

CITY OF MILFORD
COUNCIL MEETING MINUTES
December 12, 2022

The City Council of the City of Milford met in Regular Session on Monday, December 12, 2022.

PUBLIC COMMENT:

At 6:05 p.m., Joe Palermo of 5 Misty Vale Court, Meadows at Shawnee, talked about the electric grid and potential attacks and impact to the City of Milford customers.

No other persons had signed up to speak.

The Public Comment session was closed at 6:09 p.m.

PRESIDING: Mayor Archie Campbell

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

STAFF: City Manager Mark Whitfield, Acting Chief Edward Huey, Lieutenant Richard Jefferson and City Clerk Terri Hudson

COUNSEL: Solicitor David Rutt, Esquire

Per the Limited Public Health Emergency Declaration issued by Governor John Carney on March 1, 2022, and the virtual meeting provisions provided in Senate Bill 94, Milford City Council Meetings and Workshops are held in the Council Chambers at City Hall with attendees able to participate remotely as well.

CALL TO ORDER

Mayor Campbell called the meeting to order at 6:09 p.m. noting that all members were in attendance.

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 October 24, 2022 Council Meeting and November 14, 2022 Council Meetings. Motion made by Councilmember Marabello to approve the minutes, with two misspellings corrected, seconded by Councilmember Baer. Motion carried.

RECOGNITION

HR Director Jamesha Williams talked about the Employee Recognition Program. The Programs' objectives include the recognition and promotion of positive behaviors that support individuals, groups, divisions, and departments.

The following employees were nominated by peers, supervisors and/or customers:

*Darryl Tilghman, Public Works Equipment Operator
Solid Waste*

When solid waste collection equipment was down to one and two vehicles recently, Darryl Tilghman demonstrated Performance Excellence and high levels of commitment to Customer Service by working full days during adverse heat conditions on Saturday, July 2, 2022, as well as Monday, July 4, 2022. In both cases, the rest of staff was off from work

for the weekend/holiday.

*Brandon Brown, Public Works Equipment Operator
Streets & Utilities*

Recent challenges with maintenance and repair on solid waste collection equipment led to a dramatic reduction in available vehicles to collect solid waste, recycling, and yard waste. Equipment Operator Brandon Brown went outside of his usual day-to-day work scope in the Streets and Utilities Division and joined the Solid Waste staff to assist with catch-up collections. Brandon worked a full day in challenging heat conditions on Saturday, July 2, 2022, while most of the rest of City staff were home enjoying the weekend.

*Brandon Keller, Public Works Equipment Operator
Streets & Utilities*

When the City of Milford was recently challenged by limited availability of solid waste collection vehicles, Equipment Operator Brandon Keller stepped up to the plate and joined the Solid Waste staff to assist in catch-up collections during non-working hours. Mr. Keller is a new employee to the City of Milford who started his job with Public Works on Monday June 6th, 2022. In just several weeks, he has already shown a high level of commitment to Customer Service and Performance Excellence.

2022 Delaware Municipal Supervisory Management Academy Graduates

Ms. Williams reported that the program started in 2019 through a partnership with Wilmington University. The academy is launched each September thru early December. Topics include Managing Performance Appraisals, SMART Goals, Employee Benefits and Onboarding, Leadership, Building A Culture of Trust and Accountability, Motivating Employees and Customer Service, Quality Interviews and Candidate Selection, Strength Finders, and Developing a Trauma-Informed Mindset.

The following employees successfully completed the program on December 7th and received 3 credit hours towards a degree program with Wilmington University.

*Katrina White, Deputy City Clerk-City Administration
Joseph Balog, Arborist/Urban Forestry Coordinator-Parks and Recreation
Lisa Levis, Permit Technician I-Planning & Zoning
Shelly Muise, Administrative Assistant-Public Works
Julie Eisenbrey, Billing Clerk I-Customer Service*

Deputy City Clerk commented on the benefits of the training and the knowledge of the top-notch instructors that presented during the program.

When asked how many employees have taken advantage of the tuition program, the HR Director reported one from Customer Service and one from the Police Department. Another is contemplating starting classes in January.

Leadership Delaware 2023

City Manager Whitfield reported that Sara Bluhm, Economic Development & Community Engagement Administrator, was one of 29 young professionals selected to participate as a member of the Class of 2023 Leadership Delaware's Class of Fellows. Sara is the first City employee to participate in this program.

STAFF REPORTS

Complete staff reports were included in the packet.

Police Department Report

Acting Chief Huey also noted a substantial increase in DUI arrests this year compared to last year, which have tripled. The department is focusing on this enforcement due to statewide statistics showing a new record will most likely be reached in 2022 traffic fatalities on Delaware roadways.

An increase has occurred in 'check the welfare' complaints, which is often the result of those suffering from depression and other mental health issues this time of the year. Last month some of the contacts handled by the Behavioral Health Unit was down mainly due to the five holidays in November. Unfortunately, an increase is expected this month.

Two of the new police vehicles are on the road with the assistance of Lieutenant Jefferson. Many compliments have been received on the new graphic design by the public. Equipment-install dates have also been scheduled for three more vehicles. He confirmed these are budget year cars from FY21 and FY22, along with one insurance replacement, and are not part of the take-home vehicle program.

Motion made by Councilmember Boyle, seconded by Councilmember Fulton, to accept the monthly Police Report. Motion carried.

City Clerk Report

City Clerk Hudson updated Council on the ordinance process and the increased updates to the electronic version that will now be forwarded monthly after ordinances are adopted.

She also shared that she is starting the 2023 election process and will be preparing related notices and the candidate packet before the end of 2022.

The City Clerk also presented a photo of Councilwoman Samaroo which will be placed on the wall with the remaining councilmembers until such time the professional photographs can be scheduled.

Councilmember Fulton moved to accept the City Clerk's report, seconded by Councilmember Boyle. Motion carried.

City Manager Report

Manager Whitfield reported that the DEMEC Board approved the 2023 operating budget which included a 2.87% budget increase based on fuel costs and the expiration of hedging funds. The electric power cost adjustment (PAC) will again be increased beginning with usage in January and the billing in February. The 0.00238 increase will calculate to 1.7% for the average customer and Milford remains the third lowest utility in the State of Delaware.

He acknowledged the work of Katrina White and the Electric Crew for their help with the holiday decorating throughout the town. He added that Parks and Recreation also assisted with the lights and decorations.

Councilman James clarified the meeting was with Pastor Johnathan Dukes, from Life Builders, Incorporated, along with their representatives, who are working on the feasibility of creating a shelter to transition people from homeless to self-sufficiency within the City of Milford.

The Manager informed Council he signed a contract with PBX that will store communication data in the cloud.

He also awarded a contract to Becker Morgan Group for the design of City gateways based on a decision to hire a professional firm to eliminate any DelDOT issues.

Public Works Report

Public Works Director Mike Svaby stated that he met with Becker Morgan to review final approvals for the new police facility. They are also working on metering installations for all utilities, including electric water, natural gas, final conduit installations for paving and concrete curbing, etc.

A sign will be posted at the site of the new police facility. He noted that materials are being delivered incorrectly to the old police department. It is causing a disruption to their operation so an additional sign will be created that will state all materials are to be delivered across the street at the construction site.

Also noted was that Public Works Employee Brian Jester, hired a few months ago, has done exterior paint and pressure washing at City Hall.

Enviro-temp also installed a return duct in the closet that houses IT Infrastructure with the hope of eliminating some ongoing interruptions.

He also talked about the streets and utilities division is transitioning out of solid waste and Brian Jester will also be overseeing that operation. Streets and utilities have overcome three major water leaks and began collecting leaves and have assisted engineering in providing new water service for both the police department and Surf Bagels.

Director Svaby confirmed the police construction project remains ahead of schedule though they recently had to overcome one hurdle that required a permit to be corrected.

When asked the status of the trash coral at Hearthstone, Director Svaby referenced a meeting with the owners. They will be addressing the group using the trash coral and educating them on the trash process in January.

It was again noted that the light on the overpass is still purple and needs to be changed. Director Tony Chipola said that is on their list to change.

The new truck purchased for leaf collection has allowed the reduction of the three-person operation down to one. Because of that, the City Manager reported that service remains as scheduled and has not fallen behind at any point throughout the year.

When asked the opening date for Surf Bagels, Director Pierce stated they are getting close to completion and are still waiting on final inspections by the State of Delaware and could be another couple of weeks.

Councilmember James said he spoke with one of the proprietors who informed him it will be open within a few days.

Electric Report

Director Chipola stated crews are finishing up with the holiday lighting decorations. There were several weeks of planning and preparing and believes the electric line workers did a fantastic job.

Some oil analysis results were recently received for oil-filled equipment at the substations. There were several anomalies noted. Those are being worked on along with any type of potential oil processing that may be required to remedy it.

They also had the kick-off meeting for the EV charger project and reviewed the current proposal with DNREC. Several items presented some challenges with the way the project is currently scoped out. They are working toward a resolution to get the project moving forward.

The Director also reported on the proposals obtained for a field inventory of the electric assets. The format will be compatible with the existing system to build out a network connected model within the city's existing GIS environment.

Council will be awarding the proposal later in the meeting.

Planning and Zoning Report

Director Pierce reminded Council of two upcoming open houses in December. One is tomorrow night for the Tenth Street Intersection that is sponsored by the Dover-Kent County Metropolitan Planning Organization.

The other is Thursday night at City Hall for the South Walnut traffic calming and bike pedestrian study.

Director Pierce explained that for a project to be placed on the DelDOT project list, it must go through the Metropolitan Planning Organization in Kent County or determined to be a traffic safety issue.

He also attended the Downtown Development District workshop where the State announced there will be an increase in our district by approximately fifteen acres. That will be back before Council for action.

Parks and Recreation Report

Director Dennehy noted the work of the parks staff and the arborist and his help in lighting the trees and decorating for the holidays. Many compliments have been received.

He also acknowledged the new recreation staff member who implemented a new software system that has had a dramatic increase in the department's online presence as has been reflected in their registrations.

He also commended Arborist Joe Balog and the other city employees who graduated from the Municipal Supervisors training and to Jamesha who organized and has overseen the training.

Director Dennehy and City Clerk Hudson attended the graduation and Milford had the largest turnout in comparison to the other municipalities and counties.

Human Resources Report

Director Williams noted that the vacancies in the city will continue to be filled over the next couple months. She also referenced the video links for DFIT's fifth annual Snowplow Rodeo competition that three Milford employees participated in. The winners will be announced on December 20th.

The HR Director noted that the positions that remain open are a water/wastewater technician and a civil engineer I. That position was recently redefined and reclassified from its original title of engineer tech.

Another new position is a second mechanic who will oversee the police take-home vehicles program.

Economic Development and Community Engagement Report

Sara Bluhm reported the TIFF Council meeting was held the middle of November. The city received \$2.7 million dollars for the entrance into the Milford Corporate Center, and a potential roundabout on Airport Road and Route 15 and associated entrance off Route 14.

She commented on the success of the Tree Lighting Ceremony which again included caroling by the Milford Central Academy. A recap video was created by the city's videographer and can be found on the city website and social media sites.

Councilmember James asked that the Grow Milford site be moved to a more prominent area of the website. He recommends it be moved to the home page to prevent additional clicks to another area.

Ms. Bluhm noted that the city is due for another website redesign which typically takes four to six months. That will be slightly delayed while she is out on FMLA though she will work on that during the interim.

IT Report

Director Pettigrew reported a new employee was hired this afternoon whose main duties will be support of the police department IT duties.

He is a member of the Cybersecurity Committee who will be structuring a plan for Milford and other municipalities to use funding from the Homeland Security grant.

Director Pettigrew also spoke about the proposal for a PBX in the cloud system which will remove the single point of failure that currently exists. It will also be available to a mobile work force worldwide.

Finance Report

Finance Director Vitola expressed gratitude to his staff as we close the calendar year. He has a very strong staff and if it was not for Sandra Peck, who handles the accounting and the bulk of the ERP implementation, and Suzannah Frederick who is managing more and more of the customer service issues internally, he would be in bad shape. He thanked them both, but also commended employees like Julie Eisenbrey who recently completed the Municipal Leadership training and other staff in customer service who do a great job.

He gratefully announced that the city auditors from ZA will be presenting the FY20-21 Audit to council this evening.

In addition, the final documents were submitted to the USDA for the financing of the police facility. Both the regional and national offices reviewed the application materials and came back with a recommendation for the facility loan. Later this evening, one more approval from Council is needed which will allow the funds to be obligated at certain amounts, certain terms, and a certain rate.

Director Vitola also noted the summary of the police facility financing with 24% of the billing paid. With construction starting in August, the June and July invoices were largely bond costs and materials being delivered to the site.

Zach Excavating really got moving in August and in four months, it is at 24% of the projected 16-month project. He also noted that invoices lag, and the actual construction is well ahead of the 24% progress.

When asked if the USDA rate increased, Director Vitola recalled the increase three or so quarters ago, though approval is needed on the terms tonight that will lock in the 3½ % as a not-to-exceed number. In his previous estimates approximately two years ago, 3½% was used conservatively as a proxy for long term rate. At the time of closing, it could be under that number, but no higher.

Councilmember Boyle moved to approve the City Manager reports, seconded by Councilmember James. Motion carried.

COMMUNICATIONS & CORRESPONDENCE

Councilmember James noted that he receives a lot of questions about the roles of the city manager, public works, and what duties the city clerk handles, etc. He asked if an open house type event can be considered where residents could ask questions of employees about the different positions within the city. Or perhaps the Economic Development Administrator could do a video, similar to what was done with the Electric Superintendent, which would reach more residents.

When he first became a councilmember, he was given a tour of the city facilities. A video, or some form of visual, with that information would be very informational and beneficial to our citizens.

City Clerk Hudson agreed adding that the international organization she and the Deputy City Clerk belong to have worked hard for more than 70 years to promote the City Clerk profession, not only in this country, but worldwide. She agrees there are a lot of misconceptions about her position and those not educated in local government administration often do not understand the importance of the position within a municipality. She would love to be part of that process.

Councilman James agrees it would be a great education for our citizens to include the three appointed positions in the city and the functioning parts of the city to include the Police Chief, City Clerk and Manager, along with the Mayor and Council. It was also recommended a map of the city be included that shows the various areas that have been annexed in recent times, as well as the future land use areas that are on the city's radar for future inclusion.

City Manager Whitfield agreed stating he did this at the Touch a Truck event where information was provided by each of the Public Works Employees.

Mayor Campbell announced that at Milford Public Library on Thursday, Senator Wilson, and Representatives Postles and Shupe will discuss the Food Bank from 6:00 to 8:00 pm

UNFINISHED BUSINESS

Acceptance/FY2021 City of Milford Audit

Finance Director Vitola introduced the City's Auditing Firm Zelenkofske Axelrod LLC's (ZA) Engagement Partners CPA/CGMA Kimberly Stank and CPA Sandra Reguera.

Ms. Stank then shared the presentation, referencing the audited financial statements that include the transmittal letter, the auditor independent auditors' reports, MD&A (management discussion and analysis), basic financial statements/notes, required supplementary information, additional Information, and the single audit.

Also noted is a letter to Council that expresses an unmodified opinion on the financial statements, and that is the highest level of assurance or clean opinion.

She sated the following:

The financial statements are fairly presented, and all material respects, in accordance with the counting principles generally accepted in the United States of America. They reported a material weakness and internal controls of the financial reporting related to the accounting records and financial statement closed process.

An unmodified opinion on compliance for major federal programs and internal controls over compliance was also expressed.

Those opinions are embedded throughout the report. The independent auditor's report is on page one and two. The report over internal controls and financial reporting on compliance and other matters are included on pages 65 and 66.

The material weakness discussed is included in the finding on page 72 and the report over the single audit is on pages 67 and 68.

Ms. Reguera.then spoke on the findings of the report. She first reviewed the government-wide statements. The net position was approximately \$28 million, an increase of \$1.8 million increase from June 30, 2020.

The business-type activities' net position total is \$74 million, also an increase of \$6.2 million from June 30, 2020.

Reviewing the fund balance level, the total general fund balance ended up at \$5.5 million for June 30, 2021, which represents a \$541,000 increase from 2020. The total governmental fund balance is \$11.5 million, which is a \$1.8 million dollar increase from 2020.

Next, Ms. Reguera talked about the new accounting principles and the adoption of GASB (Government Accounting Standards Board) 84 fiduciary activities that resulted in a restatement of a net position fund balance of \$580,000. A few were affected that did not have a significant impact on the city's statements. They include GASB 93, which is the replacement of interbank offered rates, GASB 97 that deals with component units, and GASB 98, the annual comprehensive financial report.

Finally, is the implementation of GASB 87, leases, that will be effective for the June 30, 2022 audit. They will be discussing any leases with the City's Finance Director and any impacts for the city in that audit.

She also shared some other GASB pronouncements, though they are not expected to have any dramatic effect on the city's financial statements.

The single audit portion was then presented beginning on page 64. She noted it includes two different things. One is a report on internal controls over the financial reporting. Discussed was the financial reporting process which includes a material weakness related to accounting records, as well as the financial statement closed process.

The other is a report is on compliance and internal controls over compliance. It identifies a major program, which is the Community Facilities, Loans, and Grants program, audited as major. There were no findings related to that program, so no findings, no noncompliance was noted, which is a good thing.

The other communication is a letter from the auditors to Council, as those charged with Governance. That includes required duties such as performing an audit in accordance with the accounting principles accepted in the United States of America and under the government auditing standards.

The auditors are also required to communicate to City Council any significant matters that are related to that audit. They are also required to communicate qualitative aspects of the statements that include GASBs that were implemented, significant estimates, and disclosures. Included are the useful lives over capital assets, as well as estimates provided by the actuary regarding the pension balances.

Any significant difficulties must be reported and as was previously discussed, a finding was included. All material adjustments have been made. There are no disagreements with management. Management representations have been obtained. No management consultations with other accountants, to their knowledge, and no other audit issues are all the items included in the letter with slightly more detail.

Looking forward to the June 30, 2020 audit, there is a single audit deadline of March 31, 2023, and believes Director Vitola agreed to get things started in early January, get thru it and issued by mid-March.

Councilmember James stated the quality of the auto report, particularly the management analysis was very good. There was some expanded language, some changes in word usage, which was useful, and the explanations on the \$580,000 change from adopting the new standards. There was another change and a coinciding reconciliation in the financials, and he appreciates that.

He noted that most of the findings were related to qualitative things, like timing, staffing and things of that nature. But there were also some adjustments at a high level that provided more information.

Ms. Stank commented on the adjustments to payables and receivables, as well as revenues and expenditures. When they look at the city's financial statements, in the opinion that has been provided, it is an unmodified opinion. That means all adjustments have been posted. When looking at the financial statements, to their knowledge, there are no material misstatements.

Finance Director Vitola explained they went back and forth with the auditors, with items that needed to be adjusted. But the vast majority were related to treatment, categorization, and mapping. One involved receivables from an expected grant, flowing through operating cash flow, that should have been placed in another financing source.

While there were a lot of areas where ZA was saying a number needed to be plugged somewhere else for the purpose of reconciling to ensure we are still at tolerance. The impact on that position, which are those figures that were reported in the beginning of the presentation, are not huge.

He said it traces back to something he said earlier at one of the council meetings when he was describing the continued delays. That it really was a condition of the good is the enemy of great. The FY20 was his first crack at it, and they were good, and it got done on time. Then ZA came in as the new auditors and really wanted to take apart every line and where every dollar was mapped to and were able to diagnose things like the mappings to spots that that had a better place or adjustments that needed to be made.

According to the Finance Director, thanks to that guidance and expertise, he thinks we have great financials, but overall materiality, the net position has not changed from earlier on in in the process.

Councilman James thanked Mr. Vitola, noting that is the purpose of having the auditors here and the need for the public to hear that, though Director Vitola has been discussing this all along as was done with the last published financials.

Councilman Marabello referenced the material internal control problem for the year ending June 30, 2021, and asked what that was and has it been corrected moving forward to June 30, 2022.

Ms. Stank noted that as Director Vitola had indicated, the adjustments have been posted, there was a lot of different times where the auditors would say, you've given us support for accounts payable of certain things. However, your balance on your trial balance is this. And the question was what the real account payables is and while a part of this needs to be pulled out to because of this. The adjustments that were made is one part of it, as well as timing, because obviously we're at a year and a half later after the year end. The financial statement closed process is the other component of that. It is called a material weakness over financial reporting.

When asked if the timing issue is a result of both a new Finance Director and a new auditing firm, Ms. Stank believes it is probably a combination. It always takes a little more time the first year. However, Director Vitola was strapped with a rough year because he had so many staffing issues. It's also his first time doing both the financial statements in addition to this role as the City's Finance Director.

She said that Milford has a lot of funds, and it's very complex, whether they are being used. She hopes that some of those accounts can be consolidated with the new system. If using multiple funds to represent one fund, that funnels into your financial statements, there is a lot of going back and forth between those funds. It just creates an extra layer of complexity. Simplifying it a little will help with closing, as well as following.

When asked if this coming audit will be easier than in the past, Director Vitola explained the new process with Tyler. Presently, there are 43 funds which will be collapsed into 11 funds. That could be lower if we further collapse the internal service funds, which are the cost allocations. Though we do not want to move too fast.

The city has 5,000 some accounts that have grown over the 21 years they have been in the system, and we have 1,943 accounts so far in what's being converted in the chart of accounts. While trying to control that, there is an issue with showing, and then canceling internal transfers and having to reverse those when we get back into operating mode when we open period one in the next fiscal year.

He also announced that a CPA firm has been hired contractually to assist finance who will begin in late November.

Councilmember James shared that this audit report is far superior to previous audits, and he is pleased with the work that was done.

He also confirmed that the city still maintains its double A- bond rating.

Councilmember James moved to accept the FY21 Audit Report, as presented, seconded by Councilmember Marabello. Motion carried with no one opposed.

USDA RD Obligation of Funds & Letter of Intent to Comply with Police Facility Letter of Conditions

Director Vitola recalled mentioning the city was approved by the USDA for the loan by the Regional and National USDA Offices. The good news is that the loan was committed, but for the funds to be obligated, a formal request is needed from City Council and formal recognition by the governing body to honor the terms.

The packet includes the term sheets and a lot of language related to the terms. Because the borrowing amount is \$61.5 million, the USDA typically breaks out the loans into smaller loans which resulted in two requests. One is for \$8 million and the second is for \$8.5 million.

The packet includes a term sheet with preliminary language and the two requests for obligation. Once Council approves those, there is an attestation for the City Clerk to sign, after which the funding will be formally obligated by the USDA at a rate that cannot exceed 3½ percent for a term of no longer than forty years, payable in a quarterly amortization of principal and interest equal payments every quarter for all forty years, just like the \$4 million dollar combination of loans and grants for the sewer projects that were obligated by the USDA in 2014 and 2015.

Councilmember James moved to authorize the letter of intent to meet conditions and requests for the obligation of funds totaling \$16.5 million for a term not to exceed 40 years, at a rate not to exceed 3½%, and amortization of payments to be made quarterly, seconded by Councilmember Marabello. Motion carried with no one opposed.

NEW BUSINESS

FY22 Budget Adjustment/Planning & Zoning/Property Maintenance

Director Pierce read the following request into the record:

The Planning Department requests an appropriation of \$8,000 from General Fund Reserves to the Planning Department Property Maintenance budget line (101-1045-429.68-20) to cover projected expenses for the remainder of the fiscal year. The City has historically budgeted \$16,000 a year to perform grass cutting, property cleanup, dangerous tree removal and other services associated with code enforcement violations. They have exhausted the fiscal year budget through the end of November due to increased tree trimming, grass cutting, rubbish removal and property cleanup activities. Most expenses incurred under this line item are billed to the property owner and collected through property tax billing.

Councilmember James moved to authorize the appropriation of \$8,000 from General Fund Reserves be allotted to the Planning Department Property Maintenance budget line 101-1045-429.68-20, seconded by Councilmember Wilson. Motion carried.

Contract Award/Solid Waste Department/Refuse Truck Replacement

Public Works Director Svaby submitted a request that City Council review and approve the purchase a replacement for SW-14, a 2015 Western Star Dual tip refuse truck. The current vehicle is seven years old, has approximately 60,000 miles and has begun to approach its end of life as a primary daily operations vehicle. The purchase of the proposed unit was identified and approved in the 2023 Capital Improvement Plan.

The acquisition will be made through a Sourcewell/NJPA Contract. Specifications for the Heil refuse truck are included in the Council packet.

The Solid Waste Division budgeted \$405,000 for the purchase of this unit though the HGAC final cost is \$430,570.36. Lead times are currently being quoted such that the new vehicle will not arrive until the second or third quarter of FY 2023.

Staff recommends City Council authorize a purchase order in the amount of \$430,570.36 to Mid-Atlantic Waste Systems, in accordance with the Sourcewell/NJPA Contract and submitted proposal. Supplementary funding of just below \$26,000 is to be paid from an updated capital budget for FY24 of \$431,000.

When asked if the fiscal year should be changed to FY23 in the written request, depending on the date of its receipt, Finance Director Vitola explained that because there is a chance that it could come in FY 23 and the funding source of Solid Waste Reserves identified, whether it is used in late June or early July, there will be a zero net effect on FY24.

He explained that internally, a purchase order cannot be issued without the budget dollars in place. All but the \$26,000 is in place. If Council authorizes the issuance of the purchase order for the \$431,000, that approves the expenditure of solid waste reserves and encumbers the funding through this fiscal year.

Finance Director Vitola agreed the motion should include fiscal year 2023.

Councilmember Boyle moved that Council authorize a purchase order in the amount of \$430,570.36 to Mid-Atlantic Waste Systems, in accordance with the Sourcewell/NJPA Contract and submitted proposal, with supplemental funding of \$26,000 to be paid from the undated capital budget for FY23 for a total of k\$431,000, seconded by Councilmember Culotta.

Motion carried with no one opposed.

Bid Award/Electric System Field Inventory Project

Electric Department Director Chipola presented to Council a recommendation for professional services to conduct an extensive survey and field inventory of the electric infrastructure and to obtain results in a format compatible with the City's existing ESRI GIS system with verified model connectivity from the feeder head to the customer meter.

Current paper records are outdated, inaccurate, and limited in the ability to convey necessary information to field personnel and lack the ability to develop automated reports / analyses.

The GIS network model will serve as the system of record which can be leveraged to support various asset management activities, allow for automated reports, aid in identifying 3rd party attachments, assist in underground locate activities, expedite fault location identification, performance of reliability and root cause Investigations. This will result in decreased outage frequencies and durations for our customers while also allowing the city to work more effectively and efficiently.

The model will also serve as a starting point in developing customer facing outage maps and integration into an outage management system. Other future benefits are the ability to import models into various load flow applications to assist with more in-depth engineering analyses (internal and external), such as load and distributed energy resource forecasting, electric vehicle and electrification impact studies, and other system planning tools and functions.

Proposed unit costs amount to \$21.15 per pole/pad mount location to survey equipment, and \$2.68 per meter location to develop a network connectivity model. Based on estimated quantities from existing records, the extended price amounts to \$119,894.95.

Of the three vendors he approached to submit the RFP, Director Chipola reported that one was a no bid, and the other vendor somewhat deployed more of a hybrid approach, using vehicle surveys and things like that driving through city streets. His concern was that all the information may not be collected from a vehicle.

As such, he recommends the award to Davey Resource Group, who has local resource offices, and was also the lowest bidder.

Councilmember Boyle moved to authorize the award of the RFP to Davey Resource Group in the amount of \$125,000 (\$119,894.95 extended cost plus \$5,105.05 contingency) to conduct the requested inventory and mapping services as budgeted in the 2022 approved CIP, seconded by Councilmember Culotta. Motion carried.

ADJOURNMENT

There being no further business, Councilmember Boyle moved to adjourn, seconded by Councilmember James. Motion carried with no one opposed.

The meeting was adjourned by Mayor Campbell at 8:37 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder