations space. Administrator connected owner with the potential landlord on Marshall St.
- Bayside Gymnastics: Looking for 5000 sq ft of space. Has conditional lease offer for the old gym location in Riverwalk Plaza. Sent all City business resources and looking into other potential spaces
- La Vaquita Butcher Shop: Attended ribbon cutting, filmed 2-minute video and posted to City's social pages, reaching over 6,700 people
- Euphoric Herbals is looking for 4000 sq ft
- Reiki Joy' n' Peace: Looking for the new location as the current building is on the market. Connected owner with Milford Wellness Village and sent her three downtown rental options.

Email Campaigns

- Imported 285 email addresses from our business licenses into a free MailChimp account. Administrator plans to send semi-regular email newsletters with business resource information to these business owners as an added license benefit. Administrator sent the first campaign introducing herself and including DEWins grant information on May 28 with a 37% open rate.

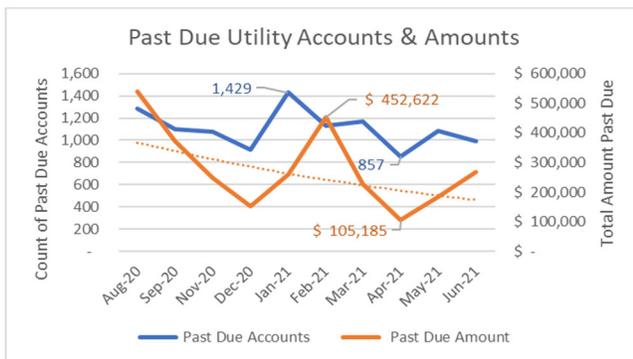
Press

- Economic Development & Community Engagement Administrator new hire press release sent to 85+ press
- MilfordLive: Four City Council members sworn in (May 4)
- Delaware State News: Milford City Council holds organizational meeting (May 10)
- MilfordLive: City of Milford hires Pletcher as new public information officer (May 11)
- Delaware State News: Milford hires new administrator (May 12)
- MilfordLive: Council hears DEMEC rate stability measures (May 13)
- MilfordLive: Annexation Committee recommends limit to property request (May 13)
- Delaware Business Times: People on the Move section (May 14)
- Delaware State News: Milford council debates annexing property along S. Rehoboth Blvd. (May 14)
- Hoy en Delaware: City of Milford hires Pletcher as new public information officer (May 17)
- MilfordLive: City of Milford considers tax increase (May 18)
- MilfordLive: City Council reviews Southeast Milford Transportation Improvement District (May 20)
- MilfordLive: City Council completes review of Capital Improvement Projects, tables action (May 20)
- MilfordLive: City Council completes budget hearings (May 21)
- MilfordLive: City Council reviews Southeast Milford Transportation Improvement District (May 24)
- MilfordLive: City Council continues to discuss proposed FY21-22 budget (May 24)
- MilfordLive: City Council completes review of Capital Improvement Projects, tables action (May 24)
- Delaware State News: Milford council OKs Food Bank expansion project (May 25)
- MilfordLive: City Council approves change of zone request (May 27)

Finance Department

Finance Director Lou Vitola provided the following staff report:

- *Monthly Financial Reporting*
 - *The April 2021 Month-to-Date (MTD) and Fiscal Year-to-Date (YTD) Financial Reporting Package was distributed to Council with a narrative addressing financial results.*
 - *No significant content or formatting changes were introduced this month.*
- *Capital Improvement Planning*
 - *The Fiscal Year 2022-2026 Capital Improvement Plan (CIP) development process concluded with Council approval on May 10, 2021 following the publication of a revised final draft that was shaped based on input received from Council following the CIP Workshops into early May.*
- *Operating Budget*
 - *The Fiscal Year 2022 Operating Budget process kicked off on March 1 and met all timelines through three public hearings and last Monday's second and final Council workshop. The final step in the process is adoption by City Council, scheduled for this coming Monday, June 14, 2021.*
 - *Much like the CIP process, the input from Council during the operating budget process was highly valued by staff in terms of our ability to finalize the budget confidently with respect to the appetite for operating expense growth attributable to certain cost drivers, such as personnel expenses, the resulting revenue requirements and the tolerance for raising new revenue versus alternate sources of revenue, and capital project priorities.*
 - *The final draft of the document was published in the City Council Packet for the June 7, 2021 meeting and will be reposted to the June 14, 2021 Council Packet.*
- *Enterprise Resource Planning (ERP) Selection Process*
 - *A meeting of the ERP team 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 developing a software platform recommendation, though a clear selection had yet to emerge at that point.*
 - *The final schedule of questions and clarifications were distributed to each of the two final vendors, each of which responded on time, permitting a final vendor review and deliberation*
 - *Tyler Technologies emerged as the City's preferred vendor, and contact has been made to both vendors as well as the broader internal ERP team that will ultimately take part in the implementation, conversion, and training activities*
 - *Tyler delivered a draft contract, a comprehensive statement of work (SOW), and its best and final offer (BAFO) after receiving the City's notification of preferred vendor status*
 - *Following internal review of the SOW and negotiations, the draft contract will be presented to Council for review and approval. The project is expected to kick off this fall.*



Billing & Customer service Department

The graph exhibits past due accounts and balances since August 2020 – a period of time marked by uncertainty and volatility due to the COVID-19 pandemic. The Customer Service team operated pursuant to City Code, as always, while adjusting to the changing regulations throughout the period to remain diligent in its collection of accounts receivable. We continue to monitor past due accounts carefully, offering extended payment plans, COVID-19

relief funds, and referrals to charitable resources. In June, we intend to partner with the Delaware State Housing Authority (DSHA) to expand our ability to assist any Milford residents that continue to be impacted by the pandemic. Assistance is available for renters who may also find themselves behind on utility bills.

- The 2020 tax levy was due September 30, 2020. The table highlights past due property tax data since then. The formal monitions process kicked off in February and continues today 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 to show amounts on a comparable basis.

Property Tax Levy	Past Due Amounts as of:							
	11/5/2020	12/11/2020	1/8/2021	2/1/2021	3/3/2021	4/1/2021	5/4/2021	6/1/2021
2020	\$ 229,290	\$ 132,511	\$ 108,200	\$ 102,144	\$ 95,069	\$ 81,056	\$ 76,997	\$ 76,627
2019 & Prior	249,788	229,831	221,023	218,418	208,083	195,772	193,361	183,696
Total	\$ 479,078	\$ 362,342	\$ 329,223	\$ 320,562	\$ 303,152	\$ 276,828	\$ 270,358	\$ 260,323

In addition, two vacancies in the Customer Service Division have been filled. Those employees will be introduced at the next meeting.

Councilmember Marabello referenced the past due utility accounts and the dollar amount increased over the past two months; Director Vitola explained that it may be attributed to timing. Two months ago, those low numbers benefited from the timing of that run was just before the reading and the issuance of bills. Since then, it appears to have two large jumps due to the payments coming in.

The increase is not as drastic as the chart looks, and a portion can be attributed to being short staffed and the focus by staff on the ERP selection. Therefore, the disconnection process did not receive the normal attention and disconnections are typically done on Thursday. However, during this time, disconnections were limited due to inability to properly manage the process entirely. This should correct itself moving forward and the graph should return to normal.

MONTHLY FINANCE REPORT

Councilman James suggested a bridge or reconciliation of the projected numbers versus actual numbers used in the budget. In that manner, Council will have an idea of whether the numbers were close or changed and the related reasons. This would help in comparing to the actual budget.

He recommends that be completed pre-audit to allow sufficient time for review.

Councilman James also hopes to start seeing some graphs and charts in the monthly financial presentations to take the place of a lot of the text. He believes that may be more informative and meaningful to Council and the public.

Director Vitola then provided an update on the City's finance as of April 2021 (refer to packet for related pages):

The April 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; no changes were made to the format or delivery of the document this month.

- Pages 1-2: Cash and Reserve Balances

- o Operating cash balances (page 1), particularly in the General Fund, dipped during April primarily due to the twice-annual occurrence that three payroll dates fall within a single month. The City reports monthly expenditures on a modified accrual basis, permitting the recognition of personnel expenses at payroll date intervals. Adjustments to report payroll on an accrual basis are made annually to the year-end financial statement production.

- o Investment balances (page 1) remain strong through April. Still, 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.

- o The disbursements made from the special-purpose accounts and major reserve accounts (page 2, lines 9-22) during April were all made in support of Council-approved capital project expenditures incurred during March and April.

- o Impact fee collections and permit charges (page 2, lines 23-30) were strong for the third consecutive month, representing a continuation of the above-average residential and commercial construction activity. RTT receipts were particularly high in February and April this year; an early look at May receipts suggests that the FY21 RTT receipts should finish the year roughly equal to the three-year average of \$1 million.

- Page 3: Enterprise Funds – Statement of Revenue & Expenditures (P&L Style Statement)

- o This presentation, first reported in February 2021, 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.

- o 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 and 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.

- o The City's enterprise fund gross, operating and net margins through April each posted improvements over March results in total and on a fund-by-fund basis. However, despite a positive operating margin and improvement in the net sewer margin since March, the net margin in the sewer fund is negative as a result of reserve-funded capital spending. Recall that the P&L report attempts to mimic the year-end audited financial statements, which consolidate capital and operating expenditures in one statement, regardless of funding. This should alleviate any concern of the sewer fund's achievement of operating budget targets while at the same time highlighting the fact that the sewer fund is unable to support its operations, debt service and capital needs through the sewer rate alone, highlighting the need to effectuate the rate adjustments set forth in the City's recent Cost of Service Study.

- Page 4-8: Revenue & Expenditures

- o YTD general fund revenue as a percentage of the annual budget is more than 90%, 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 83% of the annual budget, which is just shy of the ten-month levelization of the annual budget. General fund expenditures continue to be monitored closely, again measuring under the levelized budgeted expenditures through the YTD reporting period.

- o Enterprise fund revenues likewise remain strong through April. 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%.

- o Total enterprise fund expenses were lower than the prior period for the second month in a row, again due almost entirely to lower wholesale power costs, which were partially offset by the aforementioned artificial spike in personnel expenses and additional capital project activity. On a YTD basis, enterprise fund expenditures continue to track below the levelized budget in total and on a fund-by-fund basis with the exception of the sewer fund. Expenditure overages versus the levelized budget in the sewer division are primarily attributable to Kent County wastewater expenditures, which are uncontrollable but recovered directly through the County component of the sewer rate, and inflow and infiltration (I&I expenses), which are extremely difficult to control much less predict or eliminate, though efforts to mitigate I&I are ongoing.

- o The narrative through fiscal year 2021 continues to hold through ten months; 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 ten months of the year.

Councilman James commented on the development of the investment policy, which Director Vitola continues to work on.

Director Vitola referenced the \$316,000 deficit in the sewer fund. Two facts qualify that deficit. First, the \$256,000 in capital spending (line 12) was not intended to be met with the operating revenue generated through rates and utility billing. All that capital was budgeted through reserves. Because capital spending is shown on the P&L, it must be funded through the sewer fund, and is skewing that deficit. Reserves are not shown as a revenue source like a cash budget. When certain initiatives or capital are funded with reserves that are carried forward from another year, they show as a revenue source. But in this report, reserves are not shown as a revenue source as that is the purpose of this statement. Adjusted for the capital spending, the variance is negative \$60,000.

When discussing the I&I expenses, there is no underlying structural concerns and instead is sewer rates, or cost recovery. The good news is the deficit has improved since March so there is no real alarm with that number. With this P&L style statement, the issue can be immediately detected. The number in brackets signifies a deficit in that fund and questions asked.

On page seven, Director Vitola pointed out the month-to-date and year-to-date spending in the sewer division on lines 71 to 77. Other than line 72, the O&M expenses being 91% of the annual budget, as opposed to the 83% timeline related to the tenth month of the twelve-month budget, the Kent County sewer line on 76, which is at 88%, there really is no indication of whether that is normal or what the underlying issue is.

When separating revenue and expense, there is no way to decouple something normal from like a volume driven increase in revenue that has an offsetting increase in expenses and a stable margin versus spike in expenses independent of revenues, or vice versa.

If ahead in revenue, it may not be as positive as it looks. If over in expenses, it also may not be as negative as it looks but with the presentation of the P&L on page three, there is a lot more value on that page than seen in the four pages that follow.

He and Councilman James have discussed how to address that, expanding on page three and making it more of an executive summary that has more value and moving the rest to the back or possibly eliminating the four pages, and presenting some other kind of detail.

Right now, he will use the last two monthly reports of this fiscal year to hone in on what page three will expand into and plans to not only graphs but some operational data to help give some flavor to what is driving the revenues and the expenses.

It was confirmed that the City does build in a price increase in the Kent County sewer costs, though there has not been one in a couple of years. Kent County has recently published some budget documents that show the rate they charged for treatment is falling a little short of their actual costs to treat all the sewer. Therefore, they have decided to hold the rates stable though he does not know how long that will last.

Director Vitola shared that when Kent County increases, the City can pass them on without a delay that would result in Milford incurring costs before being able to recover them.

Regarding a comment based on the ten months of the budget to April and the projection of a possible surplus when looking at the enterprise and the expenditures, Mr. Vitola said that is true with one caveat. As part of the budget process, certain things need to be done, not just in 22 but with the available surplus in 21. He hopes to do the water fund transfer in 21 and 22. A lot of the funding of the vehicle and equipment replacement reserves with FY21 headroom and not just starting in 22. That will create a lag if relying solely on FY22 contributions to those funds.

Those initiatives are not reflected in the year-to-date actuals through April. A lot of the surplus will be consumed by some of the FY22 budget initiatives that will be rolled back to 21.

Councilmember Marabello then moved to accept all departments and division reports as presented, seconded by Councilmember Fulton. Motion carried.

COMMITTEE & WARD REPORTS

Councilmember Fulton reported that he had a situation that has been corrected. It involved the City Manager, Mayor Campbell, and Councilman Culotta. City Manager Whitfield confirmed the immediate issue was fixed and deferred to Public Works Director Svaby. Director Svaby stated that the homeowner has been in touch with the City's insurance company who has authorized the homeowner to proceed with cleanup and repairs. He has been intermittently in touch with the homeowner about the progress.

He emphasized the back-up situation was cleared the next day.

Councilmember Fulton expressed his gratitude, stating it was excellent work by the City to take care of a bad situation. It truly shows that the City truly cares about the people who live in Milford.

Councilmember James wanted to thank the Planning Department. He stated that in the Fourth Ward, there has been a lot of restoration of older homes and new homes being built and empty lots occupied. At some point, he would like to know the impact from the time we extended the DDD area the additional five acres in this ward. He would like the initial investments been.

He is also asking Chief Brown to keep an eye on it and stamp out the additional criminal activity as it arises.

Councilmember Fulton then stated that some boarded-up homes have people using those localities as places to go to do drugs, including shooting up, and evidence have been found. He advised the homeowners to contact Milford Police Department to rectify the situation. People were seen running off when workers arrived to rehab the home for future sale.

He emphasized that any facility boarded up will become an attraction for people to get inside and do terrible things. The quicker these boarded up properties can be repaired, will make the City safer.

Councilmember Wilson agreed that is the same situation in every ward, and this has become an issue in the City. Many property owners have been working hard to make things better in our town and more livable, thus making our neighbors happier. She finds it amazing how crime areas move from one street to another. Unfortunately, if it does not impact your life, it is difficult for a person to understand how quickly it can happen more than it ever has in her neighborhood.

COMMUNICATIONS & CORRESPONDENCE

Councilmember Boyle reported that he has received comments from his constituents that Xfinity or Comcast has dropped all the major news outlet channels from Washington, Baltimore, Philadelphia, and possibly New York. Only the local networks are available, and there is a concern because so many residents have moved from the I-95 corridor.

He complained to Comcast about how they continue to remove services for the high prices they charge and will not support Comcast the next time their franchise agreement comes up.

Councilwoman Wilson suggested the City Manager reach out to the government representative with these concerns, who in the years past, used to take care of Milford as far as channels and services.

Councilman Culotta asked for a workshop with Comcast at some point in the future.

UNFINISHED BUSINESS

Adoption/Resolution 2021-07/FY22 Budget & Capital Program

City Manager Whitfield noted that on May 15, 2021, the City Manager produced a budget that was distributed to City Council, who reviewed the budget on public sessions on four different dates. With Council's input and staff's alterations and changes, he is presenting the final budget for adoption totaling operations and maintenance at \$42,945,803, debt service of \$1,098,314, a capital program of \$3,434,152 for a total expenditure of \$47,478,269 with the real estate assessment to be levied at \$.48275 per \$100 of assessed value.

It was noted that a large reduction of the original increase was needed to balance the budget of \$.65 per \$100 of assessed value.

Mayor Campbell opened the floor for comments from the public.

One person raised their hand, but was unable to mute themselves. Because the technical issue was on their end, Solicitor Rutt directed the Mayor to continue.

Bryan Lau of 19596 Drummond Drive stated that he submitted a number of questions and comments at the last budget meeting. He asked if they will be addressed at some point. His concerns related to pending legislation at the State of Delaware for raising the minimum wage. Also, he asked the status of the take-home vehicle for the police and believes that will have a material impact on the budget. Being a former public employee, it appears the employees will take a hit going from paying 10% to 15% of the cost of healthcare. He feels it is crummy to get a pay raise and the increased cost eats it up in healthcare. If that is true, he would like to thank all the public employees that will take the hit though he is unsure of the background.

City Manager Whitfield shared the take-home vehicles are not included the budget. Chief Brown may address that in the future, but it has not been presented as part of the fiscal year budget.

He added the increase in healthcare costs was made last year. As a result, employees were not only given their regular cost of living raise but also the opportunity for a 3% increase in merit bonus. The increase was factored in and employees given more than a year to make changes within their healthcare selection to offset the increase.

Mr. Lau thanked the City Manager.

There being no further comments, the floor was closed.

Councilmember Fulton moved to adopt Resolution 2021-07 approving the FY22 Operating and Capital Budget, seconded by Councilmember Boyle:

RESOLUTION 2021-07
ADOPTING THE CITY OF MILFORD
FISCAL YEAR 2021-2022 BUDGET & CAPITAL PROGRAM

WHEREAS, the operating and capital budgets of the City of Milford for the Fiscal Year 2021-2022 were prepared and submitted to the City Council by the City Manager in accordance with Article VI 'Financial Procedures' of the City Charter; and

WHEREAS, the City Council was presented with the proposed budget following a comprehensive study and review while meeting in public sessions on May 17, 2021, May 19, 2021, May 20, 2021, May 24, 2021 and June 7, 2021; and

WHEREAS, in the opinion of the City Council, the budget accurately, as possible, reflects the city's anticipated revenues and expenditures for the fiscal year beginning July 1, 2021 and ending June 30, 2022.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MILFORD, that the City of Milford's Operating Budget for Departments shown under General Fund as Administration, Planning and Zoning, Code Enforcement and Inspections, Finance, Information Technology, Police, Streets Division, Parks and Recreation

and Council; and the Water, Sewer, Sanitation and Electric Divisions was adopted and approved as the budget of the City of Milford for Fiscal Year 2021-2022 in the following amounts:

Operations and Maintenance - \$42,945,803
Debt Service - \$1,098,314
Capital Program - \$3,434,152
Total Expenditures - \$47,478,269
Real Estate Tax Assessment - \$0.48275 per \$100 of assessed value

A copy of said budget, is on file in the Office of the City Clerk, as was adopted by majority vote of Milford City Council on the 14th day of June 2021.

Motion carried with no one opposed.

NEW BUSINESS

Authorization/Contract Renewal/First State Inspections Services

Planning Director Pierce stated the renewal of the annual contract with First State Inspection Agency for residential and commercial building plan review and inspection services. He provided some background back to 2017 to assist the building inspector. Since then, he has been using their services to supplement the in-house officials and the agreement has been approved annually.

This would be the first year for a fee increase, and in summary, the First State Agency is requesting an increase on their per trip charge from \$45 to \$50, which aligns with a previous contract when they were used for rental inspections. However, now that is down to a manageable number, that contract is no longer needed.

When asked how often First State is used, Director Pierce stated that he is using them full-time since February due to the loss of the building official. Prior, they were used to cover additional work or the absence of the building official to prevent the work from piling up.

He added that if additional developments began, he would continue to use them simultaneously to prevent that burden on the in-house building official.

Mayor Campbell pointed out they have been used a lot to oversee the dilapidated homes and properties and keep our inspections current.

Councilmember Boyle Authorize the Building Inspection and Plan Review Services through June 30, 2022, seconded by Councilmember Baer. Motion carried with no one opposed.

Adoption/Resolution 2021-09/Kent County All Hazzard Mitigation Plan

Public Works Director Mike Svaby explained the intent of the resolution is for Council to update the update to the 2015 Kent County All Hazzard Mitigation Plan. The finalized updates took place in March 2021, after a year of working with the member agencies, of which Milford is one.

The Emergency Management Division of Kent County hired a consultant, and the plan was reviewed and proper updates made. There was no cost to the City other than the time committed to participating in the vendor's focus groups. The requirement to adopt the plan is necessitated by the City's continued eligibility for a range of financial assistance in relation to a disaster of some sort. Being a member of this plan, would entitle the City to whatever FEMA or other financial supplements are available because of the disaster. Each separate entity is entitled to individual assistance and does not impact any other entity.

Solicitor Rutt confirmed that Sussex County has a similar plan; Councilmember Boyle hopes that because Milford is within both counties, they are similar and do not present a point of conflict that would cause future problems. Director Svaby will follow up.

Mayor Campbell opened the floor to public comment, and no one responded. The comment session was then closed.

Councilmember Wilson moved to correct the document's text from proclamation to resolution (updated prior to start of meeting) and adopt Resolution 2021-09, seconded by Councilmember James:

RESOLUTION 2021-09
UPDATED KENT COUNTY ALL HAZARD MITIGATION PLAN

WHEREAS, the Disaster Mitigation Act of 2000, as amended, requires that local government develop and adopt natural hazard mitigation plans in order to receive certain federal assistance, and

WHEREAS, a local Hazard Mitigation Advisory Committee comprised of county governmental departments, municipal council members, business community representatives, nonprofit organizations and citizens working in Kent County of the State of Delaware, convened in order to study the City of Milford's risks from, and vulnerabilities to natural, technological and terrorism and to make recommendations on mitigating the effects of such hazards on the city, and

WHEREAS, a contract was issued to an experienced consulting firm to work with the Kent County Hazard Mitigation Advisory Committee and the Delaware Emergency Management Agency to develop a comprehensive All Hazard Mitigation Plan for Kent County in Delaware, and

WHEREAS, the efforts of the City of Milford, Kent County, and the consulting firm have resulted in the development of an All Hazard Mitigation Plan for Kent County and the City of Milford.

NOW THEREFORE, BE IT RESOLVED by Milford City Council, that the updated Kent County All Hazard Mitigation Plan, dated March 2021, is hereby approved and adopted for the City of Milford and Kent County in the State of Delaware, this 14th day of June 2021.

Motion carried with no one opposed.

Annual Review/2021 Milford Comprehensive Plan

Planning Director Pierce referenced the annual report submitted to the State of Delaware that provides an update to the Office of State Planning Coordination of the implementation items from our comp planning document, which also includes the Southeast Master Plan and other planning documents. He had previously discussed including the annual reports in the Council packet for informational purposes.

All the goals and objectives for the comprehensive plan in the Southeast Master Plan are listed out with a status update provided. The larger items include the Southeast Transportation Improvement District and the zoning and subdivision code revisions that would implement things from the comp plan update.

He will also do this for the Downtown Development District annual report, due this summer.

Mr. Pierce then referenced an earlier question regarding the number of projects that had been completed in the extension area of the DDD. Since the modification in August, there have been nine projects with a little over \$400,000 in committed investment. One single-family home and a duplex have been built, with another home scheduled to be built. The remaining six were interior/exterior renovation projects.

The information is available on the City website for public view.

Ordinance Introductions:

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

2021-09

Application 2021-19/Milford Plaza SPE, LLC

Located at the northeast corner of Route 113 and Route 14 on 21.4 +/- acres of land

Application Type: Conditional Use – Comprehensive Sign Plan

Comprehensive Plan Designation: Commercial

Zoning District: C-3 (Highway Commercial District)

Present and Proposed Use: Shopping Center

Tax Parcel: MD-16-183.09-01-04.00

2021-10

Application of Limitless Development Company, LLC on behalf of Milford Marina Enterprise LLC

for the Final Major Subdivision (Phase I Only) of 25.80 +/- acres of land, in an R-3 (Garden Apartment & Townhouse) Zoning District to be known as Knight Crossing.

Property is located south of Cedar Beach Road, east of Beaver Dam in Road and west of Route 1, Milford, Delaware.

Present Use: Vacant; Proposed Use: Planned Unit Development.

Tax Map: 3-30-7.00-035.00, 036.00 & 037.00 (portion of)

Director Pierce noted that the Planning Commission will review the ordinances tomorrow evening, who will make a recommendation to City Council for a final determination on June 28.

2021-12

Amend the Code of the City of Milford

Part II General Legislation Chapter 204 Taxation

Adds New Article VI – Monition Fees §204.14 Fees

City Manager Whitfield introduced Ordinance 2021-12, an amendment to the Taxation Chapter to allow for the collection of fees associated with monition activity. It will be back before Council on June 28 for a final determination.

EXECUTIVE SESSION

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

Property Sale/Lease

Pursuant to 29 Del. C. §10004(b)(2) Preliminary discussions on-site acquisitions for any publicly funded capital improvements, or sales or leases of real property;

Motion carried.

Mayor Campbell recessed the Council Meeting at 8:47 p.m. for the purpose as is permitted by the Delaware Freedom of Information Act.

Councilmember Marabello moved to go back into open session, seconded by Councilmember James. Motion carried.

Return to Open Session

Council returned to Open Session at 9:08 p.m.

Councilmember Fulton moved to authorize the City Manager to take action as discussed in the Executive Session, seconded by Councilmember Marabello. Motion carried with no one opposed.

ADJOURNMENT

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

The Council Meeting adjourned at 9:10 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder