

CITY OF MILFORD
COUNCIL MEETING MINUTES
April 10, 2023

The City Council of the City of Milford met in Regular Session on Monday, April 10, 2023, in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Mayor Archie Campbell

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

STAFF: City Manager Mark Whitfield, Police Chief Cecilia Ashe, and Deputy City Clerk Katrina White

COUNSEL: Solicitor David Rutt, Esquire

ABSENT: Councilmember Katrina Wilson

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 being held in the Council Chambers at City Hall, with attendees also participating virtually.

PUBLIC COMMENT PERIOD PRIOR TO MEETING

Because no one registered to speak, the public comment session was not needed.

CALL TO ORDER

Mayor Campbell called the meeting to order prior to the unofficial Public Comment Session period at 6:04 p.m.

INVOCATION AND PLEDGE

The invocation was given by Councilmember James, followed by the Pledge of Allegiance prior to the start of the Council Meeting.

ROLL CALL

All members in attendance.

APPROVAL OF PREVIOUS MINUTES

Councilmember Fulton moved to approve the minutes of the February 22, 2023 Council Workshop, February 27 and March 13, 2023 Council Meetings, as presented. Seconded by Councilmember Culotta and carried.

RECOGNITION

Introduction of New Employees

Chief Ashe introduced her newest officers Hunter Simpson and Carlos Hernandez.

Deputy City Clerk White provided a quick bio of each officer on behalf of Chief Ashe. Both graduated from the Dover Police Academy and began their patrol training in March 2023.

City Engineer James Puddicombe introduced Minjong “Bill” Wu who started his employment in the Public Works Department as a Civil Engineer I on March 30, 2023.

The City Engineer also announced that Nevis Gregory was also hired and began working in the refuse department on March 20, 2023. He was previously employed with GFL Environmental.

Proclamation 2023-06/National Linemen Appreciate Day

Mayor Campbell proclaimed April 18, 2023 as Lineman Appreciation Day in the City of Milford recognizing the employees that work tirelessly each day to ensure electricity continues to flow to our homes, schools, hospitals, and businesses throughout our community.

Proclamation 2023-07/Public Safety Dispatchers Telecommunicators Week

Mayor Campbell proclaimed the week of April 10 through 16, 2022, to be National Public Safety Telecommunicators Week in the City of Milford, in honor of the men and women of the Milford Police Department Emergency Communications Center, Sussex County 911 Center and Kent County 911 Center,

MONTHLY STAFF REPORTS

Complete reports from each department were included in the council packet.

Police Report

Chief Ashe provided highlights of the officer’s monthly statistics.

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

City Clerk

Deputy City Clerk White reminded councilmembers of the upcoming Organizational Meeting on May 1, 2023. Ms. White furnished information related to various activities and events.

Councilmember Fulton moved to accept the monthly city clerk report, seconded by Councilmember Fulton. Motion carried.

Monthly City Manager Report

City Manager Whitfield reviewed several items in his report.

Public Works Department

City Engineer James Puddicombe provided a brief update on Public Works activities.

Electric Department

Electric Department Director Tony Chipola offered information related to his department.

Planning & Zoning Department

Director Rob Pierce provided a quick synopsis of what he has accomplished during March.

Parks & Recreation Department

Parks & Recreation Director Brad Dennehy was on leave and no report given as a result.

Human Resources

Human Resources Director Jamesha Williams provided HR highlights from the month.

Economic Development & Community Engagement

Administrator Sara Bluhm remains out on FMLA part-time and will return next month.

IT Department

IT Director Pettigrew reviewed his monthly report.

Finance Department

Finance Director Lou Vitola provided finance and staff updates.

Councilmember Boyle moved to accept the city manager and associated departmental reports, seconded by Councilmember Marabello. Motion carried.

COMMUNICATIONS & CORREONDENCE

A special workshop is scheduled for Monday, April 17, 2023 at 6:00 pm and will only take about an hour.

Councilman Fulton received an email regarding the traffic concerns at the entry point to the city in Ward 2. Specifically, it involved complaints about the speed problems and accidents on US Route 113 after entering the City of Milford which is fifty-five miles per hour extending beyond the Redners Market, which then is reduced to 50 miles per hour.

It was suggested that the speed limit match the other side of the City which drops to forty-five miles per hour.

Councilman Baer commended the city for hosting the Tenth Street meeting and the overwhelming number of attendees. He also thanked the city manager for getting the word out about the pump station issue in Fork Landing.

Mayor Campbell reported that as president of Delaware League, he was in Washington DC with our federal legislators to get grant money for Delaware cities. He recommended other councilmember attend next year.

UNFINISHED BUSINESS

Waiver Authorization/Chapter 77 Alcohol/Riverwalk Freedom Festival

The following request from Riverwalk Freedom Festival Event Chair Angela Dorey of the Chamber of Commerce:

The Chamber of Commerce for Greater Milford is excited to host the 22nd Riverwalk Freedom Festival scheduled for Saturday, September 16, 2023. We would like to host the Red, White, and Brew Garden in Bicentennial park again this year and request permission to waive the alcohol restrictions in the park on the date of the festival.

A similar layout that has worked so well in past years will again be used with a fenced area in a section of the park with a view of the stage. We will be checking identifications and applying wrist bands to those twenty-one (21) years old or older. This will allow the purchase and consumption of alcoholic beverages in the designated area only.

As the Delaware Alcoholic Beverage Control regulations permit, the designated area will be family friendly, so all ages will be permitted to enter the area. We will have one entrance/exit clearly marked with eye level signage that no alcoholic beverages will be allowed beyond the designated area. We will have crowd monitors to assure no one leaves the area with alcohol.

The Brew Garden would open at 12 noon on Saturday, September 16th and close at 10:30 pm. All alcoholic beverage sales will end promptly at 10:00 pm. We are requesting your approval to waive the restrictions against alcohol in the park on this date.

When asked if a standing waiver can be granted or if a waiver request and approval is needed for each event, City Manager Whitfield said that each event needs an individual waiver.

Ms. Dorey verified the waiver should apply until 10:30 p.m. on that date.

Councilmember Fulton moved to authorize the alcohol prohibition waiver in the park as described in the request on September 16th from 12 noon until 10:30 p.m., seconded by Councilmember Baer. Motion carried.

Authorize/DMI Funding/Ladybug Festival

President James Rabe submitted the following request:

Downtown Milford and the greater Milford community very much appreciates the partnership with the City of Milford in providing a stage for female musicians and groups from the mid-Atlantic, northeast, and national stages.

This year, in partnership with Gable Music, DMI is expecting the largest LadyBug music festival to date. Upgrades have occurred to attract larger and more popular female groups from across the country while providing a stage for popular local groups as well.

DMI is requesting two decisions from the Council this evening:

1. Approval in the total amount of \$55,000 for this event (increase of \$15,000 from previous year).
2. Approval for two payouts from the City of Milford (1) on July 1 - \$25,000 and (2) on August 15 - \$30,000.

City Manager Whitfield reported that this is a \$25,000 increase from previous years. However, there was \$30,000 was budgeted this fiscal year 23 per their request last year. An additional \$25,000 could be provided in the next fiscal year 24 for the August request.

Councilmember James expressed concern about promising money in the next fiscal year's budget. Assuming \$25,000 will be approved, and if they want to do that again, there will be nothing left if the request continues to increase.

The City Manager said if \$30,000 were budgeted, that would only leave \$5,000 for next year's proceed funding. There was a question about the money being issued in the new fiscal year, though Mr. Whitfield is requesting \$30,000 be appropriated in FY23 on June 30th instead of July 1st.

Councilmember Culotta recalled that when Council originally approved \$30,000 though they originally requested \$15,000. He believes that was a gift and not a form of regular funding. Without taking anything away from the value of the festival, he thinks this is an extremely aggressive request.

Councilmember Marabello disagreed, asking if there is a need to consider what it does for the city. If council approves \$30,000 next year to get the \$25,000 to make up the \$55,000, that should be considered especially if Milford wants the festival to be here and not in Smyrna. He has already talked to people downtown who have other towns lined up if this does not happen in Milford. They also told him they must know if the money is available before they contract their partners.

When asked what DMI has done to pursue other sponsorships besides the city, noting the organization qualifies for a number of grant funding. It was noted that in the past they have come up with significant contributions from other businesses though that is not included in this year's request.

Former DMI President Peggy Reilly explained that the \$30,000 being requested tonight (by June 30th) is what has already been approved and need it for this year's Lady Bug Festival. Once they were aware they would have access to the money, DMI is attempting to get sponsors and are working on a \$15,000 sponsorship with Beebe Hospital who also gave them \$15,000 last year. They continue to work on grants as well.

She emphasized the importance of sponsorships and to proceed with them.

Ms. Reilly also noted that the letter is requesting funds out of the city's next fiscal year budget. When asked why Council is approving for the second time the \$30,000 that was already approved, Mr. Whitfield said the check can be cut now.

DMI Executive Director Janne Collins confirmed they are only asking for the check to be released by June 30th. In addition, they are working on additional forms of funding.

A DMI representative thanked Council for recognizing this is a valuable festival for the community and there is competition not only in Delaware, but in Maryland as well.

Councilmember James pointed out there are additional needs in the City this year, and the amount of taxpayer money is limited. It does not expand overtime and tough decisions on what the top priorities will be, including proper staffing, trash collection, healthcare increases, etc.

He is stressing to all outside organizations that are requesting money to be patient and understanding. Council wants the citizens to have entertainment and enjoyment. But the must haves will come first.

Director Collins said they understand and appreciate the city's support.

Though noted by the City Manager that additional approval by Council was not needed, Councilmember Boyle moved to authorize the release of the already approved \$30,000 for the Ladybug Festival, seconded by Councilmember Marabello. Motion carried.

NEW BUSINESS

Authorization/General Fund Reserve Funding/Police Take-Home Vehicles

Chief Ashe recalled coming before Council in March and requested the police department be able to purchase any type of vehicles and not just hybrid vehicles that she finds available.

Since that time, a total of eight vehicles. With the next shipment, four of the Chevy Tahoe's were received recently and they are now expecting the shipment of the Dodge Chargers that were purchased in August. Those vehicles will then be outfitted.

One of those requests made in March was due to the significant increase of the cost of the vehicles since Council approved the project in November of 2021. Of those vehicles, there are only three left to purchase at a total cost of \$, which will complete the project and allow the stabilization of the police fleet and start cycling out the other vehicles for FY24 by adding those vehicles into the CIP budget.

Finance Director Vitola then shared that the balance of the program was funded by ARPA and there remains a contingency amount of \$203,000 ARPA available to support the incremental cost of the take on vehicles. With the CIP and the O&M budget shaping up in the preliminary meetings, it would be appropriate to use the existing ARPA funding and not general fund reserves for continued support of the police vehicle program.

Any additional funding has been encumbered. There was a placeholder after the RTT funding came in to support the vehicle program, which made over \$300,000 available, of which \$182,000 was redeployed, leaving the \$203,000.

Chief Ashe was commended for acquiring the new vehicles quickly, having them decal and out in the community for our taxpayers to see. Director Vitola was also applauded for adding the fiscal notes which will answer many questions that may come from Council or the public.

Councilmember Fulton moved to authorize ARPA funds in the amount of \$203,000 for the take home vehicle program, seconded by Councilmember Culotta. Motion carried.

Authorization/Interfund Loan/Police Facility Project

Director Vitola explained there are two moving parts of the police department facility financing. One is the USDA loan being divided into two portions of \$8.5 million and \$8 million. The other being the sharp increase in short-term rates. There is an opportunity, not only to stay within the original capitalized interest budget for the project, but also redirect some of our own internal financing, and save as much as \$227,000.

That is a substantial portion of the owner's contingency budget for the project and he thinks the city would be remiss not to take advantage of our own of our own cash, and using it to work to our own good.

He recommends that \$5 million be used in realty transfer tax (RTT) reserves, \$2.5 to \$3.5 million of electric reserves, and zero to \$.5 million each of lodging tax and economic development fund reserves. Both of those accounts have a balance of approximately \$550,000. This can be done without impacting cash flows required for any other city projects. The rate study will not be impacted, and it is consistent with the city's cash reserve policies. The funds would also be consistent with the state restrictions on the funds, particularly the realty transfer tax funds.

He explained that those four funds were chosen because of their availability totals of \$8.5 million. In addition, any of the funding sources would be an eligible source to pay for the police facility outright, besides using them short term and repaid with USDA proceeds.

Director Vitola strongly recommends that Council approve the temporary use of reserve funding internally to free up some of the owner's contingency budget.

He reiterated the funds will only be used until the date on loan two of two USDA police community facility loan.

The Director said that only \$5.3 million has been spent which allows time to get documentation together and close on that on the first tranche. Then the reserves will be used to pay for the second half of the project. When the project is complete, and the second half of the USDA loan is closed, that USDA money will replenish the city's reserves.

Councilmember James moved to authorize internal financing of \$5 million from RTT reserves and \$3.5 million from electric fund, lodging tax and/or economic development fund reserves to be reimbursed at an annual rate of 1.00% to support PD Facility construction costs from May 2023 through the settlement date of the final USDA Community Facility loan as approved for the PD Facility construction project on December 12, 2022, seconded by Councilmember Baer. Motion carried.

Agreement/DeIDOT/SE Transportation Improvement District

Planner Director Pierce referenced the March 13, 2023 presentation by DeIDOT Principal Planner Sarah Coakley. He again reviewed the TID program. In January 2019, Council incorporated the master plan as an appendix to the city's comprehensive plan. He waited until that time to ensure council was firm on what the development they wanted to see in the southeast neighborhood before engaging with DeIDOT on the transportation model so the cost estimates and renderings could be prepared.

He referenced the various meeting dates in which council discussed the plan.

The agreement in the packet is what is under consideration by Council this evening. Exhibits A and B is the overall boundary and service standards remains unchanged from when it was reviewed a couple of years ago. Exhibit C relates to the land use and transportation plan and incorporates the bicycle master plan completed a couple of years ago as well.

Exhibit D incorporates the most recent cost estimates presented to Council at the March meeting and includes some renderings. Exhibit E establishes the developer contribution and the rate tables for the TID.

The Director informed Council of the need to determine the preferred developer contribution rate. DelDOT provided two ends of the option but are comfortable with anything between a 30% and a 35% developer contribution on the area improvements.

Planner Pierce referenced the exhibit that outlines the city's TID boundary and any development within the area would pay into a TID fund for transportation improvements resulting from the overall growth. Some improvements include capacity improvements along Cedar Creek Road, adjacent to the Sussex Health Campus and include two signals over the next 20 to 25 years. One at Johnson Road and Cedar Creek Road, and the other at the northbound on/off-ramp of State Route 1 and Cedar Neck Road.

Included are eight roundabouts at various locations.

When asked to comment on the questions Planner Pierce received regarding the corridor capacity preservation program and its impacts on the local area, Ms. Coakley the goal of the corridor capacity preservation program is to maintain the capacity along State Route 1 in this area, along the whole corridor from the Five Points area in Lewes up to Dover. It will involve a thru route for regional traffic to maintain and build a parallel route for local traffic. The intent is to keep local and regional traffic separate. This would prevent local traffic from experiencing bottlenecks on State Route 1 and allow other ways of moving around without being impacted by traffic on Route 1. New roads would be built including parallel service roads to Route 1.

Because of the number of comments received on that program, DelDOT plans additional outreach before any plans are finalized.

Planner Pierce added that the corridor capacity preservation program includes elements related to the on/off ramp at Cedar Neck Road that would be incorporated in with the TID in terms of the location of the one intersection.

Other than that piece, the corridor capacity preservation program is a separate study that is being done outside of the adoption of the TID. Any impact would be provided to the public and the project manager's information made available.

He reiterated that the concept still needs to go through a formal engineering process with additional public outreach related to actual construction drawings and whether, additional rights-of-way would be needed to make the improvements. This included the Cedar Creek Corridor, Cedar Creek Road Corridor, which extends across Route 1 on Cedar Neck Road until it meets the edge of the city's annexation area, and up Bucks Road.

Additional improvements are proposed near the Southeast Front Street and Rehoboth Boulevard intersection, outside of the roundabouts shown on the early slides.

If adopted, Council will need to determine the developer contribution.

Councilmember Culotta confirmed the difference between the 30 and 35% looks like an average of \$500 per unit for a house.

Ms. Coakley stated that after the March Council meeting, DeIDOT went back to the list of contacts for the southeast Milford area with what is called a planning and development coordination application that is used when applying for entrance plans and record plans. They notified all the project engineers and owners from the past few years involving approximately fifteen parcels.

She will let them know about tonight and will send the draft agreement asking for any comments or suggestions. Only one developer's engineer asked the exact same question and what is the difference between the 30 and 35%.

Ms. Coakley explained that by the very nature of being in the TID agreement, the improvements listed will get extra points awarded to them in DeIDOT's capital transportation program (CTP) prioritization process. The CTP is a six-year program and projects are typically added in years five and six to begin preliminary engineering design and takes anywhere from a year to three or four years, another six months to two years for rights of way acquisition before getting into construction.

That results in the list of projects that are going to be in the CTP, and a review of the various pots of funding from the federal highway administration that can be used. Up to 80% of federal highway funding can be used for a project which results in a minimum 20% match.

In the second cut of prioritization projects, those with additional match funding are factored into it.

The main benefit of selecting a 35% developer contribution over 30% is to move projects forward quicker and to get them programmed into the CTP and allowing design and construction quicker.

She also talked about other projects for comparison in other towns. In Newark, their TID fee for single-family detached residential is \$4,200 per unit compared to the 35% developer contribution here would be \$3,250 per unit, and the 30% contribution would be \$2,750.

Most of their development is multi-family residential and their fees are closer to \$3,000 or \$2,000 per unit, which is similar. Milford's multi-family would be between \$1,952 per unit to \$2,300 per unit for the low rise, and then \$1,320 to \$1,560 for the mid-rise. So, Milford would be lower with 30% lower and 35% a little bit higher compared to them.

In Southern New Castle County, their fees are a lot higher because they also receive credit for their entrance improvements against their TID fee. What is being proposed for Milford and Newark and East Town is a little bit different because they have to do their entrance improvements plus pay into the TID.

For southern New Castle County, their fees are almost \$5,000 or \$4,800 for single family detached, and their multi-family \$3,560. East Town is similar to Milford and Newark and is \$2,735 for single-family detached and \$1,368 per multi-family. East Town in Middletown is small and the TID is about half of their town area, and there's a lot less development coming in there, and also a lot less projects needed. Their whole budget was under \$30 million while this is going to be close to \$60 million.

Finally, Henlopen TID is their largest TID though it is also a resort area. The fees are \$5,300 for single family detached, \$4,100 for low rise multi-family and \$3,100 for multi-family mid-rise.

Another thing Ms. Coakley asked Council to consider is that the fees escalate or go up every year based on the rolling five-year average of the CPI. The annual CPI runs from January to December of each year and the fees will increase on January 31st, based on the previous five years.

Councilmember Culotta pointed out the developer contributions will be passed through to the home buyer and asked Council to remember the number of conversations related to affordable housing and how all these fees add to those costs. He emphasized the 35% will be paid by the developer but it will also be passed through to the homeowner.

Councilman James thanked Councilmember Culotta noting that because he is a contractor, Council benefits when he lends his expertise to this Council for things that Councilmembers may not otherwise pay attention to.

When asked the contribution rates of the other towns, Ms. Coakley shared that Newark is at 25% and Middletown is at 30%. The 35% would be higher except for some in New Castle County and New Castle County is 50%. New Castle County also gets credit

Councilmember James emphasized that if a project can be done quicker, that may neutralize what is passed onto the consumer.

The floor was open to public comment or questions.

PE Mike Riemann of Becker Morgan Group, 309 South Governors Avenue, Dover, stated he appreciates the opportunity to comment on the TID and commends the City of Milford and DelDOT for moving the TID forward. They are extremely supportive of TIDs in general concept and are a better way to plan improvements in growth areas to better mesh with growth in local areas.

He said this will allow DelDOT to more cohesively implement improvements as opposed to what he called 'developers piecemealing improvements. He said there are a lot of those situations throughout the State of Delaware where five or six developers are widening five or six different sections of roadways at five or six different times. The end is not a good product or as good of a product as DelDOT could this by collecting the necessary funding.

He reiterated that TIDs are the way to go and urges Council to seriously consider leaving the rate at 30 because 35 would be higher than everyone except for southern New Castle County which is 50% and that is because the entrance improvements themselves are baked in. That is why it is so much higher as compared to here, where the developers would still be responsible to construct the entrances.

Mr. Riemann concluded by providing statistics from the National Association of Home Builders. For every \$1,000 that the price of a house nationally, 118,000 people are kicked out of the ability to afford a mortgage. All the fees add up and his position is that if 30% gets the job done and that is what is necessary to implement the improvements, he agrees there is a need to keep the cost as minimal as possible to get the improvements made.

He continued by stating this this also impacts the commercial and economic development projects that the city is hoping to attract.

There was no other interest in participating in the public comment session. The floor was then closed.

When asked if grants are available if street work and bike paths are combined, Ms. Coakley said a number of different programs are available. And one is called the transportation alternatives program or tap program. That provides a separate specific pool of federal highway funding that can only be used for bicycle and pedestrian improvements. Most of the improvements in the city's bicycle plan would be eligible for that program and funds projects up to \$1 million at a time.

The improvements listed in the TID agreement would be eligible for other funding sources as well and explained the process.

Mr. Pierce noted that one thing to keep in mind is One thing to keep in mind is the developer pays at the time of building permit issuance, not when the project is actually constructed. He does not think it is related in terms of cost of improvements versus when the developer is ready to start building. The quicker they pull their permits, the less money will be involved because it won't escalate each year. The improvements might occur a couple of years later.

Councilmember Culotta moved to approve the southeast transportation district with the infrastructure fee program at 30%, seconded by Councilmember James. Motion carried by the following 5-1-1 roll call vote:

Marabello-no.

Boyle-no.

Fulton-yes, there is no differentiation for me to go 30 or 35, because we are talking about a lot of hypotheticals, and if it decreases the ability for someone to want to come in and start helping the development that's bad. But if 35% slows some of these crazy developers, that is good.

Culotta-yes, and he appreciates the desire to have things happen faster and with more funding things happen faster. However, my primary concern is the individual home buyer and what that means to them.

Samaroo-Unavailable

James-yes, because with the additional comments that the payment is made up front initially. If that is the case, the developer would be more inclined to pull to avoid escalating costs which would speed up the project anyway.

Baer-yes, and I think we could go for some of those grants, too, to help speed things along.

Introduction/Ordinance 2303-19 Electric Rate Increase

City Manager Whitfield introduced Ordinance 2303-19, adding that a copy of the rate study is also included. That will be reviewed at the next meeting at the time Council can adopt the new rates.

*Introduction/Ordinance 2023-17 - Preliminary Major Subdivision
Application of Milford Corporate Center on behalf of City of Milford
182 +/- acres of land located at the northwest corner of
Milford-Harrington Highway and Canterbury Road
Comprehensive Plan Designation: Industrial Commercial
Zoning District: I-1 (Limited Industrial) BP (Business Park)
Present Use: Vacant Proposed Use: Industrial Park
Tax Parcel: MD-16-173.00-01-01.00*

Planner Pierce read the agenda item description noting that it will be before the Planning Commission on April 18th and will be before Council at the April 25, 2023 meeting for a public hearing and final action.

ADJOURNMENT

The previous executive session was canceled.

The Council meeting was adjourned at 7:43 p.m.

Respectfully submitted,

Terri K. Hudson, MMC
City Clerk/Recorder