



*Milford City Hall Council Chambers 201 South Walnut Street Milford DE 19963*

## **CITY COUNCIL AGENDA**

**July 22, 2024**

Attendees are welcome to participate virtually as well. Public Comments are encouraged on the agenda items designated with a ®. Virtual attendees may alert the City Clerk that they wish to speak by submitting their name, address, and agenda item via the Zoom Q&A function or by using the Raise Your Hand function during the meeting.

Those attending in person may comment when the floor is opened for that purpose.  
All written public comments received prior to the meeting will be read into the record.

*This meeting is also available for viewing by the public by accessing the following link:*

<https://zoom.us/j/94877121629>

*or*

<http://www.cityofmilford.com/553/Watch-Public-Meetings>

*Members of the public may also dial in by phone using the following number:*

*Call 301 715 8592 Webinar ID: 948 7712 1629*

**6:00 PM**

### **15-Minute Public Comment Period\***

All interested parties are invited to speak during the public comment portion of the Meeting. Discussion of those items appearing on the agenda as a public hearing is prohibited during the Public Comment Period, as an opportunity will be provided at the time it is being considered. Virtual attendees must register prior to start time of the meeting by calling 302-422-1111 Extension 1142 or 1303, or by sending an email to [cityclerk@milford-de.gov](mailto:cityclerk@milford-de.gov) and providing their name, address, phone number, and item name and/or description you wish to comment on. Persons in attendance wishing to speak must sign up prior to the start of the Meeting. Citizen comments are limited to three (3) minutes. Council and Committee Members are prohibited from responding or taking action since this is not an official session; however, items may be considered for placement on a future agenda.

## **COUNCIL MEETING**

**FY25 Property Tax Appeal Hearing-CANCELED**

Call to Order - Mayor F. Todd Culotta

Invocation

Pledge of Allegiance

Roll Call

Approval of Minutes

Recognition

New City Employee Introduction

Communications & Correspondence

Monthly Finance Report

Unfinished Business

New Business

Presentation/Shpigler Group

Adoption/City of Milford Fiscal Year 2025 Tax Warrant

Authorization/ Purchase of a Solid Waste Truck

Reappointments:

Tree Preservation and Advisory Committee

Parks & Recreation Advisory Board

Planning Commission

Authorization/ Salary/Interim City Clerk

EXECUTIVE SESSION

Pursuant to 29 Del. C. §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed

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 <sup>1</sup>

Return to Open Session

Potential Vote-Personnel Matter/City Clerk

Potential Vote-Legal Matters

Adjournment

All items on the Council Meeting Agenda are subject to a potential vote.

**ALL SUPPORTING DOCUMENTS MUST BE SUBMITTED TO THE CITY CLERK IN ELECTRONIC FORMAT NO LATER THAN ONE WEEK PRIOR TO MEETING. NO PAPER DOCUMENTS WILL BE ACCEPTED, DISTRIBUTED, OR PRESENTED AT MEETING ONCE PACKET HAS BEEN POSTED ON THE CITY OF MILFORD WEBSITE. ANY MATERIALS UTILIZED DURING THE MEETING SHALL BE FROM THE COUNCIL PACKET AND REFERENCED BY PRESENTER USING AUDIO AND VISUAL MEANS TO ENSURE VIRTUAL PARTICIPATION BY ALL IN ATTENDANCE.**

\*Time Limit is three minutes per speaker, not to exceed a total of fifteen minutes for all speakers prior to start of meeting/workshop.

Ⓢ Designated Items only; Public Comment, up to three minutes per person will be accepted.

071524 071624

<sup>1</sup> 071724 Late addition by City Manager/ES Discussion

071724 Item Removed



CITY OF MILFORD  
COUNCIL MEETING MINUTES  
February 12, 2024

The City Council of the City of Milford met in the Joseph Ronnie Rogers Council Chambers in Regular Session on Monday, February 12, 2024.

PRESIDING: Mayor Archie Campbell

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

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

COUNSEL: Solicitor David Rutt, Esquire

#### CALL TO ORDER

Mayor Campbell commenced the meeting at 6:01 p.m. The agenda was rearranged by Mayor Campbell and the (unofficial) public comment period moved to follow the Pledge of Allegiance during the regular meeting.

#### INVOCATION AND PLEDGE

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

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 period into record.

Councilmember Culotta asked if he could make a motion to extend the 15-minute period. Solicitor Rutt said that would be out of order because the rules were adopted by resolution. For the rules to be amended, it would need to be added to the agenda for consideration by council. A motion could be made though it will be out of order.

The floor was then opened.

Larry Passwaters of Griffith Lake Drive, Milford, stated the following:

He appreciates the time to speak. When he first heard the issue surrounding his friend Annette Billings it made him sad. He has lived in this town all of his life like most of the people in attendance. He has known Annette since he was five years old and they grew up together, went to high school together and worked together. It is a sad day in Milford because of the reason they are here. When this happened, it made him wonder where the little town charm had gone. There was a time when what you said to your neighbor and approached them meant something. If it affected only one neighbor, it mattered to everyone. That part of the little town is still alive as evidenced by the folks in attendance today. The actions that happened that prompted this, they are the very weight bearing down and crushing the very thing that made this charming little town so popular—the way they cared and took care of one another. Everyone may have known everyone else's business, but people had the decency to keep it to themselves. The way this transpired is not good. To the Milfordians who have been here their entire life and maybe they were born here or lived here forty years, it is time to take heed. It is a shame something like this had to bring this town together. Your charming little town is getting dangerously close to being just another run of the mill sprawling

conglomerate of single-family homes where no one wants to know their neighbor. For the new Milfordians who just moved here, he asked them what drew them to this town. He is sure it was the charm, the community and similar reasons people moved or retired or moved here to live and work. But we are losing that appeal. He has a lot of respect for the work that city council does. He has done similar work and worked with the school board and the finance division for a while. He understands the difficulties but the way it happened with his friend could have been handled a lot better. He tried to figure out how to drive home the point and make it so council could understand how this happened. If this was a Hallmark movie, Council would be the bad guys.

Annette Billings of 22726 Cedar Beach Road, Milford, provided the following statement:

My family is well aware of the law that allows, in this case, what is referred to as legal theft. Written into law in 1974 as a means to enhance public spaces for specific needs, municipalities have acquired said spaces through gifts, purchases, or in the case of her property, through condemnation. Interestingly enough, this land is unsuitable for use. Interesting because first, it is being used today the same way it has been used for generations. Farming and hunting, but nothing has changed except for the city's desire to take this land. This acquisition can be done legally unless it is challenged. Remember just because there is a law doesn't mean that it is a good law. She is sure it was never intended to be used in a manner that would infringe on or diminish the rights of a conscientious law-abiding taxpayer. This property has been in her family for generations. Her intent was and always has been, to leave every acre to her children as their ancestral heritage, just like when it was granted to her. Generation after generation. Live and work on this property. Some made their living there and she grew up there riding horses and exploring the area as a curious child. It is an inherent value that goes well beyond the price of a parcel of land. There was a time not far removed from us today, when their ancestors and any local family could count on a friendly visit from our councilmembers before there was a council discussion, let feelings count. The very body of lawmakers elected by her and other voters and who have sworn to protect the entire community. A community which she is part of. Or the one using the back door way to destroy her ancestral inheritance—shocking in the 21<sup>st</sup> Century. She pays her taxes and takes care of her property and has never been directed by anyone to take care of these matters. She may be a family of hundreds or perhaps thousands now living in the Milford area. But when they allow the rights of one's history to be trampled on but isn't that saying it is alright to say it can be done to every family. Her sincerest hope is that the City Council will have the courage to rescind their vote and leave her family and their inheritance alone to do what they see is fit. There is a principle that goes beyond mere conjecture. The basic principle that every family or individual has the right to grow and hold assets in the form of land and other forms as well without the fear of having those assets taken without true and dire need. This great country was founded on similar principles and fought a war and subsequent wars to secure and keep them. As a God-fearing country, loving American, she feels it is her inherit duty to fight this abomination and an abomination she thought she would never see or experience in her own hometown and she will fight it so help her God. fight it. She will so help her God. She brings God in her closing statements as her trials have brought to mind the trials of Naboth in 1 Kings 21:1-29. Ahab the King and political elite had his eyes on Naboth's property knowing it was good soil and planned to access it. Though he tried fairly to get it, Naboth wouldn't sell it because it was his ancestral inheritance. Still, Ahab was able through other means to gain the land. Though Ms. Billings chose not to go into further detail, she asked that the Mayor and Council check out what happened. She did say it did not end up working well for Ahab in the long run. With God's help, she too, will continue to stand on her land when this dreadful nightmare is over. With conviction and sincerity,

Annette Billings and Family

Lucius Webb of 20516 Sapp Road stated the following:

Native Delawareans and Native Milfordians:

Some of you have chosen to adopt Milford as your town. Our family chose to adopt Milford as their town in 1867 and since that time, have known the Sharp Family. They have been friends. He ended up being Annette's government teacher in high school. They have had a great love of family since then. Her father, her mother, Betty and Herman, great people, people of integrity. People of principals. He feels that when you raise children segue in here, you want to take up the same value system as you have. In this case, he thinks that Annette is being treated like a child and your values are being imposed upon her. Which truly are not the core values of Milford. The core

values of Milford are respect for the individual and treatment of people with dignity. When you raise a child, you can either discipline out of love or punish them out of anger. I believe she's been kicked, beaten and punished. If she must be disciplined because her values are not the same as your values, do it in a way of integrity while she still has self-respect. But instead, you have beaten the hell out of her and it's unfortunate and reflects poorly on this body. Going forward, what piece of land outside of our city? What landowner would want to be annexed into your governing body. Their family has several hundred acres adjoining Milford. They do not and would not want to be part of Milford. Because they cannot trust this government. He said God bless you all and he hopes the mayor and council wake up and realized that Annette is a human being and deserves to be treat with dignity.

Fae Lynn Barrdour of 2797 Paradise Alley Road, Felton stated the following:

She knows that if something like this could happen to Miss Billings, it could also happen to us. She doesn't think it right and the Bible mentions protecting widows. She asked if council had to place their hand on the Bible when they take their oath. The Bible talks about protecting widows and needs to be read.

Dave Wilson of PO Box 84, Lincoln, 17968 Haflingers Road, stated the following:

He didn't prepare a speech for tonight. His concern is that each of Milford's councilmembers do what they feel is right for their ward. He takes it seriously that the wards are represented well. As State Senator of the 18<sup>th</sup> District, when Mrs. Billings contacted him, he said he didn't know a lot about what he could do. He said this a City of Milford issue. But the more he thought about it, he thought this is really about Milford. This is a place where most of these people here grew up. It is a time that this council needs to take a serious look beyond what we need or what we want and instead look at what Mrs. Billings has here. He was going to call her an older lady, though she is younger than he is, and she does not need to be treated this way by the City of Milford. In fact, this property is not even in the City of Milford, so it has really become a county issue. And he cannot understand why the City of Milford has taken the approach to go after something that is not even in their jurisdiction. The real issue is that he is here as a senator in the 18<sup>th</sup> District that includes Milford. And he gets heartburn when this type of thing is done to our citizens. Any other citizen sitting in this room tonight and anyone that's in the sound of his voice can have the same thing happen to them. He will also go a step farther. He asked if anyone on this council would want someone to come along and knock on your door and say, with eminent we are going to take your property. He said let's be realistic and asked if this is really the city's desire or is there an actual need? He would certainly question that. But this is Mrs. Billing's inheritance and has been in her family for four or five generations. For council to sit here and agree to do this is wrong. He said we are still in American and in Milford, Delaware. It's already been said that the people of Milford are a family and that this council is moving away from that. He thinks that too many people have been brought into Milford that are not local citizens and they don't have the same desire that Milfordians have had for generations. Though he won't blame anyone on council, he thinks it is time for city council to reconsider this decision. He has made plenty of mistakes in his life and has had to reconsider some. But as a State Senator, the city comes to him time after time for help as all towns do with the 62 legislators in this state. He has always been there for the city, but if they continue to spend taxpayers money on such things, he is going to have to take some serious consideration when he talks to his colleagues about the City of Milford.

Patrick Smith said it is hard to follow up after Senator Wilson, but he wants to bring up a couple of points. He was reading the code on condemnation and thinking about this property. He pointed out this is not a blighted property, and there is no threat to public safety and it's not the City of Milford to decide what they do with it next. Senator Wilson made a good point that we have people that no longer have the same desire of keeping the community intact. Instead, a new agenda is being pushed onto the people that have lived here and that is not right. In the end, the city council should be aware that elections are coming up. He guarantees that all the people here will be door knocking in April. If council does not do the right thing now, council will be looking for a new job after that election.

With no one else wishing to speak, the floor was closed for comments.

APPROVAL OF PREVIOUS MINUTES

Councilmember Boyle moved to accept the minutes of the December 11, 2023 Council Meeting, as presented, seconded by Councilmember Wilson. Motion carried.

## RECOGNITION

### *Proclamation 2023-05/Recognizing Black History Month*

Mayor Campbell noted the proclamation included in the packet:

PROCLAMATION 2024-05  
*Black History Month in the City of Milford*

WHEREAS, Black History Month was first commemorated in February 1976 by the Association for the Study of African American Life and History (ASALH); and

WHEREAS, the Association continues to support the study of African American History in homes, schools, churches, organizations, businesses, and government; and while it believes that Black history, like American history, should be studied 365 days a year, it continues to view February as the critical month for pursuing this mission; and

WHEREAS, the history of African Americans unfolds across the canvass of America, beginning before the arrival of the Mayflower and continuing to the present. From port cities where Africans disembarked from slave ships to the battle fields where their descendants fought for freedom, from the colleges and universities where they pursued education to places where they created communities during centuries of migration, the imprint of Americans of African descent is deeply embedded in the narrative of the American past. These sites prompt us to remember and over time became hallowed grounds; and

WHEREAS, the Association has made the 2024 theme "African Americans and the Arts" spanning the many impacts Black Americans have had on visual arts, music, cultural movements, and more; and

WHEREAS, this City is the proud home of the Milford Eleven, a special group of individuals who gained national attention seventy years ago as the first African American students to attend a previously all-white Milford School following the Supreme Court's Brown vs. Board of Education decision that ended "separate but equal" in 1954. While only in the Milford School District for 28 days, their impact was far reaching as they proudly paved the way for continued Civil Rights action.

NOW, THEREFORE, I, Arthur J. Campbell, Mayor of the City of Milford, Delaware, do hereby proclaim February 2024 as BLACK HISTORY MONTH and urge all citizens of Milford to participate in the appropriate programs and activities of our schools, churches, museum, library, and other organizations that recognize and honor the significant contributions that not only the elite Milford Eleven, but all Americans of African heritage, have made to the City of Milford, the State of Delaware, to the Nation and throughout the World.

Councilman James commented that because it will not be read, he thinks it is too important to pass over. He emphasized the importance of the contributions of the descendants of Africa here in the United States and how they go far beyond the inception of slavery back in the 1600's. He recognized there is also evidence of existence of African Americans being present beyond 1492 and that African American History should be celebrated throughout the year. It is big part of this country's history before and after the Constitution was signed by our forefathers. Councilmember James said he wanted to go on record and encouraged our residents to research this history to validate his comments and the facts included in the proclamation.

## STAFF REPORTS

*Police Department*

Chief Ashe provided updates of the department's accomplishments in January.

Councilmember Boyle moved to accept the Police Department's report, seconded by Councilmember James. Motion carried.

*City Clerk*

On behalf of the City Clerk and aligning with the succession plan as was discussed at the Council retreat, Senior Deputy City Clerk Katrina White presented a review of January accomplishments over the past month.

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

*City Manager**Public Works**Electric**Planning & Zoning**Parks & Recreation**Human Resources**Information Technology**Finance*

Departmental reports were provided by the City Manager, Public Services Superintendent Steve Ellingsworth, Electric Director Tony Chipola, Planning Director Rob Pierce, Parks and Recreation Director Brad Dennehy, Human Resources Director Jamesha Williams, IT Director Bill Pettigrew, and Finance Director Lou Vitola.

Councilmember Boyle moved to accept the Managers' reports, seconded by Councilmember Marabello. Motion carried.

*Planning and Zoning/2023 Properties Remedied*

Planning Director Pierce said this is a report highlighting the code official's work as they address property issues. It is not a formal presentation but can be reviewed in the packet.

## COMMUNICATIONS &amp; CORRESPONDENCE

The City Manager announced that because of Valentine's Day and because Mayor Campbell's wife's birthday is on February 14<sup>th</sup>, he has moved the Council Workshop to the fourth Wednesday of February. He doesn't want her to be mad at him.

## NEW BUSINESS

*Appointment/City of Milford Board of Election*

Based on previous experience and knowledge of elections, the City Clerk's Office is recommending the following appointments to the 2024 Board of Elections:

Karen Boone, Carlene Wilson, and Donna Merchant

The Board of Election is appointed as directed by the City Charter and shall consist of an odd number and never less than three.

The possibility of making this a more permanent committee was also discussed.

Councilman James pointed out that historically election turn has been low and asked if this number is based on that possibility; he asked if three members are sufficient to control what is needed and must be done. The City Clerk explained the roles of the election board in that they oversee pre-election mandates and the election day process. Because of their experience with elections over the years, she is very confident in their abilities and capability in handling any issue or questions that arise.

Councilmember Fulton moved to appoint Karen Boone, Carlene Wilson, and Donna Merchant to the 2024 Board of Election, seconded by Councilwoman Wilson. Motion carried.

Councilman James asked the City Manager to add appointment of Election Board to an upcoming Council Agenda for further discussion by Council.

*Funding Authorization/General Fund Reserves to Planning Department Demolition Line Item/Demolition of  
409 South Washington Street*

Planning Director Pierce presented the Planning Department request for an appropriation of \$23,000 from General Fund Reserves to the Planning Department *Demolition* budget line (10174051-596810) to cover expenses associated with the demolition and property clean-up of 409 S. Washington Street.

The costs associated with this work will be placed on the property owner's tax bill as a lien owed to the City.

The code officials have issued the property correspondence, and the house has since been boarded up.

Written quotes were obtained with Feindt's Plumbing Service being the lowest bid. The expenses associated with the demolition will be placed on the subject parcel's property taxes.

Councilmember Boyle moved to authorize the appropriation of \$23,000 from General Fund Reserves be allotted to the Planning Department Demolition budget line (10174051-596810) for the demolition of 409 S. Washington Street, seconded by Councilmember Fulton. Motion carried.

*Adoption/Resolution 2024-01/Waiver of Required Sidewalk and Curbing/Kristen & Michael Baker/  
451 Kings Highway/Tax Parcel 1-30-1.19-054.01*

Darrin Simpson of Blue Hen Construction was in attendance to present the following request for a sidewalk waiver:

Mr. Simpson spoke on behalf of the property owners, Michael and Kristen Baker, and request a waiver from installing the sidewalk along 451 Kings Highway. There are no connecting sidewalks along this portion of Kings Highway currently.

This is a newly constructed single-family dwelling at 451 Kings Highway. The closest sidewalk is approximately 800 feet to the west.

Councilman James asked that once it is determined that sidewalks shall be added, how is that handled. Planner Pierce said there is no specific time line in the resolution but typically the owner would be provided sufficient time of approximately 90 to 180 days for the sidewalk installation.

It was confirmed that the conditions in the resolution will follow the property, including future owners.

Solicitor Rutt recommends that these resolutions be recorded at the Recorder of Deeds by tax map number. This document would then show up at the time of a title search.

RESOLUTION 2024-01  
Authorization by City Council of Sidewalk Waiver  
451 Kings Highway

Property Owner: Kristen & Michael Baker  
Address of Property: 451 Kings Highway  
Milford, Delaware 19963  
Tax Map No: 1-30-1.19-054.01

WHEREAS, the legal owner of 451 Kings Highway, Milford, Delaware, is constructing a single-family dwelling on parcel 1-30-1.19-054.01 in the City of Milford; and

WHEREAS, the owner has requested a waiver of the provisions of Chapter 197 of the Code of the City of Milford that requires the installation of curbing and sidewalks; and

WHEREAS, non-existent connectors within 800 feet of this property are a justification for temporarily allowing the waiver of the installation of said improvements.

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

1. The required improvement for curbing and sidewalk as set forth in Chapter 197 of the Code of the City of Milford for the above property are hereby waived for installation at the present time.
2. When in the future it is determined by the City of Milford in its sole judgment that it is appropriate to install said improvements, the property owner, its successors, or assigns shall be required to complete said improvements at the owner's expense within the time required by the City of Milford.
3. Waiver, with conditions as imposed by the Milford City Council, on February 12, 2024, shall be reflected on the Site Plan.

This certifies that this is a true and correct copy of the Resolution duly adopted by the City Council of the City of Milford at its meeting on February 12, 2024.

Councilwoman Wilson moved to adopt Resolution 2024-01, to be recorded at Sussex County Recorder Deeds for future reference, seconded by Councilmember Boyle. Motion carried by a vote of 7-1 with Councilmember Culotta voting no.

*Adoption/Resolution 2024-02/Updated City Fee Schedule*

RESOLUTION 2024-02  
Authorization of Updated Consolidated City Fee Schedule

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 applicants 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 who have sought or require the City's services by maintaining a schedule of fees; and

WHEREAS, City Council Resolution Number 2023-17 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 contains the addition of the Windward on the River Aid in Construction Fee consistent with City Council action taken on November 13, 2023, regarding the approval of development agreements for Windward on the River and Knight Crossing developments.

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 adopted by Resolution 2024-02, including those that are new or adjusted, shall become effective February 12, 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 shall be available on the City of Milford website or by contacting the City Clerk's Office at Milford City Hall.

(Fee Scheduled attached)

City Planner Pierce recalled back in November when Council amended the development agreement for the Windward on the River community and reviewed language for the Knight Crossing development agreement pertaining to the construction of the regional pump station for that area.

The construction fee in the agreements needed to be included in the City's Comprehensive Fee Schedule.

The new fees under the sewer portion of the permitting charges have been added for the cost shared requirements that will be repaid to the City or other developers that tie into the pump station.

Councilman Boyle moved to approve Resolution 2024-02, Authorizing the updated consolidated city fee schedule, seconded by Councilwoman Wilson. Motion carried.

## EXECUTIVE SESSION

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

Pursuant to 29 Del. C. §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed (Employee Issue)

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 7:29 p.m. for the purpose as is permitted by the Delaware Freedom of Information Act.

The meeting was then temporarily adjourned.

*Return to Open Session*

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

Council returned to Open Session at 9:25 p.m.

*Employee Evaluation-City Manager*

*Employee Evaluation-Police Chief*

*Pending Litigation Discussion*

No action taken.

ADJOURNMENT

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

The Council Meeting adjourned at 8:346 p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder

Attachment: Comprehensive Fee Schedule Updated

CITY OF MILFORD  
COUNCIL MEETING MINUTES  
February 21, 2024

The City Council of the City of Milford met in Special Session in the Joseph Ronnie Rogers Council Chambers in Regular Session on Wednesday, February 21, 2024, for the purpose of discussing a public emergency matter in Executive Session.

PRESIDING: Mayor Archie Campbell

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

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

COUNSEL: Solicitor David Rutt, Esquire

ABSENT: Councilmember Andrew Fulton

#### CALL TO ORDER

Mayor Campbell commenced the meeting at 7:02 p.m.

#### PUBLIC COMMENT PERIOD PRIOR TO MEETING

Solicitor Rutt read the Public Comment rules into record.

Larry Passwaters of 5823 Griffith Lake Drive, Milford stated the following:

Eminent domain is a part of the Fifth Amendment often referred to as the Takings Clause written into law in 1791. As part of the original nine amendments to the Constitution. We now refer to those nine amendments as the Bill of Rights. Described as protections under the law for the public. In our then quickly growing nation, there were hurdles in the form of property needed to expand our infant nation. It was growing. Property being fiercely protected by some, and other property being held by inscrutable speculators who saw the country's growth as an opportunity to get rich at the very expense and the detriment of the country itself. Hence, the eminent domain or taking clause which allowed for the expansion of the country through legal channels. But the Constitution clearly states that any land taken for public use must not be done without just compensation. So, we have two clear legal issues here. Number one. The right of the state to take like land by legal means for public use. Number two. The right of the property owner if their land is taken to receive just compensation. But I think there's a third issue. Underneath the legal writings that hold as much legal weight as far as the Milford people are concerned, and in this state in the City of Milford, does it need the property to maintain the integrity of its domain. We respectfully offer to this council that it does not need it. We come to you today on behalf of the City of Milford, represented by the people who live here both in the city limits, as well as outside the city limits, who have a Milford address, with an impassioned plea. For his body of lawmakers and city manager, to rescind the motion and the vote which put into action the quest to acquire the land in question. The land that Annette Billings has been forced to defend so valiantly. It is an impassioned plea, and we ask you rescind it. We saw in the city reply that input was offered from the city. What would make Milford a better place to live? And in that you said that there were a lot of comments relative to parks, etc. What we wonder, if you had included in that query of the people, and if you would have said to them, that to give you these parks, we would take the property of your neighbor. I wonder then what kind of reply you would have gotten. We live in a beautiful country. A beautiful country that includes a Chesapeake Bay and the Grand Canyon. The California coast and the Alamo. From the Badlands to the Florida Keys, everyone, even folks in other countries would attest to the beauty of this land. And it's been here for millions of years. But it's only been a great country for 248 of those million years. We believe that this body of lawmakers and hired managers has been forgotten. Not through miles. That this great land is not made by land alone It's made by the people who walk on that land.

Sarah Donald of 38 Lexington Drive, Milford, stated the following:

I had hoped to speak at the last meeting, but time was short, and I honestly believed that the City Council would seriously consider the feelings of the residents. But after watching people and I have the pictures, checking their manicures, closing their eyes, and rolling their eyes. I felt the need to express my disgust with counsel. I also have questions about "changes in future use including basketball courts, a pool on proposed private unannexed land around town." Many of these people have similar stories to Annette. Except they thought that when they said no to the city, the city left. Little did they know that they were just setting targets on them for later. Yes, the residents have done their research, and the secrets are coming out. I lived in Sussex County nearly all my life and moved to Milford to start my own family in 2013. When I was looking for my first home, I remember telling my real estate agent I wanted a home I never had to move from. One big enough for my kids, close to everything I need and with a community strong enough and close enough, that my kids would grow up knowing their neighbors and feeling safe. If we're being honest, at the time, it was my budget that made Milford the place to look. But with hope for a bright future, we moved and had our children and soon the people of Milford and the annual events defined us as a family. We've wrestled with the idea of moving for many reasons, however, it is truly wanting to be part of the Milford community and something bigger than ourselves, it has kept us in Milford until now. You see my 8-year-old daughter grew up here. And her best friend owns a few farms around town. The lady down the road lets her daddy hunt her land. And her daycare people are the same people that she spent her weekends with at the local campground. The people in the community are her extended family. And when asked about all these meeting conversations about land and city council, my 8-year-old, right here, asked why is everyone so upset about land? I'll give you my response and then I'll give you your time back. So, before you take it, I beg you to answer the questions that I cannot answer. When asked about the land, I responded, well, honey, the city council, she asked you that was and I told her that the people in charge of trying to make the city better, decided they wanted to put in a bike path. They asked this lady who had lived here for a very long time if they could buy her land for it, and she said no. She said no because sometimes when people get, and families die, they leave land to their children to help them instead of money. And that's what this lady wanted to do. When she told that to the city, the city didn't like it and they used a rule that was not made for this to take her land from her. Since you wouldn't give it to them. To which my daughter responded, how can they take that land? That doesn't seem very nice. Will they steal ours too? What about where daddy hunts? These are all questions that I cannot answer. My 8-year-old. I can't explain why grownups can steal land, but she can. I can't explain that she shouldn't worry about the city coming for properties, including ours, when they're clearly marked on a map, in red, and we are not annexed into the city. I can't explain why the very same people charged with making a city better and a happier place would choose something that hurts the people of this city so much. So please tell me, as a Milford mother, how do I respond? Miss. How do I make my child feel safe?

Solicitor Rutt said Ms. Donald's time was over and she was cutting into other people's time.

Ms. Donald then said you are cutting into my child's life. So, let's talk about it. Tell me how to keep a child out of adult matters, but you're staring in the face of the next generation unless you run everything that is good out of this town.

James J. Weller Jr. of 10243 Webb Farm Road, Lincoln City, said the following:

I want to say thank you all. I appreciate all the people in this room here, and here, and everywhere. I am a tax paying citizen and I want to share a couple of thoughts. When I had grandkids, it started making me look at my decisions differently. They weren't based on just what I wanted any longer. They were based on these little witnesses behind me, my grandkids watching, how I act, how I drive, do I wear the seat belt? Do I text and drive at the same time? I want to encourage all of you. You may have grandkids, you may not, you may have children, you may not. But you must think about how you live your dash, between the day you're born and the day you die on your tombstone, there's going to be a dash. And I want you to think about, do you truly, truly want to take this lady's land. To you all,

it's just dirt. It's letters on paper. To her it's her land, it's her family's land. It matters. It's not like a car accident and you get your car fixed and it's all made whole. You can't make her whole after this. So, you are responsible. I want you to know that. Your faces are going to be remembered, your names are going to be remembered, it may be legal, but it doesn't mean it's right. I want you to think about that. I also want to apologize if you feel I've said anything negative in the public, all I have asked people to do is pray for you. I want your hearts to soften. I want you to be willing and able to when you go in session and say, you know what, I've thought about it. I've thought about it. This ain't right. It may be legal, but it isn't right, and you want to think about would you want this etched on your tombstone. You're putting a black eye on Milford; the employees of Milford are hearing a lot of grief. There are businesses that are starting to suffer because people don't want to deal in Milford any longer. People are not going on a move here. Businesses are not going to want to move here and Archie, I'd like for another five minutes since you're the one that can extend it. I'm asking for some more time here, but I'm not knocking on you. I'm saying your good people. And I just want you to understand. I want you to continue to be good people. I want you to search your hearts, not the person to your right, not the person to your left. Because at the end of the day, when you lay your head on your pillow, you're going to be accountable to your maker at some point for this decision right here. Do you really truly want this to be said at your funeral? Oh, by the way, by the way, you know, they were the ones, they were the ones. Because for Annette, once you do this, you can't undo it. You cannot undo this. This isn't a decision. You've got your opportunity now. You could throw your hands up right now and say, you know what? I'm done. I am not for this. You can do it right now if you want, it's okay with me. I'll yield my time to you. Other than that, I want to say thank you. I am praying for all of you and I want you to pray to Annette because when you are done with this, she's got to live with it. You're making the decisions that she's got to live with. Other than that, I got one request. I want to take a selfie with all of you in the background just for the heck of it. Give me a thumbs up if you would. Thank you all. God bless you and be safe.

Bill Sharpe of 16857 Staytonville Road, Sussex County, stated the following:

Every person here took an oath of office. That oath of office wasn't to the City of Milford or to the counties or the state or even the United States of America. You took an oath of office to the Constitution of the United States of America. And that's to protect the people of this nation. Protect the people from all enemies, foreign and domestic. Do you want to become domestic enemies? Because that's how you're acting. You're acting like domestic enemies. Are you familiar with federal criminal code US 18-241? That's conspiracy to violate someone's rights under the color of law. Statute codes, rules, regulations, executive orders are not law. It's the color of law. I can stand here all night and tell you, thing after thing after thing about the law. I can also tell you that you don't have an attorney that has a license to practice law. Because no attorneys have license to practice law. None. No state in the country has it. In ten years from now there could be 13 different people sitting here deciding the fate of your property or your children's property. Do you want that to happen? I would say to you. Look up the history of Athens, Tennessee 1946. There was a revolution there when the people stood up against the local government. Because the local government was out of control. And the people had had enough. God bless you and have a good day.

Lucius Webb of 20516 Sapp Road, Milford, stated the following:

This is almost unconscionable. We have a meeting like this tonight. Unfortunately, it's very costly to protect one's rights and her basic rights--that's basic rights. Life, liberty, and pursuit of happiness are what we're talking about that is more than just the right to keep her land. It's very costly to keep your rights. Some give their lives in this country, and you can see that saying by Dover Air Force Base. You've seen that. Some give a little, some give all. I am willing to give you some. A good check to help her in her defense against those who have perpetrated us against her. I ask and pray for you all also.

Joe Wiley of 202 Lakeview Avenue, in Milford stated:

I've been recently to two meetings that's been overloaded with people standing out in the hallway and people filling the room up. It appears to me it is because of decisions that council is making that maybe the public's not particularly happy with. I was at the one with the homeless village and now we're at this meeting where you have many people coming to express their interest in things. There are things that you can do that by law can be done. But it doesn't always mean that they are really the right thing to do. I think this is one of those cases where just because you can take somebody's land, and you should really have to take it for a real need, something that's, for public good. But when you take property just for something trivial, I think that you need to ask yourself this question. Should you take people's property for a trivial thing that it's just something you want to do. It is not something you really need to do. When you take somebody's property, it shouldn't be for something you just want. If you were going to put yourself in Annette's position and you need to realize that this same thing could happen to you. Somebody could take your property, or somebody could take your family's property. They could take your children's property. That is not really the right thing to do if there isn't a true need for it. He is asking that tonight, when you get into executive session, or you could do it now, if council thinks they have made a decision, and we all do this, and everyone makes these decisions and then it turns out it wasn't the right thing to do. All you have to do and there is an attorney sitting right there, just ask the attorney how to undo this. Have him give you the instructions. He is only asking council to reach into their heart and ask those questions. Be sympathetic to the fact you are doing this to Annette.

Ed Williams of 118 Madison Avenue, Lewes stated:

I saw some articles in Facebook last week about Annette's situation and reached out to her last week and met with her today. A very quick brief background. I'm an acquisition manager for federal projects and public private/partnerships. I've acquired Hundreds of parcels over the last seven years in Maryland, Delaware, North Carolina, Virginia. My main job is to make sure that acquisitions are done properly in accordance with state and federal guidelines. And I have to say that this project and this acquisition does not appear to have adhered to Delaware and federal guidelines. One of the first things I see and I'm not speaking about valuations or anything like that. Annette was not offered an opportunity to meet with the appraiser. She may very well have refused, but she was not offered an opportunity to meet with the appraiser. If she had done so, she might have shared with him whether he knew the zoning code and the comprehensive plan or not. That she could do a cluster subdivision on that property in the AR zone And of the 10% required open space for such a project, she could actually donate or she could dedicate open space, part of that non-title wetlands, which you all seek to acquire. Now if that's gone, she has to dedicate buildable land. So, she's probably going to lose some density. How much is a raw building lot worth in close proximity to Milford. A hell lot more than \$20,000 to \$25,000. I would suggest that instead of taking the ready game fire attitude, this very well may be a project that you all want to pursue, but you need to take a step back. Go through the proper documents. Have the appraiser go out, who has a one-year-old appraisal now, which hasn't been updated for the change in markets since April 2023. And you also need to give her an opportunity to share what she thinks the property might be worth. When she does that. Also, I'm not sure if there's been a phase one or phase two environmental study of the property or not, but we know there are otters, muskrats, beavers, migratory water fowl and shore birds. It may not even be a buildable property. My last comment is that if you're building a ten-foot bike path, you don't need to acquire eight acres. Federal law was very clear that you cannot condemn more property than is needed for the public project. I don't think any competent, eminent domain attorney would have a problem vacating or taking over if it hasn't followed all the proper procedures. I would urge you to go back, look at that, reevaluate what you want to do, then reach out to her again with the proper documents and communication. Thank you very much.

Mayor Campbell announced Council is going to go into executive session. He then opened the council meeting and asked for a motion.

#### EXECUTIVE SESSION

Councilmember Wilson moved to go into executive session, seconded by Councilmember Boyle. Motion carried.

Motion carried.

Mayor Campbell recessed the Council Meeting at 8:32 p.m. for the purpose as is permitted by the Delaware Freedom of Information Act.

*Return to Open Session*

At 8:34 p.m., Councilmember Boyle moved to return to Open Session, seconded by Councilmember James. Motion carried

Councilmember Fulton moved to enter into settlement negotiations with Annette Billings, seconded by Councilmember Boyle, who stated negotiations are always preferable.

Councilmember James asked the meaning of the motion; Councilmember Fulton said the intent is to enter into negotiations with Annette Billings for a sale of a portion of the property at a rate that is more equitable and market value closer to the other Sharp land previously purchased.

Solicitor Rutt asked if the second still stands, and Councilmember Boyle said yes it still stands.

Councilmember Wilson said she wants to make another motion, based on the result of the pending motion.

Mayor Campbell asked for a roll call vote:

<u>Yes</u>	<u>No</u>
Marabello	Culotta
Boyle	Samaroo
Fulton	James
Baer	Wilson

Mayor Campbell was required to vote due to the 4 to 4 tie. Mayor Campbell then voted no.

Motion failed by a vote of 5 to 4.

Councilmember Fulton asked to make another motion, though Councilmember Wilson was waiting to make a motion.

Councilmember Wilson moved to terminate imminent domain, seconded by Councilmember James.

Motion carried by the following 6 to 0 roll call vote with two councilmembers abstaining:

<u>Yes</u>	<u>No</u>	<u>Abstain</u>
Fulton		Marabello
Culotta		Boyle
Samaroo		
Baer		
James		
Wilson		

Councilwoman Wilson followed her yes vote, with the following statement:

I want to address the concerns raised by the residents regarding allegations of the City Council attempting to acquire property through eminent domain. Having served the city of Milford for over 30 years. My reputation. Is of utmost importance to me. And being labeled as a thief is deeply troubling. After hearing Ms. Billings testimony, I was struck by the realization that the information I lacked, the humanistic value, it should have possessed. I want to emphasize that stealing someone's land goes against my principles and values. To steal someone's land is something that I would never be a part of. This behavior was a normal process for my ancestors who did not have any choice or retribution for such actions. The decision made by City Council to explore the possibilities of extending our parks was based on our comprehensive plans and aimed at enhancing our community space. Why fully support the idea of expanding our parks? I want to make it clear that I do not condone the notion of taking land unjustly. To those employees who have been attacked for simply carrying out their duties. I extend my sincere apologies. It is unfair to them to be targeted in this way. Ms. Billings, I wish you had come to this city years ago to express your needs and wants. To all those who support Ms. Billing's mission, I understand your objectives. But I urge you to refrain from adopting a negative tone that may come across as bullying or intimidation. Constructive dialogue and cooperation are keys to finding a solution that benefits everyone going forward. In conclusion, I assure you that I remain committed to serving the City of Milford with integrity and transparency. And I am dedicated to finding solutions that uphold the value of our community. Thank you.

ADJOURN

Councilmember Boyle moved to adjourn, seconded by Councilmember James. Motion carried. Mayor Campbell then adjourned the meeting at 8:42 p.m.

Respectfully submitted,

Terri K. Hudon, MMC  
City Clerk/Recorder

CITY OF MILFORD  
COUNCIL MEETING MINUTES  
May 28, 2024

The City Council of the City of Milford met in the Joseph Ronnie Rogers Council Chambers in Regular Session on Tuesday, May 28, 2024.

PRESIDING: Mayor F. Todd Culotta

IN ATTENDANCE: Councilpersons Dan Marabello, Madula Kalesis, Nadia Zychal, Lori Connor, Nirmala Samaroo, Katrina Wilson, and Jason James Sr.

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

COUNSEL: Solicitor David Rutt, Esquire

ABSENT: Councilmember Michael Stewart

#### PUBLIC COMMENT PERIOD PRIOR TO MEETING

At 6:00 p.m., the Public Hearing comment session commenced, after which Solicitor Rutt read the public comment rules into record.

Nina Pletcher of 428 South Walnut Street talked about the shortsightedness of not hiring a full-time economic development/public information position. Economic development was identified as a priority in our current strategic plan, and she doesn't understand how this council plans to have a viable economic development plan without a full-time employee in the position. She spoke about the new Milford Corporate Center on Canterbury Road being developed and Emory Hill being hired as one of the outside entities to assist with its development. Milford's current staff is already to capacity with tasks and shouldn't be asked to take on any extra workload. Also mentioned was the utility newsletter that has not been done since the previous person in that position left. She also asked if those with complaints that are allowed to speak during communications need to be Milford residents.

Dave Wilson of Lincoln, stated his purpose for being here this evening to discuss some proposed legislation that was inspired by the recent event that transpired with the Annette Billings case. This legislation would provide a layer of protection for land owners in the future by preventing similar situations from occurring. This legislation would prohibit the City of Milford from condemning property outside the town limits though it would not prevent condemnation within the town limits of Milford. The city would still have the ability to acquire property inside and outside the city limits or request a property owner annex into the city. This Charter change will be introduced by him as the Senator of the 18<sup>th</sup> District though his intent is not to strong arm anyone and wants to be upfront with the information. Representative Bryan Shupe will be supporting the legislation as well. He wants to prevent similar situations from occurring and noted that the end of the legislation term is quickly approaching on June 30<sup>th</sup>. He asked that City Council consider this bill and prefer they move forward on with together.

With no one else wanting to comment, the comment period was closed.

#### CALL TO ORDER

Mayor Culotta called the Council Meeting to order at 6:13 p.m.

#### INVOCATION AND PLEDGE

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

#### MONTHLY FINANCE REPORT

Finance Director Lou Vitola referenced the April 30, 2024 financial statement is included in the packet. He shared that cash has been relatively stable especially in the general fund. He anticipated more of a dip, though instead cash looks good.

This time of the year, he usually puts less stock into the reserves page. Being a month away from having a new budget and the way the reserves are structured, it is dynamic with changes in budget levels, budgeted revenue levels, expenditures, the capital plan, and so forth. That will be entirely overhauled as we approach the 25 budget.

In terms of the P&L, both the governmental funds and utility funds are ahead of the budget. But behind when compared to the relatively strong 2023. Being a little bit ahead of the budget, not by a ton, is a recurring theme across departments. A lot of the departments and divisions have budget increases versus the prior budget and when compared to the 24 budget and comparing the increases to the projection, based on the savings in 24 remain under budget in a lot of areas.

Councilmember Marabello moved to accept the April 2024 Finance Director, seconded by Councilwoman Wilson. Motion carried.

*Authorization/Westwood Subdivision/Planned Unit Development and Preliminary Major Subdivision Extension 2*

The applicant proposes to construct a 340-unit Planned Unit Development consisting of 182 single-family detached dwellings and 158 single-family semi-detached dwellings as shown on the preliminary major subdivision plans.

Planning Director Pierce presented the Westwood Subdivision #2 extension. Applicant Ribera Development LLC received the initial Preliminary Major Subdivision and Conditional Use approval from City Council on April 25, 2022 and a request for an extension was approved by Council in April 2023. The approval letter is included in the packet.

He then reviewed the agency approvals noting the only outstanding issue is their Kent Conservation District approval for stormwater design.

The applicant resubmitted final construction plans to the city for review on April 12, 2024 and Planner Pierce will be scheduling the final public hearings before the Planning Commission and City Council at one of their upcoming meetings. It was reviewed by the Planning Commission at their May 2024 meeting who recommended the extension by a unanimous vote of those in attendance.

Representing the application was Alan Decktor, PD, of Pennoni Associates Incorporated of 18072 Davidson Drive, Milton, Delaware, also Project Manager of the Westwood Subdivision. He put together a timeline of the project, noting what has been added from a year ago is in red. He explained that most recently, they had waited approximately seven months for the DNREC wetlands permit, which ended being an approximate 18-month delay though that was received in the fall. With basically everything addressed, in December, Kent Conservation District asked for a third-party engineer's review due to the very complicated stormwater design. That plan includes thirteen ponds, a combination of wet infiltration and dry facilities, along with existing ditches cutting through the property.

That third party review took the past four months, though final approval has since been received. Currently, they are waiting for that final approval letter and the reason for the second request for an extension this evening.

Councilman James questioned the need for this to be scheduled for another public hearing before Planning and Council for final approval. He recalled the amendment to our code that allowed final approvals to be handled administratively if everything is substantially complete with no changes. Planner Pierce said he is wrapping up a handful of applications that were submitted prior to that ordinance amendment for administrative approval.

Councilman James still questions why it is necessary to have the applicant go back through a public hearing process and in his opinion, it seems contradictory. He understands the timeline, but asked if something can be considered to prevent these bodies from looking at this application again.

When asked if a year's extension is long enough for a subdivision of this complication. Planner Pierce also reported the subdivision code was also amended to change the extension time frame from one year to two years. It was again confirmed that council granted a one-year extension in April 2023, and this would be the last subdivision that started under the old code with the restricted one-year extension timeframe. No additional applications pending that fall under the old criteria.

It was confirmed that this second extension would expire one year from today.

Councilmember Marabello moved to authorize the one-year extension of the Planned Unit Development and Preliminary Subdivision for the Westwood Subdivision beginning this date, seconded by Councilmember Wilson. Motion carried unanimously.

*Introduction/Ordinance 2024-06/Amends Chapter 197/Streets, Sidewalk, Storm Sewers, and Other Public Places by Adding a new Article X*

Electric Director Tony Chipola explained this is a simple ordinance that permits a fee to be charged for the Electric Vehicle charging station. The following ordinance was introduced and is scheduled for a public hearing and final determination at the June 10, 2024 Council Meeting:

Ordinance 2024-06  
Amends Chapter 197 – Streets, Sidewalks, Storm Sewers, and other Public Places

Chapter 197 – Streets, Sidewalks, Storm Sewers, and other Public Places

Whereas, it is City Council's intent to inspire new technologies that create more sustainable communities, while reducing dependence on environmentally costly practices;

Whereas, Electric Vehicle chargers were needed in the downtown corridor to aid residents and visitors attending the City's Farmers Market, Public Library, Riverwalk, and other local shops and restaurants;

Whereas, Milford's location between major transportation corridors attracts drivers in need of public Electric Vehicle charging who are traveling on State Route 1 and US Route 113;

Whereas, the Electric Division of the City of Milford began pursuing public Electric Vehicle charging in 2022 through the application of a DNREC DC Fast Vehicle Charging Station Grant;

Whereas, the grant application was selected by DNREC for funding from the VW Mitigation Settlement Fund for the purpose of installing two Fast DC Chargers in the City Parking Lot adjacent to Northwest Front Street and Park Avenue;

Whereas, the City Council found it appropriate to create a comprehensive document which incorporates most, or all fees charged for services, by the City of Milford;

Whereas, on March 28, 2022, the City Council of the City of Milford adopted Resolution 2202-03, directing countless fees to be removed from various chapters within the City of Milford Code, along with other fee schedules, into one document entitled City of Milford Comprehensive Fee Schedule.

Section 1.

Now, Therefore, be it Resolved, a new Article X, entitled Electric Vehicle Public Charging Station and User Fees, will be added to Chapter 197, and such new Article X shall read as follows.

***Article X - Electric Vehicle Public Charging Station and User Fees***

Section 2. A new Section 197-36 is hereby added, along with Subsections 197-36(A), 197-36(B), 197-36(C), 197-36(D), 197-36(E), to read accordingly with new language indicated in bold italics.

***§ 197-36. Purpose, Payment, and Fees***

***A. Availability. Designated electric vehicle charging stations will be made available by the Electric Utility for public use within the corporate limits of the city at the user rates set forth in this Section.***

- ***Applicability. The fees set forth in the City's Comprehensive Fee Schedule shall apply to all public electric vehicle charging stations owned and operated by the Electric Utility.***
- ***User fee rates. Public electric vehicle charging station service user fees will be provided and billed on a per session basis as follows:***

***\$1.00 per charging session plus \$0.34 per kWh***

***See City Comprehensive Fee Schedule for associated fee(s).***

- ***Payment of fees. Payment for electric vehicle charging station services will be collected directly from the customer at the point of service (the charging station or City facility at which the charging station is located) through credit cards or other payment processing services.***
- ***Associated Fees Moved to Comprehensive Fee Schedule. Fees referenced in §197- 36(C) shall be removed from this Ordinance and inserted within the City of Milford Comprehensive Fee Schedule and is subject to future updates authorized by the adoption of a resolution of City Council.***

Section 3. Council Action Dates.

Introduction May 28, 2024

Public Comments & Projected Adoption June 10, 2024

Effective Ten days following Adoption

*Adoption/Resolution 2024-10/Schedules FY25 Property Tax Appeal Hearing*

As part of the annual Property Tax Billing process, the City Charter requires An Appeal Hearing be scheduled for those property owners who wish to appeal the valuation of their property.

The hearing will be held on Monday, July 22, 2024 at 6:00 p.m. in the Council Chamber. Those who wish to appeal must contact Customer Service prior to 4:30 pm on Monday, July 8, 2024. Questions can also be directed to 302-422-6616.

RESOLUTION 2024-10  
Schedules Board of Revision & Appeal Hearing

WHEREAS, the provisions of Article VII, Section 7.05 of the Charter of the City of Milford state that Council shall cause a copy of the General Assessment, as adjusted, to be posted in two public places in the City of Milford and there to remain for the space of ten days for public information; and

WHEREAS, attached to said copies shall be notice of the day, hour, and place that Council will sit as a Board of Revision and Appeal for said General Assessment.

NOW, THEREFORE, BE IT RESOLVED, that on Monday, July 22, 2024 at 6:00 p.m., the City Council of the City of Milford will sit as a Board of Revision and Appeal for the 2024-2025 General Assessment.

*Review/City Charter Amendment/Subsection 3.01/Enumerated Powers/Eminent Domain Prohibition/Unincorporated Properties*

Mayor Culotta presented the Charter Amendment for the eminent domain prohibition of non-city properties. As Senator Wilson discussed, some language was developed by him and supported by Representative Bryan Shupe, that Council considers this language which prohibits eminent domain outside the city. Presently, Council has the authority to take property outside the city. There is no process within the county to approve or disapprove it. For example, the county is not aware of any annexation until the property tax records are changed.

Any property owner outside the city is at risk of the city being able to legally take their property. He would like to see a limitation that would prevent land from being taken for recreational purposes. Eminent domain should only be used for true public needs such as water, electricity, and sewer matters.

He also pointed out that eminent domain should be the absolute last course of action. Though it has been stated there will be no more eminent domain by the previous administration, that does not prevent it from happening again in the future.

Councilman James agrees with the Mayor Culotta in that eminent domain should be very restrictive and used in a rare instance for items of public need such as infrastructure, roads, utilities, etc. Then, and only then, and after every other avenue has been exhausted with the property owners should it be considered.

However, Councilman James also talked about the possibility of new roads when needed. Further consideration of that situation may also be considered. Regardless, there is a need to add more restrictive language to the charter. He also recalled that prior to this Mayor's election, a Charter Review Subcommittee was appointed, and recommended this be reviewed by that body.

Councilwoman Kalesis asked if this language that will be added to the charter as was submitted by Senator Wilson. She also does not agree to eminent domain when it comes to a park or a bike path, but reasons such as schools, roadways and other more urgent items are reasonable. She agrees the charter language should be much more restricted, though we should not abolish eminent domain completely.

It was agreed by council that taking land using the eminent domain process for recreational purposes is inappropriate.

Solicitor Rutt then explained the three methods of changing a municipal charter, which includes a bill being presented by a member of the general assembly which required adoption in each house by a 2/3 vote.

The eminent domain process was also explained in detail by the Solicitor. He also noted that eminent domain is embedded in the Delaware Constitution in that governments can acquire property through eminent domain by paying just compensation if for public use.

Councilwoman Connor asked if the recreational land restriction will apply to properties inside and outside the city, thus allow the taking of land only for public safety issues such as roads, utilities, etc., or will this only be restricted to those reasons for outside the city; she thinks there is a need to give reassurance to Milford's citizens.

Councilwoman Wilson believes eminent domain has its own place both inside and outside a city, though some restrictions are needed.

Mayor Culotta asked that Council think about how they prefer this to be phrased before it is addressed by the Charter Review Committee. The committee can review the suggestions, after which a final decision can be made by council before it is sent to the General Assembly.

Councilmember James emphasized the need for restrictions, but its use seems appropriate for utilities or infrastructure. Anything related to recreation should be done at arm's length and only through discussions with the

property owner. That in his opinion is a 'want', but electric, water and sewer are needs. He wants parks but not through eminent domain.

Councilwoman Zychal stressed the need for clarity in the language and assurance there is no ambiguity or gray area(s). She, too, is in complete agreement that eminent domain should only be used for a true need and not a 'want'. She also recommends there is no conflict in what the county allows, and the City of Milford allows.

#### ADJOURNMENT

There being no further business, Councilwoman Kalesis moved to adjourn the Council Meeting, seconded by Councilwoman Zychal. Motion carried.

Mayor Culotta adjourned the meeting at 6:48 p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder

CITY OF MILFORD  
COUNCIL BUDGET WORKSHOP MINUTES  
May 29, 2024

The City Council of the City of Milford convened in a FY25 Budget Workshop on Wednesday, May 29, 2024, beginning at 6:00 p.m.

PRESIDING: Mayor F. Todd Culotta

IN ATTENDANCE: Councilpersons Dan Marabello, Madula Kalesis, Nadia Zychal, Lori Connor, Nirmala Samaroo, and Katrina Wilson

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

COUNSEL: Solicitor David Rutt, Esquire

ABSENT: Councilmember Michael Stewart and Jason James Sr.

*PUBLIC COMMENT PERIOD PRIOR TO MEETING*

The comment period began by Solicitor Rutt reading the rules into the record.

Milford Public Library Director Lea Rosell said she previously oversaw the Lewes Public Library and was hired as the Director of Milford's library. She recalled doing a presentation before Council in October at which time they requested \$40,000 in support. However, the budget shows an amount of \$28,000. She asked how the different numbers are determined and finds questions Milford Museum's allocation is \$40,000, while the library served 113,000 people the last fiscal year. And asked the mythology for increases and decreases and whether additional information is needed. She also talked about how libraries are integral in a community, and how violence and crime is related to reading failure and provided stats on prisoners who are unable to read above a 4<sup>th</sup> grade level, etc. She expressed concern about the level of support and asked for more information on how the numbers are decided on. And asked that information be provided to her.

No one else spoke and the comment period was closed.

Review and Discussion of Proposed City of Milford FY25 Budget

*FY25 Proposed Budget Review (continued)*

Finance Director Lou Vitola said a personnel update was done and hearing some of the discussion last night, the Economic Development/Public Relations position was added back for the full year. The FTE chart and total city-wide salary, wages, and the expenditures total have been updated since yesterday.

Additional changes can be discussed further into the budget.

*Electric*

Director Tony Chipola presented the electric budget noted that the total expenditures is about a 3.2% increase in FY25. The cost of doing business has increased and have found large substantive material increases and things of that nature. However, they are trying to keep their budget within a manageable range.

The overall headcount shows a reduction of 1.2 FTE's (full-time employee), which is the arborist and arborist helper, which reduces the number by two, though an additional part-time position is being requested in FY25 which is the reason for the 1.4 FTE's.

The overall O&M is up 3.7%, excluding personnel, and includes cost allocations, etc., which accounts for about a 4.2% decrease when compared to FY24. The larger driver is the additional substation work that is needed. Some equipment has been identified that was showing signs of degradation for those substations.

The substation O&M budget has a slight increase. That includes battery replacement, some bushing repairs on the T-1 transformer out of the Delivery 1 Substation. The distribution transformers will cost well over \$1 million. Included in the budget is the replacement of a bushing to prevent any kind of catastrophic failure on that end.

Some additional training is needed that comes with adopting new technologies. They also hired an assistant engineer that was recently hired who will be requiring some training and education, which is important in getting the most out of that employee in the future with the goal of bringing more work in house as opposed to contracting work out which is being done now and at a premium cost.

### *Water*

Public Works Director Willis Shafer then highlighted a few of the budget lines and some of the CIP projects. O&M is artificially high and had some savings due to unused maintenance funds. They anticipate a lot of the budget is based on the maintenance and/or materials. Throughout the year, there are generally savings or unused funds.

A scrubber is needed in the water pump stations and continued excellence in water loss reduction.

Public Service Superintendent Steve Ellingsworth talked about the continued excellence in water loss reduction. Every year they do unaccountable water by tracking the fire company use, water leaks, and hydrant flushing. The difference between the raw used and the actual billed amount. In the past two to three years by 15% which is where the state favors. Last year, they were at 8.2 compared to other towns in the 30 to 40. They will continue to track the water losses as best as they can.

The Public Works Director then noted that training was increased due to sending a staff member to the APWA Conference.

The street restoration is used for contract road repairs due to large water breaks. This year there were only five small breaks which did not require any funding.

### *Sewer*

Again, Director Shafer reported savings in O&M with unused funds again noting that the budget is based on anticipated needs though that usually becomes savings by the end of the year.

Two large projects will be done this year. The Truitt Avenue I&I (inflow & infiltration) study recommendations will be implemented.

Three to four pump grinders will also be added to pump stations.

Contract services include twelve generators that need maintenance.

Studies will continue to help reduce I&I throughout the city.

### *Solid Waste*

Director Shafer said over the next few months, they will be equipping the solid waste refuse trucks with tablets to be more efficient and accountable for daily collections.

The only line item that increased is the O&M trash containers. They acquire about 500 replacements a year and provide containers to new developments for a purchase of 700 containers per year.

### *Public Works*

The public works line deals with public works administrative staff and the engineering division. There are several projects the engineering division will be overseeing. One is a multi-million-dollar road rehabilitation project and countless oversight of new developments throughout the city.

Director Shafer talked about training, noting that engineers require annual continuing education classes. A number of employees are being sent to conferences for educational opportunities.

The software line increased due to the need for updated software programs such as Office 365, an engineering management software program, Comcast, and weather software that allows the engineering division and the street division to monitor weather events.

The supply line increased due to public works events due to the need for additional chairs and other miscellaneous supplies.

Office equipment line item also increased which allowed the purchase of a conference room tables, chairs and a projector.

Director Shafer confirmed that there are five employees in the engineering division, and referred to the various training opportunities they will attend this year.

In street maintenance/environmental compliance, the budget went from \$1,800 to \$14,000. Director Vitola explained that involves street sweeping material that often includes sand, deicing materials, leaves and miscellaneous debris. Those collected materials often contain pollutants and they are required to be tested before they can be disposed of to determine if they are hazardous.

He will find out why there was a substantial increase and why it was never spent.

It was confirmed the trash containers are \$67 each.

### *Garage*

The Public Works Director explained that budget has increased based on the best educated estimates for the needs this fiscal year. Due to the supply chain, things are increasing substantially.

He shared that training was increased to keep the two mechanics up to date on all required certificates and there is a plan to send one of the employees for an outside training opportunity.

The other increase is in software maintenance and is based on the fuel master update and miscellaneous diagnosis devices that allow them to analyze mechanical issues.

The other increase is based on the purchase of an air conditioning recharging machine and a transmission flushing machine.

It was confirmed that an additional mechanic was hired in FY23-24.

### *City Hall*

City Manager Whitfield explained that city hall has a cost allocated budget. The salary and benefits are attributed to the building maintenance person based on the time he is needed at city hall.

Operating and maintenance has decreased over the past several years though city hall needs to be painted.

The copier expenses were combined into one line item and are allocated to all employees in the building.

Building security is a large expense to ensure they are operating.

Coordinating and improving the projects are needed because of the ongoing council meetings and other public meetings that are held at city hall, which according to the City Manager is always a challenge.

### *Tech Services*

Electric Director Chipola noted there are only minor changes and is showing flat versus the fiscal year 24 budget. Personnel costs are up 12.5% and O&M up about 7%, which is a small decrease from the FY24 budget. The main driver is the need for meters that are purchased and installed out in the field and include water and electric meters and replacement plans.

They continue to work closely with the customer service team to ensure accurate metering and provide service excellence.

It also includes the SCADA which automates many of the processes for the water plants and electric, and sends alarms for trips, failures, etc.

### *Street Maintenance*

Public Works Director Shafer explained that road repairs, pavement markings, signage, pre and post event setups, water leak repairs, storm maintenance and many other duties fall under this division.

The O&M is up by about 12% due to supply issues and increased costs.

There are twelve wet ponds throughout the city. Three have been completed and nine remain. They are asking for \$110,000 to continue that pond rehab and make them functional. Over the next few years, they will be asking for between \$100,000 to \$125,000 in the storm drainage line.

The line increase is the street materials, which include cold patch and paving supplies for the markings.

Director Vitola added that the entirety of the stormwater maintenance rehab will be funded with accumulated reserves generated from stormwater charges at our business park and Independence Commons on Airport Road.

### *Police*

Chief Ashe presented the proposed FY25 budget. There is an overall increase of 18%, of which 11% is due to personnel costs. The department negotiated two collective bargaining agreements. One is the Teamsters contract for rank and file (police officers the rank of sergeant and below) and one for the police dispatchers.

They are one of very few departments that are fully staffed. Their retention rate is excellent due to their choice to outpace personnel costs. She talked about the big reduction in legal fees related to negotiations with the average of \$100,000 per contract though this year it \$30,000 less.

The O&M budget has an increase of 11.9% but compared to FY24 they are breaking even and saving money in a lot of areas.

Debt service, fleet, and building maintenance costs are all increasing 1) due to the take home car program, and currently maintaining two buildings (including the old police department).

The Behavioral Health Unit was expanded based on our resident's request to educate the officers in their response, along with compassion and empathy in their policing styles. She also hired a crime analyst and almost 20% of that grant pays for the crime analyst for the next two years.

In her first year as Chief, she determined that one of the major shortcomings was that no one in the command staff has ever been exposed to a budget, understood a budget, or could read a budget. They need to be taught fiscal responsibility that will include mandatory meetings for all officers by providing an explanation of overtime, its impact, and most importantly breaking the cultural habit of thinking there was unlimited overtime by relating to them from a personal standpoint.

Accountability measures are also being put in place for them to evaluate the budget and make sure enhancements are made to fill any gaps.

When questioned about the two additional dispatchers requested by Chief Ashe, she explained that a more responsible approach due to the increases in the personnel and healthcare costs, they were able to manipulate some of the dispatchers'

schedule and to have them floating between two shifts until such time the additional two dispatchers can be hired, providing three full time dispatchers at each shift.

*Police Enhancement Fund*

Finance Director Vitola talked about the police/general government enhancement fund that has generated over \$1.5 million to assist with police and governmental facilities. The first use was \$1 million for the new police facility which resulted in \$1 million in the overall debt amount. The fee paid for new construction is .75% for police/general government and .25% in the fire company enhancement fund.

He recalled at the end of FY22 cautioning council that the economic conditions were not supporting what was collected after was put into place but building picked up again and almost the entire \$1 million was used on the Becker Morgan Group design.

Director Vitola emphasized this fund cannot be relied on and it can only be used for specific purposes with Council approval.

*Vehicle Replacement*

Finance Director Vitola said he changed the police vehicle replacement schedule to eight years at the Chief's request. Also, a mower was removed from the vehicle replacement list because Parks and Recreation has taken over the maintenance of their yards.

Some minor corrections were also made to the list.

The City Manager confirmed the CIP has not been completed yet, so it could not have been added to tonight's agenda.

There being no further discussion, the Council Workshop concluded at 6:49 p.m.

Respectfully submitted,

Teresa K. Hudson, MMC  
City Clerk/Recorder

CITY OF MILFORD  
COUNCIL MEETING MINUTES  
June 10, 2024

The City Council of the City of Milford met in the Joseph Ronnie Rogers Council Chambers in Regular Session on Monday, June 10, 2024.

PRESIDING: Mayor F. Todd Culotta

IN ATTENDANCE: Councilmembers Daniel Marabello, Madula Kalesis, Nadia Zychal, Michael Stewart, Nirmala Samaroo, Jason James Sr. and Katrina Wilson

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

COUNSEL: Solicitor David Rutt, Esquire

ABSENT: Councilmember Lori Connor

**PUBLIC COMMENT PERIOD**

The Public Comment Period commenced at 6:00 p.m. after which Solicitor Rutt read the public comment rules into record.

Executive Director Linda Parkowski of the Kent Economic Partnership (KEP). She explained this is public private partnership and handles the economic development for Kent County. Since 2018, they have located over 46 projects creating about 1,500 jobs. She said that Milford was originally part of KEP though Milford did not have a business/industrial park then though there is one now. Dover, Smyrna and the smaller municipalities are all members. They go to conferences and trade shows where they represent Kent County. They do a lot of relationship building with site selectors and provide a site they may want to see and coordinate site tours. Every two years a congressional legislative bus tour is planned to look at industrial and commercial space. They conduct a lot of studies and work with the MPO. They also work with the site readiness fund, noting that the industrial park received \$1 million. They continue to work on future funding for industrial parks.

Annette Billings of 22726 Cedar Beach Road, Milford, said those in attendance should know her from the eminent domain case. She is present to respond and clarify a few things. Council was led to believe that she did not attend any meetings. Though she did not attend any official meetings, she had several conversations with Rob Pierce about his plan, and on at least three different occasions. She emphasized that Mr. Pierce knew the first time he went to her house that it was going to be a problem, because she informed him, that she prays for her brother, but she cannot accept his behavior. So, Mr. Pierce knew there was going to be a problem with the land. In regard to the trust, she has deeds, noting that the trust and estate was settled back in 2015. She hired James P. Sharp who is an attorney from David Rutt's law firm Moore and Rutt. Jamie Sharp represented her to deal with her brother and to explain the estate. In fact, it went to court and the matter was settled and has been closed for years. She pointed out that nothing can be done with that land, but then asked the city to allow her to buy it back and keep it as farmland, which was the original intent.

With no one else intending to speak, the public comment period was closed at 6:12 pm.

Mayor Culotta participated remotely.

**CALL TO ORDER**

Mayor Culotta commenced the meeting at 6:12 p.m.

**INVOCATION AND PLEDGE**

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

## ROLL CALL

Mayor Culotta noted the only member absent was Councilwoman Wilson.

## APPROVAL OF PREVIOUS MINUTES

Councilman James moved to approve the Council Minutes of the April 8, 2024 Council Meeting, April 17, 2024 Council Workshop, April 22, 2024 Council Meeting and Finance and Audit Committee, May 6, 2024 Organizational Meeting, May 13, 2024 Council Meeting, and May 28, 2024 Council Meeting, seconded by Councilmember Samaroo. Motion carried.

## RECOGNITION

Anna Keating was introduced as the City Manager's new hire and will be part of the City Management Fellowship through the University of Delaware.

*Proclamation 2024-17/Juneteenth Celebration*

Councilwoman Wilson read the following proclamation into record:

PROCLAMATION 2024-17  
Juneteenth Celebration

WHEREAS, Juneteenth, also known as Freedom Day, Jubilee Day, Liberation Day, and Emancipation Day, celebrates the emancipation of those who had been enslaved in the United States; and

WHEREAS, the nineteenth day of June is officially recognized as the day when enslaved peoples in Texas learned of the 1863 Emancipation Proclamation that had been issued by President Lincoln more than two years earlier; and

WHEREAS, The Juneteenth National Independence Day Act passed the Senate by unanimous consent on June 15, 2021, and the House on June 16, 2021, and was signed into law as Public Law 117-17; and

WHEREAS, the City of Milford is proud to celebrate Juneteenth and the history of emancipation in the United States; and

WHEREAS, recognizing this important holiday offers an opportunity for all of us to reflect on our history and commit to work together in becoming a more tolerant society; and

WHEREAS, the City of Milford had the privilege of observing its inaugural Juneteenth Celebration on June 19, 2023; and

WHEREAS, the fun-filled, high-energy event saw community members and families come together to honor the accomplishments, inventions, triumphs, and resiliency of African American, African, and Black peoples in this nation; and

WHEREAS, people from all over the region are invited again to join in the Juneteenth celebration in the City of Milford; and

WHEREAS, the creation, time, and efforts of 2024 Co-Chairs/Planners Katrina Wilson, Darron Johnson-Wilson., family and friends, along with many others, speak to the inspiration of Juneteenth and their dedication to fostering an inclusive community where every resident, regardless of their background, feels welcomed, respected and valued.

NOW, THEREFORE, I, F. Todd Culotta, Mayor of the City of Milford, Delaware, do hereby proclaim Juneteenth a holiday and celebration in the City of Milford and ask that we continue to stand together, hand in hand, to build a community that honors the past, embraces the present and creates a better future for generations to come.

*Update/Vinyard Shipyard/Dan Bond*

Dan Bond stated he and his wife live on Northwest Front Street and own the Towers Bed and Breakfast and have been operating that for the past 32 years when they moved to Milford.

He stated the packet includes a preliminary business plan for creating in Milford using the Vineyard Shipyard as this nucleus, a maritime museum that will preserve the city's rich heritage as a leading wooden shipbuilding center. The report is being prepared by Rick Farrell and Jennifer Legates under a matching grant provided by the Longwood Foundation.

In the 19th century more ships were built in Milford than any other town on the Delaware Bay. Shipbuilding made Milford and made it rich and politically powerful in the 19<sup>th</sup> Century. This shipyard is a national, historic landmark and the only privately owned facility that began operations in the 19<sup>th</sup> Century and remains operational today. All others have been turned into static/exhibit museums or destroyed.

He thanked Joan and Sudler Lofland for purchasing the shipyard in 1995 when it was about to be shut down and demolished. They brought it back to life and restored three of the historic yachts that made it famous in the 20<sup>th</sup> Century and gathered a collection of artifacts and documents related to Milford's historic Maritime history. Mr. Lofland also played a key role working with Tom Draper and Dave Burton by restoring several key historic buildings in downtown Milford, turning the city toward the river and being instrumental in creating the Mispillion Riverwalk we have today.

In early 2017, the Loflands were preparing to put the shipyard on the market and were ready to give some of its artifacts to other maritime museums. However, they instead offered to give a small group, interested in making it a public asset, time to raise the necessary funds to purchase it.

Mr. Bond became the chair of this project with Sher Valenzuela and Sara Kate Hammer as his co-chairs, along with about a dozen other people who called themselves the Vinyard Shipyard Task Force. They have been working since that time to raise funds to purchase the shipyard and convert it into a working museum.

Mr. Bond said he also has been involved in the rehab of several Milford historic rehabs. The latest project is the restoration of the old Carlisle Fire House on Church Street. He also completed other projects such as the Pikus Building on the corner of Walnut and Front Streets. Such restorations improve the city's tax base and make the downtown area more attractive and provide better housing and commercial spaces for downtown occupancy.

Ms. Hammer has been active in various organizations, including President of Downtown Milford, the Milford Music School and Milford Second Street Players. Ms. Valenzuela owns First State Manufacturing, a business started in Milford 27 years ago and is now one of Milford's largest employers.

She has a rich history of devoting talent and time to various Milford organizations, including Downtown Milford Incorporated.

Their combined efforts in recognition of the value of Milford's Vinyard Shipyard brought us together in 2017 and have worked together since that time to find a way of preserving this valuable asset. In January 2,019, with funding from the city and from Kent County, WR McCain Appraisers appraised the shipyard at a valuation of \$3,030,000 just for real estate. This included 2.73 acres of land with 484 feet of water frontage along the Mispillion, including a dock and six buildings. Also included was the relatively new Lofland House and a pole barn that had been built for extra storage.

The Loflands have agreed to sell the real estate, plus personal property, consisting of three restored yachts, the shipyard's wood and metal working equipment and all the archival materials which are considerable for \$4 million.

Due to the efforts of State Representative Charles Postles and Dave Wilson, the State of Delaware is prepared to provide a grant of \$1.4 million to help with the purchase, if they come up with the remaining funds. With these funds, the city could purchase the Vinyard Ship Yard for \$2.6 million or less, based on any negotiations.

He then talked about the Chesapeake Bay Maritime Museum in St. Michaels, Maryland is what transformed that town into one of Maryland's premier attractions. That is a good example of what can be one in Milford though they started with far less.

Mr. Bond pointed out they don't have a boathouse with three rail lines going into the river to pull boats up to work on them under a shelter. They only have one rail line, and the work must take place outside. But their boat building activities made the Chesapeake Bay Maritime Museum a major attraction with \$7 million dollars of revenue every year and contributing to twice that amount to the local economy.

When the shipyard property is converted into a successful museum, it could eventually provide significant economic and social benefits to our community. There is nothing like this that puts Milford on the map. It is a great city, and we have great medical facilities. But there is not a unique attraction that will bring people here.

To make this happen, the city could turn the museum development and operations over to a self-financing nonprofit organization. It has always been a hurdle and how they will operate it. He suggests separating the two. If the city owns the property, it can be turned over to a nonprofit organization. That organization would then be fully responsible for converting it to a museum and operating it. That would be accomplished through grants from various organizations like the Longwood Foundation, Crystal Trust Foundation, the State of Delaware, the Federal Government, and so forth.

In addition, the Loflands have offered to provide a grant in the amount of \$25,000 per year for the first five years on a matching basis to help cover the museum's operations.

If the museum concept failed, which is a possibility, the city could then do with the property whatever it wants.

But this City Council needs to act quickly. If the city does not make a commitment to purchase soon, \$800,000 of the state's funding could be withdrawn by the end of June. The state is waiting for a commitment from the city. Council needs to step up and provide the funding to make the purchase.

He concluded by stating the city has another opportunity to purchase this \$3 million of prime real estate on the Mispillion River for \$2.6 million or less, if it acts quickly, by using the \$1.4 million the state is offering to the city. The city then acquires city it will eventually want to own and control. Please prevent the Loflands from selling it to a commercial developer who can build what they want based on the industrial zoning.

DNREC offered the city money for a pathway to go through the Vinyard Shipyard. Because the city did not have control, they were unable to take that grant. But he is willing to go back to DNREC and ask for that funding. Parks and Recreation oversaw that request, and he can do that again and request more money.

Mr. Bond talked to the Mayor and he understands the budget is tight, and this is not the best time to ask, but he is a project finance expert himself and knows there are many ways to get funding. If Council wants to do it, it can be done. The state is waiting for the city to step up.

Councilmember Marabello asked if Mr. Bond can get another month from the state to allow a couple more weeks to make a decision on this amount of money. Mr. Bond shared that he wished he had the money for the real estate deal because buying something worth \$3 million for \$2.6 million is a great deal. He thinks if the city talks to our local state representatives, they will allow some wiggle room. The city can inform them to provide a little more time to work it out, due to their interest in the project.

Ms. Valenzuela then added that when she met with State Representative Postles last week, and he spoke on behalf of Senator Dave Wilson, if they are informed of the city's interest and commitment from the City of Milford, and his exact words 'the City of Milford needs to own its history'. There was already federal interest when Senator Tom Carper visited the shipyard. They have the state's interest as represented by the funding on the table. The City of Milford is the last piece to fit in the equation.

Councilwoman Zychal recalled back in 2019, there was an easement that was not obtained for the connecting pathway and asked for an explanation.

Parks and Recreation Director Brad Dennehy said, they were hopeful to get an easement through the property to fill in that portion of the riverwalk, because it stops at the Vinyard. However, they didn't move forward because the Loflands wanted the city to purchase the property and that was the only way they were willing to allow the easement.

Councilman James said that Council must be responsive to the citizens. This is taxpayer's money and Council only holds that money. When they want to take \$2.6 million or any money for any recreational purpose or historical purpose, and a question is asked, Council must be able to provide an answer and transparency in case that answer is checked and that is it is fact. He asked what they say to the taxpayers that is a benefit to the citizens of owning the shipyard. The historic, recreational, economic value contributing to the taxbase. He asked what the answer was.

Mr. Bond said all of those. He said if the city tries to start a shipyard, the first five years are a startup, and a lot of revenue will not be generated. It takes time. The Chesapeake Bay Maritime Museum began in the late 1960's and they have had sixty years to get a revenue budget of \$9 million and contributing twice as much as their revenue to the city. There are multiple economic studies that show that. They also do an annual economic impact report and are extremely successful.

Though Milford is not as rich as the St. Michael's area, it will take time to build up. But there is no operating building shipyard comparable to the Chesapeake Bay Maritime Museum on the Delaware Bay. The State of Delaware sees the value of having that and this will not be just for Milford.

They have a lot of visitors coming to Milford that are involved with DE Turf in Frederica and ask what they can do between the events there. They may play at 9 am and not again until 3 pm. They tell them to come have lunch in Milford, but they want to know what else they can do. They tell them to go to the movies but there are not many things an outside visitor would come into Milford for other than to eat today. The DE Turf people see value in having this shipyard museum in Milford.

Mr. Bond said they have guests every weekend from DE Turf these days.

Ms. Valenzuela said what this would mean to the citizens of Milford, and they looked at the schedule of events at the Chesapeake Maritime Museum, which is comparable in size. They have monthly events, and people that are involved with businesses, when looking at those events, Milford can easily fit that in and offer to Milford citizens. It encompasses all types of activities ecologically and what can be learned from the river. Yoga, art, and music events are happening there on a regular basis there.

It would not be difficult to connect that to the organizations they already have up and running in the City of Milford.

When asked how this fits into the WIIN project, City Manager Whitfield said yes, and he will send out the WIIN information to City Council as requested by Councilman James.

Council asked what type of funding is available from the federal government, Mr. Bond said they have done some explorations but have not found funding.

When asked if the Longwood Foundation will contribute, Mr. Bond said they asked for help in purchasing the property, but their response was they are not at that stage yet and instead need a good business plan. The packet includes a preliminary business plan, noting there are a lot of issues that still need to be explored. However, they will provide the final business plan.

Councilmember Marabello understood that less than the \$2.6 million would be required from the city. Over the long haul, the city could pay less money and other money would be forthcoming from other groups. Mr. Bond said that is possible but right now, the city must make a commitment to purchase the property. The city needs to say they want to buy this property and are willing to put in a certain amount of money, conditional on raising another amount, but enter into a purchase agreement, and then, and only then, will the Loflands provide that selling price. However, they have put out \$4 million though most people put out a number that is higher than is expected. He thinks the city might be able to come up with less than \$2.6 million.

The Loflands want the city to buy it and they want an offer. They made an offer to the city in 2014 and the city turned them down. This is another offer, and they want a positive response. If that does not happen, the Loflands will put the property on the market.

When asked about the economic benefit to the city, Mr. Bond explained how it continues as an operating shipyard and boathouse. They continue to repair boats, particularly in the winter. He said Mr. Lofland never wanted to make money from the business, and he was quoted as having a revenue of \$15,000 per year. However, there is someone in town that could continue the commercial operation, which could be done by a nonprofit working with a commercial organization and taxed.

It would have an indirect impact and of the money taken in at Chesapeake Maritime Museum, the city received an extra dollar of impact. That means increased revenues in the city, but not for the city government. The city government then received a portion of that revenue.

Ms. Valenzuela referenced the plan in the packet which details the economic benefit to the city. For example, it could be a venue for business retreats, weddings, and special occasions. That would be an aspect of the economic development.

Mayor Culotta pointed out that this is a big ask, and unfortunately this is an extremely budget year. There was a substantial shortfall this year and cuts of one sort, or another, have been made. This is a difficult discussion to have and to resolve tonight. He is going to ask for a motion to continue the discussion, though Solicitor Rutt recommended it be placed on a future agenda.

Mayor Culotta confirmed Council will continue the discussion and there will not be an answer tonight.

Ms. Valenzuela reiterated that Representative Postles during their meeting stated that this project needed to move and not lose the \$800,000 committed to this project by June 30<sup>th</sup>. Though he understood the wheels of government do not move quickly, the Representative was confident the City of Milford would move quickly.

When asked why they waited three weeks before the deadline to ask for this money, Ms. Valenzuela explained the goal was to present a business plan, which they were told was a requirement. Finding the experts needed to assist with that was very difficult. They proceeded with best practices in mind and once they found the consultants, they moved in that manner up to the last minute.

She emphasized they have been working on this project since 2017 and there was never an intent to delay in providing the information.

It was suggested that Sudler Lofland attend a meeting, and if his best interest is for the city, why isn't he here; Ms. Valenzuela said the Loflands are very gracious in their ability to wait, and this task force intercepted his desire to support the continuation of maritime history, by giving away the artifacts that were part of this property. As a private citizen, council would appreciate the way they have poured their own sweat and tears into the recovery of this project.

They are already known as benefactors to the City of Milford according to Ms. Valenzuela. They represent the preservation of his property, and they withheld putting the property on the market all these years as a result.

Mr. Bond added that both Mr. and Mrs. Lofland would be willing to come before council to discuss. Ms. Valenzuela recommends Council visit the shipyard and talk with the Loflands.

Councilmember James explained that the body that is here tonight is the one that needs to be asked. If that is entertained, and it becomes a negotiation of purchase, then that becomes a conversation with the Loflands. Right now, it is the Vinyard Shipyard Task Force that is asking the city to purchase the property.

Solicitor Rutt pointed out these are conversations that need to occur in executive session.

Mayor Culotta will put this on an agenda and will get back with the task force following that conversation.

When questioned, Mr. Bond confirmed they have discussed this possibility with non-profits Milford Museum and the Milford Historical Society. Their charters would allow them to be the umbrella organization. Neither would take responsibility and would need a subgroup, such as the task force, to do the operational work. He stressed it would be a

mistake starting a nonprofit because of the time and effort that went into this already. If another nonprofit is willing to take on that mission, that is the best way to move forward.

He also pointed out that Downtown Milford Inc has been sheltering them because they needed a nonprofit to handle the funding. And the grant money being offered by the State will be going to Downtown Milford Inc., though that could be changed.

Both the Historical Society and Milford Museum have expressed interest, though Downtown Milford Inc. is not prepared to be their shelter, though he is willing to discuss it with them again. But there is a need for a nonprofit to be involved.

In the past, when the city was asked to purchase it, the city only said they didn't want to operate it. But this would separate out the real estate transaction and get in the city's hands the land they want which can be purchased at a discounted price today. And given a nonprofit organization that must do their own financing, be responsible for everything itself, and an opportunity to see if they can get a working museum operating.

#### ORDINANCE/FINAL ACTION/PUBLIC HEARINGS

*Adoption/Ordinance 2024-06/Amends Chapter 197/Streets, Sidewalk, Storm Sewers, and Other Public Places by Adding a new Article X*

The following ordinance was presented to Council for comments.

The Mayor noted that the 34 cents an hour with a dollar startup charge is consistent with chargers everywhere.

The floor was open to public comment. No one responded and the public comment opportunity was closed.

Councilmember Marabello moved to adopt Ordinance 2024-06 by adding Article X to Chapter 197, as written, seconded by Councilmember Samaroo:

Ordinance 2024-06  
Amends Chapter 197 – Streets, Sidewalks, Storm Sewers, and other Public Places  
Adds Article X - Electric Vehicle Public Charging Station and User Fees

Whereas, it is City Council's intent to inspire new technologies that create more sustainable communities, while reducing dependence on environmentally costly practices;

Whereas, Electric Vehicle chargers were needed in the downtown corridor to aid residents and visitors attending the City's Farmers Market, Public Library, Riverwalk, and other local shops and restaurants;

Whereas, Milford's location between major transportation corridors attracts drivers in need of public Electric Vehicle charging who are traveling on State Route 1 and US Route 113;

Whereas, the Electric Division of the City of Milford began pursuing public Electric Vehicle charging in 2022 through the application of a DNREC DC Fast Vehicle Charging Station Grant;

Whereas, the grant application was selected by DNREC for funding from the VW Mitigation Settlement Fund for the purpose of installing two Fast DC Chargers in the City Parking Lot adjacent to Northwest Front Street and Park Avenue;

Whereas, the City Council found it appropriate to create a comprehensive document which incorporates most, or all fees charged for services, by the City of Milford;

Whereas, on March 28, 2022, the City Council of the City of Milford adopted Resolution 2202-03, directing countless fees to be removed from various chapters within the City of Milford Code, along with other fee schedules, into one document entitled City of Milford Comprehensive Fee Schedule.

Section 1.

Now, Therefore, be it Resolved, a new Article X, entitled Electric Vehicle Public Charging Station and User Fees, will be added to Chapter 197, and such new Article X shall read as follows.

***Article X - Electric Vehicle Public Charging Station and User Fees***

Section 2. A new Section 197-36 is hereby added, along with Subsections 197-36(A), 197-36(B), 197-36(C), 197-36(D), 197-36(E), to read accordingly with new language indicated in bold italics.

***§ 197-36. Purpose, Payment, and Fees***

- A. Availability. Designated electric vehicle charging stations will be made available by the Electric Utility for public use within the corporate limits of the city at the user rates set forth in this Section.***
- B. Applicability. The fees set forth in the City's Comprehensive Fee Schedule shall apply to all public electric vehicle charging stations owned and operated by the Electric Utility.***
- C. User fee rates. Public electric vehicle charging station service user fees will be provided and billed on a per session basis as follows:  
\$1.00 per charging session plus \$0.34 per kWh  
See City Comprehensive Fee Schedule for associated fee(s).***
- D. Payment of fees. Payment for electric vehicle charging station services will be collected directly from the customer at the point of service (the charging station or City facility at which the charging station is located) through credit cards or other payment processing services.***
- E. Associated Fees Moved to Comprehensive Fee Schedule. Fees referenced in §197-36(C) shall be removed from this Ordinance and shall be inserted within the City of Milford Comprehensive Fee Schedule, subject to future updates authorized by the adoption of a resolution of City Council.***

Motion carried.

***Staff Reports***

*All reports were included in the Council packet.*

***Police Department***

Chief Cecilia Ashe shared highlights of the month's police activity during May.

Councilmember James moved to accept the Monthly Police Report, seconded by Councilmember Samaroo. Motion carried.

***City Clerk***

Senior Deputy City Clerk Katrina White provided a recap of several activities that occurred during the month, as well as an update on special events.

Councilmember Samaroo moved to accept the May City Clerk Report, seconded by Councilmember Wilson. Motion carried.

City Manager Whitfield said his focus in May was on budgets and the Capital Improvement Plan. He also reported on a public works project.

Councilmember Kalesis moved to accept the City Manager's report and his staff reports, seconded by Councilmember Zychal. Motion carried.

**COMMUNICATIONS & CORRESPONDENCE**

Chief Ashe thanked the Kindness Project and the Johnsons for their generosity in helping with the family members of a recent tragedy.

## UNFINISHED BUSINESS

*Acceptance/FY2022 City of Milford Audit*

Zelenkofske Axelrod LLC (ZA) Auditing Partner Kim Stank and Kayla Demar presented the Fiscal Year 2022 Audit. Ms. Stank explained that a lot of details were presented to the Finance and Audit Committee earlier, so this will be brief.

Two things presented included the letter from the auditors as the governance of the city and reviewed the various tasks they are required to communicate.

Ms. Demar provided an overview of the financial statements. She stated they issued an unmodified opinion on your financial statements, which is the highest level of opinion. That's a clean opinion with no modifications. Most of the funds have a positive change in fund balance, and all funds are carrying positive, unassigned fund balance, which is a healthy indicator of strong financials

In the single audit, the major program was the American Rescue Plan Act. There were no findings or modifications in the uniform guidance opinion.

The one finding in the financial reporting opinion was due to the timely closing and adjustments that were required in the audit.

Ms. Stank said she looks forward to the FY2023 audit.

Councilmember Samaroo moved to accept the FY2022 audit, seconded by Councilmember James. Motion carried.

*Adoption/Resolution 2024-11/Adds Electric Vehicle Public Charging Fees/Comprehensive Fee Schedule*

This resolution is required as a result of the adoption of Ordinance 2024-06, relating to the electric vehicle, public charging fees, requiring that fee to be added to the City Comprehensive Fee Schedule.

The floor was open to public comment. No one responded and the floor was closed.

Councilmember James moved to adopt Resolution 2024-11, effective June 20, 2024, seconded by Councilmember Wilson.:

RESOLUTION 2024-11  
Incorporates Electric Vehicle Fee Into  
City Comprehensive Fee Schedule

The City Council of the City of Milford hereby resolves as follows:

Whereas, Electric Vehicles (EVs) are becoming more and more popular and by the early 2030s, EVs are projected to be a majority of car and light truck sales in the US; and

The State of Delaware has passed legislation to make it easier and more convenient to own an electric vehicle, resulting in increased purchases of electric vehicles, promoting cleaner air and water, and resulting in improved health outcomes, and a reduction of greenhouse gases to curtail global warming; and

Whereas, Consumers need access to charging stations if they are to consider purchasing EVs; and

Whereas, Public charging stations bolster market acceptance of EVs by offering more flexible charging opportunities, equitable access, added convenience and ease of use; and

Whereas, with only minimal electric charging infrastructure available today, City Council had the forward thinking to support the need for publicly accessible charging units and approved the installation of two new electric vehicle (EV) charging stations in the downtown area.

The City Council finds as follows:

- A. It is necessary to amend the City's Comprehensive Fee Schedule to make the charges more commensurate with the actual costs to the City.
- B. The fee of \$1.00 per charging session plus \$0.34 per kWh, as established by Ordinance 2024-06 does not exceed the estimated reasonable cost of providing the services for which the fee is charged.
- C. This fee is hereby officially adopted as of June 20, 2024 to coincide with the effective date of Ordinance 2024-06.
- D. It is ordered this fee be incorporated into the City's Comprehensive Fee Schedule on the effective date of June 20, 2024.

Motion carried.

*Adoption/Resolution 2024-10/Schedules Board of Revision & Appeal Hearing (Property Tax Valuations)*

While discussed at the May 28, 2024 Council Meeting, public comment is required, and a vote required to confirm adoption.

The floor was open to public comment. No one responded and the floor was closed.

Councilwoman Wilson moved to adopt Resolution 2024-10, scheduling the Board of Revision and Appeal Hearing on July 22, 2024 at 6:00 pm, seconded by Councilmember James:

RESOLUTION 2024-10  
Schedules Board of Revision & Appeal Hearing

WHEREAS, the provisions of Article VII, Section 7.05 of the Charter of the City of Milford state that Council shall cause a copy of the General Assessment, as adjusted, to be posted in two public places in the City of Milford and there to remain for the space of ten days for public information; and

WHEREAS, attached to said copies shall be notice of the day, hour, and place that Council will sit as a Board of Revision and Appeal for said General Assessment.

NOW, THEREFORE, BE IT RESOLVED, that on Monday, July 22, 2024 at 6:00 p.m., the City Council of the City of Milford will sit as a Board of Revision and Appeal for the 2024-2025 General Assessment.

Motion carried.

NEW BUSINESS

*Presentation/North Rehoboth Boulevard Corridor Study/MPO Executive Director Marilyn J. Smith*

Planning Director Pierce introduced Director Marilyn Smith and Transportation Planner Malcolm Jacobs. A complete copy of the presentation is included in the packet.

Ms. Smith provided an overview of the Dover/Kent County Metropolitan Planning Organization (MPO). The organization handles transportation planning in Kent County. MPOs are federally mandated and mostly federally funded (80% federal, 20% state and local). All urban areas over 50,000 in population are required to have an MPO if federal funds are spent on transportation improvements.

They are all about transportation infrastructure planning. Everything that needs to be in place to get you from point A to point B, regardless of which mode of transportation is being used. Projects that use federal funding need to go through the MPO. They coordinate with DelDOT, DART and all Kent County municipalities to prioritize projects and set spending levels for federal funds designated for transportation projects. They also work with partners on issues such as air quality, environmental justice, safety, economic growth, and public mobility.

A primary focus of the MPO is on public input and participation. She followed with a detailed description of their duties and responsibilities, as well as previous projects the MPO was involved in.

Director Smith then talked about the North Rehoboth Boulevard/North Walnut Street Study that began when Planner Pierce asked for a transportation study for possible paths in this area.

Planner Jacobs described the area as extending as far north as the intersection with US113 and as far south as the Mispillion Bridge. Connections with adjacent locations are examined as needed; however, any recommendations outside of the corridor are treated as secondary.

There are businesses and schools in the area and a need to make sure everyone, whether they were walking, biking, or driving, was able to get around. A map was presented displaying the areas where accidents occurred between 2017 and 2022, with the intersections the most sites of those incidents. They also focused on the various areas where people were entering and exiting various properties.

The intersection to the north had been studied previously, but learned from the school district it was heavily used by students crossing the street to go to stores and businesses in the area. There is no safe way to cross that street and it became a high priority in the study.

The most important part of the project is working with the community officials and providing opportunities for the public and businesses to comment. Public workshops were held in October 2023 and February 2024. Engagement with the larger employers (Perdue, Kent Sussex Industries, and IG Burton) also shaped the recommendations.

The summary of those suggestions include:

- Pedestrian paths (10-foot shared use path when possible; 5-foot sidewalk as alternative)
- Crosswalks at signalized intersections
- Driveway hazards
- DART shelters
- Improved lighting

The Planner then provided a general overview of each recommended improvement in the area. More details of the fourteen recommendations can be found in the packet, as well as rough cost estimates of each improvement. A copy of the recommendations is also attached to these minutes.

The study will be presented to the Public Advisory Committee and Technical Advisory Committee. It will then be presented to their council for approval and if approved, it will be given to the city and DelDOT, and the recommendations pursued as they feel is appropriate.

#### *Authorization/2025 Pay Scale*

City Manager Whitfield informed Council that as part of the 2025 budget, he and his staff recommended an increase of 4.5% over the 2024 pay scale.

Councilmember Samaroo moved to authorize the recommended FY2025 PayScale, seconded by Councilmember James. Motion carried.

#### *Authorization/Amended Carlisle Fire Company/Memorandum of Understanding*

#### *Authorization/Water Utility Agreement/Outside City Limits/Nuevo Amanecer Spanish Church of God Prophecy, Inc.*

City Manager Whitfield announced that neither of the above items ready, and both will be moved to the June 24, 2024 agenda.

*FY 2024 Budget Adjustment/Transfer of Electric Funds to General Fund Operating Budget*

Finance Director Vitola explained that in approaching the FY25 budget, they included in the preliminary draft a \$2.3 million budget deficit. There are a series of measures to close that gap to zero with tonight's FY25 recommendations. One of the measures is a retractive change to this year's budgeted transfer to the general fund from electric reserves. That is an amendment to the FY24 budget that requires council approval. Personnel costs – particularly salaries and wages and the State of Delaware's 28% medical insurance premium increase – combined with inflationary operating cost pressure to push the preliminary operating budget deficit to \$2.3 million.

Aside from the programmed property taxes supporting the PD Facility and scheduled rate adjustments tied to the City's utility rate studies, no other tax or rate increases are being considered. Instead, they have chosen to transfer reserve balances, an unencumbered carry-forward of realty transfer taxes (RTT), cost savings, project deferrals, recruitment delays, FY25 utility transfers, and other creative ways to balance the budget. One recommendation includes the retroactive application of the FY24 electric fund transfer, which requires Council approval of a FY24 budget amendment. The incremental transfer amount will be carried into FY25 to address the deficit without requiring an additional tax increase.

They are recommending that City Council amend the FY24 Operating Budget by increasing the electric fund transfer to the general fund from \$3.25 million (11.7% of budget) to \$3.75 million (12.5% of projection), which will raise \$0.5 million in general fund operating support that will carry into FY25 to help close the general fund operating deficit for the coming fiscal year

Councilman James stated that based on the recommendation by Finance Director Vitola, he moved to approve a retroactive increase from the FY24 electric funds and transfer \$500,000 to the General Fund, seconded by Councilwoman Samaroo. Motion carried.

*Adoption/Resolution 2024-09/FY24 Operating & Capital Budget*

The City Manager noted the packet includes the resolution, which lays out the 2024-2025 operating budget as well as the capital program with all funding needed to exercise the budget.

Councilmember Marabello asked where the completion of the Riverwalk Fencing by the Second Street Players is; Director Dennehy believes it is in next year's capita budget and involved a \$250,000 estimate. He asked that something be added temporarily to the concrete base.

Councilmember Marabello then talked about the sidewalk plan and asked the reasoning the city will pay for all new sidewalks and reimburse property owners that were required to make repairs. Mayor Culotta provided a history of who was responsible for the maintenance in the past, which fell on the homeowners. He believes that because the sidewalks were disregarded in the past, it became a big ask and the new plan was inefficient. For example, there were two random squares cut out and replaced, and if the three joined squares had been replaced it would have much less expense. The city couldn't make that decision because it was at the discretion of the homeowner who had to pay for it. The options were to do the work yourself, allow the city to do the work and be charged for the work, or not do anything and the city will still make the repairs and an invoice sent. A fourth option was needed so that if someone had a financial hardship and was able to demonstrate need, Council could make money available.

City Manager Whitfield explained that there is money earmarked for a sidewalk program. There was no intent to design the sidewalk program tonight and Council can talk about that when it is on a later agenda.

The floor was opened by Mayor Culotta for public comment. No one responded and the floor was closed.

Councilwoman Wilson moved to adopt the following resolution, seconded by Councilmember Zychal:

RESOLUTION 2024-09  
ADOPTING THE CITY OF MILFORD FISCAL YEAR 2024-2025 BUDGET & CAPITAL PROGRAM AND  
AUTHORIZING AN INCREASE IN REAL PROPERTY TAXES

WHEREAS, the operating and capital budgets of the City of Milford for the Fiscal Year 2024-2025 were prepared and submitted to the City Council by the City Manager in accordance with Article VI 'Financial Procedures' of the City Charter; and WHEREAS, the City Council was presented with the proposed budget following a comprehensive study and review while meeting in public sessions on May 27, 2024, May 28, 2024, and June 6, 2024; and WHEREAS, this budget includes a property tax increase to pay for the overage of general fund operating expenses above what is presently received in real property tax revenues; and WHEREAS, it is the responsibility and duty of the City Administrative and Finance Staff and Mayor and City Council to ensure the budget is balanced with future revenues equal to or greater than current expenditures/expenses; and WHEREAS, a proposed increase in the property tax rate of \$0.01 per \$100 of assessed values is required in the FY24 budget to offset an equivalent amount of realty transfer tax receipts; and WHEREAS, an additional increase in the property tax rate of \$0.034 per \$100 of assessed values is required in the FY25 budget to support the second half of debt service associated with the successful referendum to construct the police headquarters facility; and WHEREAS, in the opinion of the City Council, the budget accurately, as possible, reflects the city's anticipated revenues and expenditures for the fiscal year beginning July 1, 2024 and ending June 30, 2025. NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF MILFORD, that the City of Milford's Operating Budget for Departments shown under General Fund as Administration, Planning, Finance, Information Technology, Police, Streets Division, Parks and Recreation, City Clerks and Council; and the Water, Sewer, Solid Waste and Electric Divisions was adopted and approved as the budget of the City of Milford for Fiscal Year 2024-2025 based on the following breakdowns and amounts:

<i>General Fund</i>	<i>Total Expenditures</i>
ADMINISTRATION	831,629
PLANNING	929,502
FINANCE	778,965
INFORMATION TECHNOLOGY	942,046
POLICE	8,674,878
STREETS	1,026,797
PARKS & RECREATION	1,484,430
CITY CLERKS	372,009
COUNCIL	714,782
ELECTIONS	13,930

<i>Utility Funds</i>	<i>Total Expenditures</i>
WATER	\$3,707,513
SEWER	\$8,068,663
SOLID WASTE	\$2,455,234
ELECTRIC	\$34,120,150

Current Revenues	\$58,220,891
Application of Reserve Funds	\$6,767,548
Operations & Maintenance	\$58,202,503
Debt Service	\$1,742,615
Capital Program	\$5,043,321
Total Expenditures	\$64,988,439
Real Estate Tax \$64,988,439	\$0.59 per \$100 of assessed value

A copy of said budget, on file in the Office of the City Clerk as was adopted by majority vote of Milford City Council on the 10th day of June 2024.

Motion carried by a vote of 6 to 1 with Councilmember Marabello casting the dissenting vote.

*Adoption/Resolution 2024-12/FY25-29 Capital Improvement Plan*

Councilmember James emphasized that the previous resolution included the FY25 capital plan. These are only plans and will only be adopted at the time of each budget year. The numbers being presented are preliminary and items and/or numbers can change. This is only a five-year plan.

Mayor Culotta opened the floor to public comment. No one responded and the floor was closed.

Councilmember Samaroo moved to adopt Resolution 2024-12, seconded by Councilmember Wilson:

Resolution 2024-12  
ADOPTING A CAPITAL IMPROVEMENT PLAN  
FOR THE FIVE-YEAR PERIOD  
FY25 thru FY29

WHEREAS, it is important for the City to develop a short-range plan showing its capital outlay needs and setting forth a plan for financing those needs; and

WHEREAS, the development of such a plan helps to ensure that the City’s short range capital needs are being addressed in a responsible manner; and

WHEREAS, this will help place those needs in a priority order while anticipating the resources that will be available to finance those needs; and

WHEREAS, the City’s staff has developed the attached Capital Improvement Plan for the five-year period beginning in Fiscal Year 25 and ending in Fiscal Year 29; and

WHEREAS, the City Council has reviewed the attached Capital Improvement Plan and finds that it reflects the capital needs of the City as can be reasonably anticipated.

NOW, THEREFORE, BE IT RESOLVED by the Council of the City of Milford as follows:

Section 1. That the City Council of the City of Milford adopts the attached Capital Improvement Plan for the five-year period beginning in Fiscal Year 25 and ending in Fiscal Year 29.

Section 2. The attached Capital Improvement Plan is intended to be a planning document only.

Section 3. This resolution was duly adopted at a meeting of the City Council of the City of Milford held on the 10<sup>th</sup> day of June 2024.

The meeting was halted at 8:20 pm, due to a lost connection and the inability for the public to hear or observe council's actions. The meeting resumed at 8:25 pm.

Motion carried by a vote of 6-0-1 with Councilmember Marabello abstaining and stating he had to abstain because he voted against the adoption of the FY25 city budget.

#### EXECUTIVE SESSION

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

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 <sup>4</sup> (2)

Pursuant to 29 Del. C. §10004(b)(9) Personnel matters in which the names, competency and abilities of individual employees or students are discussed

Motion carried.

Mayor Culotta recessed the Council Meeting at 8:26 pm for the purposes as permitted by the Delaware Freedom of Information Act. Council relocated to the Conference Room for the closed session discussion.

#### *Return to Open Session*

At 9:08 p.m., Councilmember Kalesis moved to return to Open Session, seconded by Councilmember Zychal. Motion carried.

*Potential Motion/Property Matter*  
*Potential Motion/Property Sale*  
*Potential Motion/Personnel Matter*

No other action needed.

#### ADJOURNMENT

Councilmember Marabello moved to adjourn, seconded by Councilmember Wilson. Motion carried.

The meeting was adjourned by Mayor Culotta at 9:09 p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder

CITY OF MILFORD  
FINANCE & AUDIT COMMITTEE MINUTES  
June 10, 2024

The Finance and Audit Committee of the Milford City Council met on Monday, June 10, 2024 in the Joseph Ronnie Rogers Council Chambers at Milford City Hall, 201 South Walnut Street, Milford, Delaware.

PRESIDING: Chairman Jason James Sr.

IN ATTENDANCE: Committee Members:  
Councilpersons Daniel Marabello and Nirmala Samaroo

STAFF: City Manager Mark Whitfield and City Clerk Terri Hudson

*Public Comment Period Prior to Official Meeting*

Because no one from the public was in attendance to speak, the Chairman proceeded with the Committee Meeting.

*Call to Order*

Chairman James called the Committee Meeting to order at 5:03 p.m., then deferred to Finance Director Lou Vitola.

Councilmember Marabello arrived at 5:45 p.m.

*FY22 Audit Review*

Finance Director Lou Vitola was in attendance.

Zelenkofske Axelrod LLC (ZA) Partner Kimberly Stank and Lead Auditor Kayla Demar were both engaged in the city's last two audits and were also in attendance.

Ms. Stank then reviewed the following letter:

*We have audited the financial statements of the City of Milford (the "City"), as of and for the year ended June 30, 2022, and have issued our report thereon dated May 20, 2024. Professional standards require that we advise you of the following matters relating to our audit.*

***Our Responsibility in Relation to the Financial Statement Audit***

*As communicated in our engagement letter dated December 8, 2023, our responsibility, as described by professional standards, is to form and express an opinion about whether the financial statements that have been prepared by management with your oversight are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States of America. Our audit of the financial statements does not relieve you or management of its respective responsibilities.*

*Our responsibility, as prescribed by professional standards, is to plan and perform our audit to obtain reasonable, rather than absolute, assurance about whether the financial statements are free of material misstatement. An audit of financial statements includes consideration of internal control over financial reporting as a basis for designing audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control over financial reporting. Accordingly, as part of our audit, we considered the internal control of the City solely for the purpose of determining our audit procedures and not to provide any assurance concerning such internal control.*

*We are also responsible for communicating significant matters related to the audit that are, in our professional judgment, relevant to your responsibilities in overseeing the financial reporting process. However, we are not required to design procedures for the purpose of identifying other matters to communicate to you.*

*We have provided our comments regarding significant control deficiencies, material weaknesses, and other matters noted during our audit in a separate letter to you dated May 20, 2024.*

***Planned Scope and Timing of the Audit***

*We conducted our audit consistent with the planned scope and timing we previously communicated to you.*

***Compliance with All Ethics Requirements Regarding Independence***

*The engagement team, others in our firm, as appropriate, and our firm have complied with all relevant ethical requirements regarding independence. In order to eliminate the identified threats to independence associated with our assistance with the preparation of the financial statements and data collection form, we have ensured a member of firm management, independent of the associated activity, performed a review of the financial statements and data collection form.*

***Significant Risks Identified***

*We have identified the following significant risks: management override of controls and improper revenue recognition due to error or fraud. Although these significant risks were identified, we designed our audit procedures to mitigate the risks.*

***Qualitative Aspects of the Entity's Significant Accounting Practices***

***Significant Accounting Policies***

*Management has the responsibility to select and use appropriate accounting policies. A summary of the significant accounting policies adopted by the City is included in Note 1 to the financial statements. The District adopted the provisions of Governmental Accounting Standards Board's Statements No. 89, "Accounting for Interest Cost Incurred before the End of a Construction Period", Statement No. 92, "Omnibus 2020", and part of Statement No. 99 "Omnibus 2022". The adoption of these statements had no effect on previously reported amounts. No matters have come to our attention that would require us, under professional standards, to inform you about (1) the methods used to account for significant unusual transactions and (2) the effect of significant accounting policies in controversial or emerging areas for which there is a lack of authoritative guidance or consensus. The City also adopted the provisions of Governmental Accounting Standards Board Statement No. 87, "Leases", which resulted in the recognition of lease receivables, deferred inflows and additional disclosures.*

***Significant Accounting Estimates***

*Accounting estimates are an integral part of the financial statements prepared by management and are based on management's current judgments. Those judgments are normally based on knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ markedly from management's current judgments.*

*The most sensitive accounting estimates affecting the financial statements are:*

*Management's estimate of the useful lives of capital assets used to calculate depreciation expense was based on the historical lives of similar assets.*

*Management's use of an actuary to estimate the net pension liability, deferred outflows of resources for pensions, and deferred inflows of resources for pensions.*

*We evaluated the key factors and assumptions used to develop the estimates and determined that they are reasonable in relation to the financial statements taken as a whole.*

***Financial Statement Disclosures***

*Certain financial statement disclosures involve significant judgment and are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the City's financial statements relate to:*

*The disclosure of the Pension Plans in Note 15 to the financial statements is based upon information provided by an actuary.*

***Significant Unusual Transactions***

*For purposes of this communication, professional standards require us to communicate to you significant unusual transactions identified during our audit. We encountered no significant unusual transactions during our audit.*

***Significant Difficulties Encountered during the Audit***

*Although we received cooperation of management and believe that we were given direct and unrestricted access to the City's officials and management, we experienced significant difficulties in the performance of the audit due to extensive delays by management in the overall audit process.*

*These delays, such as delayed trial balances, supporting schedules, financial statements and multiple revised versions of documents, significantly increased the hours required to complete the audit.*

***Uncorrected and Corrected Misstatements***

*For purposes of this communication, professional standards require us to accumulate all known and likely misstatements identified during the audit, other than those that we believe are trivial, and communicate them to the appropriate level of management. Further, professional standards require us to also communicate the effect of uncorrected misstatements related to prior periods on the relevant classes of transactions, account balances or disclosures, and the financial statements as a whole and each applicable opinion unit. Management has corrected all identified misstatements.*

*In addition, professional standards require us to communicate to you all material, corrected misstatements that were brought to the attention of management as a result of our audit procedures. Attached is a schedule of all adjustments that were recorded.*

***Disagreements with Management***

*For purposes of this letter, professional standards define a disagreement with management as a matter, whether or not resolved to our satisfaction, concerning a financial accounting, reporting, or auditing matter, which could be significant to the City's financial statements or the auditor's report. No such disagreements arose during the course of the audit.*

***Circumstances that Affect the Form and Content of the Auditor's Report***

*For purposes of this letter, professional standards require that we communicate any circumstances that affect the form and content of our auditor's report. No circumstances affect the auditor's report.*

***Representations Requested from Management***

*We have requested certain written representations from management, which are included in the management representation letter dated May 20, 2024.*

***Management's Consultations with Other Accountants***

*In some cases, management may decide to consult with other accountants about auditing and accounting matters. Management informed us that, and to our knowledge, there were no consultations with other accountants regarding auditing and accounting matters.*

***Other Significant Matters, Findings or Issues***

*In the normal course of our professional association with the City, we generally discuss a variety of matters, including the application of accounting principles and auditing standards, significant events or transactions that occurred during the year, operating conditions affecting the entity, and operating plans and strategies that may affect the risks of material misstatement. None of the matters discussed resulted in a condition to our retention as the City's auditors.*

***Restriction on Use***

*This information is intended solely for the use of the City Council, and management of the City of Milford and is not intended to be, and should not be, used by anyone other than these specified parties.*

*Very truly yours,  
Zelenkofski Axelrod LLC  
Harrisburg, Pennsylvania*

Ms. Demar noted that the financial statements are split into two different sections. The first section is the government wide statements. These present the overall financial activity of the city as a whole.

In both the governmental activities and business type activities, there are positive net positions. Even better in the unassigned category, there is a positive balance. Net position is a good indicator of how you can fund future costs.

The fund level statements include the governmental funds. In all the city funds, there are positive net positions. The general fund has a healthy balance in its unassigned category which is a good indication of the city's financial position.

The income statement shows that for the general fund, there was a positive increase to the fund balance. The special revenue fund also had a positive increase. There was a slight decrease in the non-major funds, but not extremely significant.

The final category of the financial statements includes the proprietary fund financial statements. Those are the things that operate based on charges for services, including electric, water, sewer, and solid waste. The internal service funds get consolidated into the governmental activities.

All are maintaining healthy balances.

The income statement shows that across all of funds, the change in net position was positive, another indication of healthy financials.

The opinion on the statements was an unmodified opinion which is the highest level of assurance. That concludes the financial statement audit.

A single audit was also done of the major program which was the ARPA program. There were no findings with that.

There is a financial statement finding over accounting records/financial statement close process. This involves the June 30, 2022 financial statements, and the timing, the close process, and the number of adjustments. They talked to this committee in detail about those issues.

The recommendation is for the city to review procedures in place with responsible employees and revise procedures, as necessary, to ensure accounts are reconciled in a timely manner and financial statements are prepared accurately and timely.

The other document provided shows what the finance team is dealing with on a day-to-day basis. Currently under this structure, there are 43 funds that all roll into eight different funds as shown in the financial statements. In the general fund, thirteen funds roll into one column of the financial statement. The special revenue and non-major funds can remain separated out.

When flipping down to the proprietary funds, it is the same thing. The electric funds have four funds, water has three, sewer has four, solid waste has two, and internal service has five.

That makes a very complex background system. There is a lot of activity going on between those trial balances. They feel it is not as clean as potentially could be.

Also, they noted at the top the number of accounts. There are over 1,500 accounts within those 43 funds. The account structure and the fund structure are very complex. They have a lot of townships and boroughs, and there would be a lot fewer trial balances even for a county with multiple service agencies. Typically, they only have seven to twelve trial bounces.

Chairman James pointed out we are structured in that manner because we are in a very old legacy system that doesn't allow for the segmentation where several spheres can be crossed without having a lot of accounts because it can be pulled from anywhere.

He doesn't think the current system doesn't allow that, but hopes that when the new system is operating, it will allow that.

Ms. Stank explained that a lot of times with the general fund, different systems will create departments. If in a separate trial balance, the money must be transferred over because it not generating from state or federal money. Regardless, the general fund will need to transfer the money over.

She said that will create some efficiencies in the closing process.

Ms. Stank said the same applies to proprietary funds having multiple funds. Transferring funds back and forth within the trial balance and there are multiple funds within the one fund. But trial balances get messy when going back and forth. Having it in one fund would be very helpful.

She added it was talked about previously and she believes Director Vitola is consolidating in the new system, and they are encouraging that.

Other than timeliness, the Chairman asked if getting those funds to their proper account of due to due from activity being segregated and transferring in and out. Ms. Stank said assets were purchased in one fund, so money had to go back and forth; the assets must transfer back and forth. The enterprise funds were treated differently than the government funds. As a result, there was confusion going back and forth between the funds and how to transfer them.

When questioned, Ms. Stank talked about the management discussion analysis that was prepared by city management because they are experts on the city.

Finance Director Vitola explained that it would look different if he had the freedom to prepare a narrative about the city's finances. But there are requirements and certain headings that must be covered and in a certain way. Within the constraints of what is included, and as close to the audit completion as possible, they run some comparative tables and talk about the city's financial performance from a government-wide basis and from the fund financials basis. That is compared to the prior year. The actual financial statements are not comparative financial statements. The FY22 financials only include that year, though somewhat of an analysis is attempted at a high level.

Ms. Stank then spoke about the issue of timing. There were delays in getting the information to the auditors. Last year's FY21 financial statements were issued in December 2022. They had been waiting and trying to schedule the timing for this year's close process would occur. They were supposed to begin in November and that was delayed. They were then supposed to receive everything the first of December.

Their firm has a lot of staff that take most of their vacation during the holiday season and was not ready in December. They then agreed to start in January. There were multiple requests for information that took a long time to get things reconciled and get information back. They were coming here the last week in January/first week in February. Even the day before they were scheduled to come, they were told to cancel it because they felt that the audit was going well, and they weren't needed on site. They were hoping to be on site to help push things along a little bit. It just took a long time, for example, they would have a question and it would take several weeks to get the information. Unfortunately, when they would get information, and they would say they will have Friday available, but whatever it was would not be received until Monday morning.

Ms. Stank explained it is very difficult to schedule something when you can't schedule it and then it begins to bud against their other clients. On the auditing side, it delayed them, because they don't have the information.

That then delays the audit because they cannot get the information to this council as fast.

Chairman James shared with the Finance and Audit Committee that this is the preview and arena where these things are discussed. The committee has the responsibility of signing off on these financials and making a recommendation to full council. They also must know for planning purposes how the team did.

He understands there were several internal issues whose gaps are being closed on.

Chairman James confirmed that some of the delay was due to personnel, whether part time, full time, or outside contracted help, and the push to migrate into a new system.

Finance Director Vitola said in terms of effort, they put forth the best efforts to get materials in a timely fashion. Between staffing and the demands of staff, with respect to the implementation of the system, it wasn't always easy to do what was needed to keep the process moving.

The toughest challenge he faced was what happened in 2022 with the FY21 audit. That had lingering ramifications that hurt worse than he anticipated. In terms of staff, they are overcoming it and now have a new full-time position in finance and were able to attract a licensed CPA, though not actively practicing but with auditing experience and someone who knows the technical needs of external financial reporting, methods and tests better than Director Vitola can. He is not a CPA and even with some of the issues were finding and correcting his own mistakes, especially with fixed assets.

In terms of quality personnel, they are now on board. In terms of number of staff, they hope for now that with the addition of that one is enough. In terms of staff augmentation, there are sufficient dollars in the budget to get the outside help needed to assist the full-time staff.

The biggest remaining challenge is the number of years until the new ERP is fully implemented. Though Finance went live July 2023, at the start of FY24, everything else must be merged and linked into finance. The other CPA has been tied up with the implementation of the ERP and as a result, his staff continues to be stretched.

Some of the recommendations are already in place and some they agree with are being worked on.

He is doing everything he can do to publish the financial statements before they even step on site.

Director Vitola agreed the problem is a really the result of staffing and system integration, but believe they have what is needed to overcome that.

Chairman James explained that he is used to the independent auditor requesting a trial balance after all the proposed adjustments are made, prior to releasing the audit report. He asked if that is a requirement of ZA.

Ms. Stank explained that the way these financials are officially made, is they are dumped from the system into Excel and then massaged into financial statements. They made all of them to this Excel document and had to massage it and re massage it, to create this document(s). The adjustments all have been posted to the trial balances from the auditor's perspective with the legacy system. They do not know if they have been made to the system. However, when they receive the next trial balance, they will be able to see a fund balance rolled. And when they did test fund balance this year, it did not roll. So multiple entries were made directly, and, in this case, adjustments had been posted to the prior year. The problem was not posting the adjustments but instead adjustments that were made during the year that hit the fund balance.

The first thing they will do when they get the new trial balances is checked to see if the fund balance rolls.

Director Vitola said that it has reconciled with most in and the new CPA Kevin Gaboriault is making sure the fixed asset tie year to year. He then explained the problem experienced because of some postings that had to be reversed and corrected late in the process.

When asked where this is now, Director Vitola talked about the 201 series accounts are the payables. The GL for the control account in payables tied to the subledger in payables. He agrees there are many other accounts that the group or map to AP. If not billed through the payable system, don't hit the payables control account. They don't want to touch those control accounts so there are other payable accounts.

The auditors don't care about the groupings, and they want to see backup and support for everything that is being pushed to an AP account. When running a subledger for AP out of the system, that interfaces with the control account only and they see half of the payable balance in the subledger and double that amount in the GL.

They have reconciliation slices for the other parts and want a global AR reconciliation. That was solved in the 22 audit and are on the right path for FY23.

He agrees with that advice.

Director Vitola also confirmed that in the new ERP system, he went from 43 funds to 18. And only 16 of those are active. That includes five internal service funds and five internal service funds in the new system. One account was going to handle all the internal service funds, though they hesitated on that.

There is another fund reserved in the event a stormwater fund is needed in the future.

Other than those two inactive accounts, they have moved from 43 to really 16. The four special revenue funds needed, which includes police grants, municipal street aid, real estate transfer tax, and all other revenues.

All three of the non-major funds in the governmental funds migrated to the general fund. Eleven of the 13 in the general fund collapsed into one fund. There is one fund for electric, one for water, one for sewer, and one for solid waste.

In the FY20 audit that was done internally, all the audit entries that weren't one sided were posted. That is where some of the imbalances started. He thinks ZA in 21, helped them understand who we are and what we do with our fund structure. Then in 22 remedying those fund structures. Some of those accounts didn't map to the financials because they are offsetting. They were pulling them out and suggesting they be mapped to see what happens.

Ms. Stank then confirmed they are not fraud auditors. If that is something the city wants, that would require a separate forensic audit or an agreed upon procedure. If they note fraud, then their responsibility is to talk to council about it. In this case, there are a lot of journal entries, and their responsibility is to talk to council.

Nothing explicitly came to their attention that would lead them to believe there was fraud.

It was stated that the most sensitive disclosure was the pension plan. Ms. Demar referenced the footnote regarding pension activity related to police and non-uniform. It is listed as a sensitive item because those numbers are based on the information provided by a management specialist. In this case, an actuary is calculating those numbers. They are projecting out what they think the liabilities and deferred inflows and deferred outflows are going to be. There might be some actual variances with how it performs those plans. But at this point they're based on the best estimate of an actuary.

Director Vitola confirmed that we are a member of the State of Delaware's pension plans. One is police and one is for non-police, and it is the State of Delaware's responsibility to audit the plan and issue an annual comprehensive financial report related to each plan, as well as to conduct actuarial studies on the plans that produce statistics.

The City of Milford's part in that is based on Milford's activity as a function of all the cities and counties that are participants in the plan. Milford's proportional slice is the \$5 million that is reported.

In summary, Chairman James shared the report does not require any modifications. It is materially free of any mistakes or omissions based on the audit which results in a clean report.

A discussion about the timeline for the completion of the FY23 and FY24 followed, though Director Vitola was uncomfortable providing an exact timeline.

Chairman James stated the next step is for the Committee to present the audit to City Council for a vote to accept.

There being no further business, Chairman James adjourned the Committee Meeting at 5:52 p.m.

Respectfully submitted,

Terri K. Hudson, MMC  
City Clerk/Recorder



Financial Reporting Package  
As of and For the Period Ended June 30, 2024

Net Cash and Funding Availability Summary *(in thousands)*

Cash & Investment Balance Rollforward

Restricted Cash Reserves Report

Enterprise Funds YTD Revenue & Expenditure Report

General Fund YTD Revenue & Expenditure Report

Appendix: ARPA Funding Plan versus Actual Expenses

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*Legacy* Revenue Report with MTD & YTD vs Annual Budget

*Legacy* Expenditure Report with MTD & YTD vs Annual Budget

*Legacy* Interservice Department Cost Allocation

City of Milford, Delaware  
 Net Cash and Funding Availability Summary (in thousands)<sup>1</sup>  
 For the Period Ended June 30, 2024

1 **Operating Cash Balances**

▼ Marks Ref Closing Bal<sup>3</sup>

Description	Opening Balance (May 31, 2024)	Closing Balance (Jun 30, 2024)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
General Fund	\$ 1,562 →	\$ 1,661	\$ -	\$ (52)	\$ (1,509)	\$ 101
Electric Fund	3,776 ↓	2,872	-	(983)	(1,652)	237
Water Fund	2,579 ↑	2,868	-	(2,135)	(294)	440
Sewer Fund	2,060 →	1,979	-	(1,531)	(205)	244
Solid Waste Fund	697 ↑	778	-	(132)	(190)	456
<b>Operating Cash Totals<sup>3</sup></b>	<b>\$ 10,674</b>	<b>\$ 10,158</b>	<b>\$ -</b>	<b>\$ (4,832)</b>	<b>\$ (3,849)</b>	<b>\$ 1,477</b>

9 **Federal, State and Other Special Purpose Cash Balances**

Description	Opening Balance (May 31, 2024)	Closing Balance (Jun 30, 2024)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
General Improvement	\$ 1,274 →	\$ 1,274	\$ -	\$ (1,274)	\$ -	\$ -
Municipal Street Aid (MSA)	897 →	904	-	(904)	-	-
Realty Transfer Tax (RTT)	1,361 ↑	1,515	5,000	(3,790)	(1,280)	1,444
Economic Development	515 →	515	89	(419)	-	185
Lodging Tax Fund	707 →	749	99	(848)	-	-
ARPA Grant Fund	593 ↓	274	-	(274)	-	-
<b>Special Purpose Cash Totals<sup>3</sup></b>	<b>\$ 5,348</b>	<b>\$ 5,231</b>	<b>\$ 5,188</b>	<b>\$ (7,509)</b>	<b>\$ (1,280)</b>	<b>\$ 1,629</b>

18 **Reserve Fund Cash Balances<sup>1</sup>**

Description	Opening Balance (May 31, 2024)	Closing Balance (Jun 30, 2024)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
General Fund Capital Reserves	\$ 3,571 →	\$ 3,436	\$ 2,852	\$ (4,399)	\$ (249)	\$ 1,640
Water Fund Capital Reserves	4,016 →	4,041	2,135	(1,273)	(2,758)	2,145
Sewer Fund Capital Reserves	4,571 →	4,599	1,531	(1,739)	(3,887)	504
Solid Waste Fund Capital Reserves	115 →	116	132	(207)	(40)	2
Electric Fund Capital Reserves <sup>2</sup>	13,052 →	13,133	3,483	(7,429)	(7,018)	2,169
<b>Operating Cash Totals<sup>3</sup></b>	<b>\$ 25,325</b>	<b>\$ 25,325</b>	<b>\$ 10,132</b>	<b>\$ (15,046)</b>	<b>\$ (13,952)</b>	<b>\$ 6,459</b>

26 **Impact Fees and Police/General Facilities Cash Balances**

Description	Opening Balance (May 31, 2024)	Closing Balance (Jun 30, 2024)	Projected Cashflows	Commitments & Restrictions	Minimum Cash Requirement/ERR	Uncommitted / Unrestricted
Police & General Gov't Facilities	\$ 571 ↑	\$ 636	\$ -	\$ (636)	\$ -	\$ -
Carlisle Fire Co Permit Fund	280 →	302	-	(302)	-	-
Parks & Recreation Facilities	160 →	160	-	(160)	-	-
Water Impact Fee Reserves	6,059 →	6,138	-	(6,138)	-	-
Sewer Impact Fee Reserves	3,461 →	3,509	-	(3,509)	-	-
Electric Impact Fee Reserves	1,330 →	1,417	-	(1,417)	-	-
<b>Impact Fees &amp; Police/GF Totals<sup>3</sup></b>	<b>\$ 11,861</b>	<b>\$ 12,161</b>	<b>\$ -</b>	<b>\$ (12,161)</b>	<b>\$ -</b>	<b>\$ -</b>

<b>Grand Totals<sup>3</sup></b>	<b>\$ 53,208</b>	<b>\$ 52,875</b>	<b>\$ 15,320</b>	<b>\$ (39,548)</b>	<b>\$ (19,081)</b>	<b>\$ 9,566</b>
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36 <sup>1</sup>New report merges Cash Roll (p.2) and Restricted Reserves (p.3) into one single reference for net funds available after commitments & restrictions.  
 37 <sup>2</sup>Realty Transfer Taxes (RTT) and Electric Fund Reserves totaling \$7.5 million are being temporarily consumed to offset interest costs associated with the PD Facility construction. The recovery of the funds through project financing is reflected in the Projected Cashflows columns for RTT and Electric (\$5 million and \$2.5 million, respectively).  
 38 <sup>3</sup>Closing Balance Indicator sets **Red**, **Yellow** and **Green** signify month-to-month cash variance as follows:

39

		
<b>-10% ≤ Variance ≤ 10%</b>	<b>-5% ≤ Variance ≤ 5%</b>	<b>-2.5% ≤ Variance ≤ 2.5%</b>

City of Milford, Delaware  
Cash and Investment Balance<sup>1</sup> Rollforward  
For the Period Ended June 30, 2024

1 **Operating Cash Balances**

▼ Marks Ref Closing Bal<sup>4</sup>

Description	Opening Balance (May 31, 2024)	Receipts	Interest Earned	Disbursements	Closing Balance (Jun 30, 2024)
General Fund	\$ 1,561,943	\$ 2,446,169	\$ 2,725	\$ (2,350,049) →	\$ 1,660,789
Electric Fund	3,776,009	2,341,369	5,637	(3,251,336) ↓	2,871,679
Water Fund	2,578,938	424,223	3,964	(138,641) ↑	2,868,485
Sewer Fund	2,059,881	628,160	2,847	(712,160) →	1,978,729
Solid Waste Fund	697,483	165,473	1,205	(85,751) ↑	778,409
<b>Operating Cash Totals<sup>4</sup></b>	<b>\$ 10,674,254</b>	<b>\$ 6,005,396</b>	<b>\$ 16,378</b>	<b>\$ (6,537,937) ●</b>	<b>\$ 10,158,091</b>

9 **Federal, State and Other Special Purpose Cash Balances**

Description	Opening Balance (May 31, 2024)	Receipts	Interest Earned	Disbursements <sup>2</sup>	Closing Balance (Jun 30, 2024)
General Improvement	\$ 1,273,959	\$ -	\$ 9,020	\$ (8,545) →	\$ 1,274,435
Municipal Street Aid (MSA)	897,434	-	6,254	- →	903,689
Realty Transfer Tax (RTT)	1,361,340	161,114	8,871	(16,667) ↑	1,514,658
Economic Development	515,247	-	-	- →	515,247
Lodging Tax Fund	706,793	41,969	-	- →	748,762
ARPA Grant Fund	593,315	-	-	(319,425) ↓	273,890
<b>Special Purpose Cash Totals<sup>3,4</sup></b>	<b>\$ 5,348,090</b>	<b>\$ 203,083</b>	<b>\$ 24,145</b>	<b>\$ (344,637) ●</b>	<b>\$ 5,230,681</b>

18 **Reserve Fund Cash Balances**

Description	Opening Balance (May 31, 2024)	Receipts	Interest Earned	Disbursements <sup>2</sup>	Closing Balance (Jun 30, 2024)
General Fund Capital Reserves	\$ 3,571,310	\$ -	\$ 25,582	\$ (161,077) →	\$ 3,435,815
Water Fund Capital Reserves	4,015,506	-	28,238	(3,081) →	4,040,663
Sewer Fund Capital Reserves	4,570,586	-	32,122	(3,241) →	4,599,468
Solid Waste Fund Capital Reserves	115,236	-	923	- →	116,159
Electric Fund Capital Reserves	13,052,461	-	91,593	(10,950) →	13,133,105
<b>Reserve Fund Cash Totals<sup>3,4</sup></b>	<b>\$ 25,325,099</b>	<b>\$ -</b>	<b>\$ 178,458</b>	<b>\$ (178,348) ●</b>	<b>\$ 25,325,209</b>

26 **Impact Fees and Police/General Facilities Cash Balances**

Description	Opening Balance (May 31, 2024)	Receipts	Interest Earned	Disbursements <sup>2</sup>	Closing Balance (Jun 30, 2024)
Police & General Gov't Facilities	\$ 570,766	64,914	\$ -	\$ - ↑	\$ 635,680
Carlisle Fire Co Permit Fund	280,243	21,638	-	- →	301,881
Parks & Recreation Facilities	159,575	-	-	- →	159,575
Water Impact Fee Reserves	6,058,605	79,834	-	- →	6,138,438
Sewer Impact Fee Reserves	3,461,147	47,659	-	- →	3,508,805
Electric Impact Fee Reserves	1,330,290	86,400	-	- →	1,416,690
<b>Impact Fees &amp; Police/GF Totals<sup>3,4</sup></b>	<b>\$ 11,860,626</b>	<b>\$ 300,444</b>	<b>\$ -</b>	<b>\$ - ●</b>	<b>\$ 12,161,070</b>

<b>Grand Totals<sup>4</sup></b>	<b>\$ 53,208,069</b>	<b>\$ 6,508,923</b>	<b>\$ 218,981</b>	<b>\$ (7,060,921) ▲</b>	<b>\$ 52,875,051</b>
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<sup>1</sup>Balances are not indicative of funding availability; see enclosed Restricted Cash Reserves and Net Cash & Funding Availability Reports for detail.

<sup>2</sup>\$178k disbursed from reserves (lines 20-24) driven by Walnut St Pedestrian Bridge (\$144k) along with ERP project spending & other budgeted CIP project activity. \$319k reported in ARPA funding (line 16) attributable primarily to 2024 Streets / Utilities Project. See ARPA Appendix for detail.

<sup>3</sup>Investments with PFM total \$39 million and consist of total reserves (line 25), impact fees (lines 31-33), special purpose funds (lines 14-15), and on a short-term basis, a portion of the operating cash (line 8).

<sup>4</sup>Closing Balance Indicator sets **Red**, **Yellow** and **Green** signify month-to-month cash variance as follows:



**-10% ≤ Variance ≤ 10%**



**-5% ≤ Variance ≤ 5%**



**-2.5% ≤ Variance ≤ 2.5%**

City of Milford, Delaware  
Restricted Cash Reserves Report  
As of June 30, 2024

General Fund Capital Reserves		Amount
Cash/Investment Balance (6/30/24)	\$	3,435,815
Expected Contributions & Interest		851,577
Restricted Funds:		
Vehicle & Equipment Replacement		(481,908)
Street Repair		(867,376)
Parking Enhancements		(320,000)
Parkland, Trails & Recreation		(778,429)
Other Proj, Incl MCC Design		(153,141)
OpEx Support (PD R/M)		(998,036)
Support Policy with RTT <sup>1</sup>		2,000,000
Reserve (MCR) Policy <sup>6,8</sup>		(800,000)
Equipment Replacement Reserve <sup>2</sup>		(248,870)
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>1,639,631</b>

Electric Fund Capital Reserves		Amount
Cash/Investment Balance (6/30/24)	\$	13,133,105
Expected Contributions & Interest		3,482,952
Restricted Funds:		
Electric Vehicles & Equipment		(359,306)
Lighting & System Improvements		(584,637)
Traffic Signal Upgrades		(284,676)
Citywide Projects		(2,139,891)
Investment Policy/Rate Stability <sup>7</sup>		(4,060,000)
Reserve (MCR) Policy <sup>3,6</sup>		(6,623,223)
Equipment Replacement Reserve <sup>3</sup>		(395,237)
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>2,169,088</b>

Water Fund Capital Reserves		Amount
Cash/Investment Balance (6/30/24)	\$	4,040,663
Expected Contributions & Interest		2,135,178
Restricted Funds:		
Vehicle & Equipment Replacement		(136,859)
Street-Utility Engineering/Infra		(606,000)
		-
Milford Business Campus		-
Reserve-Funded Projects		(529,650)
		-
Reserve (MCR) Policy <sup>3,6</sup>		(2,607,752)
Equipment Replacement Reserve <sup>3</sup>		(150,545)
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>2,145,035</b>

Solid Waste Reserves		Amount
Cash/Investment Balance (6/30/24)	\$	116,159
Expected Contributions & Interest		131,924
Restricted Funds:		
Solid Waste Vehicles & Equipment <sup>4</sup>		(150,760)
Solid Waste Alloc of PW Projects		(55,744)
		-
Reserve (MCR) Policy <sup>4</sup>		-
Equipment Replacement Reserve <sup>4</sup>		(39,582)
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>1,997</b>

Sewer Fund Capital Reserves		Amount
Cash/Investment Balance (6/30/24)	\$	4,599,468
Expected Contributions & Interest		1,530,539
Restricted Funds:		
Sewer Vehicles & Equipment		(40,117)
Citywide Projects & Engineering		(2,709)
Utility Engineering		-
		-
Reserve-Funded Projects		(1,696,434)
		-
Reserve (MCR) Policy <sup>3,6</sup>		(3,834,077)
Equipment Replacement Reserve <sup>3</sup>		(52,923)
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>503,747</b>

MSA & RTT Reserves		Amount
RTT Balance (6/30/24)		1,514,658
MSA Balance (6/30/24)		903,689
MSA & RTT Est Receipts thru FY24:		5,000,000
MSA: Street & Bridge Improvements		(1,190,958)
RTT: Transfer to Police Dept		-
RTT: Sidewalk Project Funding		(632,170)
MSA & RTT: 2020 Combined St-Util		(871,000)
		-
RTT: Support GF Policies <sup>1</sup>		(2,000,000)
RTT: Reserve Policy <sup>5</sup>		(1,280,031)
<b>Uncommitted Reserve Balance</b>	<b>\$</b>	<b>1,444,188</b>

<sup>1</sup>Approved GF Reserve Policies permit support from an eligible funding source; portion of RTT balance pledged to support GF Reserves for foreseeable future

<sup>2</sup>Approved GF Reserve Policies recommend MCR of 45 days OpEx & Equip Repl Res minimum of 110% of upcoming CIP budget

<sup>3</sup>Approved Reserve Policies split Minimum Cash Req'd from COS study into new MCR & Equip Repl Reserve (20% of CIP)

<sup>4</sup>Solid Waste Reserves initiated in FY22 with seed funding from interfund loan forgiveness. Funds accumulated through FY23 used for collection equipment; 100% being reserved in FY24+.

<sup>5</sup>Approved Reserve Policies recommend dynamic MCR based on average of trailing-three-year RTT receipts; FY24 increase related to strong FY23 vs FY20, which fell out of T3 Avg

<sup>6</sup>The Days Operating Expenditures (Days OpEx) piece of MCRs reclassified from Reserve balances here to Operating Cash; the Total MCR has not changed

<sup>7</sup>This funding has been deployed pursuant to the City's Investment Policy to achieve rate stability and structured returns. Interest rate increases and land investments prompted a revised strategy to benefit both the electric and sewer funds over a 13-year investment horizon.

<sup>8</sup>A portion of the GF Reserve balance supports GF OCF requirement due to seasonal cash consumption & surplus cash deployment into the investment program

City of Milford, Delaware  
Enterprise Funds: Statement of Revenues & Expenditures  
For the YTD Period Ended June 30, 2024 vs Prior FYTD & Current Budget (in thousands)

Enterprise Funds Profit & Loss (P&L) Statement	Electric	Water	Sewer	Solid Waste	Total	FY24 Total (as % of Rev)	FY23 Total (as % of Rev)
Operating Revenue	\$ 32,311	\$ 3,856	\$ 5,940	\$ 1,857	\$ 43,965	100.0%	100.0%
Cost of Revenue <sup>1</sup>	(22,172)	(425)	(3,002)	(339)	(25,938)	-59.0%	-62.2%
Gross Margin	10,139	3,431	2,938	1,518	18,027	41.0%	37.8%
Operating Expenses							
Operations & Maintenance	(3,244)	(1,662)	(1,922)	(1,387)	(8,214)	-18.7%	-15.1%
Personnel	(1,689)	(377)	(394)	(408)	(2,868)	-6.5%	-6.7%
Total Operating Expenses	(4,933)	(2,038)	(2,316)	(1,795)	(11,082)	-25.2%	-21.8%
<b>Operating Income</b>	<b>\$ 5,207</b>	<b>\$ 1,392</b>	<b>\$ 622</b>	<b>\$ (277)</b>	<b>\$ 6,944</b>	<b>15.8%</b>	<b>16.0%</b>
Non-Operating Revenue (Expense)	-	-	-	-	-	0.0%	2.8%
Surplus (Deficit) for debt service & capital	5,207	1,392	622	(277)	6,944	15.8%	18.8%
Debt Service - Principal & Interest	(323)	(548)	(509)	-	(1,380)	-3.1%	-3.1%
Capital Spending / Contributions from (to) Reserves	(997)	(446)	(233)	-	(1,676)	-3.8%	-4.8%
Surplus (deficit) available for transfers	3,887	399	(120)	(277)	3,888	8.8%	10.9%
Transfers Out	(3,750)	(300)	(300)	-	(4,350)	-9.9%	-7.4%
<b>Net Surplus (Deficit) - FYTD through Jun 2024</b>	<b>\$ 137</b>	<b>\$ 99</b>	<b>\$ (420)</b>	<b>\$ (277)</b>	<b>\$ (462)</b>	<b>-1.1%</b>	<b>3.5%</b>
<b>Net Surplus (Deficit) - FYTD through Jun 2023</b>	<b>\$ 278</b>	<b>\$ 714</b>	<b>\$ 482</b>	<b>\$ (139)</b>	<b>\$ 1,335</b>	<b>3.5%</b>	
<b>Current vs Prior - Favorable (Unfavorable)<sup>2</sup></b>	<b>\$ (142)</b> ↓	<b>\$ (616)</b> ↓	<b>\$ (902)</b> ↓	<b>\$ (138)</b> ↓	<b>\$ (1,797)</b> ↓	<b>-4.6%</b>	
<b>Net Surplus (Deficit) - Current FYTD Budget</b>	<b>\$ (0)</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>\$ (0)</b>	<b>\$ 0</b>	<b>0.0%</b>	
<b>Current vs Budget - Favorable (Unfavorable)<sup>2</sup></b>	<b>\$ 137</b> ↑	<b>\$ 99</b> ↓	<b>\$ (421)</b> ↓	<b>\$ (277)</b> ↓	<b>\$ (462)</b> ↓	<b>-1.1%</b>	

<sup>1</sup>Cost of Revenue reported in the electric fund reflects wholesale cost of power and serves as an ideal revenue offset to arrive at gross margin. Cost of revenue in the water, sewer and solid waste funds are estimated based on a limited set of known, direct inputs to the cost of providing the utility services billed. Aside from Kent County sewer treatment charges, costs of revenue in the water, sewer and solid waste funds are likely understated.

<sup>2</sup>Comparative Indicators **Green**, **Yellow** and **Red** signify favorable variance greater than 5%, marginal variance within ±5%, and unfavorable variance below -5%, respectively, for departmental comparisons. Total variance carries tighter bounds of >2.5%, ±2.5% and <2.5%, while the percentage variance uses >1.0%, ±1.0% and <1.0%, respectively.

City of Milford, Delaware  
 General Fund: Statement of Revenues & Expenditures<sup>1</sup>  
 For the YTD Period Ended June 30, 2024 vs Prior FYTD & Current Budget (in thousands)

General Fund Sources and Uses of Funding	Admin & Council	Public Safety	Parks & Rec	Planning & All Other	Total	FY24 Total <i>(as % of Rev)</i>	FY23 Total <sup>2</sup> <i>(as % of Rev)</i>
<b>Sources of Funding:</b>							
Real Estate (Property) Taxes	\$ 5,731	\$ -	\$ -	\$ -	\$ 5,731	40.3%	41.6%
Permits, Licensing & Franchise Fees	400	-	-	662	1,062	7.5%	8.8%
Fines, Fees & Misc Revenue	71	699	-	-	770	5.4%	4.3%
<b>General Revenue Subtotal</b>	<b>6,201</b>	<b>699</b>	<b>-</b>	<b>662</b>	<b>7,562</b>	<b>53.2%</b>	<b>54.7%</b>
Utility Transfers & Cost Allocation	5,222	-	-	-	5,222	36.8%	25.7%
Grant Revenue	-	-	-	-	-	0.0%	17.1%
Application of Reserve Balances	1,220	200	-	-	1,420	10.0%	2.5%
<b>General Fund Operating Support</b>	<b>6,442</b>	<b>200</b>	<b>-</b>	<b>-</b>	<b>6,642</b>	<b>46.8%</b>	<b>45.3%</b>
<b>Total Sources of Funding</b>	<b>\$ 12,643</b>	<b>\$ 899</b>	<b>\$ -</b>	<b>\$ 662</b>	<b>\$ 14,205</b>	<b>100.0%</b>	<b>100.0%</b>
<b>Uses of Funding:</b>							
Operations & Maintenance	836	1,556	651	1,120	4,164	29.3%	27.8%
Personnel	849	5,470	669	2,082	9,070	63.9%	71.7%
<b>Total Operating Expenses</b>	<b>1,686</b>	<b>7,026</b>	<b>1,320</b>	<b>3,202</b>	<b>13,234</b>	<b>93.2%</b>	<b>99.5%</b>
<b>Surplus (Deficit) for Debt Svc &amp; Capital</b>	<b>\$ 10,958</b>	<b>\$ (6,127)</b>	<b>\$ (1,320)</b>	<b>\$ (2,540)</b>	<b>\$ 971</b>	<b>6.8%</b>	<b>0.5%</b>
Debt Service - Principal & Interest	-	212	-	-	212	1.5%	0.0%
Capital Spending / Transfers from (to) Reserves	329	444	648	1,380	2,801	19.7%	18.1%
<b>Net Surplus (Deficit) - FYTD through Jun 2024</b>	<b>\$ 10,628</b>	<b>\$ (6,783)</b>	<b>\$ (1,967)</b>	<b>\$ (3,920)</b>	<b>\$ (2,042)</b>	<b>-14.4%</b>	<b>-17.6%</b>
<b>Net Surplus (Deficit) - FYTD through Jun 2023</b>	<b>\$ 7,120</b>	<b>\$ (5,574)</b>	<b>\$ (1,368)</b>	<b>\$ (2,298)</b>	<b>\$ (2,121)</b>	<b>-17.6%</b>	
<b>Current vs Prior - Favorable (Unfavorable)<sup>2</sup></b>	<b>↑ \$ 3,508</b>	<b>↓ \$ (1,208)</b>	<b>↓ \$ (599)</b>	<b>↓ \$ (1,621)</b>	<b>↑ \$ 79</b>	<b>↑ 3.2%</b>	
<b>Net Surplus (Deficit) - Current FYTD Budget</b>	<b>\$ 10,473</b>	<b>\$ (6,641)</b>	<b>\$ (2,031)</b>	<b>\$ (4,418)</b>	<b>\$ (2,618)</b>	<b>-18.8%</b>	
<b>Current vs Budget - Favorable (Unfavorable)<sup>3</sup></b>	<b>→ \$ 156</b>	<b>→ \$ (141)</b>	<b>↑ \$ 64</b>	<b>↑ \$ 498</b>	<b>↑ \$ 576</b>	<b>↑ 4.5%</b>	

<sup>1</sup>This Statement presents the same general fund financial performance available in the legacy Revenue and Expenditure Reports in a one-page consolidated executive summary. The common size reporting (two rightmost columns) benefits readers in two ways; first, each line is scaled with total revenue to add context, and second, the common size format is comparable across fiscal years and budgets. This report should be considered a working draft that will be improved over time to improve its usefulness to readers.

<sup>2</sup>This format presents expenditures in the context of funding sources while comparing subtotals (rightmost column) and the net surplus (deficit) to the prior YTD period (rows 19 & 20)

<sup>3</sup>Comparative Indicators **Green**, **Yellow** and **Red** signify favorable variance greater than 5%, marginal variance within ±5%, and unfavorable variance below -5%, respectively, for departmental comparisons. Total variance carries tighter bounds of >2.5%, ±2.5% and <2.5%, while the percentage variance uses >1.0%, ±1.0% and <1.0%, respectively.

Appendix: Planned Use of Funding vs Spending by Category  
American Rescue Plan Act of 2021 ("ARPA")

<i>Actual Spending by Category vs Plan, as Amended</i>						
ARPA Eligibility Categories	Plan (3/25/24) <sup>1</sup>	Actual (3/31/24)	Actual (6/30/24)	Q4 FY24 Activity <sup>2</sup>	Remaining	Notes
<b>COVID-19 Health Impact</b>	\$ 1,131,396	\$ 1,057,848	\$ 1,059,706	\$ 1,858	\$ 71,691	
Operational Facilities	778,000	778,000	778,000	-	-	PD Vehicles, City Hall/IT Upgrades
Administering COVID-19 Response	43,779	25,988	25,988	-	17,791	Pro Rata portion of DE Treasury ARPA Attorney
Behavioral Health Care	180,000	180,000	180,000	-	-	Primarily Personnel Costs
Air Quality & Ventilation	129,020	73,262	75,120	1,858	53,900	HVAC Repair in Finc & P&R Offices; PW Areas
COVID-19 Mitigation	598	598	598	-	-	Vaccination Incentive; COVID test kits
<b>COVID-19 Economic Impact</b>	\$ 858,164	\$ 857,615	\$ 857,615	\$ -	\$ 549	
Assistance to Community (Annual)	322,114	322,114	322,114	-	-	DMI, Armory, Museum, CFC, MACC, Library
Assistance to Community & Households	255,394	255,394	255,394	-	-	MHDC, ECDC, CFC, FBOD, MAH, MCG, MPL, FPCM, CP, MAL, FOMM <sup>3</sup>
Critical Ops Staffing / Retention	236,476	236,476	236,476	-	-	Dec-21
Aid Tourism Recovery	26,880	26,332	26,332	-	549	Signage / Banner Upgrade, Parks & Planning Rev
Operational Facilities	14,674	14,674	14,674	-	-	City Hall Access Panel Upgrades
Parks & Rec Programming	2,625	2,625	2,625	-	-	Signage cost share with DMI
<b>Infrastructure</b>	\$ 4,329,459	\$ 3,797,231	\$ 4,114,798	\$ 317,567	\$ 214,661	
Water Quality	3,127,074	2,845,722	3,095,722	250,000	31,352	<b>2024 Utilities / Streets Proj;</b> Misp St Proj; NE Front St Water Line; 2020 Utilities / Streets Proj
Flood/Pollution Control	224,527	223,651	224,527	876	-	4th St Drainage & Mispillion St Project
Improve Resilience to Disasters	435,000	435,000	435,000	-	-	Pump Station Upgrades, Spare Pumps & IT Initiatives
Improve Wastewater Treatment	542,858	292,858	359,549	66,691	183,309	<b>2024 Utilities / Streets Proj;</b> Misp St Proj; NW Front St
<b>Revenue Recovery</b>	\$ 14,874	\$ 14,874	\$ 14,874	\$ -	\$ -	
Parks & Rec Programming	7,112	7,112	7,112	-	-	
Economic Development	7,762	7,762	7,762	-	-	
Public Safety Operations	-	-	-	-	-	Public Safety Revenue Recovery diverted to Vehicles
<b>Grand Total</b>	\$ 6,333,893	\$ 5,727,567	\$ 6,046,992	\$ 319,425	\$ 286,900	

<sup>1</sup>Adjusted to reflect funding available through the CARES act, Sussex County RTT funds and Council approval of additional vehicle funding; Adjusted for 2024 Streets Package

<sup>2</sup>This ARPA Spending Update is being generated quarterly following the September 2023 (Q1-FY24) Financial Report

<sup>3</sup>Housing Devel Corp, Elevated Community Development Corp, Carlisle Fire Co, Food Bank of DE, Advocacy for the Homeless, Community Garden, Public Library, First Presbyterian, Code Purple, Art League, Friends of the Museum

City of Milford, Delaware  
 Legacy Revenue Report: MTD and YTD Actual vs Annual Budget  
 For the YTD Period Ended June 30, 2024

*100.0% of Year Elapsed*

Account / Function	FY24 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget
<b>General Fund:</b>				
Economic Development Fund	\$ 105,860	\$ 8,822	\$ 105,860	100.0%
General Fund Reserves	1,114,525	92,877	1,114,525	100.0%
ARPA Funding - Operating Support	21,245	-	-	0.0%
Realty Transfer Tax - Police	200,000	16,667	200,000	100.0%
Real Estate Tax	5,732,358	1,194	5,730,797	100.0%
Business License	67,000	-	84,340	125.9%
Rental License	120,000	14,725	125,565	104.6%
Building Permits	250,000	108,444	306,047	122.4%
Planning & Zoning	65,000	45,699	126,247	194.2%
Leases and Franchise Fees	430,069	32,208	399,571	92.9%
Grasscutting Revenue	20,000	1,667	20,000	100.0%
Police Revenues	523,680	176,663	699,371	133.5%
Misc. Revenues	20,500	12,614	70,550	344.1%
Transfers In <sup>1</sup>	5,221,976	935,165	5,721,976	109.6%
<b>Total General Fund Revenue</b>	<b>\$ 13,892,213</b>	<b>\$ 1,446,743</b>	<b>\$ 14,704,848</b>	<b>105.8%</b>
<b>Enterprise Funds:</b>				
Water Fund Revenues	3,601,227	308,320	3,856,210	107.1%
Sewer Fund Revenues	3,271,974	262,935	3,435,913	105.0%
Kent County Sewer	2,533,811	213,783	2,504,245	98.8%
Solid Waste Fund Revenues	1,710,494	142,724	1,857,100	108.6%
Electric Fund Revenues	28,893,293	2,345,945	32,311,152	111.8%
<b>Total Enterprise Fund Revenue</b>	<b>\$ 40,010,799</b>	<b>\$ 3,273,708</b>	<b>\$ 43,964,619</b>	<b>109.9%</b>
Other Enterprise Revenue	-	11,180	101,529	
Other Enterprise Expense	-	(6,184)	(53,020)	
<b>Total General &amp; Enterprise Fund Revenue</b>	<b>\$ 53,903,012</b>	<b>\$ 4,725,446</b>	<b>\$ 58,717,976</b>	<b>108.9%</b>

<sup>1</sup>Includes supplemental one-time transfer of \$0.5 million approved June 10, 2024 in support of the FY25 operating budget.

City of Milford, Delaware  
 Legacy Expenditure Report: MTD and YTD Actual vs Annual Budget  
 For the YTD Period Ended June 30, 2024

*100.0% of Year Elapsed*

Fund / Account / Divisional Groupings	FY24 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget	Unexpended Balance
<b>General Fund</b>					
<b>City Administration</b>					
Personnel	\$ 621,570	39,075	\$ 530,173	85.3%	\$ 91,397
Operation & Maintenance (O&M)	137,511	6,272	121,560	88.4%	15,951
Capital	-	-	-		-
<b>Subtotal: City Administration</b>	<b>759,081</b>	<b>45,347</b>	<b>651,733</b>	<b>85.9%</b>	<b>107,348</b>
<b>City Clerks</b>					
Personnel	337,869	21,262	273,014	80.8%	\$ 64,855
Operation & Maintenance (O&M)	81,851	2,652	62,696	76.6%	19,155
Capital	-	-	-		-
<b>Subtotal: City Clerks</b>	<b>419,720</b>	<b>23,914</b>	<b>335,710</b>	<b>80.0%</b>	<b>84,010</b>
<b>Planning &amp; Zoning</b>					
Personnel	\$ 676,580	57,533	647,014	95.6%	29,566
O&M	154,432	27,239	146,597	94.9%	7,835
Capital	70,000	-	47,314	67.6%	22,686
<b>Subtotal: Planning &amp; Zoning</b>	<b>901,012</b>	<b>84,772</b>	<b>840,925</b>	<b>93.3%</b>	<b>60,087</b>
<b>Council</b>					
Personnel	54,990	5,856	46,214	84.0%	8,776
Legal	30,150	5,047	46,198	153.2%	(16,048)
City Hall Building Expense	38,961	-	50,469	129.5%	(11,508)
Insurance	17,650	5,686	14,223	80.6%	3,427
Council Expense	40,000	8,364	46,492	116.2%	(6,492)
Codification	18,000	-	10,595	58.9%	7,405
Carlisle Fire Company	205,000	-	205,000	100.0%	-
Museum	40,000	-	40,000	100.0%	-
Downtown Milford, Inc.	50,000	-	50,000	100.0%	-
Milford Public Library	28,000	-	28,000	100.0%	-
Armory Expenses	25,000	5,704	14,957	59.8%	10,043
Community Festivals	70,000	-	40,000	57.1%	30,000
Election Expense	13,500	1,093	16,889	125.1%	(3,389)
Other O&M	79,890	-	79,890	100.0%	-
Emergency Operations	50,000	-	7,500	15.0%	42,500
<b>Subtotal: Council</b>	<b>761,141</b>	<b>31,750</b>	<b>696,427</b>	<b>91.5%</b>	<b>64,714</b>

City of Milford, Delaware  
 Legacy Expenditure Report: MTD and YTD Actual vs Annual Budget  
 For the YTD Period Ended June 30, 2024

*100.0% of Year Elapsed*

Fund / Account / Divisional Groupings	FY24 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget	Unexpended Balance
<b>Finance</b>					
Personnel	643,770	53,285	\$ 612,170	95.1%	31,600
O&M	35,080	3,867	40,685	116.0%	(5,605)
Capital	-	-	-		-
<b>Subtotal: Finance</b>	<b>678,850</b>	<b>57,152</b>	<b>652,855</b>	<b>96.2%</b>	<b>25,995</b>
<b>Information Technology</b>					
Personnel	482,545	41,002	460,517	95.4%	22,029
O&M	524,445	30,144	475,106	90.6%	49,339
Capital	973,743	-	321,758	33.0%	651,985
<b>Subtotal: Information Technology</b>	<b>1,980,733</b>	<b>71,146</b>	<b>1,257,380</b>	<b>63.5%</b>	<b>723,352</b>
<b>Police Department</b>					
Personnel	5,530,716	469,496	5,470,021	98.9%	60,695
O&M	1,388,456	84,518	1,409,458	101.5%	(21,002)
Capital	441,442	12,228	397,807	90.1%	43,635
<b>Subtotal: Police Department</b>	<b>7,360,614</b>	<b>566,242</b>	<b>7,277,286</b>	<b>98.9%</b>	<b>83,328</b>
<b>Streets &amp; Grounds Division</b>					
Personnel	425,400	32,673	361,983	85.1%	63,418
O&M	565,968	18,095	378,543	66.9%	187,425
Capital	182,330	155,798	824,858	452.4%	(642,528)
<b>Subtotal: Streets &amp; Grounds Division</b>	<b>1,173,699</b>	<b>206,567</b>	<b>1,565,384</b>	<b>133.4%</b>	<b>(391,685)</b>
<b>Parks &amp; Recreation</b>					
Personnel	790,970	54,486	669,065	84.6%	121,905
O&M	701,910	51,589	616,798	87.9%	85,112
Capital	1,034,676	12,375	647,612	62.6%	387,065
<b>Subtotal: Parks &amp; Recreation</b>	<b>2,527,556</b>	<b>118,451</b>	<b>1,933,474</b>	<b>76.5%</b>	<b>594,081</b>
<b>Total General Fund Expenditures</b>	<b>\$ 16,142,684</b>	<b>\$ 1,205,341</b>	<b>\$ 15,211,175</b>	<b>94.2%</b>	<b>\$ 931,510</b>

City of Milford, Delaware  
Legacy Expenditure Report: MTD and YTD Actual vs Annual Budget  
For the YTD Period Ended June 30, 2024

*100.0% of Year Elapsed*

Fund / Account / Divisional Groupings	FY24 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget	Unexpended Balance
<b>Enterprise Funds:</b>					
<b>Water Division</b>					
Personnel	\$ 412,740	\$ 31,598	\$ 376,619	91.2%	\$ 36,121
O&M	1,787,676	75,210	1,628,116	91.1%	159,560
Transfer to General Fund	300,000	25,000	300,000	100.0%	-
Capital	735,536	-	445,707	60.6%	289,829
Debt Service	365,275	229,138	365,275	100.0%	-
<b>Subtotal: Water Division</b>	<b>3,601,227</b>	<b>360,947</b>	<b>3,115,717</b>	<b>86.5%</b>	<b>485,510</b>
<b>Sewer Division</b>					
Personnel	\$ 402,430	55,927	394,064	97.9%	8,365
O&M	1,928,765	38,851	1,834,393	95.1%	94,372
Transfer to General Fund	300,000	25,000	300,000	100.0%	-
Capital	231,927	-	232,959	100.4%	(1,032)
Debt Service	408,853	77,694	408,853	100.0%	-
<b>Subtotal: Sewer Division (excl. Kent County)</b>	<b>3,271,974</b>	<b>197,471</b>	<b>3,170,269</b>	<b>96.9%</b>	<b>101,705</b>
Kent County Sewer	2,533,811	202,194	2,540,140	100.2%	(6,329)
<b>Subtotal: Sewer Division (Comprehensive)</b>	<b>5,805,785</b>	<b>399,665</b>	<b>5,710,409</b>	<b>98.4%</b>	<b>95,376</b>
<b>Solid Waste Division</b>					
Personnel	403,570	49,234	408,266	101.2%	(4,696)
O&M	1,306,924	44,106	1,261,336	96.5%	45,588
Capital	-	-	-	-	-
<b>Subtotal: Solid Waste Division</b>	<b>1,710,494</b>	<b>93,340</b>	<b>1,669,602</b>	<b>97.6%</b>	<b>40,892</b>
<b>Subtotal: Water, Sewer &amp; Solid Waste</b>	<b>11,117,506</b>	<b>853,952</b>	<b>10,495,728</b>	<b>94.4%</b>	<b>621,778</b>
<b>Electric Division</b>					
Personnel	\$ 1,803,070	197,595	1,688,771	93.7%	114,299
O&M	3,018,229	155,584	3,071,832	101.8%	(53,603)
Transfer to General Fund <sup>1</sup>	3,250,000	770,833	3,750,000	115.4%	(500,000)
Capital	993,014	-	997,379	100.4%	(4,364)
Debt Service	322,590	40,283	322,590	100.0%	-
<b>Subtotal: Electric Division (excl. Power)</b>	<b>9,386,904</b>	<b>1,164,295</b>	<b>9,830,571</b>	<b>104.7%</b>	<b>(443,668)</b>
Power Purchased	20,492,823	2,199,469	22,171,710	108.2%	(1,678,887)
<b>Subtotal: Electric Division (Comprehensive)</b>	<b>29,879,727</b>	<b>3,363,763</b>	<b>32,002,282</b>	<b>107.1%</b>	<b>(2,122,555)</b>
<b>Total Enterprise Fund Expenditures</b>	<b>\$ 40,997,232</b>	<b>\$ 4,217,715</b>	<b>\$ 42,498,009</b>	<b>103.7%</b>	<b>\$ (1,500,777)</b>
<b>Grand Total Operating Budget</b>	<b>\$ 57,139,917</b>	<b>\$ 5,423,056</b>	<b>\$ 57,709,184</b>	<b>101.0%</b>	<b>\$ (569,267)</b>

<sup>1</sup>Includes supplemental one-time transfer of \$0.5 million approved June 10, 2024 in support of the FY25 operating budget.

City of Milford, Delaware  
 Legacy Interservice Department Expenditures: MTD and YTD Actual vs Annual Budget  
 For the YTD Period Ended June 30, 2024

*100.0% of Year Elapsed*

Account / Divisional Groupings	FY24 Budget, as Approved	MTD Actual	YTD Actual	YTD Actual as % of Annual Budget	Unexpended Balance
<b>Interservice Departments</b>					
<b>Garage</b>					
Personnel	\$ 178,430	\$ 15,062	\$ 179,778	100.8%	\$ (1,348)
Operation & Maintenance (O&M)	134,410	24,192	133,766	99.5%	644
Capital	-	-	-		-
<b>Subtotal: Garage</b>	<b>312,840</b>	<b>39,254</b>	<b>313,544</b>	<b>100.2%</b>	<b>(704)</b>
<b>Public Works</b>					
Personnel	921,530	62,589	810,341	87.9%	111,189
O&M	265,540	40,389	273,680	103.1%	(8,140)
Capital	-	-	-		-
<b>Subtotal: Public Works</b>	<b>1,187,070</b>	<b>102,978</b>	<b>1,084,020</b>	<b>91.3%</b>	<b>103,050</b>
<b>Tech Services</b>					
Personnel	304,930	24,526	306,777	100.6%	(1,847)
O&M	509,816	34,311	417,292	81.9%	92,524
Capital	-	-	-		-
<b>Subtotal: Tech Services</b>	<b>814,746</b>	<b>58,837</b>	<b>724,069</b>	<b>88.9%</b>	<b>90,677</b>
<b>Billing &amp; Collections</b>					
Personnel	800,480	68,904	793,125	99.1%	7,356
O&M	451,020	24,140	414,711	91.9%	36,309
Capital	-	-	-		-
<b>Subtotal: Billing &amp; Collections</b>	<b>1,251,500</b>	<b>93,044</b>	<b>1,207,835</b>	<b>96.5%</b>	<b>43,665</b>
<b>City Hall Cost Allocation</b>					
O&M	83,600	7,021	83,665	100.1%	(65)
Capital	-	-	-		-
<b>Subtotal: City Hall Cost Allocation</b>	<b>83,600</b>	<b>7,021</b>	<b>83,665</b>	<b>100.1%</b>	<b>(65)</b>
<b>Interdepartmental Cost Allocation</b>	<b>\$ (3,649,757)</b>	<b>\$ (301,134)</b>	<b>\$ (3,413,134)</b>	<b>93.5%</b>	<b>\$ (236,622)</b>
<b>Net Interdepartmental Costs<sup>1</sup></b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>		<b>\$ -</b>

<sup>1</sup>All costs reported here are allocated to and entirely funded by the various departments that use the services provided internally by these shared departments.



**THE SHPIGLER GROUP**  
STRATEGY MANAGEMENT CONSULTING SERVICES

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# System Modernization Strategy

*Executive Summary*



*Prepared for:*

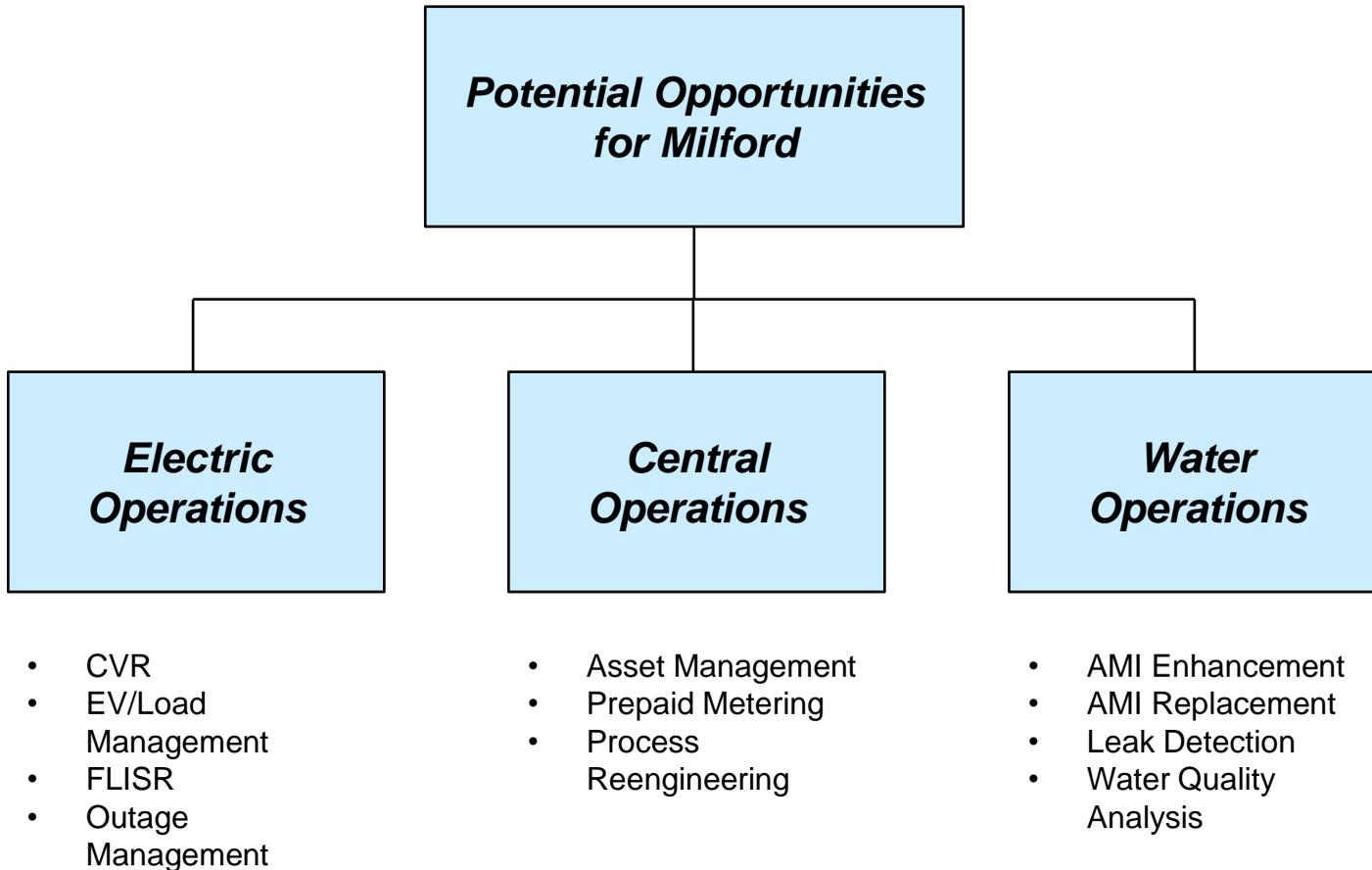


**July 22, 2024**

## The system modernization business case looks very promising

- The overall business case demonstrates some key areas worth pursuing
  - CVR is a clear winner, given the high cost of wholesale demand
  - The high value associated with process reengineering and asset management demonstrate the value of leveraging system data for operational benefit
  - Prepaid metering offers a new option to engage with customers
  - While outage management and FLISR offer modest returns, there is sufficient value in place to justify exploring these options further to ensure maintenance of strong grid reliability
  - The AMI replacement option offers strong potential for “soft” benefits, suggesting including this as well
- The financial returns of the targeted program are exceptionally strong
  - The business case results suggest a total program valuation of \$7.4 million, with an IRR of 44.6%
  - Payback for the entire project can be achieved by year six
  - The business case is even stronger without including the AMI replacement on a return-on-investment basis, featuring an NPV of \$6.3 million and an IRR of 68.0%
- Achieving the inherent value potential will depend on aligning operational efforts with organizational goals
  - The technology roadmap needs to be supportive of the direction of the operation of the utility of the future with greater interconnection
  - Key areas of focus within implementation will involve bringing new systems online and ensuring that existing platforms are integrated in
  - System monitoring, management, and analysis will need to be addressed on an ongoing basis

# The initial strategy review session resulted in the identification of 11 potential use cases for investigation



**At this point, the analysis suggests that many of the use cases considered offer sufficient value to warrant further exploration**

<b>Program Comparison - Ranked</b>									
	<u>PV - Benefits</u>		<u>PV - CapEx</u>		<u>PV - OpEx</u>		<u>Terminal Value</u>	<u>NPV</u>	<u>Rank</u>
CVR	\$	1,807,504	\$	177,953	\$	53,681	\$ 197,242	\$ 1,773,111	1
Process Reengineering	\$	1,062,451	\$	148,148	\$	107,361	\$ 82,992	\$ 889,933	2
Asset Management	\$	809,602	\$	192,359	\$	100,651	\$ 79,730	\$ 596,322	3
Prepaid Metering	\$	389,107	\$	42,383	\$	23,485	\$ 36,349	\$ 359,587	4
Outage Management	\$	140,511	\$	67,536	\$	43,616	\$ 12,033	\$ 41,393	5
FLISR	\$	472,934	\$	419,935	\$	90,586	\$ 43,497	\$ 5,910	6
EV/Load Management	\$	214,433	\$	138,889	\$	100,651	\$ 17,237	\$ (7,870)	7
Water Quality	\$	105,963	\$	87,877	\$	50,326	\$ 7,871	\$ (24,369)	8
AMI Replacement	\$	1,451,265	\$	1,640,745	\$	45,629	\$ 206,497	\$ (28,611)	9
AMI Enhancement	\$	12,612	\$	27,876	\$	14,091	\$ 366	\$ (28,990)	10
Leak Detection	\$	8,301	\$	122,472	\$	21,472	\$ -	\$ (135,643)	11

# The overall effort offers the potential for over \$7.4 million in value creation with an IRR over 44%

**System Modernization Model**

Prepared for:



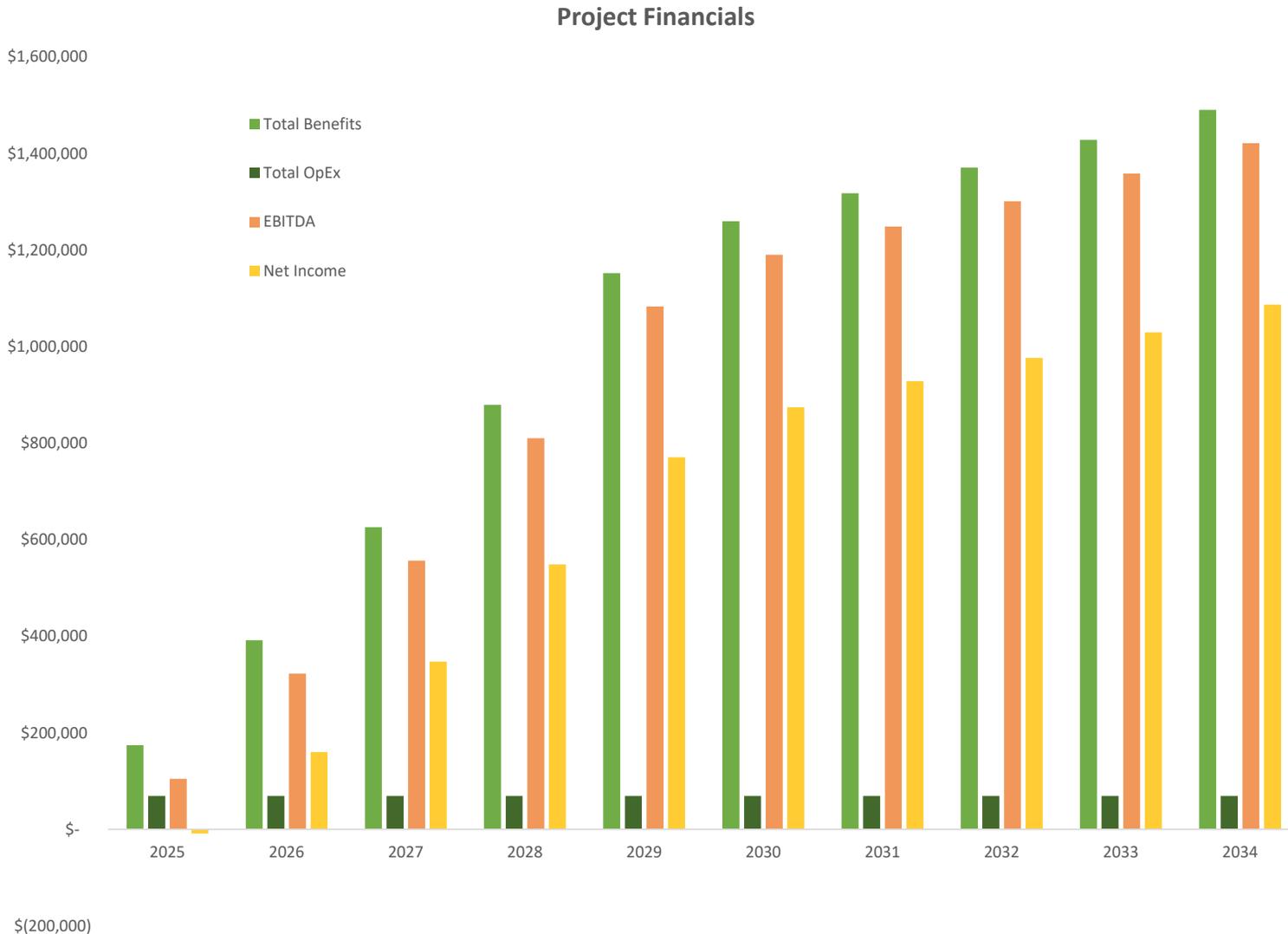
Prepared by:



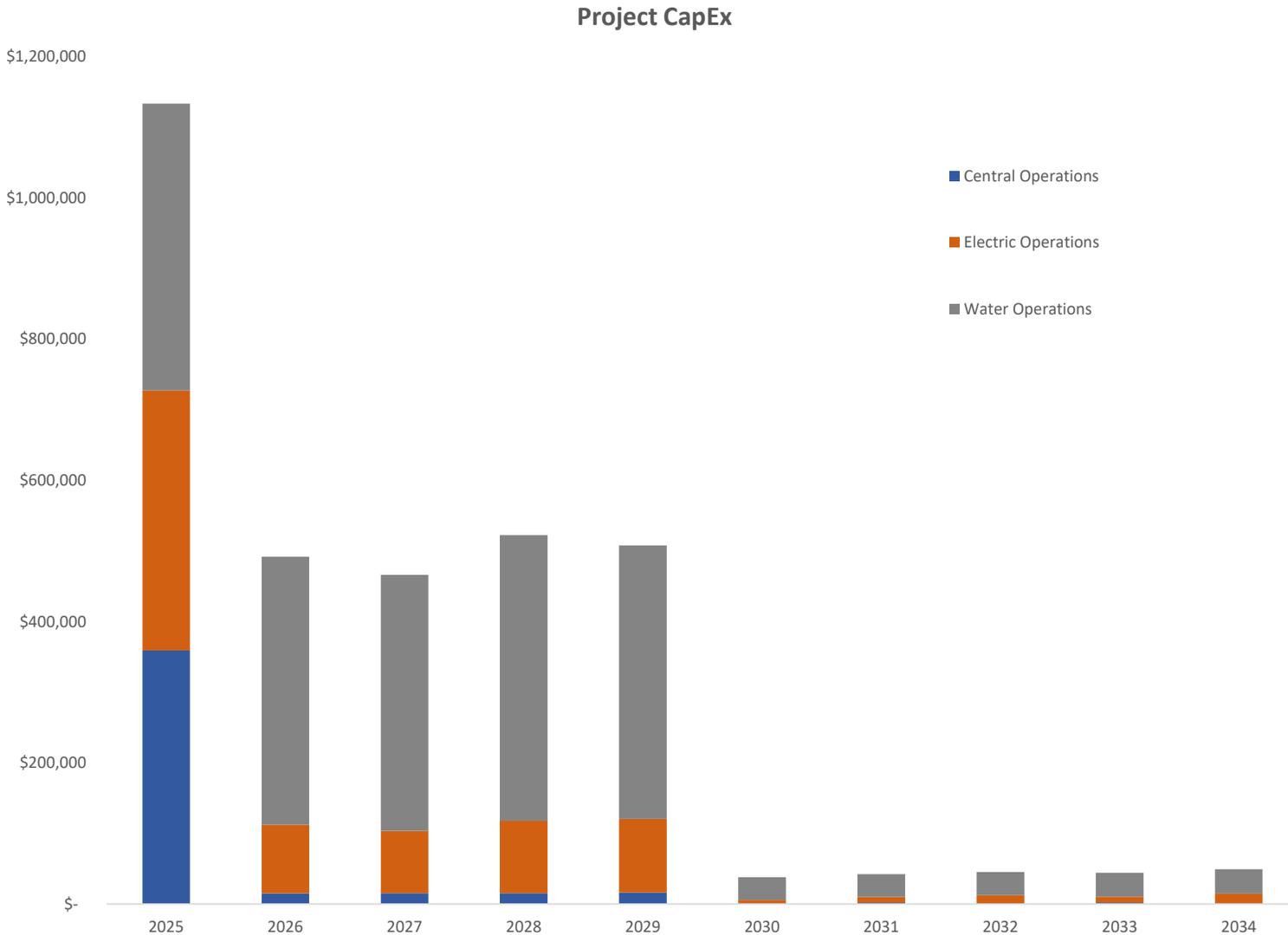
**Business Case Results**

	<u>2025</u>	<u>2026</u>	<u>2027</u>	<u>2028</u>	<u>2029</u>	<u>2030</u>	<u>2031</u>	<u>2032</u>	<u>2033</u>	<u>2034</u>
<b>Benefits</b>										
Central Operations	\$ 104,291	\$ 186,871	\$ 272,310	\$ 360,719	\$ 452,166	\$ 432,891	\$ 440,537	\$ 448,314	\$ 456,238	\$ 464,279
Electric Operations	\$ 49,788	\$ 142,643	\$ 240,715	\$ 345,056	\$ 454,184	\$ 527,540	\$ 545,795	\$ 554,945	\$ 564,249	\$ 573,714
<u>Water Operations</u>	<u>\$ 20,057</u>	<u>\$ 62,305</u>	<u>\$ 113,048</u>	<u>\$ 173,781</u>	<u>\$ 246,204</u>	<u>\$ 299,356</u>	<u>\$ 331,538</u>	<u>\$ 367,499</u>	<u>\$ 407,698</u>	<u>\$ 452,611</u>
Total Benefits	\$ 174,137	\$ 391,819	\$ 626,073	\$ 879,556	\$ 1,152,554	\$ 1,259,787	\$ 1,317,871	\$ 1,370,759	\$ 1,428,185	\$ 1,490,605
<b>OpEx</b>										
Central Operations	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500	\$ 34,500
Electric Operations	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000	\$ 28,000
<u>Water Operations</u>	<u>\$ 6,800</u>									
Total OpEx	\$ 69,300	\$ 69,300	\$ 69,300	\$ 69,300	\$ 69,300	\$ 69,300	\$ 69,300	\$ 69,300	\$ 69,300	\$ 69,300
EBITDA	\$ 104,837	\$ 322,519	\$ 556,773	\$ 810,256	\$ 1,083,254	\$ 1,190,487	\$ 1,248,571	\$ 1,301,459	\$ 1,358,885	\$ 1,421,305
<u>Depreciation</u>	<u>\$ 113,380</u>	<u>\$ 162,563</u>	<u>\$ 209,168</u>	<u>\$ 261,429</u>	<u>\$ 312,220</u>	<u>\$ 315,996</u>	<u>\$ 320,229</u>	<u>\$ 324,764</u>	<u>\$ 329,174</u>	<u>\$ 334,086</u>
Net Income	\$ (8,543)	\$ 159,956	\$ 347,605	\$ 548,827	\$ 771,035	\$ 874,491	\$ 928,342	\$ 976,695	\$ 1,029,711	\$ 1,087,219
<b>CapEx</b>										
Central Operations	\$ 359,110	\$ 15,030	\$ 15,110	\$ 15,190	\$ 16,130	\$ 1,060	\$ 1,910	\$ 220	\$ 1,920	\$ 1,070
Electric Operations	\$ 368,375	\$ 97,150	\$ 88,375	\$ 102,575	\$ 104,325	\$ 4,575	\$ 7,975	\$ 12,050	\$ 8,475	\$ 13,400
<u>Water Operations</u>	<u>\$ 406,310</u>	<u>\$ 379,650</u>	<u>\$ 362,565</u>	<u>\$ 404,850</u>	<u>\$ 387,450</u>	<u>\$ 32,130</u>	<u>\$ 32,445</u>	<u>\$ 33,075</u>	<u>\$ 33,705</u>	<u>\$ 34,650</u>
Total CapEx	\$ 1,133,795	\$ 491,830	\$ 466,050	\$ 522,615	\$ 507,905	\$ 37,765	\$ 42,330	\$ 45,345	\$ 44,100	\$ 49,120
Cash Flow	\$ (1,028,958)	\$ (169,311)	\$ 90,723	\$ 287,641	\$ 575,349	\$ 1,152,722	\$ 1,206,241	\$ 1,256,114	\$ 1,314,785	\$ 1,372,185
Cum Cash Flow	\$ (1,028,958)	\$ (1,198,270)	\$ (1,107,547)	\$ (819,906)	\$ (244,557)	\$ 908,165	\$ 2,114,406	\$ 3,370,519	\$ 4,685,304	\$ 6,057,489
NPV	\$ 7,428,416									
IRR		44.6%								
Peak Funding	\$ 1,198,423									

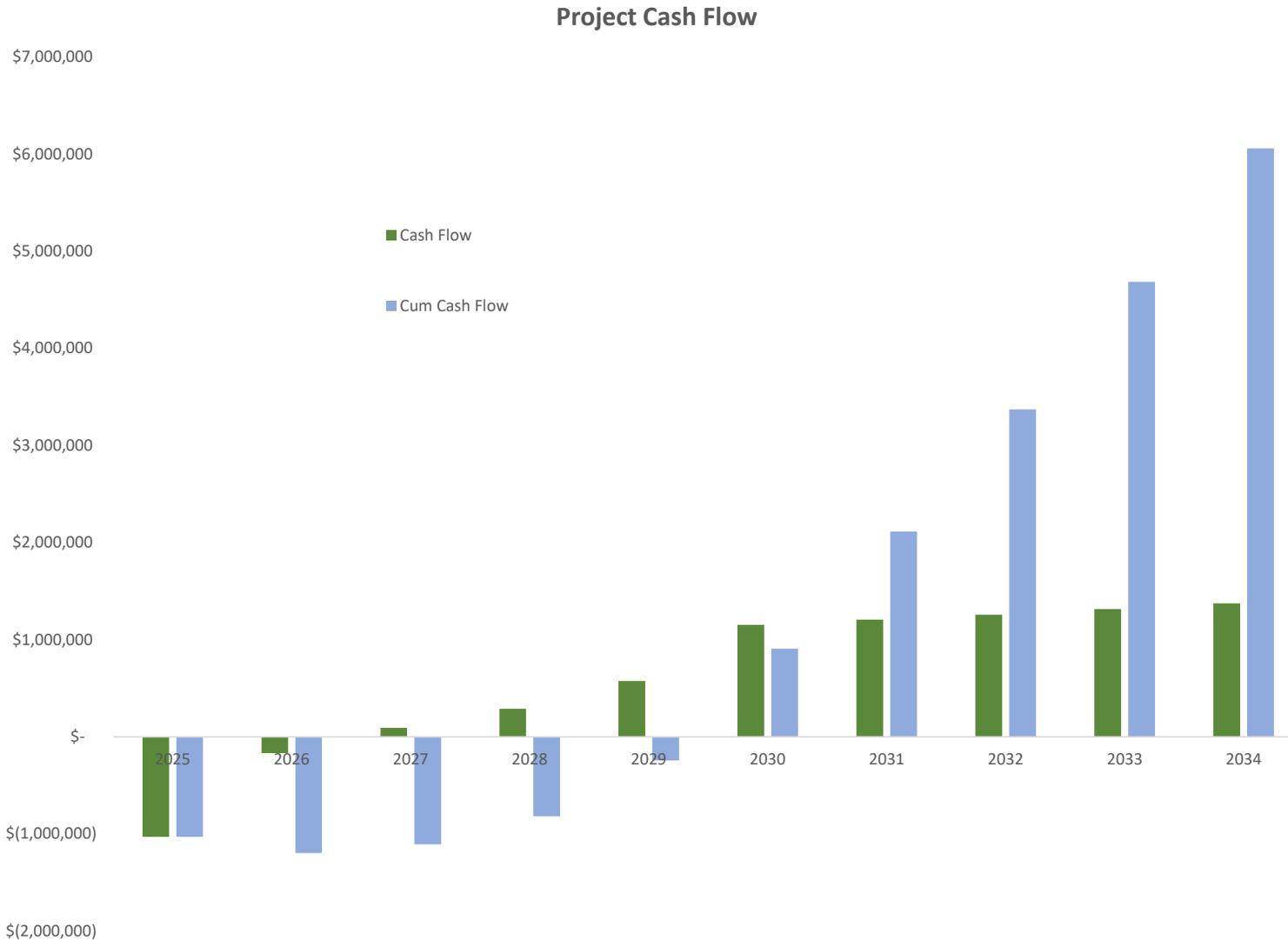
# The system modernization plan demonstrates strong financial strength, with positive earnings in year 1 and positive net income in year 2



# Total project CapEx is forecasted at \$3.1 million over a five-year deployment period



# The project is forecasted to achieve full payback in the 6<sup>th</sup> year of operation



## There are a number of elements of the technology roadmap that will need to addressed

### *Key Issues*

- Additional systems/capabilities needed
  - Replace water AMI system
  - Data management platform with asset management/work management capabilities
  - Prepaid metering to integrate with Tyler Munis
  - Integrated tools to centralize dispatching of CVR that integrates with QEI QSCADA
  - New outage management system with potential switching capabilities
- New processes and system mapping required
  - Billing process with Munis tied into data management to eliminate manual processes and rework requirements
  - Customer service functions aligned with system capabilities
  - Outage management/FLISR dynamically tied to Munis CIS and meter head end
  - Integrate asset management with ESRI ArcPro, ArcEnterprise, and Utility Network

**As part of the technology roadmap, there are three key areas that will need to be addressed to successfully integrate all of the elements of the system design**

***System Monitoring***

*Provide alarm based services for Milford's operations, including both operating systems (e.g., OMS, CVR) and business systems (e.g. network communications)*

***System Management***

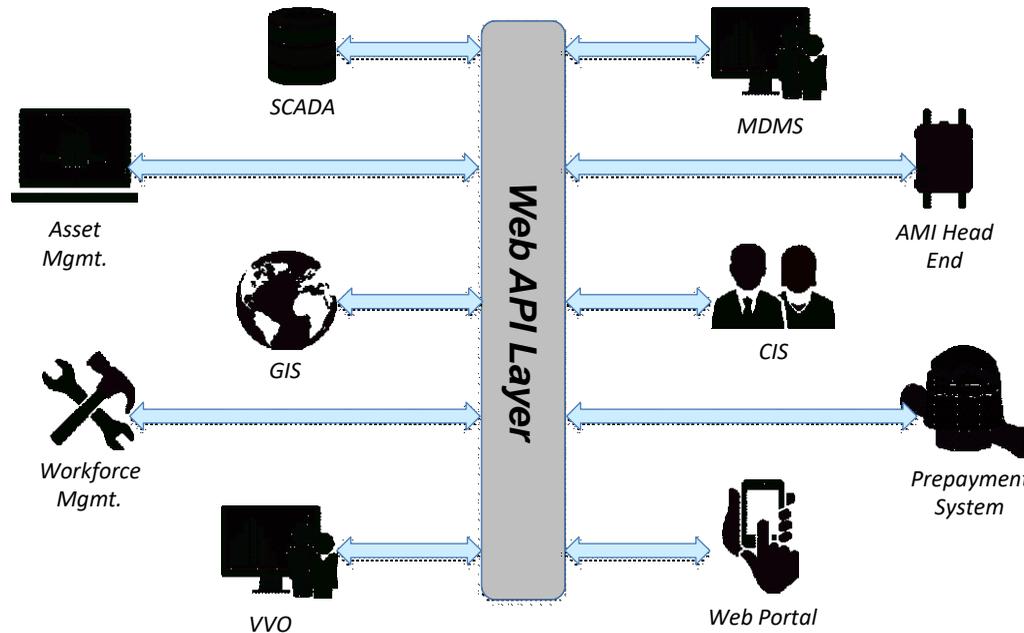
*Ensure the delivery of coordinated services that support distribution and communications and the systems in operation*

***System Analysis***

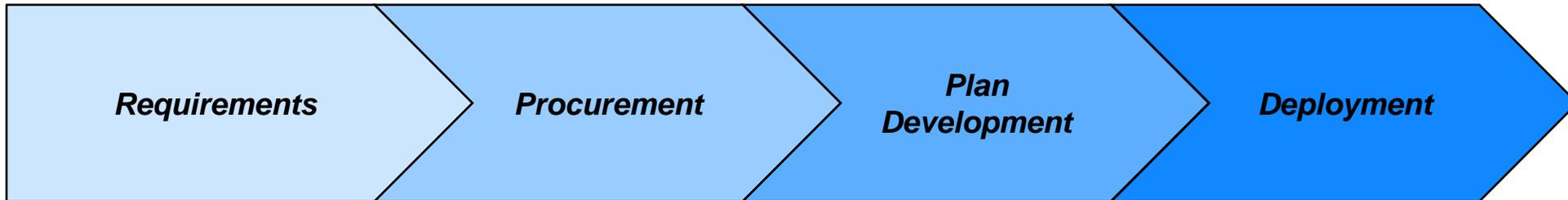
*Ensure that all system components are in full operation at all times*

## While automating the meter reading process is a key driver of a system modernization initiative, much of the value can be derived from utilizing the data

- Historically, 60-70% of the value of past automated meter reading projects was left on the table
  - Many electric utilities have primarily used AMI for simple meter reading
  - As a result, much valuable data is lost in the shuffle
- Today, AMI projects are oriented toward a data centric model
  - Complex data management and analysis systems are being designed to maximize benefits and enable more complex functionality
  - 10-15% of project costs are now focused on system integration due to the complexity of the system
  - Projects today feature the goal being asset management and the data analytics as the drivers



## There are four major stages of activity for Milford to ensure that systems implemented deliver the desired business results



*Establish technical requirements that will serve as the foundation of the implementation effort*

*Identify the optimal vendor(s) systems to implement*

*Prepare operational efforts prior to deploying new systems to ensure business process gains*

*Deploy new systems and test prior to full scale implementation*

# All of the pre-deployment activities can be accommodated over a nine-month period

Month #											
1	2	3	4	5	6	7	8	9	10	11	12

**Phase 1 – Requirements**

- Project Mobilization
- System Level Architecture
- Key Performance Indicators
- Adapt Use Cases
- Develop Requirements
- Operational Impacts Study
- Develop Pilot Scope

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**Phase 2 – Procurement**

- Procurement Strategy
- RFP Development
- Proposal Solicitation, Evaluation & Selection
- Vendor Contracting

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	█	█									
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**Phase 3 - Plan Development**

- Business Process Flows
- Pilot Implementation Plan
- Meter Configuration Specifications
- Mass Meter/Equipment Change-Out Plan
- Field Equipment Quality Assurance Plan
- Systems Integration Plan
- Communication Systems Backhaul Plan
- Test Plan Development

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**While the overall business case is strong, it is recommended that a step-function approach is pursued for development efforts**

Area of Focus	Use Cases	Recommended Approach
<i>Electric</i>	<ul style="list-style-type: none"> <li>• CVR</li> <li>• Outage management/FLISR</li> </ul>	<p><i>Develop RFP focused on two electric use cases and look for unified solution</i></p>
<i>Water</i>	<ul style="list-style-type: none"> <li>• AMI replacement</li> </ul>	<p><i>Develop RFP focused on new water AMI solution</i></p>
<i>Central</i>	<ul style="list-style-type: none"> <li>• Process reengineering</li> <li>• Asset management</li> <li>• Prepaid metering</li> </ul>	<p><i>Explore internal custom development of joint asset management and MDM; plan for prepay RFP</i></p>

## The goal is to now explore how to move from strategic assessment into successful implementation

- Develop dedicated task force to push program forward
- Develop specific technical requirements as the baseline for system design
- Develop a Request for Proposals that covers all of the use cases of interest
- Issue RFP and begin to engage with vendors
- Choose vendor(s) and work to design systems
- Prepare change management efforts alongside – and not after – the initial deployment stage



Greetings:

The Charter of the City of Milford provides the following:

“Article VII, Section 7.12: Attached to said tax list shall be a warrant, under the Seal of the City of Milford, signed by the Mayor and Attested to by the City Clerk, commanding the City Manager to make collection of Taxes as stated in the Tax Lists.”

THEREFORE, YOU, THE CITY MANAGER, DULY APPOINTED BY THE COUNCIL OF THE CITY OF MILFORD, ARE HEREBY COMMANDED TO COLLECT THE TAXES AS LEVIED IN THE FOUR WARDS, AS FOLLOWS:

Property Assessment Values Per Billing Register	\$ 1,398,562,514
Exemptions	[\$ 353,271,500]
Total Assessed Values	\$ 1,045,291,014
Tax Rate	x \$0.0059
Estimated Tax Collection	\$ 6,167,217
Senior Citizen Discount	[\$ 53,100]
<b>TOTAL TAX COLLECTION (<i>Fiscal Year 2024-2025</i>)</b>	<b>\$ 6,114,117</b>

Tax Due Date: September 30, 2024

\_\_\_\_\_  
Mayor F. Todd Culotta

Attest:

\_\_\_\_\_  
Interim City Clerk Katrina L. White

Adopted by City Council this 22<sup>nd</sup> day of July 2024.

PUBLIC WORKS FACILITY  
180 Vickers Drive  
Milford, DE 19963  
www.cityofmilford.com



DIRECTOR WILLIS L. SHAFER  
O 302.422.1110, EXT 1173  
Cell: 252-267-0461  
wshafer@milford-de.gov

To: Mayor and Council  
Thru: Mark Whitfield, City Manager  
From: Willis Shafer, Director of Public Works  
Subject: HEIL Automated DuraPack Refuse Truck Purchase  
Date: July 15, 2024

Staff is requesting that City Council approve the purchase of a HEIL 28 cubic yard refuse truck to expand the solid waste fleet to five vehicles pursuant to the FY25 budget. The fleet schedule initially contemplated the replacement of a 2017 Freightliner in FY26, but with high engine hours and mileage, excessive downtime and increasing maintenance costs, the acquisition of a new truck was advanced to FY25 with the intent to retain the 2017 Freightliner as a backup.

The 2017 Freightliner has accumulated 74,000 miles and 12,265 engine hours, which are high for a piece of equipment used five days a week, seven hours a day. In FY24, the 2017 Freightliner was out of service 45 collection days and cost the City \$51,767 in labor and material. This truck has exceeded its life expectancy, and maintenance costs will continue to increase if it remains in use daily.

The retirement of the 2017 Freightliner is essential to the daily refuse collection operation, and is needed to help crews collect more efficiently, provide excellent customer service and allow fleet operations to address other vehicles and equipment. The replacement of this truck will be deferred, allowing it to be rotated into the schedule periodically, promoting improved preventative maintenance and serving as a contingency for unexpected downtime across the fleet.

The purchase of this truck will be made through the Sourcewell Contract at a contract price of \$422,454, which will be funded in part through the Equipment Replacement Reserve (\$118,463) and in part through solid waste reserves (\$303,991). The actual cost of the vehicle is less than the budgeted cost of \$500,000; savings of \$77,546 will be preserved in solid waste reserves. The finance team have reviewed the purchase and have confirmed that the funding was approved in the FY25 budget. The truck specifications are attached.

**Recommendation:** Staff recommends City Council authorize a purchase order in the amount of \$422,454 to acquire this truck through Mid-Atlantic pursuant to the Sourcewell Contract.

enc



Division of THC Enterprises, Inc.

Easton, MD \* Baltimore, MD \* Chesapeake, VA Chester, PA \*  
Clinton, MD \* Cheswick, PA \* Salem, VA

Phone 800-338-7274 Fax 410-820-9916  
Visit us on the web! www.mawaste.com



# PROPOSAL

Remittance Address for Deposits:

10641 Cordova Road  
Easton, MD 21601

**SOLD TO**  
Vince Waydelis  
Milford, City of  
180 Vickers Dr  
Milford, DE

**SHIP TO**  
Vince Waydelis  
Milford, City of  
180 Vickers Dr  
Milford, DE

Quote #: RSSQ41092-B  
Account:  
Terms:  
Date: 07/17/24

+1 302-422-1110  
vwaydelis@milford-de.gov

+1 302-422-1110  
vwaydelis@milford-de.gov

Sales Rep Colin Kraus

Quote expires 30 days from proposal date. Due to fluctuating materials and fuel charges, final price can change without notice. We appreciate the opportunity to work with you on this!

QTY	DESCRIPTION	UNIT PRICE	EXT PRICE
-----	-------------	------------	-----------

*\*\*\*Pricing is in Accordance with Heil Sourcewell Contract #091219-THC HEIL*

*\*\*\*City of Milford, DE Account # 31321*

1.00	HEIL Automated DuraPack Python 28 Cubic Yard Eject;	\$415,280.00	\$415,280.00
------	---	--------------	--------------

- 5.2 yd3 hopper
- 108 in. lift reach
- Python Lift - 2-year limited structural warranty
- Lift capacity up to 800 lbs.
- Street side access door with step and grab (includes Interlocks)
- Under hopper liquid sump with 2 clean-out doors and steel rake
- Body service props for service hoist models
- Tailgate service props
- Fully automatic Shur-Lock™ tailgate locks
- O.I.G.A.I. front mount tandem vane pump system
- Cushioned up and down with chrome-plated rods
- Chassis frame-mounted oil tank with level/temperature gauge and oil suction shut-off valve
- 3-micron return line filter with magnetic trap and in-cab filter bypass monitor
- 100-micron suction line strainer
- Abrasion resistant hydraulic hoses
- In-cab packing controls, electric/air
- In-cab lift controls, air/electric, joystick
- In-cab controls for eject models, electric/air
- In-cab tailgate controls, air
- Cortex Controller™ with InSight™ diagnostic display and standard lift cycle counter
- Severe Duty Packer wear bar kit -Hopper only
- Safety triangle
- In-cab function and indicator lights
- Select-O-Pack
- AutoLift™
- Arm rest
- Lift reach warning
- Backup alarm
- Backup and license plate lights
- LED Center mounted brake light
- LED Duplicate high and low mount stop, turn, and tail lights
- LED Mid-body turn signals
- LED FMVSS #108 clearance lights and reflectors
- ICC reflective tape
- Rear mud faps - anti-sail/anti-splash
- Rear underide guard
- Rear camera bracket and food lights - reverse activated

QTY	DESCRIPTION	UNIT PRICE	EXT PRICE
	-Body undercoating -Customer's choice of one color finish paint from Color Smart brochure -Standard 1-year (2,000 hours of operation) warranty -ANSI Z 245.1-2012 compliant -Cavity coat and joint sealer -Remote packer lube kit -5 lb. in-cab fire extinguisher		
1.00	Mounted On: 2023 Battle Motors LET2 DDRH Sit Engine:Cummins X-12 Transmission- Allison 4500 RDS Front: 20,000 lb Rear: 46,000 lb White		
1.00	Full Factory Mount for Service Hoist or Eject Models, and Serviceable Eject		
1.00	Front Mount Pump - Operate-in-Gear-at-Idle (OIGAI) Front Mount Tandem Vane Pump (STANDARD)		
1.00	Universal Belt Grabbers with Spring Loaded Inner-Arm- to accommodate 90-300 Gallon Round Automated Barrels		
1.00	Hopper & Lift Work Light Kit - LED- Two Lights- In-Cab Switch		
1.00	Multi-Function (SMART) LED Strobe / Turn Lamps- Includes LED Light Package for Entire Unit		
1.00	Body Side Backing Assist Lights- Reverse Activated		
1.00	Dual Front Oval LED Strobes		
1.00	Upgraded Base 3rd Eye Dual Camera System with 9" monitor which includes digital grabber guidelines, Dual Cameras, One Mounted rear view and one Grabber Camera Mounted on the Side of the Hopper.		
1.00	3rd Eye Digital System: Includes (Driver and forward Facing Camera (Window Unit), and Gateway - (In-Cab Monitor Not Included)		
1.00	Add 3rd Eye Camera (Hopper)		
1.00	3" Hopper Drain Valve		
1.00	Mud Flaps- Anti-Sail / Anti-Splash- Ahead of Rear Tires		
1.00	Manual Hopper Cover-Standard Cover- Mesh Expanded Metal with extended handle accessible from ground		
1.00	20 lb Fire Extinguisher with Bracket		
1.00	Aluminum tool box (18"x 18"x24")- bumper mounted		
1.00	Rear Caution Decal		
1.00	Broom and Shovel Kit - Mounted Underbody - Includes Broom and Shovel		
1.00	Sump Chutes		
1.00	Fender Extension Kit		
1.00	Freight-Mounted Units New Castle-Driveaway		
1.00	Freight to Heil		
1.00	***Additional Options Added:	\$7,174.00	\$7,174.00
	- Supply & Install Hopper Hood - Supply & Install Auxilliary Switch Panel by Passenger Side Seat <i>Price includes one standard color paint. Additional charges will apply if not a standard color paint from paint brochure or a metallic paint.</i> <i>Terms: 10% Deposit required at time of order, Net on Delivery</i>		

QTY	DESCRIPTION	UNIT PRICE	EXT PRICE
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*Price is based on the delivery of a clean and clear, ready to mount chassis, meeting Heil's minimum chassis requirements, delivered to the plant in Fort Payne, AL. Any alterations of battery box, air tanks, etc., will be an additional charge to the customer. A mounted and pre-delivery inspected unit will be delivered back to a Mid-Atlantic Waste Systems facility. Customer will pick up unit upon completion.*

*All built per manufacturer's standard specifications.*

*No title or tag fees included.*

*Due to the volatility of the fuel and steel markets, prices are subject to change without notice.*

*Price does not include any local, state, or federal excise tax.*

*Price includes freight.*

Quote expires 30 days from proposal date. Due to fluctuating materials and fuel charges, final price can change without notice. We appreciate the opportunity to work with you on this!

Subtotal	\$422,454.00
Federal Excise Tax	\$0.00
Sales Tax	\$0.00
TOTAL*	\$422,454.00

For orders under \$5,000 you may pay by credit card. Please visit [www.mawaste.com](http://www.mawaste.com) and select "Pay Bill"

\*Terms and limitations apply, see Payment terms below

\*Total does not include optional items

***F.E.T will be charged on all applicable items unless current F.E.T Exemption form is on file.***

*Any cancellation or modification of order will result in a 20% restocking charge to Buyer.*



## TERMS AND CONDITIONS

### 1. General

No terms or condition of Buyer's purchase order which is different from or in addition to Seller's terms and conditions set forth herein shall bind Seller unless expressly agreed to in writing by Seller's duly authorized representative. Buyer's acceptance of any offer made by Seller is expressly limited to the terms and conditions provided herein. Unless otherwise stated, Seller's quotation may be modified or withdrawn prior to acceptance, and in any event, shall expire after 30 days from its date. This order is not binding on MID-ATLANTIC WASTE SYSTEMS until officially approved. The said machinery, equipment and/or parts are ordered and will be purchased subject to written contract only, and are not affected by any verbal representations or agreements, nor is this order subject to cancellation by the Purchaser without the Seller's consent. Any cancellation or modification of order will result in a 20% restocking charge to Buyer.

### 2. Price and Payment

**\*\*Payments Accepted:** Cash, Checks, ACH & Wires. Credit Card payments above \$5,000 will incur a 3% fee.

(a) Prices quoted herein are exclusive of all taxes. Any taxes levied or which may become due, and other charges or assessments made by any taxing authority in connection with this contract or the sale, except those measured by Seller's net income, shall be the expense of the Buyer and shall be payable to Seller at or before such tax or other amount is due. When Buyer is entitled to exemption from any tax, Buyer shall furnish Seller with a tax exemption certificate acceptable to the taxing authorities.

(b) Interest at the rate of one and one-half per cent (1.5%) per month (18% per annum), or the maximum lawful rate allowable, will be charged, whichever is less, on all past due invoices. The undersigned agrees to pay all expenses, charges, costs and fees, including, without limitation, attorney's fees and expenses, of any nature whatsoever paid or incurred by, or on behalf of MID-ATLANTIC WASTE SYSTEMS, DIVISION OF THE ENTERPRISES, INC., in connection with any collection action brought hereunder. The invalidity of all or any part of any provision of this Agreement shall not render invalid the remainder of such provision or any other part of this Agreement.

(c) MID-ATLANTIC WASTE SYSTEMS, DIVISION OF THE ENTERPRISES, INC., shall retain ownership of and title to the above machinery, equipment and parts covered by this order until fully paid for in cash and until any note given in evidence of indebtedness, and any renewals thereof, have been fully paid. If any such note is not paid in full at its maturity, all other notes and obligations given in evidence of indebtedness hereof shall at once become due, and the said MID-ATLANTIC WASTE SYSTEMS, DIVISION OF THE ENTERPRISES, INC., shall have the right to take possession of said machinery wheresoever it may be situated and sell the same pursuant to the conditional sales statutes of the State of Maryland.

### 3. Delivery

(a) Delivery dates are estimated and not guaranteed by Seller and, in any event are conditioned upon receipt of all specifications and other data required to be furnished by the Buyer.

(b) If shipment or delivery is delayed because of an act or omission of the Buyer, payment shall be due upon notification by Seller that goods are ready for shipment. Buyer shall pay any additional charges including, but not limited to, cost of storage, handling, and insurance.

### 4. WARRANTY AND LIMITATIONS OF LIABILITY

ANY EXPRESS WRITTEN WARRANTY PROVIDED BY THE MANUFACTURER OF THE EQUIPMENT DESCRIBED IN THIS QUOTATION IS GIVEN IN LIEU OF ALL OTHER WARRANTIES EXPRESS OR IMPLIED, INCLUDING ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. SELLER SHALL NOT BE LIABLE FOR SPECIAL, INCIDENTAL, OR CONSEQUENTIAL DAMAGES RESULTING FROM DEFECTIVE GOODS, SELLER'S NEGLIGENCE, BREACH OF WARRANTY OR CONTRACT, OR CLAIMS BASED UPON STRICT LIABILITY. IN NO EVENT SHALL SELLER BE LIABLE FOR CONSEQUENTIAL DAMAGES COMMERCIAL IN NATURE.

5. Delays

Seller shall not be liable for the failure or delay in the performance of any term, condition, or obligation hereunder due to any cause beyond the Seller's control, including but not limited to Acts of God, acts of the Buyer, war, insurrections or riots, fires, floods, accidents, acts, orders or regulations of any government, inability to obtain necessary materials, services or facilities, strikes or other labor troubles.

6. Development Changes

Changes in design, specifications, construction or materials, may be made at Seller's discretion, and without Buyer's consent, where such changes do not materially affect price, delivery or guaranteed performance (if any) of the goods, or make unusable any other item of goods furnished hereunder.

7. Termination

No order may be terminated without Seller's written consent. Upon any termination Buyer shall pay reasonable termination charges, including but not limited to, manufacturing and sales costs, overhead, costs or goods and profit. Any cancellation or modification of order will result in a 20% restocking charge to Buyer.

8. Miscellaneous

This agreement shall be binding upon the successors and assigns of the parties. If any provision herein is found to be invalid as a matter of law or by public policy, it shall be considered severed from the remainder of the provisions which shall remain in full force and effect. This agreement shall be governed by the laws of the State of Maryland.

**Equipment Purchase Agreement - [MUST BE COMPLETED OR A PURCHASE ORDER\* MUST BE ATTACHED TO PROCESS ORDER]**

PO attached  **\*\*PURCHASE ORDER MUST INCLUDE BILLING INFORMATION, TAX STATUS AND EXEMPTION (IF APPLICABLE) TO BE ACCEPTED IN LIEU OF COMPLETING BELOW.**

Sales Tax Status - MUST SELECT AN OPTION NOT EXEMPT  TAX EXEMPT \*  **\* COPY OF TAX EXEMPTION ATTACHED**

PLEASE NOTE: Tax exemption form is mandatory if the "Tax Exempt" box is checked, otherwise sales tax will be applied if supporting document is not provided. We are not able to remove sales tax once billed. It will be the customers responsibility to contact the state agency in order to request a refund.

Billing Information:

CHECK IF SAME AS SOLD TO ABOVE. IF NOT, PLEASE FILL OUT BELOW.

BILL TO NAME(S): \_\_\_\_\_

NAME CONT.): \_\_\_\_\_

ADDRESS: \_\_\_\_\_

ADD CONT. \_\_\_\_\_

CITY \_\_\_\_\_ STATE \_\_\_\_\_ ZIP \_\_\_\_\_

EMAIL (where invoice is to be sent): \_\_\_\_\_

NOTE: Please read carefully. This quote becomes a sales order if signed by customer. Your order will be processed as written! Notify of any changes needed within five (5) days of signing. Financing available, subject to credit approval. I have read and understand the terms and conditions on this Order.

You are agreeing to be invoiced \$422,454.00 per quote RSSQ41092-B

**X** \_\_\_\_\_  
Customer Approval to Process Order

\_\_\_\_\_  
Date

*Thank you for the opportunity to earn your business!*

## Planning Commission Term Expiration Dates:

<i>Sharp</i>	<i>Marvin C.</i>	<i>844 NE Front Street</i>	<i>8/31/2024</i>
<i>DiCostanzo,</i>	<i>Shelby Nash</i>	<i>310 Matthew Circle</i>	<i>8/31/2026</i>
<i>Hammond</i>	<i>Charles T. Jr.</i>	<i>602 North Street Ext.</i>	<i>8/31/2026</i>
Purcell	Jim	102 Kings Hwy	8/31/2025
<i>Redden</i>	<i>Mark A.</i>	<i>107 S Washington Street</i>	<i>8/31/2024</i>
Sauls	David	2 East Thrush Drive	8/31/2025
Wright	Ian	600 Maple Street	8/31/2026

## Board of Adjustment Member Term Expiration Dates:

<i>Warfel</i>	Brendon	960 NE Front Street	8/31/2025
<i>Mescola</i>	<i>Ronald</i>	<i>709 N. Shore Drive</i>	<i>8/31/2024</i>
Rizzo	Ronald	19644 Drummond Drive	8/31/2026
White	Andria	7453 Pinwheel Drive	8/31/2027
Wiley	Joseph	202 Lakeview Avenue	8/31/2027

## Tree Preservation & Advisory Board Member Term Expiration Dates:

Metzner	Timothy	9 Royal Drive	8/31/2025
Heverly	Holly	712 New Street	8/31/2026
<i>Muldrow</i>	<i>Leigh</i>	<i>16 W Clarke Ave</i>	<i>8/31/2024</i>
<i>Wahl</i>	<i>Eric</i>	<i>3301-C North Sagamore Drive</i>	<i>8/31/2024</i>
Johnsen	Eric	703 N Walnut Street	8/31/2026

## Parks & Recreation Advisory Board Member Term Expiration Dates:

Baltazar-Lopez	Ronny	7134 Marshall Street	8/31/2025
Johnson	Darron	505 Marshall Street	8/31/2026
<i>Shupe</i>	<i>William</i>	<i>805 Joshua Drive</i>	<i>8/31/2024</i>
Schmidt	Meredith	434 Kings Highway	8/31/2026
<i>Walter</i>	<i>Tiffany</i>	<i>404 Woodland Drive</i>	<i>8/31/2024</i>



HUMAN RESOURCES  
10 SE Second Street  
Milford, DE 19963

PHONE 302.424.5142  
FAX 302.424.5932  
www.cityofmilford.com

TO: Mayor and City Council

FROM: Jamesha C. Williams, MBA, MSL, IPMA-CP- Human Resources Director

DATE: July 18, 2024

RE: Temporary Salary Increase-Senior Deputy City Clerk/Interim City Clerk

For City Council's consideration regarding the temporary salary increase for the Senior Deputy City Clerk/Interim City Clerk, I am providing the following facts:

1. The City of Milford has traditionally provided a 5 – 10% temporary salary increase when employees take on additional job responsibilities for a vacant job position. This past practice has consistently been applied to both hourly and salaried employees.
2. The Senior Deputy City Clerk's job position is a Pay Grade 107 and is eligible for overtime.
3. The City Clerk's job position is a Pay Grade 109 and is not eligible for overtime. (Salaried)
4. The Senior Deputy City Clerk's current wage is Pay Grade 107, Step 5.
5. During the period of January 1, 2023-December 31, 2023, the Senior Deputy City Clerk worked 108 hours of overtime.
6. The temporary salary increase, should reflect a step determined by City Council within Pay Grade 109 on the non-union pay chart effective July 1, 2024-June 30, 2025.
7. The temporary salary increase should be effective July 1, 2024, which is the date that the additional job responsibilities began.
8. Once City Council appoints the new City Clerk, the Senior Deputy City Clerk/Interim City Clerk's salary will adjusted back to the original pay rate (before the temporary salary increase was assigned), or if the Interim City Clerk is appointed, a decision may be made on any step adjustment under Pay Grade 109 for the internal job promotion.

**Pay Scale**  
**July 1, 2024 - June 30, 2025**

Grade	1	2	3	4	5	6	7	8	9
101	\$36,416.73	\$37,509.23	\$38,634.51	\$39,793.55	\$40,987.35	\$42,216.97	\$43,483.48	\$44,787.99	\$46,131.63
102	\$40,058.40	\$41,260.16	\$42,497.96	\$43,772.90	\$45,086.09	\$46,438.67	\$47,831.83	\$49,266.78	\$50,744.79
103	\$44,064.24	\$45,386.17	\$46,747.76	\$48,150.19	\$49,594.70	\$51,082.54	\$52,615.01	\$54,193.46	\$55,819.27
104	\$48,470.67	\$49,924.79	\$51,422.53	\$52,965.21	\$54,554.16	\$56,190.79	\$57,876.51	\$59,612.81	\$61,401.19
105	\$53,317.74	\$54,917.27	\$56,564.79	\$58,261.73	\$60,009.58	\$61,809.87	\$63,664.16	\$65,574.09	\$67,541.31
106	\$58,649.51	\$60,408.99	\$62,221.26	\$64,087.90	\$66,010.54	\$67,990.86	\$70,030.58	\$72,131.50	\$74,295.44
107	\$64,514.46	\$66,449.89	\$68,443.39	\$70,496.69	\$72,611.59	\$74,789.94	\$77,033.64	\$79,344.65	\$81,724.99
108	\$70,965.91	\$73,094.88	\$75,287.73	\$77,546.36	\$79,872.75	\$82,268.94	\$84,737.00	\$87,279.11	\$89,897.49
109	\$78,062.50	\$80,404.37	\$82,816.50	\$85,301.00	\$87,860.03	\$90,495.83	\$93,210.70	\$96,007.02	\$98,887.24
110	\$85,868.75	\$88,444.81	\$91,098.15	\$93,831.10	\$96,646.03	\$99,545.41	\$102,531.77	\$105,607.73	\$108,775.96
111	\$94,455.62	\$97,289.29	\$100,207.97	\$103,214.21	\$106,310.63	\$109,499.95	\$112,784.95	\$116,168.50	\$119,653.55
112	\$103,901.18	\$107,018.22	\$110,228.77	\$113,535.63	\$116,941.70	\$120,449.95	\$124,063.45	\$127,785.35	\$131,618.91
113	\$114,291.30	\$117,720.04	\$121,251.64	\$124,889.19	\$128,635.87	\$132,494.94	\$136,469.79	\$140,563.88	\$144,780.80
114	\$125,720.43	\$129,492.04	\$133,376.81	\$137,378.11	\$141,499.45	\$145,744.44	\$150,116.77	\$154,620.27	\$159,258.88
115	\$138,292.47	\$142,441.25	\$146,714.49	\$151,115.92	\$155,649.40	\$160,318.88	\$165,128.45	\$170,082.30	\$175,184.77
116	\$152,121.72	\$156,685.37	\$161,385.94	\$166,227.51	\$171,214.34	\$176,350.77	\$181,641.29	\$187,090.53	\$192,703.25
Grade	10	11	12	13	14	15	16	17	18
101	\$47,515.57	\$48,941.04	\$50,409.27	\$51,921.55	\$53,479.20	\$55,083.57	\$56,736.08	\$58,438.16	\$60,191.31
102	\$52,267.13	\$53,835.15	\$55,450.20	\$57,113.71	\$58,827.12	\$60,591.93	\$62,409.69	\$64,281.98	\$66,210.44
103	\$57,493.84	\$59,218.66	\$60,995.22	\$62,825.08	\$64,709.83	\$66,651.12	\$68,650.66	\$70,710.18	\$72,831.48
104	\$63,243.23	\$65,140.53	\$67,094.74	\$69,107.58	\$71,180.81	\$73,316.24	\$75,515.72	\$77,781.19	\$80,114.63
105	\$69,567.55	\$71,654.58	\$73,804.22	\$76,018.34	\$78,298.89	\$80,647.86	\$83,067.29	\$85,559.31	\$88,126.09
106	\$76,524.31	\$78,820.04	\$81,184.64	\$83,620.18	\$86,128.78	\$88,712.65	\$91,374.02	\$94,115.25	\$96,938.70
107	\$84,176.74	\$86,702.04	\$89,303.10	\$91,982.19	\$94,741.66	\$97,583.91	\$100,511.43	\$103,526.77	\$106,632.57
108	\$92,594.41	\$95,372.24	\$98,233.41	\$101,180.41	\$104,215.83	\$107,342.30	\$110,562.57	\$113,879.45	\$117,295.83
109	\$101,853.85	\$104,909.47	\$108,056.75	\$111,298.45	\$114,637.41	\$118,076.53	\$121,618.83	\$125,267.39	\$129,025.41
110	\$112,039.24	\$115,400.41	\$118,862.43	\$122,428.30	\$126,101.15	\$129,884.18	\$133,780.71	\$137,794.13	\$141,927.95
111	\$123,243.16	\$126,940.46	\$130,748.67	\$134,671.13	\$138,711.26	\$142,872.60	\$147,158.78	\$151,573.54	\$156,120.75
112	\$135,567.48	\$139,634.50	\$143,823.54	\$148,138.24	\$152,582.39	\$157,159.86	\$161,874.66	\$166,730.90	\$171,732.82
113	\$149,124.23	\$153,597.95	\$158,205.89	\$162,952.07	\$167,840.63	\$172,875.85	\$178,062.12	\$183,403.99	\$188,906.11
114	\$164,036.65	\$168,957.75	\$174,026.48	\$179,247.27	\$184,624.69	\$190,163.43	\$195,868.34	\$201,744.39	\$207,796.72
115	\$180,440.31	\$185,853.52	\$191,429.13	\$197,172.00	\$203,087.16	\$209,179.78	\$215,455.17	\$221,918.83	\$228,576.39
116	\$198,484.34	\$204,438.87	\$210,572.04	\$216,889.20	\$223,395.88	\$230,097.75	\$237,000.69	\$244,110.71	\$251,434.03

NOTE: No employee will exceed Step 18 of the pay scale. Wages will be capped once the employee reaches the top of the pay range specific to their job pay grade.



The governing body has recessed to Executive Session. The regular meeting will resume shortly.