

CITY OF MILFORD
COUNCIL MEETING MINUTES
July 12, 2021

The City Council of the City of Milford in Regular Session on Monday, July 12, 2021.

PRESIDING: Mayor Archie Campbell

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

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

COUNSEL: Solicitor David Rutt, Esquire

ABSENT: Councilmember Katrina Wilson

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 July 12, 2021 Council Meeting agenda and packet for additional information.

CALL TO ORDER

Mayor Campbell called the meeting to order at 7:20 p.m.

ROLL CALL

All present but Councilmember Wilson.

INVOCATION AND PLEDGE

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

APPROVAL OF PREVIOUS MINUTES

Included in the packet were minutes from the March 8, 2021 Police Committee, March 22, 2021 Council Meeting and May 2, 2021 Police Facility Advisory Committee. Motion to approve made by Councilmember Boyle, seconded by Councilmember Morrow. Motion carried.

RECOGNITION

None.

STAFF REPORTS

Police Report

Councilmember Boyle provided the report on behalf of Chief Brown.

Chief Brown added a new website is in the build process to allow the citizens to know everything the police do for them.

He also added they want to stop arresting people with mental health issue and allow the mental health people handle them instead of the officers.

Councilmember Morrow moved to accept the police report, seconded by Councilmember Fulton. Motion carried.

City Manager Report

City Manager Whitfield provided highlights from the following reports:

- I met with representatives from DBF and Century Engineering regarding on going issues at Milford Ponds
- We are working with the City of Seaford and HELP Initiative on a possible lead abatement project we can offer citizens through a HUD grant.
- Chief Brown and I met with the Milford School District regarding our vacancies in the police department and the possible inability to supply School Resource Officers
- Sara and I attended a meeting of the State's Planning and Land Use regarding zoning changes within our comprehensive plan for Industrial.
- Chief Brown, Jamesha and I attended several meetings this week on the police teamsters contract.
- Sara, Melody (our ICMA Fellow) and I met with DMI regarding their status and upcoming festivals.
- We received word from DELDOT this month that the speed limit on South Walnut will be reduced to 25 MPH to the southern city limit line.
- We completed the mailing on the budget. I appreciate the feedback from Council members. We made a number of revisions from your comments. Thanks goes out to Sara and Lou for all their work.
- Our payroll clerk resigned this month. We will be searching for a replacement soon.
- We nearly have the updated Emergency Operations Plan complete. It will be on Council's July 12 agenda for review and adoption.
- I held my monthly updates with Jamesha and Brad, and my weekly update with Mike Svaby.
- We have reached an agreement with IBEW for increase in wages for 2021 (July 2021 – June 2022). It only affects two employees currently.
- I attended the monthly DEMEC Executive Board meeting.
- I met with Parks and Rec Intern Dillon Graham.
- I had a meeting with Katie Burke of Ryan Homes, who is the new regional manager.
- I attended the Chamber of Commerce Executive Board meeting.
- We held our bi-monthly Department Head meeting.
- Jamesha and I met with Evergreen Solutions regarding the Wage and Compensation Study being completed.
- Rob and I met with a land owner interested in possible development along NE Front Street (east of Rehoboth Blvd.)
- I attended an APWA Executive Board meeting.
- We received our first payment of ARPA Funds this month (\$3.13 million).
- City offices are closed Friday June 18 in observance of the Juneteenth Holiday.
- I held my monthly meetings with Lou Vitola, Mike Svaby, Rob Pierce, Dale Matthews and Sara Pletcher
- Mike Svaby, Lou Vitola, James Puddicombe and I met with regards to ARPA funding for waterline projects and street rehab.
- I met with Charles Kistler and Harold Stafford about a HUD Grant for Lead Hazard Reduction Program for homes in Milford. We may be partnering with Seaford.
- Jamesha, Chief Brown and I were in the Teamster negotiations for the Police contract.
- I met with Rep Shupe regarding various street projects planned in the City.
- Sara and I met with a restaurateur interested in a Milford location.
- The ICMA Fellow, Melody Barger, began work with the City. She will be splitting time between Lewes and Milford.
- Brad and I met regarding a ORPT Grant application.
- I met with Meadows at Shawnee HOA regarding lighting and irrigation at the subdivision entrance off Rehoboth Blvd.
- Rob and I met with Milford Housing regarding possible incentives for workforce/affordable housing in Milford.
- Melody and I met with Lillian Harrison at the Armory regarding possible ARPA funding for needs at the Armory.
- We will be part of the Federal Utility Assistance Program which will assist individuals paying utility bills that have been impacted by the pandemic.
- We had a major sewer backup that affected the home at 16 West Clarke Avenue. We are working with our insurance carrier regarding damages. Additionally, the root intrusion into the main line may make it necessary to replace the main in that area.

*Public Works Department*Director's Office

- Solicited final question on PD Construction Management Procurement from submitting, short-listed firms.
- Interviewed two (2) Electric Superintendent candidates, four (4) Solid Waste Operator candidates and two (2) – 2 Year Internship candidates.
- Met with DeIDOT to review draft of establish interim traffic signal maintenance procedures.
- Interviewed two (2) candidates for the City's 2-year internship slot.
- Prepared facilities and personnel for July 1 re-open, return to pre-pandemic conditions.
- Resolved residential sewer backup incident.
- Attended meetings: With DEMEC as co-chair of Training Facility planning, and for Charging Station Planning; with DEWARN for quarterly update, City-wide Safety Committee, on
- Presented Executed copy of 2021-09 to the Kent County Department of Public Safety to enable the City's eligibility for FEMA declaration reimbursement.
- Completed multiple insurance certifications regarding electric assets
- Began lease re-negotiations with T Mobile for enhancements and expanded space on Washington St tower

Public Services Division

Solid Waste/Facilities Management Section

- Encountered many employment challenges with filling two vacant positions including scarcity of temporary personnel. Made interim use of Street and Utilities Division personnel to fill this void as needed.
- City Hall Basement project continues. The framing is up and plumbing and electric are being installed.
- Collected 4.5 tons of yard waste on July 5th holiday.

Streets/ Utilities Section

- Completed root cutting out of sewer main on W Clarke.
- Performed landscape maintenance and locate on Right of Way on Sb 113 to locate sewer main and water lines for Cypress Hall project
- Handled Traffic Control for "Pop-Up" bike route on S. Marshall St. and for pole relocate on S. Walnut St. Entrance to Milford Ponds.
- Turn on the new water lines on N Marshall, Mispillion, and McColley St.
- Satisfied State Legislative request to erect new signs on 500 and 600 blocks of New Street reading "Children at Play".
- Close off N & S Walnut for 3rd Thursday Food Truck activity.
- Hauled fifteen (15) loads of fill dirt from Marshall St. to the yard, excavating for Marshall St. Street Rehab project and West Side curb installation.

Water/Sewer Section

- Completed Seabury Ave. control room rubber roofing repair.
- Completed Risk and Resilience Assessment for requirement of the America's Water Infrastructure Act (AWIA).

Electric/Tech Services Division

- Built SCADA screens for Windward on the River Pump Station as well as installed 4-inch water meter for Building E on Windward on the River
- Identified and repaired issue Sea Watch metering
- Identified and corrected load imbalance at substations
- Repaired analog output issue SE Second St pump station RTU.

Engineering Division

- Completed asphalt repair and Boys and Girls club using CTF Funding. Continuing with sealcoat once asphalt cures.
- Continued management of the Front St water main project

- Began curriculum for two summer interns.

Operations Division

- Continued negotiations with ERP awardee, Edmonds.
- Met with Delmarva Communications to determine operating system compatibility of existing PCs to install new consoles for GPS upgrades

Planning & Code Enforcement

Director Rob Pierce provided highlights from his department's report:

- Through the first six months of the 2021 calendar year, the City has issued 77 new residential construction permits and five permits for 120 apartment units. The total construction investment in Milford from January through the end of June based on issued building permits was \$28,332,141.
- The City of Milford has seen 89 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 \$390,000 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 two land use applications in the month of July: one for the annexation of lands along S. Rehoboth Boulevard and one for a mixed-use building in the central business district.
- The Planning Commission has been reviewing Chapter 230 Zoning and Chapter 200 Subdivision of Land since February 2021 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 code. The Planning Commission reviewed the use and area regulations and 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 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 three variance applications in July: one related to increased density within a downtown mixed-use building and two related to lot coverage exceedances.
- Century Engineering, DelDOT and Planning Staff are finishing up the Bicycle Master Plan update with the intent of bringing a final draft for the City to review in the upcoming months.
- The City in coordination with DelDOT, the University of Delaware and Century Engineering installed a temporary pop-up bicycle infrastructure project along Marshall Street from the Watergate subdivision to SE Second Street. The pop-up project demonstrated a two-way 12-foot-wide bicycle lane along the east side of Marshall Street. The path was delineated using temporary paint and quick curb sections within the existing paved area. A temporary pedestrian crossing of Marshall Street was installed at SE Third Street as part of the demonstration. The quick curb sections should be removed in the next few days. The City is seeking feedback from the community regarding the demonstrated layout. Comments can be made by visiting <https://tinyurl.com/MilfordPost>.
- Staff attended a preconstruction meeting for Cypress Hall Residential.
- Staff attended a DelDOT TIS Scoping meeting for the Draper Farm located along Williamsville Road.
- 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 the following report:

- The beginning of the month of June was spent preparing for our summer programming. That included, Summer Fun Club, Summer Drop-in Soccer, and Soccer Camp.
- We also explored a concept called E Sports- which we hope to implement in the Fall. Our summer intern is directing the possibility of that program.
- Drop in soccer has had a rough start due to the extremely high heat index on the nights where we had it planned. We are hopeful that cooler Wednesdays will be in our future!
- The summer soccer camp that we are supporting with Coach Evans and the Milford Soccer program has begun registration-it will be held in August.
- We are still looking to host an Adult Cornhole tournament at the end of the summer or in the Fall.
- Our Summer Fun Club began with rave reviews, and we are completely full in terms of participation numbers for the rest of our sessions. As part of the summer fun club, we have gone on Field Trips to the Kalmar Nyckle Ship in Wilmington and we have been bowling. Further plans have now been solidified and we will be going to the Delaware Agricultural Museum, Killen's Pond, Shell We Bounce, Cape Henlopen State Park, the State Fair, and Dolphin Watching out of Lewes on the Cape Water Taxi. It is our mission to provide a fun, safe, diverse and fulfilling program for our Milford campers! We are confident in and quiet pleased with the staff that we hired for the camp.
- Park staff continued weekly trash runs of the downtown.
- Grass cutting continued throughout the City at all city owned facilities and parkland.
- 350 plants were planted at a number of City owned flower beds.
- A new water pump was installed on the watering truck with a battery powered pump to make it easier and quieter.
- Riverwalk railing project was completed at the end of June/early July. Fence has been removed and public can access this section of the Riverwalk. Concrete sidewalk alongside Second Street players was also fixed at this time.
- Concrete sidewalks were re-poured alongside the Farmers market, and new woodchips installed creating more vendor space at the Farmers market.
- A number of new trees were planted under the guidance of "gardener" Joey Philips.
- A number of fallen trees or dead trees were removed at Tony Silicato Memorial park and the ball fields.
- A yard hydrant was fixed at the Finance building by Park staff.
- Multiple locations were cut with the new Kubota tractor and rear mower, which is proving to be efficient and good addition to our equipment fleet.
- Soccer goals were moved from Tony Silicato Memorial Park to Memorial park in anticipation of the downtown soccer program.
- Parks Superintendent attended both the DFIT safety meeting with other municipalities and an award and recognition meeting with fellow employees.
- Director submitted two pre-grant applications at the State level for the downtown playground and pickleball courts.
- Director met with the IT director to discuss improvements needed at the Armory for connectivity.
- Director met with the City Manager, Economic Development and Community Engagement Administrator and members of DMI to discuss future events.
- Director participated in an interview for the Public works/Parks and Rec. intern.
- Director met with the Electric Superintendent candidate.
- Director attended a weekly WIIN meeting, and a monthly WIIN meeting.

Human Resources

HR Administrator Jamesha Eaddy presented her monthly report:

- Interviews were conducted for the positions of Electric Ground Technician, Public Works Intern, Solid Waste Operator/Collector,
- Onboarded new hires for the positions of Electric Ground Technician, Solid Waste Operator/Collector, Billing Clerk and Customer Service Clerk.
- Phone screens conducted for the position of Audio-visual/Telecommunications Specialist.
- Met with Wilmington University to discuss the revised course modules for September 2021 for the Delaware Municipal Supervisory Academy.
- Met with the Reward & Recognition Committee to start planning the 2021 Holiday Party.
- Met with Milford High School to start the onboarding process for a new student for the 2021 Work Based Learning Program.
 - Employee Recognition:
 - Rooster: Victoria Love, Billing Clerk. Recognized for being a great mentor and sounding board for her
 - co-workers.
 - Promotion to Senior Corporal:
 - Tel Clayton
 - Cory Swan
 - Nigel Golding
 - Promotion to Corporal:
 - Rhett Malone
 - Where Am I Challenge Winner: Bill Hughes, Public Works Equipment Operator
 - June Excellence Award Winner: Victoria Love, Billing Clerk
 - Retirement: Sergeant Timothy Lord
 - Congratulations to Jose Perez on his graduation from Milford High School. Jose has worked with the City since October 2020 under the Work Based Learning Program with Milford High School.

Economic Development & Community Engagement

ED & CE Administrator presented the following report for June 2021t:

Economic Development

- Showed Chef Bill Nancy's Café space, but it was too small for his needs
 - Allen & Associates (labor law firm): Looking for 2000 sq ft of office space. Interested in 4th floor of Windsor Building
 - Showed Epicurean Provisions Nancy's Café space. They're interested in seeing a list of kitchen equipment for sale. Ultimately, they decided this is not in their budget at this time.
 - Euphoric Herbals viewed warehouse space behind Manlove Auto Parts, but it was too big at 9700 sq ft
 - Created and designed Milford Advantages one-sheet for businesses looking to do business in Milford. See attached.
 - Met with Hunter Emory, a Milford State Farm agent, to discuss signage and future development ideas and opportunities within Milford, including the new construction mixed-use property on N. Washington St.
 - Supported Anastasia Jackson of Cookie's Paper Petals when Gov. Carney toured her location on June 25. He suggested she utilize her space for a coworking opportunity, so she and I discussed ideas for it.
 - University of DE DATI Office is looking to combine their Kent & Sussex offices in Milford, so representatives toured the Milford Wellness Village on June 29 and are very interested in the old gift shop space
- #### Community Engagement
- Free Vaccine Pop-up June 12, 19 & 26. Ten \$10 gift cards to local restaurants (The Well Coffeehouse, Arena's, My Sister's Fault, River Lights Café, Dolce, Benvenuto, Mama Maria's, EasySpeak, Euphoric Herbals Smoothie Bar, La Hacienda) provided as vaccine incentive
 - June 12 attendance: 5 first dose, 4 second dose

- o June 19 attendance: 3 first dose, 1 second dose
- o June 26 attendance: 7 first dose, 1 second dose
- Created and designed FY21-22 Operating Budget Newsletter mailed to all residents and tax payers on June 25. Awaiting a Spanish and Creole translation to post online/have in the Customer Service building. See attached.
- Created and designed first monthly Utility Bill Newsletter to be included in all July utility bills and emailed to those who receive e-bills. Also posted on City website home page news. Awaiting a Spanish and Creole translation to post online/have in the Customer Service building. See attached.

Social Media

- June 2021 Insights:
 - o City of Milford Facebook: 30 new likes (total: 2,021); 11,104 reached (down 15%); 4,248 post engagement (up 13%)
 - o Parks & Rec Facebook: 26 new likes (total: 2,369); 5,899 reached (up 56%); 713 post engagement (down 57%)
 - o Instagram: 122 new likes (total: 434, 40% increase over May); 624 accounts reached; 318 content interactions
 - o Twitter: 6 tweets, 2,960 impressions (76% increase over May), 147 profile visits (61.8% decrease), 1,294 followers (+9)

Website

- June 2021 Insights: 15,110 visits (up from 13,691 last month); 37,818 pageviews (up from 29,247 last month)
- Created Newsroom page for archived press releases
- Created a standardized signature for all City of Milford employees

Meetings/Trainings

- Met with Callie from Curative to secure plans for a weekly vaccine event
- Introduced the Library board and key staff to Dustin and Rachel Parker (new corner building owners) via a meeting
- Met with Mark Whitfield for monthly Manager Update
- Met with Suzannah Frederick and Carolyn Dehorty from Efficiency Smart to discuss the program and grow it
- Met with Linda Parkowski to understand KEP and identify key economic development tools
- Met with Trisha Newcomer and Charles Anderson of Seaford to learn how our cities and jobs overlap
- Conference call with the State of Delaware regarding the new Federal Utility Assistance Program the City is looking to add as a customer benefit
- Met with Lou Vitola, Mark Whitfield, and Councilmember James to discuss Budget Newsletter design and content
- Met with fellow Bayhealth Residency Orientation presenters to plan our July 27 presentation
- Attended Economic Development Site Readiness Webinar sponsored by AMP
- Attended DMI Economic Vitality Committee meeting
- Attended quarterly DE Economic Development Partners meeting with DE Prosperity Partnership
- Met with John Taylor of DE Prosperity Partnership for Zoom Prospector training – an online tool to list all available commercial space
- Toured two coworking spaces in State College, PA to gather ideas for a potential coworking space at the Milford Wellness Village and shared that information with MWV representative via a PowerPoint presentation
- Toured the Milford Armory Community & Service Center
- Attended first DMI Executive Director Search Committee meeting to finalize job description
- Presented our Comp Plan amendments to Office of State Planning at their June 23 PLUS Plan Review
- Spoke not in favor of a Sussex County Comp Plan amendment for a change of zone from Ag Residential to Heavy Industrial just outside city limits at the Rt. 1 and Rt. 36 interchange at their June 23 PLUS Plan Review
- Attended Introduction to Grant Writing for Local Governments (UD IPA Course)
- Met with DMI's Peggy Reilly and Ya'nelle Powell and Mark Whitfield, Brad Dennehy and Melody Barger to discuss DMI's progress and their Ladybug Music Festival funding request
- Attended monthly Sussex Economic Development Action Committee, Inc (SEDAC) meeting; heard presentation from DE Prosperity Partnership and gave a Milford update
- Toured Windward on the River apartment with Carolyn Doherty from Efficiency Smart to help her connect with the builder before the commercial property is built
- Sent an email campaign to all business license holders (265) about the Efficiency Smart program, how it benefits businesses and included a testimonial from the Mispillion Art League and their success with changing all of their lightbulbs on 6/24. So far two license holders have directly reached out to Efficiency Smart for assistance.

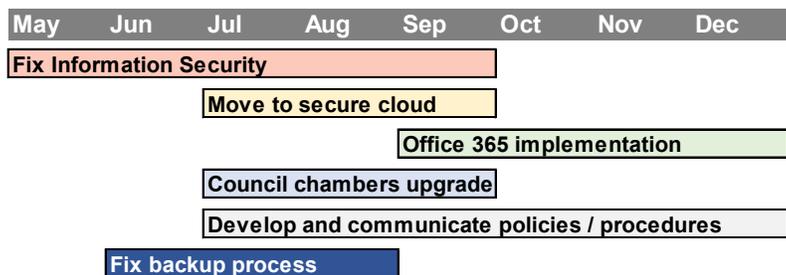
Press

- City of Milford enters agreement for possible purchase of land for industrial/business park press release sent to 85+ press (June 1)
- MilfordLive: City of Milford enters agreement for possible purchase of land for industrial/business park (June 1)
- Delaware State News: Milford enters possible agreement to purchase land for industrial park (June 2)
- Delaware Business Times: Milford eyes property for industrial, commercial expansion (June 4)
- MilfordLive: Council reviews final version of budget during workshop (June 7)
- City of Milford Hosts Bike Lane Pop-Up Demonstration on Marshall St. press release sent to 85+ press (June 8)
- City of Milford sponsors free vaccine pop-up at Riverwalk Farmers Market press release sent to 85+ press (June 9)
- WRDE: Milford Farmer's Market Teams Up With Curative for Pop-Up COVID Vaccine Site (June 12)
- Delaware Public Media: Milford to test run new bike lanes (June 13)
- Delaware Public Media: City of Milford looking at purchasing Fry Farms for industrial/business park (June 14)
- MilfordLive: City Council approves FY2021-22 budget (June 14)
- WBOC: Mispillion Drawbridge to Close Again, But Work Already Delayed (June 14)
- WBOC: Bike Lanes "Pop Up" in Milford (June 15)
- MilfordLive: City Council approves inspection service contract (June 17)
- MilfordLive: City Council approves Kent County Hazard Mitigation Plan (June 17)
- City of Milford Utilizes CTF to Provide Neighborhood Safety press release sent to 85+ press (June 25)
- MilfordLive: City of Milford Utilizes CTF to Provide Neighborhood Safety (June 25)
- Delaware State News: Milford utilizes funding to provide neighborhood safety (June 25)
- MilfordLive: City Council approves Milford Plaza sign request (June 28)
- City of Milford Property Tax Appeals Session Set for July 26 press release sent to 85+ press (June 30)

IT Department

It Director Dale Matthews presented his monthly report:

- We developed project schedules for several IT projects. The major 6 projects and timelines are shown below:



- Fix Information Security: Address all security items we identified and shared in the June update to Council.
- Move to secure cloud: Move our infrastructure from physical servers onto a secure government cloud. We will realize the following benefits:
 - Full redundancy and immediate failover capability / business continuity
 - Reduction in operating expenses related to physical hardware replacement and management
 - Improved scalability and ability to establish testing and training environments
- Office 365 Implementation: Moving staff to Office 365 will provide multiple improvements including:
 - Secure mobile access to documents from anywhere / Virtual desktops
 - Document sharing and collaboration
 - Videoconferencing and chat integrated into the operating system
 - Mobile device security management
- Council chambers upgrade: We have implemented a short-term solution to support hybrid meetings in council chambers. We have engaged vendors to develop a permanent solution that allows for livestreaming (including multiple cameras, monitors, and the proper recording equipment.) Finally, we will ensure effective and secure wireless connectivity for attendees.

- Develop and communicate policies and procedures: To ensure proper security and controls, IT policies need to be developed, shared, and enforced. Standard operating procedures will be established.
- Fix backup process: Develop and implement a comprehensive and effective backup process that includes offsite tape storage.

Finance Department

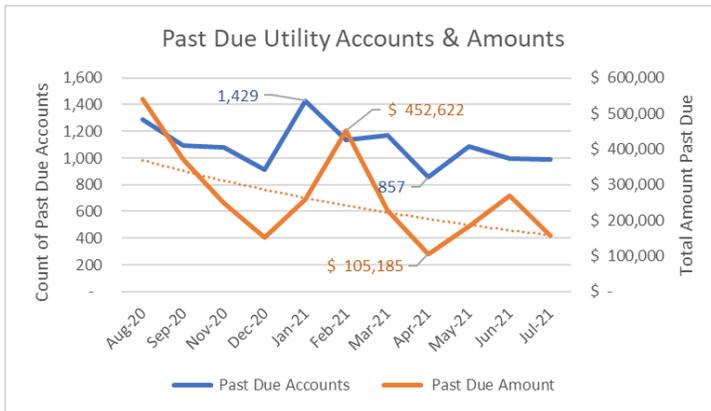
Finance Director Lou Vitola presented his staff report for the previous month:

Monthly Financial Reporting

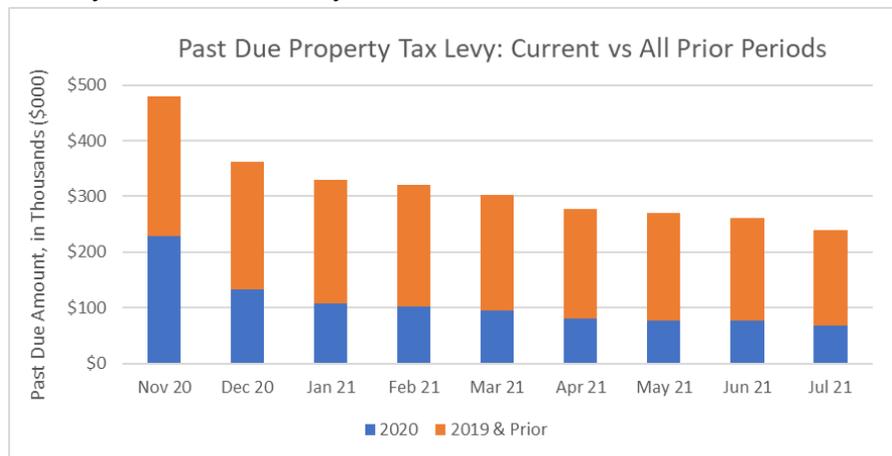
- The May 2021 Month-to-Date (MTD) and Fiscal Year-to-Date (YTD) Financial Reporting Package was distributed to Council with a narrative addressing financial results.
- No significant content or formatting changes were introduced this month.
- Operating Budget
 - The Fiscal Year 2022 Operating Budget was approved by City Council on June 14, 2021. On behalf of the Finance Department, all departmental leadership and all employees involved in the budget development process, I can't thank you enough for your support and feedback throughout the process.
 - The operating budget and the reserve-funded capital budget items were activated in the City's financial accounting and reporting system on July 1, 2021 to enable the departments to move forward with all operating and capital initiatives with the exception of grant-funded initiatives.
- Enterprise Resource Planning (ERP) Selection Process
 - Tyler Technologies emerged as the City's preferred vendor at the conclusion of the ERP process
 - The City's project management team, along with its IT consultants and additional assistance from the City Solicitor, reviewed and provided Tyler with feedback, comments and edits to the draft contract received in May
 - The team is nearly through its review of the Tyler statement of work (SOW)
 - 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.
- Fiscal Year 2021 Annual Report and Independent Audit
 - Finance Department accounting staff met with the City's new audit partners and discussed the preliminary audit, documentation requirements and other aspects of the annual closing, accounting and reporting processes
 - The City's ICMA Fellow, Melody Barger, is producing a revised, clean "skeleton" of the annual report to streamline the reporting process
- Staffing Update
 - The City's payroll specialist resigned to pursue a new opportunity in June. A recruitment will be initiated soon to fill the vacancy. In the meantime, Sandra Peck is executing payroll processes while a portion of the City's finance workload is being met by Roxane Swift, an independent contractor who has served the department regularly for cash and general ledger accounting work. In addition, we expect Melody Barger to assist the department between projects.
 - One open position remains in the Customer Service division; the recruitment was initiated in June and is still underway.

Billing & Customer Service Department

- The graph below 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. We have initiated a partnership 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 below highlights past due property tax data since then. The formal motions process kicked off in February and continues today with assistance from Solicitor Rutt. Several properties against which the motions proceedings began have paid in full, while several have initiated payment arrangements and others have sold at sheriff sales. 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 \$45,817 generated after the initial tax levy are excluded from the table to show amounts on a comparable basis throughout the reporting period.



Monthly Finance Report-May 2022

Director Vitola continued with a review of the May 2022 Finance Packet Report:

The May 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 significant changes were made to the format or delivery of the document this month.

- Pages 1-2: Cash and Reserve Balances
 - Operating cash balances (page 1), with the exception of the general fund, rebounded in May after a three-payroll April caused a minor cash draw across the five major funds.
 - Investment balances (page 1) remain strong through May, 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 disbursements made from the major reserve accounts (page 1, lines 13-22) during May were all made in support of Council-approved capital project expenditures incurred during April and May.
 - Impact fee collections and permit charges (page 1, lines 23-30) posted strong results again in May, building on the string of above-average activity in residential and commercial construction the second half of this fiscal year. RTT receipts in May were in line with calendar year 2021 receipts, though June’s receipts were exceptional, marking the trailing twelve-month high and pushing the FY21 RTT receipts over 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 each posted improvements in each of the last two reporting periods, both 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 remains 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, emphasizing the importance of the scheduled 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 almost 96%, and as we approach the end of the fiscal year, the impacts of the early annual tax billing and the monthly recognition of reserves and transfers to match the budget are marginalized. General fund revenues are expected to meet or exceed the FY21 budget, while expenditures again measure below the levelized budget through May. FY21 general fund expenditures are expected to finish far enough below the budget so as to permit the seed funding of the FY22 vehicle and equipment replacement reserves as contemplated in the FY22 budget plan.
 - o Enterprise fund revenues likewise remain strong through May, though electric revenue was short of the levelized monthly budget. Overall, enterprise revenue has been strong in all utility funds the second half of the fiscal year, pushing the YTD revenue variance ahead of the levelized revenue budget by 3%.
 - o Total enterprise fund expenses were lower than the prior period for the third month in a row, again due almost entirely to lower wholesale power costs, which is expected given the aforementioned variance in electric revenue. 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 eleven months and is expected to be realized through the end of the fiscal year; the City’s controllable operating expenses and capital spending funded by current operations have been held deliberately low all year. Necessary operating and capital expenditures deferred to the seasonal, project-friendly weather of the fourth quarter of the fiscal year have been materializing as expected, but not to the extent that would threaten a reversal of the positive budget variance over the final two months of the year.

Councilmember Fulton moved to accept the monthly Finance Report, seconded by Councilmember Culotta. Motion carried.

COMMITTEE & WARD REPORTS

Ward 2

Councilmember Fulton emailed the City Manager about some City-owned properties in need of landscaping off Old Shawnee Road that has been addressed.

Ward 3

Councilmember Baer shared he was contacted by two landowners in his ward regarding Mispillion Street, specifically along Marshall Street. He had some concerns that the City Manager is addressing through the Public Works Director and City Engineer.

Ward 4

Councilman James received a call from a Ward 3 resident regarding a concern with the old M&T Bank parking lot at South Walnut and Second Street that he would like addressed and spoke to the City Manager about. He will provide the information to Councilmembers Baer and Morrow.

COMMUNICATIONS & CORRESPONDENCE

Nothing to report.

UNFINISHED BUSINESS

Award/ Contract/Police Station Construction Manager

Public Works Director Svaby referred to the presentation provided to the Finance and Public Works Committee earlier.

Because of the project complexity, the five-member panel enlisted the services of a construction manager. The panel conducted a two-phase procurement that included both a qualitative and quantitative analyses. Upon completion, the nine submitted were reduced to a three-firm shortlist. The presentations included negotiations, fact funding, and quality and quantity of factors.

The conclusion was to select RY Johnson, who secured nine of the ten most preferred responses and the lowest price and best value. The panel is recommending the Construction Management contract for the new police headquarters building be awarded to RY Johnson and Sons.

Councilmember Marabello moved to award the Construction Management Agreement to Richard Y Johnson & Sons in the total amount of \$746,220.00, seconded by Councilmember James. Motion carried by unanimous voice vote.

NEW BUSINESS

Ordinance Introductions:

Mayor Campbell presented the following ordinances for introduction. Planning Director Pierce provided a brief starter of each, noting the applications will be before Council for a public hearing on July 26th:

Ordinance 2021-11

Authorizes the Annexation of Lands owned by Walter G. & Sharon A. Feindt, Trustees and the Change of Zone from AR-1 (Agricultural Residential) to C-1 (Neighborhood Commercial).

Property is located along the east side of S. Rehoboth Boulevard, approximately 1,150 feet south of the SE Second Street intersection.

Present Use: Vacant; Proposed Use: Same.

Tax Map 3-30-11.00-044.05, 044.06 & 044.07

Ordinance 2021-14

10 Front Street LLC

0.089 +/- acres located along the south side of NW Front Street, approximately 75 feet west of the N Walnut Street Intersection

Addressed 10 NW Front Street

Application Type: Conditional Use

Comprehensive Plan Designation: Commercial

Zoning District: C-2 (Central Business District)

Present Use: Mixed Use – (2) Commercial Tenant Spaces and (3) Apartments

Proposed Use: Mixed Use – (2) Commercial Tenant Spaces and (5) Apartments

Tax Parcel: MD-16-183.10-04-48.00

ADOPTION/FUND BALANCE POLICIES

With nothing new to report from the Finance Director, Councilmember James informed Council this was an item on the Finance and Public Works agenda earlier this evening. The policy has been through two submission and two reviews, each time an opportunity was provided for comment from both the Council as a whole, and the Committee.

He explained the policy is designed to give guardrails and guidance to Council, on minimum cash reserve policies and equipment replacement policies as was required in our Strategic Plan initiatives. It accomplishes those things in a dynamic manner and includes formulas making it appropriate for many years to come.

It is the recommendation of the Finance and Public Works Committee, that Council adopt the Fund Balance Policy.

Councilmember Boyle moved to adopt the Fund Balance Policies as presented to Council, seconded by Councilmember Culotta. Motion carried by unanimous voice vote.

ADOPTION/CITY EMERGENCY PLAN

City Manager Whitfield said the need for an Emergency Operations Plan was identified in the Strategic Plan. The last update to the plan was done in 1972. AARC from Missouri was hired to assist the City in its preparation. Included was extensive staff input and he especially wished to thank Lieutenant Huey for his work, as well as Director Svaby, who had the lion's share of putting it together.

The funding for the plan came from a grant through Delaware Emergency Management Association (DEMA) in the amount of \$45,000. The total cost is approximately \$56,000.

Councilmember Fulton moved to adopt the updated City of Milford Emergency Plan as presented, seconded by Councilmember Culotta. Motion carried with no one opposed.

EXECUTIVE SESSION

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

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

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 8:10 p.m. for the purposes as permitted by the Delaware Freedom of Information Act.

Return to Open Session

Councilmember James moved to return to Open Session, seconded by Councilmember Culotta. Motion carried.

Council returned to Open Session at 8:28 p.m.

Potential Vote/Land Purchase Matter

Potential Vote/Labor Negotiations

No action was needed on the items discussed in Executive Session.

ADJOURNMENT

Councilmember Marabello moved to adjourn the Council meeting, seconded by Councilmember Morrow. Motion carried.

The Council Meeting adjourned at 8:29 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder

CITY OF MILFORD
COUNCIL WORKSHOP MINUTES
July 12, 2021

The City Council of the City of Milford convened in a Workshop Session by way of video conferencing on Monday, July 12, 2021 at 6:34 p.m.

PRESIDING: Mayor Archie Campbell

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

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

COUNSEL: Solicitor David Rutt, Esquire

ABSENT: Councilmember Katrina Wilson

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 July 12, 2021 Council Meeting agenda and packet for additional information.

American Rescue Plan Act (ARPA)

City Manager Whitfield stated there is a presentation tonight with regard to the American Rescue Plan Act adopted by Congress in February. Finance Director Lou Vitola and City Accountant Sandra Peck have been working through the details of the ARPA and wanted to provide an overview of eligible and non-eligible items , in addition to those things that are still under consideration.

Finance Director Lou Vitola stated that the presentation was developed a way that that suits a legislative body, meaning, rather than have a handful of slides with some talking points, there is a lot of detail to access and read.

He began by stating this a \$1.9 trillion act that was signed by President Biden in March 2021. Of that, \$362 billion was directed toward community development and \$130.2 billion goes to the states to local governments and \$19.5 billion is allocated to non-entitlement units, of which the City of Milford falls under, based on being under 50,000 in population. Milford's share is then based on population relative to other cities and units within the State of Delaware, which results in \$6.34 million .

It would be released in two tranches. The first \$3 million was received in June, and the other tranche payment should be received in June 2022.

Director Vitola noted there are four main uses—Public Health and Economic Impacts, Premium Pay, Revenue Loss, and Investments in Infrastructure.

The City was receiving information on eligible uses in stages during the budget process. The funding for the CIP was designed changed shortly after the CIP was adopted by Council. Then additional literature came out as we were putting the budget together. Funding was allocated across the CIP and the budget using these four major categories.

While tentative, there are some funding allegations that we ascribed to the operating budget that are critical to balance the budget. Things like the community support is not new or unique but had been established by Council for years. The same applies to some revenue loss.

The Finance Director said that \$.5 million was allocated to public health and economic impacts (community support) and includes \$50,000 to fund the Police Department's Behavior Health Unit. There are also some HVAC and air quality projects totaling almost \$150,000.

The City had no premium pay applicable, so no funding was allocated in that area.

Revenue loss was identified as almost \$200,000 in eligible revenue shortfalls that ARPA funds can be used to reimburse and called counterfactual revenue.

Police fines dipped and some other miscellaneous smaller GL lines in the police department were low. That calculation was \$89,000. In Parks and Recreation, a lot of their programs had to be shelved which resulted in \$97,000 in revenue. Some licensing and receipts were reduced in the Planning Division that were just below \$8,000. Those dollars are critical to the balance of the FY22 budget.

The bulk of the ARP funds will be assigned to investments in infrastructure of about \$4.25 million. The primary focus is led line replacement in underserved areas. That hit two criteria--one is lead or hazardous substances abatement. The other is underserved areas of communities. There is \$2.5 million in water projects, \$.5 million in sewer projects, and another \$1 million in water and sewer-related street remediation.

Another \$200,000 plus will be applied to stormwater and data security.

The plan includes four main restrictions. No money can be deposited into any pension funds.

For the revenue recovery, if Council had purposefully reduced the tax rate, in anticipation of having of having ARPA funding for revenue recovery, that would be an ineligible use.

The funds cannot be used as a non-federal match, nor can they be used to pay off a debt or satisfy a judgment. Nor can any funding be deposited in any reserve funds. That is because reverse reserve funds are restricted to any statutory requirements, until hopefully Council passes the reserve balance policy later tonight. In that case, the funds would then be eligible for use in the policy and may or may not be consistent with the ARPA guidelines.

He then talked reviewed the high-level funding areas he mentioned on the eligible uses slide. The funds cannot be used for any governmental-related projects or infrastructure such as buildings—City hall or streets, sidewalks, and curbing. However, if remediating lead water lines or doing an eligible ARPA eligible sewer project and disturb the roadway, it can be restored using the funds as part of the project. The same is true with sidewalks and curbs though they cannot be used for a street/sidewalk, a public works building, and those types of governmental projects.

As a result, \$4.25 million has been assigned with another \$1.35 million of funding that is to be determined. In addition, the \$4.25 million in project funding is based on initial estimates, and in some cases, we have not yet gotten to the engineering on the projects. These are best-guest estimates on the \$4.25 million in infrastructure projects that could change, hopefully, lower to free up additional funding to do other things like expanding community support initiatives or if we can get to the point, we are leveraging our fiber networks to deliver broadband to certain areas, there is another \$1.35 million in undesignated funding.

He concluded by saying the funding continues to be released and there are Q&A sessions with interest groups to discuss the entire \$1.9 trillion. As he learns more, he will share.

Councilman Morrow encouraged Chief Brown to comment but asked why there were no funds designated toward the new police building, retention of officers or vehicles. Director Vitola stated the funds are not eligible for police vehicles to his knowledge. He wanted to give as much attention as possible to the general fund operations and CIP. He was hoping to find other sources of funding to support the police and other general fund areas. If ARPA funding is used to recover the \$89,000 in foregone or missed revenue in the Police Department, you can only use that amount for the purposes the revenues was intended for originally. The fine revenue is used in the police budget to defray police expenses so that supports police operations. That amount, plus the \$50,000 in the Behavior Health Unit was identified as a way to plug funding into the police budget.

In the general fund, even though we bucket revenues and expenses on a department-by-department basis, anything that helps one area of the general fund helps the entire general fund. The ability to grab \$8,000 in revenue from missed revenue and plug that into planning, though that funding has to be used for planning and code enforcement initiatives, frees up \$8,000 that otherwise would have been a general fund deficit that would have impacted police and all the other general fund departments.

The community support of \$324,000 in ARPA funding obviated something like a tax increase or cuts elsewhere. Even though the \$324,000 could not be used directly for policing, it allowed to free up funding throughout the general fund.

When asked about ARPA funds used to help support the annual contribution to the Fire Department, Director Vitola confirmed the \$140,000 for Carlisle is part of the \$324,000 used for community support. This year's contribution to Carlisle will actually come indirectly from ARPA through the City.

Councilman James stated that as the guidance developed, if we had been privy to that information during the budget process, would we have reached for more for the Behavioral Health Unit. He thinks Council acknowledge the importance of that service. The idea from the beginning was to test to see if the community would be receptive and the police officers that had to with this specialist be accepted and it has been. The idea was for it to become a full-time, fully engaged Behavior Health Specialist and grow into a unit.

He asked if there is the ability to use ARPA funds for this individual on a full-time basis. Director Vitola said yes, there is still time to use ARPA funding for a full-time position starting as soon as Council authorizes. He cannot say whether this information had been provided to Council in advance, would a greater push had been done. If it was going to be a pilot, it would be that regardless of using grant funds or not. If there is a possibility it would not have worked out, is it anymore acceptable to deploy funding for a full initiative if you don't know it is going to happen anyway.

Councilman James said that is fair.

The other thing Director Vitola cautioned is the funds are going to be used and consumed through FY24. Whatever is decided with the funding now, will have to be sustained, on its own, independently through general fund resources, like taxes or transfers in from utilities from FY25 into perpetuity. Whether there is grant funding or not, he recommends stepping forward measured, as it would have been in the first place.

Councilmember James agreed noting that applies to all budget items that are new initiatives or other items like a new policy for equipment replacement that the City is committing to on a long-term basis.

The Councilman then reviewed the economic impact slide and assistance to households. He referenced the sidewalk repair program and the repayment plan that was developed for residents. But then Covid happened which had an impact on many things. He asked if there is a possibility to have funding available for those who cannot afford to pay for their sidewalk repair, and if ARPA funding can be used, as opposed to having a lien placed on their property; Director Vitola believes it is allowed, based on the guidelines.

He recalled talking about ARPA funding not being permitted to pay for sidewalks, curbs, and streets in a City project. With respect to household assistance, this can be used for any of those areas. Though the sidewalk initiative had not been considered, the \$138.2 billion to municipalities is a small fraction of the \$1.9 trillion. However, there are a couple branches of the Federal Government and he think LIGI received a large injection of funding and the public advocate in Delaware leveraging those ARPA funds has reached out to not only the private utilities, but also municipalities. All nine of the of the Public Power Cities and Towns, of which one is Milford, about being looped into that program. Plus, that program is not just for utility assistance and electric, water, sewer, and trash, but for rent and other household necessities. Milford residents will be able to benefit from that segment and Council can decide to direct additional funding of the \$1.35 million to such initiatives.

Councilmember Culotta referenced the broadband minimum of 100 MB per second and asked if that is to the end user and asked if Milford can we use this as an opportunity to build infrastructure to be able to offer broadband as a City service, in lieu of only having one provider in the town; Director Vitola said the way he interprets the guidelines the answer is yes. There is a sense the guidelines want focus on underserved areas. He does not believe the City would be restricted to only the underserved areas, though we should start with those areas.

Councilmember Culotta asked the definition of underserved and compared Milford to Washington DC. He thinks it is something we should consider with community-wide Wi-Fi and use it to make investments in the hardware and infrastructure that could be used as a service going forward that will support itself through lower costs compared to what residents are currently paying.

Director Vitola will follow-up and get more details.

City Manager Whitfield said there is funding available for other community supports initiatives. One of things he asked our ICMA Fellow is to come up with an application process that nonprofits could request times, based on the criteria set forth by ARPA. Then Council could make those decisions on being able to fund those organizations. He said a good one, is the Armory and how we might be able to support them. We cannot do infrastructure improvements but can provide them with financial assistance to do those projects.

When asked how the City could help people pay their rent or utilities, Director Vitola prefers using a third party to prevent our staff from making decisions on which of its residents to assist. Instead, it should be an objective test with written guidelines already established by a third party. Catholic Charities has been used in the past and we have an option to provide them with funds and they make decisions on how to disperse those funds based on objective income-based criteria.

Update/Police Facility Project Update/Construction Manager

Public Works Director Mike Svaby provided a quick profile of the history of what happened during the Construction Manager procurement process, the analysis, and the recommendation.

Director Svaby reported to proceed with design work on the new Milford Police Department headquarters Building, a panel was formed that consisted of the City Manager and key personnel from the Police and Public Works Departments. One outcome of this panel's work was the determination that the project's design and construction is of sufficient level of complexity to warrant the assistance of a construction manager (CM).

A Request for Proposal (RFP) was then created and advertised in multiple written media, as well as the City's website for two consecutive weeks. This RFP gave general information about the building project as well as estimated timelines for the procurement. The solicitation included a copy of the rating/evaluation scoresheet to enable firms to be aware of the components being evaluated and their respective weights in the final score toward achieving shortlist status.

Nine firms submitted proposals and the panel reviewed each of the nine firms. That lead to a shortlist of the top three rated firms with Whiting Turner first, Richard Y. Johnson second, and GGA/Willow Construction third.

These three firms were then scheduled to come to Public Works and provide a 45-minute presentation, along with a 15-minute question and answer period led by the panel. All three short listed firms were given a copy of the shortlist/rating evaluation scoresheet in order to properly prepare.

On May 20th, each of the three firms presented. The outcome of these evaluations reflected once again that Whiting Turner was ranked first, Richard Y Johnson ranked second, and GGA/Willow came in third.

In the days immediately the presentations, the Public Works Director began a negotiation/fact-finding effort, beginning with Whiting Turner due to their ranking in the presentation scoring. Questions were developed that would identify

and rate qualitative and quantitative factors (including price) as submitted by each of the three qualified firms. The information solicited from each included:

- 1) Formatted Price (PreCon, Design and Estimating Assistance; Construction Phase Management -as a percentage of Construction Cost, fixed price for reimbursables, and terms and conditions)
- 2) Fixed Price ranking only
- 3) Change Order Fee
- 4) Historic Starting and Finishing Project cost/# of Change Orders issued
- 5) Average Fee Charged for CM/A contract over last 5 years
- 6) What percent of the Firm's fee was comprised of Insurance Cost
- 7) Number of CM/A projects undertaken in the last 2 years
- 8) Percent of projects held that led to further award to DE subcontractors
- 9) Differences in working day count between planned and actual with earliest finish being most preferred
- 10) Differences in working day count between planned and actual with closest to planned to be most preferred

Looking at the other matrix associated with pricing, he assumed an example construction cost of \$16 million that can be adjusted to run the example anyway, up to and including 20 million for whichever the City has the authority to borrow. Though \$16 million was chosen and plugged in. When you start running numbers like this, it is very important the prices are all in the same format. When you what amounts to three different buckets for pricing from each firm, you have to be aware that if you ask for an initial price and come back later and ask for the best and final offer, some people will say it's tree feet at first. Then they will come back and say it is a yard. Overall, they are simply moving pricing between and among the buckets.

Using the \$16 million, and putting the prices, side by side, they could remove the terms and conditions because each firm independently indicated, they wanted to use AIA Document C-132, 2019.

The first item in pricing is pre-construction design and estimating assistance, Whiting Turner came in at \$20,000, GGA/Willow came in \$15,000, and Richard Y Johnson came in at no cost for that segment of the work. Assuming that any firm is in business to make money, that may pique your interest. Comparable for that individual component, Richard Y Johnson is clearly the chosen one.

Moving down into the construction phase management, a percentage is the unit of measure. Whiting Turner quoted 3.5%, RY Johnson 3%, and GGA/Willow Partnership was 3.8%. The percentage is when we go out to bid and come back with a winning construction bid, the fee that goes to the selected construction management firm is that quoted percentage of the construction bid price. Arbitrarily, but not out of the realm, the \$16 million was plugged it in to see where it would land.

Finally, reimbursables, which is part of the pricing structure for the construction management contract, Whiting Turner submitted \$669,000, GGA/Willow submitted \$525,000, and RY Johnson \$266,260. On the basis of numbers, in a comparison format, RY Johnson is far and away the least expensive, quantitatively, for this contract.

Using the \$16 million, they come out at \$746,220 compared to \$1.2 million by Whiting Turner, and \$1.1 million by GGA/Willow Partnership.

Using those two modes comparison, qualitative and quantitative, the committee is recommending, based on fee structure, experience, location and site presence, presence, and approach and commitment to success, the contract be awarded to RY Johnson & Sons.

When asked the Chief's opinion, Chief pointed out he prefers them because they have been working with the police department since day one. He said that RY Johnson even came to Council meetings before this process began.

Director Svaby was commended by Council on the work he has done, as well as the detailed report presented this evening.

Councilman Culotta asked for a five-minute break before the Council meeting began.

There being no further business, the Council Workshop concluded at 7:15 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder