

CITY OF MILFORD  
COUNCIL MEETING MINUTES  
April 22, 2024

The City Council of the City of Milford met in the Joseph Ronnie Rogers Council Chambers in Regular Session on Monday, April 22, 2024.

PRESIDING: Mayor Archie Campbell

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

STAFF: City Manager Mark Whitfield, Police Chief Cecilia Ashe, and City Clerk Terri Hudson

COUNSEL: Solicitor David Rutt, Esquire

The agenda was rearranged to allow public comment at this time.

**PUBLIC COMMENT PERIOD PRIOR TO MEETING**

Solicitor Rutt read the rules of the public comment session into record, after which the following individuals spoke:

Trish Marvel of 6525 Shawnee Road, Milford, talked about the homeless and the encampments, and in the spirit of keeping our town clean. She is aware of the big initiative couple of weeks ago. It looks better and she was unable to attend due to another commitment. The encampment by Brandywine and her husband went there about an hour ago to take photos. It remains untouched and is worse than previously found. In keeping everyone accountable, including the homeless, she doesn't know where to go and if Code Enforcement needs to be contacted. But it continues to be an issue and she has photos, and she will email to all councilmembers, and she recommends they are enlarged. In that manner, grocery carts, tents, bicycles, clothes, etc. can be seen. She does not feel it is fair when we ask our city residents to keep their properties clean and neat, though we are not holding this group accountable. They indicated they were supposed to clean it on the 13<sup>th</sup> or 16<sup>th</sup>, though that has not been done. Allowing them to take the lead prevented it from being done. She asked that Mayor Campbell put some pressure on them, or Code Enforcement, but it is bad.

She also wanted to thank Chief Ashe, adding that as she was driving home, she came across a homeless person that was straddling back and forth on the very busy highway in front of Milford Manor. She recognized them as a homeless and she turned around, but three police officers were addressing it most likely after another person called the police. He was holding his sign up and distracting vehicles. Milford Police handled it, and she hopes we will have some panhandling laws soon because it has become a serious hazard.

Rob Schuler of 18511 Thelma Lane, Milford, complimented Lisa Levis in the Planning Department for a lot of help with their new HOA with property information. He then talked about Wilbur Street has been ripped up and covered with rocks for a couple months. He assumes D R Horton is overseeing that as a contractor of the city and works on the sewer that continuously backs up there. Unfortunately, they just left the street in that condition. They also put a sign in his development Walnut Village in front of his neighbor's home at 18509 Thelma Lane. It was put up twice and the first time it stayed up about a month and then blew over and it was left there. Approximately three months ago, they returned and put it in again and it lasted a week. He does not understand its point because it is on the ground and cannot be read. The third thing is every time there is a strong wind, which is a regular occurrence, all their construction debris blows into their neighborhood. He understands it is difficult to police all the time, but it must be a problem for them too. He had a large chunk of siding insulation which he expects is costly and he is sure that is only one piece that blew. These types of nuisances can hopefully be addressed though he also understands there is a large corporation but hopefully the city can attempt to fix some of these things.

Kim Wills of 8061 Shawnee Road, Milford, thanked Milford Police Behavioral Unit. They had Operation Safe Landing for a lady that was living in her care with a hoarding episode. She is now safely located at a place where she is getting help from professionals who can get her to the next step. They had a meeting of We Are Milford and she had twenty people

yelling that Council needs to pass a panhandling law. It appears it has been talked about for years but is not yet in the books. She asked if that could happen to solve the many related issues in Milford. If they don't make money on the street, then they may realize that Milford is not as fun as they think. They are doing good at giving those that are receptive and work to get them into a hotel. They are then picking them up there and finding jobs and signed up for other permanent resources. It is working and they have another meeting on Wednesday at 6 o'clock and she hopes to see some Councilmembers in attendance.

Rob Blades of 20106 Beaver Dam Road (Red Men Fraternal Home of Delaware) Milford, stated about a year and a half ago went from \$4 a month to \$53 a month. Now it is up to \$54 a month. He has maintained the property for the last twenty years and does not understand why. He has been told this is a commercial enterprise, but instead he is a nonprofit. It is causing a hardship, and they give money to charities. He asked for the past eighteen months and has not gotten a result. He talked to Mr. Mark Whitfield again and told him to bring it to City Council.

City Manager Whitfield said it is on tonight's agenda.

No one else was signed up to speak and the public comment session was closed.

#### CALL TO ORDER

Mayor Campbell commenced the meeting at 6:13 p.m.

#### INVOCATION AND PLEDGE

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

#### RECOGNITION

Councilwoman Wilson shared that today is Earth Day which began to be recognized in 1970. She asked us to do our due diligence in taking care of and respecting our land.

The Mayor recognized the 55th Annual Municipal Clerks Week and the work of our City Clerk and Senior Deputy City Clerk. The proclamation was included in the packet:

PROCLAMATION 2024-06  
55<sup>th</sup> Annual Professional Municipal Clerks Week  
May 5 – 11, 2024

Whereas, The Office of the Professional Municipal Clerk, a time-honored and vital part of local government exists throughout the world, and

Whereas, The Office of the Professional Municipal Clerk is the oldest among public servants, and

Whereas, The Office of the Professional Municipal Clerk provides the professional link between the citizens, the local governing bodies and agencies of government at other levels, and

Whereas, Professional Municipal Clerks have pledged to be ever mindful of their neutrality and impartiality, rendering equal service to all; and

Whereas, The Professional Municipal Clerk serves as the information center on functions of local government and community; and

Whereas, Professional Municipal Clerks continually strive to improve the administration of the affairs of the Office of the Professional Municipal Clerk through participation in education programs, seminars, workshops and the annual meetings of their state, provincial, county and international professional organizations; and

Whereas, It is most appropriate that we recognize the accomplishments of the Office of the Professional Municipal Clerk.

NOW, THEREFORE, I, Arthur J. Campbell, Mayor of the City of Milford, Delaware, do hereby proclaim the week of May 5 through May 11, 2024 as Professional Municipal Clerks Week, and further extend appreciation to our Professional Municipal Clerks, Master Municipal City Clerk Teresa K. Hudson and Master Municipal Senior Deputy Clerk Katrina White, and to all Professional Municipal Clerks throughout the world for the vital services they perform and their exemplary dedication to the communities they represent.

#### MONTHLY FINANCE REPORT

Finance Director Lou Vitola presented the completed finance report for the first nine months of the year. There was somewhat of a cash draw in the governmental funds, which is common for this time of the year. As part of the investment report earlier, PFM Director Zachary shared updated information on the additional investments in the city's investment program. That is related to the tax revenue received at the end of September and October in the first quarter. That explains some of the additional cash that was moved into that policy.

Director Vitola said it is still too early to determine how the city will finish the year on budget across all governmental and utility funds. It looks a little better compared to last month in most of the P&L areas. However, capital will be breaking loose and in addition to the governmental funds falling a little shorter in cash as we move away from property tax receipts, some of the utility reserve and utility operating funds are churned as the weather improves and a lot of projects are done.

He said to expect a lot of activity to be reported in the last few months of this fiscal year. The Director also reported that the normal budget transfers will be requested as certain accounts exceed the funding initially approved.

Councilmember Fulton moved to accept the March 2024 Finance Report, seconded by Councilmember James. Motion carried with no one opposed.

#### COMMUNICATIONS & CORRESPONDENCE

Mayor Campbell said he will be attending the Delaware Local Government Day at Legislative Hall on May 9, 2024 in case anyone else wishes to attend should contact the City Clerk's Office.

#### UNFINISHED BUSINESS

##### *Bid Award/Accounting & Audit Firm*

Finance Director Vitola shared that Zelenkofske Axelrod (ZA) our current audit firm, was awarded the audits for fiscal years 2021, 2022, and 2023. There were two options to renew for FY24 and FY25.

An RFP was issued for audit services in January and due March 1<sup>st</sup>. He received two outside proposals. A committee of two staff members, including Director Vitola, rated the proposals and reported back to the Finance and Audit Committee on March 11, 2024 with the recommendation to award FY24 to ZA. That was because of the new ERP software and by then, ZA would have been through three of the city audits and be in the best position to meet the city's needs and goals.

It turned out the ZA FY24 proposal is lower than the other two proposals though that did not exclude the other two from consideration.

The internal staff committee chose ZA and that was presented to the Finance and Audit Committee for their independent recommendation.

Councilman James confirmed the submission, adding that the committee did concur with the recommendation of the Finance Director and his team. It is the recommendation of the Finance and Audit Committee that the sole FY24 audit engagement to be awarded to ZA.

Councilmember Fulton moved to award the FY2024 audit to ZA as recommended by the Finance Director and Finance and Audit Committee, seconded by Councilmember Boyle. Motion carried with no one opposed.

*FY22 City of Milford Audit Update*

The Finance Director confirmed there were not many changes from his last report. The auditors are in possession of the financial statements and all files, footnotes, management, discussion, and analysis. And they are reviewing the final adjustments in response to the latest volley from them that caused the delay he reported at the last meeting.

He had to respond with some proposed adjusting entries and explanations of certain transactions. The drive for the question was for information only. There was no reason for the questions other than wanting to understand more about the nature of the transactions between certain fund groups with the city or interfund loan activity related to certain properties. That was cleared up and it is now in their hands.

The latest question came today, and he will be responding no later than tomorrow morning.

He believes they are at the point when they can commit to a date once the final draft will be available for review and approval.

Councilmember James explained that part of the auditing firm work is to conduct fraud inquiry. He did speak to the Lead Auditor and discussed some of the processes and delays in the audit. He concurs with the information provided by the city's Finance Director and is the same independent response he received.

*DMI/First Friday Event/Alcohol Waiver/Chapter 77*

Melissa King, DMI Promotions Chairperson submitted the following request:

Downtown Milford Inc. (DMI) is requesting a waiver of the alcohol restrictions during our upcoming First Friday events planned for the first Friday of each month, starting May 3 from 5:00 pm to 9:00 pm. We will be using the services of the Alcohauleder, provided by EasySpeak.

Alcohol will be limited to within the boundaries of the event which will include Walnut Street from Northeast Front to Southeast Front and Park Avenue with "No Alcohol Beyond This Point" signs posted at all entrances and exits. The Alcohauleder will assume responsibility for confirming all customers are 21 or older. We will have volunteers acting as crowd control throughout the festival. All those serving alcohol will be ABC Certified as they are employees of EasySpeak and/or fondue.

DMI Executive Director Sara LeBright was present to review the new First Friday events that will run from May 3, 2024 to October 4, 2024. It will include bands and vendors, and the request is to allow alcohol within the event area as presented to the City Clerk's Office. That area will be blocked off and include Walnut Street (downtown) and Park Avenue.

She talked about the many sponsorships she has been able to obtain since becoming involved with DMI, including the construction company working downtown who committed to a \$5,000 contribution.

It was confirmed that all the products sold are products produced by Easy Speak Distillery.

Councilmember Fulton moved to authorize the Alcohol Restriction Waiver during the First Friday events from 5:00 pm to 9:00 pm between May 3, 2024 and October 5, 2024. Motion seconded by Councilmember Baer and carried.

*Adoption/Resolution 2024-04/Amends Water Rates/Adds Low Volume Commercial Rate*

City Manager Whitfield said he discovered low use commercial customers were paying a very high-water rate as was mentioned during the public comment period. He directed the Finance Director to make the rate fairer.

Finance Director Vitola explained that way the rate structure works now, as opposed to previously, was the result of the Cost-of-Service Study was developed. There is no customer charge in water like is in electric. That means there is no mechanism to cover the fixed cost in the water utility. One way to promote that recovery is to have the first tier of volume be set to a fixed charge, regardless of how much volume is run in that first tier.

For residential accounts, it is 1,000 gallons and 10,000 gallons for commercial. For most commercial and industrial accounts, that treatment is perfectly appropriate. Almost all our costs in the water are fixed costs. But they cannot charge fixed costs because of the promotion of water conservation which makes the rate structure almost entirely volumetric, other than that first tier.

By having that tier at 10,000, which is great for most commercials, it has a bit of an unintended consequence where low flow, small meter commercial accounts are charged the fixed fee. When dividing it back into the volume consumed, it has a high rate per 1,000 gallons, which is uncharacteristic of the rest of the rate schedule.

It is being recommended to make that change now from the 10,000-gallon break point in the first tier for commercial water meters, in and out of the city, less than or equal to an inch, to 4,000 gallons.

Users in that class 4,000 and 10,000 gallons will see a decrease, but not a huge decrease. Users from zero to 4,000 gallons will see the greatest decrease and approximately by half.

Councilmember James recommended that other rates be reviewed for similar situations and appropriate action should be taken if so.

Councilmember Fulton moved to adopt Resolution 2024-04, adding a reduced billing tier for low-volume commercial water users, seconded by Councilmember James:

RESOLUTION 2024-04  
AUTHORIZATION OF UPDATED CONSOLIDATED CITY FEE SCHEDULE  
Adds Reduced Billing Tier for Low-Volume Commercial Water Usage

WHEREAS, the City Council of the City of Milford has the authority to establish fees for various services; and  
WHEREAS, City Staff reviews costs reasonably borne by the City in providing those services, the beneficiaries of those services, and the revenues produced by those paying fees and charges for special services; and  
WHEREAS, City Council finds that providing these services are of special benefit to applicant and users both separate and apart from the general benefit to the public; and therefore, in the interest of fairness to the general public, it is better recovering the costs from applicants and users who have sought or require the City's services by maintaining a schedule of fees; and  
WHEREAS, City Council Resolution Number 2024-02 is hereby rescinded upon the effective date described in Section 2 of this Resolution; and  
WHEREAS, the adoption of a current and comprehensive City Fee Schedule will assist the public, as well as City staff, in readily locating fees, while continuing the City's quest for governmental transparency; and  
WHEREAS, the fees within the consolidated City Fee Schedule will be evaluated no less than on an annual basis to ensure quality services continue to be provided while practical, but necessary cost recovery fees are measured; and  
WHEREAS, the updated City Fee Schedule modifies the Water Rate Schedule for commercial customers using a meter size less than or equal to one inch ( $\leq 1$ " ) by decreasing the monthly volume break point from 10,000 gallons to 4,000 gallons and decreasing the flat monthly charge for the first billing tier.

NOW, THEREFORE, THE CITY OF MILFORD HEREBY ORDAINS:

- Section 1. Resolution 2024-02, to be known as the consolidated City Fee Schedule, attached hereto, is hereby adopted.
- Section 2. All fees and rates shown in Resolution 2024-04, including those that are new or adjusted, shall become effective April 30, 2024.
- Section 3. Although most City fees are inclusive, this consolidated Fee Schedule may not show all fees and penalties authorized by administrative rules or in a city contract, such as concession and franchise fees.

Section 4. It is the intention of the City that future versions of this document show all rates and fees and shall distinguish those that are being proposed at the time of the adoption.

Section 5. The City Fee Schedule will be available on the City of Milford website or by contacting the City Clerk's Office at Milford City Hall.

Motion carried.

*Adoption Resolution 2024-05/Approves Investment Policy Update*

Director Vitola requests that Staff request that the Finance and Audit Committee review the enclosed edit to the City's Investment Policy Statement (IPS) proposed by PFM Asset Management. Staff is in support of the edit and ask that the Committee make a recommendation to City Council to approve the change to clarify investment class limitations for the benefit of traders acting pursuant to the City's IPS.

The City's Investment Policy Statement was last updated March 13, 2023. The Policy was recently reviewed by Finance staff and the City's investment advisors, PFM Asset Management, pursuant to the requirement that the IPS be reviewed annually. The PFM team recommends only one minor change to the Policy – to clarify the portfolio percentage limit of asset-backed securities in paragraph 8.5.1.2 by striking the reference to mortgage-backed securities pointing to paragraph 8.8. While the separate, independent limitations for each asset class can be inferred in the context of the IPS, and indeed PFM traders are compliant with the intended policy limits, the change should be made to clarify and simplify the City's instructions to all readers of the IPS, now and into the future. Staff strongly recommend the change be supported by the Committee and approved by City Council at the March 25, 2024 meeting.

Councilmember Fulton moved to accept the recommendation of the Finance and Audit Committee by adopting the following resolution, seconded by Councilmember Boyle:

RESOLUTION 2024-05  
Adoption of the City of Milford Investment Policy Update

WHEREAS, it is the policy of the City of Milford to invest public funds under its control in a manner that will provide the highest investment return consistent with the maximum safety of principal, while meeting cash flow needs of the City; and

WHEREAS, the City Investment Program shall conform to all state and local statutes governing the investment of public funds; and

WHEREAS, the City Investment Policy (investment policy) was last updated on March 13, 2023 by City Council following the review and recommendation of the Finance Committee; and

WHEREAS, the City Finance Committee and/or City Council will, no less than once a year, review the Investment Policy for any required updates and amendments; and

WHEREAS, the Investment Policy was most recently evaluated by Finance Staff and the City's Advisors PFM Asset Management; and

WHEREAS, simplification of the portfolio percentage limit of asset-backed securities was recommended by eliminating unnecessary mortgage-backed securities language and allowing the remaining context to remain; and

WHEREAS, the City Council agrees it is appropriate to update the "Investment Policy for the City of Milford" to ensure directness and clarity exists in relation to financial practices, procedures, and strategies of the City of Milford.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MILFORD, DELAWARE, AS FOLLOWS:

Section 1: The City Council hereby adopts and approves the Investment Policy as updated.

Section 2: With input from the City Finance Director, the City Manager is authorized to act, provide guidance, and create procedures to ensure the investment program authorized by this Resolution is implemented pursuant to the guidelines set forth in the Investment Policy.

Motion carried.

Due to this being their last meeting, Marabello thanked Councilmembers Baer and Fulton for their work on council, adding they were an asset to the city.

#### EXECUTIVE SESSION

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

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 6:48 p.m. for the purpose as is permitted by the Delaware Freedom of Information Act.

The open session was then temporarily adjourned.

#### *Return to Open Session*

Councilmember Fulton moved to go back into open session, seconded by Councilmember Wilson. Motion carried.

Council returned to Open Session at 7:14 p.m.

#### *MPD General Teamsters Local 326 Collective Bargaining Agreement*

Councilmember Fulton moved to authorize the Mayor to sign the MPD Collective Bargaining Agreement, seconded by Councilmember Wilson. Motion carried.

#### *IBEW Local 126 Collective Bargaining Agreement*

#### *Property Issue*

No action needed.

#### ADJOURNMENT

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

The Council Meeting adjourned at 7:15p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder